

Legal Notice
Notice of Rule Making Hearing
Secretary of State

Notice is hereby given that the Nebraska Collection Agency Board will hold a rulemaking hearing on July 9, 2021, at 1:00 P.M. at Center on N, 1221 N St, 2nd Floor Conference Room, Lincoln, Nebraska, to receive public testimony on proposed regulations relating to Collection Agencies. The purpose is to amend regulations regarding Collection Agencies.

Copies of the proposed rules and regulations, and the description, including an estimated quantification of the fiscal impact on state agencies, political subdivisions, and persons being regulated are available at the Office of the Secretary of State, 1201 N. Street, Suite 120, Lincoln, Nebraska, 68508.

All interested persons are invited to attend and testify at the hearing. Interested persons may also submit written comments prior to the hearing, which shall be made a part of the hearing record at the time of the hearing. Written comments should be directed to David L. Wilson Jr, Associate General Counsel, Secretary of State's Office, 1201 N. Street, Suite 120, Lincoln, Nebraska, 68508, FAX (402) 471-2530, email david.wilson@nebraska.gov. Comments may also be posted on-line through the Secretary of State's website. To view a copy of the proposed rule or to comment on-line, go to: <http://www.sos.ne.gov/rules-and-regs/regtrack/index.cgi>.

If auxiliary aids or reasonable accommodations are needed for attendance at the hearing, please call the Secretary of State's Office at (402) 471-4071. For persons with hearing/speech impairments, please call the Nebraska Relay System at (800) 833-7352 (TDD) or (800) 833-0320 (Voice). Advance notice of at least seven days is needed when requesting an interpreter.

This notice is provided pursuant to the Administrative Procedure Act.

FISCAL IMPACT STATEMENT

AGENCY: Nebraska Secretary of State PREPARED BY: David L. Wilson Jr.
TITLE: 433 DATE: June 3, 2021
CHAPTER: TELEPHONE: 402-471-4071
SUBJECT: Collection Agencies and NMLS

<u>TYPE OF FISCAL IMPACT</u>			
	STATE AGENCY	POLITICAL SUBDIVISION	REGULATED PUBLIC
NO FISCAL IMPACT	X	X	X
INCREASED COSTS			
DECREASED COSTS			
INCREASED REVENUE			
DECREASED REVENUE			
INDETERMINABLE			

DESCRIPTION OF IMPACT

STATE AGENCY:

The fiscal impact of these changers were considered during the adoption of LB 909 (originally LB 939, amended into LB 909) in 2020. These rules and regulations do not add any additional cost or revenue than that which is anticipated in the Fiscal Note for the bill.

POLITICAL SUBDIVISION:

No fiscal impact. See above.

REGULATED PUBLIC:

No fiscal impact. See above.

STATE OF NEBRASKA ♦ SECRETARY OF STATE'S OFFICE
1201 N STREET, SUITE 120 • LINCOLN, NE • 68508
PHONE – (402) 471-8606 FAX – (402) 471-2530

LICENSING DIVISION

- Athlete Agent • Collection Agency • Debt Management •Private Detectives •
- Non-Recourse Civil Litigation Funding Companies • Truth & Deception Examiners •
- Credit Service Organizations • Rules and Regulations •

ROBERT B. EVNEN
Secretary of State

DAVID L. WILSON JR.
Licensing Director

June 3, 2021

EXPLANATORY STATEMENT

TITLE: 433

CHAPTER: 2

SUBJECT: Collection Agency Board, NMLS

ACTION: Amend Regulations Pursuant to Neb. Rev. Stat. §§ 45-601 to 45-623

PREPARED BY: David L. Wilson Jr., Licensing Director

DATE: June 3, 2021

The Nebraska Collection Agency Licensing Board is proposing to amend regulations as provided by law, and hereby submits this explanatory statement to accompany the regulations and describe their purpose.

I. Summary:

The following statutes provide that the Board will adopt and promulgate rules and regulations relating to the administration of, but not inconsistent with, the provisions of the following acts: Neb. Rev. Stat. § 45-604.

II. Overview of Purposes and Changes Made:

Chapter 2, Collection Agency Licensing

Changes were made in this chapter to implement the NMLS, as authorized by LB 909 (2020).

The Board will use the NMLS for its licensing process.

Additional changes were made to update the language of regulations.

CHAPTER 2. COLLECTION AGENCY LICENSING

001. DEFINITIONS

For purposes of Chapter 2 of these regulations:

001.01. Solicitor ~~shall means~~ anyone actively engaged in contacting creditors or prospective clients for the purpose of selling the collection agency's services and/or anyone collecting on accounts once referred or assigned to a licensed collection agency, solicitor ~~shall~~ does not mean anyone actively engaged solely in office clerical work for an agency.

001.02. Soliciting ~~shall means~~ acquiring, or attempting to acquire through advertising or other means, accounts for collection from clients located or doing business in Nebraska.

001.03. Sworn complaint ~~shall means~~ a written complaint which is notarized or otherwise legally authenticated by oath or affirmation

001.04. Board ~~or NCALB shall means~~ the Nebraska Collection Agency Licensing Board.

001.05. Act ~~shall means~~ the Nebraska Collection Agency Licensing Act.

001.06. Manager ~~shall means~~ any employee or owner of a collection agency with comprehensive supervisory authority and responsibilities with the agency; manager ~~shall~~ does not mean or include those with only limited supervisory authority or responsibilities.

001.07. ~~Written application~~ Application ~~shall means and include an application submitted on paper or an application submitted electronically in a digital through the Registry in a format approved by the Collection Agency Licensing Board.~~

001.08. Registry means the Nationwide Mortgage Licensing System as defined in Neb. Rev. Stat. § 45-602(4).

~~Annotation: Neb. Rev. Stat. §§45-602; 45-607; 45-610 & 45-613~~

002. MEETINGS

002.01. Meetings of the Board ~~shall~~ will be called by the Secretary of State. Notice for meetings ~~shall~~ will be given and meeting ~~shall~~ will be held pursuant to as required by the Nebraska Open Meetings Act.

~~Annotation: Neb. Rev. Stat. §45-603 and §§84-1407 through 84-1414~~

003. APPLICATIONS AND ~~OTHER FORMS~~

003.01. Each application to be considered by the Board will be submitted through the Registry.

~~The following forms shall be available to applicants for licensing under the Act:~~

- ~~003.01A. Application for collection agency license~~
- ~~003.01B. Officer's Interrogatory~~
- ~~003.01C. Financial Statement~~
- ~~003.01D. Oath of Applicant~~
- ~~003.01E. Collection agency license bond~~
- ~~003.01F. Application for Renewal of Collection Agency License~~

~~The forms listed in this section and attached hereto shall be made available to all applicants for license under the Act and shall be incorporated by reference into these rules and regulations.~~

003.02. ~~The following applications shall~~ Applications submitted to the Board will contain the information provided below; ~~and may be submitted electronically or in written form except as specifically provided in 003.02A13 of this chapter.~~

003.02A. Initial Application for Collection Agency License

003.02A1. Before being considered by the Board, every application for a collection agency license will include the following information and meet the following:

003.02A1i. All questions on the application form(s) will be answered, unless otherwise noted on the form.

003.02A1ii All licensing and investigation fees will be paid in advance.

003.02A1iii All instruments used for payments of licensing and investigation fees other than cash will have been paid by the institution they were drawn upon.

003.02A1iv For out of state applicants already doing business outside Nebraska, provide a list of ten customers for reference purposes. If the applicant does not have ten customers, the applicant will provide as many as it currently services.

003.02A1v Personal references for individual and partnership applicants.

003.02A1vi If the applicant is a corporation, limited liability company, or other business entity, a copy of their articles of incorporation, certificate of organization, or other formation document and the name and address of their resident agent.

003.02A1vii If the applicant is a corporation, limited liability company, or other business entity, the Board will verify that the entity is in good standing to conduct business in the state of Nebraska.

003.02A1viii Financial statement of the corporation or business.

003.02A1ix A bond in the amount specified by the Act.

003.02A1x The names and aliases of all solicitors to be initially employed by the agency.

003.02A1 An applicant has ninety (90) days after notice that an application is incomplete, to complete their application by providing all necessary documents, information, and fees specified. If the licensure application is not completed within that time, the application is be null and void and the applicant will then reapply for licensure, including payment of all fees.

003.02A2 The Board may request any additional information it deems necessary and relevant to the consideration of the applicant's qualifications to conduct collection agency business in this state.

003.02A3. The Board may investigate and verify any information contained in an application.

003.02AB. Application for ~~r~~Renewal of ~~e~~Collection ~~a~~Agency ~~l~~License ~~which shall include:~~

- 003.02-~~AB~~1. The date of the application
- 003.02-~~AB~~2. The type of business organization
- 003.02-~~AB~~3. The name of the agency
- 003.02-~~AB~~4. The agency owner(s)
- 003.02-~~AB~~5. The agency's business street address
- 003.02-~~AB~~6. The agency's telephone and fax numbers
- 003.02-~~AB~~7. The name and street address of the agency's Nebraska office
- 003.02-~~AB~~8. The name and street address of the agency's contact person for correspondence
- 003.02-~~AB~~9. The name and street address of the agency's contact person for complaints
- 003.02-~~AB~~10. The name(s) and street address(es) of the agency's general manager(s)
- 003.02-~~AB~~11. The agency's trade names and "doing business as" names
- 003.02-~~AB~~12. The name and title of the person completing the application
- 003.02-~~AB~~13. An original agency bond or continuation certificate in the amount required specified by the act ~~must be~~ submitted on paper with original signatures and seal of insurance agency.
- 003.02-~~AB~~14. A statement that the licensee is maintaining records of all consumer payments ~~as required by~~ pursuant to section 008.04
- 003.02-~~AB~~15. A statement regarding any disciplinary actions taken against the licensee since the date of last renewal.

003.02BC. Application for and ~~r~~Renewal of ~~s~~Solicitor's certificate, ~~which shall include:~~

- 003.02-~~BC~~1. The name of the solicitor
- 003.02-~~BC~~2. The date of the solicitor's employment with the agency
- 003.02-~~BC~~3. Any aliases used by the solicitor

003.02CD. Application for and ~~r~~Renewal of ~~b~~Branch ~~o~~Office ~~e~~Certificate, which shall include:

003.02-~~CD~~1. The date of application

003.02-~~CD~~2. The name of the branch office

003.02-~~CD~~3. The street address and telephone number of the branch office

Annotation: ~~Neb. Rev. Stat. §§45-606 through 45-608; 45-611~~

~~004. LICENSE APPLICATION REQUIREMENTS~~

~~004.01. Before being considered by the Board, every application for a collection agency license shall include the following information and meet the following requirements:~~

~~004.01A. All questions on the application form(s) must be answered, unless otherwise noted on the form.~~

~~004.01B. All licensing and investigation fees must be paid in advance.~~

~~004.01C. All instruments used for payments of licensing and investigation fees other than cash shall have been paid by the institution they were drawn upon.~~

~~004.01D. Out of state applicants already doing business outside Nebraska shall provide a list of ten customers for reference purposes. If the applicant does not have ten customers, the applicant shall provide as many as it currently services.~~

~~004.01E. Personal references for individual and partnership applicants.~~

~~004.01F. If the applicant is a corporation, limited liability company, or other business entity, a copy of their articles of incorporation, certificate of organization, or other formation document and the name and address of their resident agent.~~

~~004.01G. If the applicant is a corporation, limited liability company, or other business entity, the Board shall verify that the entity is in good standing to conduct business in the state of Nebraska~~

~~004.01H. Financial statement of the corporation or business.~~

~~004.01I. A bond in the amount required by the Act.~~

~~004.01J. The names and aliases of all solicitors to be initially employed by the agency.~~

~~004.02. Within ninety (90) days after notice that the application is incomplete, the applicant must complete the application for licensure by providing all necessary documents, information, and fees specified. If the licensure application is not completed within that time, the application shall be null and void and the applicant must then reapply for licensure, including payment of all fees.~~

~~004.03. The board may request any additional information it deems necessary and relevant to the consideration of the applicant's qualifications to conduct collection agency business in this state.~~

~~004.04. The board may investigate and verify any information contained in an application.~~

Annotation: ~~Neb. Rev. Stat. §§45-605 through 45-608; 45-610~~

004. SOLICITORS' CERTIFICATE FORMS

004.01. Solicitors' certificates ~~shall~~ become null and void upon the lapse, non-renewal, or revocation of the license of the agency using the solicitor as its employee or agent, or upon the termination of the solicitor's employment with the agency they work for.

004.02. The licensee ~~shall~~ will notify the Board in writing within 90 days upon the termination of employment of an employee holding a solicitor's certificate.

004.03. The licensee ~~shall~~ will provide an alphabetical list of new employee(s) which are soliciting or collecting on accounts in Nebraska within 90 days from the date of hire. The list ~~shall~~ will contain the name(s) of the employee(s) and any alias used along with the date of hire and the solicitor's fee.

Annotation: ~~Neb. Rev. Stat. §45-610 and §45-611~~

005. LICENSES

005.01. Upon any of the following changes, the licensee ~~shall~~ will notify the Board in writing of such change within thirty (30) days after its occurrence:

005.01A. Change of business name or address, including change of Nebraska office name or address

005.01B. Any changes in the managers or executive officers of a licensed collection agency ~~shall~~ will be reported to the board in writing. Such report ~~shall~~ will include:

005.01B1. The name and residential street address of each new manager or executive officer.

005.01B2. The work history and qualifications of each new manager or executive officer.

005.01C. Change in ownership of ten or more percent but less than fifty percent of the corporate stock or ownership interest if licensee is a corporation, limited liability company, or other business entity.

005.01C1. The notice required in section 006.01C shall include a list of all owners holding shares or ownership interests in the agency along with the percentage of interest held.

005.02. Licenses ~~shall~~ are not be transferable. Before purchasing a currently licensed collection agency the prospective owner must be licensed. In addition, the following changes require a new license application:

005.02A. For a sole proprietorship or partnership, any change in the persons owning the collection agency.

005.02B. For a corporation, limited liability company, or other business entity any change of ownership of fifty percent or more of the stock or ownership interest in any one transaction or a cumulative change of ownership of fifty percent or more from the date of the issuance of the license or from the date of the latest renewal of the license.

005.02C. Any change of ownership structure, including but not limited to a change to or from a sole proprietorship, partnership, limited liability company, or corporation.

005.02B1. In the case of a change of ownership structure, the licensee ~~shall~~ will not need ~~be required~~ to submit the following:

- i. Investigation fee
- ii. If there has been no change in any of the documentation on file with the Board:
 1. Officer Interrogatories
 2. List of branch offices
 3. List of solicitors

005.03. Upon the termination of a license by revocation, expiration, denial, or surrender, the licensee must immediately cease collection activities. All client accounts ~~must~~ are to be returned to the clients within forty-five (45) days unless the licensee has written authorization from the client to transfer or assign the account to another collection agency for collection. No later than the end of the forty-five day period, the licensee ~~must~~ will file a notarized affidavit with the Board stating its compliance with this rule and providing the names and addresses of all clients for whom it was attempting to collect debts.

All consumer payments received after the revocation, expiration, or surrender of a license ~~shall~~ will be immediately forwarded in full to the applicable client without the licensee's retention of any fee or commission.

This rule does not apply to any license voluntarily surrendered in conjunction with the simultaneous issuance of a new license due to any of the changes listed in section 006.02

Annotation: ~~Neb. Rev. Stat. §§45-606, 45-607, 45-618~~

006. RENEWAL OF AGENCY LICENSE

~~007.01. On or about November 1 of each year the Board shall send a collection agency license renewal form to each licensed collection agency in the state.~~

006.01. A license ~~shall~~ will only be renewed if the license renewal form along with the appropriate fees and evidence of bond or continuance of current bond in the proper amount is submitted on or prior to December 31 of each year and if the agency is a corporation, limited liability company, limited partnership, or limited liability partnership it ~~is~~ must be in good standing to do business in ~~the State of~~ Nebraska.

006.02. Every renewal application received by the Board after the December 31 deadline shall will be considered ~~by the board~~ as an initial license application. Such application shall will not be considered until the proper application and investigation fees have been paid. ~~The board may also request any of the additional information required for an initial license application when considering late renewals.~~

Annotation: Neb. Rev. Stat. §45-611

007. INVESTIGATIONS AND FINANCIAL RECORDS

007.01. The Board may verify any and all information received by the Board pursuant to a license or certificate application, complaint, or renewal, by phone, correspondence, or personal interviews conducted by members of the Board or employees or agents of the Board at the direction of the Board. Board members and employees or agents of the Board may be reimbursed for actual and necessary expenses associated with such investigations.

007.02. The Board may request that anyone being investigated pursuant to a license application, complaint, or renewal personally appear before the board to answer questions and concerns related to the application, complaint, or renewal.

007.03. The Board may require a licensee to submit a verified financial statement for examination at any time. The Board may require the verified financial statement be prepared using Generally Accepted Accounting Principles (GAAP) and verified, reviewed, or audited by an independent accountant or Certified Public Accountant.

007.04. Licensees shall will maintain a record of all collection payments for two (2) years following the date the payment was received. Records of collection payments shall will include the consumer's or business's name, the client's name, the amounts paid, the dates on which payments were received, the allocation of each payment to, as applicable, principal interest, court costs, attorney fees, other costs, the interest rate, the current balance due, and the date of deposit of the collection payment to the applicable bank account.

008. FAIR DEBT COLLECTION PRACTICES ACT

008.01. The Board shall will inform each applicant for a collection agency license of the existence of Federal Fair Debt Collection Practices Act. (15 U.S.C. sec. 1692 et. seq.) and shall will inform each applicant how they can acquire a copy of the Federal Act.

Annotation: Neb. Rev. Stat. §45-605; 15 U.S.C. sec. 1692 et. seq.

009. MAINTENANCE OF A REGULAR OFFICE IN NEBRASKA

009.01. Failure of a collection agency to maintain a regular office in the state ~~shall~~ is grounds for revocation of license pursuant to the procedures set forth in these rules and regulations and in the Act.

009.02. The minimum ~~requirements~~ standards for a regular office are a physical location where a manager, officer, employee or agent of the agency maintains regular business hours or other hours as posted in public view at the location. Such office ~~shall~~ will have actual document records or access to electronically stored document records of all collections and claims involving clients or debtors in the state being handled by the licensee.

009.03. The Board may verify the existence of a regular office for a particular collection agency upon written or verbal notification by any party alleging that such an office does not meet the ~~requirements~~ standards of this section.

Annotation: ~~Neb. Rev. Stat. §45-612~~

010. REVOCATION OR SUSPENSION OF AGENCY LICENSE OR SOLICITOR'S CERTIFICATE.

010.01. The Board may, upon an affirmative vote of the majority of the members of the Board and after its own investigation, and ~~shall~~ will, upon sworn complaint of any person or client of a licensee, cite the licensee or solicitor to appear before it at a time and place as set forth in such citation, to show cause as to why such license should not be suspended or revoked. Such citation ~~shall~~ will be in writing and ~~shall~~ set forth the exact charges against the licensee or solicitor. The citation ~~shall~~ will be served upon the licensee or solicitor at least twenty days prior to the hearing in the same manner that summons of the district courts are served. If the citation is against a solicitor, a true copy of the citation ~~shall~~ will also be served upon the licensee under whose license the solicitor's certificate was issued.

010.02. In preparation for and the conduct of such hearing the Board may issue subpoenas to require the attendance and testimony of witnesses, the production of any pertinent records, papers, books and documents, may administer oaths, examine witnesses, and take any evidence it deems pertinent to a proper determination of the charge. The party against whom the citation has been issued ~~shall have~~ has the right to obtain from the Secretary of State subpoenas for such witnesses the party may desire to have at such hearing. Depositions may be taken and used at such hearings in the same manner as they are taken and used in the district courts of this state. Witnesses so subpoenaed ~~shall~~ will receive the same fees as witnesses in the district courts of this state.

010.03. The Board ~~shall~~ will record the testimony given at the hearing and maintain a file containing such testimony as well as a record of all witnesses who appeared and all documents or items offered as exhibits.

010.04. After such hearing the Board ~~shall~~ will approve by a vote of a majority of its members a statement of its findings in writing and signed by the Secretary of State. If the Board finds that the cited licensee or solicitor has failed to comply with the ~~specific requirements~~ of the Act, or failed to comply with the general intent and purposes of the Act, the Board may revoke such

license or certificate, or suspend such license or certificate for a specified time. A certified copy of the findings ~~shall~~ will be served upon the cited licensee or solicitor by certified mail within five days of the issuance of such findings.

010.05. The Board may make the reinstatement of a suspended license contingent upon satisfactory evidence being produced that the suspended licensee or certificate holder has acted to remedy the situation or action which was cause for the suspension or has taken steps to ensure that the situation or action does not re- occur. Any such requirement ~~shall~~ will be included in the findings of the Board in addition to such revocation or suspension.

~~Annotation: Neb. Rev. Stat. §§45-613 through 45-615~~

011. APPEALS

011.01. Appeal from a final decision of the Board on any application for a license or certificate that is denied, suspended, or revoked ~~shall~~ is to be taken in accordance with the Administrative Procedures Act (Neb. Rev. Stat. Sec. 84-901 et. seq.)

~~Annotation: Neb. Rev. Stat. §45-616~~

012. FEES AND BOND AMOUNT

012.01. ~~In addition to the fees charged by the Registry, license~~ Fees charged by payable to the Board shall be are as follows:

- 012.01A. Collection Agency License Fee--\$200.00
- 012.01B. Collection Agency License Investigation Fee--\$200.00
- 012.01C. Collection Agency Annual Renewal Fee--\$75.00
- 012.01D. Branch Office Certificate Initial--\$50.00
- 012.01E. Branch Office Certificate Renewal--\$35.00
- 012.01F. Solicitor's Certificate (new or renewal)--\$1.00

012.02. Fees are not refundable. However, an applicant that is denied a license may request the License Fee be waived upon re-application.

012.03. A corporate surety bond in at least the following amount is required:

- 012.03A. For those agencies having sixteen or more solicitors --\$15,000
- 012.03B. For those agencies having five to fifteen solicitors--\$10,000
- 012.03C. For those agencies having less than five solicitors--\$5,000
- 012.03D. The Board may require a higher bond amount; however, no person ~~shall~~ will be required to post a bond in excess of one hundred thousand dollars.

~~Annotation: Neb. Rev. Stat. §45-606, 45-608, and 45-620~~

APPENDIX _____
Title 433 Chapter 2

~~Initial License Application Requirements~~
~~Application for Collection Agency License~~
~~Officer's Interrogatory~~
~~Financial Statement~~
~~Oath of Applicant~~
~~Collection Agency License Bond~~
~~Application for Renewal of Collection Agency License~~

~~JOHN A. GALE~~
~~SECRETARY OF STATE~~
~~(402) 471-8606 (phone)~~
~~(402) 471-2530(fax)~~



~~STATE CAPITOL~~
~~ROOM 1305~~
~~LINCOLN, NE 68509~~

~~NEBRASKA COLLECTION AGENCY LICENSING BOARD~~ ~~INITIAL LICENSE APPLICATION REQUIREMENTS~~

~~Enclosed with this application are the Nebraska statutes and rules and regulations applicable to Nebraska collection agencies. The Nebraska Collection Agency Licensing Board reviews license applications at its **quarterly meetings** in January, April, July and October. Applications must be received by our office **no later than the first** of the month in which the Board meets in order to have the application placed on the agenda. If you have a problem in meeting the deadline or have any questions regarding the application, you should contact our office for assistance. The Board requires that every application for a collection agency license include the following information and meet the following requirements:~~

- ~~1. All questions on the application form(s) must be answered (unless otherwise noted) and the application must be sworn or affirmed by someone with general authority to act on behalf of the applicant agency on the attached form.~~
- ~~2. All licensing and investigation fees must be paid in advance.~~
- ~~3. Out of State applicants already doing business outside Nebraska must provide a list of ten customers (use attached form) for reference purposes. In addition, all out of state applicants must have an office in the State of Nebraska (see NAC, Title 434, Ch. 10, attached to this packet for requirements).~~
- ~~4. Three personal reference letters must be provided for individual and partnership applicants.~~
- ~~5. If the applicant is an individual or partnership, a personal financial statement must be completed. Credit reports will be obtained by the Board on individual and partnership applications.~~
- ~~6. If the applicant is a corporation, limited liability company, or other business entity, a copy of the articles of incorporation, certificate of organization, or other formation documents, and the name and address of the resident agent in the state of incorporation.~~
- ~~7. A corporation, limited liability company, or other business entity must be registered to do business in the State of Nebraska and in good standing~~
- ~~8. A completed current financial statement of the corporation or business on the form provided.~~
- ~~9. A bond in the amount required by the Act (see Neb. Stat. 45-608).~~
- ~~10. An alphabetical list of all solicitors/collectors to be licensed with the required fee. The list should contain the name of the solicitor/collector and any alias used by the solicitor/collector.~~
- ~~11. A list of any branch offices to be licensed. The list should include name of branch (if different from the agency name), address, city, state, zip, and telephone number.~~
- ~~12. A list of other states in which the collection agency is licensed (use attached form).~~

**NEBRASKA COLLECTION AGENCY LICENSING BOARD
INITIAL LICENSE APPLICATION REQUIREMENTS (continued)**

The licensing fees are as follows:

Collection Agency Initial License Fee (initial).....	\$200.00
Collection Agency License Investigation Fee (initial).....	\$200.00
Branch Office Certificate (initial).....	\$ 50.00
Solicitor's Certificate (initial and renewal).....	\$ 1.00
License Renewal Fee (due December 1 each year).....	\$ 75.00
Branch Office Certificate (renewal).....	\$ 35.00

The Federal Fair Debt Collection Practices Act (15 U.S.C. sec. 1692 et. seq.) is applicable to all licensed Nebraska collection agencies. A copy of the act is available from the following:

~~The Federal Trade Commission, Pennsylvania Avenue & 6th Streets, NW, Washington, DC 20580 (202/326-3128)~~

~~The Nebraska Collectors Association, PO Box 70, Beatrice, NE 68310; (402/228-1312 phone) (402/228-1438 fax)~~

JOHN A. GALE
Secretary of State



State Capitol
Room 1305
Lincoln, NE 68508

**NEBRASKA COLLECTION AGENCY BOARD
INITIAL COLLECTION AGENCY LICENSE APPLICATION**

Please complete the following questions. If additional space is needed for any question, you may attach a separate sheet to the application. The investigation fee of \$200.00 and the license fee of \$200.00 must be paid when the application is submitted. The investigation fee is non-refundable.

Date _____ Applicant is a(n): Individual Partnership LLC Corporation

Agency Name _____

Agency Owner(s) _____
(List all owners holding shares or ownership interests in the agency along with the percentage of interest held)

Business Street Address _____

Telephone No. _____ Fax No. _____

Licensing Contact Person _____ Telephone No. _____ Email Address _____

Complaint Contact Person _____ Telephone No. _____ Email Address _____

Nebraska Office Street Address _____
(Out of state agencies must have a Nebraska Office Address — Refer to Chapter 10 of the Rules and Regulations)

Telephone No. _____ Contact Person _____

1. Discuss in brief your business history, organizational structure, type of collection related business engaged in (or to be engaged in, if not yet active) and if you have been in business prior to this application or have ever held a Nebraska Collection Agency License.

2. Does your business handle accounts and money? yes no

3. If licensed, have you ever had any disciplinary action by an agency or board? yes no If yes, explain on a separate sheet.

4. Will the business use any additional names for the collection agency? yes no If yes, list on a separate sheet. (Including registered trade names).

5. Applicants who are corporations, limited liability companies, or other business entities: please list on a separate sheet the names and resident addresses of the president, vice president, secretary, treasurer and other officers having a right to participate in the management of the collection agency.

6. Applicants licensed in another state: attach a listing of the states and the agencies issuing the license.

7. Out of state applicants already doing business outside Nebraska: please list ten (10) customers showing their names, complete addresses, and telephone numbers for reference purposes on the attached sheet.

~~8. Individual or Partnership applicants must provide three (3) letters of personal reference (each).~~

OFFICERS' INTERROGATORY

This interrogatory must be completed by each officer or other individual having a right to participate in the management of the applicant's business in the State of Nebraska. **If additional forms are needed, copies may be made.**

Name of Officer _____ Title _____

Residence Street Address, City, State, Zip

List the places where you have been engaged in any kind of business or vocation accounting for the entire period since you left school or college. If additional space is needed, attach a separate sheet to application.

Nature of Business _____
Employer _____
Address _____
Position held _____ From _____ To _____

Nature of Business _____
Employer _____
Address _____
Position held _____ From _____ To _____

Nature of Business _____
Employer _____
Address _____
Position held _____ From _____ To _____

Nature of Business _____
Employer _____
Address _____
Position held _____ From _____ To _____

Nature of Business _____
Employer _____
Address _____
Position held _____ From _____ To _____

Have you ever been engaged in any kind of collection agency work? yes no If yes, how long? _____

Describe position _____

Have you ever been licensed in any other state as an owner, manager, or solicitor of a collection agency? yes no

If yes, where? _____ **When?** _____

Has your application for a license as an owner, manager, or solicitor of a collection agency ever been rejected in any other state? yes no If yes, explain giving exact dates, places, parties involved, and full details on a separate sheet.

Has your license as an owner, manager, or solicitor of a collection agency ever been revoked or suspended in any other state? yes no If yes, explain giving exact dates, places, parties involved, and full details on a separate sheet.

Have you ever been convicted of any criminal offense or is there any criminal charge against you now pending (other than minor traffic violations)? yes no If yes, explain giving exact dates, places, parties involved, and full details on a separate sheet.

Have you been convicted of fraud in any court within the past five years? yes no If yes, explain giving exact dates, places, parties involved, and full details on a separate sheet.

Has there been any judgment entered against you for failure to account to your client money or property for such client or customer in the last five years? yes no If yes, explain giving exact dates, places, parties involved, and full details on a separate sheet.

Have you read and do you understand the provisions of the Collection Agency Licensing Act? yes no

List the names and addresses of three people unrelated to you who can attest to your reputation for honesty and fair dealings.

Name _____

Address _____

Name _____

Address _____

Name _____

Address _____

AUTHORIZATION FOR RELEASE OF INFORMATION

I hereby authorize the Secretary of State as Chairman of the Nebraska Collection Agency Board to investigate and verify any information contained in my collection agency application or any other information relevant to my qualifications for licensure.

Signature _____ Social Security Number * (optional) _____

*Failure to disclose your social security number will not affect your license application, but will be used by the Board to assist in verifying background information provided, including credit history checks. The number is being requested under Nebr. Revised Statute 45-607 which lists qualifications and disqualification's for licensees and officers, and in accordance with previous Collection Agency Licensing Board practice.

**NEBRASKA COLLECTION AGENCY BOARD
PERSONAL/CORPORATE FINANCIAL STATEMENT
(This form must be completed)**

A completed financial statement must be completed for the owner if for a sole proprietorship OR the business entity if for a partnership, corporation, or limited liability company. The information is required so that the Board can properly evaluate the applicants' ability to qualify for such license. The Board is authorized to make all inquiries deemed necessary to verify the accuracy of the statements made herein.

The following is being submitted by _____ (name and title) as a true and accurate statement of financial condition of _____ (name of applicant) on _____, 20____.
(Must be no more than 6 months old)

Type of Business: Individual Partnership LLC Corporation

ASSETS, LIABILITIES AND NET WORTH

ASSETS:	(omit cents)
Current Assets:	
Cash on hand	\$ _____
Cash in Bank (Itemize)	
(a) Trust Account (Client Funds)	\$ _____
(b) Operating Account	\$ _____
(c) Other Bank Accounts	\$ _____
Accounts Receivable	
a) Clients	\$ _____
b) Other	\$ _____
Notes Receivable	\$ _____
Other (Itemize)	\$ _____
\$ _____	
\$ _____	
TOTAL CURRENT ASSETS	\$ _____
Fixed Assets:	
Furniture, Fixtures, etc.	\$ _____
Real Estate	\$ _____
Other (Itemize)	\$ _____
\$ _____	
\$ _____	
TOTAL FIXED ASSETS	\$ _____
TOTAL ASSETS	
\$ _____	
LIABILITIES & NET WORTH:	
Accounts Payable	
a) Clients	\$ _____
b) Other	\$ _____
Taxes Payable (Itemize)	\$ _____
\$ _____	
\$ _____	
\$ _____	
Real Estate Mortgages payable to:	\$ _____
Notes Payable to Banks	

a) Secured _____ \$ _____
b) Unsecured _____ \$ _____

Notes Payable to Other Specify: _____ \$ _____

Other Liabilities (Itemize) _____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

TOTAL LIABILITIES _____ \$ _____

NET WORTH: _____

Investment/Capital Stock _____ \$ _____

Surplus _____ \$ _____

Retained Earnings _____ \$ _____

TOTAL NET WORTH _____ \$ _____

TOTAL LIABILITIES & NET WORTH _____ \$ _____

INCOME AND OPERATING EXPENSES

Monthly Revenue (average over the past 6 months) _____ \$ _____

Monthly Expenses (average over the past 6 months) _____ \$ _____

ADDITIONAL INFORMATION

List the names and addresses of your financial institutions:

1. _____
2. _____
3. _____
4. _____

Please list and give a brief explanation of all Lawsuits pending or judgments entered against the applicant agency in the last 3 years (attach information if needed)

Does the applicant agency have any debts, obligations, or potential liabilities of the applicant not listed elsewhere on this application? yes no

Is the applicant an endorser, co-maker/signer or guarantor on an outstanding liability? yes no

Are any assets of the applicant, including stock, pledged or assigned other than those described? yes no

Has the applicant filed bankruptcy in the last 10 years? yes no

If you answered yes to any of the above questions, please attach additional pages and explain in detail, including an estimate of the liability or debt where applicable

Oath of Applicant

STATE OF _____)
_____) ss. _____
COUNTY OF _____)

I, _____, do hereby swear or affirm as _____
Print Name Capacity of affiant, i.e. president, owner, general manager

of _____, That I have personally verified the information contained in the attached
Name of Collection Agency

Initial Collection Agency Application and Nebraska Collection Agency Board Personal/Corporate Financial Statement

and the information contained therein is true and correct to the best of my knowledge.

Signature

SUBSCRIBED AND SWORN to before me this _____ day of _____, 20____.

Notary Public

NEBRASKA COLLECTION AGENCY LICENSE BOND

~~KNOW ALL PERSONS BY THESE PRESENTS:~~

~~That we, _____, as Principal and _____
as Surety, are held and firmly bound unto the Nebraska Collection Agency Licensing Board for and on behalf of
injured parties in the sum of _____ Dollars (\$ _____) for the payment of which well
and truly to be made, we hereby bind ourselves, our heirs, executors, administrators, personal representatives,
successors and assigns, jointly and severally, firmly by these presents.~~

~~WHEREAS, the Principal, hereinabove described, is about to engage or is engaged in the collection agency
business as a duly licensed collection agency in the State of Nebraska.~~

~~NOW THEREFORE, the condition of this obligation is such that, if the Principal shall faithfully and truly perform
all agreements entered into with the licensee's clients or customers and shall, within forty five days after the close
of each calendar month, report to and pay to his, her or its client or customer the net proceeds of all collections
made during the preceding calendar month and due to each client or customer, then this obligation to be void,
otherwise to remain in full force and effect.~~

~~IT IS FURTHER PROVIDED, that an action may be brought in any court of competent jurisdiction upon this bond
by any person to whom the licensee fails to account and pay as set forth hereinabove or who has been damaged by
failure of the licensee to comply with all agreements entered into with such person, except that the aggregate
liability of the Surety to all such persons shall, in no event, exceed the sum of such bond.~~

~~The term of this bond shall begin upon its effective date and end on December 31, _____.~~

~~The effective date of this bond is _____.~~

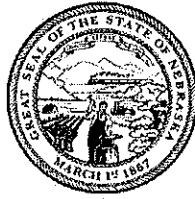
~~(Corporate Seal of Insurance
Company if Applicable) _____~~

~~Signature of Principal~~

~~Signature of Agent *~~

~~*The bond must be signed by an agent of the bonding company.~~

JOHN A. GALE _____
Secretary of State _____
402-471-8606 (Phone) _____



_____ State Capitol, Suite 1305
_____ Lincoln, NE 68509
_____ 402-471-2530 (Fax)

APPLICATION FOR RENEWAL OF COLLECTION

AGENCY LICENSE

Fee: \$75.00

FILING DEADLINE IS NOVEMBER 30, 2012

1. Information on form is correct _____ 2. Information on form is not correct _____
(Complete #14 and sign and date the bottom of form) _____ (Make appropriate corrections, complete #14 and sign
and date the bottom of form)

3. Applicant is a: _____ (I-Individual, P-Partnership, L-LLC, C-Corporation) _____ Correct Information is: _____

4. Agency Name: _____
Correct Information is: _____

5. List the name of the entity as it is registered with the Nebraska Secretary of State's Corporation Division.
Registered Name: _____
Correct Information is: _____

6. Agency Trade Names/d.b.a.'s: _____
Correct Information is: _____

7. Agency Owner(s): _____
Correct Information is: _____

8. Business Address: _____
Correct Information is: _____

9. Telephone No: _____ Correct Information is: _____

10. Fax No: _____ Correct Information is: _____

11. Contact Name, Address, and Telephone Number for Nebraska Office. (You MUST have a Nebraska Office Address):

Correct Information is: _____

12. Name, Address, Telephone Number, and Email of Person to receive all correspondence, licenses, and forms:
Correct Information is: _____

13. Name, Address, Telephone Number, and Email of Person to contact regarding agency complaints:
Correct Information is: _____

14. List, on a separate sheet, any and all law suites the company has been involved with and any and all state or federal actions taken against the company this year.

15. List, on a separate sheet, the name(s) and address(es) of the agency's general manager(s).

Signature of Person Completing Application _____ Title _____

Printed Name _____ Date _____