



HI Escrow Depository License New Application Checklist (Company)

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GENERAL INFORMATION

Who Is Required To Have This License?

Pursuant to Chapter 449, Hawaii Revised Statutes (“HRS”), no person shall act as an escrow depository in this State unless it is a corporation licensed to do so by the Commissioner of Financial Institutions. An escrow depository, as defined by Chapter 449, HRS, means the corporation which, in an escrow, and for compensation, receives, holds, and delivers the money, other consideration, or instrument affecting title to real property.

Certain exemptions from Chapter 449, HRS can be found in Section 449-3, HRS.

Activities Authorized Under This License

This license authorizes the following activities...

- Escrowing agents

Pre-Requisites for License Applications

- None.

Hawaii Division of Financial Institutions (HI-DFI) issues paper licenses for this license type.

Document Uploads Guidance

Documents that must be uploaded to the *Document Uploads* section of the Company Form (MU1) in NMLS are indicated in the checklist below. When uploading documents:

- Follow the guidance in [Document Upload Descriptions and Examples](#).
- Only upload documents relevant to the company application.
- Only upload documents where there is a selectable document category. If inappropriate documents are uploaded that should not be, you will be contacted by your regulator and asked to remove them from NMLS.
- Do not upload the same company documents multiple times. Generally, unless the document is state-specific, if the document has already been uploaded for another state, a new upload is not required unless changes have been made.

- If a document previously uploaded has been revised, delete the old document and replace it with the new document (history of the old document will remain in NMLS).
- For state-specific documents (e.g., Surety Bonds), be sure to indicate the applicable state.

Helpful Resources

- [Company Form \(MU1\) Filing Instructions](#)
- [Document Upload Descriptions and Examples](#)
- [Individual Form \(MU2\) Filing Quick Guide](#)
- [Financial Statements Quick Guide](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

Agency Contact Information

Contact Hawaii Division of Financial Institutions licensing staff by phone at (808) 586-2820 or send your questions via email to dfi-nmls@dcca.hawaii.gov or additional assistance.

For U.S. Postal Service & Overnight Delivery:

*Division of Financial Institutions
335 Merchant Street, Rm 221
Honolulu, Hawaii 96813*

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

LICENSE FEES - Fees collected through NMLS are NOT REFUNDABLE OR TRANSFERABLE.

Complete	HI Escrow Depository License	Submitted via...
<input type="checkbox"/>	HI Application Fee: \$5,000 NMLS Initial Processing Fee: \$0	NMLS (Filing submission)

REQUIREMENTS COMPLETED IN NMLS

Complete	HI Escrow Depository License	Submitted via...
<input type="checkbox"/>	Submission of Company Form (MU1): Complete and submit the Company Form (MU1) in NMLS. This form serves as the application for the license/registration through NMLS.	NMLS
<input type="checkbox"/>	<p>Financial Statements: Upload an AUDITED financial statement prepared by a Certified Public Accountant in accordance with Generally Accepted Accounting Principles dated within 90 days of your fiscal year end. Financial statements should include a balance sheet, income statement, statement of changes in shareholder equity, and statement of cash flows and all relevant notes thereto. If applicant is a start-up company, an initial statement of condition and five year projections are required.</p> <p>The financial statement must illustrate a company net capital (net worth) of \$100,000.</p> <p>Note: Financial statements are uploaded separately under the Filing tab and <i>Financial Statement</i> submenu link. See the Financial Statements Quick Guide for instructions.</p>	NMLS
<input type="checkbox"/>	<p>Other Trade Name: If operating under a name that is different from the applicant’s legal name, that name (“Trade Name”, “Assumed Name” or “DBA”) must be listed under the <i>Other Trade Names</i> section of the Company Form (MU1). HI-DFI does not limit the number of other trade names.</p> <p>If operating under an “Other Trade Name”, upload a copy of the approved registration of trade name files with the State of Hawaii, Business Registration Division (BREG) regarding ability to do business under that trade name.</p> <p>This document should be named <i>[State-License Type] Trade Name – Assumed Name</i>.</p>	NMLS Upload in NMLS: under the Document Type <u>Trade Name/Assumed Name Registration Certificates</u> in the <i>Document Uploads</i> section of the Company Form (MU1).
<input type="checkbox"/>	<p>Resident/Registered Agent: The Resident/Registered Agent must be listed under the <i>Resident/Registered Agent</i> section of the Company Form (MU1) and must match the information currently on record with BREG.</p>	NMLS

Complete	HI Escrow Depository License	Submitted via...
<input type="checkbox"/>	<p>Primary Contact Employees: The following individuals must be entered into the <i>Contact Employees</i> section of the Company Form (MU1).</p> <ol style="list-style-type: none"> Primary Company Contact. This individual or the successor thereof shall continue to perform this task, and shall notify the commissioner of any changes in the information concerning the contact person, until the applicable statutes of limitations have lapsed. Primary Consumer Complaint Contact. 	NMLS
Note	<p>Non-Primary Contact Employees: HI-DFI does not require any non-primary contacts to be listed in the <i>Contact Employees</i> section of the Company Form (MU1).</p>	N/A
Note	<p>Bank Account: Bank account information is not required. The <i>Bank Account</i> section of the Company Form (MU1) can be left blank.</p>	N/A
<input type="checkbox"/>	<p>Disclosure Questions: Provide a complete and detailed explanation and document upload for each “Yes” response to Disclosure Questions made by the company or related control persons (MU2).</p> <p>See the Company Disclosure Explanations Quick Guide for instructions.</p>	<p>Upload in NMLS in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2).</p>
<input type="checkbox"/>	<p>Qualifying Individual: The HI Designated Escrow Officer should be identified as the Qualifying Individual in NMLS. Section 449-7.5(c), HRS, requires that an escrow depository business shall be under the direct management of an officer, or an employee, designated by its board of directors as escrow officer for the corporation</p> <p>This individual must be listed in the <i>Qualifying Individual</i> section of the Company Form (MU1).</p>	NMLS
<input type="checkbox"/>	<p>Control Person (MU2) Attestation: Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable control person before it is able to be submitted along with the Company Form (MU1).</p>	NMLS
Note	<p>Credit Report: Individuals in a position of control are NOT required to authorize a credit report through NMLS.</p>	N/A

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS

Complete	HI Escrow Depository License	Submitted via...
<input type="checkbox"/>	<p>AML/BSA Policy: Upload an Anti-Money Laundering (AML) / Bank Secrecy Act (BSA) Policy that must include independent review.</p> <p>This document should be named <i>Internally Approved Date mm-dd-yyyy</i>.</p>	<p>Upload in NMLS: under the Document Type <u>AML/BSA Policy</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Business Plan: Upload a business plan outlining the following information:</p> <ul style="list-style-type: none"> • Marketing strategies • Products • Target markets • Fee schedule • Operating structure the applicant intends to employ. <p>This document should be named <i>[Company Legal Name] Business Plan</i>.</p> <p>Note: If the existing uploaded business plan already includes the above information, an additional document does not need to be uploaded. A company should only upload a single business plan. If state-specific material is required, this information should be added to the existing uploaded business plan.</p>	<p>Upload in NMLS: under the Document Type <u>Business Plan</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Certificate of Authority/Good Standing Certificate: Upload a State-issued and approved document (typically by the Secretary of State’s office), dated not more than 60 days prior to the filing of the application through NMLS that demonstrates authorization to do business in the applicant’s state of formation and HI.</p> <p>This document should be named <i>[[State prefix] Certificate of Authority OR [State prefix] Certificate of Good Standing]</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Certificate of Authority/Good Standing Certificate</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Errors and Omissions: Submit proof of errors and omissions insurance executed by an insurer authorized to do business in the State in an amount not less than <i>\$250,000</i>; provided that any policy which is subject to a deductible thereunder in excess of <i>\$100,000</i>, per occurrence, shall require the prior approval of the commissioner; or Deposit an equivalent amount of cash or <i>other security device</i> under such terms and conditions as are acceptable to the commissioner.</p> <p>The full policy must be uploaded.</p> <p>This document should be named <i>Errors and Omissions Insurance</i>.</p>	<p>Upload in NMLS: under <u>Errors and Omissions (Insurance Policy)</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

Complete	HI Escrow Depository License	Submitted via...
<input type="checkbox"/>	<p>Fidelity Bond: Submit a fidelity bond executed by a surety insurer authorized to do business in the State in an amount not less than \$100,000; provided that any bond which is subject to a deductible thereunder in excess of \$10,000 per occurrence shall require the prior approval of the commissioner, or Deposit an equivalent amount of cash or <i>other security device</i> under such terms and conditions as are acceptable to the commissioner.</p> <p>The full policy must be uploaded.</p> <p>This document should be named <i>Fidelity Bond</i>.</p>	<p>Upload in NMLS: under <u>Fidelity Bond</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Formation Documents: Submit a copy of the requested applicable documentation detailed below. Original formation documents and all subsequent amendments, thereto including a list of any name changes.</p> <p>This document should be named <i>Formation Documentation [Date of Creation (MM-DD-YYYY)]</i>.</p> <p>Corporation:</p> <ul style="list-style-type: none"> • Articles of Incorporation (including all amendments); • By-laws (including all amendments), if applicable; • Shareholder Agreement (including all amendments), if applicable; • IRS Form 2553 if S-corp treatment elected; and • Corporate resolution if authority to complete application not in By-Laws or Shareholder Agreement, as amended, as applicable. 	<p>Upload in NMLS: under <u>Formation Document</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Management Chart: Submit a Management chart displaying the applicant's directors, officers, and managers (individual name and title). Must also identify compliance reporting and internal audit structure.</p> <p>This document should be named <i>[Company Legal Name] Management Chart</i>.</p> <p>Note: If the existing uploaded management chart already includes the above information, an additional document does not need to be uploaded. A company should only upload a single management chart.</p>	<p>Upload in NMLS: under <u>Management Chart</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Organizational Chart/Description: Submit a chart showing (or a description which includes) the percentage of ownership of:</p> <ul style="list-style-type: none"> • Direct Owners (total direct ownership percentage must equate to 100%) • Indirect Owners • Subsidiaries and Affiliates of the applicant/licensee <p>This document should be named <i>[Company Legal Name] Organizational Chart – Description</i>.</p> <p>Note: If the existing uploaded Organizational Chart/Description already includes the above information, an additional document does not need to be uploaded. A company should only upload a single management chart.</p>	<p>Upload in NMLS: under <u>Organizational Chart/Description</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

Complete	HI Escrow Depository License	Submitted via...
<input type="checkbox"/>	<p>Escrow Depository's Bond: Before an escrow depository's license becomes effective, the escrow depository shall give a bond to the commissioner in the penal sum of not less than \$100,000 executed by a surety insurer authorized in this State, conditioned:</p> <p>(1) That the escrow depository will honestly, faithfully, and with diligence apply all funds, other consideration, or property and instruments affecting title in accordance with the instructions under which the same were deposited with it, and will promptly account for the same; and</p> <p>(2) That the escrow depository will satisfy all judgments and decrees which may be recovered against it in any action or proceeding brought under this chapter.</p> <p>The aggregate liability of the surety for all breaches of the conditions of the bond shall, in no event, exceed the penal sum of the bond. In lieu of the bond, an escrow depository may deposit cash, a letter of credit, or securities acceptable to the commissioner</p> <p>This document should be named <i>[License Type] Surety Bond</i>.</p>	<p>Upload in NMLS: under <u>Surety Bond</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p> <p>Note: This item must also be mailed to the agency.</p>

NMLS ID Number	
Applicant Legal Name	

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS		
Complete	HI Escrow Depository License	Submitted via...
<input type="checkbox"/>	Escrow Depository's Bond: Submit the original bond in the amount described above .	Mail to HI-DFI
<input type="checkbox"/>	<p>Section 449-6, HRS Required Information: Provide the following information as required by Section 449-6 HRS.</p> <ol style="list-style-type: none"> 1) The corporate name, amount of capital, and office address of the applicant; 2) The names of the stockholders, officers, and directors of the applicant; 3) Evidence of the character, financial responsibility, experience, and ability of the officers and directors; and 4) The names of the proposed escrow officers and their qualifications. 	Email to Dfi-nmls@dcca.hawaii.gov
<input type="checkbox"/>	<p>FBI and Hawaii Criminal Background Check (CBC) Requirements: An individual in a position of control (any person identified in the Company Form MU1 as a MU2 associated person) is required to authorize an FBI criminal background check (CBC) through NMLS. Hawaii also requires a State CBC. Individuals will have the opportunity to request a State CBC and pay for any applicable fees at the time the fingerprinting appointment is scheduled through the Fieldprint scheduling site. Applicants must select "escrow depository" from the dropdown list that appears after Hawaii is selected. Selecting the incorrect license type will require resubmission of fingerprints.</p> <p>If fingerprints must be resubmitted for a State CBC, schedule a fingerprinting appointment directly through the FieldPrint Hawaii website (a resubmission cannot be done through NMLS; fingerprints on file in NMLS cannot be used to conduct the State CBC).</p> <ul style="list-style-type: none"> • FieldPrint Hawaii will ask you to identify the reason for being fingerprinted. Enter FP code: HI-DCCA-ED. If you do not select this code for money transmitters, we will not be able to use any information received and you will be required to redo your fingerprints. 	NMLS
<input type="checkbox"/>	Notice By Publication: Submit an affidavit of publication as evidence that the Applicant has published notice of the proposed transaction in a newspaper of	Mail to HI-DFI

	general circulation in the State, pursuant to Section 16-28-19, HAR.	OR Email to Dfi-nmls@dcca.hawaii.gov
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