

From: licensing@sml.state.tx.us
To: Mortgage Brokers
Subject: Important Notice from TDSML (04/02/2008)

HAVE YOU APPLIED FOR YOUR ENTITY MORTGAGE BROKER LICENSE?

If the answer is “no”, please read on.

The requirement for each unique entity (i.e., firm or company name) to have a separate mortgage broker license was enacted by the 80th Texas Legislative Session as an amendment to the Mortgage Broker License Act. The requirement was effective January 1, 2008.

The amendment reads as follows:

156.204. Qualifications.

(b) A corporation, limited liability company, or limited partnership may not act as a mortgage broker unless the entity obtains a mortgage broker license. To be eligible for a mortgage broker license the entity must designate an individual licensed as a mortgage broker as its designated representative and pay an application fee in an amount to be determined by the commissioner not to exceed \$175. The designated representative must be:

- (1) if the entity is a corporation, an officer of the corporation;
- (2) if the entity is a limited liability company, a manager of the limited liability company; or
- (3) if the entity is a limited partnership:
 - (A) an individual who is a general partner;
 - (B) an officer of a general partner that is a corporation; or
 - (C) a manager of a general partner that is a limited liability company.

If you have not yet filed for your entity license, or contacted the department with evidence that you are a sole proprietor or in a general partnership and are exempt from this requirement, you need to do so immediately. The entity mortgage broker license application form is available through our website homepage (www.sml.state.tx.us).

Any entity that is not licensed shall be subject to a disciplinary action including an administrative penalty.

If you have any questions, you may contact the Division of Licensing via e-mail at licensing@sml.state.tx.us or telephone at 512-475-1350.

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