

# STATE OF NEBRASKA

## Department of Banking & Finance

### APPLICATION FOR SALE OF CHECKS and FUNDS TRANSMISSION LICENSE

To the Applicant: Review the general guidelines listed below before completing the attached application.

#### INTRODUCTION

The Nebraska Sale of Checks and Funds Transmission Act, Neb. Rev. Stat. §§ 8-1001 to 8-1019 (Reissue 2007, Cum. Supp. 2010) (“the Act”) requires those engaged in the business of selling checks, money orders, or engaging in the electronic transmission of money, to first obtain a license from the Nebraska Department of Banking and Finance.

#### REQUIRED FEE

The statutory fee to accompany this application is one thousand dollars (\$1,000.00). Submit with this application a check in this amount payable to the “Nebraska Department of Banking and Finance.” If the license is approved and granted, this fee will serve as the license fee for the first license period, which expires June 30.

#### BOND or SECURITIES

The required bond amount is determined by the number of non-financial institution agent locations. The minimum amount of the bond is \$100,000.00, up to a maximum of \$250,000.00. Compute the amount required by taking the base amount of \$100,000.00 and adding \$5,000.00 for each Nebraska non-financial institution agent location minus one. (Example: ten non-financial institution agents in Nebraska:  
 $\$100,000.00 + ((10-1) \times \$5,000.00) = \$100,000.00 + \$45,000.00 = \$145,000.00$ ).

In lieu of the bond, an Applicant may pledge certain governmental securities to the Department. Review Section 8-1006 of the Act and contact the Department for securities pledging requirements prior to submitting the application.

#### AUTHORIZATION TO DO BUSINESS IN NEBRASKA

An Applicant not domiciled in Nebraska must separately obtain authorization to do business in Nebraska from the Nebraska Secretary of State’s Office, State Capitol Building, Suite 2300, Lincoln, Nebraska 68509-4608. The telephone number is (402) 471-2554, and its website address is <http://www.sos.state.ne.us>.

#### SOLE PROPRIETORS

A sole proprietor seeking licensure must also submit the United States Citizenship Attestation Form which can be found at:  
<http://www.ndbf.ne.gov/forms/FI-attestationform2009.pdf>.

## SUBMISSION OF APPLICATION

A completed, manually signed, application is to be submitted to the Nebraska Department of Banking and Finance, Commerce Court, Suite 400, 1230 "O" Street, P.O. Box 95006, Lincoln, Nebraska 68509-5006. The Department will not accept faxed applications. The Department's telephone number is (402) 471-2171. The Department's website is: <http://www.ndbf.ne.gov>.

## **DEFINITIONS**

### **In completing this Application, the following definitions apply:**

**APPLICANT** – The individual applying on or amending information on this form.

**CHARGED** – Being accused of a crime in a formal complaint, information, or indictment (or equivalent formal charge).

**CONTROL** – The power, directly or indirectly, to direct the management or policies of a licensee, whether through ownership of securities, by contract, or otherwise. Any person who (a) has the power to elect a majority of executive officers, managers, directors, trustees, or other persons exercising managerial authority of a licensee or any person in control of a licensee, (b) directly or indirectly has the right to vote ten percent or more of a class of voting security or has the power to sell or direct the sale of ten percent or more of a class of voting securities, (c) in the case of a limited liability company, is a managing member, or (d) in the case of a partnership, has the right to receive, upon dissolution, or has contributed, ten percent or more of the capital, is presumed to control that licensee.

**CONTROL AFFILIATE** – A partnership, corporation, trust, LLC, or other organization that directly or indirectly *controls*, or is *controlled by*, the *Applicant*.

**FELONY** – For *jurisdictions* that do not differentiate between a *felony* and a *misdemeanor*, a *felony* is an offense punishable by a sentence of at least one year imprisonment and/or a fine of at least \$1,000.00. The term also includes a general court martial.

**FINANCIAL SERVICES OR FINANCIAL SERVICES RELATED** – Pertaining to securities, commodities, banking, insurance, sale of checks and funds transmission, consumer lending, or real estate (including, but not limited to; acting as or being associated with a bank or savings association, credit union, Farm Credit System institution, mortgage lender, mortgage broker, real estate salesperson or agent, appraiser, closing agent, title company, or escrow agent).

**FOUND** – Includes adverse final actions, including consent decrees in which the respondent has neither admitted nor denied the findings, but does not include agreements, deficiency letters, examination reports, memoranda of understanding, letters of caution, admonishments, and similar informal resolutions of matters.

**JURISDICTION** – A state, the District of Columbia, the Commonwealth of Puerto Rico, any territory of the United States, or any subdivision or regulatory body thereof.

**MATERIAL LITIGATION** – Any litigation that, according to generally accepted accounting principles, is deemed significant to an Applicant's or Licensee's financial health and would be required to be referenced in that entity's annual audited financial statements, report to shareholders, or similar documents.

**MISDEMEANOR** – For *jurisdictions* that do not differentiate between a *felony* and a *misdemeanor*, a *misdemeanor* is an offense punishable by a sentence of less than one year imprisonment and/or a fine of less than \$1,000.00. The term also includes a special court martial.

**ORDER** – A written directive issued pursuant to statutory authority and procedures, including orders of denial, suspension, or revocation; does not include special stipulations, undertakings or agreements relating to payments, limitations on activity or other restrictions unless they are included in an *order*.

**PROCEEDING** – Includes a formal administrative or civil action initiated by a governmental agency, self-regulatory organization, or a *foreign financial regulatory authority*; a *felony* criminal indictment or information (or equivalent formal charge); or a *misdemeanor* criminal information (or equivalent formal charge). The term does not include other civil litigation, investigations, or arrests or similar charges affected in the absence of a formal criminal indictment or information (or equivalent formal charge).

### **NOTICE**

The Department reserves the right to request supplemental information for any portion of the application.

**STATE OF NEBRASKA**  
**Department of Banking & Finance**

**APPLICATION FOR SALE OF CHECKS and FUNDS TRANSMISSION LICENSE**

To the Director of the Department:

This is an application for a license under the provisions of the Nebraska Sale of Checks and Funds Transmission Act, Neb. Rev. Stat. §§ 8-1001 to 8-1019 (Reissue 2007; Cum. Supp. 2010).

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1. NAME OF APPLICANT: \_\_\_\_\_  
TRADE NAME (IF APPLICABLE): \_\_\_\_\_  
MAIN OFFICE ADDRESS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ ZIP \_\_\_\_\_  
MAIN OFFICE TELEPHONE: \_\_\_\_\_  
FAX NUMBER: \_\_\_\_\_  
E-MAIL ADDRESS: \_\_\_\_\_  
WEBSITE ADDRESS: \_\_\_\_\_

Is your company transacting business with the public through this website?

NO \_\_\_\_\_ YES \_\_\_\_\_

2. Describe the Applicant's activities. \_\_\_\_\_

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3. Indicate the Applicant's form of business (sole proprietorship, corporation, limited or general partnership, association, joint stock association, trust, limited liability company, or limited liability partnership), and provide the date and place of formation.

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4 Attach a copy of the Applicant's Authorization to do Business in Nebraska as obtained from the Nebraska Secretary of State's Office.

5. Attach a list of the full names and business addresses of all officers, directors, partners, members, managing partners, and/or trustees of the Applicant.

6. Attach a list of the names and addresses of all persons who control the Applicant. If the control is a result of ownership of shares or other interests of the Applicant, indicate the amount so owned.

7. For all persons listed in Question 5 and 6, attach a completed Sale of Checks and Funds Transmission Individual Biographical Questionnaire and Financial Statement.

8. Attach a list of all other jurisdiction in which the Applicant holds a similar license and indicate the date the license was granted. If the Applicant has applications currently pending in any jurisdiction, include such state in this list with the notation that the application is pending.

9. Attach a list of all other jurisdictions in which the Applicant held a similar license within the last five years, and the dates the license(s) were held. For each jurisdiction so listed, state the reason(s) the license is no longer in effect.

10. Has the Applicant or any control affiliate ever been convicted of a felony?

NO \_\_\_\_\_ YES \_\_\_\_\_ If yes, provide full details on a separate attachment.

11. In the past ten years, has Applicant or any control affiliate ever been convicted or pled guilty or *nolo contendere* (no contest) in a domestic, foreign or military court to a misdemeanor or conspiring to commit a misdemeanor involving (A) financial services or financial services-related business, (B) fraud, (C) false statements or omissions, (D) theft or wrongful taking of property, (E) bribery, (F) perjury, (G) forgery, (H) counterfeiting, or (I) extortion?

NO \_\_\_\_\_ YES \_\_\_\_\_ If yes, provide full details on a separate attachment.

12. Are there any felony charges or charges related to any misdemeanor specified in Question 7 currently pending against the Applicant or any control affiliate?

NO \_\_\_\_\_ YES \_\_\_\_\_ If yes, provide full details on a separate attachment.

13. In the past ten years has any State or federal regulatory agency issued an Order against the Applicant or a control affiliate in connection with a financial-service related activity?

NO \_\_\_\_\_ YES \_\_\_\_\_ If yes, provide full details on a separate attachment.

14. In the past ten years has any State or federal regulatory agency denied, suspended, or revoked the Applicant's or a control affiliate's license to conduct a financial-service business?

NO \_\_\_\_\_ YES \_\_\_\_\_ If yes, provide full details on a separate attachment.

15. Is the Applicant or a control affiliate currently the subject of any regulatory proceeding that could result in a "yes" answer to Questions 10 through 14 above?

NO \_\_\_\_\_ YES \_\_\_\_\_ If yes, provide full details on a separate attachment.

16. Has Applicant or a control affiliate undergone bankruptcy or business reorganization within the last ten years?

NO \_\_\_\_\_ YES \_\_\_\_\_ If yes, provide full details on a separate attachment.

17. Has the Applicant had any material litigation within the previous five years, or does the Applicant have any material litigation currently pending?

NO \_\_\_\_\_ YES \_\_\_\_\_ If yes, provide full details on a separate attachment.

18. Attach a copy of Applicant's procedures for compliance with federal currency transaction reporting requirements. If none, provide justification.

19. Attach a copy of Applicant's procedures for compliance with the requirements of the Office of Foreign Assets Control. If none, provide justification.

20. Attach a list of all locations at which the Applicant sells or intends to sell checks, travelers' checks, money orders or other instruments, and/or initiate electronic money transmissions, either directly or through an agent, in this state. The list shall include the name of the entity (if different from Applicant), physical address, mailing address (if different than the physical address), telephone number, and contact person for each such location. The list does not need to include financial institutions.

21. Attach the Applicant's financial statements for the last three years showing the Applicant's net worth. Financial statements shall be certified by a certified public accountant or a recognized public accountant. If certified financial statements are unavailable, contact the Department prior to submission of the application.

22. Attach a corporate surety bond issued by a bonding company or insurance company authorized to do business in Nebraska, in the amount set forth in the instructions to the application. The Applicant is encouraged to use the Department's Bond Form.

23. If the Applicant will be selling checks, travelers' checks, money orders, or other instruments, either directly or through an agent, attach specimen copies. If the Applicant will be electronically transmitting money, either directly or through an agent, attach a specimen copy of the transmission form(s). All such documents must bear the name of the Applicant clearly imprinted.

24. Attach the non-refundable investigation fee of one thousand dollars (\$1,000.00). If the application is approved, this fee shall also constitute the license fee for the first license year or part thereof.

**The Applicant represents that the information contained herein is true and complete, to the best of the knowledge and belief of Applicant and the officer signing on its behalf.**

I represent that the information contained herein is true and complete, to the best of my knowledge and belief.

\_\_\_\_\_  
(Business Name)

DATE: \_\_\_\_\_ BY: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

**ACKNOWLEDGMENT**

State of: \_\_\_\_\_

County of: \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, personally appeared before me \_\_\_\_\_ whose identity is personally known to me, or proved to me on the basis of satisfactory evidence, and acknowledged that he or she signed the foregoing document on behalf of said business.

(seal)

\_\_\_\_\_  
Notary Public

Contact person for the Applicant to whom questions concerning this application should be directed.

NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ ZIP \_\_\_\_\_  
TELEPHONE: \_\_\_\_\_  
E-MAIL: \_\_\_\_\_

Consumer complaints should be directed to:

NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ ZIP \_\_\_\_\_  
TELEPHONE: \_\_\_\_\_  
E-MAIL: \_\_\_\_\_