



CT Consumer Collection Agency License New Application Checklist

EFFECTIVE OCTOBER 1, 2018, Section 36a-801 of the 2018 Supplement to the General Statutes, as amended by Section 79 of Public Act 173 requires activity subject to licensure to be conducted at an office in a state, as defined in section 36a-2. State means any state of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the trust territory of the Pacific Islands, the Virgin Islands and the Northern Mariana Islands.

CHECKLIST SECTIONS

- [General Information](#)
- [License Fees](#)
- [Requirements Completed in NMLS](#)
- [Requirements/Documents Uploaded in NMLS](#)
- [Requirements Submitted Outside of NMLS](#)

GENERAL INFORMATION

Who Is Required to Have This License?

Any person or entity who is: (A) engaged as a third party in the business of collecting or receiving payment for others on any account, bill or other indebtedness from a consumer debtor, (B) engaged in the business of debt buying, or (C) engaged in the business of collecting or receiving tax payments, including, but not limited to, property tax and federal income tax payments, from a property tax debtor or federal income tax debtor on behalf of a municipality or the United States Department of the Treasury, including, but not limited to, any person who, by any device, subterfuge or pretense, makes a pretended purchase or takes a pretended assignment of accounts from any other person, municipality or taxing authority of such indebtedness for the purpose of evading the provisions of this section and sections 36a-801 to 36a-814, inclusive, as amended by this act. Also includes a person or entity who furnishes collection systems carrying a name which simulates the name of a consumer collection agency and who supplies forms or form letters to be used by the creditor, even though such forms direct the consumer debtor, property tax debtor or federal income tax debtor to make payments directly to the creditor rather than to such fictitious agency. It further includes any person or entity who, in attempting to collect or in collecting such person's own accounts or claims from a consumer debtor, uses a fictitious name or any name other than such person's own name which would indicate to the consumer debtor that a third person is collecting or attempting to collect such account or claim.

A consumer collection agency is “acting within this state” if it:

- Has its place of business in Connecticut;
- Has its place of business outside Connecticut and: (A) collects from consumer debtors, property tax debtors, or federal income tax debtors who reside in Connecticut for creditors who are located in Connecticut; or (B) collects from consumer debtors, property tax debtors, or federal income tax debtors who reside in Connecticut for such consumer collection agency's own account;

- Has its place of business outside Connecticut and regularly collects from consumer debtors or property tax debtors, or federal income tax debtors who reside in Connecticut for creditors located outside of Connecticut; or
- Has its place of business outside Connecticut and is engaged in the business of collecting child support for creditors in Connecticut from consumer debtors outside Connecticut.

Note: Debt buying means collecting or receiving payment on any account, bill or other indebtedness from a consumer debtor for such person's own account if the indebtedness was acquired from another person and if the indebtedness was either delinquent or in default at the time it was acquired.

“Consumer debtor”, “Creditor”, “Federal income tax”, “Federal income tax debtor”, “Main Office”, “Municipality”, “Organization”, “Property tax” and “Property tax debtor” are all further defined at Section 36a-800 of the 2018 Supplement to the General Statutes.

Who Does Not Need This License?

- Consumer collection agencies not “acting within this state” as defined above;
- An individual employed on the staff of a licensed consumer collection agency, or by a creditor who is exempt from licensing, when attempting to collect on behalf of such consumer collection agency;
- Persons not primarily engaged in the collection of debts from consumer debtors who receive funds in escrow for subsequent distribution to others, including, but not limited to, real estate brokers and lenders holding funds of borrowers for payment of taxes or insurance;
- Any public officer or a person acting under the order of any court;
- Any member of the bar of this state;
- A person who services loans or accounts for the owners thereof when the arrangement includes, in addition to requesting payment from delinquent consumer debtors, the providing of other services such as receipt of payment, accounting, record-keeping, data processing services and remitting, for loans or accounts which are current as well as those which are delinquent;
- A bank or out-of-state bank as defined in Sec 36a-2; or
- A subsidiary or affiliate of a bank or out-of-state bank, provided such affiliate or subsidiary is not primarily engaged in the business of purchasing and collecting upon delinquent debt, other than delinquent debt secured by real property.

Activities Authorized Under This License

This license authorizes the following activities...

- | | |
|---|--|
| • First party debt collection | • Third party debt collection |
| • Passive debt buying (does not undertake direct collections on accounts) | • Active debt buying (undertakes direct collections on accounts) |
| • Judgment recovery | • Other – debt |

Pre-Requisites for License Applications

- Tangible Net Worth: \$50,000 minimum (“Debt buyers only” do not have a net worth requirement)
- Bond Amount: \$25,000 per location; Surety Bond must be mailed to Department with original signatures
- Financial Statement: Financial Statement that is prepared by a CPA, reflecting net worth, which

cannot be dated more than twelve months prior to the application date, must be provided via the NMLS

- Total License Cost: \$600 including NMLS processing fee

Connecticut Department of Banking 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

Contact Consumer Credit staff by phone at (860) 240-8225 or send your questions via email to dob.ccl@ct.gov for additional assistance.

*For U.S. Postal Service & Overnight Delivery:
Connecticut Department of Banking
Consumer Credit Division
260 Constitution Plaza
Hartford, CT 06103-1800*

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF THE 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.

NMLS ID Number		
Applicant Legal Name		
LICENSE FEES - Fees collected through NMLS are NOT REFUNDABLE OR TRANSFERABLE.		
Complete	CT Consumer Collection Agency License	Submitted via...
<input type="checkbox"/>	CT License Fee: \$500 NMLS Initial Processing Fee: \$100	NMLS (Filing submission)
<input type="checkbox"/>	Credit Report for MU2 Individual: \$15 per person.	NMLS (Filing submission)
<input type="checkbox"/>	FBI Criminal Background Check for MU2 Individual: \$36.25 per person.	NMLS (Filing submission)
REQUIREMENTS COMPLETED IN NMLS		
Complete	CT Consumer Collection Agency License	Submitted via...
<input type="checkbox"/>	Submission of Company Form (MU1): Complete and submit the Company Form (MU1) in NMLS. This form serves as the application for the license through NMLS.	NMLS
<input type="checkbox"/>	Financial Statements: Upload an unaudited financial statement for which the financial data has been prepared by a CPA. Financial statements should include a balance sheet, income statement, and statement of cash flows and all relevant notes thereto. The financial statement should evidence that the applicant has a minimum tangible net worth of \$50,000. Click to download financial statement form. Note: The net worth requirement does not apply to companies that only engage in debt buying activities. Note: Financial statements are uploaded separately under the Filing tab and <i>Financial Statement</i> submenu link. See the Financial Statements Quick Guide for instructions.	NMLS
<input type="checkbox"/>	Other Trade Name: 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). Connecticut does not limit the number of other trade names. It is the applicant's responsibility to ensure that all names are properly registered with the required municipality or government agency, and that the name is reflected on the Surety Bond.	NMLS

<input type="checkbox"/>	<p>Resident/Registered Agent: The Resident/Registered Agent must be listed under the <i>Resident/Registered Agent</i> section of the Company Form (MU1) and must match the information currently on record with CT Secretary of State.</p>	<p>NMLS</p>
<input type="checkbox"/>	<p>Primary Contact Employees: The following individuals must be entered into the <i>Contact Employees</i> section of the Company Form (MU1).</p> <ol style="list-style-type: none"> 1. Primary Company Contact 2. Primary Consumer Complaint Contact (Regulator) 	<p>NMLS</p>
<input type="checkbox"/>	<p>Non-Primary Contact Employees: An individual(s) should be identified as a Non-Primary Contact for the following areas. These contacts must be listed in the <i>Contact Employees</i> section of the Company Form (MU1).</p> <ol style="list-style-type: none"> 1. Accounting 2. Exam Billing 3. Licensing 4. Consumer Complaint (Public) 5. Exam Delivery 6. Litigation 7. Consumer Complaint (Regulator) 8. Legal 9. Pre-Exam Contact 	<p>NMLS</p>
<input type="checkbox"/>	<p>Bank Account: Bank account information must be completed for the company's operating and trust accounts in the <i>Bank Account</i> section of the Company Form (MU1). The trust account must be maintained at a federally insured bank, Connecticut credit union, federal credit union or an out-of-state bank that maintains in this state a branch as defined in section 36a-410.</p> <p>The following bank account information must be completed for in the <i>Bank Account</i> section of the Company Form (MU1).</p> <ul style="list-style-type: none"> • Account Type • Name of Bank • Address of Bank • Account Number <p>Note: Company's only engaged in debt buying activities are not required to maintain a trust account.</p>	<p>NMLS</p>

<input type="checkbox"/>	<p>Disclosure Questions: Upload complete details of all events or proceedings for each “Yes” response to the Disclosure Questions for the Company, each control Person and Qualifying Individual on NMLS Company Form and Individual Form. Upload copies of any applicable orders or supporting documents into appropriate Disclosure Explanations sections. Include official court documents for any judgment(s), felony or misdemeanor conviction(s) and all related documents for any outstanding judgment(s) or lien(s) including evidence of payment.</p> <p>See the Company Disclosure Explanations Quick Guide for instructions.</p>	<p>Upload in NMLS in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2).</p>
<p>Note</p>	<p>Control Person means, “an individual that directly or indirectly exercises control over another person. Any person that (A) is a director, general partner or executive officer; (B) in the case of a corporation, directly or indirectly has the right to vote ten per cent or more of a class of any voting security or has the power to sell or direct the sale of ten per cent or more of any class of voting securities; (C) in the case of a limited liability company, is a managing member; or (D) in the case of a partnership, has the right to receive upon dissolution, or has contributed, ten per cent or more of the capital, is presumed to be a control person. For purposes of this subdivision, "control" means the power, directly or indirectly, to direct the management or policies of a company, whether through ownership of securities, by contract or otherwise.”</p>	<p>N/A</p>
<input type="checkbox"/>	<p>Direct Owner/Executive Officer and Control Person (MU2) Attestation: Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable person before it is able to be submitted along with the Company Form (MU1).</p>	<p>NMLS</p>
<input type="checkbox"/>	<p>Qualifying Individual: Must recognize an individual who is responsible for the actions of the licensee. Complete the Individual Form (MU2) in NMLS. This individual must be listed in the <i>Qualifying Individual</i> section of the Company Form (MU1).</p> <p>Note: The Qualifying Individual is required to meet <u>minimum criminal and credit background check requirements</u>. The individual will be required to authorize a criminal background check and credit report through NMLS.</p>	<p>NMLS</p>
<input type="checkbox"/>	<p>Qualifying Individual (MU2) Attestation: Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable qualified individual before it is able to be submitted along with the Company Form (MU1).</p>	<p>NMLS</p>
<input type="checkbox"/>	<p>Credit Report: Direct Owners/Executive Officers and the Qualifying Individual 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).</p>	<p>NMLS</p>

<input type="checkbox"/>	<p>MU2 Individual FBI Criminal Background Check Requirements: The following Individuals, as specified below, on the Company Form (MU1) are required to authorize an FBI criminal background check (CBC) through NMLS:</p> <p><i>Direct Owners/Executive Officers</i></p> <p><i>Qualifying Individuals</i></p> <p>After authorizing an FBI criminal background check through the submission of the Company Form (MU1) and Individual Form (MU2), you must schedule an appointment to be fingerprinted if new prints are required.</p> <p>See the Criminal Background Check section of the NMLS Resource Center for more information.</p> <p>Note: If you are able to 'Use Existing Prints' to process the FBI criminal background check, you DO NOT have to schedule an appointment. NMLS will automatically submit the fingerprints on file.</p>	<p>NMLS</p>
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REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS

Complete	CT Consumer Collection Agency License	Submitted via...
<input type="checkbox"/>	<p>Business Plan: Upload a business plan outlining the following information:</p> <ul style="list-style-type: none"> • Marketing strategies • Products • Target markets • Fee schedule • Operating structure that the applicant intends to employ <p>This document should be named <i>[Company Legal Name] Business Plan</i>.</p> <p>Note: If the existing uploaded business plan already includes the above information, an additional document does not need to be uploaded.</p>	<p>Upload in NMLS: under the Document Type <u>Business Plan</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Certificate of Authority/Good Standing Certificate: Applicant must register with the Connecticut Secretary of the State as applicable.</p>	<p>N/A</p>
<input type="checkbox"/>	<p>Document Samples: Upload copies of the following sample documents used in the regular course of business in connection with this license:</p> <ol style="list-style-type: none"> (a) Copies of form letters used in the collection of debts in Connecticut; and (b) a sample agreement utilized with your clients; and (c) if you plan to be in the business of collecting child support payments, the sample contract that you will use with the creditor to whom the child support is owed. The sample contract must comply with the requirements set forth in Section 36a-801b of the C.G.S. 	<p>Upload in NMLS: under the Document Type <u>Document Samples</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

<input type="checkbox"/>	<p>Formation Documents: Determine classification of applicant’s legal status and submit a State certified copy of the requested applicable documentation detailed below. Original formation documents and all subsequent amendments, thereto including a list of any name changes.</p> <p>General Partnership:</p> <ul style="list-style-type: none"> Partnership Agreement (including all amendments) <p>Limited Liability Company:</p> <ul style="list-style-type: none"> Articles of Organization (including all amendments) <p>Corporation:</p> <ul style="list-style-type: none"> Articles of Incorporation (including all amendments) <p>This document should be named <i>Formation Documentation [Date of Creation]</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Formation Document</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Management Chart: Submit a Management Chart displaying the applicant’s directors, officers, and managers (individual name and title). Must also identify compliance reporting and internal audit structure. If the existing uploaded Management Chart already includes the above information, an additional document does not need to be uploaded. A company should only upload a single management chart.</p> <p>This document should be named <i>[Company Legal Name] Management Chart</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Management Chart</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Surety Bond: Upload a copy of a fully executed Consumer Collection Agency surety bond in the amount of \$25,000 issued by a surety company authorized to conduct business in Connecticut. Click to download bond form. The bond must cover the main office and each additional branch office location must be listed on the addendum. The name of the principal insured on the bond must match exactly the Full Legal Name of applicant, including any Other Trade Names.</p> <p>Note: There is no surety bond requirement for companies that only engage in debt buying activities.</p> <p>This document should be named <i>CT Consumer Collection Agency Surety Bond</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Surety Bond</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS

Complete	CT Consumer Collection Agency License	Submitted via...
<input type="checkbox"/>	<p>Surety Bond: Submit the original bond to the Department. The name of the principal insured on the bond must match exactly the Full Legal Name of applicant and include all Other Trade Names.</p>	<p>Mail to Connecticut Department of Banking</p>
<input type="checkbox"/>	<p>Supplemental Disclosure Question: Complete the following form and email it to the Connecticut Department of Banking to dob.ccl@ct.gov. Click to download disclosure question.</p>	<p>Email to Connecticut Department of Banking</p>