



STATE OF CONNECTICUT
DEPARTMENT OF BANKING
CONSUMER CREDIT DIVISION



260 CONSTITUTION PLAZA • HARTFORD, CT 06103-1800

MEMORANDUM

TO: All Licensed Connecticut Money Transmitters, Consumer Collection Agencies, Check Cashing Services, Debt Adjusters, Debt Negotiators, Sales Finance Companies, and Small Loan Companies

FROM: Carmine Costa, Director, Consumer Credit Division CC

RE: Expanded Use of NMLS

DATE: June 29, 2015

The Consumer Credit Division of the State of Connecticut Department of Banking (“Agency”) is pleased to announce that on June 17, 2015, the Banking Commissioner elected to require use of the Nationwide Mortgage Licensing System and Registry (“NMLS” or “System”) to manage the following license types:

- **Connecticut Money Transmitters** (Chapter 668, Nondepository Financial Institutions, Part V, Payment Instruments. Money Transmission, Sections 36a-595 to 36a-612, inclusive, of the Connecticut General Statutes);
- **Consumer Collection Agencies** (Chapter 669, Regulated Activities, Part XII, Consumer Collection Agencies, Sections 36a-800 to 36a-812, inclusive, of the Connecticut General Statutes);
- **Check Cashing Services** (Chapter 668, Nondepository Financial Institutions, Part IV, Check Cashing Services, Sections 36a-580 to 36a-589, inclusive, of the Connecticut General Statutes);
- **Debt Adjusters** (Chapter 669, Regulated Activities, Part II, Debt Adjusters and Debt Negotiation, Sections 36a-655 to 36a-665, inclusive, of the Connecticut General Statutes);
- **Debt Negotiation** (Chapter 669, Regulated Activities, Part II, Debt Adjusters and Debt Negotiation, Sections 36a-671 to 36a-671e, inclusive, of the Connecticut General Statutes);
- **Sales Finance Companies** (Chapter 668, Nondepository Financial Institutions, Part II, Finance Companies, Sections 36a-535 to 36a-546, inclusive, of the Connecticut General Statutes); and
- **Small Loan Companies** (Chapter 668, Nondepository Financial Institutions, Part III, Small Loan Lenders, Sections 36a-555 to 36a-573, inclusive, of the Connecticut General Statutes).

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website: <http://www.ct.gov/dob>

Please refer to the Agency's website (www.ct.gov/dob) to read the important information set forth in the Commissioner's Order Establishing Requirements and Interim Procedures for System-Based Licensure for Certain Financial Services Industries.

Particular attention should be paid to the Interim Procedures set forth in the Order, which are also reproduced as an attachment to this Memorandum for your convenience.

Through NMLS, you will be able to apply for, amend, and renew your license conveniently and safely online. The purpose of this letter is to provide you with important information to help you prepare to use NMLS.

NMLS is a secure web-based system created by state regulators to provide efficiencies in the processing of state licenses and to improve supervision of state-regulated industries. Through NMLS, companies maintain a single record which they use to apply for, maintain, renew and surrender license authorities in one or more states. NMLS also contains functionality for the submission of financial statements or other information that may be required to obtain and maintain one of the aforementioned license types.

More information about NMLS can be found on the [NMLS Resource Center](#).¹

Managing Your License on NMLS

Each company holding one of the aforementioned license types can manage its license on NMLS by creating a company account in the System. Within the company account, companies are able to prepare and submit licensing forms for both the company itself and for each branch holding a license. Once the company and branch forms have been completed, they may be submitted electronically through NMLS to the Agency starting on July 1, 2015.

NMLS is now available for you to create and begin completing your record.

How to Access NMLS

Note: If your company already has a record in NMLS, you do not need to do this step.

In order to gain access to NMLS for the first time, you must complete a Company Account Request Form and identify a Primary Account Administrator and a Secondary Account Administrator. This request can be submitted electronically through the NMLS login page, by clicking Request an Account. This request needs to be submitted only once per company, regardless of the number of NMLS participating states in which you are licensed.

Within three days of completing and submitting the Company Account Request Form, the Primary Account Administrator will receive NMLS login information. The Primary Account Administrator for your company will have full rights to access the System, submit information to this agency and other participating state regulators, and set up other company users in the System. Instructions and tutorials on how to access and use the System are also available on the [NMLS Resource Center](#).

Forms to Complete

Once you are able to access NMLS, you will need to submit the following through NMLS to the Agency.

- **Company Application**
 - Submitted by Licensed Companies.
 - For more information, see the [Submitting a Company \(MU1\) Form Quick Guide](#).²
 - **Submit your license transition request through this Company (MU1) form.** When submitting your license transition request, after selecting the license, make sure to enter the numerical portion of your existing Connecticut license number in the “Existing License Number (for Transitions only)” field. See the [Transition an Existing Company License Quick Guide](#).³

- **Biographical Statement and Consent Form**
 - Submitted by Licensed Companies for each Control Person (i.e., executive officer, qualified individual or branch manager).
 - For more information, see the [Submitting an Individual \(MU2\) Form Quick Guide](#).⁴

- **Branch Applications for all license types, other than Connecticut Money Transmitters**
 - Submitted by Licensed Companies for each Licensed Branch.
 - For more information, see the [Submitting a Branch \(MU3\) Form Quick Guide](#).⁵

You may begin completing these forms prior to July 1, 2015, but will not be able to submit them to the Agency until that date. See the [Company \(MU1\) Form Filing Instruction](#)⁶ if you are completing the Company (MU1) Form for the first time.

Note: If you have submitted these forms to another state, then you do not need to re-enter your company or branch records into NMLS. You will only need to identify the appropriate license type in Connecticut and complete a few state-specific fields.

All other information required by Agency Transition Checklists will be posted to the [NMLS Resource Center](#) by July 1, 2015.

Fees

There is no processing fee to submit a new application or transition an existing license onto NMLS. NMLS will annually charge a processing fee of \$100 per company license and \$20 per branch license renewed through the System.

Except as specified further below for Connecticut Money Transmitters utilizing Uniform Authorized Agent Reporting (“UAAR”), there are no other NMLS processing fees. These processing fees pay for the operation of NMLS, including licensee System access 362 days per year, the ability to maintain, renew and run reports on your licenses, and support from the NMLS Call Center.

Money Transmitter Uniform Authorized Agent Reporting

In connection with moving Connecticut Money Transmitter licenses to NMLS, the Agency will also utilize the [NMLS Uniform Authorized Agent Reporting \(UAAR\)](#)⁷ functionality to fulfill authorized

delegate reporting requirements. You will be required to complete your authorized delegate upload in the System in connection with your transition (no later than September 30, 2015).

This functionality will replace the Agency's current authorized delegate reporting process. After your initial upload, you will be required to submit quarterly reports through NMLS and also to report any changes to authorized delegate information on the UAAR in accordance with the reporting deadline (no later than 15 days after any such change as set forth by Section 36a-612 of the Connecticut General Statutes). There is an annual NMLS processing fee of twenty-five cents (\$.25) for each active authorized agent location with no fee for companies with fewer than 100 active agents, and the maximum fee is capped at \$25,000.

The Agency recognizes that adopting this process, though more efficient in the long run, does present some initial operational and technical challenges to you as a licensee. With those challenges in mind, the State Regulatory Registry (SRR), the entity responsible for operating NMLS, offers a free online video tutorial to help address policy or operational questions, and help walk you through the initial upload of authorized agent/delegate information to NMLS.

Helpful Links

- [UAAR Upload Video Tutorial](#)⁸
- [UAAR Frequently Asked Questions](#)⁹
- [UAAR Processing Fee Fact Sheet](#)¹⁰

More information about the NMLS UAAR functionality can be found on the [NMLS Resource Center](#).

NMLS Resource Center

The [NMLS Resource Center](#) provides step-by-step instructions on how to access the System, guides on how to complete the forms, each state's transition plans and requirements, tutorials, current and future participating agencies, System alerts, System processing fees, and general background information. Training opportunities are also available in the News & Events section and from the home page.

If you have any questions, please contact Jeffrey Hubbell at (860) 240-8205 or jeffrey.hubbell@ct.gov (for consumer collection agency licenses); or Anne Cappelli at (860) 240-8206 or anne.cappelli@ct.gov (for all other license types).

Attachment

¹<http://mortgage.nationwidelicencingsystem.org/Pages/default.aspx>.

²<http://mortgage.nationwidelicencingsystem.org/licensees/resources/LicenseeResources/MU1%20New%20App.pdf>

³<http://mortgage.nationwidelicencingsystem.org/licensees/resources/LicenseeResources/Transitioning%20an%20Existing%20Company%20License.pdf>

⁴[http://mortgage.nationwidelicencingsystem.org/licensees/resources/LicenseeResources/Individual%20\(MU2\)%20Form%20Filing.pdf](http://mortgage.nationwidelicencingsystem.org/licensees/resources/LicenseeResources/Individual%20(MU2)%20Form%20Filing.pdf)

⁵<http://mortgage.nationwidelicencingsystem.org/licensees/resources/LicenseeResources/MU3%20New%20App.pdf>

⁶[http://mortgage.nationwidelicencingsystem.org/licensees/resources/LicenseeResources/Company%20\(MU1\)%20Form%20Filing%20Instructions.pdf](http://mortgage.nationwidelicencingsystem.org/licensees/resources/LicenseeResources/Company%20(MU1)%20Form%20Filing%20Instructions.pdf)

⁷<http://mortgage.nationwidelicencingsystem.org/slr/common/Pages/UniformAuthorizedAgentDelegateReporting.aspx>

⁸<https://www.brainshark.com/csbs/vu?pi=zIIzprSqEz8dJgz0&dm=1>

⁹<http://mortgage.nationwidelicencingsystem.org/slr/Documents/UAAR%20FAQs.pdf>

¹⁰<http://mortgage.nationwidelicencingsystem.org/slr/Documents/UAAR%20Processing%20Fee%20Fact%20Sheet.pdf>

INTERIM PROCEDURES

1. New Applicants. On and after July 1, 2015, or the date the System is available to accept license applications, whichever is later, no new application for a license may be filed unless it is filed on the System.
2. Existing Licensees. If you presently hold one of the licenses identified above, it is due to expire by its terms on September 30, 2015. Please read the following carefully.
 - a. An existing licensee must **transition** onto the System. Transition is merely the process of transferring an existing license onto the System and validating the license information. If you submit your transition request by September 30, 2015, the term of your existing license shall be automatically extended from September 30, 2015 to December 31, 2015. There is no fee associated with the submission of a transition request. Transition instructions will be set forth on the System.
 - b. If you fail to submit a transition request on the System by September 30, 2015, your license will expire by its own terms on September 30, 2015. This means that as of October 1, 2015, you will no longer be authorized to conduct the business for which you were licensed in Connecticut, and such operations will need to cease until such time as you again hold a Connecticut license. (*See New Applicants above.*)
 - c. Licensees who submit transition requests by September 30, 2015, and who are operating under an automatically extended license, must thereafter affirmatively request renewal of their license for the 2016 licensing period (January 1, 2016 to December 31, 2016) during the renewal period (November 1, 2015 to December 31, 2015) and pay the associated fees. **If you fail to request renewal during this period, your license will expire on December 31, 2015.** This means that as of January 1, 2016, you will no longer be authorized to conduct the business for which you were licensed in Connecticut, and such operations will need to cease until such time as you again hold a Connecticut license. (*See New Applicants above.*)
3. Special Instructions for Existing Exempt Registrant Debt Negotiators. If you are presently licensed as a Debt Negotiator off-System and are on the System as an Exempt Registrant for purposes of sponsoring and bonding mortgage loan originators consistent with statutory requirements applicable to your debt negotiation business (*e.g.*, short sales), follow the instructions for Existing Licensees to transition onto the System as a debt negotiation licensee (note: you will retain your existing NMLS number). In connection with this transition, you must indicate that you engage in a subset of debt negotiation activity that requires sponsorship and bonding of mortgage loan originators (*e.g.*, short sales). Once you have transitioned onto the System, you will be able to manage all mortgage loan originator sponsorships and complete any on-System reporting requirements (*e.g.*, MCRs). Thereafter, you can request surrender of your exempt registration. You do not need to complete a new bond form as a result in having moved from the Exempt Registrant platform to the Debt Negotiator platform of the System.
4. Pending Applicants.
 - a. If you are issued a paper license on or after June 17, 2015, and prior to September 1, 2015 based on a paper application filed with the Department prior to July 1, 2015, or the date the System is available to accept applications for these license types, whichever is later, you must transition your license onto the System prior to September 30, 2015, or the license will expire by its terms on September 30, 2015. (*See Existing Licensees above and follow all instructions therein.*)

- b. If you filed a paper application before July 1, 2015, or the date the System is available to accept applications for these license types, whichever is later, and it remains pending for determination by the Department as of September 1, 2015, the Department shall refund the application fee that was paid for such application, and your application will no longer be considered unless you reapply as new on the System and pay the associated fees. (*See New Applicants above.*)