



State of Washington

DEPARTMENT OF FINANCIAL INSTITUTIONS

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General Licensure Requirements for Consumer Loan Applicants

Provided below is a summary of some of the more common licensure requirements associated with applying for a consumer loan license in the state of Washington. This is not intended to be a comprehensive list but is meant to give applicants an idea of some of the more common issues that may arise while applying for this license.

- Applicant must provide the **criminal history** of applicant, officers, or principals relating to:
 - gross misdemeanor convictions involving dishonesty or financial misconduct within the past seven years
 - felony convictions within the past seven years
 - violations of banking laws of Washington or the United States within the past seven years
- Applicant must provide information relating to any **adverse actions** taken in Washington, another state, or by the federal government against:
 - any license held by the applicant or its **officers or principals** to conduct business under the Act, or a similar statute in another state, if the license has been **suspended or revoked** within the past five years
 - any **applicant, principal, officer, or board director** if any are or have been subject to an **injunction or an administrative action** issued pursuant to the Consumer Loan Act, the Consumer Protection Act, the Mortgage Broker Practices Act, the Insurance Code, the Securities Act, or similar laws in this or another state
- Applicant must provide information to show the applicant, principals, officers, or board directors have the **financial responsibility, character, and general fitness** to command the confidence of the community and to warrant a belief that the business will be operated honestly, fairly, and efficiently within the purposes of the Act. The applicant must provide information related to a history of unpaid debts or insolvency
- Applicant **may not employ** an officer, principal, or employee that has been **convicted of or pled guilty or nolo contendere (no contest) to a felony** in a domestic, foreign, or military court during the past seven years or at any time if the felony involved an act of fraud, dishonesty, breach of trust, or money laundering.
- Applicant must be **domiciled in the United States**
- Applicant must maintain a **surety bond**: the cost of obtaining a bond varies
 - Nonresidential or residential mortgage loan origination: \$30,000 minimum; \$150,000 maximum
 - Residential mortgage loan servicing: no bond unless elect to use bond in lieu of net worth
 - Third-party loan modification services: \$30,000
 - Student education loan servicing: \$30,000
- Servicing applicants must have a minimum **net worth**, see WAC 208-620-321 through 208-620-324

If you have any questions about the information outlined above, please feel free to contact the Washington DFI Licensing Unit at (360) 902-8703, options 2, 3, 1, or CSLicensing@dfi.wa.gov.