CHECKLIST SECTIONS

- General Information
- License Fees
- Requirements Completed in NMLS
- Requirements/Documents Uploaded in NMLS
- Requirements Submitted Outside of NMLS

GENERAL INFORMATION

Who Is Required to Have This License?

A mortgage servicer is any person, wherever located, who for the person or on behalf of the holder of a residential mortgage loan, receives payments of principal and interest in connection with a residential mortgage loan, records the payments on the person's books and records and performs the other administrative functions as may be necessary to properly carry out the mortgage holder's obligations under the mortgage agreement including, when applicable, the receipt of funds from the mortgagor to be held in escrow for the payment of real estate taxes and insurance premiums and the distribution of the funds to the taxing authority and insurance company. This also includes a person who makes payments to borrowers pursuant to the terms of a home equity conversion mortgage or reverse mortgage.

This license is not required for any business entity licensed as a residential mortgage lender pursuant to the "New Jersey Residential Mortgage Lending Act" P.L.2009, C.53 (C.17:11C-51 through C.17:11:C-89) acting as a mortgage servicer. Any residential mortgage lender seeking to engage in mortgage servicing activity must apply for the RMLA-Licensed Mortgage Servicer Registration.

Companies and branches applying through NMLS with the New Jersey Department of Banking and Insurance must agree to abide by NMLS requirements, including attesting to the accuracy of the information submitted, agreeing to keep it updated through NMLS, and annually renewing the registration through the NMLS Streamlined Renewal Process. Branches must be registered by submission of a completed Branch Form (MU3).

The governing statute for the NJ Mortgage Servicer license is the Mortgage Servicers Licensing Act, NJSA 17:16F-26 to -46, P.L. 2019, c. 65.

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Who Does Not Need to Have This License?

- Any entity licensed as a Residential Mortgage Lender or a Correspondent Residential Mortgage Lender under the New Jersey Residential Mortgage Lending Act who has obtained the RMLA-licensed Mortgage Servicer Registration.
- Any bank, out-of-state bank, credit union chartered in New Jersey, federal credit union, or out-of-state credit union, provided the bank or credit union is federally insured;
- Any wholly-owned subsidiary of the bank or credit union;
- Any operating subsidiary in situations in which each owner of the operating subsidiary is wholly owned by the same bank or credit union;
- Any agency of the federal government, any state or municipal government or any quasi-governmental agency servicing residential mortgage loans under the specific authority of the laws of any state or the United States;
- New Jersey Housing and Mortgage Finance Agency;
- A person servicing five or fewer residential mortgage loans within any period of twelve consecutive months and;
- Any individual or entity that is exempt from licensure as a residential mortgage lender pursuant to N.J.S.A. 17:11C-55 of the RMLA, while servicing mortgage loans made pursuant to the exemption. N.J.S.A. 17:16F-45(1).

Activities Authorized Under This License

This license authorizes the following activities...

- First Mortgage Servicing
- Third Party First Mortgage Servicing
- Third Party Subordinate Lien Mortgage Servicing
- Subordinate Lien Servicing
- Reverse Mortgage Servicing
- Mortgage Loan Modifications
- Master Servicing

Pre-Requisites for License Applications

None

The New Jersey Department of Banking and Insurance does not issue 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.

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Helpful Resources

- Company Form (MU1) Filing Instructions
- <u>Document Upload Descriptions and Examples</u>
- Individual Form (MU2) Filing Quick Guide
- Financial Statements Quick Guide
- Payment Options Quick Guide
- License Status Definitions Quick Guide

Agency Contact Information

Contact <u>the New Jersey Division of Banking and Insurance</u> licensing staff by phone at <u>(609) 292-7272, then select option 3, then option 1</u> or send your questions via email to <u>Bliconline@dobi.nj.gov</u> for additional assistance.

For U.S. Postal Service:

New Jersey Department of Banking & Insurance Licensing Services Bureau, Banking P.O. Box 473 Trenton, NJ 08625

For Overnight Delivery:

New Jersey Department of Banking & Insurance Licensing Services Bureau, Banking 20 West State Street, 8th Floor Trenton, NJ 08608

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.

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LICENSE FEES - Fees collected through NMLS are NOT REFUNDABLE OR TRANSFERABLE.		
Complete	NJ Mortgage Servicer License	Submitted via
	NJ Application Fee: \$1,000 NMLS Initial Processing Fee: \$100	NMLS (Filing submission)
	Credit Report for Control Persons: \$15 per control person and qualified individual	NMLS (Filing submission)
	FBI Criminal Background Check for MU2 Individual: \$36.25 per person.	NMLS (Filing submission)

REQUIREMENTS COMPLETED IN NMLS		
Complete	NJ Mortgage Servicer License	Submitted via
	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
	Financial Statements: Upload a an unqualified, 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, and statement of cash flows and all relevant notes thereto. The financial statement must illustrate a company tangible net worth of \$250,000 Note: Financial statements are uploaded separately under the Filing tab and	NMLS
	Financial Statement submenu link. See the Financial Statements Quick Guide for instructions.	
	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 Other Trade Names section of the Company Form (MU1). The New Jersey Department of Banking and Insurance does not limit the number of other trade names. If operating under an "Other Trade Name", upload trade name authorization	NMLS Upload in NMLS: under the Document Type Trade Name/Assumed Name Registration
	document regarding ability to do business under that trade name. This document should be named [State-License Type] Trade Name – Assumed Name.	Certificates in the Document Uploads section of the Company Form (MU1).

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	Resident/Registered Agent: The Registered Agent must be listed under the Resident/Registered Agent section of the Company Form (MU1) and must match the information currently on record with New Jersey Department of Treasury.	NMLS
	Primary Contact Employees: The following individuals must be entered into the Contact Employees section of the Company Form (MU1). 1. Primary Company Contact. 2. Primary Consumer Complaint Contact.	NMLS
	Non-Primary Contact Employees: New Jersey Department of Banking and Insurance requires that an individual(s) be identified as a Non-Primary Contact for the following areas. These contacts must be listed in the Contact Employees section of the Company Form (MU1). 1. Licensing 2. Consumer Complaint (Public) 3. Consumer Complaint (Regulator) 4. Legal 5. Pre-Exam Contact	NMLS
Note	Bank Account: Bank account information is not required. The Bank Account section of the Company Form (MU1) can be left blank.	N/A
	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 Disclosure Explanations section of the Company Form (MU1) or Individual Form (MU2).
	Qualifying Individual: The Qualifying Individual must be a person with supervisory authority over the main office and must have at least three years' experience in the mortgage servicing business within the five years immediately preceding the date of this application. This individual must be listed in the Qualifying Individual section of Company Form (MU1).	NMLS
	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
	Credit Report: Individuals in a position of control are required to authorize a credit report through NMLS. Individuals will be required to complete an Identity Verification Process (IDV) along with an individual attestation before a license request for your company can be filed through NMLS. This authorization is made when the Individual Form (MU2) is submitted as part of the Company Form (MU1).	NMLS

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	 MU2 Individual FBI Criminal Background Check Requirements: The following Individuals, as specified below, on the Company Form (MU1) are required to authorize a FBI criminal background check (CBC) through NMLS. Direct Owners In the case of a corporation, directly has the right to vote 10 percent or more of a class of any voting security or has the power to sell or direct the sale of 10 percent or more of any class of voting securities In the case of a limited liability company, is a managing member; or In the case of a partnership, has the right to receive upon dissolution, or has contributed, 10 percent or more of the capital, shall be presumed to be a control person. 	NMLS
	Executive Officers	
	a director, general partner or executive officer	
	Indirect Owners	
	 In the case of a corporation, directly has the right to vote 10 percent or more of a class of any voting security or has the power to sell or direct the sale of 10 percent or more of any class of voting securities 	
	Qualifying Individuals	
	The identified person with supervisory authority over the main office.	
	After authorizing a FBI criminal background check through the submission of the Company Form (MU1) and Individual Form (MU2), you must schedule an appointment to be fingerprinted if new prints are required.	
	See the <u>Criminal Background Check section</u> of the NMLS Resource Center for more information.	
	Note: If you are able to 'Use Existing Prints' to process the FBI criminal background check, you DO NOT have to schedule an appointment. NMLS will automatically submit the fingerprints on file.	
_	Electronic Surety Bond: Electronic Surety Bond via NMLS in the amount of \$100,000 per office location furnished and submitted by a surety company authorized to conduct business in New Jersey.	Electronic Surety Bond in NMLS
	See the <u>ESB Adoption Table</u> and the <u>ESB for NMLS Licensees page</u> of the NMLS Recourse Center for more information.	
	Note : Surety bonds submitted via the <i>Document Uploads</i> section will not satisfy this requirement.	

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REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	NJ Mortgage Servicer License	Submitted via
	 Business Plan: Upload a business plan outlining the following information: Marketing strategies Products Target markets Fee schedule Operating structure the applicant intends to employ. This document should be named [Company Legal Name] Business Plan. 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. 	Upload in NMLS: under the Document Type Business Plan in the Document Uploads section of the Company Form (MU1).
	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/or NJ. This document should be named NJ Certificate of Authority OR NJ Certificate of Good Standing.	Upload in NMLS: under the Document Type Certificate of Authority/Good Standing Certificate in the Document Uploads section of the Company Form (MU1).

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Errors and Omissions: Submit proof of errors and omissions insurance protecting the applicant from liability arising from a negligent act, error or omission in the performance of professional service. If applicable, include power of attorney (POA). The policy should name the New Jersey Department of Banking and Insurance as an additional loss payee.

VOLUME OF NEW JERSEY RESIDENTIAL MORTGAGE LOANS SERVICED	CALCULATION OF ERRORS AND OMISSIONS COVERAGE
\$100,000,000 or Less	\$300,000
\$100,000,000.01 to	\$300,000 plus .15% of residential mortgage
\$500,000,000	loans serviced
\$500,000,000.01 to	\$900,000 plus .125% of residential mortgage
\$100,000,000,000	loans serviced between
\$100,000,000,000 or	\$125,275,000 plus .10% of residential mortgage
greater	loans serviced

The errors and omissions coverage may provide for a deductible amount not to exceed the greater of \$100,000 or five percent of the principal amount.

This document should be named Errors and Omissions Insurance.

The full policy should be uploaded.

Upload in NMLS: under the Document Type Errors and Omissions (Insurance Policy) in the Document Uploads section of the Company Form (MU1).

Fidelity Bond: Submit a fidelity bond at the coverage level required by NJ.

VOLUME OF NEW JERSEY RESIDENTIAL MORTGAGE LOANS SERVICED	CALCULATION OF FIDELITY BOND
\$100,000,000 or Less	\$300,000
\$100,000,000.01 to	\$300,000 plus .15% of residential
\$500,000,000	mortgage loans serviced
\$500,000,000.01 to	\$900,000 plus .125% of residential
\$100,000,000,000	mortgage loans serviced between
\$100,000,000,000 or greater	\$125,275,000 plus .10% of residential
	mortgage loans serviced

Upload in NMLS: under the Document Type Fidelity Bond in the Document Uploads section of the Company Form (MU1).

The name and address of the principal insured on the bond must exactly match the Full Legal Name, trade name if applicable and address, of the applicant. If applicable, include power of attorney (POA). The policy should name the New Jersey Department of Banking and Insurance as an additional loss payee. The full policy should be uploaded.

The fidelity bond must be written by a surety authorized to write the bonds in NJ.

This document should be named Fidelity Bond.

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Formation Documents: Determine classification of applicant'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.

Sole Proprietor

County Recording Documents

Unincorporated Association:

• By-Laws or constitution (including all amendments).

General Partnership:

• Partnership Agreement (including all amendments).

Limited Liability Partnership:

- Certificate of Limited Liability Partnership; and
- Partnership Agreement (including all amendments).

Limited Partnership:

- Certificate of Limited Partnership; and
- Partnership Agreement (including all amendments).

Limited Liability Limited Partnership:

- Certificate of Limited Liability Limited Partnership; and
- Partnership Agreement (including all amendments).

Limited Liability Company ("LLC"):

- 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.

Corporation:

- 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.

Not for Profit Corporation

- Documents requested of a Corporation; and
- Proof of nonprofit status
 - o Internal Revenue Service ("IRS") 501(c)(3) designation letter; or
 - statement from a State taxing body or the State attorney general certifying that: (i) the entity is a nonprofit organization operating within the State; and (ii) no part of the entity's net earnings may lawfully benefit any private shareholder or individual; or
 - entity's certificate of incorporation or similar document if it clearly establishes the nonprofit status of the applicant; or
 - Any of the three preceding items described, if that item applies to a
 State or national parent organization, together with a statement by
 the State or parent organization that the applicant is a local nonprofit
 affiliate.

Trust (Statutory)

- Certificate of Trust; and
- Governing instrument (all amendments).

Upload in NMLS: under the Document Type Formation Document in the Document Uploads section of the Company Form (MU1).

This document should be named Formation Documentation [Date of Creation (MM-DD-YYYY)].

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	Organizational Chart/Description: Submit a chart showing (or a description which includes) the percentage of ownership of: • Direct Owners (total direct ownership percentage must equate to 100%) • Indirect Owners • Subsidiaries and Affiliates of the applicant/licensee This document should be named [Company Legal Name] Organizational Chart – Description. 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.	Upload in NMLS: under the Document Type Organizational Chart/Description in the Document Uploads section of the Company Form (MU1).
INDIVIDUA	L (MU2) DOCUMENTS UPLOADED IN NMLS	
	Credit Report Explanations: Submit a line by line, detailed letter of explanation of all derogatory credit accounts along with proof of payoffs, payment arrangements and evidence of payments made, or evidence of any formal dispute filed (documents must be dated). Accounts to address include, but are not limited to: collections items, charge offs, accounts currently past due, accounts with serious delinquencies in the last 3 years, repossessions, loan modifications, etc. Note: Items regarding bankruptcy, foreclosure actions, outstanding judgments or liens, or delinquent child support payments should be addressed in the Disclosure Explanations section of your Individual Form (MU2). This document should be named Credit Report Explanations – Sub Name – Document Creation Date.	Upload in NMLS: under the Document Type Credit Report Explanations in the Document Uploads section of the Individual Form (MU2).
	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. This document should be named [Document Name] (Ex. Driver's License, Marriage Certificate, etc.).	Upload in NMLS: under the Document Type Legal Name/Status Documentation in the Document Uploads section of the Individual Form (MU2).
	Memorandum of Tax Certification: Provide a certified memorandum indicating all tax obligations to the State have been paid or that a payment plan (if applicable) is in place. This document should be named [State Abbreviation] – Memorandum of Tax Certification.	Upload in NMLS: under the Document Type Memorandum of Tax Certification in the Document Uploads section of the Individual Form (MU2).

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Verification of Experience: Provide a license specific resume with detailed job descriptions and/or duties performed evidencing experience in the industry the company is applying for a license. Detailed job descriptions and duties with all employers need to be incorporated into a resume to demonstrate experience related to the specific state license being applied for. State specific requirements for qualified individuals include:

- A statement specifying the duties and responsibilities of the person's employment, the term of employment, including month and year, and the name, address and telephone number of a supervisor, employer or, if self-employed, a business reference.
- W-2 Forms, 1099 Tax Forms or, if self-employed, 1120 corporate tax returns
- Signed letters from the employer, on the employer's letterhead verifying the person's duties and responsibilities and term of employment including month and year.

This document should be named [Document Type] – License Name.

Upload in NMLS: under the Document Type <u>Verification of</u> <u>Experience</u> in the <u>Document Uploads</u> section of the Individual Form (MU2).

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS		
Complete	NJ Mortgage Servicer License	Submitted via
No items are required to be submitted outside of NMLS for this license/registration at this time.		

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