

From: nmls@sml.state.tx.us
To: Mortgage Banker Registrants
CC: Mortgage Brokers
Loan Officers
SML-Approved Education Providers
General Listserv
Subject: Important Notice from TX SML (05/24/2010)

Re: Transition to the Nationwide Mortgage Licensing System (NMLS)

*** FILING DEADLINE APPROACHING ***

The deadline for transitioning a current Texas Department of Savings & Mortgage Lending (TX SML) mortgage banker registration to the NMLS is **May 31, 2010**. If a company does not transition by that date it will be considered out of compliance with Finance Code Chapter 157, the Mortgage Banker Registration and Residential Mortgage Loan Originator License Act, and Chapter 180, the Texas SAFE Licensing Act, and must discontinue loan origination and related activities until the filing is made.

Any current residential mortgage loan originator working for a mortgage banker registrant must either transition their current TX SML mortgage broker or loan officer license to the NMLS by filing a form MU4 for a Mortgage Banker Residential Mortgage Loan Originator, or must file a form MU4 for a Mortgage Banker Residential Mortgage Loan Originator as a new license request, by **May 31, 2010**.

The Texas Department of Savings & Mortgage Lending will consider a mortgage banker registrant and its residential mortgage loan originators to be in compliance with the above chapters if the appropriate filings are made by the filing deadline, regardless of whether or not all of the requirements have been met at the time of filing. TX SML will allow a reasonable amount of time after the filing of an incomplete MU1 and MU4 to meet all of the requirements for approval as long as there is evidence of a good faith effort demonstrated by the applicant in meeting the requirements.

It is anticipated that the transition to the NMLS should not negatively impact a company's or an individual's ability to perform loan origination and related activities, and no company needs to terminate an individual or otherwise not allow the continued loan origination of any individual who has properly filed an application, even if all of the requirements have not yet been met, or if the application has not yet received final approval by TX SML.

Any new residential mortgage loan originator that is hired by the mortgage banker registrant on or after June 1, 2010, cannot be allowed to begin loan origination or related activities until the requirements for a license have been met, the MU1 filed with and reviewed by TX SML, and been placed in an Approved status.

The TX SML transition plan and license types are available on the NMLS Resource Center at:
<http://mortgage.nationwidelicensingsystem.org/slr/Pages/DynamicLicenses.aspx?StateID=TXSML>.

If you have any questions, please contact TX SML at nmls@sml.state.tx.us.

Sincerely,

Douglas B. Foster
Commissioner