



NEW YORK STATE
DEPARTMENT *of*
FINANCIAL SERVICES

**Licensed Lender Annual Report (Non-MNLS)
Calendar Year 2021**

General Instructions

- The Annual Report is due at the Department of Financial Services (DFS) by **March 15, 2022**, in order to ensure sufficient time for review prior to the statutory deadline of April 1, 2022.
- All questions apply to the licensed legal entity as a whole, unless otherwise specified.
- Answer all questions. Type or print your answers legibly. Do not change the questions. State “None” or “Not Applicable” where appropriate.
- Attach an addendum to the report in response to any of the questions if additional space is necessary to provide all requested information.
- Subsequent to the initial submission of the Annual Report, if it is determined that information contained therein is substantially inaccurate, untrue, incorrect or incomplete, whether as a result of an audit, new information or otherwise, a revision must be submitted to DFS within two weeks of discovery along with a cover letter on company letterhead signed by an authorized executive officer of the Licensee.

Reminder

Certain actions must be reported to DFS within specified timeframes according to the type of changes contemplated. For example:

- Change of licensed locations – *at least 30 days prior to change* [New York Banking Law (NYBL) Section 343.3 and Superintendent’s Regulations (SR) Part 401.4]
- Change in members of the governing board and executive officers – *within 30 days after change* [SR Part 401.3]
- Change in control – ***prior approval of the Superintendent is required*** [NYBL Sections 344 and 345 and SR Part 401.2]
- Reports of certain crimes committed against the Licensee – *immediately upon discovery* [SR Part 300]

Additionally, licensees are permitted to conduct regulated activities only at licensed locations. Each additional location that conducts New York-regulated activities requires a separate branch license pursuant to NYBL Sections 341.6 and 343.2.

NYS DFS 2021 LICENSED LENDER ANNUAL REPORT (NON-NMLS)

SCHEDULE A - GENERAL INFORMATION

1. Full legal name of the Licensee:

2. Assumed (or doing business as) names, fictitious names, and any other names used in connection with licensed lender business in New York State during the reporting year and at any time since:

3. The Licensee is incorporated/organized as a:

(Type of legal entity such as corporation, limited liability company, partnership, and sole proprietorship)

under the laws of the state of:

4. Complete address and general telephone number of the Licensee's headquarters:

5. All locations where New York licensed lender-authorized business was conducted during the reporting year:

| Complete Address | Contact | Phone | Email Address |
|------------------|---------|-------|---------------|
| | | | |
| | | | |
| | | | |
| | | | |

6a. **Contacts:**

| Contact Type | Full Name | Title | Phone | Complete Mailing Address | Email |
|------------------------|-----------|-------|-------|--------------------------|-------|
| Primary* | | | | | |
| Secondary | | | | | |
| Billing (Optional) | | | | | |
| Examination (Optional) | | | | | |

**The individual within the company authorized to coordinate general DFS business and inquiries, and to receive all DFS correspondence.*

6b. Where all books, records, accounts and documents are available for examination by DFS, pursuant to NYBL Sections 348 and 359:

Company Name and Address

Full Name of Contact

Title

Phone

Email

6c. The Licensee’s websites for New York consumers and borrowers:

7. Information of each:

- Entity/individual owner of the Licensee;
- Member of the Licensee’s governing board (e.g. director, trustee, LLC member, etc.); and
- Executive officer or LLC manager of the Licensee

Note: If there is more than one layer of ownership (voting share) of the Licensee, attach a chart detailing the complete ownership structure, down to the individuals who own the ultimate holding company. If there are individuals who each owns less than 10% of the Licensee, those individuals may be reported as a group with the total number of individuals and total ownership percentage of the group.

| Full Name | Effective Date (if added since prior annual report) | Title | Board Member (Y/N)* | % Ownership in Licensee | Complete Home Address | Home/Cell Phone | Email |
|-----------|--|-------|---------------------------|-------------------------------|-----------------------|--------------------|-------|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

* If “Y”, provide term expiration date also.

If a reported owner of the Licensee is an entity (not an individual):

| | | |
|-----------|----------------------|--|
| Full Name | Type of Legal Entity | State where it was Incorporated/Organized |
|-----------|----------------------|--|

8. Briefly describe the Licensee’s business model specifying the types of goods and services the Licensee finances (e.g. direct consumer lending, purchase of retail installment contracts from used car dealers, purchase of retail installment obligations from piano sellers, purchase of distressed assets, etc.):

9. Trade associations in which the Licensee is a member:

10a. Indicate the total dollar volume of credit transaction acquired nationwide during the reporting period.

10b. Indicate the percentage of credit transactions in each category, relative to the total dollar volume of credit transactions acquired nationwide during the reporting period. (The percentages should total 100% unless no credit transactions were acquired.)

- _____ Direct assignment from dealer or vendor
- _____ Contracts bought from another licensed lender/sales finance company to be held until maturity
- _____ Contracts bought from another licensed lender/sales finance company to be securitized
- _____ Contracts bought as distressed assets

_____ Other (provide details): _____

11. List all the Licensee's banking relationships:

| Bank | Account Type* | Branch Address where the Account is Held |
|------|---------------|--|
| | | |
| | | |
| | | |
| | | |

* For example: operating account, trust account, line of credit, loan, etc.

12. Is the Licensee (or any of its parent, affiliate or subsidiary companies) licensed, registered or otherwise engaged in the licensed lender-authorized business **outside of New York State**?

_____ (Yes or No) If "Yes", list the entities and the corresponding states, districts, territories, countries, etc.:

13. Is the Licensee engaged in lines of business other than the licensed lender-authorized business?

_____ (Yes or No) If "Yes", provide details:

14. Pursuant to SR Part 401.12(b) & (c), the Licensee is required to file with the Superintendent a copy of its forms of loan agreement or related security instruments used in its licensed lender operation within 30 business days after issuance. **Attach** a copy of such forms currently in use, which must indicate the issuance date.

15. Pursuant to SR Part 401.12(a) & (c), the Licensee is required to file with the Superintendent a copy of its charts setting forth rates or amounts of interest used in its licensed lender operation within 30 business days after issuance. **Attach** a copy of such charts currently in use, which must indicate the issuance date.

16. Predominant basis used for computing charges: (Mark one)

_____ Precomputation

_____ Simple Interest Basis

17. Pursuant to NYBL Sections 341.5 and 342 and SR Parts 401.1(b)(1) and 401.2(b), throughout the reporting year and at all times since, has the Licensee maintained at least **\$50,000 in liquid assets** (i.e. cash and cash equivalents) **per licensed location** (account segregation not necessary)?

_____ (Yes or No) If "No", provide details:

18. Pursuant to SR Parts 401.1(b)(2) and 401.2(b), throughout the reporting year and at all times since, has the Licensee maintained at least **\$100,000 in net worth per licensed location** (account segregation not necessary)?

_____ (Yes or No) If "No", provide details:

19. Pursuant to SR Parts 401.1(b)(3) and 401.2(b), throughout the reporting year and at all times since, has the Licensee maintained a **confirmed line of credit of at least \$100,000 per licensed location** (account segregation not necessary) issued by a banking institution incorporated under the laws of the United States or any state or an insurance company?

_____ (Yes or No)

If "Yes", **attach** a signed letter on the issuer's letterhead confirming the issuer's name and address, and the dollar amount, starting date and expiration date of such confirmed line of credit.

If "No", provide details:

20. Have any of the following individuals and entities been involved in any of the following listed matters in the reporting year and at any time since?

Individuals and entities:

- The Licensee
- Any of the Licensee's immediate, intermediate, or ultimate parent, affiliate, and subsidiary companies
- Any of the Licensee's owners, partners, stockholders with 10% or more of voting stock in the Licensee, members of the governing board, LLC members/managers, and executive officers

Listed matters:

- Felony conviction or guilty plea to felony
- Court proceeding or lawsuit *in which any of the above-listed individuals and entities was named a defendant*
- Investigation, civil or criminal
- Judgment
- Monetary penalty
- Regulatory or supervisory action
- Settlement *reached after a lawsuit, claim or court proceeding in which any of the above-listed individuals and entities was named a defendant*

_____ (Yes or No)

If "Yes", provide details. In addition, for the reported court proceedings, lawsuits and settlements, **attach** to the report a signed statement from legal counsel on whether the court proceedings, lawsuits and settlements, when aggregated, would materially impact the Licensee's financial condition and/or ability to meet obligations.

21. Person responsible for completion of this report:

| Full Name | Title | Phone | Email |
|-----------|-------|-------|-------|
|-----------|-------|-------|-------|

SCHEDULE B – STATEMENT OF FINANCIAL CONDITION

As of the end of the reporting year

➤ *Round to the nearest dollar.*

| Assets | | Inside and outside NYS | NYS Only |
|-------------------------|--|------------------------|----------|
| 1 | Consumer loans receivable (gross) | | |
| | Consumer loans receivable (net) | | |
| 2 | Retail installment paper (gross) | | |
| | Retail installment paper (net) | | |
| 3 | Commercial loans receivable (gross) | | |
| | Commercial loans receivable (net) | | |
| 4 | Other loans receivable (gross) | | |
| | Other loans receivable (net) | | |
| | Provide details: | | |
| | | | |
| 5 | Total Loans (sum of lines 1 through 4-net amount)* | | |
| 6 | Cash on hand and in banks | | |
| 7 | Marketable securities | | |
| 8 | Accounts receivable | | |
| 9 | Other short-term assets | | |
| 10 | Total Loans and Current Assets (sum of lines 5 through 9) | | |
| 11 | Furniture, fixtures & equipment, and automobiles (less depreciation) | | |
| 12 | Deferred charges and expenses | | |
| 13 | Other assets | | |
| 14 | Total Assets (sum of lines 10 through 13) | | |
| Liabilities and Capital | | Inside and outside NYS | |
| 15 | Accounts payable | | |
| 16 | Short-term funds borrowed from banks | | |
| 17 | Short-term funds borrowed from parent company or affiliates | | |
| 18 | Short-term funds borrowed from other creditors | | |
| 19 | Other short-term liabilities | | |
| 20 | Total Current Liabilities (sum of lines 15 through 19) | | |
| 21 | Long-term loans payable | | |
| 22 | Bonds and debentures | | |
| 23 | Other liabilities | | |
| 24 | Total Liabilities (sum of lines 20 through 23) | | |
| 25 | Common stock | | |
| 26 | Preferred stock | | |
| 27 | Appropriated surplus, capital reserves, and additional paid in capital | | |
| 28 | Retained earnings/surplus (from line 11 on Schedule D) | | |
| 29 | Total Capital (sum of lines 25 through 28) | | |
| 30 | Total Liabilities and Capital (sum of lines 24 and 29) | | |

*Total Loans (NYS only) should be equal to total Volume of Schedule H.

SCHEDULE C – STATEMENT OF INCOME AND EXPENSES

Related to Licensed Lender-Authorized Activities* Only

During the reporting year

- Report consolidated figures inside and outside New York State.
- Round to the nearest dollar.

| | | |
|----|--|--|
| 1 | Interest earned | |
| 2 | Service charges earned | |
| 3 | Deferment charges earned | |
| 4 | Cancellation and default charges earned | |
| 5 | Total Interest and Charges Earned (sum of lines 1 through 4) | |
| 6 | Other income | |
| | Provide details: | |
| | | |
| | | |
| 7 | Total Operating Income (sum of lines 5 and 6) | |
| 8 | Interest paid: | |
| | (a) on borrowed funds | |
| | (b) on bonds and debentures | |
| | (c) on other liabilities | |
| 9 | Provision for loan losses (see below) | |
| 10 | Selling, general & administrative expenses | |
| 11 | Occupancy and related expenses | |
| 12 | Salaries & other benefits | |
| 13 | Depreciation of furniture, fixtures & equipment, and automobiles | |
| 14 | Auditing | |
| 15 | Insurance and fidelity bonds | |
| 16 | Legal fees and disbursements | |
| 17 | Licensing expenses | |
| 18 | Other expenses | |
| | Provide details: | |
| | | |
| | | |
| 19 | Total Operating Expenses (sum of lines 8 through 18) | |
| 20 | Net Operating Income/Loss (line 7 minus line 19) | |
| 21 | Income taxes | |
| 22 | Net Income/Loss related to Licensed Lender-authorized activities (line 20 minus line 21) | |

*include any business as permitted by dual authorization

Provision for loan losses – Describe the methodology used to determine the provision for loan losses. (Please use an additional page to present the methodology and submit as an attachment.)

SCHEDULE D – RECONCILEMENT OF RETAINED EARNINGS/SURPLUS

During the reporting year

- Report consolidated figures inside and outside New York State.
- Round to the nearest dollar.

| | | |
|-----------|--|--|
| 1 | Beginning Retained Earnings/Surplus* | |
| 2 | Net income from Licensed Lender-authorized activities <i>(from line 22 on Schedule C - if income is reported)</i> | |
| 3 | Net income from sources other than Licensed Lender-authorized activities <i>(Attach addendum to provide details.)</i> | |
| 4 | Other credits to surplus | |
| | Provide details: | |
| | | |
| | | |
| 5 | Total Additions (sum of lines 2 through 4) | |
| 6 | Net loss from Licensed Lender-authorized activities <i>(from line 22 on Schedule C - if loss is reported)</i> | |
| 7 | Net loss from sources other than Licensed Lender-authorized activities <i>(Attach addendum to provide details.)</i> | |
| 8 | Dividends paid | |
| 9 | Other charges to surplus | |
| | Provide details: | |
| | | |
| | | |
| 10 | Total Deductions (sum of lines 6 through 9) | |
| 11 | Ending Retained Earnings/Surplus (line 1 plus line 5 minus line 10) | |

*should be equal to the prior year's line 11 (ending retained earnings/surplus)

SCHEDULE E - VOLUME OF OPERATIONS

Related to Licensed Lender-Authorized Activities* Only

During the reporting year

| Month | NYS Loans Only | |
|---------------------|--------------------|----------------------------|
| | Number of Accounts | Volume (Nearest Dollar) |
| January | | |
| February | | |
| March | | |
| April | | |
| May | | |
| June | | |
| July | | |
| August | | |
| September | | |
| October | | |
| November | | |
| December | | |
| Annual Total | | |

*include any business permitted by dual authorization

SCHEDULE F – LICENSED LENDER-AUTHORIZED LOANS SOLD

During the reporting year (New York State Only)

| Purchased By | Loans sold with servicing retained by the Licensee | | Loans sold without servicing retained by the Licensee | | Total Loans sold | |
|--------------|--|----------------|---|----------------|------------------|----------------|
| | Number | Nearest Dollar | Number | Nearest Dollar | Number | Nearest Dollar |
| | | | | | | |
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| | | | | | | |
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| TOTAL | | | | | | |

SCHEDULE G – DELINQUENCIES, DEFAULTS & LOSSES

As of the end of the year

➤ Round to the nearest dollar.

| | | Inside and Outside NYS ¹ | | | NYS Only ² | | |
|---|--|-------------------------------------|------|------|-----------------------|------|------|
| | | 2021 | 2020 | 2019 | 2021 | 2020 | 2019 |
| 1 | Loans past due 30 days or more and still accruing interest | | | | | | |
| 2 | Loans in nonaccrual status | | | | | | |
| 3 | Loans in Collection (% of total loan balance) | % | % | % | % | % | % |
| 4 | Licensee’s definition of Loans in Collection | | | | | | |
| 5 | Default Rate (% of total loan balance) | % | % | % | % | % | % |
| 6 | Licensee’s definition of Default | | | | | | |
| 7 | Actual Loan Losses (during the reporting year) | | | | | | |

¹ Report only loans authorized under Article 9 of the New York Banking Law and similar loans in other states.

² Report only loans authorized under Article 9 of the New York Banking Law.

SCHEDULE H - LOAN DATA BY LOCATIONS

As of the end of the reporting year

- *A separate form of Schedule H must be submitted for each location, regardless of whether the location is physically inside or outside New York State.*
- *The total dollar volume of each line of all forms of Schedule H must agree with the same line as reported in the NYS Only column in Schedule B.*
- *For the annual report and assessment purposes, a loan that was originated in New York or to a New York borrower must be included in the annual report as a New York loan regardless of the borrower's subsequent and current residency.*

Complete location address:

| Loans | NYS Loans Only | |
|---|--------------------|-------------------------|
| | Number of Accounts | Volume (Nearest Dollar) |
| 1 Consumer loans receivable (net) | | |
| 2 Retail installment paper (net) | | |
| 3 Commercial loans receivable (net) | | |
| 4 Other loans receivable (net) | | |
| 5 Total Loans (sum of lines 1 through 4) | | |

SCHEDULE I – SUBPRIME LOANS

As of the end of the reporting year

1. Percentage of the Licensee’s New York loans (in terms of dollar volume) that were subprime:
 _____ %
2. Percentage of the Licensee’s loans nationwide (in terms of dollar volume) that were subprime:
 _____ %
3. What are the Licensee’s criteria for identifying subprime loans (e.g. borrowers with FICO scores of less than 640)?

4. What has been the trend in subprime loans in these loan portfolios over the past five years?

AFFIDAVIT

I, the undersigned, hereby swear (or affirm) that (i) I am an executive officer of the Licensee; (ii) I am authorized to submit the above report (including all addenda and schedules); and (iii) the information contained therein is accurate, true, correct and complete, to the best of my knowledge and belief.

Full Name

Title

Signature

Date

Subscribed and sworn to before me this date: _____

Full Name of Notary Public

Signature of Notary Public

Notary Public Number

Date Commission Expires

County

State