



NY Budget Planner License New Application Checklist (Company)

CHECKLIST SECTIONS

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GENERAL INFORMATION

Who Is Required to Have This License?

The license requirements for budget planners are found primarily in Article 12-C of the New York Banking Law (BL) and regulations thereunder. BL Section 579 provides:

Only a charitable corporation as defined in paragraph (a) of section one hundred two (Definitions) of the not-for-profit corporation law of this state, or an entity incorporated in another state and having a similar not-for-profit status, shall engage in the business of budget planning as defined in subdivision one of section four hundred fifty-five of the general business law of this state except as authorized by this article and without first obtaining a license from the superintendent.

In addition to the items listed in this [checklist below](#), the New York State Department of Financial Services (NY-DFS) may require, as it deems necessary, the submission of any other information or documentation.

Note: If you are seeking the NY Budget Planner License at more than one location, see the NY Budget Planner Branch License New Application Checklist for more information.

Activities Authorized Under This License

This license authorizes the following activities...

- Bi-weekly payment processing services
- Debt management/credit counseling
- Debt negotiation
- Debt settlement/debt adjuster
- Non-mortgage loan modifications
- Other-Debt

NY-DFS does issue paper licenses for this license type.

Prerequisite

- **Prior to submitting an application, please contact one of the staff listed below to arrange for a pre-filing meeting:**

Sing.pun@dfs.ny.gov

Suerattan.persaud@dfs.ny.gov

Document Uploads Guidance

Documents that must be uploaded to the *Document Uploads* section of the Company Form (MU1) in NMLS are indicated in the checklist below. When uploading documents:

- Follow the guidance in [Document Upload Descriptions and Examples](#).
- Only upload documents relevant to the company application.
- Only upload documents where there is a selectable document category. If inappropriate documents are uploaded that should not be, you will be contacted by your regulator and asked to remove them from NMLS.
- Do not upload the same company documents multiple times. Generally, unless the document is state-specific, if the document has already been uploaded for another state, a new upload is not required unless changes have been made.
- If a document previously uploaded has been revised, delete the old document and replace it with the new document (history of the old document will remain in NMLS).
- For state-specific documents (e.g., Surety Bonds), be sure to indicate the applicable state.

Helpful Resources

- [Company Form \(MU1\) Filing Instructions](#)
- [Document Upload Descriptions and Examples](#)
- [Individual Form \(MU2\) Filing Quick Guide](#)
- [Financial Statements Quick Guide](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

Agency Contact Information

Contact NY-DFS licensing staff by phone at (212) 709-5507.

For U.S. Postal Service & Overnight Delivery:

*New York State Department of Financial Services
Licensed Financial Services – Applications Unit
One State Street
New York, NY 10004-1511*

For Restricted Words Approval:

*New York State Department of Financial Services
ATTN: Office of General Counsel, Name Approval
One State Street
New York, NY 10004-1511*

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING. THE AGENCY SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.

LICENSE FEES - Fees collected through NMLS are NOT REFUNDABLE OR TRANSFERABLE.

Complete	NY Budget Planner License	Submitted via...
<input type="checkbox"/>	NY Application Fee: \$3,000 NMLS Initial Processing Fee: \$0	NMLS (Filing submission)
<input type="checkbox"/>	Credit Report for Control Persons: \$15 per control person.	NMLS (Filing submission)

REQUIREMENTS COMPLETED IN NMLS

Complete	NY Budget Planner License	Submitted via...
<input type="checkbox"/>	Submission of Company Form (MU1): Complete and submit the Company Form (MU1) in NMLS. This form serves as the application for the license/registration through NMLS.	NMLS

<input type="checkbox"/>	<p>Financial Statements: Upload 3 most recent years Audited financial statements prepared by a Certified Public Accountant in accordance with Generally Accepted Accounting Principles dated within 90 days of your fiscal year end. Financial statements should include a balance sheet, income and expense statement with the respective changes in fund balances, statement of cash flows, and all relevant notes thereto. The balance sheet data of the applicant must include the financial statement supplementary schedule information and an adequate description of contingent liabilities, suits, judgements, and other legal actions, title of assets, etc.</p> <p>If the applicant is a new corporation, and does not have a 3-year period of actual operations supported by audited financial data, then a pro-forma balance sheet and projection of income, expenses, changes in fund balances and a statement of cash flows is required.</p> <p>If 3 years of Audited financials are unavailable, please provide a list of creditor contributions and amounts, a list of other contributions and amounts, a list of all clients with fee and related amounts, a list of all salaries and benefits paid to directors, and adequate financial data on amounts paid by the applicant directly or on behalf of clients, or by clients after referral to any outside professional person such as attorneys, accountants, or consultants, etc.</p> <p>Note: Financial statements are uploaded separately under the Filing tab and <i>Financial Statement</i> submenu link. See the Financial Statements Quick Guide for instructions.</p>	<p>NMLS</p>
<input type="checkbox"/>	<p>Other Trade Name: If operating under a name that is different from the applicant’s legal name, that name (“Trade Name,” “Assumed Name” or “DBA”) must be listed under the <i>Other Trade Names</i> section of the Company Form (MU1).</p> <p>NY-DFS does not limit the number of other trade names.</p> <p>Note: Corporations, limited liability companies, and limited partnerships proposing to conduct business under an assumed name (e.g., DBA) must apply to the Secretary of State for authorization to do so. Individuals, general partnerships, and limited liability partnerships proposing to conduct business under an assumed name must apply to the County Clerk of each county in which the business will operate for permission to do so. In either case, certified copies of the applicable authorization must also be submitted to NY-DFS.</p> <p>See also the Restricted Words item below.</p> <p>If operating under an “Other Trade Name”, upload documentation regarding ability to do business under that trade name. This document should be named <i>[State-License Type] Trade Name – Assumed Name</i>.</p>	<p>NMLS</p> <p>Upload in NMLS: under the Document Type Trade Name/Assumed Name Registration Certificates in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Resident/Registered Agent: The Resident/Registered Agent must be listed under the <i>Resident/Registered Agent</i> section of the Company Form (MU1).</p> <p>Note: The resident/registered agent is the entity that will receive service of legal process on behalf of your company in the state identified.</p>	<p>NMLS</p>

<input type="checkbox"/>	<p>Primary Contact Employees: The following individuals must be entered into the <i>Contact Employees</i> section of the Company Form (MU1).</p> <ol style="list-style-type: none"> 1. Primary Company Contact. 2. Primary Consumer Complaint Contact. 	<p>NMLS</p>
<input type="checkbox"/>	<p>Non-Primary Contact Employees: NY-DFS requires that an individual(s) be identified as a Non-Primary Contact for the following areas. These contacts must be listed in the <i>Contact Employees</i> section of the Company Form (MU1).</p> <ol style="list-style-type: none"> 1. Accounting 2. Licensing 3. Consumer Complaint (Public) 4. Consumer Complaint (Regulator) 5. Legal 6. Pre-Exam Contact 	<p>NMLS</p>
<input type="checkbox"/>	<p>Bank Account: Bank account information must be completed for the company's Letter/Line of Credit, Operating, and/or Trust Primary accounts in the <i>Bank Account</i> section of the Company Form (MU1).</p>	<p>NMLS</p>
<input type="checkbox"/>	<p>Disclosure Questions: Provide a complete and detailed explanation and document upload for each "Yes" response to Disclosure Questions made by the company or related control persons (MU2). See the Company Disclosure Explanations Quick Guide for instructions.</p>	<p>Upload in NMLS in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2).</p>
<input type="checkbox"/>	<p>Qualifying Individual: Applicant, or officer, director, or manager for a license shall demonstrate to the superintendent's satisfaction that he/she has at least one year of experience in financial services or related field applicable to budget planning. This individual must be listed in the <i>Qualifying Individual</i> section of Company Form (MU1).</p>	<p>NMLS</p>
<input type="checkbox"/>	<p>Control Person (MU2) Attestation: Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable control person before it is able to be submitted along with the Company Form (MU1).</p>	<p>NMLS</p>
<input type="checkbox"/>	<p>Credit Report: Control individuals are required to authorize a credit report through NMLS. Individuals will be required to complete an Identity Verification Process (IDV) along with an individual attestation before a license request for your company can be filed through NMLS. This authorization is made when the Individual Form (MU2) is submitted as part of the Company Form (MU1).</p>	<p>NMLS</p>

Note	<p>MU2 Individual FBI Criminal Background Check Not Required Through NMLS: Direct Owners/Executive Officers, Indirect Owners, and Qualifying Individuals are NOT required to authorize a FBI criminal background check (CBC) through NMLS.</p> <p>Note: See the Requirements Completed Outside of NMLS section for CBC requirements.</p>	N/A
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REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	NY Budget Planner License	Submitted via...

<input type="checkbox"/>	<p>Business Plan: Upload a business plan with detailed information in the following areas:</p> <ul style="list-style-type: none"> • Marketing strategies • Products • Target markets • Any other business that will be conducted at the proposed licensed location • Describe the proposed budget planning operation in full • The sources of funding and financing available to the applicant • Budgeting, educational, and counseling services to be offered • A pro forma statement of the total fees to be charged, including expected available rebates from creditors, expressed as a percentage of the total obligations, principal and interest to be adjusted under such contract • The person(s) responsible for administering each such service • The training to be provided to employees engaged in the rendering of each such service • Every licensee must establish either: <ul style="list-style-type: none"> 1. A toll-free number; or 2. A phone number which may be called “collect” for the purpose of enabling debtors to make inquires of a complaint to the licensee. • Fee schedule <p>Note: If the existing uploaded business plan already includes the above information, an additional document does not need to be uploaded. A company should only upload a single business plan. If state-specific material is required, this information should be added to the existing uploaded business plan.</p> <p>This document should be named <i>[Company Legal Name] Business Plan</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Business Plan</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<p>Note</p>	<p>Under Section 585 of the Banking Law, the fee or service charges set by a licensee shall be reviewed taking into consideration the expenses of the operations of licensees, the financial status of debtors for whom budget planning is undertaken, and such other factors as the Superintendent shall deem relevant.</p>	<p>N/A</p>
<input type="checkbox"/>	<p>Certificate of Authority/Good Standing Certificate: Upload a State-issued and approved document (typically by the Secretary of State’s office), dated not more than 60 days prior to the filing of the application through NMLS that demonstrates authorization to do business in the applicant’s state of formation.</p> <p>This document should be named <i>[[State prefix] Certificate of Authority OR [State prefix] Certificate of Good Standing]</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Certificate of Authority/Good Standing Certificate</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

<input type="checkbox"/>	<p>Company Staffing and Internal Policies: Upload document(s) including information on staffing and internal organizational policies and procedures. If submitting multiple policies, upload and name each policy separately. The document must include the following information:</p> <ul style="list-style-type: none"> • Policies and procedures governing each such service including the curriculum to be utilized to provide the educational services. <p>This document should be named <i>[Name of Policy]</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Company Staffing and Internal Policies</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Document Samples: Upload copies of the following sample documents used in the regular course of business in connection with this license:</p> <ul style="list-style-type: none"> • Copy of the contract to be used with debtor or potential debtors which shall at minimum include: <ol style="list-style-type: none"> 1. A complete list of the debtor’s obligations to be adjusted, including the name of each creditor; 2. The total fees agreed to for such services, including any adjustment for estimated available rebates from creditors, provided that nothing in this subdivision shall require a licensee to share rebates with its clients; and 3. The commencement and termination date of the contract. <p>This document should be named <i>[Name of Document Sample]</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Document Samples</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

<input type="checkbox"/>	<p>Formation Documents: Determine classification of applicant’s legal status and submit a State certified copy of the requested applicable documentation detailed below. Original formation documents and all subsequent amendments, thereto including a list of any name changes.</p> <p>Unincorporated Association:</p> <ul style="list-style-type: none"> • By-Laws or constitution (including all amendments). <p>Corporation:</p> <ul style="list-style-type: none"> • Articles of Incorporation (including all amendments); • By-laws (including all amendments), if applicable; • Shareholder Agreement (including all amendments), if applicable; • IRS Form 2553 if S-corp treatment elected; and • Corporate resolution if authority to complete application not in By-Laws or Shareholder Agreement, as amended, as applicable. <p>Not for Profit Corporation</p> <ul style="list-style-type: none"> • Documents requested of a Corporation; and • Proof of not for profit status <ul style="list-style-type: none"> ○ Internal Revenue Service (“IRS”) 501(c)(3) designation letter; or ○ statement from a State taxing body or the State attorney general certifying that: (i) the entity is a not for profit organization operating within the State; and (ii) no part of the entity’s net earnings may lawfully benefit any private shareholder or individual; or ○ entity's certificate of incorporation or similar document if it clearly establishes the not for profit status of the applicant; or ○ Any of the three preceding items described, if that item applies to a State or national parent organization, together with a statement by the State or parent organization that the applicant is a local not for profit affiliate. <p>Trust (Statutory)</p> <ul style="list-style-type: none"> • Certificate of Trust; and • Governing instrument (all amendments). <p>This document should be named <i>Formation Documentation [Date of Creation (MM-DD-YYYY)]</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Formation Document</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Management Chart: Submit a Management chart displaying the applicant’s directors, officers, and managers (individual name and title). Must also identify all front office business units and back office reporting for compliance, internal audit and IT infrastructure. Must also identify compliance reporting and internal audit structure.</p> <p>Note: If the existing uploaded management chart already includes the above information, an additional document does not need to be uploaded. A company should only upload a single management chart.</p> <p>This document should be named <i>[Company Legal Name] Management Chart</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Management Chart</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

<input type="checkbox"/>	<p>Organizational Chart/Description: Submit a chart showing (or a description which includes) the percentage of ownership of:</p> <ul style="list-style-type: none"> • Direct owners of the applicant/licensee (total direct ownership percentage must equate to 100%) • Persons/entities otherwise having control of the applicant/licensee • Subsidiaries and Affiliates of the applicant/licensee <p>Note: Applicants are required to list branches, subsidiaries, affiliates and parent company operating in this state, whether or not engaged in the business of a budget planner.</p> <p>Note: If the existing uploaded Organizational Chart/Description already includes the above information, an additional document does not need to be uploaded. A company should only upload a single management chart.</p> <p>This document should be named <i>[Company Legal Name] Organizational Chart – Description</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Organizational Chart/Description</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Surety Bond: Unless otherwise specified by NY-DFS, submit the Company bond in the amount of no less than \$250,000 furnished by a surety company authorized to conduct business in New York. The name of the principal insured on the bond must match exactly the full legal name of applicant, including any Other Trade Names. Click here to access the form.</p> <p>In lieu of a surety bond, the applicant may elect to keep on deposit certain assets with a bank or similar institution so identified in Banking Law, Section 580.4. Click here to access the form.</p> <p>This document should be named <i>[License Type] Surety Bond</i>.</p>	<p>Upload in NMLS: under <u>Surety Bond</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p> <p>Note: This item must also be mailed to the agency.</p>

INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS

<input type="checkbox"/>	<p>Credit Report Explanations: Submit a line by line, detailed letter of explanation of all derogatory credit accounts along with proof of payoffs, payment arrangements and evidence of payments made, or evidence of any formal dispute filed (documents must be dated). Accounts to address include, but are not limited to: collections items, charge offs, accounts currently past due, accounts with serious delinquencies in the last 3 years, repossessions, loan modifications, etc.</p> <p>Note: Items regarding bankruptcy, foreclosure actions, outstanding judgments or liens, or delinquent child support payments should be addressed in the <i>Disclosure Explanations</i> section of your Individual Form (MU2).</p> <p>This document should be named <i>Credit Report Explanations – Sub Name – Document Creation Date</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Credit Report Explanations</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>
<input type="checkbox"/>	<p>Legal Name/Status Documentation: - For each individual in a position of control, upload a copy of the individual’s driver’s license or passport.</p> <p>This document should be named <i>Driver’s License or Passport</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Legal Name/Status Documentation</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>
<input type="checkbox"/>	<p>Memorandum of Tax Certification: Provide a certified memorandum indicating all tax obligations to the State have been paid or that a payment plan (if applicable) is in place.</p> <p>This document should be named <i>[State Abbreviation] – Memorandum of Tax Certification</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Memorandum of Tax Certification</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>
<input type="checkbox"/>	<p>Personal Financial Statement: The executive officers, as listed, on the Company Form (MU1) are required to upload a personal financial statement. Click here to access the form.</p> <p>This document should be named <i>[State Abbreviation] – Personal Financial Statement</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Personal Financial Statement</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>
<input type="checkbox"/>	<p>Authority to Release Information: Each control individual must submit a Authority to Release Information Form. Click here to access the form.</p> <p>This document should be named <i>NY Authority to Release Information</i>.</p>	<p>Upload in NMLS: under the Document Type <u>State Background Check Authorization</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>

NMLS ID Number	
Applicant Legal Name	

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS		
Complete	NY Budget Planner License	Submitted via...
<input type="checkbox"/>	Surety Bond: Submit the original bond in the amount described above .	Mail to NY-DFS
<input type="checkbox"/>	Restricted Words: If the name of the applicant contains certain words, the approval of the Superintendent must be obtained. This applies to licensees as well as other non-licensed entities. The restricted words include, for example, "acceptance," "bank," "finance," "investment," "loan," "mortgage," "savings," "trust," "guarantee," and their derivatives. The process for approval for the use of any of these restricted words can be found here .	Mail to NY-DFS Attn: Office of General Counsel, Name Approval
<input type="checkbox"/>	Fingerprints for Control Individuals: Every officer, director, and owner of a licensee or, for a change of control, all individuals not currently employed by a licensee, must follow the Fingerprint Instructions posted on the NY-DFS website. If you have any questions concerning this procedure, please contact NY-DFS at (212) 709-5507.	Mail to NY-DFS
<input type="checkbox"/>	<p>Information Regarding Control Persons Residing in Foreign Jurisdictions: If any control person <u>does not or has not resided in the US for the last 5 years</u>, an investigation background report must be prepared by an <u>acceptable search firm</u>.</p> <p>At minimum, the firm must demonstrate that they have sufficient resources and are properly licensed to conduct the research of the background and that the firm is not affiliated with or an interest of any of the individuals under investigation. The cost of the report must be borne by the applicant or the individual.</p> <p>The background report must be in English and submitted directly to NY-DFS in addition to other background information required in the application.</p> <p>At minimum the report must contain the following:</p> <ul style="list-style-type: none"> - A comprehensive credit report/history, including a search of the court data in the countries, states, and towns where the individual resided and worked and in contiguous areas; - Criminal records for the past 10 years, including felonies, misdemeanors and violations including a search of court data in the countries, states and towns where the individual resided and worked and in contiguous areas; - Employment history; - Media history including an electronic search of national and local publications, wire services and business applications; and 	Mail to NY-DFS

	- Regulatory history, particularly securities, insurance, mortgage-related, real estate, etc., if applicable.	
Note	Pursuant to Part 402.13(b) of the Superintendent’s Regulations and NY-DFS Industry Letter dated March 24, 2005, each licensed budget planner is required to report to the Superintendent, on a quarterly basis, the highest (or average if previously approved) daily amount of debtor funds held by the licensee in its New York trust account(s). The quarterly New York trust account report is due no later than 10 business days after the end of the preceding quarter . Click here to access the report template.	Submit via DFS Portal
<input type="checkbox"/>	<p>Engagement Letter: If the applicant corporation does not have a 3-year period of actual operation supported by audited financial data, please have your independent public accountant provide to us a letter stating that the accountant has reviewed and tested the systems of internal accounting and internal audit to the extent considered necessary to evaluate the accounting and auditing systems as required by generally accepted auditing standards. The letter should disclose the results of their review and testing.</p> <p>In addition, please have accountant send to us a copy of their current scope of engagement letter and copies of all prior engagement letters.</p>	Mail to NY-DFS