

NOTICE TO MAINTENANCE FUNDING PROVIDERS:

H.B. 312 (2020 General Session), the bill that enacted the Maintenance Funding Practices Act, included the following provision:

- (4) A business entity who acts as a maintenance funding provider in the state between May 12, 2019, and May 12, 2020, is permitted to continue to act as a maintenance funding provider:
 - (a) if the person:
 - (i) applies for registration in accordance with this section; and
 - (ii) complies with the requirements of this chapter; and
 - (b) until the division makes a determination regarding the person's application for registration under this section.

H.B. 312, Maintenance Funding Practices Act, Lines 129-136 (Enrolled Copy).

Please contact the Utah Division of Consumer Protection at (801) 530-6601 if you have questions.



State of Utah

DEPARTMENT OF COMMERCE
DIVISION OF CONSUMER PROTECTION

MAINTENANCE FUNDING PROVIDER REGISTRATION APPLICATION

Registration fee: **\$300.00**
(The application fee is non-refundable)

Applicant's Name
(This should be the legal name of the business entity that is registering.)

DBA if applicable

Date of Application

| OFFICE USE ONLY | |
|-----------------|-------|
| Date Issued: | _____ |
| Number: | _____ |
| Approved: | _____ |
| Denied: | _____ |
| Cancelled: | _____ |
| Expiration: | _____ |
| Receipt Number: | _____ |
| Amount of Fee: | _____ |

Please Mark the appropriate box:

INITIAL
REGISTRATION

RENEWAL
REGISTRATION

Important notice regarding business confidentiality claims pursuant to the Government Records Access and Management Act: If you wish to make a claim of business confidentiality with respect to any information in this application or with respect to records you provide to the Division, please be aware of the following law: "Any person who provides to a governmental entity a record that the person believes should be protected under 63G-2-305(1) [trade secrets] or (2) [commercial information or non-individual financial information] or both Subsections 63G-2-305(1) and (2) shall provide with the record: (A) a written claim of business confidentiality; and (B) a concise statement of reasons supporting the claim of business confidentiality."

If you have any questions, please contact the Division at (801) 530-6601.

Please make application fee payable to the **State of Utah**

Please return the completed application form to:

Department of Commerce
Division of Consumer Protection
160 East 300 South
Box 146704
Salt Lake City, Utah 84114-6704

1) Applicant's Address (Physical Location):

Street Address

City

State

Zip Code

Telephone Number

Fax Number

2) Applicant's Mailing Address:

Name

Street Address

City

State

Zip Code

Telephone Number

Fax Number

Website or web address homepage: _____

3) Applicant's Contact Person: *(Please note, future notices will be mailed to the designated contact person)

Name

Street Address

City

State

Zip Code

Telephone Number

Email Address

4) Applicant's Registered Agent:

Name

Street Address

City

State

Zip Code

Telephone Number

Email Address

5) Information that must be included in the Maintenance Funding Agreement. A copy of the agreement must be included with the Application. Please highlight the items in the copy you provide to the Division.

| <p align="center">Maintenance Funding Agreement</p> | <p>Provide the page number where the item below is located in the agreement and highlight the item in the copy you provide to the Division.</p> |
|---|--|
| <p>1. Right of rescission permitting the individual to cancel the agreement without penalty or further obligation, if the individual returns to the maintenance funding provider the full amount of the disbursed funds within five business days after the day on which the individual and maintenance funding provider enter the agreement; and in person by delivering the maintenance funding provider’s uncashed check to the maintenance funding provider’s office; or, by insured, certified, or registered U.S. mail to the address specified in the maintenance funding agreement in the form of the maintenance funding provider’s uncashed check or a registered or certified check or money order.</p> | <p>1. _____</p> |
| <p>2. The funding agreement shall contain the disclosures in Section 13-57-302; including:</p> <ul style="list-style-type: none"> a. the amount of money the maintenance funding provider provides to the individual; b. an itemization of one-time charges; c. a payment schedule that: includes the funded amount and all charges; and lists the total amount of any realized settlement, judgment, award, or verdict to be paid to the maintenance funding provider at the end of each six-month period, if the contract is satisfied during that period; and d. a provision that the maintenance funding agreement includes no charge or fee other than the charges and fees disclosed in the maintenance funding agreement; and e. a provision that if there are no available proceeds from the legal action, the individual will owe the maintenance funding provider nothing; and the maintenance funding provider’s total charges will be paid only to the extent there are available proceeds from the legal action after the settlement of all liens, fees, and other costs. | <p>2a. _____</p> <p>2b. _____</p> <p>2c. _____</p> <p>2d. _____</p> <p>2e. _____</p> |

6) Required disclosures that must be included in the Maintenance Funding Agreement. A copy of the agreement must be included with the Application. Please highlight the disclosures in the copy provided to the Division.

| Required Disclosures | Provide the page number where the item below is located in the agreement and highlight the item in the copy you provide to the Division. |
|--|---|
| <p>1. the maintenance funding provider may not participate in deciding whether, when, or the amount for which a legal action is settled</p> | <p>1. _____</p> |
| <p>2. the maintenance funding provider may not interfere with the independent professional judgment of the attorney handling the legal action or any settlement of the legal action</p> | <p>2. _____</p> |
| <p>3. the following statement in substantially the following form, in all capital letters and at least a 12-point type: "THE FUNDED AMOUNT AND AGREED-TO CHARGES SHALL BE PAID ONLY FROM THE PROCEEDS OF YOUR LEGAL CLAIM, AND SHALL BE PAID ONLY TO THE EXTENT THAT THERE ARE AVAILABLE PROCEEDS FROM YOUR LEGAL CLAIM. YOU WILL NOT OWE (INSERT NAME OF THE MAINTENANCE FUNDING PROVIDER HERE) ANYTHING IF THERE ARE NO PROCEEDS FROM YOUR LEGAL CLAIM, UNLESS YOU HAVE VIOLATED A MATERIAL TERM OF THIS AGREEMENT OR YOU HAVE COMMITTED FRAUD AGAINST THE MAINTENANCE FUNDING PROVIDER.";</p> | <p>3. _____</p> |
| <p>4. in accordance with Section 13-57-301, the following statement in substantially the following form and at least a 12-point type: "CONSUMER'S RIGHT TO CANCELLATION: You may cancel this agreement without penalty or further obligation within five business days after the day on which you enter into this agreement with the maintenance funding provider if you either: 1. return to the maintenance funding provider the full amount of the disbursed funds by delivering the maintenance funding provider's uncashed check to the maintenance funding provider's office in person; or</p> | <p>4. _____</p> |

| | |
|--|-----------------|
| <p>2. send, by insured, certified, or registered United States mail, to the maintenance funding provider at the address specified in this agreement, a notice of cancellation and include in the mailing a return of the full amount of disbursed funds in the form of the maintenance funding provider's uncashed check or a registered or certified check or money order.</p> | |
| <p>5. immediately above the line for the individual's signature, the following statement in at least a 12-point type: "Do not sign this agreement before you read it completely or if it contains any blank spaces. You are entitled to a completed copy of the agreement. Before you sign this agreement, you should obtain the advice of an attorney. Depending on your circumstances, you may want to consult a tax, benefits planning, or financial professional.</p> | <p>5. _____</p> |

A maintenance funding provider is registered on the day that the Division issues the registration. The Division's issuance of a registration for a maintenance funding provider does not constitute the State of Utah's or the Division's endorsement or approval of the provider.

The undersigned has executed the foregoing document and, declares under criminal penalty under the law of Utah that the foregoing is true and correct.

SIGNED AND DATED this _____ day of _____, 20_____.

By: _____

Printed Name: _____

Title/Position: _____

FOR YOUR INFORMATION

Information for reporting will be on the Division's website, <https://dcp.utah.gov>. The Report must be submitted on or before April 1 of each year. For questions about the reporting requirements, please email maintenancefunding@utah.gov.

13-57-203 Annual Reports.

- (1) On or before April 1 of each year, a maintenance funding provider registered in accordance with Section 13-57-201 shall file a report:
 - (a) under oath;
 - (b) with the director; and
 - (c) in a form the director prescribes.
- (2) The report described in Subsection (1) shall include, for the preceding calendar year:
 - (a) the number of maintenance funding agreements entered into by the maintenance funding provider;
 - (b) the total dollar amount of legal funding the maintenance funding provider provided;
 - (c) the total dollar amount of charges under each maintenance funding agreement, itemized and including the annual rate of return;
 - (d) the total dollar amount and number of maintenance funding transactions in which the realized profit to the company was as contracted in the maintenance funding agreement;
 - (e) the total dollar amount and number of maintenance funding transactions in which the realized profit to the company was less than contracted; and
 - (f) any other information the director requires concerning the maintenance funding provider's business or operations in the state.