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GREG GONZALES
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To: Mortgage Company Licensees
From: Mike Igney, Assistant ^{MI} Commissioner/Compliance
Date: September 27, 2011
Subj: Upcoming Renewal Period for Mortgage Brokers, Lenders, Servicers,
and Mortgage Loan Originators

The renewal period for all mortgage licenses (Company, Branch, and Individual) begins on November 1, 2011 concluding on December 31, 2011. All license renewal applications must be filed through the Nationwide Mortgage Licensing System and Registry (“NMLS”).

So that all licensees may prepare for license renewal and in order that the process is accomplished in an efficient and timely manner, the Department is providing you with the following reminder regarding requirements. **As stated above and pursuant to the Tennessee Residential Lending, Brokerage and Servicing Act, Tenn. Code Ann. § 45-13-101, et seq., license renewal applications are required to be submitted by December 31, 2011.** December 31 falls on a Saturday; however, the NMLS is available and accessible twenty-four hours per day, every day. Additionally, licensees should ensure that any documents required to be submitted directly to the Department, outside of NMLS (i.e., surety bond, annual report) are also timely filed. **Failure to timely file a fully completed renewal application, including any documentation required to be submitted directly to the Department outside of NMLS, will cause the existing license to expire by operation of law. If an existing license expires, it will be necessary to make new application for a license and all associated fees will apply.**

Below are important statutory requirements for each license type. All requirements must be met by the statutory deadlines for the license renewal application to be considered complete.

Mortgage Broker, Lender, Servicer

- All quarterly filings of the Mortgage Call Report (“MCR”) must be current (the MCR filing is required of all licenses that originate mortgage loans).

- The Tennessee-specific Annual Report form must be completed and submitted by the renewal filing deadline for the application to be considered complete. The Annual Report may be accessed from the Department's website.
- The original surety bond or surety bond continuation certificate, in the dollar amount required under the graduated surety bond requirements, must be submitted directly to the Department by the renewal filing deadline for the application to be considered complete. The surety bond or continuation certificate must show an expiration date of December 31, 2012 or later. The dollar amount of the surety bond required of any mortgage lender or mortgage loan broker shall be maintained in an amount that reflects the dollar amount of loans originated (as reported on the Annual Report form). Please refer to Department Bulletin Number C-10-1 at :

<http://www.tennessee.gov/tdfi/compliance/bulletins/C-10-1.html>
- The company status with the Tennessee Secretary of State ("SOS") must be active (refer to the link below to confirm status with the SOS).

<http://tnbear.tn.gov/Ecommerce/FilingSearch.aspx>
- The company financial statements must be current and uploaded to NMLS:

Department Rule 0180-17-.12 FINANCIAL STATEMENTS

Financial statements submitted to the Department of Financial Institutions shall be compiled in accordance with generally accepted accounting principles and certified by an independent certified public accountant or certified public accounting firm. Financial statements shall show compliance with the net worth requirements set forth in T.C.A. § 45-13-203. Financial statements shall include, but are not limited to, an income statement, balance sheet, statement of cash flows, and relevant disclosures.

Branch License Renewal

- Renewal form MU3 must be filed through NMLS. No submission of information or documentation outside of NMLS is required to renew a branch license.

Mortgage Loan Originator

- The Continuing Education ("CE") requirement of eight (8) hours must be satisfied by December 31, 2011 in order to renew a license for calendar year 2012. Additional information about CE and a link to the approved course is available on the NMLS website at:

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

- Mortgage Loan Originators are responsible for maintaining current their individual record in NMLS (i.e., residential mailing address) and to attest to the accuracy of their record in NMLS.

NOTE: Although not a license renewal requirement; because this has been found to be one of the most commonly violated provisions of the Act, licensees are reminded that Tenn. Code Ann. § 45-13-303 (d) of the Tennessee Residential Lending, Brokerage and Servicing Act requires that each application for a mortgage loan contain the following information:

- The license number of the sponsoring mortgage lender or broker and the name, signature, license number, and (NMLS) unique identifier of the mortgage loan originator.

QUESTIONS

Please visit the TDFI website, <http://www.tennessee.gov/tdfi>, for additional information (including the amended Mortgage Act and the SAFE Act). Please contact the Department if you have questions or need further clarification about any of the information provided herein. You may email askmortgage.licensing@tn.gov with Tennessee-specific licensing questions or telephone the Compliance Division at 615-741-3186. Please direct any NMLS-specific questions, such as system operation or functionality, to the NMLS call center at (240) 386-4444, or visit the NMLS website at www.stateregulatoryregistry.org/nmls.