



## New Application Checklist Jurisdiction-Specific Requirements



### NEW YORK EXEMPT MORTGAGE LOAN SERVICER REGISTRATION

#### Instructions

1. Mortgage Loan Servicers exempt from registration pursuant to Part 39 of the General Regulations of the Banking Board or Draft Part 418 of the Superintendent's Regulations can submit their application for exemption through the NMLS.
2. Each applicant must designate a person or persons to serve as the Qualified Person ("qualifier") in charge of the mortgage loan servicing activities. Such person must have five years experience in the business of servicing mortgage loans or similar servicing experience and be actively engaged in the operations of the servicer. This person must be designated and entered in the Qualifying Individual field on form MU1.
3. Foreign corporations must obtain authority from the Secretary of State to conduct business in the State of New York prior to submitting an exemption application, through NMLS.
4. Each branch location desiring to conduct business under this exemption authority must be separately authorized and will require the filing of Form MU3 through NMLS.
5. At least one Executive Officer must be listed in the Direct Owners/Executive Officer Section of Form MU1. The individual should have the authority to make decisions on behalf of the company. The individual does not have to be listed as a Control Person and a Form MU2 is not required.
6. Registered Agent – The State of New York Banking Department does not require you to have a Registered Agent physically located in the state of New York. If you have not engaged an agent for services of process in the state of New York you can use the following address to complete the Registered Agent section of Form MU1. New York Department of State – Division of Corporation, 99 Washington Avenue, Albany, NY, 112231.
7. All applicants are required to pay the following non-refundable fees: - \$100 NMLS processing fee for Form MU1 and \$20 processing fee for each MU3 location.
8. The Banking Department pre-screens all applications and jurisdiction specific requirements for completeness. Written communication will be provided to you through NMLS and via first class mail. To review your status on NMLS, click the Task tab and click Work List.
9. Entities have the option of uploading required financial statements. If the applicant chooses to upload financial information see the Financial Statement Information page and quick guide posted on the NMLS website here:  
[www.stateregulatoryregistry.org/AM/Template.cfm?Section=FinancialStatements](http://www.stateregulatoryregistry.org/AM/Template.cfm?Section=FinancialStatements).

Jurisdiction-specific requirements as identified on the checklist below must be received with this checklist within 10 business days of the electronic submission of your application through the NMLS at the following address:

For U.S. Postal Service:

*Exempt Mortgage Loan Servicer Request  
State of New York Banking Department  
Mortgage Banking Division  
One State Street  
New York, NY, 10004-1417  
Attention: Alex Smoroda*

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

ATTACHED	NOT APPLICABLE	ITEM
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>NET WORTH REQUIREMENT.</b> Entities are required to demonstrate adjusted net worth of at least \$250,000 or 1% of the outstanding principal balance of loans serviced, whichever is greater. For further details, please see Sections 418.13 and 418.14 of Part 418 of the Superintendent's Regulations.</p> <p>Adopted regulation can be found at <a href="http://www.banking.state.ny.us/legal/ar418tx.htm">www.banking.state.ny.us/legal/ar418tx.htm</a></p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>FINANCIAL STATEMENTS.</b> Provide the most recent quarterly and audited annual financial statements. Also, provide a statement detailing aggregate number of loans and dollar value of all 1-4 family residential real property loans serviced and loans serviced for residential real properties located in the State of New York. This information should be provided as of the most recent fiscal quarter.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>SURETY BOND.</b> Provide an original mortgage loan servicer bond in the amount of \$250,000 furnished by a surety company authorized to conduct business in New York. The name of the principal insured on the bond must match exactly the Full Legal Name of applicant as authorized by the Secretary of State of New York. Use the surety bond form Registered Mortgage Loan Servicer Bond found here: <a href="http://www.banking.state.ny.us/iambbond.pdf">http://www.banking.state.ny.us/iambbond.pdf</a></p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>FIDELITY INSURANCE AND ERRORS AND OMISSIONS COVERAGE.</b> Unless the applicant is claiming an exemption from the financial responsibility requirement under Section 418.14(a), Fidelity Insurance and Errors and Omissions (E&amp;O) Coverage issued by an insurance company authorized to do business in New York, in the amount required under Section 418.12(c) must be provided.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>SECRETARY OF STATE DOCUMENTATION.</b> Provide Certificate of Good Standing issued by the state of incorporation.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>OTHER TRADE NAMES.</b> Provide a list of all names used by the applicant to conduct mortgage loan servicing activities.</p>

<input type="checkbox"/>	<input type="checkbox"/>	<p><b>AFFIRMATION.</b> Provide an affirmation stating the following:</p> <ul style="list-style-type: none"> <li>▪ Books and records will be kept for a minimum period of six years after making the final entry with respect to any mortgage loan serviced;</li> <li>▪ That at least 10% of adjusted net worth consist of cash, cash equivalent or readily marketable securities;</li> <li>▪ A designated officer has reviewed the application and certifies that the application does not contain any untrue statement or omissions of material facts;</li> <li>▪ Superintendent is authorized to inspect the books and records upon reasonable notice, and that the applicant will bear all costs and expenses relating to the inspection and cooperate in the event of any consumer complaints;</li> <li>▪ Applicant is in compliance with Section 296-a of the Executive Law in carrying out its debt collection and loan modification activities;</li> <li>▪ Applicants must also affirm that they will <ul style="list-style-type: none"> <li>▪ Comply with business conduct regulations and the financial responsibility requirements prescribed by the Department, and</li> <li>▪ Immediately notify the Superintendent of any changes to the information furnished in the application;</li> </ul> </li> </ul> <p>If the applicant is a consolidated subsidiary of an exempt organization, as defined in Article 12-E, the following additional affirmation is required:</p> <ul style="list-style-type: none"> <li>▪ Applicant is a consolidated subsidiary of an exempt organization and that consolidated financial statements are issued with the parent pursuant to title 26 of the United States Code.</li> </ul>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>REGULATOR INFORMATION.</b> Contact information for the applicant's primary regulator, including name and telephone number of the regulatory Portfolio/Case Manager.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>OWNERSHIP STRUCTURE AND ORGANIZATION CHART.</b> Submit organization charts detailing ownership structure and operating management structure. Reporting lines of executive officers and operating committees should be clearly delineated.</p>

**WHO TO CONTACT** – Contact [Alex Smroda](mailto:mbbdenovo@banking.state.ny.us) by phone at [212 709-5569](tel:2127095569) or send your questions via e-mail to [mbbdenovo@banking.state.ny.us](mailto:mbbdenovo@banking.state.ny.us) for additional assistance.

“UNLESS EXEMPTED BY LAW, AFTER JUNE 30, 2009 YOU ARE NOT AUTHORIZED TO ENGAGE IN NEW YORK REGULATED MORTGAGE LOAN SERVICING UNTIL YOUR EXEMPTION FROM REGISTRATION HAS BEEN APPROVED BY THE SUPERINTENDENT OF BANKS OF THE STATE OF NEW YORK “