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Department of Financial Institutions

dfi.wi.gov

NONDEPOSITORY SMALL BUSINESS
LENDERS APPLICATION

Telephone: (608) 261-7578
Fax: (608) 267-6889

Purpose: Pursuant to chapter 224, subchapter IV of the Wisconsin Statutes, a license is required to engage in business as a “nondepository lender” in this state. Section 224.90(4) defines a nondepository lender as “a commercial small business lender that [1] participates in the loan guarantee program of the U.S. small business administration described in 13 CFR s. 120.2(a) and that [2] provides financial assistance to small businesses that qualify for financial assistance pursuant to 15 USC s. 636(a).” Banks, credit unions, savings and loan associations, and savings banks are excluded from the definition of “nondepository lenders.” A completed Nondepository Small Business Lenders Application form must be submitted to the Department of Financial Institutions – Division of Banking for consideration of licensure.

Notice: The applicant must complete this form to be considered for licensure under chapter 224, subchapter IV of the Wisconsin Statutes. Refusal to fully and accurately provide the information required below may result in the denial of a license. Personally identifiable information on this form may be matched against tax information, data regarding delinquent child and family support and unemployment insurance obligations, and law enforcement records. This document can be made available in alternate formats upon request to qualifying individuals with disabilities.

APPLICANT INFORMATION

1. Applicant Name: If the applicant uses a trade name or DBA (doing business as) name, include that as well.

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2. Address and phone number of applicant’s headquarters office.

Street:			Telephone Number:
City:	State:	Zip:	FAX Number:

3. Mailing address of applicant’s headquarters office (if different than above).

Street:		PO Box:
City:	State:	Zip:

4. Contact information for the person to whom questions regarding this application should be addressed.

First Name:		Last Name:		Title:
Street:			City:	
State:	Zip:	Telephone Number:	Email:	

5.

Formation State:
Date of Formation:
Federal Employer Identification Number:

Note: Pursuant to Wis. Stat. s. 224.927, the division may not disclose an applicant's federal employer identification number except to the department of revenue for the sole purpose of requesting certification under s. 73.0301, to the department of workforce development for the sole purpose of requesting certifications under s. 108.227, and to the department of children and families in accordance with a memorandum of understanding under s. 49.857.

6. Is the applicant presently a party to any lawsuits that may materially affect the applicant's financial position? Yes No

If yes, provide details including the name of the party(ies), nature of the claims and amount(s) sought, and the status of the case. Attach additional pages if necessary.

7. Name, title, address, telephone number, and Email address of person to whom future questions regarding **licensing** matters can be directed.

First Name:		Last Name:		Title:	
Street:			City:		
State:	Zip:	Telephone Number:	Email:		

8. Name, title, address, telephone number, and Email address of person to whom future questions regarding **complaints** can be directed.

First Name:		Last Name:		Title:	
Street:			City:		
State:	Zip:	Telephone Number:	Email:		

9. Name, title, address, telephone number, and Email address of person to whom future questions regarding **examination** issues can be directed.

First Name:		Last Name:		Title:	
Street:			City:		
State:	Zip:	Telephone Number:	Email:		

PERSONNEL INFORMATION

Identify the following individuals on the lines below. Attach additional pages if necessary.

- **Key officers.** Key officers include, but are not limited to, the CEO, COO, CFO, president, executive or senior vice president (or the highest-level vice president if there is no executive or senior vice present), secretary, and treasurer.
- **Person(s) in control.** "Person(s) in control" of the applicant are individuals who have the power to direct the management or policies of the company, including those stockholders owning 10% or more of the outstanding voting stock; or possessing, directly or indirectly, alone or in concert with others, the power to control or vote 10% or more of the outstanding voting stock; or to elect or control the election of a majority of the board of directors of the nondepository lender.
- **Directors.** Identify all members of the board of directors that have the power to direct the management or policies of the company.

FULL NAME	TITLE	% OWNERSHIP (enter "0%" if none)
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		

DIRECT OWNERS: Identify all entities that directly own 10% or more of the applicant. If any of the owners are a trust, also identify the grantor(s) of the trust.

LEGAL NAME	ADDRESS	% OWNERSHIP
1.		
2.		
3.		
4.		
5.		
6.		

INDIRECT OWNERS: Provide the following information for the applicant's indirect owners. Continue up the chain of ownership, listing all 25% or more owners at each level of ownership. If any of the owners are a trust, also identify the grantor(s) of the trust.

LEGAL NAME	ADDRESS	EQUITY OWNER IN WHICH INTEREST IS HELD	% OWNER-SHIP
1.			
2.			
3.			
4.			
5.			

APPLICANT BACKGROUND INFORMATION QUESTIONNAIRE

This questionnaire must be completed by an officer, director or person in control of the applicant. Mark an "X" in the appropriate box. If you answer "Yes" to any question, give all details on a separate sheet. If any event or action arises after completing these questions and before action is taken by the division on this application that would cause the applicant to answer "Yes" to any question, the applicant must immediately provide all details in writing to the division.

Yes No

- a. Has the applicant ever been the subject of disciplinary action including, but not limited to, civil forfeitures, cease and desist orders, injunctions, license suspensions, denials, revocations, warnings, reprimands, enforcement actions, probation, and limitations by any regulatory agency in this state or any other state? Provide details about the disciplinary action, including but not limited to date, regulatory agency, and type of discipline.
- b. Is disciplinary action pending against the applicant in this state or any other state? Provide details, including but not limited to action, regulatory agency, and state.
- c. Has the applicant ever surrendered, resigned, cancelled, or been denied a professional license or other credential in this state or any other state? Provide details, including but not limited to date, credential, and state.
- d. Has the applicant been the subject of derogatory credit (bankruptcy, judgment, tax lien, collections, etc.) within the past 10 years? Provide details, including but not limited to date, circumstances, and court or agency.
- e. Has the applicant been denied credit within the past 10 years? Provide details, including but not limited to entity denying credit and date.
- f. Has the applicant been the subject of any suit, claim, or other civil action in this state or any other state within the last 10 years that was settled or included a ruling or decision not in the applicant's favor? Provide a description of the suit, claim, or other civil action, agency or court, date filed, and outcome.
- g. Is a suit, claim, or other civil action pending in this state or any other state against the applicant? Provide details, including but not limited to a description of the suit, claim, or other civil action, agency or court, date filed, and status.
- h. Has a bonding company ever denied, paid out on, or revoked a bond for the applicant? Provide a detailed description of the circumstances that led to the bond being denied, paid out on, or revoked, and the date such action occurred.
- i. Has the applicant ever been named as a respondent/defendant in a financial services-related consumer-initiated arbitration which is still pending; or resulted in an arbitration award against the applicant; or was settled for any amount? Provide details, including but not limited to a description of why the consumer initiated the arbitration, the date commenced, and the status or outcome.

I, , the undersigned, being an officer, director, or person in control of
(Print Name)

hereby certify that each statement and representation
(Name of Applicant)

in the Applicant Background Information Questionnaire is true and correct to the best of my knowledge.

(Signature) (Title) (Date)

Note: This Department may independently conduct checks into background, experience, and related matters in conjunction with the filing of this application and representations therein. Failure to complete this application completely and accurately may result in denial or revocation of the license, and any other penalties as provided by law.

BIOGRAPHICAL INFORMATION

The following information must be completed by each individual identified in the Personnel Information section on page 3 of this application.

First, Middle, and Last Name:	
Address: Street, City, State, Zip	
Date of Birth:	Place of Birth (City and State):
Citizenship:	Length of Residence in Community:
Resume of Education:	
Resume of civic, professional, and social organizations:	
List all present and past employment. Include dates employed, name, location and type of business, positions held and nature of duties.	
List all firms, companies, corporations, or other business organizations of which you are at presently a director, officer, employee, partner, or owner. List the name, location, type of business, and your position held.	
List the stock of the applicant corporation that you own or have subscribed to. Give the number of shares, par value, and total cost. If there is or will be a loan made to purchase the stock, list the name of the lender, date of the loan, interest rate, amount, security, and repayment terms.	

INDIVIDUAL BACKGROUND INFORMATION QUESTIONNAIRE

This questionnaire must be completed by each individual identified in the Personnel Information section on page 3 of this application. Mark an "X" in the appropriate box.

If you answer "Yes" to any question, give all details on a separate sheet. If any event or action arises after completing these questions and before action is taken by the division on this application that would cause the individual to answer "Yes" to any question, the individual must immediately provide all details in writing to the division.

Yes **No**

- a. Have you ever been convicted of any misdemeanor or felony in this state or any other state? Provide details about the misdemeanor or felony, including but not limited to conviction, conviction date, penalty, and court.
- b. Are there any felony or misdemeanor charges pending against you in this state or any other state? Provide details about the pending charges, including but not limited to charge, date, and court.
- c. Are you on probation or on parole for a conviction? Provide details including the terms of incarceration and, if applicable, list name, address, and telephone number of probation or parole officer.
- d. Have you ever been the subject of disciplinary action including, but not limited to, civil forfeitures, cease and desist orders, injunctions, license suspensions, denials, revocations, warnings, reprimands, enforcement actions, probation, and limitations by any regulatory agency in this state or any other state? Provide details about the disciplinary action, including but not limited to date, regulatory agency, and type of discipline.
- e. Is disciplinary action pending against you in this state or any other state? Provide details, including but not limited to action, regulatory agency, and state.
- f. Have you ever surrendered, resigned, cancelled, or been denied a professional license or other credential in this or any other state? Provide details, including but not limited to date, credential, and state.
- g. Has your employment involuntarily been suspended or terminated in this state or any other state? Provide details, including but not limited to name and location of employer, reason, and date.
- h. Have you been the subject of derogatory credit (bankruptcy, judgment, tax lien, collections, etc.) within the past 10 years? Provide details, including but not limited to date, circumstances, and court or agency.
- i. Have you been denied credit within the past 10 years? Provide details, including but not limited to entity denying credit and date.
- j. Have you been the subject of any suit, claim, or other civil action in this state or any other state within the last 10 years that was settled or included a ruling or decision not in your favor? Provide a description of the suit, claim, or other civil action, agency or court, date filed, and outcome.
- k. Is a suit, claim, or other civil action pending against you in this state or any other state? Provide details, including but not limited to a description of the suit, claim, or other civil action, agency or court, date filed, and status.
- l. Have you been the key officer, director, member, partner, or owner of any company that failed in business or filed bankruptcy while you were a key officer, director, member, partner, or owner? Provide details, including company name(s), your position with the company, dates, and circumstances.

Yes No

m. Have you been the key officer, director, member, partner, or owner of any company that was the subject of disciplinary action including, but not limited to, civil forfeitures, cease and desist orders, injunctions, license suspensions, denials, revocations, warnings, reprimands, enforcement actions, probation, and limitations by any regulatory agency in this state or any other state while you were a key officer, director, member, partner or owner? Provide details about the disciplinary action, including but not limited to company name, date, regulatory agency, and type of discipline.

n. Have you been the key officer, director, member, partner, or owner of any business or enterprise that has been the subject of an indictment or conviction, or that pled guilty to, any criminal matter involving dishonesty or breach of trust? Provide the date, business, your interest, the nature of the charge, jurisdiction and location.

I, , the undersigned, being an officer, director, or person in control of
(Print Name)

hereby certify that each statement and
(Name of Applicant)

representation in my Biographical Information Page and my Individual Background Information Questionnaire is true and correct to the best of my knowledge.

(Signature) (Title) (Date)

Note: This Department may independently conduct checks into background, experience and related matters in conjunction with the filing of this application and representations therein. Failure to complete this application completely and accurately may result in denial or revocation of the license, and any other penalties as provided by law.

REQUIRED ATTACHMENTS

The following items must accompany the application at the time of filing and will become a part of the application.

- 1. **\$1,000 Application Fee.** Make the check payable to the Wisconsin Department of Financial Institutions.
- 2. **Business Plan.** The business plan should, in part, include the following: the character of the business to be conducted, projected loan losses for the next three years, marketing strategies, and target markets.
- 3. **Applicant’s most recent audited financial statements and three years of detailed financial projections.** The financial statements must show that the applicant has at least \$500,000 in capital, that the licensee has loan loss reserves sufficient to cover projected loan losses that are not guaranteed by the U.S. government or any agency of the U.S. government, and that the amount of capital is adequate for the applicant to transact business as a nondepository lender.

Note:

- For profit companies: Capital is calculated by adding capital (common) stock, preferred stock, surplus, and retained earnings and then subtracting any intangible assets; receivables from officers, stockholders, and other related parties; employee advances; receivables over 120 days past due; and other assets of questionable value.
- Non-profit companies: Capital is calculated by subtracting the following from the net assets: intangible assets; receivables from officers, stockholders, and other related parties; employee advances; receivables over 120 days past due; and other assets of questionable value.
- The financial statements and projections must be for the applicant, not the applicant’s parent.
- If the audit is more than 12 months old, if a recent audit is not available, or if the applicant’s capital was less than \$500,000 at the time of the audit, also submit internally prepared financial statements that are dated within the previous 90 days that show that the applicant now has at least \$500,000 in capital.
- All financial statements submitted to the division must be prepared in accordance with generally accepted accounting principles on an accrual basis.

4. **A criminal history report for each key officer, person in control, and director* identified in the Personnel Information section on page 3 of the application.**

- *Directors who have a non-controlling, advisory only role do not need to submit a criminal history report.
- Criminal history reports must be dated within the previous 90 days and obtained from the state police/Department of Justice located in the individual’s state of residence. Reports obtained from third-party background check providers will not be accepted.

5. **The name and address of all non-controlling advisory board members, if any.**

6. **Articles of Incorporation**

- 7. If a foreign corporation, submit a **Certificate of Good Standing** from the state where the applicant was formed. The certificate must be dated within the previous 90 days. Also submit a copy of the Certificate of Authority or Registration to transact business in Wisconsin which was issued by the Department of Financial Institutions, Division of Corporate and Consumer Services. For information on how to obtain the Certificate of Authority, contact the Corporations Bureau at (608) 261-7577 or DFICorporations@dfi.wisconsin.gov.

AFFIDAVIT

I, , the undersigned, being the duly authorized representative of
(Print Name)

hereby certify that each statement and
(Name of Applicant)

representation in this application and in attachments to this application is true and correct to the best of my knowledge.

(Signature) (Title) (Date)

DIVISION ACTION

Date Application Filed:

Application Approved:

Date Approved/Denied:

Yes No

Administrator
Division of Banking