

PHIL WEISER
Attorney General
NATALIE HANLON LEH
Chief Deputy Attorney General
ERIC R. OLSON
Solicitor General
ERIC T. MEYER
Chief Operating Officer



RALPH L. CARR
COLORADO JUDICIAL CENTER
1300 Broadway, 6th Floor
Denver, Colorado 80203
Phone (720) 508-6975
Consumer Protection Section
Consumer Credit Unit

STATE OF COLORADO
DEPARTMENT OF LAW

COLORADO STUDENT LOAN SERVICING LICENSE
APPLICATION INSTRUCTIONS

On or after January 31, 2020, a person shall not act as a student loan servicer, directly or indirectly, without first obtaining a student loan servicing license from the Administrator (§ 5-20-105, C.R.S.). Servicing means:

- Receiving any scheduled periodic payments from a borrower or notification of such payments; and applying payments to the borrower's account pursuant to the terms of a student education loan or the contract governing the servicing;
- Maintaining account records for the student education loan and communicating with the borrower regarding the student education loan during a period when no payment is required on a student education loan; or
- Interactions with a borrower, including activities to help prevent default on obligations arising from student education loans, conducted to facilitate the activities described above.

If your organization is not a federal student loan servicing contractor, please complete this application and submit it with the one-time investigation fee, pursuant to 4 CCR 902-3 Rule 2.

If your organization is a federal student loan servicing contractor party to a contract awarded by the U.S. Secretary of Education under 20 U.S.C. § 1087f as amended, please complete the Form for Federal Contractors, available at: www.coag.gov/student-loan-servicers/licensing.

Your organization's initial license application should be sent to:

Colorado Department of Law
Consumer Credit Unit – SLS Licensing
Ralph L. Carr Colorado Judicial Center
1300 Broadway, 6th Floor
Denver, CO 80203

LICENSING AND INVESTIGATION FEES

The one-time investigation fee is **\$500**, which is due with your initial application pursuant to § 5-20-106 (7), C.R.S. and 4 CCR 902-3 Rule 2.

The licensing fee is **\$12,500** and is due after notification that your application is complete. **Do not submit the licensing fee until after you are notified that your submitted application has been approved.**

Each fee must be sent by check (subsequent, renewal fees may be paid electronically). Checks should be made payable to: **"Colorado Student Loan Servicing Act"** and mailed to the address listed in the previous section (above).

IMPORTANT LEGAL REQUIREMENTS

- **Multiple business locations.** Pursuant to § 5-20-106(9), C.R.S., licensees will be issued a separate license for each location listed. Applicants planning to utilize multiple business locations in order to provide student loan services to Colorado residents need only complete one application package, including the business location list included with this application form (see “Business locations list” in the “Necessary Documents” section, below). Licensees may not act as a student loan servicer in Colorado under any place of business not issued a license, pursuant to § 5-20-106(9), C.R.S.
- **Required notices of updated application information.** Pursuant to § 5-20-106(7), C.R.S., applicants or licensees must notify the Administrator, in writing, of any change in the information provided in the initial application for a license or most recent renewal application for a license. This notice must be given **not later than ten business days after the occurrence of the event** that results in the change.
- **Record retention.** Pursuant to § 5-20-106(10), C.R.S., a student loan servicer shall maintain adequate record of each student education loan transaction for not less than two years after the final payment on the student education loan or the assignment of the student education loan, whichever occurs first, or except as otherwise requirement by federal law, a federal student education loan agreement, or a contract between the federal government and a licensee. Upon request by the Administrator, a student loan servicer shall make the records available or shall send the records to the Administrator by registered or certified mail return receipt requested, or by any express delivery carrier that provides a dated deliver receipt, not later than five business days after requested by the Administrator. Upon a licensee’s request, the Administrator may grant the licensee additional time to make the records available or to send the records to the Administrator.
- **License renewal.** Pursuant to § 5-20-106(4) & (5), C.R.S. Colorado student loan servicing (SLS) licenses expire on **January 31st** each year and must be renewed annually.
- **Other important requirements.** Requirements regarding license expiration, license renewal, dishonored checks, incomplete applications, and license suspension and revocation can be found in § 5-20-106, C.R.S.

REQUIRED DOCUMENTS

All student loan servicers who do not have a current contract with the U.S. Department of Education under 20 U.S.C. § 1087f must complete the entire application. If an incomplete application is submitted, the Administrator will notify you in writing that the application will be considered abandoned if the requested information is not submitted within sixty days of that notification, pursuant to § 5-20-106(8), C.R.S.

Only complete applications will be considered, as a student loan servicer license may only be issued if the applying organization and its principals exhibit a sound financial condition and responsibility, financial and business experience, character, and general fitness, and the applicant’s business will be conducted honestly and in a manner commanding the confidence and trust of the community, pursuant to § 5-20-106(3), C.R.S.

Those seeking licensure must submit:

1. **Application with Investigation Fee.** Complete, originally sign this application and send it with the one-time investigation fee of \$500.
2. **Personal Affidavits.** Personal Affidavits must be completed by each owner, partner, member if an LLC or association, officer, director, or principal employee. See § 5-20-106 (3)(b)(III)(D) C.R.S. regarding corporations. Please ensure each Affidavit is complete and originally signed.
3. **Financial statement.** Pursuant to § 5-20-106(2)(a)(I), C.R.S., applicants must include a financial statement prepared by a certified public accountant or a public accountant, a general partner if the applicant is a partnership, a corporate officer if the applicant is a corporation, or a member duly authorized to execute financial statements if the applicant is a limited liability company or association.
4. **Business locations list.** If the Applicant plans to utilize multiple business locations in order to provide student loan services to Colorado residents, complete the business location list included with this application form. (See the definition of “student loan servicer,” for a list of included student loan servicing

business activities, at § 5-20-103 (8), C.R.S.) Pursuant to § 5-20-106 (9) C.R.S, licensees will be issued a separate license for each location listed.

5. **DBA, trade, or assumed names.** If the Student Loan Servicer uses a trade name, attach a copy of the properly filed trade name affidavit, showing the trade/assumed name, from the Colorado Secretary of State. Contact the Colorado Secretary of State at (303) 894-2200, or go to: www.sos.state.co.us, for more information.

Student loan servicers who are not required to file with the Colorado Secretary of State may substitute similar tradename approval from the state in which the servicer is located.

6. **Other documentation.**

- a. *For Corporations:* Attach a copy of the Articles of Incorporation, Certificate of Authority or Good Standing, or Statement of Foreign Entity Authority from the Colorado Secretary of State, or application therefore containing the filing date and account number. Contact the Colorado Secretary of State at (303) 894-2200, or go to: www.sos.state.co.us, for more information.

Student loan servicers who are not required to file with the Colorado Secretary of State may substitute similar tradename approval from the state in which the servicer is located.

- b. *For Limited Liability Companies:* Attach a copy of the Certificate of Organization, Certificate of Authority or Good Standing, or Statement of Foreign Entity Authority from the Colorado Secretary of State. Contact the Colorado Secretary of State at (303) 894-2200, or go to: www.sos.state.co.us, for more information.

Student loan servicers who are not required to file with the Colorado Secretary of State may substitute similar tradename approval from the state in which the servicer is located.

- c. *For Partnerships:* Attach a copy of the Partnership Agreement. A limited partnership must also submit a copy of the recorded certificate filed with the Colorado Secretary of State, as required by § 7-61-103, C.R.S. Contact the Colorado Secretary of State at (303) 894-2200, or go to: www.sos.state.co.us, for more information.

**COLORADO STUDENT LOAN SERVICER LICENSE
APPLICATION CHECKLIST**

You may find the following list helpful to ensure you have filed all necessary documents. Do not return this checklist with your application.

- _____ **Completed Application with Investigation Fee of \$500.** You must complete this application and submit it with original signatures and a check payment for the investigation fee

- _____ **Personal Affidavits.** You must submit a Personal Affidavit for each owner, partner, member if an LLC or association, officer, director, or principal employee.

- _____ **Financial statement.** You must provide a Financial Statement pursuant to § 5-20-106(2)(a)(I), C.R.S.

- _____ **Trade/DBA Name Affidavit (if applicable).** You must submit proof of the trade/DBA name approval filed with the Colorado Secretary of State. Student loan servicers who are not required to file with the Colorado Secretary of State may substitute similar tradename approval from the state in which the servicer is located.

- _____ **Organizational documentation.** Provide a copy of Certificate of Authority or Good Standing or similar (corporations); copy of Certificate of Organization or similar (LLCs); copy of Partnership Agreement (partnerships). Student loan servicers who are not required to file with the Colorado Secretary of State may substitute similar certificates/tradename approval from the state in which the office is located.

- _____ **Licensing Fee.** Once your application has been approved for licensure, we will request the \$12,500 licensing fee.

**COLORADO STUDENT LOAN SERVICER LICENSE APPLICATION
ORGANIZATIONAL INFORMATION**

Legal name of applicant (corporation, LLC, partnership, or sole proprietor's name):

Trade or assumed name(s) used in student loan servicing (if different from above):

Address of **principal** place of business:

(Street address) (City) (State) (Zip code)

Phone #: _____ Fax # (if applicable): _____

800 # (if applicable): _____ Website (if applicable): _____

Please indicate the type(s) of student loan servicing activities in which your organization expects to engage [see the definition of "student loan servicer" at § 5-20-103(8), C.R.S.]. Check all that apply:

_____ Receiving any scheduled periodic payments from a student loan borrower or notification of the payments and applying payments to the student loan borrower's account pursuant to the terms of the student education loan or of the contract governing the servicing.

_____ During a period when no payment is required on a student education loan, maintaining account records for the loan and communicating with the student loan borrower on behalf of the loan's holder.

_____ Interacting with a student loan borrower, including activities to help prevent default on obligations arising from education loans, conducted to facilitate receiving and applying payments, maintaining account records, and/or communicating with student loan borrowers.

Primary contact information. Please provide the contact name, mailing address, phone number, and email address for each of the following categories of correspondence:

Compliance/Examination Reports:

Contact's name, title and department:

Contact's mailing address:

(Street address) (City) (State) (Zip code)

Phone number: _____ Email: _____

Complaints from Borrowers:

Contact's name, title and department:

Contact's mailing address:

(Street address) (City) (State) (Zip code)

Phone number: _____ Email: _____

General Mailings:

Contact's name, title and department:

Contact's mailing address:

(Street address) (City) (State) (Zip code)

Phone number: _____ Email: _____

Please complete the section below that pertains to the type of organization applying for licensure. If your organization is a corporation or limited liability company and **has stock**, please make sure to complete the "Corporations and Limited Liability Companies with Stock" section **in addition** to the section pertaining your organization type. Attach additional pages if necessary.

Corporations

State of incorporation: _____ Date: _____

Please list the names of the corporation's primary officers. Attach additional pages if necessary.

President: _____

CEO: _____

Executive Committee Chair: _____

CFO: _____

Other principal employees,
Directors, and Trustees: _____

Limited Liability Companies

State or organization: _____

Date: _____

Name of managing member: _____

Please list the names and organizational titles of other members acting in leadership roles, if any. Attach additional pages if necessary.

Corporations and Limited Liability Companies with Stock

Please list the names of the stockholders of the corporation or members of the limited liability company, and the percentage of each stockholder’s or member’s ownership interest. Please include and denote all classes of stock if more than one. For corporations: If publicly traded, list all entities holding 10% or more of the stock, and if privately held the number of shares must equal 100% of the stock. Attach additional pages if necessary.

Partnerships

State of formation: _____ Date: _____

Type of partnership: General _____ Limited _____ (if Limited, include each partner’s share)

List Names and Shares of Partners - general and limited. Attach additional pages if necessary.

Sole Proprietorships

Legal name of proprietor: _____ First date of operation: _____

Home address:

(Street address) (City) (State) (Zip code)

Social security number: _____ Date of birth: _____

(Home address and social security number are required by §§ 14-14-113 and 24-31-107, C.R.S., and may be used to revoke, suspend, or deny license as determined by the state child support enforcement agency for noncompliance with support orders or subpoenas/warrants relating to child support).

QUESTIONS FOR ORGANIZATION

Statements made herein are made under oath. Omissions may be construed as intentional failure to disclose a material fact and may be grounds for rejection of an application [see § 5-20-106(3)(b)(IV), C.R.S.].

1. Has the organization requesting licensure (“Applicant”) been convicted of or pled guilty or nolo contendere to any crime or administrative violation, or been held liable in any judicial or administrative civil fraud action, in any federal, state, or local jurisdiction?

Yes _____ No _____ If yes, please provide details.

2. Has the Applicant ever been involved in any voluntary or involuntary bankruptcy, receivership, or insolvency proceedings, or had any unsatisfied judgments or liens against it?

Yes _____ No _____ If yes, please provide details.

3. Has the Applicant ever had a business license or registration suspended, canceled, revoked, or subjected to any other disciplinary action (whether or not a final order or judgment was entered) by any governmental entity; had an application for such a license or registration denied; or withdrawn such an application to avoid a denial or any related request?

Yes _____ No _____ If yes, please provide details.

License/Registration History

Please list all regulatory authorities that currently license or register the Applicant as a student loan servicing organization. Attach additional pages if necessary.

Regulatory agency name: _____

Regulatory agency address: _____

Type of license/registration: _____

License/Registration # (if one): _____ Date first licensed/registered: _____

Regulatory agency name: _____

Regulatory agency address: _____

Type of license/registration: _____

License/Registration # (if one): _____ Date first licensed/registered: _____

Regulatory agency name: _____

Regulatory agency address: _____

Type of license/registration: _____

License/Registration # (if one): _____ Date first licensed/registered: _____

Regulatory agency name: _____

Regulatory agency address: _____

Type of license/registration: _____

License/Registration # (if one): _____ Date first licensed/registered: _____

Corporations should include the signature of the President or other authorized official of the corporation. Partners must sign individually or in accordance with the Partnership Agreement. Attach additional pages if necessary. **Statements made herein are made under oath. False statements may be punishable as second-degree perjury.**

Signature

Date

Printed name of person submitting this application

Title/Position

**COLORADO STUDENT LOAN SERVICER LICENSE
PERSONAL AFFIDAVIT**

To be completed by each owner, partner, member if an LLC or association, officer, director, or principal employee. For corporations, pursuant to § 5-20-106 (3)(b)(III)(D) C.R.S., principal employees must include, but are not limited to, the president, chair of the executive committee, senior officer responsible for the corporation's business, chief financial officer or any other person who performs similar functions as determined by the administrator, each director, each trustee, and each shareholder owning ten percent or more of each class of the securities of the corporation. **A separate affidavit is to be filed by each person and each affidavit must be submitted with original signatures.**

Statements made herein are made under oath. Omissions may be construed as intentional failure to disclose a material fact and may be grounds for rejection of an application [see § 5-20-106(3)(b)(IV), C.R.S.].

Name/DBA of student loan servicer

Printed name of individual submitting this affidavit

Title/Position

Home address:

(Street address)

(City)

(State)

(Zip code)

Social security number: _____

Date of birth: _____

Employment History

Please provide a complete record of employment and business associations for the last ten years, including all companies for which you served as an owner, partner, member if an LLC or association, officer, director, or principal employee, including but not limited to the list of corporate principal employees listed at the top of this affidavit. Please account for all periods of time. Periods of unemployment should be indicated and dates given. Attach additional pages if necessary.

Dates (MM/YY): _____ TO _____

Employer: _____

Position Title: _____

Duties (brief description): _____

Dates (MM/YY): _____ TO _____

Employer: _____

Position Title: _____

Duties (brief description): _____

Dates (MM/YY): _____ TO _____

Employer: _____

Position Title: _____

Duties (brief description): _____

Dates (MM/YY): _____ TO _____

Employer: _____

Position Title: _____

Duties (brief description): _____

1. Have you been convicted of or pled guilty or nolo contendere to any crime or administrative violation other than a traffic violation, or been held liable in any judicial or administrative civil fraud action, in any federal, state, or local jurisdiction?

Yes ___ No ___ If yes, please provide details.

2. Have you, or any organization during a time when you were associated with it as an owner, partner, member if an LLC or association, officer, director, or principal employee, been involved in any voluntary or involuntary bankruptcy, receivership, or insolvency proceedings, or had any unsatisfied judgments or liens against you or such an organization?

Yes ___ No ___ If yes, please provide details.

3. Have you, or any organization during a time when you were associated with it as owner, partner, member if an LLC or association, officer, director, or principal employee, ever had a business license or registration suspended, canceled, revoked, or subjected to any other disciplinary action (whether or not a final order or judgment was entered) by any governmental entity; had an application for such a license or registration denied; or withdrawn such an application to avoid a denial or any related request?

Yes ___ No ___ If yes, please provide details.

Statements made herein are made under oath. False statements may be punishable as second-degree perjury.

Signature

Date

Printed name of person submitting this affidavit

Title/Position