



DESCRIPTION



VERMONT COMMERCIAL LENDER LICENSE

Who is required to have this license?

Any company or person who engages solely in the business of making commercial loans of money, credit, goods, or things in action and charges, contracts for or receives on any such loan interest, a finance charge, discount, or consideration therefore. Commercial loans do not include a loan or extension of credit secured in whole or in part by an owner occupied one-to-four-unit dwelling. **[Note: The company's main office must be licensed as a lender prior to, or simultaneously with, the filing of a branch lender license.]**

A commercial loan solicited and made by mail, telephone or electronic means to a Vermont resident is subject to licensing notwithstanding where the loan is legally made. No person may engage in the business of soliciting and making commercial loans by mail, telephone or electronic means to Vermont unless duly licensed.

Who does not need this license?

The following is a *partial* list of exceptions. For a complete list of exceptions, please refer to [8 V.S.A. § 2201\(d\)](#)

- a depository institution [see the definition of “depository institution” in [8 V.S.A. § 2200\(4\)](#)]
- an insurance company
- lenders making commercial loans of \$1,000,000.00 or more
- persons who loan an aggregate of less than \$50,000.00 in any one year at rates of interest of no more than 12 percent per annum, other than residential mortgage loans
- a seller of goods or services that finances the sale of such goods or services, other than a residential mortgage loan
- a person making an unsecured commercial loan that is expressly subordinate to the prior payment of all senior indebtedness of the commercial borrower regardless of whether such senior indebtedness exists at the time of the loan or arises thereafter, and the loan does not include the right to convert all or a portion of the amount due on the loan to an equity interest in the commercial borrower

What are the pre-requisites for license applications?

Registered Agent recorded with the Vermont Secretary of State.

Who to Contact – Contact Banking Division licensing staff by phone at 802-828-3307 or send your questions via e-mail to nmls@bishca.state.vt.us for additional assistance.

YOU ARE NOT AUTHORIZED TO ENGAGE IN LENDING IN THE STATE OF VERMONT UNTIL YOU HAVE RECEIVED A LICENSE APPROVAL THROUGH THE NMLS.