

## ***The Trust and Loan Corporations Act, 1997***

### **Procedure in Applying for a Licence**

When applying to be licensed as a trust corporation, loan corporation or financing corporation, please submit a completed application form for licensing under *The Trust and Loan Corporations Act, 1997*, together with the information requested below:

1. Evidence that the corporation is registered under *The Business Corporations Act* (Saskatchewan) or any other act that requires registration;
2. An organizational chart showing the parent, subsidiary and associated companies;
3. A brief history of the corporation;
4. A business plan, including a description of proposed business activities to be conducted in Saskatchewan;
5. A description of any networking arrangements in Saskatchewan;
6. Copies of the most current financial statements of the corporation;
7. The names and addresses of shareholders holding 10% or more of the voting stock of the corporation;
8. A brief business resume of each of the directors and officers of the corporation;
9. The bylaws of the corporation;
10. If the corporation takes or will take deposits from the public, or if the corporation issues or will issue debentures to the public, please provide:
  - A copy of the last regulatory report from the incorporating jurisdiction;
  - Latest annual return filed with the incorporating jurisdiction;
  - Details of all letters of undertaking or direction or licence conditions imposed by the primary regulator; and
  - An affidavit indicating:
    - That the corporation is in good standing in each jurisdiction in which the corporation is licensed;
    - That there is no known present or pending litigation being taken against or by the corporation; and
    - That the corporation has no off balance sheet items or contingent liabilities that would materially affect its financial position.

**Please note that:**

**Failure to provide any of the information requested  
will result in delays in processing the application**

### **General Remarks**

Every applicant for a registration should become familiar with the Act and regulations. Also every applicant should exercise care in completing the application form. Extra care will avoid delays which occur when applications must be returned because of incomplete answers or incorrect fees.

Should you require a copy of the Act and regulations, please contact **Queen's Printer** at:

**Telephone:** 1-800-226-7302 (Sask. residents only) (306) 787-6894 **Fax:** (306) 798-0835

**E-mail:** [qprinter@justice.gov.sk.ca](mailto:qprinter@justice.gov.sk.ca) **Internet:** <http://www.qp.gov.sk.ca>

**Saskatchewan Financial Services Commission • Financial Institutions Division**  
**Suite 601, 1919 Saskatchewan Drive • Regina, Saskatchewan S4P 4H2**  
**Phone: (306) 787-6700 • Fax: (306) 787-9006 • E-mail: [fid@sfsc.gov.sk.ca](mailto:fid@sfsc.gov.sk.ca)**



**Business Licence Application**

*THE TRUST AND LOAN CORPORATIONS ACT, 1997*

For Office Use Only	
CATS ID No. _____	Licence Approval Date _____
DBA or Trade Style Name No. _____	Licence No. _____
Corporate Registration No. _____	Reviewed by: _____

\_\_\_\_\_ hereby applies for a licence  
*(Name of Corporation)*

under *The Trust and Loan Corporations Act, 1997* as a:

**Trust Corporation**       **Loan Corporation**       **Financing Corporation**

1. Please indicate the following financial information with respect to the applicant:

- Total assets > \$10,000,000
- Total assets < \$10,000,000

2. List all directors as registered with Saskatchewan Corporations Branch *(use separate sheet if necessary)*

\_\_\_\_\_

\_\_\_\_\_

If applicable, provide trade name(s) or dba (doing business as) name(s). Please note that any corporate and trade style names must be registered with Saskatchewan Corporations Branch.

\_\_\_\_\_

3. Physical location

\_\_\_\_\_ *(address of business office)*

Postal Code \_\_\_\_\_ Telephone \_\_\_\_\_ Fax \_\_\_\_\_

Email/Internet \_\_\_\_\_

4. Designated mailing address for correspondence from this office

\_\_\_\_\_

Postal Code \_\_\_\_\_ Telephone \_\_\_\_\_ Fax \_\_\_\_\_

Email/Internet \_\_\_\_\_

5.(a) During the past ten years has the corporation or any director or officer of the corporation:

- been convicted of a criminal offence? No  Yes
- been convicted of violating any securities, insurance, trust and loan, mortgage brokers, loan brokers, real estate or consumer protection legislation? No  Yes
- made an assignment for the benefit of creditors, or become legally insolvent, or been adjudged a bankrupt or filed a petition in bankruptcy? No  Yes
- had a licence refused, suspended, conditioned, or cancelled under the laws of any province, territory, state or country? No  Yes
- been the subject of disciplinary action by any licensing regulatory authority under the laws of any province, territory, state or country? No  Yes

If "yes", please provide details and specifics including dates, fines imposed, actions taken. *(use separate sheet)*.

(b) If the applicant is a Saskatchewan Corporation, during the past ten years, has any substantial shareholder (10% or more) of the corporation:

- been convicted of a criminal offence? No  Yes
- been convicted of violating any securities, insurance, trust and loan, mortgage brokers, loan brokers, real estate or consumer protection legislation? No  Yes
- made an assignment for the benefit of creditors, or become legally insolvent, or been adjudged a bankrupt or filed a petition in bankruptcy? No  Yes
- had a licence refused, suspended, conditioned, or cancelled under the laws of any province, territory, state or country? No  Yes
- been the subject of disciplinary action by any licensing regulatory authority under the laws of any province, territory, state or country? No  Yes

If "yes", please provide details and specifics including dates, fines imposed, actions taken. *(use separate sheet)*.

**If the application is not completed properly, or if any of the information requested is not included, processing delays may result. Furthermore, any false or material misstatements made in this application or in any of the accompanying material submitted may result in a refusal, suspension or cancellation of the registration and prosecution as an offence.**

6. Fiscal year end \_\_\_\_\_
7. Name of Chief Executive Officer \_\_\_\_\_
8. If the applicant is a Trust Corporation or a Loan Corporation, is the applicant a member of the Canada Deposit Insurance Corporation? Yes  No   
 If yes, please provide evidence of membership with the Canada Deposit Insurance Corporation.
9. If the applicant is a Trust Corporation, does the applicant intend to accept deposits from the public? Yes  No
10. List branch offices in Saskatchewan *(Use a separate sheet if necessary)*  
 Full Mailing Address \_\_\_\_\_  
 Postal Code \_\_\_\_\_ Telephone \_\_\_\_\_ Fax \_\_\_\_\_  
 Name of Manager \_\_\_\_\_ Telephone \_\_\_\_\_
11. Applicant's primary regulator \_\_\_\_\_
12. Applicant's incorporating jurisdiction \_\_\_\_\_
13. Does the applicant carry on business in any other jurisdiction? Yes  No   
 If "yes" name the jurisdiction(s) \_\_\_\_\_
14. Legal Address for Service in Saskatchewan.  
 \_\_\_\_\_  
 Postal Code \_\_\_\_\_ Telephone \_\_\_\_\_ Fax \_\_\_\_\_
15. Please provide your responses to the following questions:
- a) Does the applicant own any shares or interest in any other trust or loan corporation? Yes  No
- b) Does the applicant intend to issue subordinated notes or debentures? Yes  No
- c) Has the applicant given financial assistance by way of loan, guarantee, or otherwise, to any of the applicant's directors, shareholders or associates? Yes  No
- d) Is the applicant involved in the marketing of insurance products? Yes  No   
 If yes, please provide:
- A description of the products offered and a copy of each brochure, promotional material, application and other documentation for each type of insurance;
  - Details regarding how the insurance is offered, applied for and approved;
  - A copy of the contracts or agreements with each insurer, including details of fees or service charges earned by the applicant.
- e) If the applicant is a Saskatchewan Trust Corporation or a Saskatchewan Loan Corporation, has the applicant issued any shares to:
- an individual who is not a resident of Canada? Yes  No
  - a body corporate incorporated pursuant to the laws of a jurisdiction outside Canada? Yes  No
  - a body corporate in which a substantial shareholder is an individual who is not a resident of Canada? Yes  No
  - a body corporate in which a substantial shareholder is a body corporate incorporated pursuant to the laws of a jurisdiction outside Canada? Yes  No

I, the undersigned, consent to the Financial Institutions Division requesting any criminal record searches and also authorize and request any and all former employers and any other person requested to furnish to the Division, or any agent acting on its behalf, any information they may have concerning my creditworthiness, character, ability, business activities, educational background, general reputation, and, in the case of former employers, my employment history with them and the reason for my leaving them. I hereby release each such employer and each such other person from any and all liability of whatever nature by reason of furnishing such information to the Division or any agent acting on its behalf.

I understand that the Financial Institutions Division may also request additional information from the applicant to enable it to evaluate this application.

**STATUTORY DECLARATION**

I, the undersigned, an authorized representative of the applicant, do solemnly declare as follows:

1. That the information and documents provided in support of this application are complete and truthful in all respects.
2. That the applicant has complied with the requirement of the laws of Saskatchewan to which it has applied for a licence.
3. I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath, and by virtue of the *Canada Evidence Act*.

Declared before me at the \_\_\_\_\_ of \_\_\_\_\_  
 \_\_\_\_\_ in the Province of \_\_\_\_\_,  
 this \_\_\_\_\_ day of \_\_\_\_\_,  
 \_\_\_\_\_

} \_\_\_\_\_  
 Signature of Authorized Person  
 } \_\_\_\_\_  
 Print Name and Position and Title

A Commissioner for Oaths in and for the Province of \_\_\_\_\_  
 My commission expires \_\_\_\_\_ .  
 A Notary Public in and for the Province of \_\_\_\_\_ .  
 My appointment expires \_\_\_\_\_ .  
 – Or – Being a Solicitor

**Continuous Licence**

**Please ensure the appropriate fee is included with your completed application.**

**Schedule of Fees:**

<b>Review of initial application</b>	<b>\$1,000</b>
<b>Annual Fee, where the total assets of the corporation are:</b>	
• less than \$10,000,000	\$2,000
• greater than \$10,000,000	\$7,500

**NOTE 1**

**For the first year, the Annual Fee for first-time applicants will be pro-rated on a monthly basis.**

**NOTE 2**

**After the first year, the Annual Fee is to be paid in advance, by December 31.**

**Make cheque payable to the Minister of Finance.**  
**\$10 service charge for any cheque returned from your financial institution.**

**If applying for Licensing as a  
Financing Corporation and your Operating  
Method is that of a Pay Day Lender, the  
following information applies.**

# Pay Day Lenders

## Information to be Included in Your Business Plan

The following information must be submitted with the application for licensing as a financing corporation. When gathering the information, please refer to the attached "Conditions For Pay Day Lenders". These conditions form a part of licenses issued to pay day lending companies, and must be adhered to.

1. An itemized list and detailed explanation, including costs, of all interest, fees and other charges that a borrower is charged for a loan, including any cheque cashing fees related to the loan. Please state whether any fee is optional at the discretion of the borrower. For example, is any cheque cashing fee waived if the borrower repays a loan with cash?
2. A description of how a borrower receives the proceeds of a loan (cash, cheque, direct deposit, other).
3. A description of how a borrower repays a loan (cash, cheque, interac, other).
4. A chart showing total loan costs, including interest, for loans of \$100, \$200, \$300, \$400, \$500 and the maximum loan permitted for both one week and two week loans. Please show each cost component separately.
5. Please state the maximum term of a loan, and all costs, including interest, associated with the maximum term.
6. Can loans be extended, rolled over or renewed? If so, provide the details of any proposed interest, costs or fees charged in connection with the extension.
7. Copies of all forms used in a loan transaction, including the application form and the cost of credit disclosure information that is given to a borrower.
8. Copies of all notices relating to fees, information requirements, etc. that are posted in the customer area of your store.
9. Description of any security taken to ensure repayment of a loan (vehicle, other property).
10. Copy of all advertising and promotional material used.
11. A description of all other segments of business that are conducted (cheque cashing, money transfers, mail boxes, etc.).
12. Completed Criminal Record checks for all corporate officers, directors and branch office managers (copy of forms attached).

# Pay Day Lenders

## SCHEDULE A

### CONDITIONS FOR PAY DAY LENDER Ltd.

doing business as (Business name if applicable)

Licence \_\_\_\_\_ is issued to Pay Day Lender, doing business as (business name if applicable) (the "Company"), subject to the following conditions:

1. Fees charged by the Company must comply with section 347 of the *Criminal Code* (Canada);
2. The Company shall comply with *The Cost of Credit Disclosure Act* (Saskatchewan) and shall provide to the borrower full, true and plain disclosure of all fees charged to the borrower in connection with a loan;
3. The Company shall display prominently in its business premises a schedule providing full, true and plain disclosure of all fees charged in connection with loans made by the Company;
4. In the event of the borrower's inability to repay a loan, the Company shall not charge any additional fees in connection with the renewal of a loan or the extension of the term of a loan, other than interest in compliance with section 347 of the *Criminal Code* (Canada);
5. No individual borrower may be indebted to the Company by more than \$1,000 at any one time;
6. The Company may not obtain from any borrower an assignment of wages;
7. The Company may not obtain from any borrower security for a loan made to the borrower, except where a borrower has defaulted on a loan from the Company; and
8. The Company shall deal only with collection agents licensed in Saskatchewan.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ at Regina, Saskatchewan.

# Pay Day Lenders

## NOTICE

### *The Trust and Loan Corporations Act, 1997*

Pay day lenders carrying on business in Saskatchewan are required to comply with the disclosure requirements contained in *The Cost of Credit Disclosure Act*, being R.S.S. 1978, c.C-41 (the "Act"). The requirement to comply with the Act is included in the licence conditions (Pay Day Lenders, Schedule A, 2) of each pay day lender. The condition states:

"The Company shall comply with *The Cost of Credit Disclosure Act* (Saskatchewan) and shall provide to the borrower full, true and plain disclosure of all fees charged to the borrower in connection with a loan".

**To be in compliance with the Act, a lender must calculate the cost of borrowing as defined in clause 2(1)(c)(ii) of the Act, which states:**

#### "Interpretation

2(1) In this Act:

(c) 'cost of borrowing' means:

(ii) when used in relation to a form of credit other than variable credit,

the amount by which:

(A) the total sum that the borrower is required to pay if the payments required are made as they become due; exceeds:

(B) the sum actually received in cash by the borrower and by any other person on his behalf, or, in the case of a sale of goods or services, the cash price of the goods or services less the sums, if any, credited as a down payment, or in respect of a trade-in, or in respect of any other matter plus, in each case, insurance or official fees, if any, actually paid by the lender or seller";

**and provide the disclosure specified in section 3 which states:**

#### "Disclosure of cost of borrowing in transactions other than variable credit

3 Except as provided in section 4, every lender shall, before extending credit to a borrower, provide him with a clear statement in writing showing:

(a) the sum in dollars and cents of the aggregate of:

(i) in the case of credit given by the advancement of money, the sum actually received in cash by the borrower and by any other person on his behalf including official fees and insurance fees, if any; or ...

(d) the cost of borrowing expressed as one sum in dollars and cents;

(e) the percentage that the cost of borrowing bears to the sum stated:

(i) under clause (a) where the lender is not a seller; and

(ii) under clause (c) where the lender is a seller;

expressed as an annual rate on the unpaid balance of the obligation from time to time, which percentage shall be calculated and expressed in the manner prescribed in the regulations".

**With respect to the percentage required by clause 3(e) of the Act, sections 3 and 4 of the Regulations, SR 356/78, state:**

#### "Calculation and application of percentage

3 The percentage required by clause (e) of section 3 of the Act shall be calculated, expressed and applied with respect to an extension of credit in the following manner:

(1) Subject to paragraphs 4 and 5 and to section 4, the percentage that a lender shall disclose with respect to an extension of credit shall be the annual percentage rate applicable to the contract.

(2) The annual percentage rate shall be deemed to have been charged not in advance on the principal sum from time to time outstanding, so long as the payments required to be made by the borrower are made as they become due and such payments are applied first to the reduction of the accrued cost of borrowing.

(3) For the purposes of paragraph 2, the cost of borrowing shall be deemed to be charged daily and summed until the next succeeding payment becomes due and the accrued cost of borrowing is that amount which is so charged and summed at any given time.

(4) Where a contract provides for approximate monthly payment periods, the rate that shall be deemed to have been applied monthly under paragraphs 1 to 3 shall be one-twelfth of the annual percentage rate.

(5) Where a contract provides for payments at periods other than approximately monthly, the rate that shall be deemed to have been applied under paragraphs 1 to 3 with respect to each payment shall be the same fraction of the annual percentage rate that the payment period is of one year".

#### "Amount of credit

4(1) In this section, amount of the credit means the sum stated in clause (a) or (c) of section 3 of the Act.

(2) The annual percentage rate required to be disclosed under section 3 may be a rate that differs by not more than one per cent from the annual percentage rate that the cost of borrowing bears to the amount of the credit, except that a greater arithmetic difference may be permitted in a regular payment contract, in which case the annual percentage rate required to be disclosed may be the actual annual percentage rate that the cost of borrowing bears to an amount that differs by not more than \$5 from the amount of the credit".

In summary, the cost of borrowing is calculated as being the difference between (A) the amount a borrower is required to repay and (B) the cash amount he receives. The annual percentage rate is the ratio of B to A expressed as an annual percentage.

Included is a sample form you may wish to consider using. In our view, the form meets the disclosure requirements of the Act.

If you have any questions, please call the Financial Institutions Division at 306-787-6700.



**Pay Day Lenders**  
**TOTAL COST OF BORROWING**

Date of Advance \_\_\_\_\_

Term of Advance \_\_\_\_\_

To receive \$ \_\_\_\_\_ in cash for a period of \_\_\_\_\_ days

A. Amount of advance \$ \_\_\_\_\_

B. Cost of Borrowing: \$ \_\_\_\_\_

(i) Interest at \_\_\_\_\_ % per annum \$ \_\_\_\_\_

(ii) Total Loan Fees \$ \_\_\_\_\_

C. Total Cost of Borrowing B(i) + B(ii) \$ \_\_\_\_\_

D. Total Amount to be Repaid \$ \_\_\_\_\_

E. Total cost of Borrowing Expressed as an Annual Percentage Rate \_\_\_\_\_ %

# Info Source

## Access to Information Act

# Access to Information Request Form

For official use only

**Step 1**

Determine which federal government institution is most likely to have the information you are seeking. Decide whether you wish to submit an informal request for the information or a formal request under the *Access to Information Act*. If you wish to make an informal request, contact the appropriate institution. The address can likely be found in *Info Source* publications which are available across Canada, generally in major public and academic libraries, constituency offices of federal Members of Parliament and most federal government public enquiry and service offices.

**Step 2**

To apply for information under the *Access to Information Act*, complete this form or a written request mentioning the Act. Describe the information being sought and provide any relevant details necessary to help the institution find it. If you require assistance, refer to *Info Source (Sources of Federal Government Information)* for a description of program records held by the institution or contact its Access to Information Coordinator.

**Step 3**

Forward the access request to the Coordinator of the institution holding the information. The address is listed in the "Introduction" to *Info Source*. Enclose a \$5.00 money-order or cheque payable to the Receiver General of Canada. Depending upon the type or amount of information being sought, you may be asked to authorize further charges.

**Step 4**

When you receive an answer to your request, review the information to determine whether you wish to make a further request under the Act. You also have the right to complain to the Access to Information Commissioner should you believe that you have been denied any of your rights under the Act.

Federal Government Institution

Provide details regarding the information being sought

Method of access preferred

 Receive copies of originals

 Examine originals in government offices

Name of applicant

Street, address, apartment

City or town

Province

Postal Code

Telephone number

This request for access to information under the *Access to Information Act* is being made by
 a Canadian citizen, permanent resident or another individual present in Canada, or

 a corporation present in Canada

Signature

Date

## INSTRUCTIONS TO APPLICANT

1. A criminal record check is required before your application for a license/registration can be processed.
2. Complete Part A on the Criminal Record Check form. Take this letter to the local police if you live in a city or town policed by a municipal police force. If you live elsewhere, take it to the closest RCMP detachment.
3. The police will require the following identification: a birth certificate, driver's licence and a hospitalization card.
4. The police will conduct a name search, and:
  - (a) if satisfied as to your identity and there is no record of criminal convictions or outstanding criminal charges, the police will complete and return the form to you indicating the name check has revealed no criminal record; or
  - (b) if not satisfied as to your identity or the check reveals a record, the police are required to take your fingerprints before the record can be released to you. Major city police forces may verify the fingerprints at their headquarters, however, in most instances the fingerprints will need to be sent to the RCMP in Ottawa, where they will be searched against the national criminal record file and the results returned to you by mail. If the police do not mail the fingerprints to Ottawa, it will be your responsibility to do so.

The mailing address for the RCMP in Ottawa is as follows:

**RCMP, Director, Identification Services,  
Box 8885, Ottawa, Ontario, K1G 3M8.**

5. In all cases, the results of the record check, and fingerprints (if taken), will be returned to you personally.
6. It will be your responsibility to provide the results of the check to the Financial Institutions Division.
7. The police will advise of any fee you will be responsible to pay for a record search or for taking fingerprints.
8. Your application may take several days to process. If fingerprints are sent to Ottawa, a response normally takes four to six weeks.
9. Inquiries should be directed to the **Financial Institutions Division at 787-6700.**

# CRIMINAL RECORD CHECK

Chief of Police, or NCO i/c RCMP \_\_\_\_\_, Saskatchewan

I am requesting a fingerprint criminal record check as part of my application/registration as  
a \_\_\_\_\_ under \_\_\_\_\_ .

Mortgage Broker, Loan Broker or  
Financing Corporation

Name of Act

## PERSONAL INFORMATION FOR COMPLETION BY APPLICANT

(PART A)

Name: \_\_\_\_\_  
Last First Middle Other (if applicable)  
(Under other, show maiden or any other name you have ever used)

Address: \_\_\_\_\_  
Street City/Town Province Postal Code

Birth Date: \_\_\_\_\_ Birth Place: \_\_\_\_\_  
Yr Mo Day City/Town/Prov/State/Country

I am applying for a license/registration under: \_\_\_\_\_  
Name of Act

## RESULTS OF CHECK FOR COMPLETION BY THE POLICE

(PART B)

A name check of police records reveals:

*Check if applicable (✓)*

- (1) No criminal record
- (2) A possible criminal record that must  
be verified by a fingerprint submission

Date: \_\_\_\_\_  
Yr Mo Day Signature, Name and Position

\_\_\_\_\_  
Collator/Dept. Stamp

\_\_\_\_\_  
Police Dept or RCMP Detachment