



MD Consumer Loan License Transition Checklist (Company)

CHECKLIST SECTIONS

- [General Information](#)
- [License Fees](#)
- [Requirements Completed in NMLS](#)
- [Requirements/Documents Uploaded in NMLS](#)
- [Requirements Submitted Outside of NMLS](#)
- [Recording of NMLS Transition Training](#)

GENERAL INFORMATION

Transition to NMLS

Companies holding the Maryland Commissioner of Financial Regulation (MD) Consumer Loan License are required to submit a license transition request through NMLS by filing a Company Form (MU1) and an Individual Form (MU2) for each of their control persons by September 30th, 2017. The MD Consumer Loan License will be available in NMLS to submit the transition request starting August 1st, 2017. The transition to NMLS for this license is *required*.

Additionally, for each branch holding a MD Consumer Loan Branch License, a company must complete and submit a Branch Form (MU3) through NMLS.

Note: If you already have a record in NMLS and have submitted these forms in the past, you do not need to re-enter your company information into NMLS. You will only need to identify the business activities your company conducts and the states in which the various activities are conducted. Then, you will select the appropriate license in MD, and complete a few state-specific fields.

It is important that current licensees have the appropriate transition number available when completing and submitting their Company Form (MU1), so they are not charged a new application fee. Your transition number is your existing Maryland license number, beginning with "02-####",

Any licensee that needs to amend or surrender a license (or execute any other action previously completed in paper form must complete these actions within NMLS from August 1st, 2017 onward. Paper forms will not be accepted after August 1st, 2017. MD encourages current licensees to update their information with MD by July 15, 2017, so there will be no pending changes to submit at the time of transition.

Activities Authorized Under This License

This license authorizes the following activities...

- Consumer loan servicing
- Consumer loan lending
- Refund anticipation lending

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 transition.
- 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

- [Transitioning an Existing Company License Quick Guide](#)
- [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 Maryland Commissioner of Financial Regulation licensing staff by phone at (410) 230-6100 or toll free at 888-784-0136, or send your questions via email to finreg.licensing@maryland.gov for additional assistance.

*For U.S. Postal Service or Overnight Delivery:
Maryland Commissioner of Financial Regulation
Attention: Licensing Unit
500 N. Calvert St., Suite 402
Baltimore, MD 21202*

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 | MD Consumer Loan License | Submitted via... |
|----------|--|------------------|
| Note | MD License/Registration Transition Fee: \$0 NMLS Transition Processing Fee: \$0 | N/A |

REQUIREMENTS COMPLETED IN NMLS

| Complete | MD Consumer Loan License | Submitted via... |
|--------------------------|--|---|
| <input type="checkbox"/> | <p>Submission of Company Form (MU1): Complete and submit the Company Form (MU1) in NMLS. This form serves as the transition request for the license/registration through NMLS.</p> <p>See the Transitioning an Existing License Quick Guide for instructions on how to submit the transition request.</p> <p>When selecting your license in the Company Form (MU1), you will be asked to enter your existing license number. Be sure to enter your existing Maryland consumer loan license number, beginning with "02-####".</p> <p>All current licensees/registrants must transition their license onto NMLS on or before September 30th, 2017.</p> | NMLS |
| <input type="checkbox"/> | <p>Other Trade Name: If operating under a name that is different from the licensee'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). MD does not limit the number of other trade names.</p> <p>If operating under an "Other Trade Name", upload a trade name registration certificate issued by the Maryland Department of Assessments and Taxation. This document should be named <i>[State-License Type] Trade Name – Assumed Name</i>.</p> | <p>NMLS</p> <p>Upload in NMLS: under the Document Type Trade Name/Assumed Name Registration Certificates in the <i>Document Uploads</i> section of the Company Form (MU1).</p> |
| <input type="checkbox"/> | <p>Resident/Registered Agent: The Resident 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 MD.</p> | NMLS |
| <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. Primary Consumer Complaint Contact. | NMLS |
| Note | <p>Non-Primary Contact Employees: MD 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 |

| Complete | MD Consumer Loan License | Submitted via... |
|--------------------------|--|--|
| Note | Bank Account: Bank account information is not required. The <i>Bank Account</i> section of the Company Form (MU1) can be left blank. | N/A |
| <input type="checkbox"/> | 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). See the Company Disclosure Explanations Quick Guide for instructions. | Upload in NMLS in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2). |
| Note | Qualifying Individual: The <i>Qualifying Individual</i> section is not required to be completed for MD on the Company Form (MU1). | N/A |
| <input type="checkbox"/> | 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). | NMLS |
| Note | Credit Report: Individuals in a position of control are NOT required to authorize a credit report through NMLS. | N/A |
| Note | MU2 Individual FBI Criminal Background Check Not Required Through NMLS: Direct Owners/Executive Officers, Indirect Owners, and Qualifying Individuals are NOT required to authorize a FBI criminal background check (CBC) through NMLS. | N/A |
| <input type="checkbox"/> | <p>Surety Bond: Submit a company bond in the amount of \$12,000 furnished by a surety company authorized to conduct business in Maryland.</p> <p><i>Licensees may submit their surety bond to MD in one of the following ways:</i></p> <ol style="list-style-type: none"> 1. Provide an Electronic Surety Bond (ESB) via NMLS in the amount listed above furnished and submitted by a surety company authorized to conduct business in Maryland. See the ESB for NMLS Licensees page of the NMLS Recourse Center for more information. Note: If you choose to use ESB, you cannot return to providing a paper bond. Note: Changes in the number of branch locations affects the amount required for the surety bond. The amount of the Electronic Surety Bond submitted must be increased by \$12,000 through NMLS for the additional branch location. 2. Upload your surety bond to NMLS in the amount listed above. The surety bond should be uploaded in NMLS under the Document Type <u>Surety Bond</u> in the <i>Document Uploads</i> section of the Company Form (MU1). This document should be named <i>[License Type] Surety Bond</i>. Note: NMLS does not ESBs for licensed branches within the branch record. If using ESBs to satisfy the Maryland requirement for branch bonds, they must be uploaded within the company record. | <ol style="list-style-type: none"> 1. Electronic Surety Bond in NMLS <p>Or;</p> <ol style="list-style-type: none"> 2. Upload in NMLS |

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS

| Complete | MD Consumer Loan License | Submitted via... |
|--------------------------|--|---|
| <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 licensee intends to employ. • A general description of the company’s business model. • A list of services offered to Maryland consumers. • A list of vendor or affiliate relationships, and the activities and/or services that the vendors or affiliates provide. • A liquid asset letter verified by a financial institution, showing \$20,000 in funds to be used by the business. A reviewed or audited financial statement may be substituted for the liquid asset letter. • A current (within the last 12 months) business credit report. If a business credit report is not available, or if the business is a new entity, a current personal credit report(s) needs to be provided for the president and any stockholder who owns or controls 10% or more of the Corporation or LLC. For NMLS transition purposes, you may upload the most recent credit report(s) previously provided to the Commissioner. Individual Credit Reports SHOULD NOT BE UPLOADED as part of the Business Plan. They should be processed through the Individual Form (MU2). See the Individual (MU2) Credit Report Quick Guide for more information. <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 <u>Document Uploads</u> 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 licensee’s state of formation and MD.</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 <u>Document Uploads</u> section of the Company Form (MU1).</p> |

| Complete | MD Consumer Loan License | Submitted via... |
|--------------------------|--|---|
| <input type="checkbox"/> | <p>Company Staffing and Internal Policies: Upload document(s) including information on staffing and internal organizational policies and procedures. If submitting multiple policies, upload and name each policy separately. The document must include the following information:</p> <ul style="list-style-type: none"> • Enterprise-wide risk management • Compliance management system/internal controls <p>This document should be named <i>[Name of Policy]</i>.</p> | <p>Upload in NMLS: under the Document Type <u>Company Staffing and Internal Policies</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p> |
| <input type="checkbox"/> | <p>Document Samples: Upload copies of the following sample documents used in the regular course of business in connection with this license:</p> <ul style="list-style-type: none"> • Copies of representative contracts, consumer agreements, disclosures, and any other relevant documents that are required by Maryland law to be used in the proposed business activities. <p>This document should be named <i>[Name of Document Sample]</i>.</p> | <p>Upload in NMLS: under <u>Document Samples</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p> |
| <input type="checkbox"/> | <p>Formation Documents: Determine classification of licensee’s legal status and submit a State certified 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>Sole Proprietor</p> <ul style="list-style-type: none"> • No documents required. <p>Unincorporated Association:</p> <ul style="list-style-type: none"> • By-Laws or constitution (including all amendments). <p>General Partnership:</p> <ul style="list-style-type: none"> • Partnership Agreement (including all amendments). <p>Limited Liability Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Liability Partnership; and • Partnership Agreement (including all amendments). <p>Limited Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Partnership; and • Partnership Agreement (including all amendments). <p>Limited Liability Limited Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Liability Limited Partnership; and • Partnership Agreement (including all amendments). <p>Limited Liability Company (“LLC”):</p> <ul style="list-style-type: none"> • Articles of Organization (including all amendments); • Operating Agreement (including all amendments); • IRS Form 2553 or IRS Form 8832 if S-corp treatment elected; and • LLC resolution if authority not in operating agreement. <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- | <p>Upload in NMLS: under <u>Formation Document</u>” in the <i>Document Uploads</i> section of the Company Form (MU1).</p> <p>This document should be named <i>Formation Documentation [Date of Creation (MM-DD-YYYY)]</i>.</p> |

| | | |
|--------------------------|--|---|
| | <p>Laws or Shareholder Agreement, as amended, as applicable.</p> <p>Trust (Statutory)</p> <ul style="list-style-type: none"> • Certificate of Trust; and • Governing instrument (all amendments). | |
| <input type="checkbox"/> | <p>Management Chart: Submit a Management chart displaying the licensee’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 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> |
| <input type="checkbox"/> | <p>Trust Account Authorization: Submit authorization allowing examination of trust accounts used for the purpose of holding funds belonging to others. May require multiple documents when more than one account exists. Upload each account authorization separately.</p> <p>This document should be named <i>[License Type]; [Indicate State]; [last 5 digits of account number]</i>. (eg. <i>Debt Management, MD, xxxxx</i>)</p> <p>.</p> | <p>Upload in NMLS: under <u>Trust Account Authorization</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p> |
| <input type="checkbox"/> | <p>Warehouse Line of Credit Documentation: Submit the following documentation related to a Warehouse Line of Credit:</p> <ul style="list-style-type: none"> • List of all warehouse lines of credit, showing the creditor, the amount of the credit line, the term of the credit line agreement, and the amount currently outstanding. <p>This document should be named <i>[License Type and Lender Name]</i></p> <p>.</p> | <p>Upload in NMLS: under the Document Type <u>Warehouse Line of Credit Documentation</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p> |

INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS

| | | |
|--------------------------|--|---|
| <input type="checkbox"/> | <p>Legal Name/Status Documentation: Upload legal documentation of legal name or legal status. This may be certified copies of divorce decree, marriage certificate, copy of driver’s license, passports, etc.</p> <p>This document should be named <i>[Document Name]</i> (Ex. Driver’s License, Marriage Certificate, etc.).</p> | <p>Upload in NMLS: under the Document Type <u>Legal Name/Status Documentation</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p> |
|--------------------------|--|---|

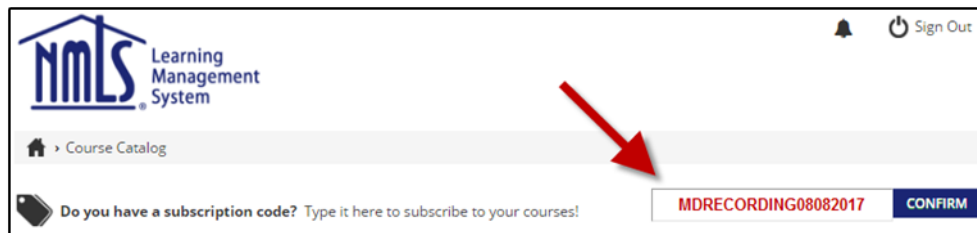
REQUIREMENTS SUBMITTED OUTSIDE OF NMLS

| Complete | MD Consumer Loan License | Submitted via... |
|---|---------------------------------|-------------------------|
| No items are required to be submitted outside of NMLS for this license/registration at this time. | | |

RECORDING OF NMLS TRANSITION TRAINING

Follow the instructions below to watch the recorded webinar for the **MD Consumer Finance, Debt and Money Services Businesses Related Companies Transition to NMLS - August 8th, 2017 (Recording)**.

1. Go to <https://www.csbstraining.org/lms/>
2. Click the **Register** link in the top right corner.
3. Complete all fields marked by a red asterisk (*).
 - a. **Select "State-Licensed" for User Type.**
4. After completing all fields, a confirmation email is sent. Check your Spam folder.
5. Click the link in the confirmation email that is sent from LMSAdmin@csbs.org.
6. A new tab or window opens in your browser confirming your registration, allowing you to log in.
7. **Log in to the LMS and enter the subscription code: MDRECORDING08082017.**



8. The recorded webinar is then available in **My Courses**.

