

Georgia Department of Banking and Finance

GILA EXAMINATION – Request for Information

Examination Acknowledgment Letter-

Review and sign the attached Examination Acknowledgment letter.

Included in this letter is a list of items requested for the examination, this list may not be all inclusive. These items will be requested in the remaining questions; do not attach them to this request.

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Installment Loan Transaction Journal-

1) Attach the licensee's Georgia installment loan transaction journal. The journal should cover at least the time period of the examination (scope). Refer to Department Rule 80-14-2-.03 for minimum requirements.

2) Are all Georgia installment loans made by the licensee recorded on the provided Installment Loan Transaction Journal?

****Note:** Once this journal has been reviewed, examiners will take a sample based off business size and type and provide you a list of selected loans for review. Please upload the selected loan files to ShareFile as either a 'combined' PDF document or as a zipped folder named after the Loan ID. ******

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Complaint File-

Attach the licensee's written complaint file. This should include all complaints and calls within the scope that originate or affect Georgia borrowers. The complaint file should include name, address, complaint date, reason for complaint, licensee's response, and date of response, at minimum.

Additional information may be requested as follow up.

If no complaints have been received by the licensee, respond with N/a. If a complaint file is not maintained by the licensee, please provide a complete explanation.

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Advertising-

1) Please list all websites currently owned or managed by the licensee or its employees used to conduct or advertise installment lender services.

2) Provide samples of all advertisements distributed to Georgia consumers during the examination scope. Including, but not limited to any printed or published material, audio or visual material, including all social media, or descriptive literature concerning an installment loan subject to regulation under the Georgia Installment Lender Act. Attach each to this item.

*Please do not include any advertising disseminated prior to July 1, 2021.

*Please note, the file names of any uploaded advertisements will be used as reference for the examination. Please be mindful of the file names used.

Policies and Procedures-

Attach copies of any and all policies and procedures concerning the following topics should the licensee have written policies and procedures for them:

- debt collection;
- internal audit;
- advertising;
- recordkeeping; and
- hiring and onboarding of employees.

In addition to the above, please provide a complete list of all policies and procedures maintained by the licensee.

Additional policies may be requested later in the examination.

Licensee Names-

1) List all names, trade names, d/b/a names, fictitious names, etc. in which Georgia installment lending business is conducted.

2) Have any trade names been added or discontinued since the date of approval or date of last examination? If so, which and why?

2a) If so, was the Department notified as required by O.C.G.A. Section 7-3-20?

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Address-

1) List the full address of the licensee's main office.

2) Has this address changed since approval date or date of last examination? If so, from what address?

2a) If so, was the Department notified as required by O.C.G.A. Section 7-3-31?

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Business Structure-

1) Describe the business structure of the licensee (individual, partnership, S corporation or C corporation, LLC, trust, other).

2) Has the licensee's structure changed since approval date or date of last examination? If so, when and from what?

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Owners and Officers-

1) Complete the attached excel document, listing all owners, members, partners, executive officers and directors of the licensee, with the percentage owned and type of compensation (W2, 1099, K1, etc), then reattach.

2) Who supervises the daily activities?

3) Did any person increase his, her, or its shares or ownership since the license approval date or last examination by the Department? If so, provide the name(s) and increase/decrease, date and current ownership percentage.

3a) If any person increased their share or ownership to control 10 percent or more, was Department approval received as required by O.C.G.A. Section 7-3-32?

4) Has there been any change in executive officers, as defined by 7-3-3, since the license approval date or last examination by the Department? If so, provide the name(s), position, and date of appointment.

4a) Was Department approval obtained as required by O.C.G.A. Section 7-3-32?

5) Has any director or officer of the licensee ever been convicted (pleaded guilty or been found guilty) of a felony? If yes, please provide the name(s) of that person(s).

6) As it pertains to a felony or felonies, has any director or officer of the licensee been adjudicated as a first offender who has been affiliated with the licensee while under sentence? If yes, please provide the name(s) of that person(s).

7) If any director or owner of the licensee has committed fraud, engaged in any dishonest activity, or made any misrepresentation, or prohibited act as described in O.C.G.A. Section 7-3-31, explain fully.

7a) Was the Department properly notified of the above dishonest or fraudulent acts as required by O.C.G.A. Section 7-3-31 (a)? If so, how?

8) Give the names of any director or officer who has at any time been convicted (pleaded guilty or been found guilty), or who is presently under indictment for, any criminal offense involving dishonesty or breach of trust.

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Employees-

1) Complete the attached MS Excel spreadsheet for all covered employees. Additional instructions are provided within the sheet. (Covered employee as defined by O.C.G.A. 7-3-3(2) means any employee of a licensee engaged in any function related to making installment loans.) Once complete, please reattach.

2) Are all employees exclusive W-2 employees? (Meaning they work solely for the Georgia Installment Lender licensee). If no, list the name(s) of those employees and other employers.

3) Does the licensee perform background checks on all employees?

3a) Does the licensee obtain Georgia Crime Information Center (G.C.I.C.) criminal background checks as required by and in accordance with O.C.G.A. Section 7-3-42 (e) on covered employees prior to date of hire?

4) Has any covered employee of the licensee ever been convicted (pleaded guilty or been found guilty) of a felony? If yes, please provide the name(s) of that person(s).

5) As it pertains to a felony or felonies, has any covered employee of the licensee been adjudicated as a first offender who has been affiliated with the licensee while under sentence? If yes, please provide the name(s) of that person(s).

6) If any covered employee of the licensee has committed fraud, engaged in any dishonest activity, or made any misrepresentation, or prohibited act as described in O.C.G.A. Section 7-3-31, explain fully.

6a) Was the Department properly notified of the above dishonest or fraudulent acts as required by O.C.G.A. Section 7-3-31 (a)? If so, how?

7) Give the names of any covered employee who has at any time been convicted (pleaded guilty or been found guilty), or who is presently under indictment for, any criminal offense involving dishonesty or breach of trust.

Compensation-

1) Does the licensee pay any person or company, including an agent employee or an employee's company for installment lending activity, on a 1099 or comparable basis?

2) Are loan applications received from anyone other than employees of the licensee?

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Branch Offices-

Do not include main office location.

1) How many branch offices does the licensee have in total?

2) Does the licensee have branch offices located in Georgia?

2a) If yes, list the branch office(s) location, the date of the branch was approved by the Department, the current branch manager, and the date the current branch manager was approved. (An additional sheet may be attached)

2b) Has the Department approved all branch offices and branch managers located in Georgia?

3) Has the licensee relocated any branches since the last examination?

3a) Was the information on NMLS updated within 10 days as required by Rule 80-14-4-.04 (2)(a)?

4) Does the licensee have a written branch manager agreement for each branch manager?

5) Are the operations of all branch offices included in the financial books and records of the licensee?

6) Do branches have a separate checking account? (Explain type.)

7) Do branches pay a start-up fee to the licensee?

8) Do branches pay a monthly fee to the licensee? If so, provide a copy of the contract setting forth the fee requirements.

9) Are the contracts for the provision of services (i.e. rent, utilities, etc.) in the name of the licensee?

Other Businesses-

- 1) List all other businesses operated by the licensee.

- 2) List all other businesses owned or managed by owners, directors, members, or officers of the licensee and percent of time spent monthly with other business.

- 3) List all professional licenses held by owners, directors, members or officers of the licensee, and the percentage of income earned.

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Administrative Actions / Lawsuits -

1) If the licensee is a defendant in any suits in law or equity, give names of plaintiff, amounts sued for, nature and basis for litigation, and probable results. What is the estimate of any adverse effect on the licensee's net worth?

2) List all states where the licensee has been the subject of an administrative action and describe in detail the nature of the administrative proceedings and the outcome. Provide a copy of all documents related to any administrative actions issued to the licensee or one of its affiliates in another state.

2a) Have all lawsuits and judgments against the licensee by a government entity been properly reported to the Department as required by O.C.G.A. Section 7-3-31?

3) List all states where the owners or officers of the licensee have been the subject of an administrative action and describe in detail the nature of the administrative proceeding and the outcome. Provide a copy of all documents related to any administrative actions issued to the owner or officer of the licensee or one of its affiliates in another state.

4) Has any federal or state governmental body or agency taken any administrative, civil, or criminal action of any type against the licensee? If so, explain the circumstances and current status.

Financial Information-

1) Attach the licensee's most recent general ledger which shall include all assets, liabilities, capital, and income and expense accounts.

2) Sign the attached form acknowledging the provided documents and attach a signed copy.

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Notarized Attestation-

- 1) Once all items have been answered from the initial request, please sign and notarize the below document, then reattach. The notarized attestation must be signed by a controlling owner or senior executive officer of the licensee.

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Software Providers

- 1) Please provide the following information concerning for any software applications that are used to make installment loans (produce contract documents and calculate rates):

Note: If different software applications or vendors are used across locations to make installment loans, please list all software applications used by the company to make installment loans and indicate which locations uses the applications

- The name of the vendor providing the software application
- The software application used to make and record installment loans
- The version of the software application
- List changes as far as the software vendor, the software application being used, or any major version changes to the software application since the previous examination

GILA Loan Tax Submissions

Please provide a loan tax summary sheet for each semiannual reporting period since the previous examination that supports the GILA tax payments made by the licensed company. The summary sheet should be a document produced by the licensee that can reconcile to other supporting loan activity records that may be generated daily or periodically during the licensee's normal course of business.

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