



Description



NEBRASKA INSTALLMENT SALES COMPANY LICENSE

Who is required to have this license?

Any person, regardless of location, conducting sales finance activity; purchasing one or more installment contracts from one or more sellers; acquiring any rights of ownership, servicing, or other forms of participation in or otherwise engaging with a consumer on behalf of the purchaser of one or more installment sales contracts from one or more sellers. A person is defined as an individual, partnership, limited liability company, association, financial institution, trust, corporation, and any other legal entity.

Sales finance companies purchase and service retail installment contracts. These contracts are usually in larger amounts and are involved in the purchase of material items, such as vehicles. Dealerships, and other businesses, typically sell these retail payment agreements to a third party – a sales finance company – who then becomes the responsible party for accepting and processing payments until the loan is paid in full.

This license permits licensees to charge a time-price differential not to exceed 18% per annum. **A branch license application must be submitted for each additional location at which you intend to conduct Nebraska business, whether or not such location is within Nebraska.**

Who does not need this license?

- A financial institution or installment loan licensee authorized to do business in Nebraska. However, those persons shall comply with all of the other provisions of the Act in order to charge the 18% per annum time-price differential.
- A seller that finances the sale of its own goods or services is not required to obtain a license, but it may only charge the 18% per annum time-price differential if it complies with all other provisions of the Act.
- Any corporate location that does not conduct Nebraska business at that corporate address but oversees branch locations that would require licensure must instead apply for an Installment Sales Company Registration.
- A properly licensed debt collection agency unless it conducts business beyond the scope of such debt collection agency license.

Pre-requisites for license applications?

- Audited financial statements showing a minimum net worth of \$100,000
- Bond amount of \$50,000 per branch location
- Written consent of the Nebraska registered agent

WHO TO CONTACT – Contact NDBF licensing staff by phone at 402-471-2171 or send your questions via e-mail to dob.consumerfinance@nebraska.gov for additional assistance.

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