



TX-SML Credit Union Subsidiary Organization Branch License New Application Checklist (Branch)

CHECKLIST SECTIONS

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GENERAL INFORMATION

Who is required to have this license?

A credit union subsidiary organization (CUSO) is treated as a type of residential mortgage loan company for purposes of Chapter 156 of the Texas Finance Code. See Texas Finance Code § 156.002(13) and 7 Texas Administrative Code § 80.1.

A credit union subsidiary organization must obtain a license for any office or location it advertises or promotes to the general public as an office or location at which the credit union subsidiary organization's sponsored residential mortgage loan originators meet in-person with mortgage applicants or prospective mortgage applicants. See 7 Texas Administrative Code § 80.206(b).

A "branch office" means any office a credit union subsidiary organization maintains that is separate and distinct from its main office (identified on the MU1), whether located in Texas or not, at which it conducts residential mortgage loan origination business with mortgage applicants or prospective mortgage applicants in Texas or concerning residential real estate in Texas. See 7 Texas Administrative Code § 80.206(a)(2).

This branch license should only be applied for by a credit union subsidiary company that holds or is applying for a Credit Union Subsidiary Organization License.

Who does not need this branch license?

A branch license is not required for (see 7 Texas Administrative Code § 80.206):

- (1) an "administrative office," defined by 7 Texas Administrative Code § 80.206(a)(1) to include:
 - a. an office or location at which the employees of the CUSO act solely in the capacity of a loan processor or underwriter;
 - b. an office or location at which the employees of the CUSO perform solely administrative or clerical tasks on behalf of an individual licensed as a residential mortgage loan originator; or
 - c. an office or location which conducts any combination of the above activities; or
- (2) a "remote location," defined by 7 Texas Administrative Code § 80.206(a)(5) to mean a location from which the employees or sponsored residential mortgage loan originators of the CUSO conduct residential mortgage loan business remotely, as authorized by 7 Texas Administrative Code § 80.206(c).

Activities Authorized Under This License

This license authorizes the following activities...

- First Mortgage Lending
 - Second Mortgage Lending
- See the [Business Activities Definitions](#) for a full list.

Pre-Requisites for License Applications

A credit union subsidiary organization must for each branch location:

- (1) submit a completed application together with the payment of applicable fees through NMLS; and
- (2) designate an individual that holds an active TX-SML residential mortgage loan originator license and is sponsored by the CUSO that will be linked to the branch office location as a “Qualified Individual.”

Texas SML does not issue paper licenses.

Document Uploads

Documents that must be uploaded to the *Document Uploads* section of the Branch Form (MU3) in NMLS are indicated in the checklist below. When uploading documents:

- Follow the guidance in [Document Upload Descriptions and Examples](#).
- Only upload documents relevant to the company application.
- Only upload documents where there is a selectable document category. If inappropriate documents are uploaded that should not be, you will be contacted by your regulator and asked to remove them from NMLS.
- Do not upload the same company documents multiple times. Generally, unless the document is state-specific, if the document has already been uploaded for another state, a new upload is not required unless changes have been made.
- If a document previously uploaded has been revised, delete the old document and replace it with the new document (history of the old document will remain in NMLS).
- For state-specific documents (e.g., Surety Bonds), be sure to indicate the applicable state.

Helpful Resources

- [Branch Form \(MU3\) Filing Quick Guide](#)
- [Document Upload Descriptions and Examples](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

Agency Contact Information

Contact TX-SML Licensing Section by phone at 512-475-1350 or toll free at 877-276-5550 or send your questions via e-mail to nmls@sml.texas.gov us for additional assistance.

For U.S. Postal Service and Overnight Delivery:

*Department of Savings and Mortgage Lending
Licensing Section
2601 North Lamar Boulevard, Suite 201
Austin, Texas 78705-4207*

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING. THE AGENCY SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.

LICENSE FEES - Fees collected through NMLS are not REFUNDABLE or TRANSFERABLE.

Complete	TX-SML Credit Union Subsidiary Organization Branch License	Submitted via...
<input type="checkbox"/>	<p>Texas Initial CUSO Branch License Fee: \$0</p> <p>NMLS Initial Processing Fee: \$20</p>	NMLS

REQUIREMENTS COMPLETED IN NMLS

Complete	TX-SML Credit Union Subsidiary Organization Branch License	Submitted via...
<input type="checkbox"/>	Submission of Branch Form (MU3): Complete and submit the Branch Form (MU3) in NMLS. This form serves as the application for the license through NMLS.	NMLS
<input type="checkbox"/>	<p>Other Trade Names If this branch is operating under a name that is different from the applicant's legal name, that name ("Trade Name", "Assumed Name" or "DBA") must be listed under the <i>Other Trade Names</i> section of both the Branch Form (MU3) and the Company Form (MU1). TX SML does not limit the number of other trade names.</p> <p>If operating under an "Other Trade Name", upload the Assumed Name Certificate regarding the ability to do business under that trade name.</p> <p>Information about registering a trade name in Texas can be obtained from the Texas Secretary of State.</p>	<p>NMLS</p> <p>Upload in NMLS: under the Document Type <u>Trade Name/Assumed Name Registration Certificates</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	Branch Manager: A Branch Manager must be designated for each licensed branch location. A Branch Manager is defined as an individual whose principal office is physically located in, who is in charge of, and who is responsible for the business operations of a branch office.	NMLS
<input type="checkbox"/>	Branch Manager (MU2) Attestation: Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable branch manager before it is able to be submitted along with the Branch Form (MU3).	NMLS

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS

Complete	TX-SML Credit Union Subsidiary Organization Branch License	Submitted via...
<input type="checkbox"/>	<p>Branch Written Agreement: Submit a copy of the agreement between the licensed company and Texas Branch Manager, in compliance with applicable state and federal law if the company indicates “YES” under [Will this branch office and/or individuals at this branch office operate pursuant to a written agreement or contract with the main office?] The document must include the following information:</p> <p>The agreement should be signed by the Texas Branch Manager linked to the branch location and needs to detail some or all of the following: compensation terms, termination, employee duties, branch operations, confidential information and/or any miscellaneous verbiage between the company and the branch officer/individual. There should be two signatures and dates; one from the company representative and the other from the branch manager.</p> <p>This document should be named <i>Branch Manager Agreement</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Branch Written Agreement</u> in the <i>Document Uploads</i> section of the Branch Form (MU3).</p>
<input type="checkbox"/>	<p>Designation of Branch Qualified Employee: A Qualified Employee must be designated for each branch location. This employee may be a separate individual from the Branch Manager identified in NMLS. The MU3 form filing must recognize a sponsored TX-SML residential mortgage loan originator under this location. There must be at least one sponsored active TX-SML residential mortgage loan originator designated under the branch location.</p> <p>A Qualified Employee may serve as the Branch Qualified Employee for multiple branches.</p>	

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS

No items are required to be submitted outside of NMLS for this license at this time.