

Federal Criminal Background Report: Explanation and Instructions

Beginning **July 1, 2008** criminal background checks are required for each equitable owner, director, manager, or officer of a loan broker or loan broker license applicant, and an applicant for registration as a principal manager or originator. These individuals must submit fingerprints for a **NATIONAL CRIMINAL HISTORY BACKGROUND CHECK** by the Federal Bureau of Investigation. The definition of each individual is as follows:

- **Ultimate Equitable Owner, Director, Manager, or Officer:** If the ultimate equitable owner, director, manager or officer is a non-individual, then the following rules for criminal background checks apply depending on the type of entity.
 - **Corporation** - all individuals owning ten percent (10%) or more of the **Corporation's** equity must file a criminal background report.
 - **General Partnership** – all partners must file a criminal background report.
 - **L.L.C.** – all members must file a criminal background report.
 - If a non-individual owns ten percent (10%) or more of that Corporation's equity, is a partner in that Partnership, or is a member of that L.L.C., then the same rules for criminal background reports apply for those non-individuals. These rules apply for every level of ownership until only individuals remain.
- **Principal Managers:** any individual seeking to serve as a principal manager for a licensed loan broker.
- **Originators:** any individual engaging in origination activities on behalf of a licensed loan broker.

All individuals whose residence or place of business is in Indiana or out of Indiana:

Complete the following steps:

1. Obtain an FBI fingerprint card (FD258) from a law enforcement agency, preferably a state police post.
2. Present a valid form of ID and get fingerprinted, making sure to avoid smudging or other means of rendering the fingerprints illegible. An illegible fingerprint will result in having to start the process over including paying the fee again.
3. Mail the fingerprint card along with your completed application and check or money order covering your appropriate application fee (*including a \$32.25 fee for obtaining the background check*) to the following address:

**Indiana Secretary of State
Securities Division
302 W. Washington St., Room E-111
Indianapolis, IN 46204**

BE ADVISED: Failure to submit the required complete fingerprint card issued by a law enforcement agency with the appropriate certification will delay the processing of your application. The Division will **NOT** issue a license or a certificate of registration without an FBI criminal background report.