FINANCIAL STATEMENT & NET WORTH FILING

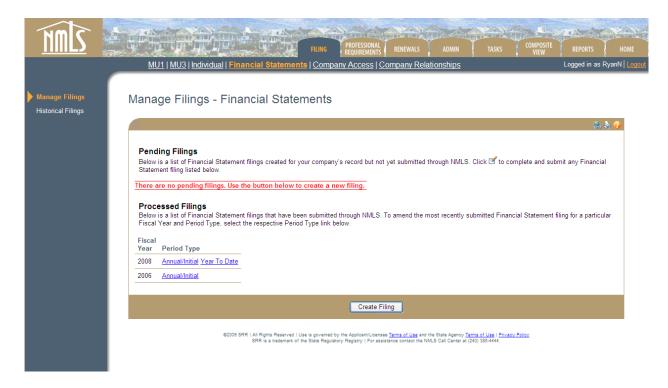
NMLS enables company account administrators and designated company users to file financial statements (FS) in a single PDF document through the system. Companies are often required to file a financial statement prior to submitting a license application, on an annual basis or at other designated times during the year. In addition, companies holding licenses with a net worth (NW) requirement can also provide this information through NMLS.

A. General Instructions

<u>Filing</u> – Companies holding one or more license types in one or more jurisdictions should consult the financial statement and net worth requirements for each license. Companies are expected to meet the most stringent financial statement and net worth requirement for their licenses. Filing the financial statements and meeting the net worth requirement to satisfy the most stringent jurisdiction requirement will satisfy all FS and NW requirements for jurisdictions participating in NMLS.

<u>Terms Used</u> - For uniformity, terms used in Financial Statement & Net Worth Filing are defined in the glossary

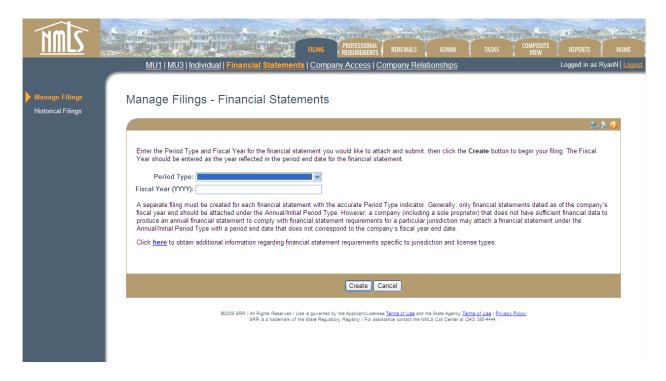
MANAGE FILINGS - FINANCIAL STATEMENTS



As required by the license type for which you are applying, new applicants will not be able to submit completed Form MU1s in the system unless the appropriate financial statement has been attached to your record.

Existing licensees will have the ability to file financial statements on NMLS throughout the year. NMLS regulators have set a policy that all licensees required to file an annual financial statement must do so within 90 days of their fiscal year end. The system will allow for quarterly updates and semi-annual and year-to-date financial statements as required by some jurisdictions.

MANAGE FILINGS – FINANCIAL STATEMENTS

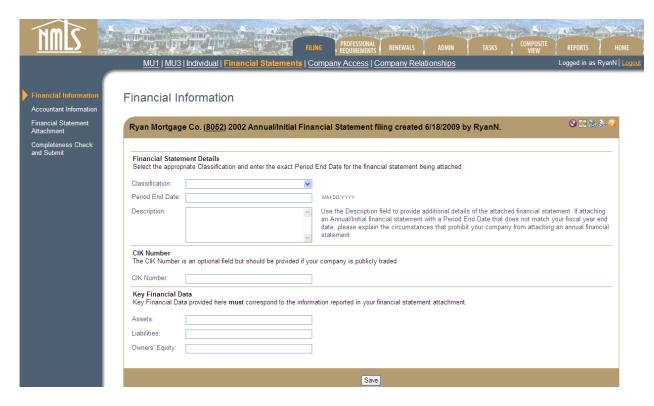


A separate filing must be created for each financial statement with the accurate Period Type indicator. Generally, only financial statements dated as of the company's fiscal year end should be attached under the Annual/Initial Period Type. However, a company (including a sole proprietor) that does not have sufficient financial data to produce an annual financial statement to comply with financial statement requirements for a particular jurisdiction may attach a financial statement under the Annual/Initial Period Type with a period end date that does not correspond to the company's fiscal year end date.

If new application requirements state previous fiscal year financial statement(s) are necessary for the application (other than the most current year), only submit the most current Annual financial statement under Annual/Initial Period Type. Previous periods should be submitted under another appropriate period type with the corresponding fiscal year.

If your company prepares consolidated financial statements and the jurisdictions in which you are applying or are currently licensed accept them to satisfy the financial statement requirement, you may submit those through the system. Please note that most jurisdictions ALSO require consolidated schedules reflecting the financial condition of the licensee itself.

FINANCIAL INFORMATION

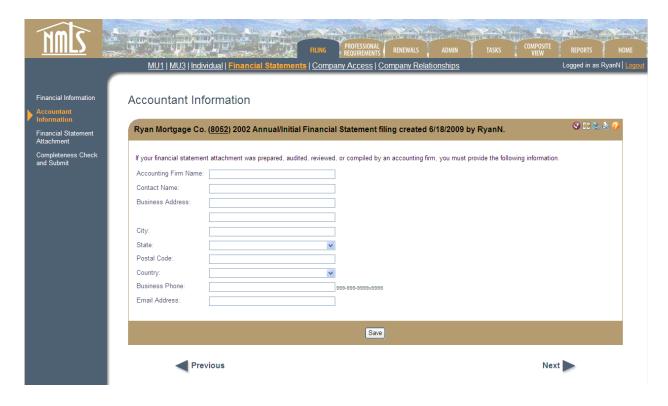


Licensees are required to submit a financial statement and meet the net worth requirement that satisfy the highest, or most stringent, standard among all NMLS jurisdictions in which they are licensed or are applying for licensure.

If attaching an Annual/Initial financial statement with a Period End Date that does not correlate with your fiscal year end date, please explain the circumstances that prohibit your company from attaching an annual financial statement.

Key Financial Data must correspond to the financial statement filed under the Annual/Initial filing and reflect the assets, liabilities and owners' equity values of the licensee. Whenever net worth values are changed from a prior submission, a financial statement reflecting these new values must be submitted with the net worth changes.

ACCOUNTANT INFORMATION



You must provide the information listed on this page if your financial statement was prepared by an accounting firm. Filings designated as *audited*, *unaudited* (*reviewed*) or *unaudited* (*compiled*) are required to complete this section.

FINANCIAL STATEMENT ATTACHMENT



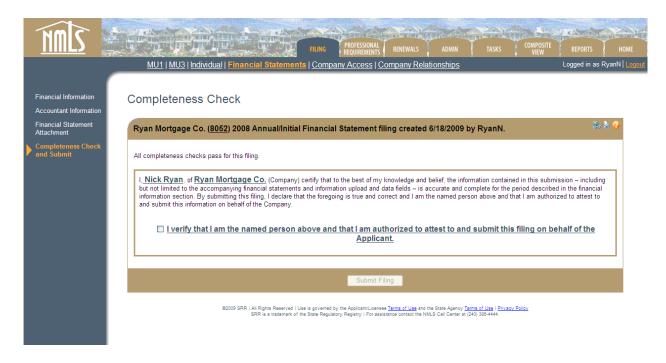
You must attach the financial statement that corresponds to the Period Type, Classification and Period End Date you selected under MANAGE FILINGS – FINANCIAL STATEMENTS and FINANCIAL INFORMATION.

This entire attachment must be in ONE, SEARCHABLE PDF file. Licensees may not submit this attachment as a password protected file. If the file is currently password protected, you must remove the password requirement before attaching it as part of your filing.

If an accountant of other accounting professional has prepared the financial statements, you must also submit the CPA or accountant cover letter with the financial statements. If signatures are required on the letter, regulators will accept them through this submission process.

Do not submit PERSONAL FINANCIAL STATEMENTS through the system for MU2 and MU4 licenses if required in your jurisdiction. Sole proprietors required to file financial statements to satisfy MU1 license requirements may submit personal financial statements through NMLS to satisfy these requirements if allowed in your jurisdiction.

COMPLETENESS CHECK



The "Submit Filing" button will only appear if the Financial Statements Filing passes all completeness checks.

When hitting the "Submit Filing" button, applicants and licensees are making a legal attestation to all jurisdictions in which they are applying for or maintaining a license through the NMLS.

After hitting the "Submit Filing" button, the financial statement filing is submitted to the regulator(s) for review. If you are submitting a financial statement in conjunction with a new company license application, return to the MU1 filing to complete this submission.

Certain jurisdictions may require designated individuals attest to and submit the financial statements. Please consult jurisdiction specific documents to ensure the appropriate individual is performing this function.