

Transition Plan: Texas Department of Savings and Mortgage Lending (Texas SML)

Texas SML has a staggered system for completing transition depending on the license type being requested. Click on the license types below for specific transition guidance.

License Type

[Mortgage Banker Company / Current RMLO / New RMLO](#)
[Financial Services Company / Exclusive Agents](#)
[Credit Union Subsidiary Organization RMLO](#)
[Auxiliary Mortgage Loan Activity RMLO](#)
[Independent/Contracted Loan Processor and Underwriter](#)
[Mortgage Company / Current RMLO / New RMLO](#)

Application Deadlines

April 2 – May 31, 2010
July 1 – August 31, 2010

Current Mortgage Banker Company Registrants:

Companies holding a Mortgage Banker Registration in Texas with the Department of Savings and Mortgage Lending (SML) have between **April 2 through May 31, 2010**, to submit and complete through NMLS a Form MU1 for their company and a Form MU2 for each of their control persons.

Additionally, for each branch holding a Branch Registration, a company must complete and submit through NMLS a Form MU3 by **May 31, 2010**.

It is important that current registrants have all of their Texas SML registration numbers available when completing and submitting their Form MU1 and Form MU3(s).

Any registrant that needs to amend or surrender a license or other action previously completed through the online system or in paper form, from **April 2, 2010**, onward must complete these actions within NMLS. Online system or paper form requests will not be accepted after **March 31, 2010**.

We encourage you to update your information with our office by **March 15, 2010**, so at the time of transition there will be no pending changes to submit.

A Mortgage Banker Company whose current registration expires prior to **December 31, 2010**, may be required to pay the annual \$500 administrative fee to be collected outside of the NMLS before full Approval of the filing can be completed by Texas SML. The Registrant will be notified by Texas SML during the review of the company's transition filing if additional action is necessary.

Note: If you have submitted these forms in another state, then you *do not need to re-enter your company record* into NMLS. You will only need to identify the appropriate registration in Texas SML and complete a few state specific fields.

Current Financial Services Company Registrants:

Companies holding a Financial Services Company Registration in Texas with the Department of Savings and Mortgage Lending (SML) have between **April 2 through May 31, 2010**, to submit and complete through NMLS a Form MU1 for their company and a Form MU2 for each of their control persons.

It is important that current registrants have their Texas SML registration number available when completing and submitting their Form MU1.

Any registrant that needs to amend or surrender a license, establish or terminate a sponsorship of a financial services company exclusive agent, or other action previously completed in paper form, from **April 2, 2010**, onward must complete these actions within NMLS. Paper forms will not be accepted after **March 31, 2010**.

We encourage you to update your information with our office by **March 15, 2010**, so at the time of transition there will be no pending changes to submit.

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

Current Financial Services Company Exclusive Agent Registrants:

Financial Services Company Exclusive Agents registered in Texas with the Department of Savings and Mortgage Lending (SML) have between **April 2 through May 31, 2010**, to submit and complete a Form MU4 through the NMLS. Companies employing exclusive agents are required to Sponsor their license in NMLS. Be advised that the Company MU1, the Branch Location MU3 (when the loan originator works from a branch) and the Loan originator MU4 must all be submitted prior to the company sponsoring the loan originator's license.

It is important that current registrants have their Texas SML registration number available when completing and submitting their Form MU4.

Note: If you have submitted a Form MU4 in another state, then you *do not need to re-enter your record* into NMLS. You will only need to identify the appropriate license in Texas SML and complete a few state specific fields.

Financial Services Company Exclusive Agents can complete and submit Form MU4 themselves or their company can complete Form MU4 and have the exclusive agent log into the NMLS and electronically attest to its accuracy.

Exclusive agents must meet the requirements listed below prior to submitting their Form MU4.

- A Passing Score on the State component of the SAFE Test *or* be able to have certified by Texas SML that the Texas Mortgage Broker/Loan Officer Pre-licensing Examination was taken and passed (*Note: Until the Texas State component is available to test takers, the current Texas SML MB/LO Pre-Licensing Examination will be used to meet this requirement*)
- A Passing Score on the National component of the SAFE Test
- 20 hours of NMLS approved education *or* be able to have certified by Texas SML 20 hours of previously approved education

Before a final licensing decision can be made, all Form MU4 applicants must meet the additional requirements listed below.

- *Satisfactory criminal background check including finger prints*
- *Satisfactory review of a credit report*
- *License Sponsorship in NMLS by your company (Note: An approved license holder without active sponsorship will be placed in inactive status until a sponsor is identified.)*
- *Not be in violation of Finance Code, Chapter 156, the Mortgage Broker License Act, a rule adopted under this chapter, or any order previously issued to the applicant by the Texas SML Commissioner*

Current Mortgage Broker Entity Licensees:

Companies holding a Mortgage Broker Entity license in Texas with the Department of Savings and Mortgage Lending (SML) have between **July 1 through August 31, 2010**, to submit and complete through NMLS a Form MU1 for their company and a Form MU2 for each of their control persons.

Additionally, for each branch holding a Branch License, an entity must complete and submit through NMLS a Form MU3 by **August 31, 2010**.

It is important that current licensees have all of their Texas SML license numbers available when completing and submitting their Form MU1 and Form MU3(s).

Any licensee that needs to amend or surrender a license, establish or terminate a sponsorship of a mortgage loan officer license, or other action previously completed in paper form, from **July 1, 2010**, onward must complete these actions within NMLS. Paper forms will not be accepted after **June 15, 2010**.

We encourage you to update your information with our office by **June 15, 2010**, so at the time of transition there will be no pending changes to submit.

A Mortgage Broker Entity whose current license expires prior to **December 31, 2010**, may be required to renew the license before full Approval of the filing can be completed by Texas SML. The Licensee will be notified by Texas SML during the review of the company's transition filing if additional action is necessary.

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

Current Residential Mortgage Loan Originator Licensees:

Residential Mortgage Loan Originators (also known as Mortgage Brokers and Loan Officers) should consult with their employer before logging into the NMLS and completing a Form MU4.

Residential Mortgage Loan Originators licensed in Texas with the Department of Savings and Mortgage Lending (SML) have between **April 2 through May 31, 2010** (for those originating under the sponsorship of a Mortgage Banker Company) or **July 1 through August 31, 2010**

(for those originating under the sponsorship of a Mortgage Company), to submit and complete a Form MU4 through the NMLS. Companies employing residential mortgage loan originators are required to Sponsor their license in NMLS. Be advised that the Company MU1, the Branch Location MU3 (when the Loan originator works from a branch) and the Loan originator MU4 must all be submitted prior to the company sponsoring the loan originators license.

It is important that current licensees have their Texas SML license number available when completing and submitting their Form MU4.

Note: If you have submitted a Form MU4 in another state, then you *do not need to re-enter your record* into NMLS. You will only need to identify the appropriate license in Texas SML and complete a few state specific fields.

Loan originators can complete and submit Form MU4 themselves or their company can complete Form MU4 and have the residential mortgage loan originator log in to the NMLS and electronically attest to its accuracy.

Residential Mortgage Loan Originators licensed by Texas SML on or prior to **July 31, 2009**, must meet the requirements listed below prior to submitting their Form MU4.

- A Passing Score on the State component of the SAFE Test *or be able to have certified by Texas SML that the Texas Mortgage Broker/Loan Officer Pre-licensing Examination was taken and passed (Note: Until the Texas State component is available to test takers, the current Texas SML MB/LO Pre-Licensing Examination will be used to meet this requirement)*
- 20 hours of NMLS approved education *or be able to have certified by Texas SML 20 hours of previously approved education*

Residential Mortgage Loan Originators licensed by Texas SML on or prior to **July 31, 2009**, must meet the additional requirement listed below prior to renewing their license for 2011.

- A Passing Score on the National component of the SAFE Test

Residential Mortgage Loan Originators licensed by Texas SML on or after **August 1, 2009**, must meet the requirements listed below prior to submitting their Form MU4.

- A Passing Score on the State component of the SAFE Test *or be able to have certified by Texas SML that the Texas Mortgage Broker/Loan Officer Pre-licensing Examination was taken and passed (Note: Until the Texas State component is available to test takers, the current Texas SML MB/LO Pre-Licensing Examination will be used to meet this requirement)*
- A Passing Score on the National component of the SAFE Test
- 20 hours of NMLS approved education *or be able to have certified by Texas SML 20 hours of previously approved education*

Before a final licensing decision can be made, all Form MU4 applicants must meet the additional requirements listed below.

- *Satisfactory criminal background check including finger prints*
- *Satisfactory review of a credit report*

- *License Sponsorship in NMLS by your company (Note: An approved license holder without active sponsorship will be placed in inactive status until a sponsor is identified.)*
- *Not be in violation of Finance Code, Chapter 156, the Mortgage Broker License Act; a rule adopted under this chapter; or any order previously issued to the applicant by the Texas SML Commissioner*

A Residential Mortgage Loan Originator whose current license expires prior to **December 31, 2010**, may be required to renew the license before full Approval of the filing can be completed by Texas SML. The Licensee will be notified by Texas SML during the review of the company's transition filing if additional action is necessary.

New Residential Mortgage Loan Originator Licensees and Registrants:

Currently unlicensed or unregistered RMLOs applying with Texas SML through the NMLS must submit and complete a Form MU4 through the NMLS between the dates indicated above. Companies employing loan originators are required to Sponsor their license in NMLS. Be advised that the Company MU1, the Branch Location MU3 (when the Loan originator works from a branch) and the Loan originator MU4 must all be submitted prior to the company sponsoring the loan originators license.

Note: If you have submitted a Form MU4 in another state, then you *do not need to re-enter your record* into NMLS. You will only need to identify the appropriate license in Texas SML and complete a few state specific fields.

Loan originators can complete and submit Form MU4 themselves or their company can complete Form MU4 and have the loan originator log in to the NMLS and electronically attest to its accuracy.

RMLOs must meet the additional requirements listed below prior to submitting their Form MU4.

- A Passing Score on the State component of the SAFE Test *or be able to have certified by Texas SML that the Texas Mortgage Broker/Loan Officer Pre-licensing Examination was taken and passed (Note: Until the Texas State component is available to test takers, the current Texas SML MB/LO Pre-Licensing Examination will be used to meet this requirement)*
- A Passing Score on the National component of the SAFE Test
- 20 hours of NMLS approved education

Before a final licensing decision can be made, all Form MU4 applicants must meet the additional requirements listed below.

- *Satisfactory criminal background check including finger prints*
- *Satisfactory review of a credit report*
- *License Sponsorship in NMLS by your company (Note: An approved license holder without active sponsorship will be placed in inactive status until a sponsor is identified.)*
- *Not be in violation of Finance Code, Chapter 156, the Mortgage Broker License Act; a rule adopted under this chapter; or any order previously issued to the applicant by the Texas SML Commissioner*