



NJ Student Loan Servicer Branch License New Application Checklist (Branch)

CHECKLIST SECTIONS

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GENERAL INFORMATION

Who is required to have this license?

This license should only be applied for by a company that also holds or is applying for a NJ Student Loan Servicer License

A student loan servicer is any person, wherever located, responsible for the receiving any scheduled periodic payments from a student loan borrower or notification of such payments, and applying payments to the borrower's account pursuant to the terms of the student education loan or the contract governing the servicing of the loan; b. during a period when no payment is required on the student education loan, maintaining account records for the loan and communicating with the student loan borrower regarding the loan, on behalf of the holder of the loan; or c. interacting with a student loan borrower to facilitate the loan servicing as described in this definition, including activities to help prevent loan default on obligations arising from a student education loan of any student education loan to any student loan borrower.

Companies and branches applying through NMLS with the New Jersey Department of Banking and Insurance (DOBI) 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 Student Loan Servicer license is the Student Loan Servicing Act, N.J.S.A. 17:16ZZ-1 TO -18

The Act also creates a separate license type for persons servicing student loans pursuant to a contract awarded by the United States Secretary of Education under 20 U.S.C. S.1087f ("Federal Contract Student Loans" or "FCSL")

Who Does Not Need to Have This License?

- Any state or federally chartered bank, savings bank, savings and loan association or credit union. (N.J.S.A. 17:16ZZ-4(a)(2)(a)).
- Any wholly owned subsidiary of any bank or credit union. (N.J.S.A. 17:16ZZ-4(a)(2)(b)).

- Any operating subsidiary where each owner of the operating subsidiary is wholly owned by the same bank or credit union. (N.J.S.A. 17:16ZZ-4(a)(2)(c)).

Activities Authorized Under This License

This license authorizes the following activities...

- Private student loan 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

Documents that must be uploaded to the *Document Uploads* section of the Branch Form (MU3) 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

- [Branch Form \(MU3\) Filing Quick Guide](#)
- [Document Upload Descriptions and Examples](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

Agency Contact Information

Contact the New Jersey Division of Banking and Insurance licensing staff by phone at (609) 292-7272 or send your questions via email to Blionline@dobi.nj.gov 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.

LICENSE FEES - Fees collected through NMLS are not REFUNDABLE or TRANSFERABLE.

Complete	Nj Student Loan Servicer Branch License	Submitted via...
<input type="checkbox"/>	<p>NJ License Fee: \$5,000</p> <p>NJ Investigation Fee: \$500</p> <p>NMLS Initial Processing Fee: \$0</p>	NMLS (Filing submission)
<input type="checkbox"/>	Credit Report for Control Persons: \$15 per control person.	NMLS (Filing submission)
<input type="checkbox"/>	FBI Criminal Background Check for MU2 Individual: \$36.25 per person.	NMLS (Filing submission)

REQUIREMENTS COMPLETED IN NMLS

Complete	Nj Student Loan Servicer Branch License	Submitted via...
<input type="checkbox"/>	<p>Electronic Surety Bond: Increase the company's bond amount by \$30,000 for each location furnished by a surety company authorized to conduct business in New Jersey.</p> <p>See the ESB Adoption Table and the ESB for NMLS Licensees page of the NMLS Recourse Center for more information.</p> <p>Note: Surety bonds submitted via the <i>Document Uploads</i> section will not satisfy this requirement.</p> <p>Electronic Surety Bond will be available on October 15, 2020.</p>	NMLS
<input type="checkbox"/>	Submission of Branch Form (MU3): Complete and submit the Branch Form (MU3) in NMLS. This form serves as the application for the license through NMLS.	NMLS
<input type="checkbox"/>	Other Trade Names: Branch offices may only operate under a trade name, fictitious name or d/b/a name for which the business entity has received NJ regulatory approval	NMLS
<input type="checkbox"/>	Branch Manager: A Branch Manager must be designated for each licensed location. A Branch Manager is defined as an individual whose principal office is physically located in, who is in charge of, and who is responsible for the business operations of a branch office.	NMLS
<input type="checkbox"/>	Branch Manager (MU2) Attestation: Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable branch manager before it is able to be submitted along with the Branch Form (MU3).	NMLS

<input type="checkbox"/>	<p>Credit Report: Branch Managers 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 Branch Form (MU3).</p>	NMLS
<input type="checkbox"/>	<p>MU2 Individual FBI Criminal Background Check Requirements: Branch Managers are required to authorize a FBI criminal background check (CBC) through NMLS.</p> <p>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.</p> <p>See the Criminal Background Check section of the NMLS Resource Center for more information.</p> <p>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.</p>	NMLS

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	NJ Student Loan Servicer Branch License	Submitted via...
No branch documents are required to be uploaded into NMLS for this license/registration at this time.		
INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS		
<input type="checkbox"/>	<p>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.</p> <p>Note: Items regarding bankruptcy, foreclosure actions, outstanding judgments or liens, or delinquent child support payments should be addressed in the <i>Disclosure Explanations</i> section of your Individual Form (MU2).</p> <p>This document should be named <i>Credit Report Explanations – Sub Name – Document Creation Date</i>.</p>	Upload in NMLS: under the Document Type <u>Credit Report Explanations</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).
<input type="checkbox"/>	<p>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 include:</p>	Upload in NMLS: under the Document Type <u>Verification of Experience</u> in the <i>Document Uploads</i>

	<ul style="list-style-type: none"> A complete and current resume for the applicant; all partners, if the applicant is a partnership; all members, if the applicant is a limited liability company or association; or for all officers, directors and principal employees, if the applicant is a corporation. The resume should include detailed job descriptions and/or duties performed evidencing experience in the loan servicing industry. <p>This document should be named <i>[Document Type] – License Name</i>.</p>	<p>section of the Individual Form (MU2).</p>
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REQUIREMENTS SUBMITTED OUTSIDE OF NMLS		
Complete	NJ Student Loan Servicer Branch License	Submitted via...
<p>No items are required to be submitted outside of NMLS for this license/registration at this time.</p>		