

REMINDER

TO: All Kansas Mortgage Companies and Supervised Loan Licensees Conducting Mortgage Activity

FROM: Kansas Office of the State Bank Commissioner

DATE: July 21, 2010

RE: Nationwide Mortgage Licensing System

This REMINDER is being sent to you as a follow up to the December 8, 2009 "Important Notice" mailing and March 15, 2010 "Reminder Update" which are available on our agency website at www.osbckansas.org. Please review those notices for additional information referenced in this mailing.

The Kansas Office of the State Bank Commissioner (OSBC) began using the Nationwide Mortgage Licensing System (NMLS) on January 4, 2010. The Nationwide Mortgage Licensing System can be accessed at: www.stateregulatoryregistry.org/NMLS The NMLS Call Center number is 240-386-4444 if you have questions about completing any NMLS forms.

The following information describes actions required for all mortgage companies and loan originators licensed in Kansas, as well as important dates to remember. **If your company is not engaged in Kansas mortgage activities, you may disregard this notice.**

CURRENT COMPANY LICENSEES:

Each company engaged in Kansas mortgage activity and holding a Mortgage Company License or a Supervised Loan License was required to log on to NMLS, create a record (Forms MU1 and MU2) for the company and a record for each branch location (Form MU3) and electronically submit those records to the OSBC **prior to July 1, 2010.**

For any company licensees that were unable to complete the transition requirement by the July 1, 2010 date, special temporary license numbers have been created to allow company transition through NMLS. When completing and submitting Forms MU1, MU2 and MU3, these company licensees must now enter their Kansas company license number as **KS-C-01020** and their branch license number as **KS-B-01020**. Transition must be completed immediately.

When transitioning information onto NMLS, some companies are identifying new officers not previously reported to the OSBC. All new officers, owners or partners completing a Form MU2 must submit a completed fingerprint card and \$50 processing fee to the OSBC to add this individual to your company record. This also applies to any current officers, owners or partners who have not previously submitted a fingerprint card to the OSBC. They must do so at time of transition.

CURRENT LICENSED MORTGAGE LOAN ORIGINATORS:

All individuals meeting the definition of a mortgage loan originator (MLO) have specific requirements which must be met in order to meet SAFE Act requirements for licensure. Current licensed Kansas Mortgage Loan Originators will receive an "Approved – Conditional" status while additional requirements are being satisfied. Full "Approval" will be issued once all additional requirements have been met.

MLOs or their companies were required to complete and submit a Form MU4 through NMLS **prior to July 1, 2010**. For any current Mortgage Loan Originator licensee that was unable to complete the transition requirement by the July 1, 2010 date, a special temporary license number has been created to allow transition through NMLS. When completing and submitting Form MU4, those loan originators must now enter their Kansas license number as **KS-I-01020**. Transition must be completed immediately.

SAFE Pre-Licensure Education Requirements

Kansas licensed mortgage loan originators who have previously completed 20 or more hours of OSBC approved continuing education and submitted proof of that education to the OSBC will be certified by the OSBC as having fulfilled NMLS pre-licensure education requirements.

The OSBC submitted an initial certification to NMLS on July 8, 2010 which identified mortgage loan originators that filed a Form MU4 through NMLS and had previously completed 20 or more hours of continuing education.

IMPORTANT - MLOs are responsible for reviewing the total Kansas approved education hours credited to them on the OSBC website at www.osbckansas.org to verify the accuracy of their information and advise the OSBC of any discrepancies prior to the final certification submission date of September 1, 2010.

In order to participate in the OSBC certification process, a Mortgage Loan Originator must file a Form MU4 through NMLS with the OSBC and provide proof of education to the OSBC prior to the final certification date of September 1, 2010. There will be no grace period.

NOTE: Once NMLS uploads the pre-licensure education certification from the OSBC, each mortgage loan originator should be notified by e-mail from NMLS and must access that system to complete their certification process. For some MLOs, certification of pre-license education may be reported by multiple states. You should verify whether a state is certifying as of 2009 or 2010 (Kansas) as 2009 certifications may require you to obtain an additional 8 hours of continuing education this year. Kansas will certify as of 2010 and no additional continuing education will be required until the 2011 license year.

SAFE Mortgage Loan Originator Test – National and State

All mortgage loan originators must enroll, schedule and pass the SAFE Mortgage Loan Originator Test, comprised of two components - **National and State**, prior to the renewal of their loan originator license. **The Kansas state component test is now available for enrollment and scheduling.**

MLOs are encouraged to take both the National and State components as soon as possible to ensure test center availability and allow sufficient time to retake either test prior to renewal if necessary. Content outlines and detailed information about enrolling and scheduling for both the National and State tests are currently available on the NMLS Resource Center. Information on test prep classes may be obtained from the Kansas Association of Mortgage Professionals (KAMP) at director@ksamp.org or 913-764-5600.

Renewal Information – The OSBC will mail renewal packets in September to all company licensees with detailed instructions regarding the renewal process and requirements.

- All company, branch and mortgage loan originator licenses must be renewed through NMLS between November 1st and December 1st.
- A company license fee will be identified in your September renewal packet and must be submitted directly to the OSBC prior to October 31st. Renewal application fee will be collected through the NMLS system.
- Company, branch and mortgage loan originator records must be up to date at time of renewal. Changes cannot be made with renewal requests. Amendments must be submitted prior to renewal.
- All mortgage loan originators must meet the SAFE Act requirements by submitting fingerprints through NMLS, passing both National and State test components, and have completed/certification of 20 hours of pre-licensure education prior to renewal.
- Act now to satisfy all license requirements and deficiencies. Outstanding items will delay approval or may prevent renewal.

Review of Important Dates

IMMEDIATELY – Licensees that have not completed transition of their current information onto NMLS by submitting **Forms MU1, MU2, MU3 and MU4** in NMLS and electronically submitting them to the OSBC must do so now. Failure to allow sufficient time for the OSBC to approve your transition request will delay or prevent renewal of your license.

September 1, 2010 (Final) – MLOs must file a Form MU4 through NMLS to the OSBC and provide proof of any additional Kansas approved continuing education to the OSBC in order to participate in the pre-licensure education certification process. There will be no grace period.

October 31, 2010 – Deadline for meeting all renewal requirements prior to the renewal period. License fee identified in your renewal packet must be sent directly to the OSBC by October 31st.

November 1 - December 1, 2010 – Renewal requests must be submitted through NMLS to the OSBC. Application fee will be collected through the NMLS system.