Indiana Department of Financial Institutions

Consumer Credit Division

Change in Control

Rev. 9/21/2023

If a change in control is contemplated, a notification must be submitted to the Department as specified in the cited statutes. **Licenses are not transferable.**

An organization or an individual acting directly, indirectly, or through or in concert with one (1) or more other organizations or individuals may not acquire control of any licensee unless the department has received and approved an application for change in control.

The Department has one hundred twenty (120) days after receipt of an application for a change in control to issue a notice approving the proposed change in control. The application must contain the name and address of the organization, individual, or individuals who propose to acquire control and any other information required by the director. **For planning purposes, it is recommended that an entity provide notice to the Department at least 120 days prior to any planned consummation or merger transaction requiring approval of a change in control.**

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| **License Type** | **Indiana statute governing Change in Control** | **Definitions and Instructions for Change in Control** |
| Consumer Loan license (except payday loans) | [I.C. 24-4.5-3- 515](https://iga.in.gov/laws/2022/ic/titles/24#24-4.5-3-515) | [NMLS Amendment Checklist](https://mortgage.nationwidelicensingsystem.org/slr/PublishedStateDocuments/IN-DFI_Consumer_Loan_License-Company-Amendment-Checklist.pdf) |
| Debt Management license | [I.C. 28-1-29-3.1](https://iga.in.gov/laws/2022/ic/titles/28#28-1-29-3.1) | [NMLS Amendment Checklist](https://mortgage.nationwidelicensingsystem.org/slr/PublishedStateDocuments/IN-DFI-Debt_Management_License-Company-Amendment-Checklist.pdf) |
| Money Transmitter license | [I.C. 28-8-4.1-40.2](https://iga.in.gov/laws/2022/ic/titles/28#28-8-4.1-40.2) | [NMLS Amendment Checklist](https://mortgage.nationwidelicensingsystem.org/slr/PublishedStateDocuments/IN-DFI-Money-Transmitter-Company-Amendment-Checklist.pdf) |
| Mortgage Lending license | First lien mortgage lending: [I.C. 24-4.4-2-406](https://iga.in.gov/laws/2022/ic/titles/24#24-4.4-2-406)Subordinate lien mortgage lending: [I.C. 24-4.5-3- 515](https://iga.in.gov/laws/2022/ic/titles/24#24-4.5-3-515) | [NMLS Amendment Checklist](https://mortgage.nationwidelicensingsystem.org/slr/PublishedStateDocuments/IN-DFI_Mortgage_Lending_License-Company-Amendment-Checklist.pdf) |
| Civil Proceeding Advance Payment (CPAP) license | [I.C. 24-12-9-12](https://iga.in.gov/laws/2022/ic/titles/24#24-12-9-12) | *See below* |
| Pawnbroking license | [I.C. 28-7-5-9.1](https://iga.in.gov/laws/2022/ic/titles/28#28-7-5-9.1) | *See below* |
| Check Cashing license | [I.C. 28-8-5-13.1](https://iga.in.gov/laws/2022/ic/titles/28#28-8-5-13.1) | *See below* |
| Small Loan (payday loan) license | [I.C. 24-4.5-3-515](https://iga.in.gov/laws/2022/ic/titles/24#24-4.5-3-515) | *See below* |

**Instructions for holders of CPAP, Pawnbroking, Check Cashing, and Small Loan licenses**

“Control” means possession of the power directly or indirectly to:

1. direct or cause the direction of the management or policies of a licensee, whether through the beneficial ownership of voting securities, by contract, or otherwise; or
2. vote at least twenty-five percent (25%) of the voting securities of a licensee, whether the voting rights are derived through the beneficial ownership of voting securities, by contract, or otherwise.

Events that may trigger a Change in Control Notification:

* + Sale of the licensee to new owners.
	+ The addition of a new owner that will obtain at least 25% of the voting securities.
	+ The addition of new owners that collectively will obtain at least 25% of the voting securities.

Events that DO NOT trigger a Change in Control Notification:

* The addition of an executive officer who is not receiving any ownership interest in the licensee.
* A change in legal status, as long as no change in ownership is occurring. For example, a change from a Limited Liability Company to a Corporation.
* Insertion of a holding company between a licensee and a parent company, provided the ultimate ownership does not change.

Required Documentation (mail to DFI or email to dfilicensing@dfi.in.gov)

* + A letter that outlines all the changes that will be occurring.
	+ If applicable, a copy of the purchase agreement.
	+ A pre-change organizational chart.
	+ A post-change organizational chart.
	+ Financial statements for the proposed new entity owners.

Indiana law requires that any change in control that triggers review by the Department ***must*** be approved prior to the consummation of the transaction. Failure to comply with the applicable statutory requirements may be considered in any current or future license decision.

**If you have any additional questions regarding a possible change in control, please contact us at 317-453-2566 or** **dfilicensing@dfi.in.gov.**