

**UNIFORM MORTGAGE LENDER/MORTGAGE BROKER FORM
FORM MU1 INSTRUCTIONS**

A. GENERAL INSTRUCTIONS

1. **FILING** – Form MU1 is the Uniform Mortgage Lender/Mortgage Broker business Application. Any *applicant* for a Mortgage Lender or a Mortgage Broker business license may apply to *jurisdictions* that have adopted the Uniform Application using Form MU1. An *applicant* must also refer to *jurisdiction*-specific requirements published by each *jurisdiction* in which it is applying.
2. **TERMS USED** – See the following Explanation of Terms section regarding italicized words/phrases.
3. **EXECUTION** – The execution section must be completed by an authorized representative of the *applicant*.
4. **DATES** – The filing date is the date *applicant* submits this form to the *jurisdiction(s)*. The desired effective date is the date *applicant* would like this license/registration or amendment to become effective. Review published *jurisdiction*-specific requirements for effective date expectations.
5. **AMENDMENTS** – The *applicant* must update information as required in each applicable *jurisdiction* by submitting amendments using Form MU1. Circle (or otherwise identify) and complete the item(s) being amended as well as the name of the *applicant* and license number where applicable. Review published *jurisdiction*-specific requirements concerning the return of the prior original license/registration document when submitting the amended Form MU1.
6. **CONTACT EMPLOYEE** – The individual listed as the contact employee must be authorized to receive all compliance and licensing information, communications, and mailings, and be responsible for disseminating it within the applicant's organization.
7. **SURRENDER / CANCEL** – When an *applicant* decides to cease operations under the license/registration, use the Form MU1 to notify *jurisdiction(s)* by checking the "Surrender/Cancel" box and completing only items 1A, 2, and 3 (indicate specific *jurisdiction(s)* in which *applicant* is ceasing operations). Send the original license/registration document (if any was issued) to the *jurisdiction(s)*. Review published *jurisdiction*-specific requirements concerning additional specific requirements at surrender/cancellation.

B. FILING INSTRUCTIONS

1. **FORMAT**
 - A. Submit a fully completed Form MU1 to each *jurisdiction* when the *applicant* is filing for the first time. The *applicant* should review published *jurisdiction*-specific requirements for additional instructions.
 - B. For the initial Form MU1 filing, the Execution section must include notarized original manual signature.
 - C. Type all information.
 - D. Use only the current version of Form MU1 and its Schedules or a reproduction of them.
2. **ATTACHMENTS** – Provide the following:
 - A. Review published *jurisdiction*-specific instructions concerning attachments in PDF or alternative formats.
 - B. File Schedules A and B only with initial applications. Use Schedule C to update Schedules A and B as needed.
 - C. Provide the name, full delivery address, and telephone number of the registered agent for service of legal process. Consult the *jurisdiction's(s')* regulations to determine if the registered agent is required to be located within the *jurisdiction(s)* in which you are applying.
 - D. File a Form MU2 for each individual designated on Schedules A or C as a *control person*.
 - E. Fees per published *jurisdiction*-specific instructions.

B. FILING INSTRUCTIONS – continued

- F. Some *jurisdiction(s)* require separate filings for use of fictitious, trade or “doing business as” name(s). Review published *jurisdiction*–specific instructions to determine such requirements, and attach a copy of such filing if required by that *jurisdiction*.
- G. If the *applicant* is a corporation, enclose a copy of the Articles of Incorporation, including amendments, as well as a Certificate of Good Standing issued by the domestic state. Review published *jurisdiction*–specific instructions to determine requirements for a Certificate of Good Standing from the *jurisdiction* in which application is being made.
- H. If the *applicant* is a limited liability company (LLC), enclose a copy of the Articles of Organization and operating agreement as well as a Certificate of Good Standing issued by the domestic state. Review published *jurisdiction*–specific instructions to determine requirements for a Certificate of Good Standing from the *jurisdiction* in which application is being made.
- I. If the *applicant* is a partnership of any form, enclose a copy of the partnership agreement. If the *applicant* is a limited partnership, enclose a Certificate of Good Standing issued by the domestic state. Review published *jurisdiction*–specific instructions to determine requirements for a Certificate of Good Standing from the *jurisdiction* in which application is being made.
- J. If the *applicant* is a sole proprietorship, review published *jurisdiction*–specific instructions for additional requirements.
- K. Depending on the *jurisdiction*, individual(s) originating or soliciting to originate mortgage loans at the business may need to file a Form MU4. Review published *jurisdiction*–specific instructions to verify the requirements for individuals.
- L. Depending on the *jurisdiction*, branch offices may need to complete a Form MU3. Review published *jurisdiction*–specific instructions to verify the requirements for branch offices.

- 3. **FINANCIAL RESPONSIBILITY** – Review published *jurisdiction*–specific requirements in which the *applicant* is applying to determine requirements for financial responsibility. These may include the submission of financial statements, surety bond(s), minimum net worth, or other documentation.
- 4. **JURISDICTION-SPECIFIC REQUIREMENTS** – Review published *jurisdiction*–specific instructions from each *jurisdiction* in which the *applicant* is applying for a list of requirements unique to the *jurisdiction(s)*, including applicable fees, records retention, etc.

C. EXPLANATION OF TERMS – The following terms are italicized throughout Form MU1

1. **GENERAL**

APPLICANT – The mortgage lender or mortgage broker applying or amending information on this form. The only instance in which the *applicant* is an individual is in the case of a sole proprietorship.

CONTROL – The power, directly or indirectly, to direct the management or policies of a company, whether through ownership of securities, by contract, or otherwise. Any *person* that (i) is a general partner or executive officer, including Chief Executive, Chief Financial Officer, Chief Operations Officer, Chief legal Officer, Chief Credit Officer, Chief Compliance Officer, Director, and individuals occupying similar positions or performing similar functions; (ii) directly or indirectly has the right to vote 10% or more of a class of a voting security or has the power to sell or direct the sale of 10% or more of a class of voting securities; or (iii) in the case of a partnership, has the right to receive upon dissolution, or has contributed, 10% or more of the capital, is presumed to control that company.

CONTROL PERSON – An individual (natural person) named in Item 1A or in Schedules A, B, or C that directly or indirectly exercises *control* over the *applicant*.

JURISDICTION – A state, the District of Columbia, the Commonwealth of Puerto Rico, or any subdivision or regulatory body thereof.

PERSON – An individual, partnership, corporation, trust, LLC or other organization.

QUALIFYING INDIVIDUAL – Known in some states as “Qualified Person in Charge” or “Managing Principal.” Consult jurisdiction-specific requirements as to how to complete this section.

SETTLEMENT SERVICES – The same as defined in federal Real Estate Settlement Procedures Act

C. EXPLANATION OF TERMS – continued

2. FOR THE PURPOSE OF ITEM 9

CHARGED – Being accused of a crime in a formal complaint, information, or indictment (or equivalent formal charge).

CONTROL AFFILIATE – A partnership, corporation, trust, LLC, or other organization that directly or indirectly *controls*, or is *controlled by*, the *applicant*.

ENJOINED – Includes being subject to a mandatory injunction, prohibitory injunction, preliminary injunction, or a temporary restraining order.

FELONY – For *jurisdictions* that do not differentiate between a *felony* and a *misdemeanor*, a *felony* is an offense punishable by a sentence of at least one year imprisonment and/or a fine of at least \$1,000. The term also includes a general court martial.

FINANCIAL SERVICES OR FINANCIAL SERVICES RELATED – Pertaining to securities, commodities, banking, insurance, consumer lending, or real estate (including, but not limited to; acting as or being associated with a bank or savings association, credit union, Farm Credit System institution, mortgage lender, mortgage broker, real estate salesperson or agent, appraiser, closing agent, title company, or escrow agent).

FOREIGN FINANCIAL REGULATORY AUTHORITY – Includes (1) a *financial services* authority of a foreign country; (2) other governmental body empowered by a foreign government to administer or enforce its laws relating to the regulation of *financial services* or *financial services-related* activities; and (3) a foreign membership organization, a function of which is to regulate the participation of its members in *financial services* activities listed above.

FOUND – Includes adverse final actions, including consent decrees in which the respondent has neither admitted nor denied the findings, but does not include agreements, deficiency letters, examination reports, memoranda of understanding, letters of caution, admonishments, and similar informal resolutions of matters.

INVOLVED – Doing an act or omission or aiding, abetting, counseling, commanding, inducing, conspiring with or failing to reasonably supervise another in doing an act or omission.

MISDEMEANOR – For *jurisdictions* that do not differentiate between a *felony* and a *misdemeanor*, a *misdemeanor* is an offense punishable by a sentence of less than one year imprisonment and/or a fine of less than \$1,000. The term also includes a special court martial.

ORDER – A written directive issued pursuant to statutory authority and procedures, including orders of denial, suspension, or revocation; does not include special stipulations, undertakings or agreements relating to payments, limitations on activity or other restrictions unless they are included in an *order*.

PROCEEDING – Includes a formal administrative or civil action initiated by a governmental agency, self-regulatory organization or a *foreign financial regulatory authority*; a *felony* criminal indictment or information (or equivalent formal charge); or a *misdemeanor* criminal information (or equivalent formal charge). The term does not include other civil litigation, investigations, or arrests or similar charges affected in the absence of a formal criminal indictment or information (or equivalent formal charge).

Applicant full legal name: **Control Information**

7. (A) Directly or indirectly, does *applicant control* or is *applicant* under common *control* with, any person that is engaged in the business of a mortgage lender, mortgage broker, or providers of other settlement services? YES NO
If no, go to item 7(B).
 If yes, complete information below for each relationship. In the "Control Relationship" Column", enter "S" if the *applicant controls* the entity (subsidiary) and "A" if the *applicant* is under common *control* with the entity (affiliate). Attach additional sheets as necessary.

Name of Partnership, Corporation, or Organization	Number and Street	City	State/Province	Zip + 4/Postal Code	Control Relationship

Will you be providing an organizational chart?
 Briefly describe *control* relationship(s), including percentage of interest.
 Use additional sheets for comments if necessary.

(B) Is this entity *controlled* by any of the following? *If no, go to item 8.* YES NO

Bank Holding Company National Bank Savings Association/Savings Bank
 Credit Union Foreign Bank Thrift Holding Company
 State Member Bank of the Federal Reserve System State Non-Member Bank

 Financial Institution Name

 Number and Street City State/Province Zip+4/Postal Code

 Country

Will you be providing an organizational chart to all states where a license was requested?
 Briefly describe *control* relationship(s), including percentage of interest.
 Use additional sheets for comments if necessary.

Schedule A (direct owners) and, if applicable, Schedule B (indirect owners) must be completed as part of all initial applications. Amendments to schedules A and B must be provided on Schedule C as changes occur.

8. Qualifying Individual – person in charge and responsible for company actions.

FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	Title	Number and Street	City	State/Province	Zip + 4/Postal Code

Applicant full legal name: _____

<p>9. If the answer to any of the following is "YES", provide complete details of all events or <i>proceedings</i> in an attachment, including as applicable; name and location of court, docket or case number, and status and summary of event or <i>proceeding</i>; copies of applicable charge(s), order(s), and/or consent agreement(s). Refer to the explanation of terms section of the form MU1 instructions for explanations of italicized terms. Remember to file updates of these disclosures as needed.</p>			
Criminal Disclosure		YES	NO
<p>(A) Has the <i>entity</i> or a <i>control affiliate</i> ever:</p> <p>(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any <i>felony</i>?</p> <p>(2) been <i>charged</i> with any <i>felony</i>?</p>		<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
<p>(B)</p> <p>(1) In the past 10 years has the entity or control affiliate <i>been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to committing or conspiring to commit a misdemeanor involving: (i) financial services or a financial services-related business, (ii) fraud, (iii) false statements or omissions, (iv) theft or wrongful taking of property, (v) bribery, (vi) perjury, (vii) forgery, (viii) counterfeiting, or (ix) extortion?</i></p> <p>(2) Are there pending charges against the entity or a control affiliate for a misdemeanor specified in (B)(1)?</p>		<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
Regulatory Action Disclosure			
<p>(C) In the past ten years, has any State or federal regulatory agency or <i>foreign financial regulatory authority</i> ever:</p> <p>(1) <i>found</i> the <i>entity</i> or a <i>control affiliate</i> to have made a false statement or omission or been dishonest, unfair or unethical?</p> <p>(2) <i>found</i> the <i>entity</i> or a <i>control affiliate</i> to have been <i>involved</i> in a violation of a <i>financial services-related</i> regulation(s) or statute(s)?</p> <p>(3) <i>found</i> the <i>entity</i> or a <i>control affiliate</i> to have been a cause of a <i>financial services-related</i> business having its authorization to do business denied, suspended, revoked or restricted?</p> <p>(4) entered an <i>order</i> against the <i>entity</i> or a <i>control affiliate</i> in connection with a <i>financial services-related</i> activity?</p> <p>(5) denied, suspended, or revoked the <i>entity's</i> or a <i>control affiliate's</i> registration or license or otherwise, by <i>order</i>, prevented it from associating with a <i>financial services-related</i> business or restricted its activities?</p>		<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
<p>(D) Has the <i>entity's</i> or a <i>control affiliate's</i> authorization to act as an attorney, accountant, or State or federal contractor ever been revoked or suspended?</p>		<input type="checkbox"/>	<input type="checkbox"/>
<p>(E) Is the <i>entity</i> or a <i>control affiliate</i> now the subject of any regulatory <i>proceeding</i> that could result in a "yes" answer to any part of 9(C)?</p>		<input type="checkbox"/>	<input type="checkbox"/>
Civil Judicial Disclosure			
<p>(F) (1) Has any domestic or foreign court:</p> <p>(a) in the past ten years <i>enjoined</i> the <i>entity</i> or a <i>control affiliate</i> in connection with any <i>financial services-related</i> activity?</p> <p>(b) in the past ten years <i>found</i> the <i>entity</i> or a <i>control affiliate</i> to be in violation of any <i>financial services-related</i> statute(s) or regulation(s)?</p> <p>(c) in the past ten years dismissed, pursuant to a settlement agreement, a <i>financial services-related</i> civil action brought against the <i>applicant</i> or <i>control affiliate</i> by a State or <i>foreign financial regulatory authority</i>?</p> <p>(2) Is the <i>entity</i> or a <i>control affiliate</i> named in any pending <i>financial services-related</i> civil action that could result in a "yes" answer to any part of 9(F)(1)?</p>		<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
Financial Disclosure			
<p>(G) In the past ten years has the <i>entity</i> or a <i>control affiliate</i> been a mortgage lender or a mortgage broker or a <i>control affiliate</i> of a mortgage lender or a mortgage broker that has been the subject of a bankruptcy petition?</p>		<input type="checkbox"/>	<input type="checkbox"/>
<p>(H) Has a bonding company ever denied, paid out on, or revoked a bond for the <i>entity</i>?</p>		<input type="checkbox"/>	<input type="checkbox"/>
<p>(I) Does the <i>entity</i> have any unsatisfied judgments or liens against it?</p>		<input type="checkbox"/>	<input type="checkbox"/>

Schedule A
DIRECT OWNERS AND
EXECUTIVE OFFICERS

Applicant full legal name: _____

Date of filing (MM/DD/YYYY): _____

Desired Effective Date (MM/DD/YYYY): _____

1. Use Schedule A only in new applications to provide information on the **direct** owners and executive officers and those with similar status or functions of the *applicant*. Use Schedule B in new applications to provide information on **indirect** owners. File all amendments on Schedule C. **Complete each column.**

2. List below the names of:

- (a) each executive officer, including President, Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, Chief Legal Officer, Chief Compliance Officer, Director, and individuals with similar status or functions;
- (b) each *control person*
- (c) in the case of an *applicant* that is a corporation, each shareholder that directly owns 10% or more of a class of a voting security of the *applicant*, unless the *applicant* is a publicly traded company;
 Direct owners include any *person* that owns, beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 10% or more of a class of a voting security of the *applicant*. For purposes of this Schedule, a *person* beneficially owns any securities (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence.
- (d) in the case of an *applicant* that is a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 10% or more of the partnership's capital;
- (e) in the case of a trust that directly owns 10% or more of a class of a voting security of the *applicant*, or that has the right to receive upon dissolution, or have contributed, 10% or more of the *applicant's* capital, the trust and each trustee;
- (f) in the case of an *applicant* that is a Limited Liability Company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 10% or more of the LLC's capital, and (ii) if managed by elected managers, all elected managers; and
- (g) in certain *jurisdictions*, other required *persons*, including "qualified *persons*" or branch supervisors. Consult the *jurisdiction(s)* in which the *applicant* is applying for details.

3. Are there any indirect owners of the *applicant* required to be reported on Schedule B? Yes No

4. Complete the "Title or Status" column by entering board/management titles; status as a partner, trustee, sole proprietor, or shareholder; and for shareholders, the class of securities owned (if more than one is issued).

- 5. (a) In the "Control Person" column, enter "Yes" if the *person* has "control" as defined in the instructions to form MU1, and "No" if the *person* does not have control. Note that under this definition, most executive officers and all 10% owners, general partners, and trustees would be "control persons". All natural persons listed will be required to submit Form MU2.
- (b) In the "Publicly Traded" column, if the owner is a publicly traded company, enter the stock symbol; otherwise enter "N/A."

FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	Title or Status	% Ownership	Control Person (yes/no)	Publicly Traded (symbol or n/a)	Company's IRS Tax # or Employer ID

Schedule C
AMENDMENTS TO SCHEDULES A & B

Applicant full legal name: _____

Date of filing (MM/DD/YYYY): _____ Desired Effective Date (MM/DD/YYYY): _____

1. This Schedule is used to amend Schedules A and B of Form MU1. Refer to those schedules for specific instructions for completing this Schedule C. **Complete each column.**

2. In the Type of Amendment ("Type of Amd.") column, indicate "A" (addition), "D" (deletion), or "C" (change in information about the same person).

3. **List below all changes to Schedule A (DIRECT OWNERS AND EXECUTIVE OFFICERS):**

FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	Type of Amd.	Title or Status	% Ownership	Control Person (yes/no)	Publicly Traded (symbol or n/a)	Company's IRS Tax # or Employer ID

4. **List below all changes to Schedule B (INDIRECT OWNERS):**

FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	Type of Amd.	Entity in Which Interest is Owned	Status	% Ownership	Publicly Traded (symbol or n/a)	Company's IRS Tax # or Employer ID