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A. HEATH ABSHURE
COMMISSIONER

ARKANSAS SECURITIES DEPARTMENT

TO: All Licensed Mortgage Brokers, Mortgage Bankers and Mortgage Servicers

FROM: A. Heath Abshure
Securities Commissioner

RE: Nationwide Mortgage Licensing System

DATE: September 23, 2008

The Arkansas Securities Department (Department) is pleased to announce that it will begin using the CSBS/AARMR Nationwide Mortgage Licensing System (NMLS) starting on November 1, 2008. NMLS, developed through the Conference of State Bank Supervisors (CSBS) and the American Association of Residential Mortgage Regulators (AARMR), will allow a licensee to conveniently manage its mortgage license(s) in an electronic format through a secure website.

The Nationwide Mortgage Licensing System is online at:
www.stateregulatoryregistry.org/NMLS

Arkansas Securities Department's Transition Plan

Each licensee holding a mortgage broker, mortgage banker, mortgage servicer license or a combination of mortgage broker, mortgage banker and/or mortgage servicer licenses must create a company record (Form MU1) in NMLS for itself and a record for each branch (Form MU3) holding a mortgage broker, mortgage banker, mortgage servicer license or a combination of mortgage broker, mortgage banker and/or mortgage servicer branch licenses to be electronically submitted to the Department between November 1 and December 31, 2008. In addition, each individual holding a loan officer license must create an individual record (Form MU4) to be electronically submitted to the Department between November 1 and December 31, 2008.

NMLS is available immediately for a licensee to begin completing its record. **Completing and submitting this record through NMLS is the 2009 renewal process.** A copy of the Department's transition plan can be found on the NMLS website at www.stateregulatoryregistry.org/NMLS.

How to Access NMLS

In order to gain access to NMLS for the first time a licensee must complete a *Company Account Request Form* and identify a *Primary Account Administrator* and a *Secondary Account Administrator*. This form can be submitted electronically through the NMLS website in the "Getting Started" section. This form should only be submitted once per licensee, regardless of the number of NMLS participating states in which the licensee is licensed. **IF A LICENSEE ALREADY HAS ACCESS TO NMLS, THEN IT DOES NOT NEED TO DO THIS STEP.** Once a licensee completes and submits this form, the *Primary Account Administrator* will receive NMLS login information within 3 business days. The *Primary Account Administrator*

for the licensee will have full rights to (1) access NMLS, (2) submit information to the Department and other participating state mortgage regulators, and (3) set-up other company users in NMLS. Instructions and tutorials on how to access and use NMLS are also available on the NMLS website.

Forms to Complete and Fees:

Once a licensee is able to access NMLS, it will need to submit the following MU Forms through NMLS to the Department between November 1 and December 31, 2008.

1. **Licensed companies** submit a **Form MU1**.
2. Companies submit for each **Control Person***, such as an executive officer, qualified individual and branch manager, a **Form MU2**, as part of the Form MU1 filing.
3. Companies submit for each **Licensed Branch** a **Form MU3**.
4. Companies submit a **Form MU4** for licensed **Loan Officers*** or request that the loan officers complete the **Form MU4** and have the company “sponsor” the license.

Before November 1, a licensee may begin completing these forms on NMLS but will not be able to submit the forms to the Department until that date.

If a licensee has submitted these forms in another state, then it **does not need to re-enter company, branch or loan officer records** into NMLS. A licensee will only need to identify the appropriate license type in Arkansas and complete a few state specific fields.

Costs

For companies and individuals transitioning an existing license onto NMLS, a system processing fee of \$100 per company license, \$20 per licensed branch location, and \$30 per loan officer license will be required and paid electronically through NMLS upon submission.

Because completing and submitting licensee information through NMLS is the annual renewal for 2009, a system renewal fee of \$100 per company license, \$20 per licensed branch location, and \$30 per loan officer license will also be required and paid electronically through NMLS upon submission.

The annual renewal fee of \$350 per company license, \$100 per licensed branch and \$50 per loan officer license will also be required and paid electronically through NMLS upon submission.

The transition fee is a one time charge. On an ongoing basis, NMLS will annually charge a processing fee of \$100 per company license, \$20 per licensed branch location, \$30 per loan officer license, and \$30 each time a loan officer changes employment.

There are no other NMLS processing fees. These processing fees pay for NMLS operations, including licensee system access 362 days per year, ability to maintain, renew and run reports on its licenses, and call center support.

* Before a Control Person’s Form MU2 and/or Loan Officer’s Form MU4 is submitted to the Arkansas Securities Department, the subject individual must first attest to the information contained in the form.

NMLS Training

The Department will be participating in a series of Training Workshop Audio Programs & Webinars conducted by the State Regulatory Registry LLC for Arkansas licensees. These webinars will provide licensees and applicants with tips on using NMLS to transition and manage one or more licenses. The fee for each workshop is \$50.

To register for a workshop, go to the NMLS website at www.stateregulatoryregistry.org/NMLS and under News and Alerts click on the [NMLS Calendar](#) under Training Workshops. The next workshop is October 8, 2008, from 2:00 to 3:00 p.m. (ET).

The NMLS website (www.stateregulatoryregistry.org/nmls) provides step-by-step instructions on how to access the system, guides on how to complete the MU Forms, each state's transition plans and requirements, tutorials, current and future participating states, system alerts, system processing fees and general background information.

If you have any questions feel free to contact Kay Durham or Karen Hicks at 501-324-9260 or by email at kdurham@securities.arkansas.gov or khicks@securities.arkansas.gov.