



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES

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January 6, 2010

TO: Consumer Loan Licensees

RE: 2009 Annual Reporting, Assessment filing, and Bond Calculation due Monday, March 1, 2010

Dear Licensee:

Enclosed are blank copies of the following three required reports for Consumer Loan Act Licensees:

- 2009 Annual Assessment Report (AAR)
- 2009 Consolidated Annual Report (CAR)
- 2010 Bond Calculation Form for 2009 loan activity

What if I did not do any business in Washington during the 2009 calendar year?

Consumer Loan Licensees must file both the CAR and the AAR even if they did NO business in Washington State during 2009. Both the CAR and AAR must be filed, even if no annual assessment fee is due.

What constitutes a complete and timely filing?

DFI must receive the following required items by Monday, March 1, 2010:

- Completed 2009 AAR signed by executive of company and notarized
- Completed 2009 CAR signed by executive of company and notarized
- Check made payable to the "Washington State Treasurer," for entire amount of assessment fee due
- Supporting Loan Lists that are labeled, totaled, and formatted per the instructions
- Annual Bond Calculation Form and original Bond Rider

In addition to the items above, you must also file your 2009 financial statements via the NMLS no later than March 31, 2010. Financial statements must be prepared in accordance with GAAP and contain both a balance sheet and income statement. Please visit our website for further information about the NMLS.

<http://dfi.wa.gov/cs/nmls.htm>

What if I fail to deliver my complete filing by the March 1, 2010, deadline?

Assessment filings, including all the required items detailed above, received after Monday, March 1, 2010, will be assessed a late penalty of \$50 per report for each day of delay. For example, if you deliver both your CAR and AAR late, you will incur a late penalty of \$100 per day late. Please include a second payment check made payable to the "Washington State Treasurer" for the entire amount of the late penalty.

What transactions do I include on the Consumer Loan Act (CLA) annual assessment?

The CLA annual assessment includes all mortgage and non-mortgage loans:

- Brokered or table funded by the Licensee, regardless of the interest rate, or lien position
- Made by the Licensee, regardless of the interest rate, or lien position
- Purchased by the Licensee
- Held in the Licensee's portfolio at calendar-year end

How must I deliver my loan lists and other supporting documentation?

You must take adequate steps to ensure secure transmission of your supporting documentation by:

- Removing all non-public and sensitive borrower information
- Encrypting electronic records

*DFI uses ZixMail for secure email transmissions. Please Contact Amanda Harvey at Amanda.Harvey@dfi.wa.gov to arrange for a secure email communication.

How must I format my loan lists?

Deliver loan lists in an electronic format compatible with Microsoft Excel. Label each supporting loan list with the specific AAR or CAR line item(s) it supports. Generally, each supporting loan list should include the following ten data fields:

1. Loan or Account Number
2. Principal Loan Amount
3. Brokered/Table Funded/Funded/Purchased Date
4. Note Interest Rate
5. Lien Position (mortgage loans)
6. Type of collateral (real estate, personal property, unsecured, etc)
7. Principal Loan Amount at payoff/sale/end-of-year date, when applicable for portfolio loans
8. Payoff/Sale Date of portfolio loans
9. Total Number of Accounts
10. Total Dollar Volume of Accounts

What if I received this packet and am not the proper contact person to complete this request?

- Immediately forward the packet to those responsible for annual assessment reporting
- Notify DFI in writing to update the compliance contact person on record dcsc@dfi.wa.gov

Where do I deliver my completed 2009 Consumer Loan Annual Assessment Report and Consolidated Annual Report?

Mail your completed report to one of the following addresses:

Via US Postal Service:

Department of Financial Institutions
Division of Consumer Services
PO BOX 41200
Olympia, WA 98504-1200

Via Other Couriers:

Department of Financial Institutions
Division of Consumer Services
150 Israel RD SW
Tumwater, WA 98501

Thank you for responding promptly. If you have questions or need assistance, please contact:

Richard (Rick) St. Onge
Examinations Supervisor
Phone: 360-902-8727
Email: rick.st.onge@dfi.wa.gov

Enclosures: Blank AAR
Blank CAR
Blank Bond Calculator

2009 WASHINGTON STATE CONSUMER LOAN ANNUAL ASSESSMENT REPORT (AAR)

Name of company as licensed in Washington: _____

Main Office Address: _____

WA License Number: _____ Number of locations holding WA licenses during 2009: _____

Report Due to DFI: March 1, 2010 Annual Report for Business conducted through December 31, 2009

A complete filing includes the following:

DFI must receive the following required items by Monday, March 1, 2010:

- Completed 2009 AAR signed by executive of company and notarized
- Completed 2009 CAR signed by executive of company and notarized
- Check made payable to the “Washington State Treasurer,” for entire amount of assessment fee due
- Supporting Loan Lists that are labeled, totaled, and formatted per the instructions

In addition, you must also file GAAP financial statements via the NMLS no later than March 31, 2010

2008 WASHINGTON STATE CONSUMER LOAN ACTIVITY (ANSWER EVERY QUESTION OR WRITE IN “NONE”) Report All Loans Brokered, Table Funded, Made, And Purchased: Regardless Of Interest Rate Or Lien Position		Number of Loans	Dollar Volume
MORTGAGE ACTIVITY: ASSESSMENT			
1	Enter the total principal balance of WA mortgage loans in the Licensee’s portfolio at the prior-year end December 31, 2008 .		
2a	Enter the total principal amount of all WA mortgage loans brokered and table funded by the Licensee during 2009 .		
2b	Enter the total principal amount of all WA mortgage loans the Licensee made during 2009 . (Do not include canceled loans that did not fund)		
2c	Enter the total principal amount of all WA mortgage loans the Licensee purchased during 2009 . Include Secondary Market transactions.		
2d	Subtotal: Add lines 1 through 2c . Enter this amount on line 5 on the next page.		

2009 WASHINGTON STATE CONSUMER LOAN ANNUAL ASSESSMENT REPORT (AAR)

NON-MORTGAGE ACTIVITY: ASSESSMENT			
3	Enter the total principal balance of WA non-mortgage loans in the Licensee's portfolio at the prior-year end December 31, 2008 .		
4a	Enter the total principal amount of all WA non-mortgage loans brokered and table funded by the Licensee during 2009 . (This type of transaction is rare.)		
4b	Enter the total principal amount of all WA non-mortgage loans the Licensee made during 2009 . (Do not include canceled loans)		
4c	Enter the total principal amount of all WA non-mortgage loans the Licensee purchased during 2009 . Include Secondary Market transactions.		
4d	Subtotal: Add lines 3 through 4c . Enter this amount on line 6 below .		
ASSESSMENT FEE CALCULATION			Dollar Volume
5	Enter the total dollar volume from 2d here.		
6	Enter the total dollar volume from 4d here.		
7	Adjusted total loan value: Add lines 5 and 6.		
8	Assessment fee: multiply line 7 by .000180271 (round to the nearest cent) enter the result here. Pay this amount. Make checks payable to the "Washington State Treasurer."		

2009 WASHINGTON STATE CONSUMER LOAN CONSOLIDATED ANNUAL REPORT (CAR)

Name of company as licensed in Washington:

Report Due: March 2, 2010

Assessment for Business conducted through December 31, 2009

2008 WASHINGTON STATE CONSUMER LOAN ACTIVITY (ANSWER EVERY QUESTION OR WRITE IN "NONE")		Number of Loans	Dollar Volume
1	Enter the total principal balance of WA mortgage loans in the licensee's portfolio at year-end December 31, 2009 .		
2	Enter the total principal balance of WA non-mortgage loans in the Licensee's portfolio at year end December 31, 2009 .		
3	Washington mortgage loans that foreclosed during 2009 .		
4	Washington mortgage loans contractually delinquent 60 days or more at the end of 2009 .		
5	For all loans that you own, enter the following information as of December 31, 2009 :		
	5a. Interest Only Adjustable Rate Mortgages (ARMs)		
	5b. Payment Option ARMs		
	5c. Other first lien loans that permit negative amortization		
	5d. Introductory rate loans (Introductory rate loans: low initial payments based on a fixed introductory or "teaser" rate that expires after a short initial period then adjusts to a variable index rate plus a margin for the remaining term of the loan.)		
	5e. Balloon Payment Loans		

2010 WASHINGTON STATE CONSUMER LOAN BOND CALCULATION

A complete filing includes the following:

- Completed Bond Calculation Form
- Original Bond Rider (if changing your current bond amount)

What is the amount of the bond required for my consumer loan license?

The bond amount is based on the annual dollar amount of loans you originate. See the following chart:

1.	Zero to twenty million in loans originated	\$30,000
2.	Twenty million to forty million	\$50,000
3.	Forty million to fifty million	\$100,000
4.	Fifty million and above	\$150,000

MORTGAGE LOAN DATA		Dollar Volume
1	Enter the total principal amount of all WA mortgage loans brokered and table funded by the Licensee during 2009 from AAR 2a.	
2	Enter the total principal amount of all WA mortgage loans the Licensee made during 2009 from AAR 2b.	
3	Subtotal: Add lines 1 and 2. This is your 2009 mortgage loan origination volume	
NON-MORTGAGE LOAN DATA		Dollar Volume
4	Enter the total principal amount of all WA non-mortgage loans brokered and table funded by the Licensee during 2009 from AAR 4a.	
5	Enter the total principal amount of all WA non-mortgage loans the licensee made during 2009 from AAR 4b.	
6	Subtotal: Add lines 4 and 5. This is your 2009 non-mortgage loan Origination volume	
BOND REQUIREMENT CALCULATION		Dollar Volume
7	Total Dollar Volume. Add lines 3 and 6.	
8	From the chart above, enter your bond amount based on the Total Dollar Volume in line 7.	

Official Use Only
Initial
Date

