

Individual Disclosure Explanations

Overview/Policy

State regulators expect individuals to explain events that must be disclosed through a "Yes" response to any of the existing Disclosure Questions. These explanations are to be submitted through NMLS. An explanation must be provided for each disclosure question that has a "Yes" response. A separate explanation should be provided for each event resulting in a 'Yes' response to a disclosure question. A single explanation can be associated to multiple "Yes" responses and multiple explanations may be provided if multiple events are related to a single question. Each explanation allows a single PDF to be uploaded in support of the explanation. It is expected that this PDF will contain relevant official documentation related to the explanation (e.g., finding issued by a state regulatory agency, a court order, civil judgment)

NMLS requires the Disclosure Questions to be answered before a Disclosure Explanation can be provided. No explanation may be provided for Disclosure Questions with a "No" response.

Definitions and Charts

Not applicable

How To

Add a Disclosure Explanation:

1. From the *Disclosure Explanations* screen, click **Add**.
2. Complete all **required fields**.
3. **Check** all applicable disclosure questions.
4. Click **Browse** to locate Supporting file in PDF and then click **Open**. (optional)
5. Click **Save**.

Repeat steps to add additional explanations. Users may also click the **Edit** icon to edit or delete an explanation.

Helpful Hints

1. All questions regarding the interpretation of disclosure questions, and whether certain events are covered by disclosure questions, should be directed to the state regulator. The Add button will only become active if the user answers "Yes" to at least one Disclosure Question in the Disclosure Questions section.
2. Each Disclosure Explanation allows only one PDF to be uploaded. If there are multiple documents, please combine in a single PDF.
3. Do not combine documentation for multiple events into one file. If you need to explain multiple events, submit separate PDFs for each event. It is expected that each PDF will only contain documentation related to the specific event being explained.
4. Some states may require individuals to provide an explanation and/or supporting documentation for previous "yes" responses. Consult state licensing requirements for this information.
5. One explanation can be associated to multiple questions if applicable.

Additional Resources:

- Find State-Specific requirements on the [NMLS Resource Center](#).
- Details regarding information available on NMLS Consumer Access can be found within [Information Viewable on NMLS Consumer Access](#).
- Quick Guide:
 - [Disclosure Explanations Reference Guide](#)

See Company and Branch Help [Table of Contents](#)