



## New Application Checklist Jurisdiction-Specific Requirements



# GEORGIA MORTGAGE BROKER/PROCESSOR LICENSE

### Instructions

1. Licensees desiring to conduct business under this license authority must, for each branch location in Georgia, acquire separate approval from the Department. Each branch location will require a filing of Form MU3 through NMLS. State of Georgia in-state branches must have received prior approval from the Department and be in the Department's database prior to doing business. A \$350 application fee is required per branch.. See MU3 Branch instructions.

#### PHYSICAL LOCATION

The Official Code of Georgia § 7-1-1003.1 states, in part, that if the applicant for a new or renewal mortgage broker/processor license is required to have a physical place of business in its home state then a physical place of business is required for that applicant's licensure in Georgia. Currently the states of Alabama, Idaho, Kentucky, Missouri, Nevada, New Jersey, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina and Texas have the requirement that broker/processors have a physical place of business in their state.

#### NET BRANCHING

Net Branching is not acceptable and net branches will not be approved. Net branching occurs when a licensee allows the unsupervised use of its license for a monthly or periodic operating charge to the branch. See detailed information at:

[http://dbf.georgia.gov/00/channel\\_title/0,2094,43414745\\_67610389,00.html#netbranches](http://dbf.georgia.gov/00/channel_title/0,2094,43414745_67610389,00.html#netbranches).

2. Loan Originator licensing is required. Loan Originators can create an NMLS Account now at no cost to obtain the NMLS ID number necessary to take the National and State Test. The state component of the test is expected to be available in October 2009. No MU4 filing is required until the license is available in January 2010.
3. Each Control Person must be separately identified and included in the Direct Owners and Executive Officers section of NMLS Form MU1. A Control Person is defined in Georgia to include any person who: *i) is a director, officer, partner, agent, employee, or ultimate equitable owner of 10 percent or more of the applicant or licensee or ii) any individual who directs the affairs or establishes policy for the applicant or licensee.*
4. An on-site manager is required to be appointed for all locations where the licensee conducts business with consumers. For the Main Office location, this individual may be referred to as the day-to-day Business (Branch) Manager, must be listed as the "Qualifying Individual" on Form MU1, and his/her business address must match the address listed as the "Main Address" on Form MU1.
5. Information regarding the Registered (Resident) Agent for Service of Process must be included in the application. The agent receives and forwards legal documents on behalf of the applicant. The registered agent for service of process must be located in the State of Georgia and must have an address in this state where he/she may be served. For corporate, LLC and partnership applicants, if the applicant is an entity organized in Georgia, the agent for service of legal process must be the same natural person or legal entity recorded with the Georgia Secretary of State.
6. Licensees using more than one trade name, or fictitious name or d/b/a, must have had those names approved for use in Georgia with their license or registration. No other fictitious names may be used without prior approval of the Department.

7. **Student Loans/Child Support.** The Georgia Residential Mortgage Act also provides grounds for denial of any application for a mortgage license involving persons who have failed to repay student loans [See O.C.G.A. §7-1-1017(a)(3)]. Applicants having government supported student loans outstanding must be in “good standing” with the lender on those loans. Delinquent student loans must be brought current, or at least placed in forbearance status by the lender, before a favorable review can be accorded. Also, where an applicant has been found to be in noncompliance with an order for child support, such action is sufficient grounds for refusal of a license. [See O.C.G.A. §7-1-1017 (a) (2)].
8. The applicant’s NMLS Unique Identifier must be written on the upper right-hand corner of every hard copy document submitted to the Department.
9. **Financial Statements must be submitted through the Filing Tab in NMLS prior to the submission of your Form MU1 filing.** For additional help, see the Financial Statement Information page and quick guide posted on the NMLS website here:  
[http://www.stateregulatoryregistry.org/AM/Template.cfm?Section=Financial\\_Statements](http://www.stateregulatoryregistry.org/AM/Template.cfm?Section=Financial_Statements)  
  
Submit a copy of the most recent financial statement or audit, or if newly organized, a copy of the pro-forma financial information containing the beginning balance sheet of the company. Financial statements should include a Balance Sheet, Income Statement and Statement of Cash Flows and all relevant notes thereto.
10. Total License/Registration cost is a total of \$750 which includes the NMLS processing fee.
11. All fees are collected through the NMLS and ARE NOT REFUNDABLE.
12. The application should not be filed until all required documentation is complete and ready for submission. The Department will review the filing and communicate with you through NMLS, at which time any required documents will be requested. The Department may not accept or process materially incomplete filings/applications. Applicants submitting incomplete applications will have submitted materials returned to the applicant without processing and will be notified of that action through the system. To review your status in NMLS, click the *Tasks* tab and click *Work List*.
13. Brokers using warehouse lines are considered lenders and must meet the \$150,000 surety bond and other requirements noted for lender applicants.
14. 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 and Overnight Delivery:

Georgia Department of Banking & Finance  
NDFI Division  
2990 Brandywine Road  
Suite 200  
Atlanta, GA 30341-5565

NMLS Unique ID Number: \_\_\_\_\_

Applicant Legal Name: \_\_\_\_\_

ATTACHED	NOT APPLICABLE	ITEM
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>EDUCATION OR EXPERIENCE.</b> Broker/processor applicants are required to present documentation to verify compliance with the education or experience requirements imposed by O.C.G.A. §7-1-1004(c) and Department Rule 80-11-4-.01. Brokers must also meet continuing education requirements. <a href="#">Click to download document.</a></p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>FINANCIAL INFORMATION/STATEMENT.</b> Submit copies of W2's covering recent 2 years experience in the mortgage industry or proof of education, including letters of reference from employer. In addition, see the instructions regarding submission of financial statements as required for new applications.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>ORIGINAL COMPLETED IRS 4506T FORM.</b> A copy of the required form, signed by an authorized officer of the company. <a href="#">Click to download document.</a></p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>SURETY BOND REQUIREMENT:</b> ORIGINAL of Bond Form MUST be sent to the Department.</p> <p><u>BROKERS/PROCESSORS</u> - \$50,000 Surety Bond required.</p> <p>Surety bonds MUST be signed. All d/b/a names must be included in the bond or contained in a rider. Registration of d/b/a name with the appropriate registration authority must be submitted.</p> <p>The surety company must be authorized to conduct business in Georgia. The name of the principal insured on the bond must match exactly the Full Legal Name of applicant. <a href="#">Click to download document.</a></p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>ORGANIZATION INFORMATION.</b> A copy of the Articles of Incorporation (Corporation), Articles of Organization (LLC), or Partnership Agreement (Partnership), along with:</p> <p><b>SECRETARY OF STATE DOCUMENTATION.</b> A certified copy of:</p> <ul style="list-style-type: none"> <li>• The Corporate Charter or Certificate of Incorporation (if a corporation), or</li> <li>• The Certificate of Organization and Operating Agreement (if a Limited Liability Company), or</li> <li>• The Certified Partnership Agreement (if a partnership of any form).</li> </ul>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>FOREIGN CORPORATION.</b> A foreign corporation (one not organized or formed in Georgia) who wishes to operate in Georgia should file for a "Certificate of Authority to Transact Business" under that name with the Georgia Secretary of State. A copy of that certificate should be submitted with the license application.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>BUSINESS PLAN.</b> Provide a business plan that includes, without limitation: a brief description of all financial products and services offered to Georgia customers by the applicant; the manner in which the applicant intends to solicit business in Georgia; the credit market(s) the applicant intends to target; a list of lenders with whom the</p>

		broker/processor has a relationship; and whether the applicant plans to hold, broker, or sell loans and to whom.
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>OTHER TRADE NAMES.</b> Applicants domiciled in Georgia should file for Trade Name Registration with the Superior Court in the county or counties where they choose to do business. <u>Submit</u> a copy of the registration with the license application. <u>Web site domain names, if significantly different from the license name, must be registered as d/b/a names.</u></p> <p>Applicants desiring to use a trade name [“doing business as” (d/b/a)] other than the name in which the license is issued should be aware that terms “Corporation”, “Corp.” or “Inc.” should only be used for an entity which is actually incorporated. If an actual separate corporation does exist, that entity will require a separate license.</p> <p>Please be aware that the terms “Bank”, “Banc”, or “Trust” or other similar forms of these words cannot be used without permission from this Department and will not be granted unless you qualify for registration as a chartered bank or trust company. The term “Federal” cannot be used in your name pursuant to Federal law. The term “National” cannot be used without the permission of the Office of the Comptroller of the Currency, which will not be granted unless a national bank is involved.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>STUDENT LOANS/CHILD SUPPORT.</b> Provide a copy of any payment agreements regarding student loans in arrears or any payment agreement entered into with child support services.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>AUTHORIZATION FOR BACKGROUND CHECK AND RELEASE.</b> Provide an executed original copy of the <i>Background Check Authorization Form</i> consenting to a criminal history record check on the proposed control persons. <a href="#">Click to download document.</a></p> <p><b>EMPLOYEE BACKGROUND CHECKS.</b> Employers must perform background checks on employees not considered control persons. <a href="#">Click to download document.</a></p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>SIGNATURE AND OATH OF APPLICANTS.</b> The applicable business or personal Department certification form must be signed and submitted with original signatures. (A notary may witness the <i>Certification Form</i> if a corporate seal is not available.) <a href="#">Click to download document.</a></p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>FINGERPRINT CARDS.</b> Fingerprint processing is now available statewide through the Georgia Applicant Processing Services (GAPS). License and registration applicants who need to provide the Department with fingerprints for owners, officers and control persons, or for employees who may require the submission of fingerprint cards as a result of incomplete or questionable background check processing may now use the GAPS service. Out-of-state applicants without access to a Georgia GAPS location may still request fingerprint cards for submission directly to the Department. In-State applicants <b>should</b> use a GAPS location if possible. For more information and instructions/links for either application, click on the following link:</p> <p><a href="http://dbf.georgia.gov/00/channel_title/0,2094,43414745_46385619,00.html#GAPS">http://dbf.georgia.gov/00/channel_title/0,2094,43414745_46385619,00.html#GAPS</a></p> <p>Both GAPS forms are fillable for completion and return to the Department. Requests for HARD-COPY fingerprints may be made on-line and will be handled generally on the next business day.</p>

<input type="checkbox"/>	<input type="checkbox"/>	<b>CURRENT CREDIT REPORT</b> A report obtained within the last six months must be submitted on each control person. Any credit report filed with this department containing tax liens, judgments, bankruptcies or charged off credit will likely cause the processing of the application to be delayed, or possibly cause the application to be denied. Slow credit or bankruptcies, which have not been dismissed, will require satisfactory explanation. Tax liens and judgments must be paid before an application can receive favorable review, along with proof of settlement. <u>This authorization remains effective as long the individual is employed in the mortgage industry.</u>
<input type="checkbox"/>	<input type="checkbox"/>	<b>TAX RETURNS.</b> Individual applicants, principals in partnerships, corporate applicants, ultimate equitable owners of 10% or more of an incorporated applicant, and or any individual who directs the affairs or establishes policy for the licensee must supply a copy of their most recent Federal tax return(s). New corporations, which have not yet filed Federal Tax returns, should include a letter of explanation.
<input type="checkbox"/>	<input type="checkbox"/>	<b>GRIEVANCE POLICY.</b> Applicants must submit the company's <i>Policies And Procedures For Grievances And Inquiries</i> . <a href="#">Click to download document.</a>
<input type="checkbox"/>	<input type="checkbox"/>	<b>PHOTO ID.</b> Submit MU2 photo ID page. <a href="#">Click to download document.</a>
<input type="checkbox"/>	<input type="checkbox"/>	<b>DISCLOSURE QUESTIONS.</b> 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.

**WHO TO CONTACT** – Contact the NDFI licensing staff by phone at 770-986-1136 or send your questions via e-mail to [newapps@dbf.state.ga.us](mailto:newapps@dbf.state.ga.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.