2025
Annual Report of the Banking Commissioner

CONNECTICUT
Department of Banking

Annual Report
Of the Banking Commissioner

To His Excellency
Ned Lamont, Governor

For the Year Ending December 31, 2025
Hartford, Connecticut
Submitted: September 15, 2026

STATE OF CONNECTICUT
Department of Banking
280 Trumbull Street | 16th Floor | Hartford, CT 06103

September 15, 2026

To His Excellency, Ned Lamont, Governor

Pursuant to the requirements of Section 36a-14 of the Connecticut General Statutes, I have the honor to submit for your review the Department of Banking's annual report for the year 2025.

Respectfully yours,

Jorge L. Pèrez

Jorge L. Pèrez
Banking Commissioner

CONNECTICUT
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BANKING COMMISSIONERS (1900-2024)

Jorge L. Pèrez	**2015**	**Present**
Howard F. Pitkin	2006	2014
John P. Burke	1995	2006
Ralph M. Shulansky	1991	1995
Howard B. Brown Jr.	1985	1991
Brian J. Woolf	1981	1985
David H. Neiditz	1977	1981
Lawrence Connell Jr.	1975	1977
James E. Hagen	1971	1975
Gerald A. Lamb	1970	1971
Philip Hewes	1960	1970
Henry H. Pierce Jr.	1955	1960
Lynwood K. Elmore	1951	1955
Richard Rapport	1943	1951
Walter Perry	1933	1943
George J. Bassett	1931	1933
Lester E. Shippee	1927	1931
John B. Byrne	1922	1927
John K. Bissland	1922	1922
Everett J. Sturges	1915	1922
Fred P. Holt	1911	1915
Norris S. Lippitt	1911	1914
Norris S. Lippitt	1907	1911
Charles H. Noble	1907	1911
George F. Kendall	1900	1906
Charles H. Noble	1900	1906

Note: From 1837 to 1915 two Banking Commissioners served concurrently.
For a more complete history of the Department of Banking please visit:
http://libguides.ctstatelibrary.org/ld.php?content_id=11021267

DEPUTY BANKING COMMISSIONERS (1900-2024)

NONE	**2012**	**Present**
Alan J. Cicchetti	1999	2011
NONE	1996	1998
Robert B. Titus	1993	1995
Barbara S. McGrath	1991	1993
Paul J. McDonough	1988	1991
NONE	1986	1987
Howard B. Brown Jr.	1982	1985
Linda J. Kelly	1979	1981
Kay V. Bergin	1975	1978
Thomas E. Canfield	1974	1975
Patsy J. Piscopo	1971	1974
Maurice J. Ferland	1970	1971
Reinhard J. Bardeck	1951	1969
Lynwood K. Elmore	1943	1950
Richard Rapport	1938	1942
R. Gordon Baldwin	1928	1937
Lester E. Shippee	1922	1927
John K. Bissland	1917	1921

SECTION 1: ADMINISTRATION

1.1 Agency Mission

The Department of Banking (DOB) is the primary state regulator for state-chartered banks, including innovation banks, and credit unions, securities, and consumer credit. Its mission is to protect users of financial services from unlawful or improper practices by ensuring regulated entities and individuals adhere to state and federal banking, consumer credit and securities laws. We accomplish this through regular, thorough, and cost-effective examinations of the entities we supervise. The Department also engages the public and other stakeholders (including elected officials) through a variety of media platforms, educational outreach initiatives, and press communications.

1.2 Organization

The Department of Banking is a state agency headed by the Banking Commissioner who reports directly to the Governor. The Department regulates and examines financial institutions and various financial services companies that are chartered, licensed, or registered by the Department; the Banking Commissioner administers state banking and credit union laws, securities and business investment laws, consumer credit laws, and a major portion of the law concerning rental security deposits as well as the Truth in Lending Act.

The Department is comprised of the executive/administrative office, three operational divisions and two support units with specific regulatory functions assigned to each operational division. The Department is fully funded by the industries it regulates through licensing, assessments, and other fees.

In November 2025, the Department relocated its offices from Constitution Plaza in Hartford to office space on the 16th floor of 280 Trumbull Street in Hartford.

Executive/Administrative Office

The Executive/Administrative Office provides overall supervision as well as strategic guidance for the agency. Comprised of the Commissioner and the Chief of Staff who also serves as General Counsel, the office also houses the Student Loan Ombudsperson as well as a staff attorney who serves as the agency's hearing officer and Freedom of Information coordinator. With input from the other divisions, the Executive Office sets the vision and goals for the agency as well as public policy.

In 2024, the Office of the Student Loan Ombudsperson was established to serve as the state's chief authority and specialist on all issues related to student loans. The office is administratively held within the Department of Banking and is led by a Student Loan Ombudsperson who is appointed by the Banking Commissioner. The Student Loan Ombudsperson has independent statutory authority to analyze and monitor laws and policies that impact student loan borrowers at the federal, state, and local level, and may make recommendations. The Student Loan Ombudsperson works directly with loan borrowers to improve the borrowers experience, help navigate issues, identify resources, and address any complaints. While outside of this reporting period, in 2026 the legislature moved the Office of the Student Loan Ombudsperson from the Department of Banking to the Office of Higher Education (OHE).

Also in 2024, the commissioner appointed a Senior Assistant Division Director assigned to the Financial Institutions Division, responsible for the supervision and regulation of innovation banks as well as supervising the division's attorney and paralegal. The Commissioner also appointed a Program Manager of Innovation and Strategy assigned to the Securities and Business Investments Division, who will guide the Department's efforts to regulate emerging financial technologies through the implementation of training and program development.

Financial Institutions Division

The Financial Institutions Division is responsible for the supervision and examination of:

- State-chartered savings banks
- Savings and loan associations
- Bank and trust companies
- Innovation banks
- State-chartered credit unions

The Division also licenses foreign banking organizations that establish and maintain representative offices, agency offices, and branch offices in Connecticut, and supervises bank holding companies. It is responsible for analyzing applications for:

- New bank or credit union charters
- Acquisitions
- Mergers
- Conversions
- Branches
- Changes in corporate structure
- Credit union field of membership expansions

In addition, the Division licenses business and industrial development corporations (BIDCO), international trade and investment corporations (ITIC) and certain non-banking corporations that exercise fiduciary powers.

Consumer Credit Division

The Consumer Credit Division is responsible for the examination, enforcement, and licensing of non-depository financial services companies including:

- Mortgage brokers, correspondent lenders, and lenders
- Mortgage loan originators
- Mortgage servicers
- Loan processors and underwriters
- Lead generators of residential mortgage loans
- Small loan lenders

- Sales finance companies
- Debt adjusters
- Debt negotiators
- Consumer collection agencies, including debt buyers
- Money transmitters
- Check cashing services
- Private student loan servicers

The Division also registers federal student loan servicers; private education lenders and loan creditors; and commercial financing brokers and providers. Consumer Credit also administers Truth in Lending laws and retail installment sales financing laws.

Securities and Business Investments Division

The Securities and Business Investments Division is responsible for registering securities and business opportunity offerings sold in or from Connecticut and registering (licensing):

- Broker-dealers and broker-dealer agents
- Investment advisers and investment adviser agents
- Broker-dealer branch offices

The Division also conducts on-site examinations of broker-dealers, investment advisers and branch office registrants. The Division enforces the Connecticut Uniform Securities Act and the Connecticut Business Opportunity Investment Act.

Agency Support

The Department operations are supported by the Government Relations and Consumer Affairs (GRCA) unit, the Department of Administrative Services (DAS), and its Business Office.

GRCA assists consumers with inquiries and complaints involving banks, credit unions, mortgage lending and other consumer credit matters, securities, business opportunity investments, and oversees the administration and enforcement of the rental security deposit laws. GRCA also directs the agency's legislative program, manages communications and media relations for the Department, coordinates financial and investor education outreach efforts, and handles calls to the Foreclosure Assistance Hotline.

The Department's Business Office is responsible for the accounting, budgeting, fiscal management, purchasing, financial reporting functions, and coordination of the agency's audit. The Department of Administrative Services' (DAS) Small Agency Resource Team (SmART) provides human resources functions, and the DAS Equal Employment Opportunity Unit assists the agency with its affirmative action efforts. Information technology support is provided to the Department of Banking through the DAS Bureau of Information Technology Solutions.

As of December 31, 2025, the agency had 131 full-time budgeted positions with 122 filled.

1.3 Equal Opportunity and Affirmative Action

The Human Resources Equal Employment Opportunity (HR EEO) Manager is assigned by DAS to work with the Department and directs and administers all aspects of the Department EEO/AA program including developing strategic affirmative action programs; interpreting and administering pertinent laws and regulations; investigating complaints of discrimination made against the agency and reporting findings to the Commissioner and/or designee; offering remedies on any discriminatory conduct that occurs; and counseling staff on equal employment opportunity matters. The DAS EEO Center of Excellence prepares materials and conducts training to heighten knowledge of equal employment opportunity laws and affirmative action goals. The Statewide HR Program Manager-EEO also serves as the agency's Americans with Disabilities Act (ADA) coordinator.

The Department of Banking is firmly committed to the principles and objectives of equal employment opportunity for all individuals. The Department is an Affirmative Action/Equal Employment Opportunity employer and has undertaken numerous steps to effectuate equal opportunity in its hiring, promotions, trainings, and other employment-related duties, as well as in the provision of the programs and services that fall under the Department's authority. More detailed information concerning these activities is available in the agency's biannual Affirmative Action Plan which was approved by the Connecticut Commission on Human Rights and Opportunities in January 2025. The Department did not knowingly do business with any bidder, contractor, sub-contractor, supplier of materials, or licensee who discriminates against members of any class protected under C.G.S. Sec. 4a-60 or 4a-60a.

Through our partnership with DAS, the Department ensures that agency programs are fair and equitable, provide equal employment opportunity, and comply with state and federal laws and guidelines. The agency achieves this goal by preparing and implementing affirmative action plans, collaborating in the selection and hiring process, providing a process for complaints of discrimination, and educating staff of their rights and obligations in affirmative action laws.

The HR EEO Manager coordinates and monitors the Department's programs and ensures compliance with the Americans with Disabilities Act, Title II and Title VII of the Civil Rights Act, the Fair Employment Practices Act, state Affirmative Action (AA) regulations and Contract Compliance laws, and other applicable laws.

1.4 Freedom of Information and Department Hearings

The Department handles requests for information from the public through a dedicated Freedom of Information Coordinator, who also serves as the agency's primary hearing officer. An online Freedom of Information (FOI) management system called GovQA streamlines requests and ensures prompt acknowledgement and notification of completion of inquiries and helps the Department process requests in an efficient manner.

In 2025, the Department received 95 FOI requests, almost double the number of requests received in 2024. From January 1, 2025, through December 31, 2025, the Department closed 87 requests.

In 2025, eight hearings were requested by respondents. It is common practice for respondents to seek resolution prior to an agency hearing taking place. As such, the Department conducted two hearings in 2025, and those decisions are expected to take place in 2026.

1.5 Agency Spotlight

Department Relocation

In 2025, the Department of Banking relocated its offices from 260 Constitution Plaza, Hartford, CT to 280 Trumbull Street, 16th Floor, Hartford, CT. After months of planning and coordination, the move took place on November 24, 2025. The new space was selected through a public and competitive Request for Proposal (RFP) process led by DAS closely following approved State guidelines. The Department had been located at Constitution Plaza since 1995. The Department's move represents a transition to an office that better meets the needs of a modern workforce while remaining part of the Hartford community, all at a lower cost. The new space is designed to strengthen collaboration within the Department while continuing to serve Connecticut residents through providing common-sense regulation.

Innovation Bank Charter

Connecticut General Statutes Section 36a-70(t) allows for the organization of an innovation bank. An innovation bank has all the powers of a traditional bank and is subject to all the requirements and limitations applicable to a bank and trust company or savings bank. However, an innovation bank cannot accept retail deposits and as such does not need to comply with community reinvestment laws. Retail deposits are defined as deposits made by individuals who are not accredited investors under federal securities regulations. Innovation banks may take institutional deposits.

The banking commissioner is the approving authority for innovation bank charter applications. Innovation banks require a minimum of $5 million in equity capital to form, unless the commissioner establishes a different capital requirement based upon a bank's risk portfolio.

The innovation bank charter provides customized regulatory solutions to financial technology companies looking to grow in a competitive marketplace. It is ideal for companies with diverse business models that are engaged in a variety of financial activities and seek to integrate a banking function, but whose business plan does not include taking retail deposits from individuals. A bank charter is required for applications for Fed Master Account and Merchant Services Network. The innovation bank charter provides this first crucial step in this process. In addition, the charter provides a responsible, streamlined, and flexible regulatory approach allowing companies to operate across the U.S. It also provides a beneficial exemption to money transmission laws in Connecticut and in many other states, reducing regulatory burden.

The Department has chartered two innovation banks, and two others are in the process of organizing under Temporary Certificates of Authority.

Section 3.1 (pg. 18) of this report provides additional details regarding Connecticut-chartered innovation banks.

Department of Banking's Financial Literacy Collaboration

At times as part of settlements, the Department of Banking receives monies to be used for investor education, staff training and educational material. Commissioner Perez established a working group to develop a plan to partner with third-party vendors to provide financial literacy as well as educational programs that meet certain objectives, namely 1) to provide personal finance tools that will prepare residents for a financially successful future, with an emphasis on women and young girls and 2) to teach how to make smart money management decisions that will enable them to be independent and financially secure. After issuing a Request for Proposal (RFP) utilizing the state's eProcurement system, the committee recommended several entities for the Commissioner's consideration to receive funding for financial literacy education.

In March 2024, Commissioner Perez joined Governor Lamont and Lt. Governor Bysiewicz to announce the release of three state grants totaling more than $400,000 to support programs focused on improving the financial wellness of Connecticut residents with a priority focus on women and girls. The monies under the grant were ultimately awarded to recipients late in 2024. In 2025, recipients provided reports to the Department of Banking on the progress of their programs. To date, each organization met or exceeded the goals and objectives of their respective programs.

Department Innovation and Financial Technology Committee

The Department of Banking's Cryptocurrency Committee was renamed the Innovation and Financial Technology Committee in 2025. The new name better reflects the committee's broader scope, as the committee continues to cover cybersecurity and cryptocurrency, but now also addresses a wider range of financial technology issues. These include artificial intelligence in the financial industry, stablecoins, tokenized deposits, digital asset custody, and other emerging supervisory issues.

The Innovation and Financial Technology Committee includes members from across the Department. The committee meets monthly to discuss legislative developments, updates and initiatives, blockchain, quantum computing, and related supervisory or policy matters. The committee also provides a forum for members to share feedback and identify areas where the Department may need additional training, guidance, or resources.

The Education Subcommittee focuses on training initiatives and educational opportunities for Department staff. Its work helps staff build practical knowledge in emerging areas that affect financial regulation. The subcommittee identifies relevant training, shares educational resources, and supports staff readiness in areas such as cybersecurity, digital assets, artificial intelligence, payments, blockchain analytics, and other financial technology developments.

The Education Subcommittee continued to support the Department's educational outreach efforts. In 2025, the Securities Division Director provided investor education on fintech and cryptocurrency, and an attorney from the Consumer Credit Division gave several presentations on the topic of cryptocurrency. Programs on cybersecurity, online scams, and protecting personal financial information were also provided by the agency's educational outreach coordinator. These efforts helped connect the Department's internal training work with its public education and consumer protection mission.

Members of the Policy and Legislation Subcommittee continued to focus their efforts on researching other states' statutes, regulations and legislation, and following developments at the federal level regarding digital assets.

Digital Asset Advisory Group (DAAG)

In early 2025, the Department established a Digital Asset Advisory Group (DAAG) comprised of a broad range of external stakeholders with digital asset regulatory, technical, and business expertise. The purpose of the DAAG is to provide nonbinding input, feedback, assistance, research, analysis, recommendations, and expertise to the Commissioner and Department staff, including with respect to evolving opportunities and challenges relating to digital assets. The 22 members of the DAAG are internal and external stakeholders with professional expertise relating to digital assets, including legislators, bankers, attorneys, accountants, consultants, professors, state police detectives, and consumer advocates. The Department hosted in-person meetings in September 2025 and February 2026 and discussed the federal GENIUS Act and other topics related to payment stablecoins, tokenized deposits, and cryptocurrency.

Department Agencywide Meetings

The Department held two bi-annual agencywide staff meetings on June 5, 2025, and December 4, 2025. These full-day in-person events provided an opportunity for the Banking Commissioner to provide department updates and other agency items, discuss projects, and take questions from staff. Division representatives shared industry updates, guest speakers provided professional development programs, and the agency's Morale Committee led the staff in team-building challenges.

The June meeting provided timely updates of the Department's Freedom of Information process, the Strategic Plan, financial technology, artificial intelligence, and equal opportunity employment, as well as a demonstration of the agency's SharePoint site.

The December Agencywide meeting was held shortly after the Department's office relocation and was an opportunity for staff to experience being in the new building together. Updates were provided by the agency's General Counsel and the Student Loan Ombudsperson, as well as informative presentations on the topics of digital assets, stablecoins, and artificial intelligence.

1.6 Commissioner's 2025 Industry Engagement

Throughout the year, the Banking Commissioner engaged the public and industry professionals to discuss important issues confronting the financial services industry. Commissioner Perez serves as an ex officio board member on both the Connecticut Housing Finance Authority (CHFA) and Community Economic Development Fund Foundation Board of Directors. He also serves as a Board Member at-large of Conference of State Bank Supervisors (CSBS), on the Board of Directors for the Cornell Scott-Hill Health Center Foundation, on the Advisory Board of the Dixwell Community House (Q House), and on the Governor's Council on Women and Girls.

January – March 2025

February 10-14, 2025
NMLS Annual Conference & Training

Commissioner Perez attended the 2025 NMLS Annual Conference & Training February 10-14, 2025, in Atlanta, GA. NMLS represents the Nationwide Multistate Licensing System and Registry.

February 22, 2025
LEAD New Britain Community Center Ribbon Cutting

Commissioner Perez took part at the LEAD New Britain Community Center Ribbon Cutting in New Britain on February 22, 2025.

February 25, 2025
Connecticut Bankers Association Bankers Forum

On February 25, 2025, Commissioner Perez presented at the Connecticut Bankers Association (CBA) Bankers Forum in Bristol.

February 26, 2025
2025 American Savings Foundation

Commissioner Perez attended the 2025 American Savings Foundation lecture, reception and dinner at Central Connecticut State University (CCSU) in New Britian on February 26, 2025.

March 3, 2025
CCSU Bank Management Class

Commissioner Perez was the guest speaker at a Bank Management class on March 3, 2025, at CCSU in New Britain.

March 5, 2025
Community Bankers Association

Commissioner Perez attended the Community Bankers Association Spring networking meeting and social at the Aqua Turf Club in Plantsville on March 5, 2025.

April - June 2025

March 30 – April 2, 2025
NASCUS Annual Meeting

Commissioner Perez participated at the NASCUS (National Association of State Credit Union Supervisors) Annual Meeting March 30-April 2, 2025, in New Orleans, LA.

April 3, 2025
231st Annual Meeting & Business Leadership Awards

On April 3, 2025, Commissioner Perez attended the 231st Annual Meeting & Business Leadership Awards by Greater New Haven Chamber of Commerce at the Omni Hotel in New Haven.

April 15-16, 2025
Conference of State Bank Supervisors (CSBS) District 1 Spring Meeting

Commissioner Perez chaired the Conference of State Bank Supervisors (CSBS) District 1 Spring Meeting April 15-16, 2025, in Providence, RI.

May 7, 2025
Ellafi Federal Credit Union Ribbon Cutting Ceremony

On May 7, 2025, Commissioner Perez was an invited guest for the Ellafi Federal Credit Union Ribbon Cutting Ceremony at their headquarters in Middletown. The ceremony celebrated the credit union's transformation from Seasons Federal Credit Union to Ellafi, Connecticut's first women+ focused credit union.

July – September 2025

August 19, 2025
Connecticut's Credit Unions Annual State of the Credit Union

Commissioner Perez provided remarks at the Connecticut's Credit Unions (formerly Credit Union League of Connecticut) Annual State of the Credit Union on August 19, 2025, in Rocky Hill.

September 17-19, 2025
NASCUS State System Summit

Commissioner Perez attended the NASCUS State System Summit, September 17-19, 2025 in San Antonio, TX. This event brings together state regulators, credit union leaders, and industry stakeholders in an immersive, collaborative networking environment.

October – December 2025

October 1, 2025
Credit Union CEO Roundtable

Commissioner Perez participated in the annual Credit Union CEO Roundtable meeting on October 1, 2025, which included representatives from the credit union industry and Connecticut's Credit Unions. The session included a discussion of regulatory and industry issues impacting the credit union industry and provided an opportunity for credit union managers to highlight new initiatives and achievements.

October 20, 2025
CCSU Bank Management Course

Commissioner Perez gave a presentation at a Bank Management course at CCSU in New Britain on October 20, 2025.

October 29, 2025
Bank CEO Roundtable

Commissioner Perez took part in the annual Bank CEO Roundtable meeting on October 29, 2025, which included representatives from the Connecticut Bankers Association and the banking industry. The sessions included a discussion of regulatory and industry issues impacting the banking industry and provided an opportunity for bank CEOs to highlight new initiatives and achievements.

November 6-9, 2025
CBA Annual Meeting & Conference

Commissioner Perez was a featured speaker at the CBA Annual Meeting & Conference November 6-9, 2025, in Manalapan, FL.

December 4, 2025
Department of Banking Agency-wide Meeting

Commissioner Perez provided agency updates to staff at the Department of Banking agencywide meeting in Hartford on December 4, 2025.

1.7 Financial Statement

Receipts, expenditures, and adjustments relating to the fiscal year ending June 30, 2025, were as follows:

Receipts

Banking Fund	
Examination of banks etc. assessed in accordance with Section 36a-65, as amended	$ 1,834,992
Examination of credit unions, assessed in accordance with Section 36a-65, as amended	$ 490,135
Other license and examination fees	$ 0
Registration, filing and transfer fees from securities brokers, etc	$ 34,419,985
License and registration fees: mortgage brokers, loan originators, check cashers, money transmitters, sales finance companies, small loan companies, debt adjusters, debt negotiators, and collection agencies	$ 6,090,525
Prior period refunds and miscellaneous receipts	$ 63,920
Total Banking Fund Receipts	**$ 42,899,557**
Non-lapsing	
Student Loan Servicers Fees	$ 90,000
Total Non-lapsing Receipts	**$ 90,000**
General Fund – deposited directly	
Registration of securities and business opportunities	$ 5,090,530
Penalties	$ 7,969,690
Total General Fund Receipts	**$ 13,060,220**
TOTAL RECEIPTS	**$ 56,049,777**

Expenditures

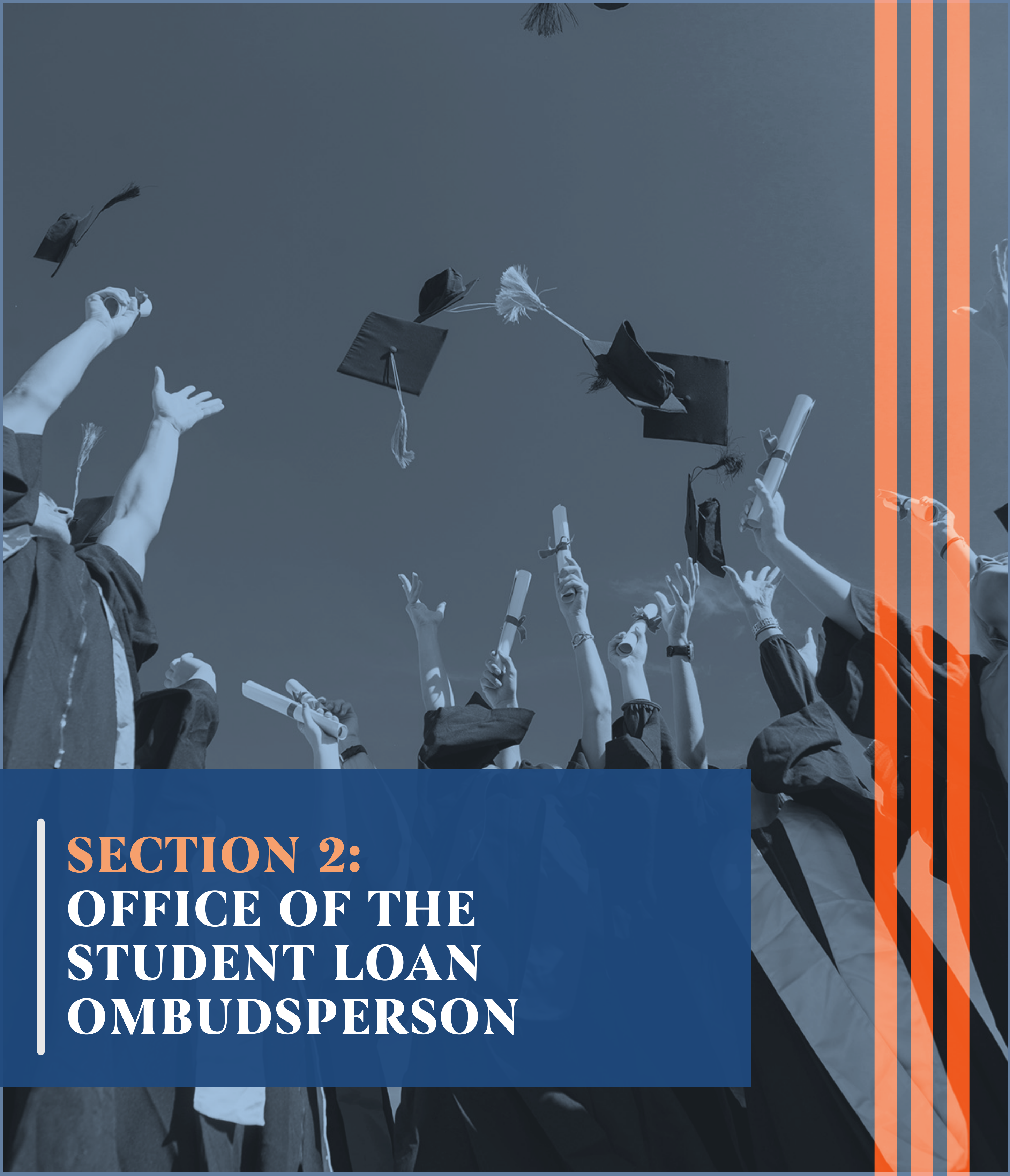
Operating

Personnel services	$ 12,746,936
Fringe benefits	$ 9,664,202
Travel expenses, including motor vehicle rentals, fuel, and repairs	$ 183,235
Other expenses	$ 1,154,139
Indirect overhead and equipment	$ 784,676
Total Operating Expenditures	**$ 24,533,188**

Recognized by Other Agencies

Judicial	$ 2,158,656
Department of Housing	$ 670,000
Department of Labor	$ 1,704,397
Total Expenditures Allocated to Other Agencies	**$ 4,533,053**

TOTAL EXPENDITURES	**$ 29,066,241**



SECTION 2: OFFICE OF THE STUDENT LOAN OMBUDSPERSON

Connecticut Public Act 23-204 established the Office of the Student Loan Ombudsperson within the Department of Banking, statutorily assigned to serve as the state's chief authority and specialist on all issues related to student loans. The Office of the Student Loan Ombudsperson is charged with several duties related to student loans, including:

- Advising the Banking Commissioner on issues related to the student loan landscape including legislative trends and advocacy;
- Assisting in the resolution of complaints from student loan borrowers received by the Connecticut Department of Banking;
- Analyzing data on student loan borrower complaints;
- Educating student loan borrowers on their rights and responsibilities under the terms of student education loans;
- Providing information to the public, state agencies, legislators, and others regarding the problems and concerns of student loan borrowers and making recommendations for resolving those problems and concerns;
- Disseminating information concerning the availability of the Office of the Student Loan Ombudsperson to assist student loan borrowers and potential student loan borrowers;
- Coordinating with other state agencies on student loan initiatives to ensure a statewide comprehensive approach for borrowers;
- Designing and maintaining the *Student Loan Resource Guide,* available in seven languages, covering student loans, repayment, and forgiveness options; and
- Participating in outreach events throughout the year, connecting with students and families to share resources and guidance on student loan management and repayment.

2.1 Student Loan Ombudsperson

In May 2024, Michelle Jarvis-Lettman was appointed by the Banking Commissioner to serve as the inaugural Student Loan Ombudsperson. With fifteen years of experience working in higher education as a student financial aid counselor and director, she has extensive expertise with student loans and related repayment and forgiveness programs.

2.2 Activities

In 2025, the Office of the Student Loan Ombudsperson launched a free digital monthly newsletter, *The Ombuds Observer*, to keep student loan borrowers informed on various student loan topics. The first issue was released in July 2025 and has over 1,100 subscribers to date.

The Office of the Student Loan Ombudsperson continued providing timely student loan updates on its website pages. These pages provide up-to-date information on student and parent loans, including resources and how to file a complaint if the borrower experiences issues with their servicer.

The Student Loan Ombudsperson continued engaging with federal partners and other state Ombudspersons. This outreach included collaborations with the legislative Banking

Committee leadership, the Office of Higher Education, Office of the Attorney General, Department of Administrative Services, Department of Consumer Protection, and representatives from the Student Loan Fund.

The Student Loan Ombudsperson also joined the State & Federal Regulations Committee for the Connecticut Association of Professional Financial Aid Administrators (CAPFAA) which provides information to financial aid professionals across the state. The Ombudsperson was also invited to several radio shows within the state to discuss vital student loan topics. These networks included Public Affairs Face CT (96.5 TIC), The Lisa Wexler Show (WICC600/95.9), WAMC – Lucas Willard, and CT NPR.

The Student Loan Ombudsperson continued to work closely with Government Relations and Consumer Affairs (GRCA) to help resolve incoming complaints regarding student loans and repayment issues. Specific data regarding student loan inquiries and complaints can be found in Section 6 of this report.

Throughout 2025, the Student Loan Ombudsperson built meaningful connections with borrowers, families, community partners, and key stakeholders through outreach efforts. Through presentations, informational sessions, individual engagement, and collaborative initiatives, these efforts provided opportunities to share resources, address questions and concerns directly, and connect borrowers with appropriate resources and support. These engagements strengthened relationships across the community and helped ensure borrowers had access to timely information and meaningful opportunities for support and connection.

The Student Loan Ombudsperson will continue to build upon strategies, assist Connecticut borrowers, and provide the resources to help them make informed decisions regarding student loans.

Community Engagement and Outreach

February 5, 2025
University of St. Joseph

On February 5, 2025, Michelle Jarvis-Lettman met with students and shared resources at a Wellness Fair at the University of St. Joseph in West Hartford.

March 5, 2025
University of Hartford

On March 5, 2025, Ms. Jarvis-Lettman represented the Office of the Student Loan Ombudsperson at a Connecticut State Agency Career Fair at the University of Hartford. She shared resources and met with attendees.

April 3, 2025
New Britain High School

Ms. Jarvis-Lettman met with students and parents and staffed a resource table on behalf of the Office of the Student Loan Ombudsperson on April 3, 2025, at New Britain High School for their Family Finance Night.

April 7, 2025
University of New Haven

On April 7, 2025, Ms. Jarvis-Lettman participated in a Connecticut Saves/America Saves webinar for students at the University of New Haven and discussed the Office of the Student Loan Ombudsperson. She joined representatives from UConn Extension, the Better Business Bureau, and the Connecticut State Library.

April 8, 2025
UConn Hartford

On April 8, 2025, Ms. Jarvis-Lettman participated at a Financial Action Fair at UConn Hartford in recognition of America Saves/Connecticut Saves Week, a national campaign focusing on saving regularly and reducing debt. She met with students and offered information regarding student loans and repayment.

April 9, 2025
Student Loan Fund

Ms. Jarvis-Lettman, was a special guest for *What You Need to Know About Student Loans in 2025*, a virtual information session put on by the Student Loan Fund on April 9, 2025.

April 23, 2025
Stamford High School

Ms. Jarvis-Lettman represented the DOB at a *Financial Reality Fair*, hosted by Members Credit Union at Stamford High School on April 23, 2025. The event brought hundreds of high school students together to participate in an interactive simulation designed to help them experience real-life financial decision-making.

July 30, 2025
Student Loan Fund

On July 30, 2025, Ms. Jarvis-Lettman participated in a webinar for Connecticut student loan borrowers with the Student Loan Fund to discuss the changes coming to federal student loans.

August 19, 2025
Student Debt Crisis Center

Ms. Jarvis-Lettman was a special guest for a virtual clinic on August 19, 2025, hosted by the Student Debt Crisis Center (SDCC). This session provided the latest updates on budget reconciliation, the federal SAVE plan, and PSLF (Public Service Loan Forgiveness).

September 10, 2025
CT Community Nonprofit Alliance

On September 10, 2025, Ms. Jarvis-Lettman answered questions for CT Community Nonprofit Alliance members during a webinar on student loans. Also on September 10, 2025, Michelle Jarvis-Lettman participated in a roundtable discussion hosted by Comptroller Scanlon which gave the opportunity for Connecticut student loan borrowers to share their stories.

September 22, 2025
Connecticut Association of Professional Financial Aid Administrators (CAPFAA)

Ms. Jarvis-Lettman was the featured guest on a webinar hosted by the Connecticut Association of Professional Financial Aid Administrators (CAPFAA) on September 22, 2025. She presented to their members regarding the upcoming changes to federal student loan structure.

October 9, 2025
UConn Storrs

On October 9, 2025, Ms. Jarvis-Lettman participated at the UConn Work-Life Expo, an annual event for UConn employees at the UConn Student Union in Storrs. She distributed resources, fun giveaways, and spoke directly with attendees.

December 4, 2025
Department of Banking

On December 4, 2025, Ms. Jarvis-Lettman was a featured speaker at the Department of Banking's agencywide meeting in Hartford. She provided updates on changes to federal student loan programs as a result of the *One Big Beautiful Bill Act* (OBBBA/OB3).

December 8 & 9, 2025
CAPFAA Winter Conference

Ms. Jarvis-Lettman presented at the Connecticut Association of Professional Financial Aid Administrators (CAPFAA) Winter Conference, December 8-9, 2025, at the Heritage Hotel in Southbury.

Connecting with Borrowers

Student Loan Ombudsperson, Michelle Jarvis-Lettman, connects with student loan borrowers at UConn Hartford in recognition of America Saves/Connecticut Saves Week.

SECTION 3: FINANCIAL INSTITUTIONS DIVISION

Subject to the general supervision of the Banking Commissioner, the Financial Institutions Division is charged with administering Chapter 664a to 667 of Title 36a of the Connecticut General Statutes, and parts of Chapter 669 of the Connecticut General Statutes, Regulated Activities.

The Financial Institutions Division is responsible for the supervision and regulation of Connecticut-chartered commercial banks, savings banks, savings and loan associations, trust banks, innovation banks, and credit unions. In addition, the Division supervises the activities of state-licensed foreign banking organizations with branches, agencies, and representative offices located in Connecticut. The Division also licenses business and industrial development corporations (BIDCOs), international trade and investment corporations (ITICs), and certain non-banking corporations exercising fiduciary powers in the State.

Through a combination of off-site reviews and periodic on-site examinations, the Division supervises these institutions for safety and soundness, compliance with Connecticut banking law, as well as applicable rules and regulations of the institutions' respective federal regulators.

The Division is also responsible for processing applications for new banks and credit unions, branches, acquisitions, mergers and consolidations, conversions, bank holding company formations, and requests for credit union field of membership expansions.

3.1 Connecticut-Chartered Banks

As of December 31, 2025, there were five Connecticut-chartered commercial banks, seventeen Connecticut-chartered savings banks, two Connecticut-chartered trust banks, and two innovation banks. There were no Connecticut-chartered savings and loan associations. All Connecticut-chartered commercial banks and savings banks are insured by the Federal Deposit Insurance Corporation (FDIC). The two innovation banks and the two trust banks are not FDIC insured as they do not take retail deposits.

Connecticut-Chartered Banks' Consolidated Financial Condition & Operating Results

Connecticut-chartered commercial banks and savings banks, collectively, reported total assets of $39.6 billion as of December 31, 2025, an increase of 5.94% from December 31, 2024. Total loans and total deposits for year-end 2025 were $30.4 billion and $31.3 billion, respectively. The values represent a 7.67% increase in total loans and a 5.16% increase in total deposits from year-end 2024. Total equity capital was $4.6 billion as of December 31, 2025, a 12.25% increase from the prior year-end. Overall, Connecticut-chartered commercial banks and savings institutions collectively remained well-capitalized with a combined Equity Capital to Total Assets Ratio of 11.62% as of December 31, 2025, compared to 10.97% as of December 31, 2024.

The aggregate net-interest-margin (NIM) for Connecticut-chartered commercial and savings banks was 3.22% and 2.76% for year ends 2025 and 2024, respectively. Aggregate earnings totaled $237.2 million for 2025, compared to $187.8 million for 2024. The aggregate return on average assets (ROA) totaling 0.82% for 2025 increased 32 basis points from 0.50% for 2024 due primarily to expansion of the NIM and restrained increases in overhead expenses. The aggregate return on average equity (ROE) increased to 6.49% for 2025, compared to 4.58% for 2024.

Number of Connecticut-Chartered Institutions (As of December 31, 2024 & December 31, 2025)

Institution Type	Institutions 12/31/2024	Chartered	Dissolution Conversion	Merger	Net Change	Institutions 12/31/2025
Commercial Banks	5	0	1	0	0	6
Savings Banks	18	0	(1)	(1)	(2)	16
Innovation Banks	2	0	0	0	0	2
Trust Banks	2	0	0	0	0	2
Credit Unions	25	0	(1)/1[1]	0	0	25
Totals	**52**	**0**	**0**	**(1)**	**(1)**	**51**

[1]During 2025, one Connecticut chartered credit union converted to a federal charter and one federal credit union converted to a Connecticut charter, therefore the net change is zero.

Connecticut-Chartered Commercial Banks

The number of Connecticut-chartered commercial banks operating in the State as of December 31, 2025, totaled six, increasing one from the prior year with Ion Bank's November 1, 2025, conversion to a commercial bank charter. As of June 30, 2025, the then five Connecticut-chartered commercial banks collectively operated nineteen offices with aggregate deposits of $5.1 billion. Within the Connecticut market, this group of institutions operated sixteen offices with aggregate deposits of $4.8 billion.

Connecticut-Chartered Savings Banks

There were sixteen Connecticut-chartered savings banks (nine mutual and seven capital stock institutions) operating in the State as of December 31, 2025. This was a decrease of two from the prior year with the July 1, 2025 merger of Eastern Connecticut Savings Bank with and into Ascend Bank and Ion Bank's November 1, 2025 conversion to a commercial bank charter. As of June 30, 2025, the then eighteen Connecticut-chartered savings banks collectively operated 285 offices with aggregate deposits of $25.7 billion. Within the Connecticut market, this group of institutions operated 270 offices with aggregate deposits of $25.1 billion.

Connecticut-Chartered Innovation Banks

As of December 31, 2025, there were two active Connecticut-chartered innovation banks and two innovation banks in the process of organizing under temporary certificates of authority.

Final certificates of authority, which grants them the charter to commence business as innovation banks, were issued to BCUS, Inc. (formerly Banking Circle US), Stamford, Connecticut, and Numisma Bank (formerly Currency Reserve Bank), Greenwich, Connecticut on July 25, 2023, and May 28, 2024, respectively.

On October 25, 2024, a temporary certificate of authority was issued to Moneycorp, Inc. to complete the organization of an innovation bank to be known as Moneycorp Bank US, in Stamford, Connecticut. The temporary certificate of authority is valid for eighteen months.

On April 3, 2025, a temporary certificate of authority was issued to Fnality International Limited to complete the organization of an innovation bank to be known as Fnality Bank US, with a main office to be located in Fairfield County, Connecticut. The temporary certificate of authority is valid for eighteen months.

Connecticut-Chartered Trust Banks

There were two Connecticut-chartered trust banks operating in Connecticut: Voya Institutional Trust Company and Voya Investment Trust Company. As of December 31, 2025, their combined fiduciary and related trust assets were $318.0 billion. This total consisted of $16.2 billion in managed assets, $285.7 billion in non-managed assets, and $16.1 billion in custody and safekeeping assets.

Connecticut-Chartered Bank Name Changes

Two Connecticut-chartered banks changed names during 2025:

Former Bank Name	Updated Bank Name	Effective Date
Guilford Savings Bank	Ascend Bank	7/1/2025
Essex Savings Bank	Essex Bank	9/30/2025

Connecticut-Chartered Banks' Fiduciary & Related Trust Assets

As of December 31, 2025, six Connecticut-chartered banks operated trust departments with fiduciary and related trust assets of $3.0 billion, consisting of $2.3 billion in managed assets, $0.3 billion in non-managed assets, and $0.4 billion in custody and safekeeping assets.

As of December 31, 2025, there were two licensed Business and Industrial Development Corporations (BIDCOs) operating in Connecticut.

3.2 Connecticut-Chartered Credit Unions

As of December 31, 2025, there were twenty-five Connecticut-chartered credit unions operating in the State. While the total number of state-chartered credit unions remained unchanged from year end 2024, the composition of the twenty-five credit unions changed with Healthcare Financial Federal Credit Union's February 11, 2025 conversion from a federally charted credit union to a Connecticut credit union named Healthcare Financial Credit Union, and Cornerstone Community Credit Union's July 31, 2025 conversion from a Connecticut chartered credit union to a federally chartered credit union named Cornerstone Federal Credit Union.

Connecticut-Chartered Credit Unions' Consolidated Financial Condition & Operating Results

Connecticut-chartered credit unions reported total assets of $10.4 billion as of December 31, 2025, a 5.87% increase from December 31, 2024. Aggregate shares and deposits totaled $9.2 billion as of December 31, 2025, a 5.68% increase from December 31, 2024. Total loans were $5.9 billion as of December 31, 2025, an 8.05% increase from December 31, 2024. Total net worth for Connecticut chartered credit unions was $1.1 billion for December 31, 2025, a 9.44% increase versus December 31, 2024. Connecticut-chartered credit unions' earnings performance for 2025 increased from the prior year, generating a ROA of 0.65% versus 0.43% for 2024. The net interest margin increased to 2.61% versus 2.26% for 2024. Several factors positively impacted earnings, including higher levels of interest income on both loans and investments and lower interest expense.

Connecticut-Chartered Credit Union Name Changes

In July 2025, the Commissioner approved Healthcare Financial Credit Union's application to change its name to Unity Financial Credit Union.

3.3 Community Reinvestment Act ("CRA")

Since 1990, the Banking Commissioner has assessed the community reinvestment performance of state-chartered banks and state-chartered community credit unions and considered their reinvestment efforts as a basis for approving or denying expansion activity. CRA ratings reflect the most recent ratings given by the Department or the FDIC.

CRA Ratings of Connecticut-Chartered Banks & Credit Unions As of December 31, 2025

Institution Type	#	Outstanding	Satisfactory	Needs Improvement	Not Rated
Connecticut-chartered Banks	24	4	17	1	2
Connecticut-chartered Credit Unions[2]	25	2	10	1	12
Totals	**49**	**6**	**27**	**2**	**14**

[2] Not all Credit Unions are subject to CRA. CRA examinations are applicable only for credit unions that meet BOTH of the following criteria: 1. Have Community fields of membership and 2. Have total assets over $10 million. As of December 31, 2025, thirteen Connecticut-chartered credit unions met these criteria, eleven did not. One additional credit union, Healthcare Financial Credit Union, converted from a federal to a state charter during 2025 and has not yet been rated.

3.4 Federal & Out-of-State Banks

In addition to the twenty-two Connecticut-chartered, insured depository institutions operating in the state as of December 31, 2025, there were eight banks chartered by a state other than Connecticut. There were also seventeen national banks and three federal savings associations regulated by the Office of the Comptroller of the Currency (OCC) operating in the state. Four of the national banks and two of the federal savings associations are headquartered in Connecticut.

3.5 Federal & Out-of-State Trust Entities

In addition to the two Connecticut-chartered trust banks operating in Connecticut as of December 31, 2024, there were five limited purpose trust companies chartered by states other than Connecticut; and one national bank limited to trust activities in Connecticut.

3.6 Federal & Out-of-State Credit Unions

In addition to the twenty-five Connecticut-chartered credit unions operating in the State as of December 31, 2025, there were thirty-nine federally-chartered credit unions headquartered in Connecticut, seven federally-chartered credit unions headquartered out-of-state, and three credit unions chartered by a state other than Connecticut. All credit unions operating in Connecticut are insured by the National Credit Union Administration (NCUA).

3.7 Foreign Banking Organizations

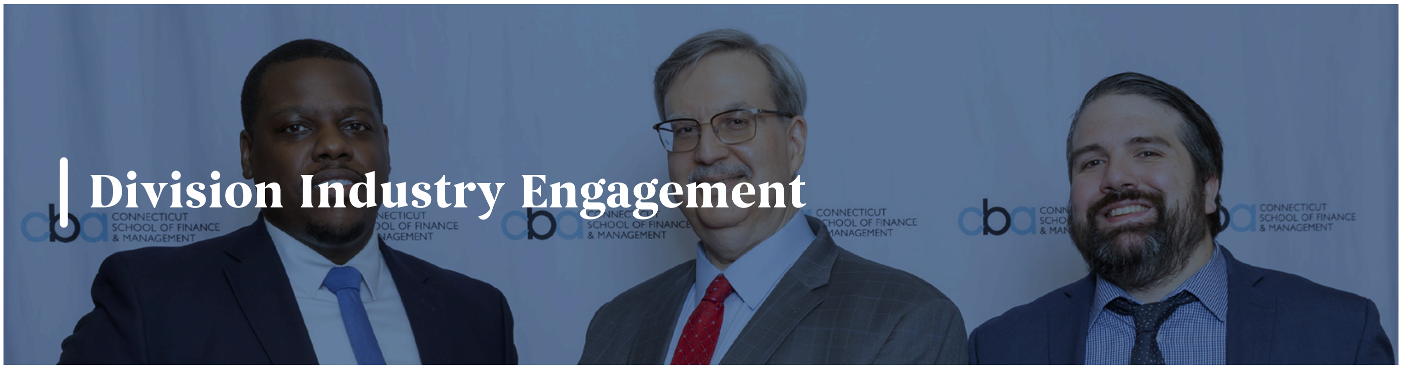
As of December 31, 2025, there was one branch office and one representative office of foreign banking organizations supervised by Connecticut operating in the State.

A branch of a foreign banking organization is a legal and operational extension of its parent organization and, as such, may conduct a full range of banking activities including: trading and investment activities; accepting wholesale and foreign deposits, but not retail deposits; granting credit; and acting as a fiduciary.

A representative office, the simplest form of organization for foreign banking organizations to establish, may only engage in representational and administrative functions and may not make any business decisions on behalf of the foreign bank. A representative office serves as a liaison between the head office of the foreign banking organization and its customers and correspondent banks in the United States, often soliciting business for the account of the head office.

Connecticut Supervised Foreign Banking Organizations

Institution Name	Office Type	Approval/ License Date	Assets As of 12/31/2023 ($ millions)	Assets As of 12/31/2024 ($ millions)	Assets As of 12/31/2025 ($ millions)
Bank of Ireland	Branch	6/15/2006	1,667	1,988	2,688
NatWest Group plc	Representative Office	2/01/2017	Representative Offices do not hold assets.		



Division Industry Engagement

January 30, 2025
Bank Compliance Association of Connecticut's Regulator Roundtable

A Banking Department Manager attended the Bank Compliance Association of Connecticut's Regulator Roundtable on January 30, 2025. In addition to the Department of Banking, this meeting included panelists from the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), and the Federal Reserve Bank of Boston, who shared their expertise on topics including, but not limited to, fair lending and redlining, notable examination findings, and artificial intelligence in banking.

February 25, 2025
CT Bankers Forum

The FID Division Director, and a Banking Department Manager presented at the CT Bankers Forum on February 25, 2025, in Bristol, CT. The Forum provides attendees with information and education on current issues and opportunities impacting the industry, including updates focused on the Connecticut banking landscape.

March 10-13, 2025
Conference of State Bank Supervisors Leadership Effectiveness and Development Training

A Banking Department Manager attended the Conference of State Bank Supervisors (CSBS) Leadership Effectiveness and Development training from March 10-13, 2025, in San Francisco, CA. This conference is designed to meet the specific leadership training needs of state financial regulators who are rising into supervisory and/or management positions within their departments, serving as an examiner-in-charge in the field, or are currently holding a managerial position within their agency. The behavioral science and management techniques presented emphasize skills necessary for leadership roles within the financial regulatory industry.

March 30-April 2, 2025
National Association of State Credit Union Supervisors National Regulator Meeting

The Division Director attended the National Association of State Credit Union Supervisors (NASCUS) National Regulator Meeting in New Orleans, LA on March 30-April 2, 2025. These meetings bring state regulators together to collaborate on the emerging risks and supervisory challenges in the state credit union system. State regulators examined developments in fintech, exchanged ideas with the National Credit Union Administration (NCUA), shared strategies for addressing increased internal fraud and learned about the nuances of low-income credit unions, minority depository institutions, and community development financial institutions.

April 8-11, 2025
CT School of Finance and Management Bank Simulation

The Division Director and a Securities financial examiner attended the CT School of Finance and Management (CSFM) bank simulation (BankSim) and graduation in Trumbull, CT from April 8-11, 2025. CSFM is a two-year banking education program sponsored by the Connecticut Bankers Association (CBA).

April 15-16, 2025
CSBS District 1 Spring Meeting

The Division Director attended the CSBS District 1 Spring Meeting at the Graduate by Hilton, Providence, Rhode Island from April 15-16, 2025. These meetings, held with state and federal regulators, and CSBS staff, afford regulators the opportunity to increase communication, cooperation, and understanding in regulating state chartered financial institutions.

August 19, 2025
Credit Union League of CT's State of the (Credit) Union 2025

A Banking Department Manager presented at the Credit Union League of CT's State of the (Credit) Union 2025 on August 19, 2025, in Rocky Hill, CT.

September 17-19, 2025
NASCUS State System Summit

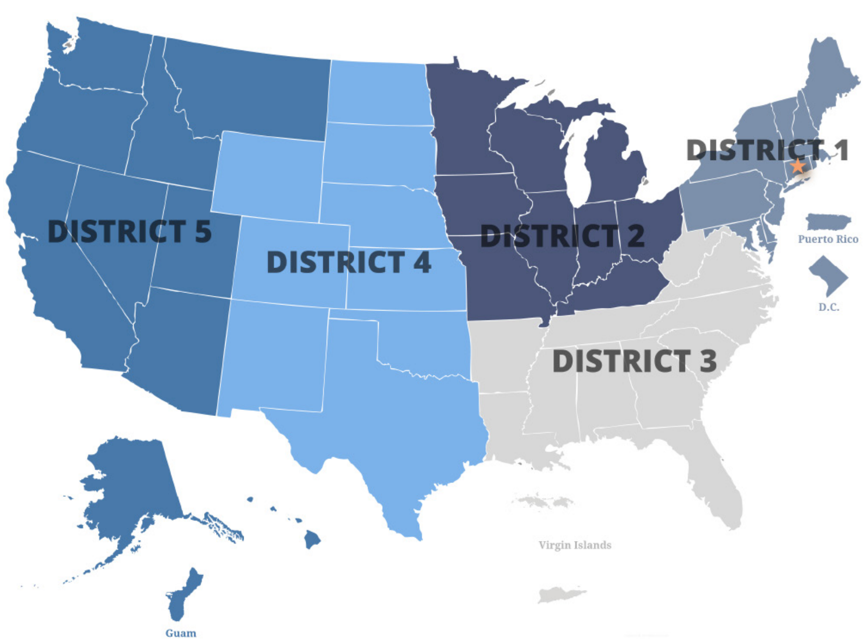
The Division Director, Senior Assistant Division Director, and Assistant Division Director attended the NASCUS State System Summit in San Antonio, TX, from September 17-19, 2025. This event brings together state regulators, credit union leaders, and industry stakeholders in an immersive, collaborative networking environment.

October 1 & 29, 2025
Department of Banking CEO Roundtable Meetings

The Department of Banking hosted the CEO Roundtable meetings on October 1, 2025 (credit unions) and October 29, 2025 (banks), which included representatives from the banking industry and the CBA. The sessions included a discussion of regulatory and industry issues impacting the banking industry and provided an opportunity for bank CEOs to highlight new initiatives and achievements.

October 22, 2025
CSBS District 1 Fall Meeting

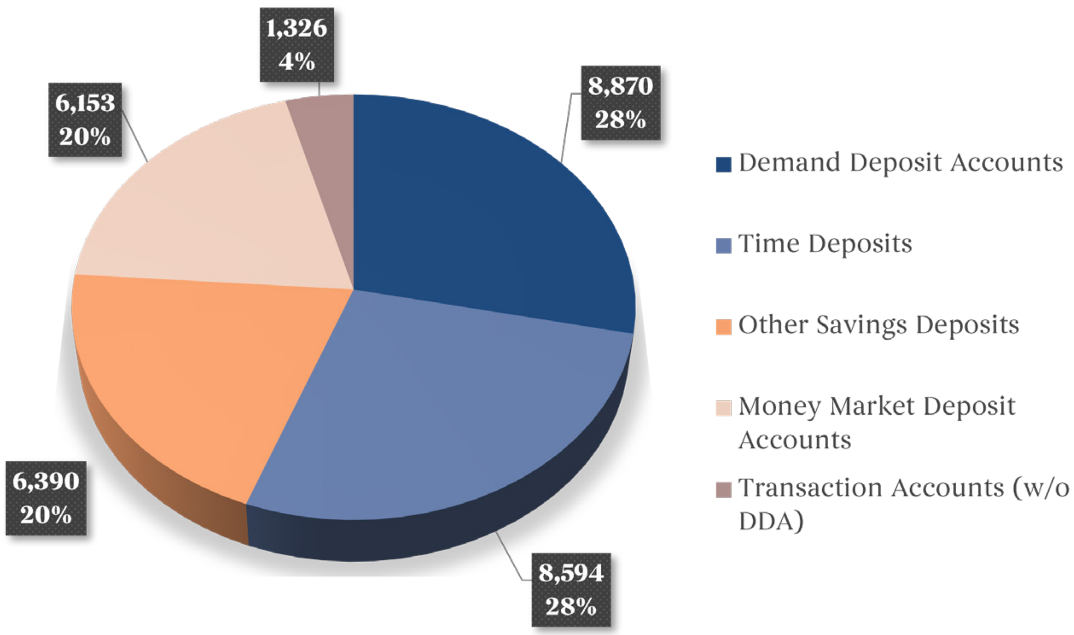
The Division Director attended the CSBS District 1 Fall Meeting in New York on October 22, 2025. This meeting brings together state banking regulators from District I (Northeast) for updates and networking.



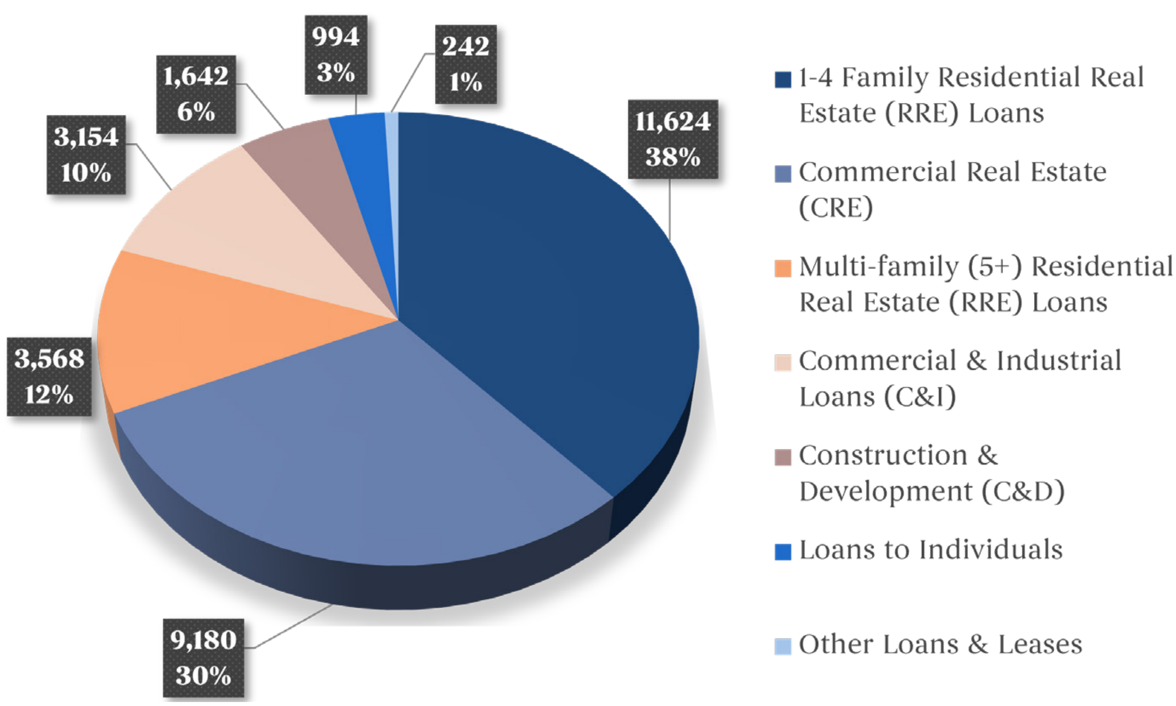
CSBS District Map
Source: csbs.org/csbs-district-map

FINANCIAL INSTITUTIONS DIVISON DATA ANALYTICS

Total Deposits of Connecticut-Chartered Banks
December 31, 2025
(Millions & %)

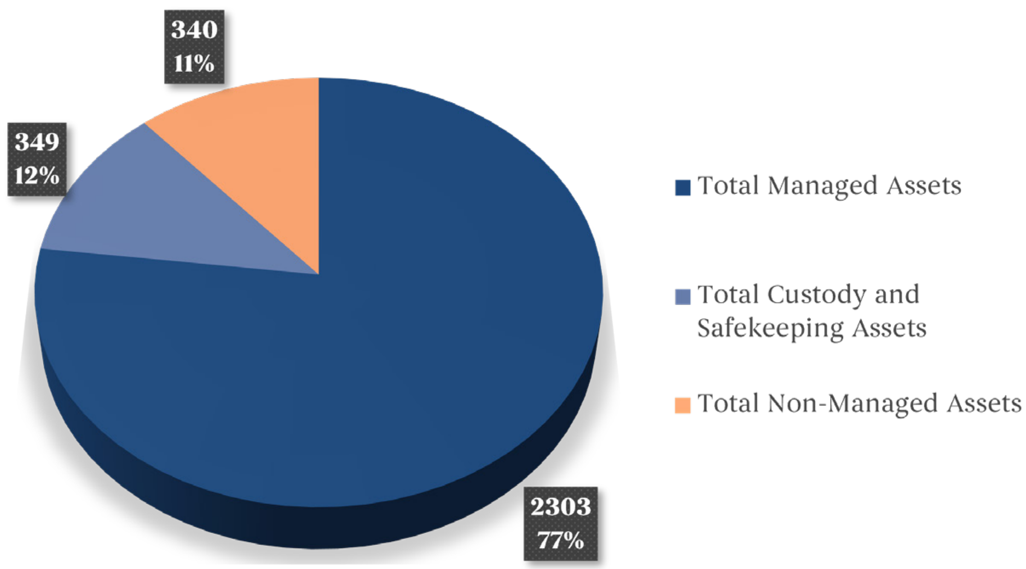


Gross Loans & Leases of Connecticut-Chartered Banks
December 31, 2025[1]
(Millions & %)

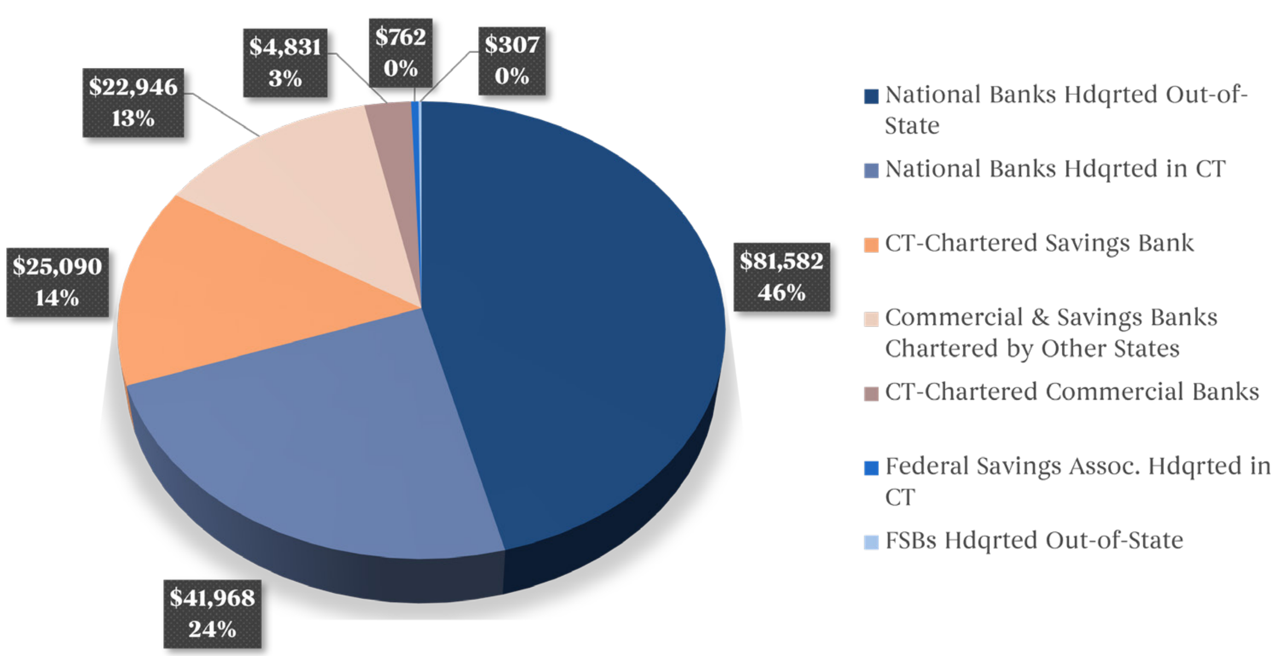


1 The above graph does not include loans secured by farmland & farm loans totaling $9,991M, or 0.03% of Gross Loans & Leases.

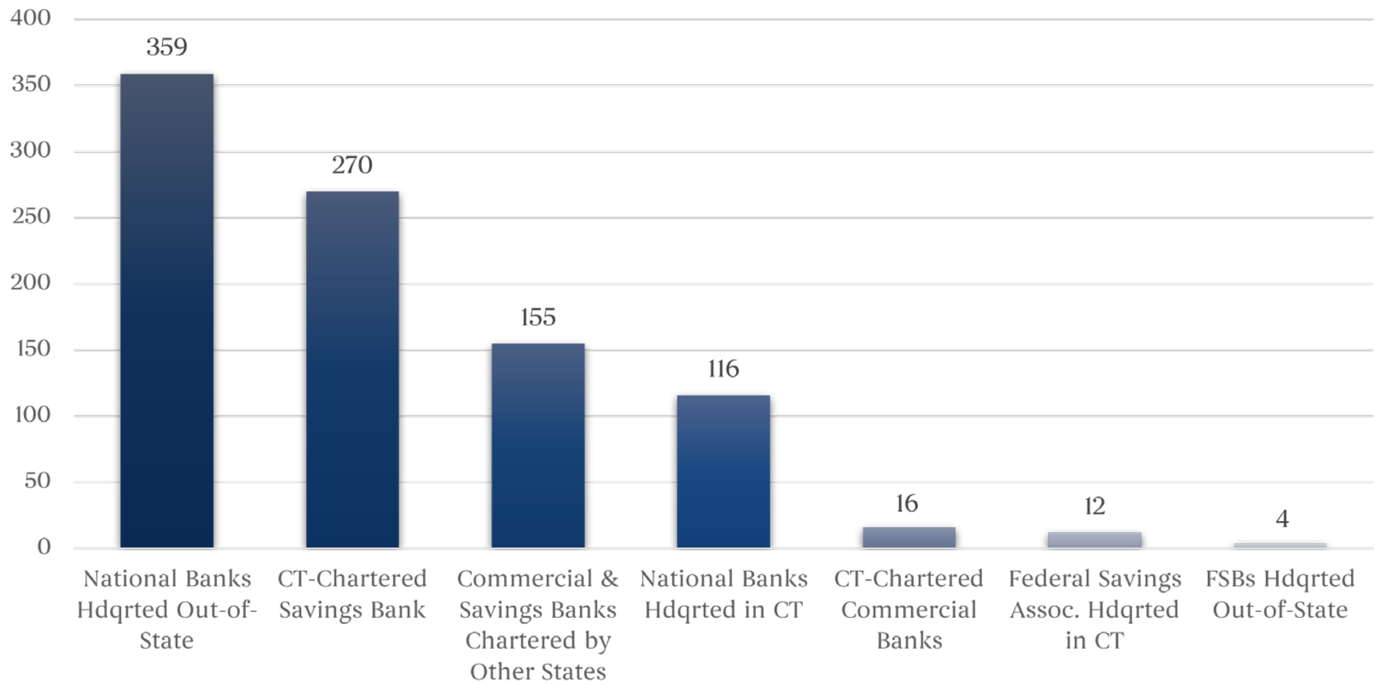
Fiduciary & Related Trust Assets of Connecticut-Chartered Banks
December 31, 2024
(Millions & %)



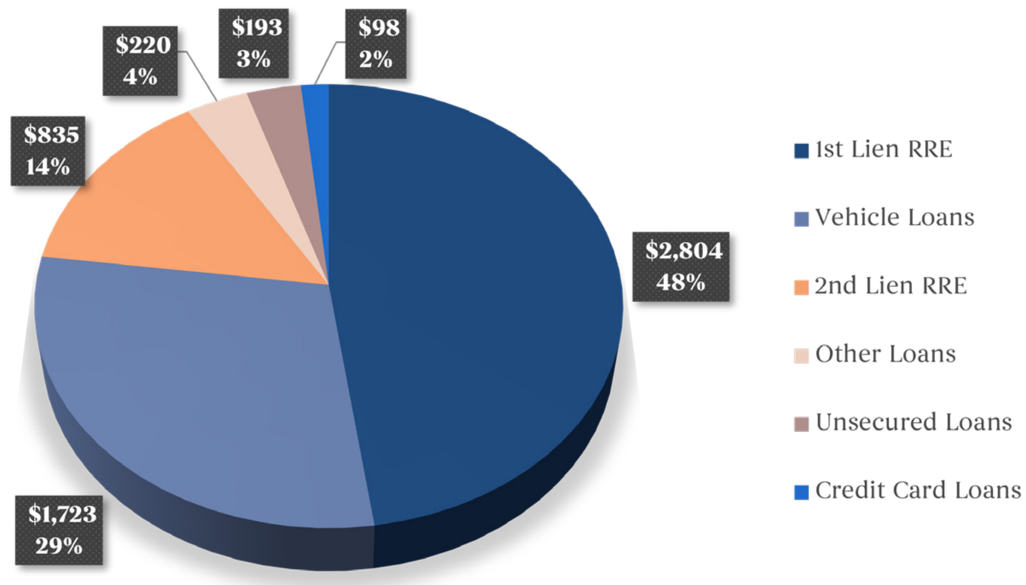
Connecticut Deposit Market Share by Charter Type
June 30, 2024
(Millions & %)



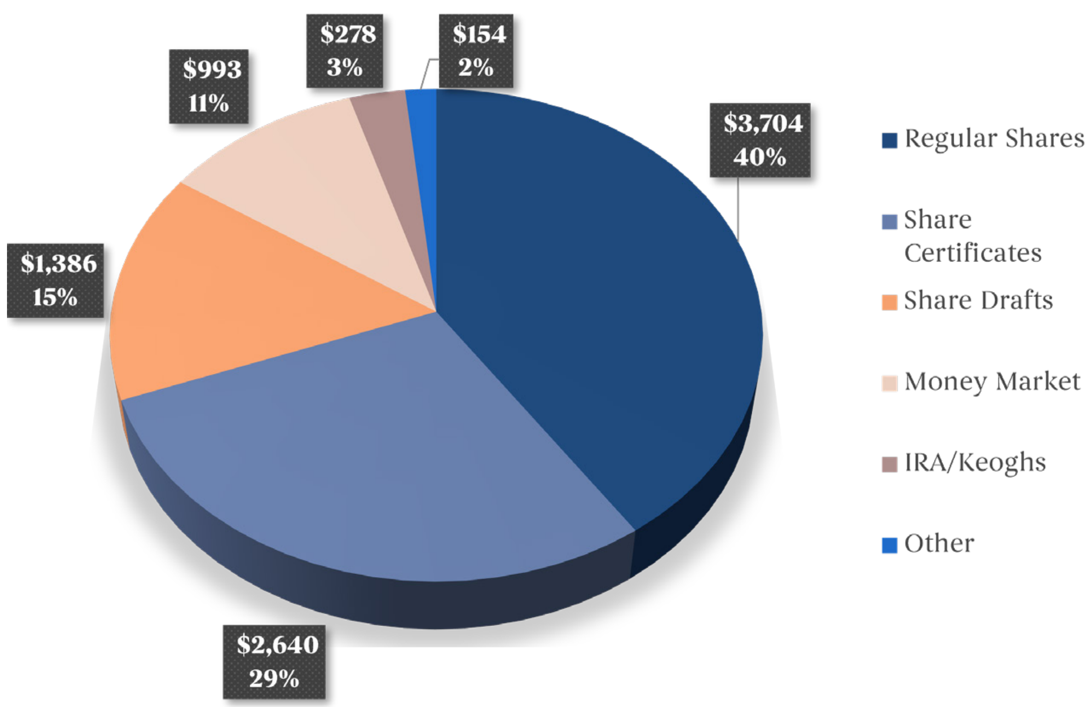
Bank Branches in Connecticut by Charter Type
June 30, 2025
(Number)

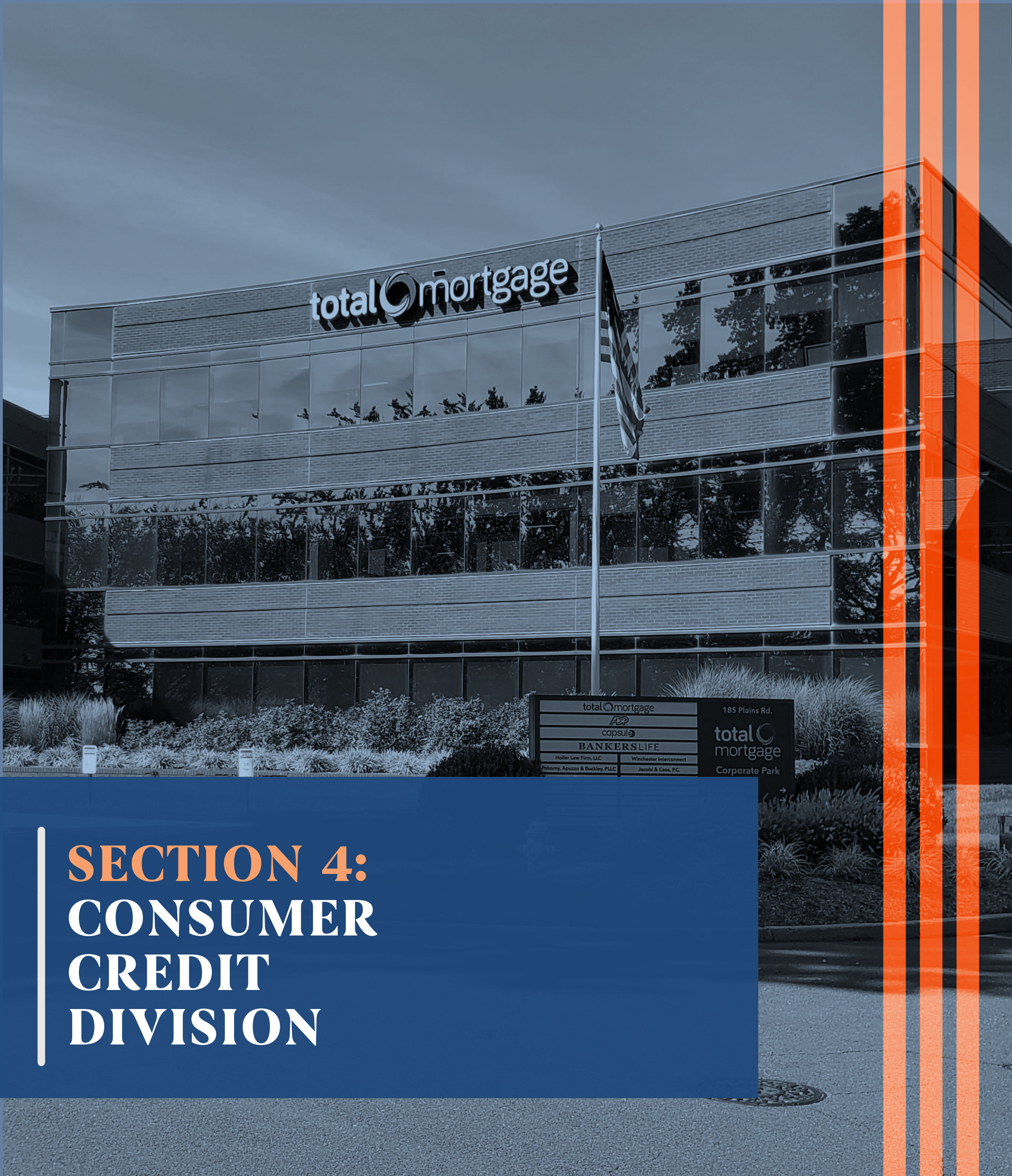


Total Loans of Connecticut-Chartered Credit Unions
December 31, 2025
(Millions & %)



Total Shares/Deposits of Connecticut-Chartered Credit Unions
December 31, 2025
(Millions & %)





SECTION 4: CONSUMER CREDIT DIVISION

Subject to the general supervision of the Banking Commissioner, the Consumer Credit Division is charged with administering Chapter 668 to Chapter 669 of Title 36a of the Connecticut General Statutes.

The Division is responsible for the licensing and examination of the following non-depository financial institutions: mortgage lenders, brokers and originators; mortgage servicers; loan processors and underwriters and lead generators of residential mortgage loans; sales finance companies; small loan lenders; check cashing services; payment instrument providers; money transmitters; debt adjusters; debt negotiators; consumer collection agencies; and student loan servicers. The Division is also responsible for the enforcement of the state's banking laws related to these entities and for regulating certain activities regarding: collection practices of creditors; interest and finance charge rebates; consumer credit reporting; mortgage processing; mortgage servicing; mortgage insurance; Connecticut abusive home loan lending practices; other mortgage and loan practices; retail installment sales financing; and the Truth in Lending Act. The Division also registers commercial financing brokers and providers.

4.1 Licensing and Registration

During 2025, the Consumer Credit Division through the Nationwide Multi-State Licensing System and Registry (NMLS) investigated, vetted, and processed applications for all of the financial services industries subject to licensing under the Commissioner's jurisdiction. In addition to licensing mortgage lenders, correspondent lenders, brokers, mortgage servicers, loan originators, loan processors and underwriters, NMLS functionality allows the Division to maintain licensees on the system for money transmitters, consumer collection agencies, check cashing services, debt adjusters, debt negotiators, sales finance companies, small loan companies, and student loan servicers. By year-end, the Division issued a total of 1,159 main office licensed locations and 329 branch office licensed locations in the money services, consumer finance, and debt areas, bringing the total licenses in the financial service industries to 1,488. The Division processed an additional 63 exempt registrations, 11 federal student loan servicer registrants and 18 private education lender and creditor registrations in 2025. Additionally, the Consumer Credit Division's area of responsibility expanded to process 184 commercial financing broker and provider registrations.

The total licenses issued in 2025 for mortgage lenders was 433, correspondent lenders was 24, and mortgage brokers was 287, with an additional 1,099 licensed branch locations for all mortgage companies. The total number of mortgage servicer main office locations was 79 with an additional 23 licensed branch locations. The Division issued four lead generator licenses and 58 exempt mortgage servicer registrants in 2025. The number of applications approved for mortgage loan originators totaled 10,209 and an additional 207 applications were approved for loan processors and underwriters.

4.2 Examination and Enforcement

As part of the Division's efforts to increase and maximize the efficiency of its examination process, Consumer Credit has participated in the Conference of State Bank Supervisor's (CSBS) development of a State Examination System (SES). This is a system built by state regulators for state regulators and the companies they supervise. The system is streamlining efforts among state regulators by removing redundant examination questions and providing a more efficient examination, which has proved beneficial to licensees. Consumer Credit Division examiners have been actively learning and using the system to conduct its examinations in all its regulated industries. Staff continue to participate in regular SES trainings and meetings to become proficient and provide communication to CSBS as needed to produce a highly efficient and useful examination system. Examinations are conducted on the SES in the mortgage, money services, consumer finance, and debt areas. In 2025, the Division conducted 127 examinations total and investigations of licensees under their jurisdiction.

In September 2025, the Department, as a result of an investigation completed by the Consumer Credit Division, issued a Consent Order resolving allegations against Coinme Inc., a licensed money transmitter, following a multistate examination covering February 2021–March 2023. Regulators had previously issued a temporary suspension and intent to revoke actions based on findings that Coinme engaged an unlicensed third party to perform money transmission functions, failed to maintain minimum tangible net worth, and lacked adequate compliance oversight. Without admitting wrongdoing, Coinme agreed to comply with several conditions, including maintaining required net worth, improving compliance policies and supervisory controls, honoring any valid unredeemed vouchers, paying a $10,000 civil penalty, and providing restitution to impacted Connecticut consumers as identified by the Department. As a result, Coinme provided restitution to four consumers in the amount of $70,452.

In December 2025, the Department issued a Consent Order against Castle Credit Co Holdings, LLC and Great American Finance Holdings, LLC for operating without required licenses, failing to cooperate with regulatory investigations, and attempting to improperly transfer licenses between entities. Both companies agreed to resolve the matter without admitting wrongdoing. Key requirements include ceasing unlicensed activity, improved cooperation with the Department, a joint $20,000 civil penalty, $3,200 in back licensing fees, and borrower reimbursements by Great American Finance. In this matter, restitution was provided by Great American Finance to twenty-three consumers in the amount of $11,299.23.

As a direct result of Consumer Credit activities, the Department was able to secure approximately $1.5 million in reimbursements, restitution and rescission offers to over 600 Connecticut consumers in 2025, which stemmed mainly from examinations of licensed entities.

A total of 85 administrative actions were issued across all license types, resulting in the imposition of over $5.7 million in civil penalties and repayment of fees ordered. The Division has also made referrals to other state and federal agencies for further investigation.

Division Industry Engagement

In addition to leading multi-state examinations, members of the Division were actively involved in national and multi-state initiatives by participating in various task forces or work groups involving the Conference of State Bank Supervisors (CSBS), the Consumer Financial Protection Bureau (CFPB), the National Association of Consumer Credit Administrators (NACCA), the Money Transmitter Regulators Association (MTRA), the North American Collection Agency Regulatory Association (NACARA), and the American Association of Residential Mortgage Regulators (AARMR). Division staff also lead instruction in mortgage supervision as well as Bank Secrecy Act (BSA) and Anti-Money Laundering (AML) laws which reach examiners nationwide.

January 14, 2025

American Association of Residential Mortgage Regulators (AARMR)

On January 14, 2025, a Division Manager provided a virtual information session about using the State Exam System (SES) Examination Scheduling Tool to American Association of Residential Mortgage Regulators (AARMR) members in advance of the AARMR SES Webinar Series. The series ran throughout February and at the NMLS Conference in February.

February 14, 2025

2025 NMLS Annual Conference & Training

On February 14, 2025, a Principal Financial Examiner served on a panel entitled *Prudential Standards for Mortgage Servicers,* at the 2025 NMLS Annual Conference & Training in Atlanta, GA.

February 27, 2025

Connecticut Mortgage Bankers Association 2025 Northeast Mortgage Summit

A Principal Financial Examiner participated at the Connecticut Mortgage Bankers Association 2025 Northeast Mortgage Summit on February 27, 2025, at Mohegan Sun in Uncasville discussing current regulatory issues.

March 2025

Introduction to Mortgage Origination Examinations

A Principal Financial Examiner served as a 2025 trainer for the Introduction to Mortgage Origination Examinations Training course held virtually in March 2025.

April 15-16, 2025
CSBS District 1 Spring Meeting

The Division Director provided updates at the Conference of State Bank Supervisors (CSBS) District 1 Spring Meeting April 15-16, 2025, in Providence, RI.

November 5 and 6, 2025
CSBS Workshop

On November 5 and 6, 2025, a Division Manager was invited and participated virtually at a two-day CSBS workshop which was held both in-person at their offices in Washington, D.C and virtually. The purpose of this event was to focus on shaping the future of SES by gathering feedback on exam scheduling from state regulators with expertise in the mortgage, money transmission, and consumer finance industries. The workshop also discussed enhancements to collaboration tools and other areas critical to examiner efficiency.

CONSUMER CREDIT DIVISION DATA ANALYTICS

Enforcement Activities
Consumer Credit Division

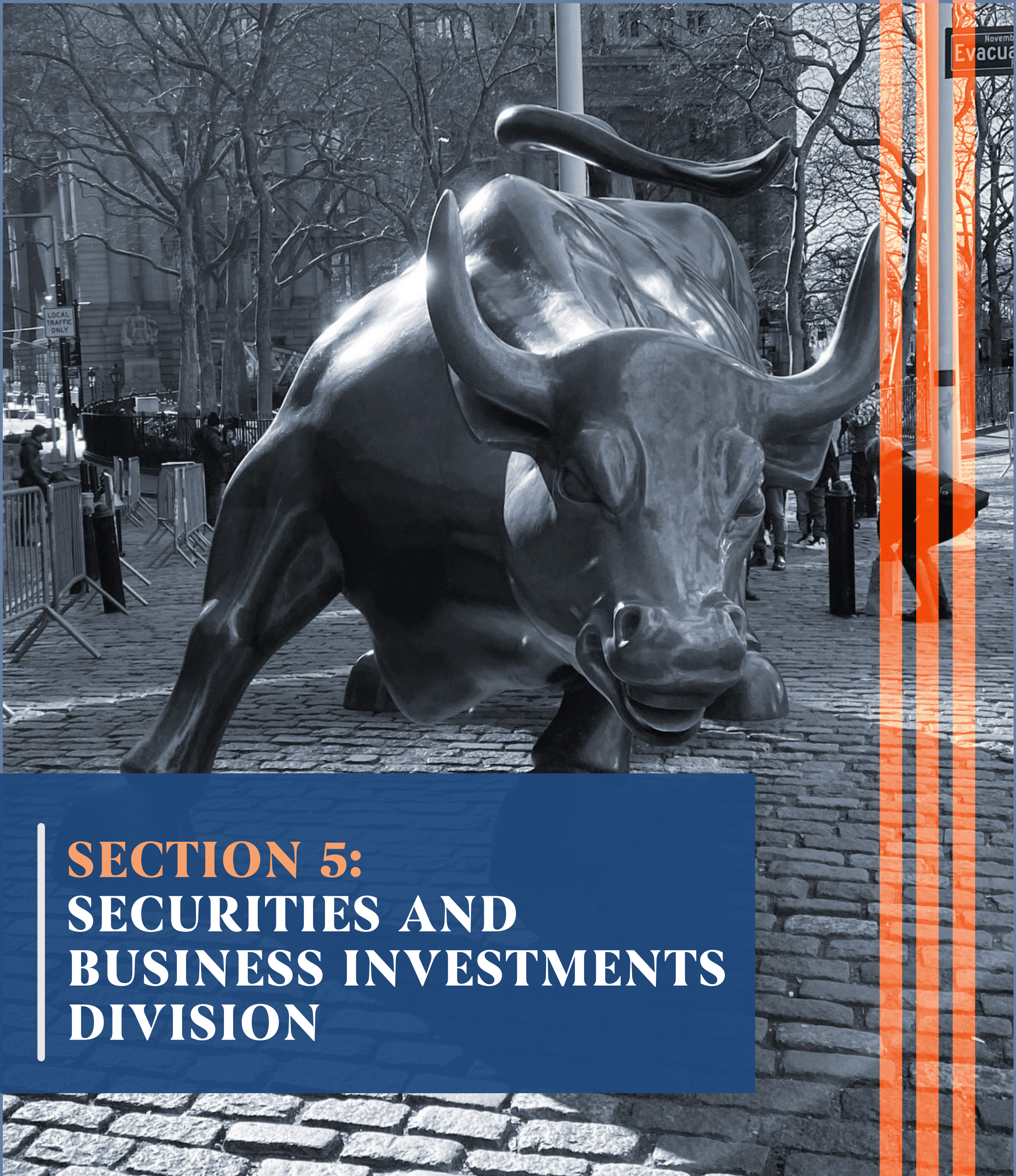
	2024	2025
Investigations Opened	69	73
Investigations Closed	59	57
Investigations in Progress	32	90
Subpoenas Issued	4	6
Consent Orders	17	33
Settlement Agreements	0	1
Notices of Intent to Refuse to Renew (Licensing)	2	1
Refusing to Renew Orders (Licensing)	0	0
Notices of Intent to Revoke (Licensing)	4	2
Denial Orders (Licensing)	1	3
Summary Suspension Orders (Licensing)	2	0
Automatic Suspension Orders (Licensing)	1	2
Revocation Orders (Licensing)	4	2
Notices of Intent to Impose Civil Penalty	10	8
Orders Imposing Civil Penalty	23	35
Notices of Intent to Issue Cease and Desist Orders	12	7
Temporary Cease and Desist Orders	11	5
Cease and Desist Orders	10	5
Findings of Fact Conclusions of Law and Order	1	1
Activity Restrictions/Bars	0	3
Repayment of Fees Ordered	$190,792.88	$2,657,994.70
Civil Penalties Imposed	$1,640,000.00	$3,119,895.84
Restitution/Rescission offers	$344,068.61	$1,493,776.39
Law enforcement actions taken through cooperation with DOB	0	0
Referrals to Connecticut Attorney General	0	1
Other Agency Referrals	1	5

Examinations / Investigations
Consumer Credit Division

License Type	Examinations/ Investigations	
	2024	2025
Mortgage Brokers, Mortgage Lenders, Mortgage Correspondent Lenders, Mortgage Servicers, Loan Processors/Underwriters and Mortgage Loan Originators	28	38
Money Transmitters	25	15
Check Cashers	13	0
Consumer Collection Agencies, including Debt Buyers	21	28
Debt Adjusters	0	0
Debt Negotiators	7	7
Small Loan Companies	11	21
Sales Finance Companies	7	9
Student Loan Servicers, Federal Student Loan Servicer Registrants, Private Education Lender Registration, Private Education Loan Creditor Registration	5	6
Lead Generator	0	0
Commercial Financing Provider and Broker Registrants	n/a	3

Consumer Credit Licensees
As of Year End 12/31/2025

License Type	2024	2025
Licensed Mortgage Companies	723	744
Mortgage Broker	279	287
Mortgage Correspondent Lender	26	24
Mortgage Lender	419	433
- Licensed Mortgage Branches	1078	1099
Mortgage Loan Originators	9272	10,209
Loan Processor/Underwriters	203	207
Mortgage Servicers	85	79
- Servicer Branches	22	23
Exempt Mortgage Servicer Registrant	n/a	58
Lead Generators	4	4
Money Transmitters	204	218
Check Cashers	48	49
- Check Casher Branches	51	48
Consumer Collection Agencies	554	530
- Collection Agency Branches	186	158
Debt Adjusters	24	21
- Debt Adjuster Branches	29	28
Debt Negotiators	5	4
- Debt Negotiator Branches	3	3
Small Loan Companies	91	112
- Small Loan Company Branches	11	21
Sales Finance Companies	178	182
- Sales Finance Company Branches	59	54
Student Loan Servicers	47	43
- Student Loan Servicer Branches	21	17
Federal Student Loan Servicer Registrants	12	11
Private Education Lender Registrants	9	11
Private Education Loan Creditor Registrants	4	7
Bona Fide Nonprofit Organizations	6	6
Exempt Registrants	54	63
Commercial Financing Broker Registrants	32	54
Commercial Financing Provider Registrants	65	130



SECTION 5:
SECURITIES AND BUSINESS INVESTMENTS DIVISION

Subject to the general supervision of the Banking Commissioner, the Securities and Business Investments Division is primarily responsible for administering Chapter 672a of the Connecticut General Statutes, the Connecticut Uniform Securities Act, and Chapter 672c of the Connecticut General Statutes, the Connecticut Business Opportunity Investment Act.

The Division is responsible for: the registration of securities and business opportunity offerings for sale in Connecticut; the registration of broker-dealers, agents, investment advisers and investment adviser agents as well as the registration of broker-dealer and investment adviser branch offices; the examination of broker-dealer, investment adviser and branch office registrants; and enforcement of the state's securities and business opportunity laws.

A greater reliance on technology has made it easier to conduct examinations remotely as well as in person and for industry filings to be made more efficiently through electronic means. The use of virtual collaboration software proved to be an effective tool in maintaining Division communications both internal and external. The agency also implemented a system for conducting hearings remotely.

5.1 Activities

For the calendar year 2025, Securities and Business Investments Division intervention resulted in restitution and rescission offers to the investing public totaling $620,547. In addition, the Division imposed $537,975 in fines for violations of the state's securities laws. Of this amount, $537,975 was attributable to Division settlements.

During 2025, the Division pursued a number of enforcement cases involving cryptocurrency securities hybrid sales and firm supervisory lapses that lead to dishonest or unethical practices being committed by agents. The Division also took action against individuals who misappropriated investor monies or who were otherwise involved in fraudulent conduct relating to the sale of securities. These efforts have resulted in various referrals to other law enforcement agencies for further investigation and/or criminal prosecution.

In conjunction with the Division's enforcement program, a total of 66 securities and business opportunity investigations were opened in 2025, 52 investigations were closed, and 97 investigations were in progress as of December 31, 2025.

Prior to closing, many of the securities and business opportunity-related complaints and investigations were resolved at the administrative level. Administrative resolutions of enforcement matters typically took the form of remedial Stipulation and Agreements and Consent Orders wherein the Division sought corrective measures as well as monetary fines. The Department executed 17 Consent Orders in calendar year 2025. Three matters involved activity restrictions or the barring of affected individuals from securities-related activity in Connecticut. The Division found the use of informal remedial tools to be an effective supplement to its array of enforcement tools.

During 2025, the Division participated in five significant multistate investigations, up from four during the preceding calendar year.

The first three actions focused on firms overcharging customers on certain small principal equity transactions. The first involved Stifel, Nicolaus & Company, Inc., a Connecticut registered broker-dealer located in Missouri. The Consent Order alleged that, between May 1, 2020, and April 30, 2025, the firm executed 547 equity transactions in Connecticut, which included an unreasonable commission for services performed (i.e. in excess of 5% of the principal trade amount) totaling $10,832.43. The amount of commissions charged purportedly exceeded Financial Industry Regulatory Authority (FINRA) guidelines. Such conduct constituted a violation of Section 36-31-6f(b) of the Regulations under the Connecticut Uniform Securities Act. The Consent Order directed the firm to cease and desist from regulatory violations and fined it $20,000. In addition, the Consent Order required that the firm provide affected Connecticut customers with $10,832.43 in restitution, plus interest, and report back to the Commissioner on the progress of its restitutionary undertaking.

The second action involved TD Ameritrade, Inc., a previously registered broker-dealer located in Nebraska. The Consent Order followed a multistate investigation and settlement into the firm's charging of commissions in excess of 5% on certain small principal equity transactions from approximately June 30, 2018, to June 30, 2023. The Consent Order alleged that the firm executed 797 equity transactions in Connecticut which included an unreasonable commission for services performed (i.e., in excess of 5% of the principal trade amount), totaling $10,880.42. The Connecticut Uniform Securities Act and its Regulations prohibit broker-dealers from charging unreasonable commissions for services performed. The Consent Order also alleged that the firm violated Section 36b-31-6f(b) of the Regulations under the Connecticut Uniform Securities Act by failing to supervise transactions which applied the minimum equity commission. The Consent Order censured the firm and directed that it pay $10,880.42 in restitution (plus interest) to affected Connecticut customers and report back to the Commissioner concerning its restitution payments. The Consent Order also fined the firm $15,000.

The third action concerned Edward D. Jones & Co., L.P., a Connecticut registered broker-dealer located in Missouri. The multistate investigation in that case uncovered evidence that the firm charged a minimum fixed commission of $50 on certain stock transactions. This commission rate superseded the 5% limit set out in FINRA rules. In addition, the investigation uncovered evidence that improved supervisory practices could have alleviated the problem. The alleged misconduct occurred from May 1, 2020, to April 30, 2025. Transaction-wise, 5,278 equity transactions (totaling $72,702.37) were involved in Connecticut. The Consent Order alleged that, by failing to adequately supervise small principal equity transactions where the minimum equity commission exceeded 5%, the firm violated Section 36b-31-6f(b) of the Regulations under the Connecticut Uniform Securities Act governing supervisory obligations. The Consent Order fined the firm $100,000. In addition, the Consent Order required that $72,702.37 in restitution be paid to Connecticut investors within 180 days. The Consent Order also required that the firm provide the agency with documentation certifying that its compliance and operational systems had been revised to identify and review potentially excessive commissions.

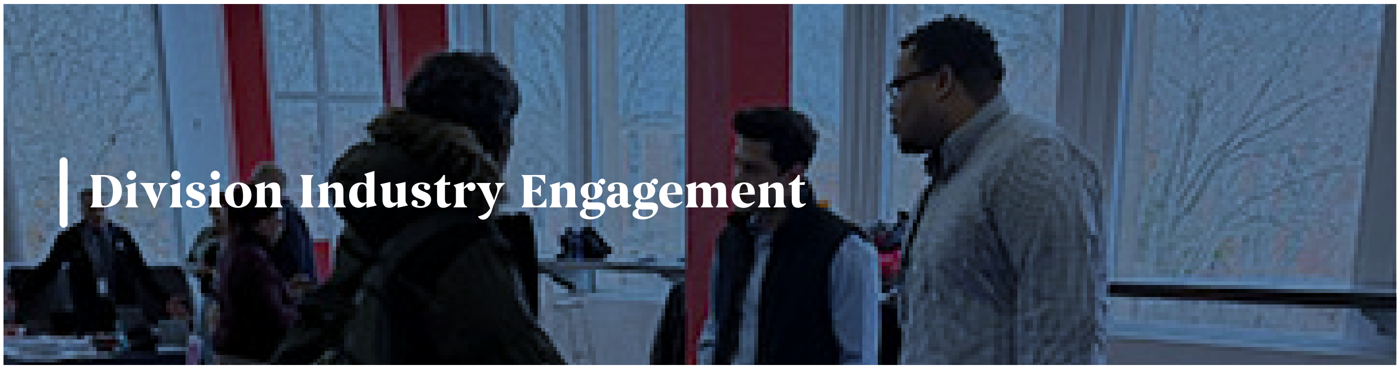
The fourth action, which featured state and federal regulators acting in tandem, involved Vanguard Marketing Corporation and The Vanguard Group, Inc. The Vanguard Group, Inc. is a Securities and Exchange Commission registered investment adviser, and its wholly owned subsidiary, Vanguard Marketing Corporation. Vanguard Marketing Corporation, a Connecticut-registered broker-dealer, is located in Pennsylvania. The Consent Order was an outgrowth of a multistate investigation into the activities of the firm and a parallel investigation by the Securities and Exchange Commission (SEC). The Consent Order alleged that in 2020, Respondents lowered the investment minimums for the Institutional Target Retirement Funds (TRF), and that, as a result, a large number of retirement plan investors redeemed their Investor TRF shares to purchase Institutional TRF shares. The large number of redemptions caused Vanguard to sell assets in the Investor TRF, which triggered significant capital gains taxes for many retail investors who remained invested in the Investor TRF. In addition, Vanguard allegedly did not disclose the potential capital gains and tax implications to Investor TRF shareholders which were attributable to the migration of shareholders from the Investor TRF to the Institutional TRF. The Commissioner alleged that such conduct by Respondents constituted a supervisory lapse within the meaning of Section 36b-31-6(f) of the Regulations under the Connecticut Uniform Securities Act. The Consent Order also alleged that respondents' disclosure deficiencies violated Section 36b-5(a)(2) of the Act. The Consent Order directed Respondents to cease and desist from regulatory violations. The Consent Order acknowledged that Respondents had agreed to pay $135 million in remediation to the SEC Fair Fund, administered by the SEC, to benefit harmed investors. Counting offsets, the total amount of remediation was $92.91 million, which Vanguard paid into the Fair Fund on or about January 24, 2025. In addition, on or about January 24, 2025, Respondents paid an administrative penalty of $13,500,000 into the SEC Fair Fund.

The fifth action involved Plutus Financial Holdings Inc., Plutus Financial Inc., Plutus Lending LLC, Abra Boost LLC and William Barhydt. The four entities are affiliated with and under the common control of William Barhydt. The Commissioner's action was preceded by a multistate investigation into the securities activities of the Respondents. The multistate investigation focused on Respondents' offer and sale of interest-bearing depository account products, referred to as "Abra Earn" and "Abra Boost." Members of the public purchased the investments through a smartphone application. Respondents began winding down their U.S. retail operations on or about June 14, 2023, and converted all Abra Earn and Abra Boost accounts to Abra Trade accounts. Immediately upon conversion to Abra Trade, customers obtained title to their assets, and a yield was no longer generated. Since June 14, 2023, Respondents have repeatedly notified affected customers requesting them to withdraw their assets from their Abra Trade accounts. The Consent Order required that the Respondents return all outstanding assets in Connecticut customer accounts having a value of $10 or more no later than the date the Consent Order was entered by the Commissioner. Approximately 93 Connecticut investors, whose accounts totaled approximately $98,609, were eligible for a monetary return. As of the date of the Consent Order, approximately $92,838 was paid out to those Connecticut investors whom Respondents were successful in contacting. The Consent Order alleged that the Respondents violated Section 36b-16 of the Connecticut Uniform Securities Act by selling unregistered securities to the public. The Consent Order directed the Respondents to cease and desist from regulatory violations and to pay a $100,000 fine to the state. Payment of the fine, however, would be suspended as long as Respondents returned customer assets in accordance with the Consent Order.

During this report period, the Division continued to monitor industry developments affecting the securities industry and the Division's oversight responsibilities under the Connecticut Uniform Securities Act.

In 2025, the Division took steps to simplify the filing procedure for sellers wishing to set up a franchise or business opportunity in Connecticut and take advantage of existing exclusionary language in the Connecticut Business Opportunity Investment Act. The Division also promoted a more business friendly climate by endorsing legislation that created a broker-dealer exemption for merger and acquisitions broker-dealers facilitating a change of control of private companies (Public Act 25-85). This exemption mirrors that used by other states and adopted by Congress in 2022. The Division also clarified the filing requirements for seller of securities pursuant to Tier 2 of federal Regulation A.

The Securities and Business Investments Division continued online publication of its quarterly Securities Bulletin, delivered via Constant Contact, to advise the industry of new regulatory developments.



Division Industry Engagement

During the calendar year, the North American Securities Administrators Association, Inc. (NASAA) honored Division staff members Staff Attorney Elena Zweifler and Principal Examiner Klem Klementon for their efforts in reaching a $106 million settlement which provided remediation payments to affected investors. The multistate investigation focused on the activities of Vanguard Marketing Corporation and The Vanguard Group, Inc. in connection with irregular fund redemption practices. NASAA is a voluntary association whose membership consists of sixty-seven state, provincial, and territorial securities administrators in the 50 states, the District of Columbia, Puerto Rico, the United States, Virgin Islands, Canada, and Mexico.

During 2025, several Division employees represented the Department on Project Groups and Committees of NASAA, with two serving as co-chairs. Those committees and project groups focused on cybersecurity, NEMO training and support, professional development, broker-dealer investigations and compliance, broker-dealer training, enforcement training, investment adviser cybersecurity and technology, investment adviser training and investor education senior outreach.

Division staff are often called upon to share their expertise, by serving as speakers or representing the agency at events.

The Securities Advisory Council, comprised of industry representatives, academics, and members of the bar, all of whom serve without compensation, assists the Division by offering advice and insight to the Commissioner and staff on proposed regulatory initiatives. The Securities Advisory Council stood ready to provide the Division with valuable feedback regarding the agency's investor protection mission.

NASAA Honors Division Staff

Principal Examiner Klem Klementon accepts an award from NASAA for his work on a multi-state investigation into Vanguard Marketing Corporation and its parent company, The Vanguard Group, Inc.

The investigation yielded a $106 million settlement, providing remediation payments to affected investors.

January 23, 2025
2025 FINRA/NASAA Get SET State Examiner Training

On January 23, 2025, a Principal Financial Examiner participated as a panelist at the 2025 FINRA/NASAA Get SET State Examiner Training in San Antonio, TX.

March 5, 2025
Connecticut State Agency Career Fair

On March 5, 2025, a Division Manager and two Examiners represented the Department of Banking at a Connecticut State Agency Career Fair at the University of Hartford. They shared resources at an agency table and met with attendees.

April 9, 2025
University of New Haven

The Division Director presented a virtual investor education program for students at the University of New Haven on April 9, 2025. The program was hosted by the Bursar's Office.

June 10, 2025
NASAA Northeast Zone Enforcement Meeting

On June 10, 2025, a Division Manager and a Principal Financial Examiner presented at the NASAA Northeast Zone Enforcement Meeting in Freeport, ME. They updated the group on the Vanguard multi-state NASAA settlement and discussed best practices for leading a multi-state investigation.

June 13, 2025
Connecticut Bar Association

A Principal Financial Examiner participated on a panel entitled, *Private Securities Offerings: What You Need to Know*, discussing the most important federal and state laws applicable to exempt private securities offerings. The program took place on June 13, 2025, at the Connecticut Convention Center in Hartford and was hosted by the Business Law Section of the Connecticut Bar Association.

SECURITIES AND BUSINESS INVESTMENTS DIVISION DATA ANALYTICS

Securities Industry Registrants and Notice Filers As of Year End

	2021	2022	2023	2024	2025	5 Year % Change
Broker-dealer firms	1,992	2,003	1,957	1,936	1,892	(5.02)
Broker-dealer agents	181,638	195,230	202,576	205,917	218,311	20.19
Broker-dealer branch offices	2,301	2,298	2,295	2,115	2,369	2.95
Investment Adviser firms	451	423	412	414	416	(7.76)
SEC Registered Investment Advisory Firms Filing Notice[1]	2,302	2,441	2,473	2,550	2,650	15.11
Investment Adviser Agents	15,292	15,257	15,175	15,190	15,767	.05

Registrations and Notice Filings Securities and Business Opportunities

	2021	2022	2023	2024	2025	5 Year % Change
Offerings Reviewed	113	152	90	112	101	(10.61)
Investment Company Notice Filings[2]	8,367	8,430	8,354	7,859	7,637	(8.72)
Exemptions and Exemptive Notices[3]	8,678	7,812	5,399	5,573	5,690	(34.43)

1 Investment advisers subject to exclusive Securities and Exchange Commission registration pursuant to the National Securities Markets Improvement Act of 1996, Public Law 104-290.

2 Effective October 11, 1996, the National Securities Markets Improvement Act of 1996 (NSMIA), Public Law 104- 290, preempted the states from registering securities offerings by investment companies subject to Securities and Exchange Commission oversight. State authority to require notice filings was preserved by the federal legislation.

3 NSMIA also preempted the states from substantively reviewing private offerings under Rule 506 of federal Regulation D. State authority to require notice filings was preserved by the federal legislation.

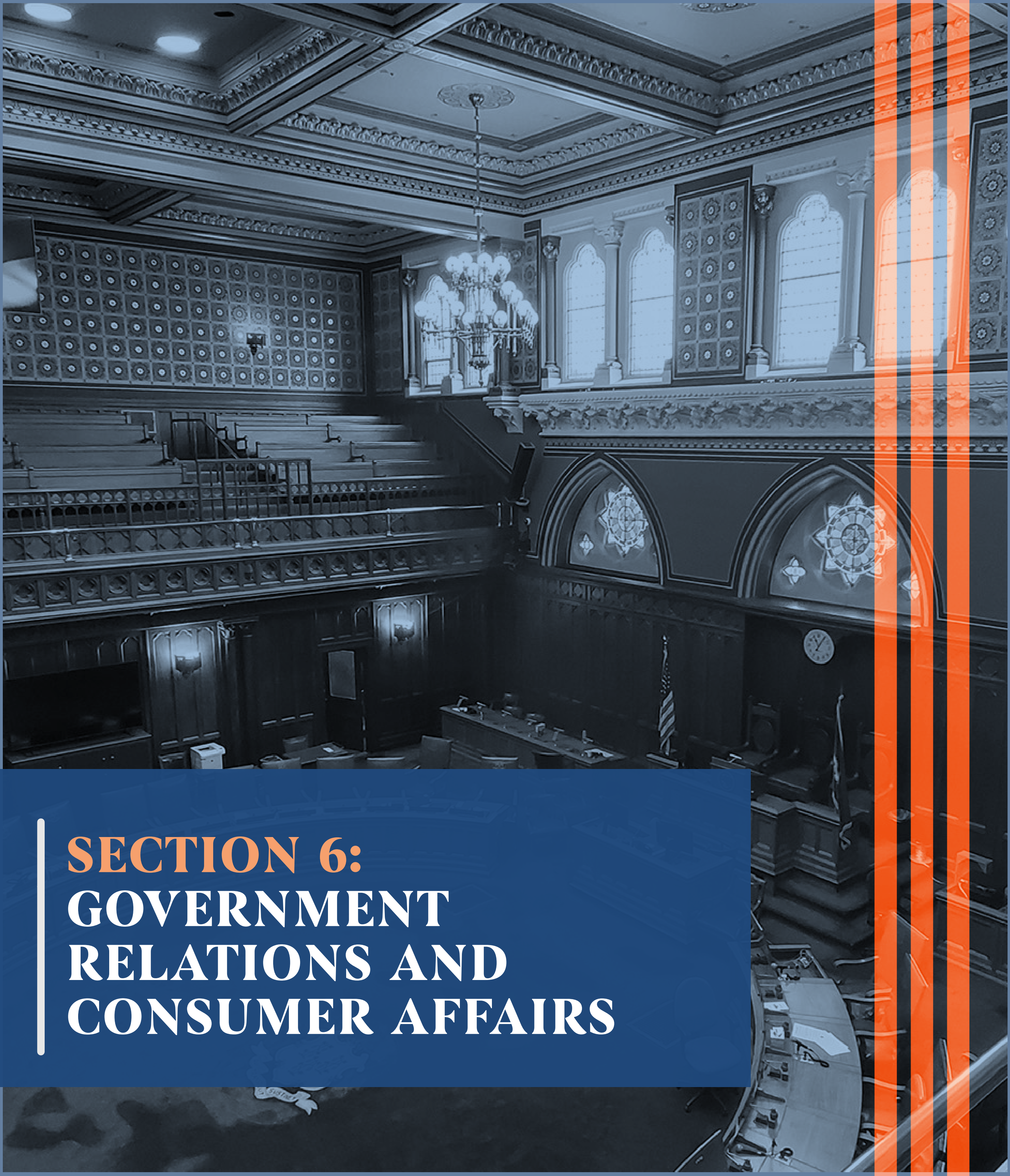
Examinations
Broker-dealers and Investment Advisers

	2021	2022	2023	2024	2025
Broker-dealers	76	66	61	61	54
Investment Advisers	109	77	48	49	49

Enforcement Activities
Securities and Business Opportunities

	2021	2022	2023	2024	2025
Investigations Opened	44	54	41	49	66
Investigations Closed	55	28	29	44	52
Investigations in Progress	76	98	96	120	97
Subpoenas Issued	18	35	35	42	40
Administrative Actions	8	10	6	13	10
Consent Orders	7	14	10	11	17
Stipulation and Agreements	9	3	4	0	9
Notices of Intent to Deny (Licensing)	0	1	0	0	0
Notices of Intent to Revoke (Licensing)	2	0	0	5	2
Denial Orders (Licensing)	0	1	1	1	0
Suspension Orders (Licensing)	0	1	0	0	0
Revocation Orders (Licensing)	1	1	0	2	3
Notices of Intent to Fine	3	6	4	4	3
Orders Imposing Fine	2	5	4	3	0
Cease and Desist Orders	3	6	4	4	4
Activity Restrictions/Bars	3	6	5	4	3
Monetary Sanctions Imposed*	$951,355	$2,354,901	$1,182,868	$1,292,796	$537,975
Offered/Returned to Investors Following Informal Division Intervention*	$4,348,778	$1,117,666	$971,804	$261,329	$620,547
Criminal Referrals	0	1	0	0	2
Referrals to Connecticut Attorney General	1	1	3	0	0
Other Agency Referrals	2	2	0	0	0

**Excludes first quarter $92,910,000 Independent SEC Fair Fund Remediation Remittance and $13,500,000 Independent SEC Fair Fund Penalty Remittance procured in conjunction with Securities and Exchange Commission action.*



SECTION 6: GOVERNMENT RELATIONS AND CONSUMER AFFAIRS

Subject to the general supervision of the Banking Commissioner, the Government Relations and Consumer Affairs Unit (GRCA) provides assistance to the public with inquiries and complaints regarding banking, mortgage lending and other consumer credit matters, rental security deposits, and securities and business opportunity issues. The unit directs the agency's legislative program, manages traditional and new media, and coordinates financial and investor education. It also implements various community outreach strategies.

6.1 Consumer Assistance

The Department of Banking protects Connecticut residents who use financial services regulated by the Department. GRCA assists consumers with complaints and dispute resolution. In 2025, GRCA staff handled approximately 2,618 telephone inquiries and 984 written complaints from the public, with an additional 489 telephone calls and inquiries through the Foreclosure Hotline, which provides invaluable assistance to homeowners at all stages of the foreclosure process. As a result of their efforts, GRCA secured $143,054 in adjustments or reimbursements on behalf of consumers during the period. GRCA received approximately 646 telephone calls, and 201 written complaints related to rental security deposits in 2025. Following an investigation into each complaint, the Department recovered $16,265 for tenants during this same time period.

6.2 Communications

The Government Relations and Consumer Affairs unit (GRCA) serves as the public face of the Department. As such, the unit responds to all media requests and inquiries. In 2025, the agency fielded requests for information from media outlets on the local, state and national level. Business reporters contacting the agency regarding specific licensees or regulatory issues comprise the majority of press inquiries. Nonetheless, the agency is responsive to calls from all types of media outlets regarding a wide range of issues in the financial services sector.

Social Media

Through the efforts of GRCA, the Department utilizes social media as a means of communicating with its stakeholders that include consumers, investors, and industry professionals. The Department shares news and updates, as well as financial education information, to the public and industry alike through its social media accounts as well as its website.

Robin

The Department utilizes *Robin*, an artificially intelligent chatbot with pre-determined responses to assist in supporting website visitors. It automatically answers common questions and provides links for additional information. The Department of Administrative Services worked in collaboration with GRCA to develop *Robin* as a product designed to enhance the digital experience for citizens by providing assistance and guidance throughout their interactions with the government.

In 2025, 1,935 visitors to the agency website started 2,662 chats with *Robin*. They engaged across a wide range of pages, with the highest usage including consumer protection and complaint-related pages, rental security deposit information, and general banking. In addition, the GRCA team answered 201 chatbot email inquiries in 2025.

6.3 Outreach, Financial Literacy, and Industry and Consumer Education Efforts

The primary focus of the Department's educational outreach program is to help Connecticut's consumers and investors make informed financial decisions and to learn how to avoid fraud and scams. During 2025, agency staff participated in over 80 outreach programs. Consumers and industry professionals received relevant information and training regarding financial fraud and exploitation, identity theft, investor education, financial management, and cryptocurrency. High school and college students learned about cybersecurity, credit, and money management. Department staff continued to represent the Department of Banking at expos, fairs, and conferences throughout the state, affording staff the opportunity to speak with attendees and distribute educational information on a variety of issues.

Student Outreach

The Department encourages students to focus on their finances and to manage and protect their money, particularly online. Commissioner Perez continued his relationship with Central Connecticut State University (CCSU) in New Britain by presenting to Bank Management classes in both the Spring and Fall 2025 semesters to discuss the regulatory side of banking.

During 2025, outreach programs were conducted at the University of Bridgeport and the University of New Haven. Topics included credit fundamentals, cyber safety, and investor education. An educational outreach coordinator, along with the Student Loan Ombudsperson participated at a Wellness Fair for students at the University of Saint Joseph.

A newly developed Money Bingo program was introduced in 2025 to students in the TRIO SSS program at CT State Community College, Manchester to teach the importance of money

Financial Literacy in Action

Banking Education Coordinators Kathleen Titsworth and Aleisha DiBiase helped students navigate a Reality Fair conducted at the University of Bridgeport for high school seniors.

Students learned about credit fundamentals, cyber saftey, and investor education.

management. The program focused on financial issues that are relevant to young adults, including saving, investing, credit, debt, and scam awareness.

In March, an educational outreach coordinator presented five break-out sessions on cybersecurity to high school students at the annual Money Madness conference at CT State Three Rivers in Norwich. She discussed ways to be safer using mobile payment apps and peer-to- peer payment services, and provided examples of banking scams students might encounter online and through social media. Over 200 students participated at the event hosted by Chelsea Groton Bank.

In October, an outreach coordinator served on a panel at the Connecticut Jump$tart Coalition's Financial Literacy Summit in Rocky Hill, an annual conference for high school teachers. The topic was *Fraud Proofing the Future: What Teens Need to Know*.

Senior Outreach

Helping seniors avoid financial scams and exploitation continues to be a focus of the agency's outreach efforts. The educational outreach coordinator provided financial fraud programs throughout the state in 2025 for older adults and those that work with them. She was the invited speaker for programs at senior communities in Bristol, Dayville, Glastonbury, Manchester, Newington, Redding, and Vernon.

In the fall of 2025, an outreach coordinator met with seniors and distributed materials at an annual Senior Health and Wellness Fair in Shelton, and at an event at the Woodbridge Senior Center that focused on financial health and well-being.

An outreach coordinator presented in a webinar in September hosted by the North American Securities Administrators Association, entitled *Let's Talk Seniors: Level Up Your Senior Outreach*. She joined a speaker from the FINRA Investor Education Foundation and a Victims Service Officer from the Alabama Securities Commission, to discuss outreach programs available for investor education coordinators in both the United States and Canada.

Financial Fraud Bingo

The Financial Fraud Bingo program is a fun, interactive way to educate seniors about banking scams and how to spot and avoid them. Direct interaction with seniors helps keep the agency informed of the latest scams affecting our communities. In 2025, the agency outreach coordinator provided fifteen Financial Fraud Bingo programs for residents in housing communities and senior centers across Connecticut, including Bridgeport, Bristol, Middletown, Vernon, Willimantic, and Waterbury. In collaboration with Catholic Charities, additional presentations using the bingo program took place in Fairfield, New Canaan, Weston, and Norwalk.

There were several opportunities to bring the Financial Fraud Bingo program to the bilingual community in 2025. A program in Waterbury and two in New Britain were translated into Spanish. In addition, Members Credit Union in Stamford hosted a special Financial Fraud Bingo program in October 2025 that was translated into Spanish.

Public Outreach

Libraries have consistently provided the Department with opportunities to share our expertise and resources with the public. In 2025, an outreach coordinator provided programs at public libraries in Durham, Farmington, Glastonbury, Greenwich, and Salisbury. The program at the Welles-Turner Memorial Library in Glastonbury featured a Consumer Credit Division attorney, who gave a presentation on cryptocurrency and understanding its basics.

As technology has progressed to digital payments and virtual currency, the agency's outreach program has continued to develop programs that provide an understanding of this new technology in order to help consumers make good financial decisions and protect themselves and their money. In addition to incorporating these topics into programs, the Department has received specific requests for speakers to talk about cryptocurrency. The Redding League of Women Voters invited the Department to provide a keynote speaker on the topic of cryptocurrency for their annual meeting in June, who provided remarks on understanding the basics, risks and regulatory issues within today's industry landscape.

In March, an educational outreach coordinator gave an update on banking scams at monthly meeting for the National Active and Retired Federal Employees Association, Chapter 257, in North Haven. She was also the guest speaker for the Jewish Free Loan Fund of Greater Hartford, focusing her remarks on managing debt. That group invited her back for a virtual program on the topic of understanding credit reports.

Conferences and expos provide an opportunity to speak directly with the public and share resources and promotional materials with consumers and investors. Highlights include a DAS State of Connecticut job fair in March 2025 at the University of Hartford, where agency staff represented the Department of Banking, met with attendees and spoke about working in a government regulatory agency, and the UConn Work/Life Expo in Storrs, an annual event in October for UConn employees that gives the Department the opportunity to provide resources and financial wellness information.

Senior$afe™ Training

Since 2016, the Department has offered Senior$afe™ trainings to financial professionals who work with seniors to identify and report signs of fraud and exploitation. Senior$afe™ trainings have been provided to investment advisers and bank and credit union employees at various financial institutions throughout Connecticut.

In March 2025, an agency outreach coordinator provided a virtual Senior$afe™ training for Seasons Federal Credit Union. She provided an overview of the red flags of financial fraud and exploitation, and the benefits of making reports to Protective Services.

Partnerships

Through the Department's outreach program, we utilize partnerships with state, federal and community organizations to empower residents with the knowledge to protect their finances. Department staff are often called upon to share their expertise in helping consumers and investors learn about and avoid financial fraud, and collaboration continued to be a focus of its outreach efforts in 2025.

The agency's outreach coordinators, along with the Student Loan Ombudsperson, participated in *Financial Reality Fairs* in Bridgeport, hosted by Members Credit Union, and in Stamford, hosted by Mutual Security Credit Union. The events brought hundreds of high school students together to participate in an interactive simulation designed to help them experience real-life financial decision-making.

In November, an educational outreach coordinator hosted a resource table and met with attendees at American Eagle Financial Credit Union's *Elder Fraud Fair* in East Hartford. She also gave a talk on banking scams and protecting your personal information to members at FD Community Federal Credit Union in Waterbury.

A partnership with the Western Connecticut Area Agency on Aging (WCAAA) Senior Medicare Patrol (SMP) representative led to a series of presentations entitled *Fraud, Fraud, and more Fraud*, which took place in Enfield, Salisbury and Waterbury. In April, an outreach coordinator was the guest speaker at the statewide SMP Recognition Breakfast at the WCAAA office in Waterbury.

An educational outreach coordinator continues to promote the saving and investing guide, *Marriage & Money: Starting Your Financial Life Together*, to Town Clerks. In 2025, she attended the Connecticut Town Clerks Association's biannual conferences and distributed over 9,500 copies of the booklet at their April and September conferences. Town Clerks in turn provide this booklet to couples that apply for their marriage license.

GRCA staff remain active on several state coalitions, including the Coalition for Elder Justice in Connecticut, the Connecticut Jump$tart Coalition for Personal Financial Literacy, and the Connecticut Saves Coalition. The Department is also a member of BankOn, a program led by Advancing Connecticut Together (formerly the Connecticut Association of Human Services) and designed to connect unbanked and underbanked communities with safe and affordable bank accounts. BankOn works with banks and credit unions to offer banking products and services to communities in need.

Coalition for Elder Justice in Connecticut

The Coalition for Elder Justice in Connecticut (CEJC) is a multidisciplinary group of private and public stakeholders working together to prevent elder abuse and protect the rights, independence, security, and well-being of vulnerable seniors in Connecticut. The Department of Banking, through its educational outreach coordinator, serves on the Steering Committee, and supports CEJC efforts, particularly concerning financial fraud. She represented the Department in June at an event in recognition of World Elder Abuse Awareness Day at the Keeney Memorial Center in Wethersfield. This second annual event hosted by the CEJC was an opportunity to meet peers, learn about services, and gain information about elder justice in our state.

Connecticut Saves Coalition

Connecticut Saves Coalition is the state campaign of America Saves, a national campaign that encourages individuals and families to save money, reduce debt, build wealth, and create better financial habits. To recognize America Saves Week 2025, the Department shared savings tips and videos through social media, and provided daily e-mails to agency staff as reminders to save automatically, save for the unexpected, save for major milestones, pay down debt, and save at any age.

The agency's outreach coordinators participated at a *Financial Action Fair* at UConn Hartford in April in recognition of America Saves/Connecticut Saves Week, hosted by Connecticut Saves partners, and provided programs on investor education and understanding the importance of credit during that week.

Governor's Council on Women and Girls

The Governor's Council on Women and Girls is a group tasked with providing a coordinated state response to issues that impact the lives of women, girls, their families, and the State of Connecticut. Commissioner Perez is a member of the Council and is active on its Economic Opportunity and Workforce Equity Subcommittee. The agency's outreach coordinator serves on the financial literacy work group of this subcommittee and helps update the state's financial literacy portal.

6.4 Legislation

Each year the Department conducts an active legislative program coordinated by GRCA. During the 2025 legislative session the Department submitted several proposals for consideration. Working closely with the legislature, all agency proposals passed both chambers and were signed into law by Governor Lamont.

Public Act 25-103, An Act Concerning the Community Bank and Community Credit Union Investment Program Established by the State Treasurer

The Department proposed a clarifying change to the Treasurer's Community Bank and Credit Union Initiative. This was passed into law as *Public Act 25-103, An Act Concerning the Community Bank and Community Credit Union Investment Program Established by the State Treasurer*.

Public Act 25-37, An Act Concerning Various Revisions to the Credit Union Statutes Relating to Nonmember Payments, Member Business Loans, Charitable Contributions, Extensions of Credit, Capital and Net Worth

A proposal allowing certain credit unions who were certified community development financial institutions to allow for non-member deposits became *Public Act 25-37, An Act Concerning Various Revisions to the Credit Union Statutes Relating to Nonmember Payments, Member Business Loans, Charitable Contributions, Extensions of Credit, Capital and Net Worth*.

Public Act 25-104, An Act Concerning the Organization, Administration and Receivership of Certain Financial Institutions

The Department submitted changes to update and modernize statutes concerning the innovation bank charter, which was passed into law as *Public Act 25-104, An Act Concerning the Organization, Administration and Receivership of Certain Financial Institutions*. Specifically, Public Act 25-104:

- increases the application fee to organize a Connecticut bank from $15,000 to $20,000;
- increases the amount of deposit assets that trust banks and innovation banks must keep from $1 million to $1.5 million;

- exempts innovation banks from some CRA ratings, because innovation banks do not accept retail deposits;
- decreases the period allotted for submitting written objections to a proposed name change of a Connecticut bank from 30 to 15 days of a capital stock; and
- requires receivers, when liquidating an innovation bank, to consider the innovation bank's credit conditions instead of the credit conditions in the locality of the innovation bank.

Public Act 25-115, An Act Concerning Consumer Credit and Commercial Financing

The Department submitted a series of proposals on behalf of the Consumer Credit Division including requiring disclosures around Shared Appreciation Agreements; requiring bonds to be canceled electronically updating statutes to reflect electronic bond procedures for consumer credit licensees; clarifying servicing provisions for sales finance companies, small loan companies, mortgage servicers and student loan servicers; clarifying "balance due under the contract" and establishing limitations on actual and reasonable expenses in repossessions; providing enforcement authority and registration timelines for consumer credit registrants; requiring APR (annual percentage rate) disclosures by commercial financing providers; and clarifying obligations concerning private student education cosigner releases. These proposals became *Public Act 25-115, An Act Concerning Consumer Credit and Commercial Financing.*

Public Act 25-85, An Act Concerning the Connecticut Uniform Securities Act

Public Act 25-85, An Act Concerning the Connecticut Uniform Securities Act, created a state broker-dealer registration exemption for merger and acquisitions broker-dealers who facilitated a change in control of private companies. In addition, the legislation created a notice filing requirement for securities offerings made pursuant to Regulation A Tier 2 promulgated under the federal Securities Act of 1933. Specifically, twenty-one calendar days before the initial sales of securities in Connecticut, affected issuers would file a Regulation A - Tier 2 notice filing form, a Consent to Service of Process and a $250 filing fee. Initial filings would be effective for twelve months following which they could be renewed. The legislation also expanded the Commissioner's enforcement powers to enable the Commissioner to censure or bar a registrant, or any partner, officer, director or control person of a registrant based on grounds enumerated in Section 36b-15(a) of the Connecticut Uniform Securities Act and subject to the registrant's right to request a hearing.

Public Act 25-155, An Act Concerning Earned But Unpaid Wage or Salary Income Advances

The Department offered testimony and engaged the legislature, industry and consumer advocates concerning earned wage advances, which was passed into law as *Public Act 25-155, An Act Concerning Earned But Unpaid Wage or Salary Income Advances*. The Banking Committee introduced legislation which was negotiated with interested stakeholders that exempted certain practices from our small loan law, giving industry more flexibility to offer these products to Connecticut consumers.

GOVERNMENT RELATIONS AND CONSUMER AFFAIRS DATA ANALYTICS

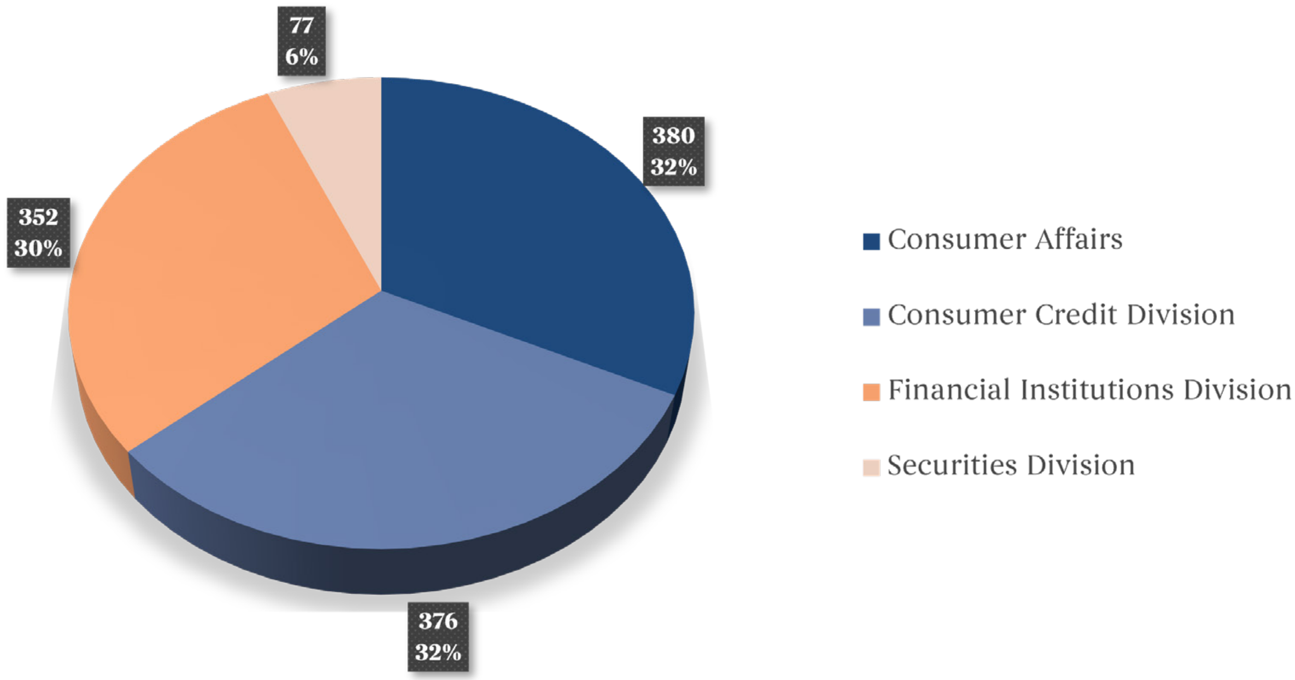
Government Relations and Consumer Affairs

General Complaints/Inquiries	2021	2022	2023	2024	2025
Telephone Inquiries	1,925	2,013	3,373	2,669	2,618
Written Complaints	1,119	1,107	1,120	862	984
Adjustments/Reimbursements on behalf of consumers	$98,837.48	$66,480.99	$122,440.68	$104,214,80	$143,054.04

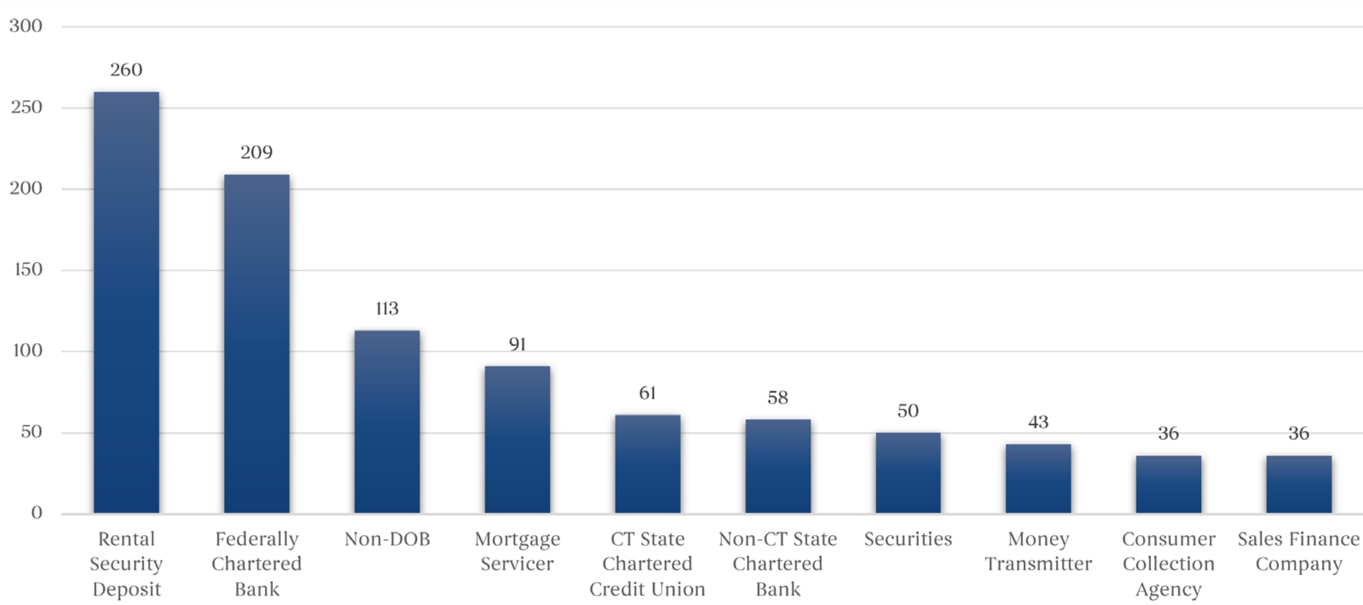
Rental Security Deposit	2021	2022	2023	2024	2025
Telephone Inquiries	574	826	859	828	646
Written Complaints	176	208	247	261	201
Reimbursements on behalf of tenants	$59,132.52	$13,654.76	$39,213.73	$48,362.81	$16,265.41

Foreclosure Hotline	2021	2022	2023	2024	2025
Telephone Calls	333	638	765	614	489

2025 Complaints by Division

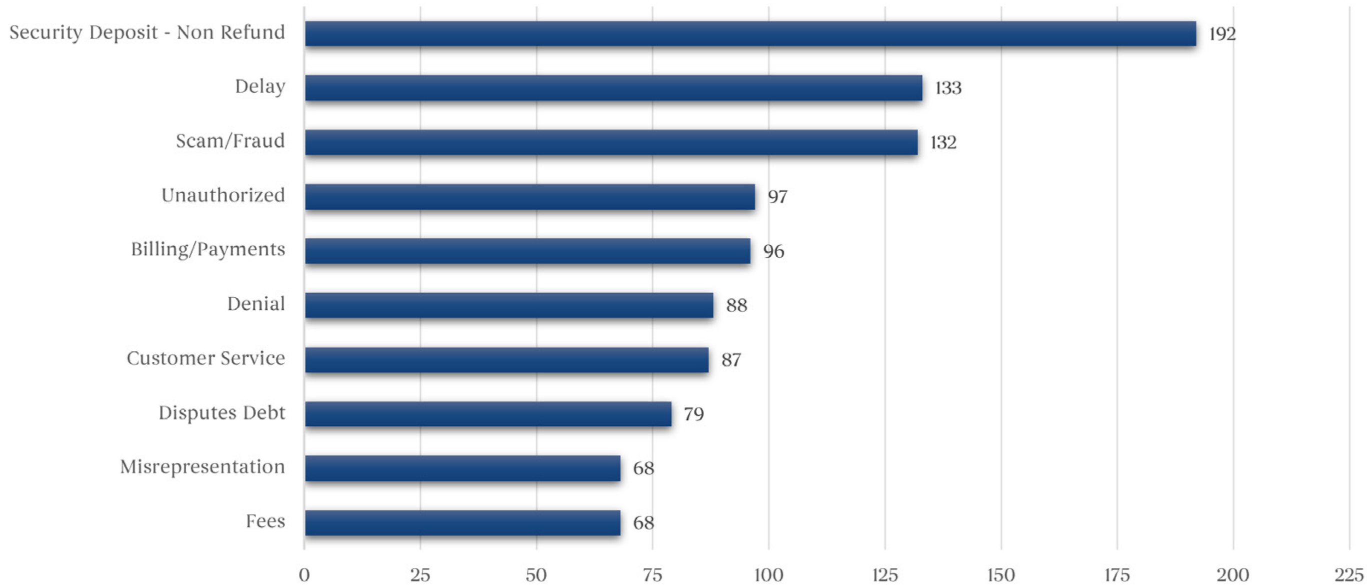


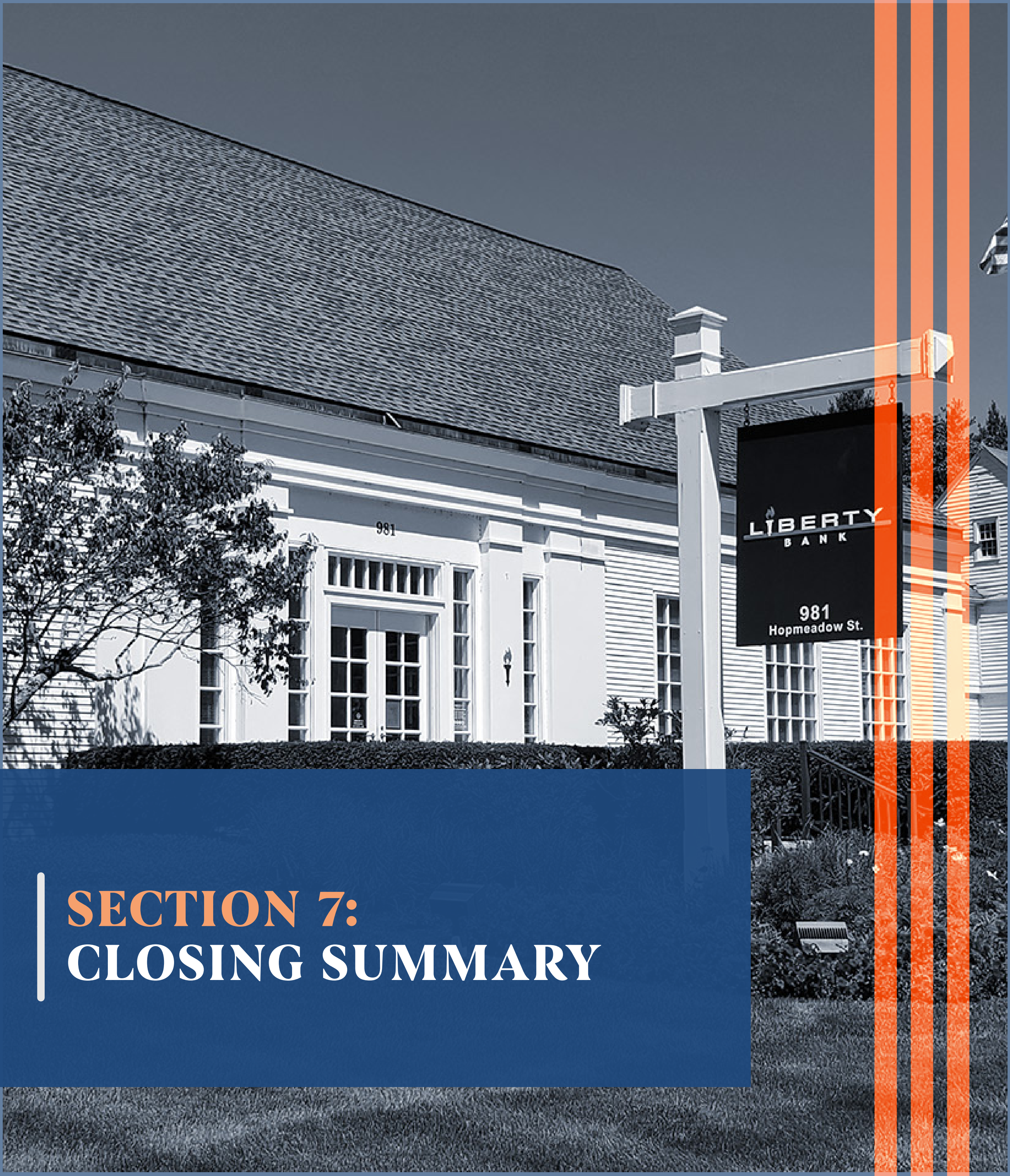
2025 Top Ten Case Natures[1]



1 Non-DOB complaints include complaints that do not fall under Department of Banking jurisdiction.

2025 Top Ten Complaints by Type





SECTION 7: CLOSING SUMMARY

The Department of Banking's 2025 Annual Report reflects a year of meaningful progress, strengthened regulatory oversight, and continued dedication to protecting Connecticut consumers, investors, and financial institutions. Across all divisions, the Department advanced its mission through collaborative industry engagement, enhancements in supervisory tools and processes, continued financial literacy initiatives and outreach, and the development of responsive policies that address the evolving financial landscape.

The achievements outlined in this report underscore the Department's commitment to transparency, modernization, and public service. As financial services continue to grow in complexity, the Department remains focused on ensuring stability, fairness, and innovation within Connecticut's financial marketplace. We look forward to building on this foundation in the year ahead, working with stakeholders statewide to promote a safe, vibrant, and inclusive financial environment for all residents.