



# CA-DBO Student Loan Servicing License New Application Checklist (Company)

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## CHECKLIST SECTIONS

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- [License Fees](#)
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## GENERAL INFORMATION

### Who Is Required to Have This License?

This license will become available in NMLS starting January 1st, 2018.

Pursuant to the “Student Loan Servicing Act” (California Financial Code Division 12.5, section 28100, et seq.), all persons engaged in the business of servicing student loans in California must be licensed, unless expressly excluded from coverage.

### Activities Authorized Under This License

This license authorizes the following activities...

- Non-private student loan servicing
- Private student loan servicing

### Pre-Requisites for License Applications

- Student Loan Servicers must continuously maintain a minimum net worth of at least two hundred fifty thousand dollars (\$250,000). They must also maintain a surety bond in a minimum amount of twenty-five thousand dollars (\$25,000), payable to the commissioner, and issued by an insurer authorized to do business in California.

California Department of Business Oversight (CA-DBO) does not issue paper licenses for this license type.

### Document Uploads Guidance

Documents that must be uploaded to the *Document Uploads* section of the Company Form (MU1) in NMLS are indicated in the checklist below. When uploading documents:

- Follow the guidance in [Document Upload Descriptions and Examples](#).
- Only upload documents relevant to the company application.
- Only upload documents where there is a selectable document category. If inappropriate documents are uploaded that should not be, you will be contacted by your regulator and asked to remove them from NMLS.

- Do not upload the same company documents multiple times. Generally, unless the document is state-specific, if the document has already been uploaded for another state, a new upload is not required unless changes have been made.
- If a document previously uploaded has been revised, delete the old document and replace it with the new document (history of the old document will remain in NMLS).
- For state-specific documents (e.g., Surety Bonds), be sure to indicate the applicable state.

### Helpful Resources

- [Company Form \(MU1\) Filing Instructions](#)
- [Document Upload Descriptions and Examples](#)
- [Individual Form \(MU2\) Filing Quick Guide](#)
- [Financial Statements Quick Guide](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

### Agency Contact Information

Please refer to the Department of Business Oversight website at [www.dbo.ca.gov](http://www.dbo.ca.gov) or contact Department of Business Oversight by phone at 866-275-2677 for additional assistance.

*Physical Address:*

*California Department of Business Oversight  
Student Loan Servicing Program  
1515 K ST, Suite 200  
Sacramento, CA 95814*

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING. THE AGENCY SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.

**LICENSE FEES** - Fees collected through NMLS are NOT REFUNDABLE OR TRANSFERABLE.

Complete	CA-DBO Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	<p><b>CA-DBO Application Fee:</b> \$400 This fee includes the investigation fee.</p> <p><b>NMLS Initial Processing Fee:</b> \$0</p>	<b>NMLS (Filing submission)</b>
<input type="checkbox"/>	<b>Credit Report for Control Persons:</b> \$15 per control person.	<b>NMLS (Filing submission)</b>

**REQUIREMENTS COMPLETED IN NMLS**

Complete	CA-DBO Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	<b>Submission of Company Form (MU1):</b> Complete and submit the Company Form (MU1) in NMLS. This form serves as the application for the license/registration through NMLS.	<b>NMLS</b>
<input type="checkbox"/>	<p><b>Financial Statements:</b> Upload an <b>Audited</b> financial statement prepared by an independent Certified Public Accountant in accordance with Generally Accepted Accounting Principles dated within 90 days of your fiscal year end. Financial statements should include a balance sheet, income statement, and statement of cash flows and all relevant disclosures and notes thereto. If applicant is a start-up company, only an initial statement of condition is required.</p> <p>The financial statements must indicate a net worth of at least \$250,000.</p> <p><b>Note:</b> Financial statements are uploaded separately under the Filing tab and <i>Financial Statement</i> submenu link. See the <a href="#">Financial Statements Quick Guide</a> for instructions.</p>	<b>NMLS</b>
<input type="checkbox"/>	<p><b>Other Trade Name:</b> If operating under a name that is different from the applicant’s legal name, that name (“Trade Name”, “Assumed Name” or “DBA”) must be listed under the <i>Other Trade Names</i> section of the Company Form (MU1). CA-DBO does not limit the number of other trade names.</p> <p>If operating under an “Other Trade Name”, upload a file endorsed copy of the fictitious business name statement filed in accordance with Chapter 5, commencing with Section 17900, of the California Business and Professions Code for each trade name or dba that the applicant intends to use in California.</p> <p>This document should be named <i>Student Loan Servicer Trade Name – Assumed Name</i>.</p>	<p><b>NMLS</b></p> <p><b>Upload in NMLS:</b> under the Document Type <u>Trade Name/Assumed Name Registration Certificates</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

Complete	CA-DBO Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	<b>Resident/Registered Agent:</b> The Resident/Registered Agent must be listed under the <i>Resident/Registered Agent</i> section of the Company Form (MU1).	NMLS
<input type="checkbox"/>	<b>Primary Contact Employees:</b> The following individuals must be entered into the <i>Contact Employees</i> section of the Company Form (MU1). <ol style="list-style-type: none"> <li>1. <b>Primary Company Contact.</b></li> <li>2. <b>Primary Consumer Complaint Contact.</b></li> </ol>	NMLS
<input type="checkbox"/>	<b>Non-Primary Contact Employees:</b> CA-DBO <b>requires</b> that an individual(s) be identified as a <b>Non-Primary Contact</b> for the following areas. These contacts must be listed in the <i>Contact Employees</i> section of the Company Form (MU1). <ol style="list-style-type: none"> <li>1. Consumer Complaint (Public)</li> <li>2. Legal</li> </ol>	NMLS
Note	<b>Bank Account:</b> Bank account information is not required. The <i>Bank Account</i> section of the Company Form (MU1) can be left blank.	N/A
<input type="checkbox"/>	<b>Disclosure Questions:</b> Provide a complete and detailed explanation and document upload for each “Yes” response to Disclosure Questions made by the company or related control persons (MU2). See the <a href="#">Company Disclosure Explanations Quick Guide</a> for instructions.	<b>Upload in NMLS</b> in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2).
Note	<b>Qualifying Individual:</b> The <i>Qualifying Individual</i> section is not required to be completed for CA-DBO on the Company Form (MU1).	N/A
<input type="checkbox"/>	<b>Control Person (MU2) Attestation:</b> Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable control person before it can be submitted along with the Company Form (MU1).	NMLS
<input type="checkbox"/>	<b>Credit Report:</b> Individuals in a position of control are required to authorize a credit report through NMLS. Individuals will be required to complete an Identity Verification Process (IDV) along with an individual attestation before a license request for your company can be filed through NMLS. This authorization is made when the Individual Form (MU2) is submitted as part of the Company Form (MU1).	NMLS
Note	<b>MU2 Individual FBI Criminal Background Check Not Required Through NMLS:</b> Direct Owners/Executive Officers, Indirect Owners, and Qualifying Individuals are NOT required to authorize a FBI criminal background check (CBC) through NMLS.  <b>Note:</b> A CBC is required outside NMLS for this license, however CA-DBO has currently suspended the collection of fingerprints. Applicants will be contacted with further instructions when this process has been reinstated. Until the new fingerprinting process has been implemented, Student Loan Servicing License applications will remain in a “Pending-Incomplete” status.	N/A

Complete	CA-DBO Student Loan Servicing License	Submitted via...										
<input type="checkbox"/>	<p><b>Electronic Surety Bond:</b> Electronic Surety Bond via NMLS in the amount described below, furnished and submitted by a surety company authorized to conduct business in California.</p> <p>See the <a href="#">ESB Adoption Table</a> and the <a href="#">ESB for NMLS Licensees page</a> of the NMLS Recourse Center for more information.</p> <p><b>Note:</b> Surety bonds submitted via the <i>Document Uploads</i> section will not satisfy this requirement.</p> <p><b>Surety Bond Requirements Table</b></p> <table border="1" data-bbox="253 604 1200 785"> <thead> <tr> <th><i>Dollar Amount of Loans Serviced</i></th> <th><i>Bond Amount</i></th> </tr> </thead> <tbody> <tr> <td>0 - \$50,000,000</td> <td>\$25,000</td> </tr> <tr> <td>\$50,000,001 - \$100,000,000</td> <td>\$ 50,000</td> </tr> <tr> <td>\$100,000,001 - \$250,000,000</td> <td>\$ 75,000</td> </tr> <tr> <td>Over \$250,000,000</td> <td>\$100,000</td> </tr> </tbody> </table>	<i>Dollar Amount of Loans Serviced</i>	<i>Bond Amount</i>	0 - \$50,000,000	\$25,000	\$50,000,001 - \$100,000,000	\$ 50,000	\$100,000,001 - \$250,000,000	\$ 75,000	Over \$250,000,000	\$100,000	<p><b>Electronic Surety Bond in NMLS</b></p>
<i>Dollar Amount of Loans Serviced</i>	<i>Bond Amount</i>											
0 - \$50,000,000	\$25,000											
\$50,000,001 - \$100,000,000	\$ 50,000											
\$100,000,001 - \$250,000,000	\$ 75,000											
Over \$250,000,000	\$100,000											

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	CA-DBO Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	<p><b>Certificate of Authority/Good Standing Certificate:</b> Upload a State-issued and approved document (typically by the Secretary of State’s office), dated not more than 60 days prior to the filing of the application through NMLS that demonstrates authorization to do business in the applicant’s state of formation and CA.</p> <p>This document should be named <i>[[State prefix] Certificate of Authority OR [State prefix] Certificate of Good Standing]</i>.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Certificate of Authority/Good Standing Certificate</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p><b>Company Staffing and Internal Policies:</b> Upload document(s) including information on staffing and internal organizational policies and procedures. If submitting multiple policies, upload and name each policy separately. The document must include the following information:</p> <ul style="list-style-type: none"> <li>• Policies and Procedures, demonstrating compliance with consumer protection and transfer provisions of SLS. Uploaded policies must specifically address required notices of repayment and loan forgiveness options; response to qualified written requests, overpayment policy, servicing transfer policy, and authorized representation (Financial Code, sections 28130 subd.(f)-(h);section 28134; and section 28136, subd. (e).</li> </ul> <p>This document should be named <i>Company Policy and Procedures</i></p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Company Staffing and Internal Policies</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

Complete	CA-DBO Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	<p><b>Document Samples:</b> Upload copies of the following sample documents used in the regular course of business in connection with this license:</p> <ul style="list-style-type: none"> <li>• Notice of Transfer of servicer</li> <li>• Notice of End of deferment period approaching</li> <li>• Information on Income Driven Repayment and Loan Forgiveness options (annual)</li> <li>• Notice of Default with information on Income Driven Repayment plans, and toll-free telephone number to contact a representative</li> <li>• Acknowledgment of receipt of borrower inquiry or complaint</li> <li>• Notice of resolved complaint, with name and contact of rep who was responsible.</li> <li>• Billing statement, either paper or electronic</li> <li>• Notice of Loan Balance Transfer to Debt Collections Agency</li> </ul> <p>These documents should be named <i>Borrower Communications</i>.</p>	<p><b>Upload in NMLS:</b> under <u>Document Samples</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p><b>Formation Documents:</b> Determine classification of applicant’s legal status and submit a copy of the requested applicable documentation detailed below. Original formation documents and all amendments, are required. Entities formed under another state must provide proof of qualification to conduct business in California.</p> <p><b>Unincorporated Association:</b></p> <ul style="list-style-type: none"> <li>• By-Laws or constitution (including all amendments).</li> </ul> <p><b>General Partnership:</b></p> <ul style="list-style-type: none"> <li>• Partnership Agreement (including all amendments).</li> </ul> <p><b>Limited Liability Partnership:</b></p> <ul style="list-style-type: none"> <li>• Certificate of Limited Liability Partnership; and</li> <li>• Partnership Agreement (including all amendments).</li> </ul> <p><b>Limited Partnership:</b></p> <ul style="list-style-type: none"> <li>• Certificate of Limited Partnership; and</li> <li>• Partnership Agreement (including all amendments).</li> </ul> <p><b>Limited Liability Limited Partnership:</b></p> <ul style="list-style-type: none"> <li>• Certificate of Limited Liability Limited Partnership; and</li> <li>• Partnership Agreement (including all amendments).</li> </ul> <p><b>Limited Liability Company (“LLC”):</b></p> <ul style="list-style-type: none"> <li>• Articles of Organization (including all amendments);</li> <li>• Operating Agreement (including all amendments);</li> <li>• IRS Form 2553 or IRS Form 8832 if S-corp treatment elected; and</li> <li>• LLC resolution if authority not in operating agreement.</li> </ul> <p><b>Corporation:</b></p> <ul style="list-style-type: none"> <li>• Articles of Incorporation (including all amendments);</li> <li>• By-laws (including all amendments), if applicable;</li> <li>• Shareholder Agreement (including all amendments), if applicable;</li> <li>• IRS Form 2553 if S-corp treatment elected; and</li> <li>• Corporate resolution if authority to complete application not in By-Laws or Shareholder Agreement, as amended, as applicable.</li> </ul> <p><b>Not for Profit Corporation</b></p> <ul style="list-style-type: none"> <li>• Documents requested of a Corporation; and</li> <li>• Proof of nonprofit status</li> </ul>	<p><b>Upload in NMLS:</b> under <u>Formation Document</u>” in the <i>Document Uploads</i> section of the Company Form (MU1).</p> <p>This document should be named <i>Formation Documentation [Date of Creation (MM-DD-YYYY)]</i>.</p>

	<ul style="list-style-type: none"> <li>○ Internal Revenue Service (“IRS”) 501(c)(3) designation letter; or</li> <li>○ statement from a State taxing body or the State attorney general certifying that: (i) the entity is a nonprofit organization operating within the State; and (ii) no part of the entity’s net earnings may lawfully benefit any private shareholder or individual; or</li> <li>○ entity's certificate of incorporation or similar document if it clearly establishes the nonprofit status of the applicant; or</li> <li>○ Any of the three preceding items described, if that item applies to a State or national parent organization, together with a statement by the State or parent organization that the applicant is a local nonprofit affiliate.</li> </ul> <p><b>Trust (Statutory)</b></p> <ul style="list-style-type: none"> <li>● Certificate of Trust; and</li> <li>● Governing instrument (all amendments).</li> </ul>	
<input type="checkbox"/>	<p><b>Ownership Chart/Description:</b> Submit a chart showing (or a description which includes) the percentage of ownership of:</p> <ul style="list-style-type: none"> <li>● Direct Owners (total direct ownership percentage must equate to 100%)</li> <li>● Indirect Owners (with indirect ownership percentage listed for each indirect owner)</li> <li>● Subsidiaries and Affiliates of the applicant/licensee</li> </ul> <p>This document should be named <i>[Company Legal Name] Ownership Chart – Description</i>.</p>	<p><b>Upload in NMLS:</b> under <u>Organizational Chart/Description</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

**INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS**

Complete	CA-DBO Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	<p><b>Credit Report Explanations:</b> Submit a line by line, detailed letter of explanation of all derogatory credit accounts along with proof of payoffs, payment arrangements and evidence of payments made, or evidence of any formal dispute filed (documents must be dated). Accounts to address include, but are not limited to: collections items, charge offs, accounts currently past due, accounts with serious delinquencies in the last 3 years, repossessions, loan modifications, etc. <b>Note:</b> Items regarding bankruptcy, foreclosure actions, outstanding judgments or liens, or delinquent child support payments should be addressed in the <i>Disclosure Explanations</i> section of your Individual Form (MU2). This document should be named <i>Credit Report Explanations – Sub Name – Document Creation Date</i>.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Credit Report Explanations</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>
<input type="checkbox"/>	<p><b>Legal Name/Status Documentation:</b> Upload documentation of all legal names used within the ten years previous to the date of this application. Also, upload documentation showing applicant’s legal status, and authorization to work in the United States. This may be certified copies of divorce decree, marriage certificate, copy of driver’s license, passports, etc. This document should be named <i>[Document Name]</i> (Ex. Driver’s License, Marriage Certificate, etc.).</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Legal Name/Status Documentation</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>



NMLS ID Number	
Applicant Legal Name	

**REQUIREMENTS SUBMITTED OUTSIDE OF NMLS**

Complete	CA-DBO Student Loan Servicing License	Submitted via...
<input type="checkbox"/>	<p><b>Supplemental Information:</b> Provide the information requested in the attached form for servicing activities in this state under California’s Student Loan Servicer Act, as of the prior year end. This information is required to calculate the assessment for the year of licensing, pursuant to Financial Code section 28144(a). This form is only required at the time of application. Required information will be part of the annual report requirements in ensuing years. Click here to access the <a href="#">Supplemental Information Form</a>.</p>	<p>Email to CA-DBO, Student Loan Servicing Program  <a href="mailto:StudentLoanServicing@dbo.ca.gov">StudentLoanServicing@dbo.ca.gov</a></p>
Note	<p><b>California Department of Justice Fingerprinting:</b> A criminal background check is required outside NMLS for this license. CA-DBO has temporarily suspended the collection of fingerprints, due to system changes in progress. Nonetheless, Applicants must complete and submit MU-1, MU-2 and MU-3 Applications, together with all other documents, uploads and information required. CA-DBO will review applications which are complete (except for fingerprints) and notify applicants of their application status. Applicants which meet CA-DBO licensing requirements (except for fingerprints) will appear with an “Approved-Conditional” status in NMLS. CA-DBO will send Approved-Conditional applicants instructions how to comply with the requirement to provide fingerprints for a criminal background check. Applicants will have 30 days from the date Instructions are sent to applicants to submit fingerprints. An applicant’s status will change to “Approved” if and when CA-DBO receives a satisfactory criminal history report for all MU-2 individuals required to be fingerprinted.</p>	N/A