New Application Checklist
Jurisdiction-Specific Requirements

TEXAS SML FINANCIAL SERVICES COMPANY REGISTRATION

Instructions

1. Each individual originating a mortgage needs to be separately authorized and will require a filing of Form MU4 through NMLS. After the MU4 is submitted, the company must submit a sponsorship request to the regulator before the individual MU4 license will be approved. A quick guide entitled “Create a Company Sponsorship” at the following link will help walk you through this process: NMLS Quick Guides.

2. The Financial Services Company must provide the Commissioner with satisfactory evidence of an undertaking of accountability in a form acceptable to the Commissioner, supported by a surety bond equal to $1 million to cover the responsibility of the Company’s exclusive agents.

3. The Texas SML requires a designated officer to be responsible for the activities of the exclusive agents. The Qualifying Individual field on Form MU1 should be used for this purpose.

4. The Contact Employee Information field is extremely important to you and the Texas SML. The employee must be authorized to receive ALL compliance and licensing information, communications, and mailings regarding the entity, officers, directors and residential mortgage loan originators identified to the state, and be responsible for disseminating it within the applicant’s or licensee’s organization. This position is not required to be the Resident/Registered Agent.

5. The Resident/Registered Agent section of the MU1 form should be completed with the information currently on record with the Texas Secretary of State.

6. Company email addresses will be displayed to the public on the NMLS Consumer Access page when provided on the MU1 form; company email addresses are not mandatory but will facilitate communication between the regulator and company when provided.

7. DBA’s should be listed under Other Business Names on Form MU1. Texas SML does not limit the number of DBAs.

8. Total registration costs will vary depending on the number of exclusive agents that enroll for a license, with the payment sent directly to the Texas Department of Savings and Mortgage Lending. The initial registration amount will be a based on the projected number of exclusive agents and will be reviewed by the Texas SML no less than quarterly during the year to determine if the initial projections have been exceeded and additional fees are required. Those fees are: 2,000 or fewer exclusive agents acting in this state, an amount equal to the lesser of $150 multiplied by the number of exclusive agents or $200,000; 2,001 – 2,500, $225,000; 2,501 – 3,000, $250,000; 3,001 – 5,000, $300,000; or 5,001+, $350,000. The Financial Service Company will provide an estimated number of Exclusive Agents anticipated to be licensed through the NMLS during an initial meeting with the Commissioner prior to submitting an application. The estimated number of Exclusive Agents will be the baseline for the initial licensing fee.

9. There will be an NMLS processing fee of $100 collected during the NMLS application process. All fee collect through NMLS ARE NOT REFUNDABLE or TRANSFERABLE.

10. Fees for registering the FSC will be collected by the Department of Savings and Mortgage Lending Department and fees for the NMLS processing will be collected by the NMLS through the application process.
11. The regulator will review the filling and all required documents and communicate with you through NMLS. To review your status in NMLS, click the Tasks tab and click Work List.

12. Jurisdiction-specific requirements as identified on the checklist below must be received with this checklist within 5 business days of the electronic submission of your application through the NMLS at the following:

For U.S. Postal Service or Overnight Delivery:
Texas Department of Savings and Mortgage Lending
Division of Licensing
2601 N. Lamar
Suite #201
Austin, TX  78705

For FAX Delivery:
Division of Licensing
512-475-1360

NMLS Unique ID Number: __________________
Applicant Legal Name: ______________________________________

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<th>NOT APPLICABLE</th>
<th>ITEM</th>
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<td>SURETY BOND. Provide an original surety bond in the amount of $1,000,000 furnished by a surety company authorized to conduct business in Texas. The name of the principal insured on the bond must match exactly the Full Legal Name of applicant. Contact the department for a copy of the surety bond form.</td>
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<td>SECRETARY OF STATE DOCUMENTATION. A certified copy of:</td>
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<td>- The Corporate Charter or Articles of Incorporation (if a corporation), or</td>
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<td>- The Articles of Organization and Operating Agreement (if a Limited Liability Company), or</td>
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<td>- The Partnership Agreement (if a partnership of any form);</td>
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<td>A Certificate of Authority or a Certificate of Good Standing dated not more than 60 days prior to the filing of an application through NMLS; and</td>
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<td>If the applicant was organized or formed outside of Texas, submit certified proof of authorization to do business in this state from the Texas Secretary of State.</td>
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<td>PROJECTED NUMBER OF EXCLUSIVE AGENTS. Enter the projected number of exclusive agents: _______________. Send the appropriate fee directly to the Texas Department of Savings and Mortgage Lending.</td>
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<td>DISCLOSURE QUESTIONS. Provide complete details of all events or proceeding for any “Yes” answer to any of the Disclosure questions for the company or any Control Person and provide a copy of any applicable orders or documents.</td>
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WHO TO CONTACT – Contact Division of Licensing staff by phone at 512-475-1350 or toll free at 877-276-5550 or send your questions via e-mail to licensing@sml.state.tx.us for additional assistance.

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