NMLS Release 2015.2 Release Portfolio

Scheduled for Release: April 20, 2015

The purpose of this portfolio is to communicate system enhancements targeted for Release 2015.2. Targeted system enhancements and updates listed in this portfolio are committed to Release 2015.2. However, as development proceeds, it is possible that changes will be made to the approach to some enhancements or that some of the enhancements may be removed from the release. Final release notes are generally available a month prior to the release date for major releases.

Roadmap enhancements targeted for Release 2015.2 include:

- **Comparison of Filing Data Against Non-Filing Events** – The system will create a change event when an Advance Change Notice (ACN) is processed or cancelled outside of a filing. These change events will display in the *Historical Filings* under the Filing and Composite View tabs.
- **Merge ACN List and Regulator Work List** – The *ACN List*, which contains a listing of all pending, completed, and cancelled ACNs for an agency will be retired. Pending ACNs will be added to *Regulator Work List* items, and a new page listing a company's or branch's ACNs will be added to the tasks tab. The rules for generating some of the review items will also be updated.
- **Redline Display for ACNs** – The redline view of ACNs will be updated to make the information easier to read and the progression of changes easier to follow.
- **Work List Changes (My Work List and Revamped Work List Assignment Page)** – A new *My Work List* page will be created and the current *Regulator Work List* and *Work List Assignment* pages will be merged.
- **Work List Assignment at the Review Item Level** – Regulator users will have the ability to assign work at the review item level.
- **Remove State and Federal Wall for Regulatory Agencies** – State Regulators, with the proper role, and Federal Agencies will have the ability to view information for entities relevant to their non-native context.
- **Role-Based Two Factor Authentication** – Designated state regulator user roles will require two-factor authentication.

Comparison of Filing Data Against Non-Filing Events

Summary: The system will create a change event when an ACN is processed or cancelled outside of a filing. These change events will display in the ***Historical Filings*** under the Filing and Composite View tabs.

State regulators have indicated that it is difficult to review ACN events that have processed or were cancelled outside of a filing. With this enhancement, the system will generate a change event that will be stored in the entity's ***Historical Filings*** under the Filing and Composite View tabs.

The change events will mirror the Company (MU1) and Branch (MU3) filings but will not contain Individual (MU2) filings, nor will an attestation component be maintained. A new column will be added to the ***Historical Filings*** page to distinguish the various change events. Entity-submitted filings will be denoted as "Filing" and the two new change events will be "ACN Processed" and "ACN Cancelled." The ACN Processed and ACN Cancelled change events will show that they are submitted by "System."

An ACN Processed change event will occur when ACNs are processed as part of the overnight batch jobs. A single change event will be created, regardless of the number of ACNs that are processed. ACN Cancelled change events will occur when a pending ACN is cancelled outside of a filing. This can occur when there is a pending ACN for a control person and that individual removes access from the company or if a company or branch has a pending ACN when their last license is terminated. One change event will be created for each cancellation, even if multiple cancellations take place at the same time.

Merge ACN List and Regulator Work List

Summary: The ***ACN List***, which contains a listing of all pending, completed, and cancelled ACNs for an agency will be retired. Pending ACNs will be added to ***Regulator Work List*** items, and a new page listing a company's or branch's ACNs will be added to the Tasks tab. The rules for generating some of the review items will also be updated.

Regulator users will be able to view pending ACNs in work items for the company or branch. All ACNs (pending, processed, and cancelled) will be viewable under the Tasks tab when searching for the respective entity.

Within a work item, a new section will be added below the Active Licenses section. This section will contain a list of all current pending ACNs for the entity along with the following information: View icon, Change Type, ACN Updated Date, Effective Date, Notice Given (Days), Regulator Status, and Record Name. Clicking the View icon will take users to the ***Manage Advance Change Notice*** page (which will be renamed ***Advance Change Notice Detail***) to view additional information about the ACN, update the regulator status, and view the regulator status for other relevant regulators related to the event.

A new page will be added to Company and Branch Views in the Tasks tab. The new page, ***Manage Advance Change Notices***, will have two grids: the first grid will contain Pending ACNs, and the second will contain Pending and Cancelled ACNs. From this page, users will be able to see all ACNs for the entity along with the following information: View icon, Change Type, ACN Status, ACN Updated Date, Effective Date, Notice Given (Days), Regulator Status, and Record Name. Clicking the View icon will take users to the ***Manage Advance Change Notice*** page (which will be renamed ***Advance Change Notice Detail***) mentioned above.

There are also several ***Regulator Work List*** and review item changes that will take place in support of this enhancement. Three new columns will be added to the ***Regulator Work List*** (which will be renamed ***Agency Work List & Assignment***). The new columns, listed below, will contain cumulative information for the work item as a whole.

- Includes ACN – Yes/No indicator if at least one review item contains a new or modified ACN.
- Includes Cancelled ACN – Yes/No indicator if at least one review item contains a cancelled ACN.
- Notice Given (Days) – The notice provided, in days, for the ACN contained in the work item. If there are multiple ACNs in the work item, the least notice provided will display.

Merge ACN List and Regulator Work List (cont.)

The review item generation rules will be updated to consolidate review items generated as part of a filing. Rather than generate separate review items for New/Amended or Cancelled ACN review items, a single review item will be generated for the filing section or data element. For example, if there are three Direct Owner/Executive Officer (DO/EO) changes in a single filing, one to add a new DO/EO, one modification that does not require ACN, and one that is an ACN cancellation, the System will generate a single DO/EO review item in a Filing Amendment work item. Because the review items will be consolidated, all of the ACN New/Amended review items will be retired. Data elements that only generate ACNs will generate the corresponding data element review item. For example, legal name changes will generate the Name Change review item.

Review items that could contain an ACN will display two new data fields, Includes ACN and Includes Cancelled ACN. These will be Yes/No indicators that are cumulative for all of the changes in that filing section.

Notifications

See the General Enhancements section for updates to notifications.

Redline Display for ACNs

Summary: The redline view of ACNs will be updated to make the information easier to read and the progression of changes easier to follow.

The redline view for ACNs will be updated in the following sections:

- Company Legal Name
- Company Main Address
- Company Other Trade Names
- Legal Status,
- Affiliates/Subsidiaries
- Direct Owner/Executive Officer
- Indirect Owner
- Company Qualifying Individual
- Branch Main Address
- Branch Other Trade Names

The redline updates will add the word "Processed" next to the unchecked box when an ACN is processed. Also, when an ACN is processed, the strikethrough and addition will display side-by-side rather than one on top of the other.

For Other Trade Names (Company and Branch) and Qualifying Individuals, the presentation (and subsequent redline) will be updated to improve readability. The industry types and states applicable to each record will display in a table along with the effective date for any changes relevant to the industry type or state.

Work List Changes (My Work List and Revamped Work List Assignment Page)

Summary: A new ***My Work List*** page will be created and the current ***Regulator Work List*** and ***Work List Assignment*** pages will be merged.

The new ***My Work List*** page will be a user's default page after clicking on the ***Work List*** link in the submenu. The ***My Work List*** page will contain a list of work items currently assigned to the logged in user. Work items containing one or more review items assigned to the user will also display on the ***My Work List*** page. With the exception of the Assignment and Review Item Assignment filtering options, the column headers and filters on this page will be the same as the ***Regulator Work List***, which will be renamed ***Agency Work List & Assignment***.

The ***Regulator Work List*** and ***Work List Assignment*** pages will be merged into a single ***Agency Work List & Assignment*** page. This page will be identical to the ***Regulator Work List*** page except that users will have the ability to assign work items in bulk.

Work List Assignment at the Review Item Level

Summary: Regulator users will have the ability to assign work at the review item level.

This enhancement will allow regulator users to assign work at the review item level, in addition to the current ability to assign work at the work item level. When a work item is initially assigned to a user, the assignment will cascade down to the review items contained within that work item. The review item assignment can also be updated to a different user, allowing one or more individuals to have assignments within a single work item.

A new ***Review Item Assignment*** page will be added to allow users to bulk assign review items. Users will be required to enter search criteria and then will be able to bulk assign review items based on the search results.

The ability to establish default assignees for work items and review items will also be added. An agency's Account Administrators (AAs) will be able to designate a default assignee for work item categories and review item types. When new work items and review items are generated, the System will automatically assign the item to the default assignee, which will become accessible from the user's ***My Work List*** page. Changes made to review item subscriptions and default assignments will take effect immediately, but will not be retroactive.

Only AAs and Organization Users with the Access Work Item role can be designated as a default assignee. If a default assignee is deleted, disabled (by an AA or system), or the user role mentioned above is removed, the default assignment will be removed and changed to "Unassigned." In this particular scenario, both work and review items currently assigned to the user will be maintained for auditing purposes and to allow for reassignment.

Notifications

See the General Enhancements section for updates to notifications.

Remove State and Federal Wall for Regulatory Agencies

Summary: State Regulators, with the proper role, and Federal Agencies will have the ability to view information for entities relevant to their non-native context.

State regulator Account Administrators (AAs) and Organization Users (OUs) with the View Federal Information role will be able to view institutions and MLOs who are federally registered, but otherwise not relevant to the state context. All federal agency users will be able to view state-licensed individuals and control persons who are not otherwise relevant to the federal context. The Composite View for these entities will be blended so that state regulators and federal agencies will not have to switch contexts. Some sensitive information will not be visible to users in the non-native context.

A new View Federal Information role will be introduced for state regulator OUs in support of this enhancement. State regulator AAs and OUs with this role will require two-factor authentication (more information on this in the next section of the document). State regulator AAs and OUs with this role will be able to view the following additional information for federally registered institutions and MLOs.

- Additional Institution Information:
  - MU1R Status
  - Historical Filings (Federal)
- Additional MLO Information:
  - NMLS MLO Registration List
  - Employment Records
  - Historical Filings (Federal)

Remove State and Federal Wall for Regulatory Agencies (cont.)

All federal agency users will have the ability to view the following information for state-licensed individuals and control persons:

- License/Registration History
- Relationships
- MU2 Associations
- Renewal Attestation History
- Historical Filings (State)
- Education Record
- Testing Information

The following information cannot be viewed in the non-native context pages:

- Gender
- Social Security Number
- DOB
- State of Birth
- Country / Province of Birth
- Home Phone
- Cell Phone
- All Primary Residence Address Information
- CBC Demographic Information

Role-Based Two Factor Authentication

Summary: Designated state regulator user roles will require two-factor authentication.

The Consumer Finance Protection Bureau (CFPB) requires that all users with access to more than one federally registered entity use two-factor authentication to access the system. The enhancement to remove the state and federal wall would allow some state regulators to have this access. Role-based two-factor authentication will allow this two-factor requirement to be applied to selected users rather than all state regulator users.

State Regulator Account Administrators and Organization Users with the View Federal Information role will be required to use two-factor authentication to access the system. The first time users access the system, they will be required to register a Symantec token. On subsequent logins, users will be required to enter their user name, password, and security code from their token.

If the role is removed, then the token will be de-registered and users will no longer need the token to log in to NMLS.

General Enhancements

NOTIFICATIONS

New and Updated Notifications (State Context)

In support of the Merge ACN List and Regulator Work List enhancement, the ACN Created or Updated on filing notification will be retired. Because these actions will be included in Filing Amendment work items this notification is redundant.

In support of the Work List Assignment at the Review Item Level enhancement, a new system email will be sent to regulator Account Admins 15 days before a work or review item default assignee will be disabled by the System. One email will be generated per disabled user. The purpose of this email is to notify Account Admins in case they want to ask the user to login so they will not be disabled or to reassign any default work item category or review item type assignments.

General Enhancements (cont'd)

SCR Number	Title	Description	Context
19756	Information Security: Non Public Personal Information (NPPI) Masking	Non Public Personal Information[1] (NPPI) is personal identity information that is not publicly available and usually protected by state or federal law. For purposes of this enhancement, the following information will be treated as NPPI when it is displayed with the (i) first name or first initial and (ii) last name in NMLS: - A Company's Employer Identification Number (EIN)[2] - An Individual's Social Security Number (SSN) - An Individual's Full Date of Birth (DOB) - An Individual's Government-Issued Identification Number - An Individual's Passport Number The NPPI will be masked throughout the system so that only the last 4 characters are visible, with the exception of the date of birth. The month and day will be viewable, but the year will be masked. Masking will apply to all users and an audit event will be tracked if a user reveals the information.	State
18595	Filings and Composite results standardization	It appears that a variety of methods for querying and returning results in Filings and Composite have been implemented in terms of paging and filtering. As the application and data volumes have grown, opportunities exist for performance improvements in conjunction with simply providing more consistent behavior throughout the application. A standard approach will be assessed and presented to SRR for consideration.	State

[1] Non Public Personal Information is a defined termed within Title V, Subtitle A of Gramm Leach Bliley Act ("GLBA") which governs the treatment of nonpublic personal information about consumers by financial institutions.

[2] For a sole-proprietor, the Company EIN could be the owner's SSN. Therefore, all Company EINs must be treated as NPPI.