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Consumer Finance Questionnaire for Licensure

Check the appropriate box to indicate the type of activity the company engages in: (check all that apply)

- Servicing (Complete Section 1 and 3)
- □ Brokering/facilitating (Complete Section 1 and 3)
- Lending/originating (Complete Section 2 and 3)

Section 1: Servicing/Brokering/Facilitating Activities

1. <u>Type of loans</u>: Approximately, what percentage of each loan category does licensee service/broker/facilitate?

Loan category	Percentage of loans made of this type				
Automobiles					
Personal property					
Real estate					
Unsecured					
Revolving open-ended					
Other (describe):					

Comments:

- 2. <u>Business plan requirements</u>: Business plans for servicers/brokers/facilitators should provide, at a minimum, the following information:
- Sources of capital
- Intended market for loan
- Fund distribution
- Any products or services offered or required in connection with the loans
- List of companies/banks/financial institutions that the licensee services/brokers/facilitates loans for
- Whether, and to what extent, the licensee intends to use third parties to perform any of its lending functions, such as marketing, underwriting, servicing, or any other function

Section 2: Lending/Origination Activities

1. <u>Loan activity</u>: Indicate what percentage of your loans will be made in each of the following categories:

Loan Category	% of loans made of this type	Fee	Fee description	Additional Fees	Additional Fee Description	Interest rate	Maximum APR*
Automobiles							
Personal							
property							
Real estate							
Unsecured							
Revolving open-ended							
Other (describe):							

*If APR is tiered, then explain the criteria used to determine pricing in business plan. All fees and costs to obtain a loan must be included in the APR calculation.

Comments:

2. Mortgage loan originators: Do you employ any mortgage loan originators?

🗌 Yes 🗌 No

Consumer finance companies employing mortgage loan originators must have an electronic surety bond (ESB) through NMLS with a minimum amount of \$50,000 furnished and submitted by a surety company authorized to conduct business in Oregon. (See OAR 441-860-0085 for amounts.)

- 3. <u>Business plan requirements</u>: Business plans for lenders/originators should provide, at a minimum, the following information:
 - Sources of capital
 - Description of loan products including:
 - o Length of loan
 - o Payment structure
 - Fees with description
 - o Interest rates
 - o APR
 - Intended market for loan
 - Fund distribution
 - Any products or services offered or required in connection with the loans
 - Whether the licensee intends to retain or sell the loans, in whole or in part, and the intended purchasers, if applicable.
 - Whether, and to what extent, the licensee intends to use third parties to perform any of its lending functions, such as marketing, underwriting, servicing or any other function.

- 4. Loan application requirements: Applications should have the following information on loan application.
 - a. Name and mailing address of applicant/borrower
 - b. Name and contact information for licensee
 - c. Federal Truth-in-Lending disclosures
 - i. APR
 - ii. Finance charge
 - iii. Amount financed
 - iv. Total of payments
 - d. Prepayment must state if there is a prepayment penalty or not. Must provide details if there is a penalty
 - e. Must state that borrower can make a payment of any amount at any time
 - f. Finance charge must disclose all fees need to process the loan
 - g. Promise to pay instruct borrower how to make payments and acceptable payment methods
 - h. Default must disclose consequences for default
 - i. Governing law must have a statement that all loans on behalf of Oregon consumers is regulated by Oregon law or in the state in which the applicant resides
 - j. Military Lending Act Disclosure
- 5. <u>Prohibited loan terms</u>: Oregon law prohibits the following items to be on loan documents:
 - a. Power of attorney that exceeds the statutory authority in ORS 725.050(1)
 - b. Contracting for an attorney fee provision associated with attorneys who are salaried employees of licensee
 - c. Hold harmless clause
 - d. Confession of judgment or other waiver of the right to notice, and the opportunity to be heard in the event of suit or process
 - e. Provision in which the consumer agrees not to assert any claim or defense arising out of the contract against the licensee or any holder in due course
 - f. Executory waiver or a limitation of exemption from attachment, execution, or other process on real or personal property held, owned by, or due to the consumer, unless the waiver applies solely to property subject to a security interest executed in connection with the loan

<u>Disclaimer</u>: The granting of an Oregon consumer finance license is not an approval of loan applications and other required documents for licensing purposes. Licensee is solely responsible for compliance with Oregon and federal law.

Section 3: Signature

Name of company (applicant): ______

Ву:_____

(Signature)

Date



Print name and title