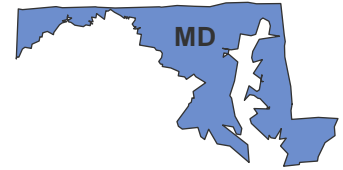




Transitioning Checklist

Jurisdiction-Specific Requirements



MARYLAND MORTGAGE LENDER LICENSE

Instructions

1. All current licensees must transition their license information onto the NMLS at the time of renewal by filing Form MU1 through NMLS.
2. Each branch location, wherever located, desiring to conduct business under this license authority must be separately licensed and will require a filing of Form MU3 through NMLS.
3. Each individual originating mortgage loans needs to be separately licensed as a mortgage loan originator and will require a filing of Form MU4 through NMLS.
4. The **“Qualifying Individual”** (the sole proprietor, coventurer, general partner, principal officer or member who has at least 3 years of experience in the mortgage lending business) must be listed on Form MU1, and his/her business address must match the address listed as the “Main Address” on Form MU1.
5. The **Resident Agent** section of the MU1 form should be completed with the information currently on record with the Commissioner of Financial Regulation. **Alternatively**, if the applicant is applying to license an office in the State, the “Qualifying Individual” may be disclosed in the ‘Resident Agent’ section of Form MU1.
6. Mortgage Lender licensees are prohibited from using more than one trade name, fictitious name or dba for each license obtained. Therefore, please be advised that applicants may not list more than one name in the “Other Trade Names” section of Form MU1 for Maryland. In the State of Maryland a company may apply for additional licenses for additional Trade Names by selecting the Other Trade Name license types in the License Wizard in NMLS.

***Note:** Do not select the Mortgage Lender License/DBA#1 license selection unless the licensee uses a DBA. If the licensee does not use a DBA, select Mortgage Lender License.

7. **Minimum Net Worth (“MNW”).**
 - **Applicant that does not lend money secured by a dwelling or residential real estate** – Required to submit proof of a MNW in the amount of \$25,000. The proof must be a compiled, reviewed or audited financial statement prepared by a CPA or Certified Public Accounting Firm according to generally accepted accounting principles dated within 12 months of the date of the application. For more information, also see the May 22, 2008 “Mortgage Lender Licensees: Meeting the New Minimum Net Worth Requirements” advisory, which may be viewed at the Maryland Commissioner of Financial Regulation website.
 - **Applicant that lends money secured by a dwelling or residential real estate** – Required to submit proof of a MNW that ranges from \$25,000 to \$250,000 depending on the volume of business in the prior 12 months. The proof may be a compiled, reviewed or audited financial statement prepared by a CPA or Certified Public Accounting Firm according to generally accepted accounting principles dated within 12 months of the date of the application. For more information, also see the May 22, 2008 “Mortgage Lender Licensees: Meeting the New Minimum Net Worth Requirements” advisory, which may be viewed at the Maryland Commissioner of Financial Regulation website.

8. **Financial Statements should be submitted through the Filing Tab in NMLS prior to the submission of your Form MU1 filing.** For additional help, see the Financial Statement Information page and quick guide posted on the NMLS website here:
http://www.stateregulatoryregistry.org/AM/Template.cfm?Section=Financial_Statements.
- If required (see checklist below), provide a compiled, reviewed or audited financial statement prepared by a Certified Public Accountant or Certified Public Accounting Firm in accordance with Generally Accepted Accounting Principles dated within 12 months of the date of application. Financial statements should include a Balance Sheet, Income Statement and Statement of Cash Flows and all relevant notes thereto. This financial statement may be required to meet the minimum net worth as mandated by Maryland law.
9. Total costs include the annual NMLS initial set up and annual processing fee of \$200.
10. All NMLS processing fees collected through the NMLS ARE NOT REFUNDABLE.
11. The annual Maryland license fee is \$1,000. If the license is approved for issuance July 1, 2009 to December 31, 2009, the new license will expire on December 31, 2010, more than 12 months later, and the fee will be charged on a pro-rated basis through the Maryland website. At the conclusion of the NMLS process, proceed to the Maryland website to pay the Maryland license fee. See Maryland Transition Plan for more details
12. The regulator will review the filing and all required documents and communicate with you through NMLS. To review your status in NMLS, click the Tasks tab and click Work List.
13. Before processing of your application can be completed, jurisdiction-specific requirements as identified on the checklist must be received with this checklist by the State of Maryland within 5 business days of the electronic submission of your application through the NMLS at the address below.

If your application package is incomplete (including, required documentation not submitted in the required format) sixty (60) days after the filing of your MU forms through NMLS, the Commissioner may terminate the processing of your application. To obtain a license, you will need to reapply for a new license and submit the required documentation for review and processing.

For U.S. Postal Service or Overnight Delivery

*Maryland Commissioner of Financial Regulation
 Attn: Licensing Unit
 500 N Calvert Street, Suite 402
 Baltimore, Maryland 21202*

NMLS Unique ID Number: _____

Applicant Legal Name: _____

ATTACHED	NOT APPLICABLE	ITEM
<input type="checkbox"/>	<input type="checkbox"/>	DISCLOSURE QUESTIONS. Provide complete written details of all events or proceedings for any "Yes" answer to any of the Disclosure questions for the company or any Control Person. Include copies of supporting documentation, such as administrative orders, civil and/or criminal judgments or pending charges or convictions.

<input type="checkbox"/>	<input type="checkbox"/>	<p>SWORN NOTARIZED STATEMENTS (<u>The statements must be signed by an owner, officer or control person</u>).</p> <ol style="list-style-type: none"> 1. SERVICES OFFERED (OR TO BE OFFERED) BY APPLICANT. Provide a sworn notarized statement indicating whether the applicant: 1) services loans for persons other than the applicant; 2) offers credit repair; 3) offers loan modification; and/or 4) offers loss mitigation. 2. VOLUME OF MARYLAND MORTGAGE BUSINESS. Provide a sworn notarized statement of the volume of Maryland mortgage business (including lending, brokering and servicing) conducted by the applicant in the previous twelve (12) months. If the applicant has not conducted a mortgage lending business at any time during the 36 months preceding the application, please also state in the sworn statement. 3. CERTIFICATION OF CONTINUING EDUCATION. Provide a sworn notarized statement that each of the licensee’s “covered employees” (manager of each corporate office and branch office licensed by the Commissioner) have, in the licensing period immediately preceding the current renewal period, successfully completed the required hours of continuing education. The statement should include the name of each covered employee and the location(s) managed by that covered employee.
<input type="checkbox"/>	<input type="checkbox"/>	<p>ORIGINAL SURETY BOND/ SURETY BOND RIDER. If applicable, because any of the following situations apply: new insurance company and or bond amount changed, please provide this agency with an original continuous Maryland surety bond or surety bond rider based on the volume of Maryland mortgage business conducted by your company in the previous twelve (12) months. See Md. Code Ann., Fin. Inst. § 11-508.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p>CERTIFICATION OF FINANCIAL STATEMENT/MINIMUM NET WORTH (“MNW”). If applicable, the financial statement submitted through the Filing Tab in NMLS.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p>ALTERNATE PROOF OF MINIMUM NET WORTH (“MNW”). (Only applies to applicant <u>that lends money secured by a dwelling or residential real estate</u>) Required to submit proof of a MNW that ranges from \$25,000 to \$250,000 depending on the volume of business in the prior 12 months.</p> <p>If applicant has not proven meeting the MNW requirement via financial statement, The proof may be:</p> <ol style="list-style-type: none"> 1. Cash on deposit with a bank or depository institution. Provide a bank letter (on bank’s stationary and signed by an officer of the bank) verifying: <ol style="list-style-type: none"> a. The account balance; b. The type of account in which the funds are held: and c. That the funds are not encumbered or hypothecated in any way. 2. A line of credit from a bank or depository institution. Provide a copy of the line of credit agreement and promissory note. <ul style="list-style-type: none"> • A line of credit may not be used toward satisfying more than 75% of the minimum net worth requirements 3. Other assets; or 4. A combination of cash, a line of credit, or other assets. <p>For more information, also see the May 22, 2008 “Mortgage Lender Licensees:</p>

		Meeting the New Minimum Net Worth Requirements” advisory, which may be viewed at the Maryland Commissioner of Financial Regulation website.
<input type="checkbox"/>	<input type="checkbox"/>	<p>CERTIFICATE OF GOOD STANDING.</p> <ul style="list-style-type: none"> a. If a corporation, provide a Certificate of Good Standing dated not more than sixty (60) days from the filing of this application issued by the Maryland State Department of Assessments and Taxation. b. If a limited liability company, provide a copy of a Certificate of Good Standing or a Certificate of Registration dated not more than sixty (60) days from the filing of this application issued by the Maryland State Department of Assessments and Taxation. c. If a limited partnership, provide a Certificate of Good Standing for the Limited Partnership issued by the Maryland State Department of Assessments and Taxation. d. If a general partnership, provide a Certificate of Good Standing for the General Partnership issued by the Maryland State Department of Assessments and Taxation.
<input type="checkbox"/>	<input type="checkbox"/>	<p>AUTHORIZATION TO CONDUCT BUSINESS IN THE STATE OF MARYLAND - (CERTIFICATE OF QUALIFICATION). If the applicant was organized or formed outside of the State of Maryland, submit proof (certificate of qualification) of authorization to do business in this state from the Maryland Department of Assessments and Taxation.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p>PAYMENT OF MARYLAND APPLICATION FEE. Proceed to the Maryland website to complete payment of license fee.</p> <p><u>Please be aware that NMLS information is downloaded to Maryland on the next business day. Please allow 1-2 business days after the submission of your NMLS application before proceeding.</u></p>

WHO TO CONTACT – Contact NMLS at 240-386-4444 for questions pertaining to the NMLS. Contact the Commissioner of Financial Regulation licensing staff by phone at 410-230-6155 or 888-784-0136 for further assistance regarding Maryland specific requirements.

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING. THE JURISDICTION SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH THE NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.