



*Secretary of State*  
*Elaine F. Marshall*

North Carolina Secretary of State

IT

KB Website Manual

**Loan Broker Registration**

May 17, 2023

Version 1.0

# About the Loan Broker Registration Manual

This manual gives an overview of all of the pages and features of the **Loan Broker Registration** section of the new KB website.

The screenshot shows the official website of the State of North Carolina, specifically the Secretary of State's page for Elaine F. Marshall. The page features a navigation menu with 'General Interest' selected, which has opened a dropdown menu. A red arrow points to the 'Loan Broker Registration' link within this menu. The dropdown menu is organized into four columns: Authentications, General Counsel, International, and Publications. Other programs like 'Invention Developers' and 'Membership Camping Act' are also visible.

Authentications	General Counsel	International	Publications
<a href="#">Authentication &amp; Apostilles</a>	<a href="#">Report suspected fraud</a>	<a href="#">International Services</a>	<a href="#">Brochures</a>
<a href="#">Cover letter &amp; templates</a>	<a href="#">Laws &amp; Rules</a>	<a href="#">Moldova Partnership</a>	<a href="#">Kids Page</a>
<a href="#">Are you Adopting?</a>	<a href="#">Continuing Legal Education</a>	<a href="#">Flag Protocol</a>	<a href="#">Occupational Licensing Board Filings</a>
<a href="#">Verify a Document</a>	<a href="#">Practice Tips</a>	<a href="#">International Services</a>	<a href="#">Other publications</a>
Other Programs	Other Programs	Information	Constitutional Amendments
<a href="#">Appointment Reporting</a>	<a href="#">Invention Developers</a>	<a href="#">Find news releases</a>	<a href="#">North Carolina Constitutional Documents</a>
<a href="#">Athlete Agents</a>	<a href="#">Loan Broker Registration</a>	<a href="#">News &amp; Events</a>	<a href="#">Constitutional Amendments</a>
<a href="#">Business Opportunity Sales</a>	<a href="#">Membership Camping Act</a>	<a href="#">Event Registration</a>	<a href="#">2018 Proposed amendments</a>
<a href="#">Cable Television Franchises</a>	<a href="#">Online Ticket Resales</a>	<a href="#">Public Meeting Calendar</a>	<a href="#">Archives</a>
<a href="#">Data Subscriptions</a>	<a href="#">Telephonic Seller Registration</a>	<a href="#">File a meeting notice</a>	
<a href="#">Electoral College</a>			

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# Loan Broker Registration

Loan Broker Registration services can be found under the **General Interest** section of the NC Secretary of State (SOS) website.

Go to the SOS website <https://test.sosnc.gov/>.

Select **General Interest > Loan Broker Registration**.

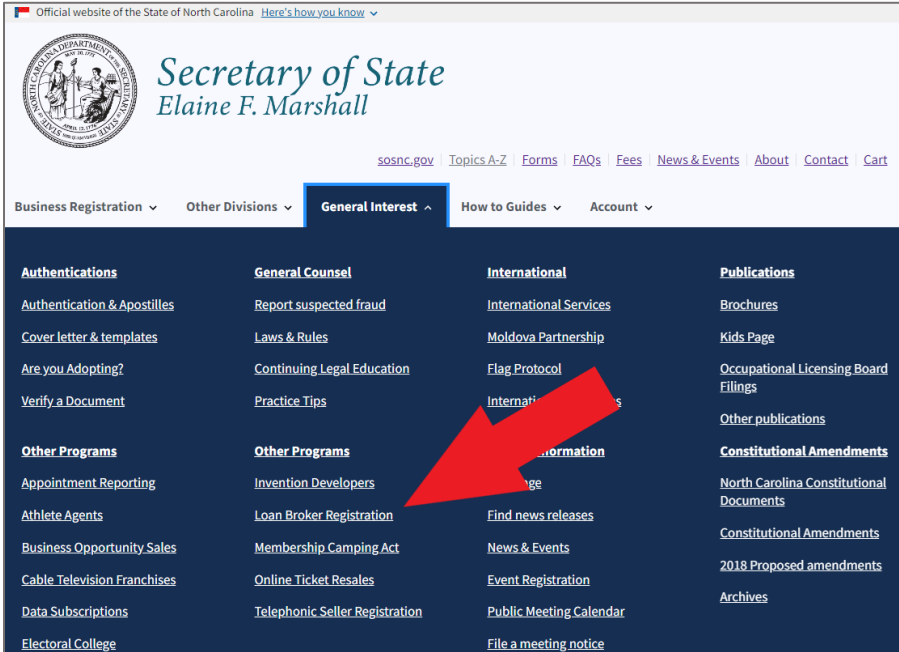


Figure 1. General Interest > Loan Broker Registration

This takes you to the main **Loan Broker Registration** page.

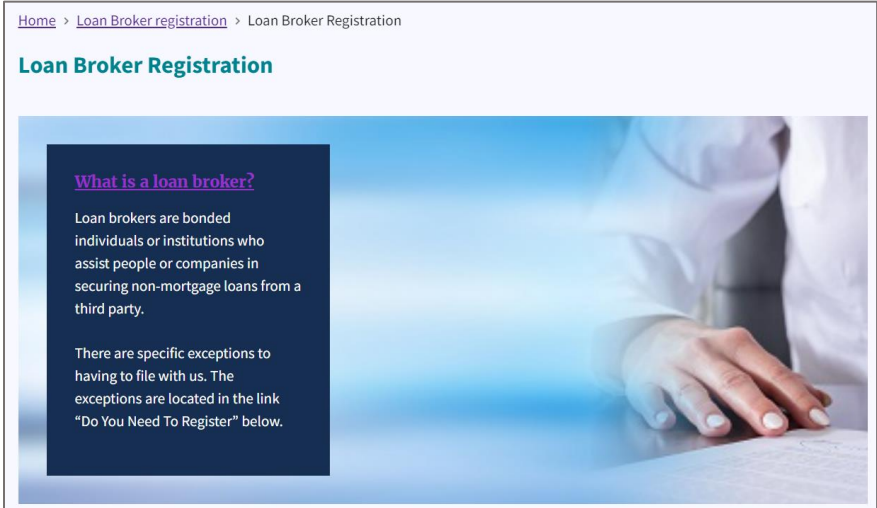


Figure 2. Loan Broker Registration page

## Loan Broker Registration

This Loan Broker Registration page contains links and contact information for the Loan Broker Registration division.

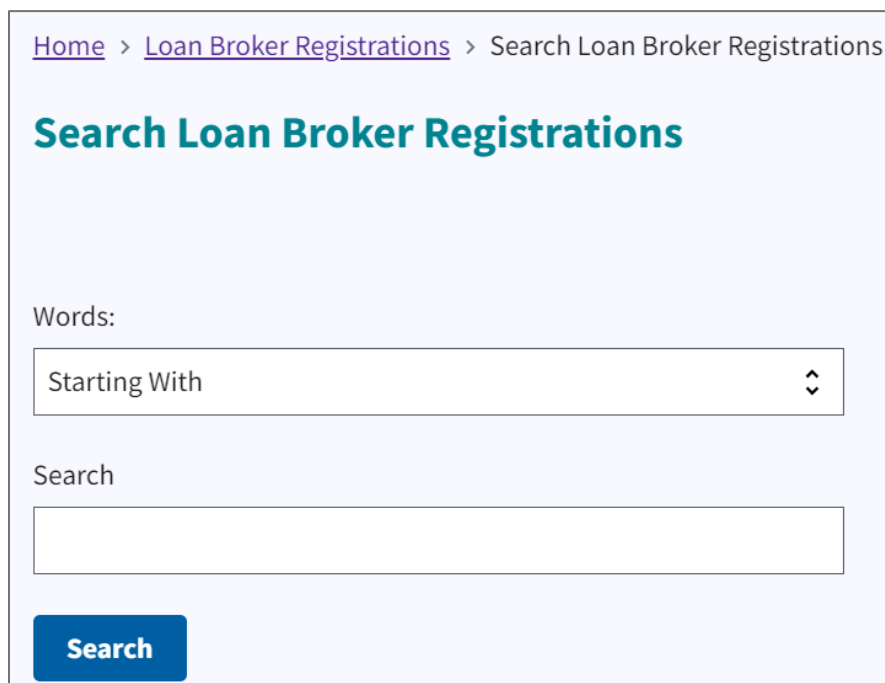
The first thing you'll notice is a large stock photo at the top with a loan broker definition: *“Loan brokers are bonded individuals or institutions who assist people or companies in securing non-mortgage loans from a third party.”*

## Search

Below the stock image, you find a search tool with two fields: **Words** and **Search**.

Select the search method in the **Words** dropdown field. The options are: **Starting with**, **Any**, **All**, and **Exact Match**. Enter the name or company in the **Search** field.

Click **Search**.



Home > [Loan Broker Registrations](#) > Search Loan Broker Registrations

### Search Loan Broker Registrations

Words:

Starting With

Search

Search

Figure 3. Loan Broker Registration search tool

## Browse Loan Broker Registration

You find seven box links under the **Browse Loan Broker Registration** section of the page.

These box links are:

- [Frequently Asked Questions](#)
- [Do you need to register?](#)
- [General Information](#)
- [Consumer Guide to Surety Bonds](#)

- [Surety/Trust Forms](#)
- [Statutes and Legislation](#)
- [Search](#)

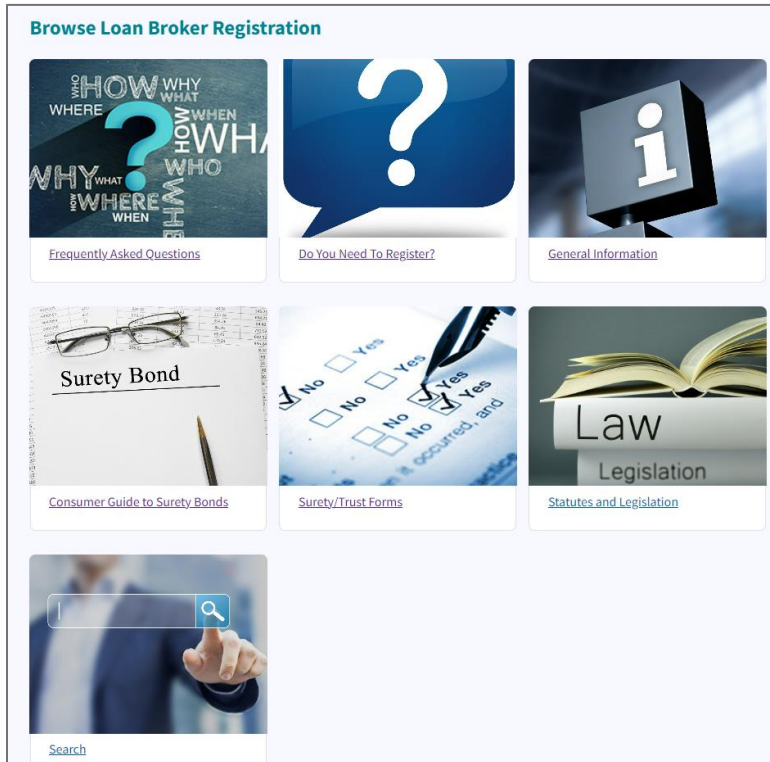


Figure 4. Browse Loan Broker Registration

## Frequently Asked Questions

The [Frequently Asked Questions](#) page has eleven questions and answers about Loan Broker Registration in North Carolina.

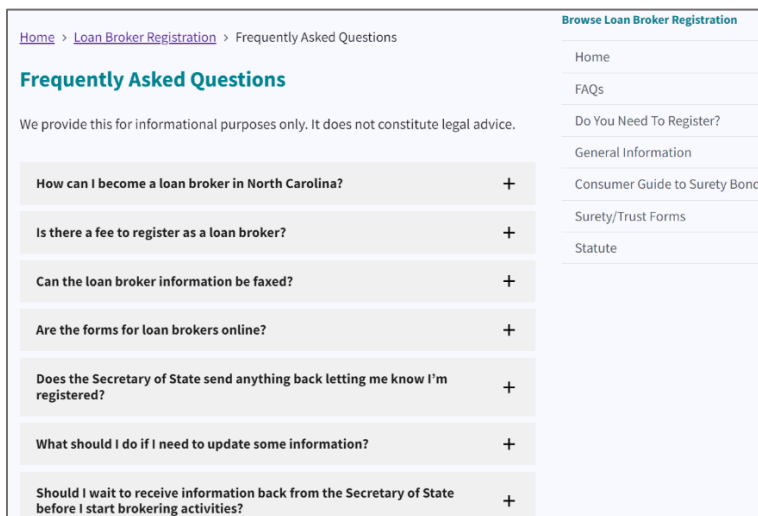


Figure 5. Frequently Asked Questions page

The eleven questions and answers are listed below.

**How can I become a loan broker in North Carolina?**

The requirements are in [N.C.G.S. Article 20 of Chapter 66](#).

**Is there a fee to register as a loan broker?**

There is no fee to be a loan broker.

**Can the loan broker information be faxed?**

No, because we require the original.

**Are the forms for loan brokers online?**

Yes, the [forms](#) are online.

**Does the Secretary of State send anything back letting me know I'm registered?**

Yes, you will receive a certificate of registration.

**What should I do if I need to update some information?**

Send the updated information to the Secretary of State. Please see the contact information below in the last question.

**Should I wait to receive information back from the Secretary of State before I start brokering activities?**

Yes, please make sure you are registered before beginning any activities. This is important because it is a crime to act as a broker without being registered.

**If I had a bond last year and it is still in effect, do I need to send another copy to the Secretary of State when I renew?**

Yes.

**Where can I get more information about bonds and where to get one?**

The [NC Department of Insurance](#) regulates surety companies. You can also view [A Consumer's Guide to Surety Bond](#), a publication by the NC Department of Insurance.

**How do I determine if I need to file as a Loan Broker?**

Making this determination is complicated because there are a number of exceptions. You may want to consult a lawyer to help figure out whether you need to register. However, the Department of Justice created a questionnaire to help, which can be found on our ["Do You Need To Register?"](#) page. If you have questions, please consult an attorney.

## How do I contact you or submit a document?

Email: [whaynes@sosnc.gov](mailto:whaynes@sosnc.gov)

Telephone: 919-814-5408

### Mailing Address for Regular Mail

North Carolina Secretary of State  
Loan Broker  
Post Office Box 29622  
Raleigh, North Carolina 27626-0622

### Street Address for Overnight Mail

North Carolina Secretary of State  
Loan Broker  
2 South Salisbury Street  
Raleigh, North Carolina 27601-2903

## Do you need to register?

This page offers information for loan brokers who wonder if registration applies to them. The information on this page is straight out of the N.C. General Statute 53-244.030(30).

Home > [Loan Broker Registration](#) > Do You Need To Register?

### Do You Need To Register?

Questions to ask when determining if you should file.

#### Section I: Mortgage Loan as defined in [N.C.G.S. 53-244.030\(30\)](#)

1. Is the loan being made or being considered to be made:
  - a. to a natural person or persons;
  - b. Is the loan for personal, family, or household use;
  - c. Is the loan secured by a mortgage, deed of trust, or other equivalent security interest;
  - d. Is the loan for a dwelling located within North Carolina or property upon which a dwelling is to be constructed?

If you answered "No" to the sub questions above then – Proceed to Question 2.

If you answered "Yes" to the sub questions above, answer the following questions:

- 1a. Do you, for compensation or gain, or in the expectation of compensation or gain, either directly or indirectly,

**Browse Loan Broker Registration**

- Home
- FAQs
- Do You Need To Register?
- General Information
- Consumer Guide to Surety Bonds
- Surety/Trust Forms
- Statute

Figure 6. Do you need to register?

### Section I: Mortgage Loan as defined in [N.C.G.S. 53-244.030\(30\)](#)

- 1. Is the loan being made or being considered to be made:
  - a. to a natural person or persons;



- b. Is the loan for personal, family, or household use;
- c. Is the loan secured by a mortgage, deed of trust, or other equivalent security interest;
- d. Is the loan for a dwelling located within North Carolina or property upon which a dwelling is to be constructed?

If you answered “No” to the sub-questions above, then proceed to Question 2.

If you answered “Yes” to the sub-questions above, answer the following questions:

- 1a. Do you, for compensation or gain, or in the expectation of compensation or gain, either directly or indirectly,
  - accept or offer to accept an application for a residential mortgage loan from prospective borrowers;
  - solicit or offer to solicit a residential mortgage loan from prospective borrowers;
  - negotiate the terms or conditions of a residential mortgage loan with prospective borrowers;
  - issue residential mortgage loan commitments or interest rate guarantee agreements to prospective borrowers; or
  - engage in table funding of residential mortgage loans, whether any such acts are done through contact by telephone, by electronic means, by mail, or in person with the borrowers or prospective borrowers?
- 1b. Do you, make or fund, or offer to make or fund, or advance funds on residential mortgage loans for compensation or gain, or in the expectation of compensation or gain?
- 1c. Do you engage, whether for compensation or gain from another or on one’s own behalf, in the business of receiving any scheduled periodic payments from a borrower pursuant to the terms of any residential mortgage loan, including amounts for escrow accounts, and making the payments of principal and interest and such other payments with respect to the amounts received from the borrower as may be required pursuant to the terms of the residential mortgage loan, the residential mortgage loan servicing documents, or servicing contract, or otherwise to meet the definition of the term “servicer” in 12 U.S.C. § 2605(i)(2) with respect to residential mortgage loans?

If you answer “Yes” to any of 1a, 1b, or 1c, please answer 1d below.

If you answered “No” to all 1a, 1b, or 1c questions, continue to Section II

- 1d. Are you licensed by the North Carolina Banking Commission?

- If you are licensed by the North Carolina Banking Commission, you do not have to file as a Loan Broker.
- If you are not licensed by the North Carolina Banking Commission, you must contact the North Carolina Banking Commission at 919-733-3016.

## **Section II: Loan Broker Definition**

- 2. Is the person, firm, or corporation, in return for any consideration from another person, promising to:
  - 2a. Procure for such person, or assist such person in procuring, a loan from any third party?
    - If “Yes”, must file unless exceptions 3-6 apply.
  - 2b. Consider whether or not you will make a loan to such person?
    - If “Yes”, must file unless applicable exceptions 3-7 apply.

Exception 7 applies to the lender if the lender’s loans or advances exceed one million dollars (\$1,000,000) in aggregate in the preceding calendar year.

- If you answered “No” to either of the above questions, you do not have to register as a Loan Broker with the North Carolina Secretary of State’s Office. If you answered “Yes” to either question above, an exception may apply. If you answer “Yes” to any of the below exceptions, you do not have to register as a Loan Broker.

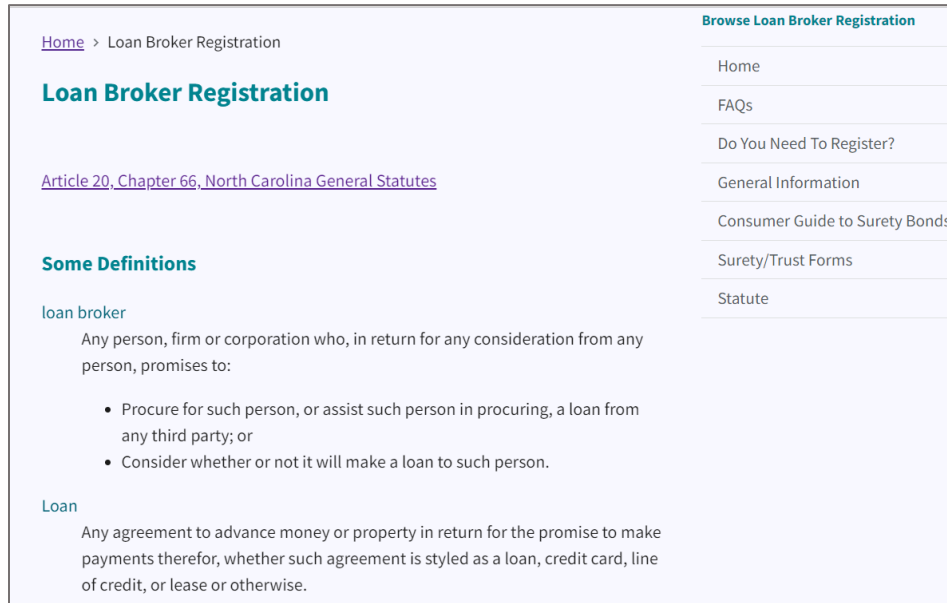
## **Section III: Exceptions**

- 3. Are you approved as a mortgagee by the Secretary of Housing and Urban Development, the Federal Housing Administration, the Veterans Administration, a National Mortgage Association or any federal agency?
- 4. Are you currently designated and compensated by a North Carolina licensed insurance company and its agent to service loans it makes in this State?
- 5. Are you an insurance company registered with and licensed by the North Carolina Insurance Commissioner?
- 6. Is the party an attorney-at-law, public accountant or dealer registered under the North Carolina Securities Act, and acting in the professional capacity for which such attorney-at-law, public accountant, or dealer is registered or licensed under the laws of the State of North Carolina?
- 7. Has the lender made loans or advances in the preceding calendar year to any person, firm or corporation in North Carolina that in the aggregate are more than one million dollars (\$1,000,000)?

- Any party who answers “NO” to all of the above exception questions #3 through #7 applicable per question 2, and is not engaged in the mortgage business, must file as a loan broker.
- Residential Mortgage Loans and Mortgage Loans means any loan made or represented to be made to a natural person or persons primarily for personal, family, or household use that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling located within this State or residential real estate upon which is constructed or intended to be constructed a dwelling. [\(N.C.G.S. 53-244.030\(30\)\)](#).

## General Information

The [General Information](#) page has registration information for loan brokers.



The screenshot shows a web page titled "Loan Broker Registration". At the top left, there is a breadcrumb trail: "Home > Loan Broker Registration". Below this is the main heading "Loan Broker Registration" in a large, bold, teal font. Underneath the heading is a link: "Article 20, Chapter 66, North Carolina General Statutes". To the right of the main content is a vertical navigation menu with the title "Browse Loan Broker Registration". The menu items are: "Home", "FAQs", "Do You Need To Register?", "General Information", "Consumer Guide to Surety Bonds", "Surety/Trust Forms", and "Statute". The main content area has a sub-heading "Some Definitions" in teal. Below this, there are two definitions. The first is for "loan broker", which states: "Any person, firm or corporation who, in return for any consideration from any person, promises to:" followed by a bulleted list: "• Procure for such person, or assist such person in procuring, a loan from any third party; or" and "• Consider whether or not it will make a loan to such person." The second definition is for "Loan", which states: "Any agreement to advance money or property in return for the promise to make payments therefor, whether such agreement is styled as a loan, credit card, line of credit, or lease or otherwise."

Figure 7. General Information

## Loan Broker Registration

[Article 20, Chapter 66, North Carolina General Statutes](#)

### Some Definitions

#### **Loan broker**

Any person, firm, or corporation who, in return for any consideration from any person, promises to:

- Procure for such person, or assist such person in procuring, a loan from any third party; or
- Consider whether or not it will make a loan to such person.

#### **Loan**

Any agreement to advance money or property in return for the promise to make payments therefore, whether such agreement is styled as a loan, credit card, line of credit, or lease or otherwise.

There are exceptions to the definition and you may want to review the document under the box entitled "Do You Need to Register?"

## Required Documents

Prior to placing any advertisement or making any other representations to prospective borrowers in North Carolina, every loan broker needs to file the following documents with the Secretary of State:

### Disclosure Statement

- Two (2) copies of the disclosure statement
- These documents should be reviewed to determine that all the information required by [G.S. §66-107](#) is contained within them.

### Surety Bond or Trust Account

- One (1) copy of a surety bond required or formal notification of the establishment of a trust account is required. [G.S. §66-108](#)
- The bond or trust notification should be reviewed to determine compliance with [G.S. §66-108](#)
- The bond or trust account notification must be submitted with the disclosure statement.

## Fees

There is no fee to register as Loan Broker with the North Carolina Secretary of State's office.

## Update of Information

The registration is to be updated as any information is changed or there is a change in the status of the surety bond or trust account. If there are no changes, the information is to be confirmed annually.

### Submit Document Package to:

#### **Mailing Address for Regular Mail**

North Carolina Secretary of State  
Loan Broker  
Post Office Box 29622  
Raleigh, North Carolina 27626-0622

#### **Street Address for Overnight Mail**

North Carolina Secretary of State  
Loan Broker  
2 South Salisbury Street  
Raleigh, North Carolina 27601-2903

## Consumer Guide to Surety Bonds

The [Consumer Guide to Surety Bonds](#) page is a digital copy of the Department of Insurance’s guide about surety bonds. This brief guide contains a glossary of important terms related to surety bonds along with contact information and a complaint form.

**Note:** This guide is only three pages in length.

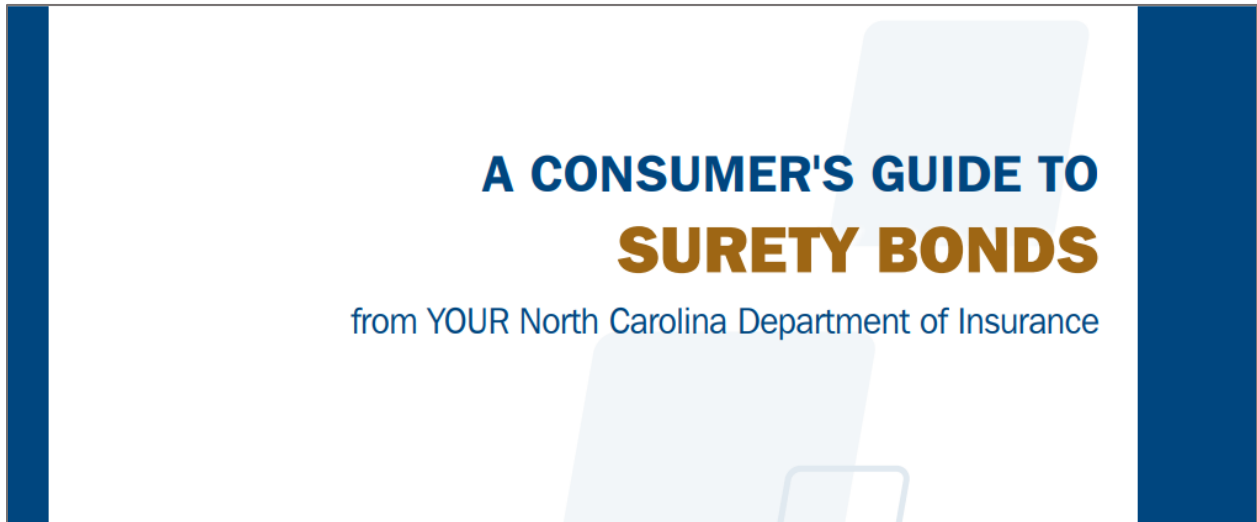


Figure 8. Consumer Guide to Surety Bonds

## Surety/Trust Forms

The [Surety/Trust Forms](#) page has two downloadable forms: [Loan Broker Surety Bond](#) and [Loan Broker Trust](#).

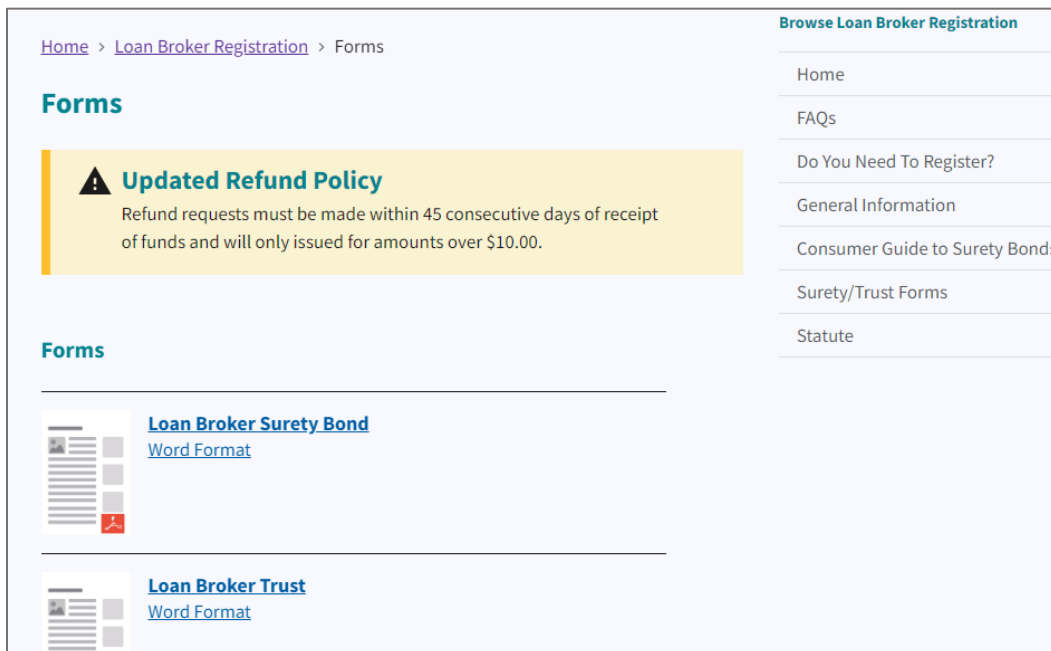


Figure 9. Surety/Trust Forms

## Statutes and Legislation

The [Loan Broker Statutes and Legislation](#) page has the reminder: “Every state agency is governed and limited in their authority by legislation, statutes, and the [Administrative Code](#).”

There are two box links: [Legislative Update](#) and [Statutes](#).

The **Legislative Update** page has a downloadable copy of the latest session law regarding loan brokers in North Carolina.

The **Statutes** link takes you directly to the [Article 20](#) Loan Brokers Law.

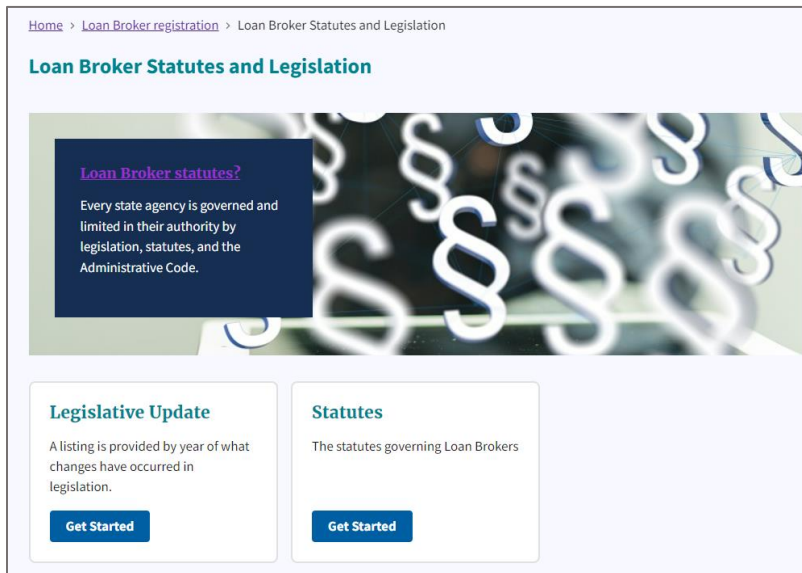


Figure 10. Loan Broker Statutes and Legislation page

## Search

The [Search Loan Broker Registration](#) has a search tool with two fields: **Words** and **Search**.

Select the search method in the **Words** dropdown field. Enter the name or company in the **Search** field.

Click **Search**.

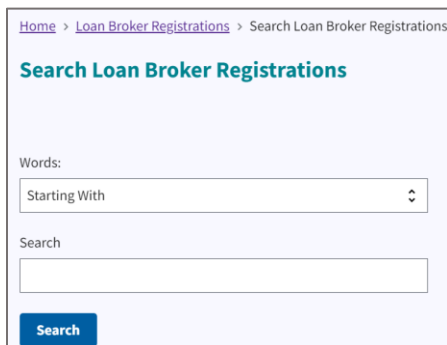


Figure 11. Loan Broker Registration search tool

## What We Do

The What We Do section has a description of what the Loan Broker Registration division does:  
*“We register loan brokers that fall within N.C.G.S. Chapter 66, Article 20, issue certificates of registration, and maintain surety bonds which must be posted by the loan broker.”*

## Contact Loan Broker Registration

### Telephone

919-814-5305

### Mailing Address

N.C. Secretary of State  
Loan Broker Registration  
Post Office Box 29622  
Raleigh, North Carolina 27626-0622

### Physical Address

N.C. Secretary of State  
Loan Broker Registration  
2 South Salisbury Street  
Raleigh, North Carolina 27601-2903