



Request for Comments on NMLS Modernization: Networked Licensing Model, Licensing Requirements Framework, Core Requirements and Identity Verification



A Component of the
NMLS Modernization
Initiative

Comment Period: March 31 – May 31,
2021



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Request for Comments NMLS Modernization: Networked Licensing Model, Licensing Requirements Framework, Core Requirements & Identity Verification

March 31, 2021

On behalf of the NMLS Policy Committee¹, the Conference of State Bank Supervisors (CSBS)² invites public comments and feedback on the:

1. [Networked Licensing Model](#)
2. [Licensing Requirements Framework](#)
3. [Core Requirements Proposal](#)
4. [Identity Verification](#)

Goals

CSBS is working to develop a next generation nationwide multistate licensing and supervisory technology system to anticipate and accommodate the evolving needs of the state system of financial regulation. The goal is to build a new system to:

- Streamline the license application process
- Create an optimized user experience
- Empower state authority through data-driven solutions
- Promote efficient operations and networked supervision among regulators

The modernized NMLS will require adapting to new ways of thinking about how regulators will work together. The concept of networked supervision – state regulators sharing information, data, and relying on each other’s work such that the system of supervision acts as a coordinated whole, without any of its parts foregoing their sovereignty – creates a framework for:

- Full information sharing
- Eliminating redundancies
- Interdependent review
- Commons standards
- Data standardization

To support the goals and the NMLS Launch Product³ and networked supervision, the NMLS Modernization Steering Committee⁴ has developed the Networked Licensing Model, Licensing Requirements Framework, and the Core Requirements Proposal.

¹ Information about NMLS and the NMLS Policy Committee can be found [here](#).

² Information about the Conference of State Bank Supervisors can be found [here](#).

³ The first phase of the modernized NMLS system, will include an end-to-end system to serve money services businesses (MSB) regulators and industry.

⁴ Information about the NMLS Modernization Steering Committee can be found [here](#).



Background

Networked Licensing Model

The Networked Licensing Model (the Model) is the foundation of the NMLS Launch Product. Inspired by and modeled after the Multistate MSB Licensing Agreement Program (MMLA)⁵, the Model strives to increase efficiencies in the licensing process for both state regulators and industry applicants/licensees, while recognizing the needs of both groups. Beginning with the MSB industry, the Model will be the basis for licensing all industries, including mortgage, debt, and consumer finance, in the Modernized NMLS. Like the MMLA, the Model, allows for state regulators to share and eliminate duplicative work, while retaining their authority over licensing in their state. The Model greatly benefits applicants and licensees by increasing clarity around license requirements, providing an initial primary point of contact, and improving application turn times.

Licensing Requirements Framework

To organize common and unique license requirements, the NMLS Modernization Steering Committee has developed the Licensing Requirements Framework (the Framework). The Framework is intended to segment licensing requirements in a way that standardizes data collection, while providing state regulators with the information they need to make educated licensing decisions. The Framework divides licensing requirements into three categories: Core Requirements, Business-Specific Requirements, and License-Specific Requirements.

Core Requirements Proposal

Under the Model, all companies, individuals and locations, regardless of business model, the industry they are operating in or licenses they hold, will be required to provide a standard set of information and meet standardized requirements, referred to as Core Requirements. Core Requirements, or “Core”, is defined as demographic and other basic information all nonbank entities, regardless of industry, are required to provide. Core Requirements are not configurable by state agency and are universal to all nonbank financial service companies. The Core Requirements Proposal includes data points and information from the current NMLS Company Form, Branch Form, and Individual Form in use in NMLS, unless otherwise noted.

Identity Verification

To promote security and create a cohesive user experience for the suite of applications supporting Networked Supervision, the Modernized NMLS will implement an Identity Verification solution for all system users. Each unique user will have a single login that will be associated and permissioned for the various applications and records the user will manage in NMLS. Each new user will complete a verification process to confirm the individual creating the account is valid, and to prevent duplicate accounts.

⁵ Information about the Multistate MSB Licensing Agreement Program (MMLA) can be found [here](#).



Request for Comments

On behalf of the NMLS Policy Committee, CSBS invites comments and feedback on the Networked Licensing Model, Licensing Requirements Framework, and the Core Requirements Proposal. In your response, please provide any specific concerns your company may have.

An overview of the [Networked Licensing Model](#), the [Licensing Requirements Framework](#) and the [Core Requirements Proposal](#) can be found below.

During the comment period, CSBS will schedule a conference call to provide an opportunity for open discussion regarding this proposal.

Each company should submit one response that represents all of its comments, feedback, and views on the proposal. Submissions must include contact information. Comments received, as well as the submitter's name and company name will be posted on the [NMLS Resource Center](#). All comments will be reviewed by the NMLS Modernization Steering Committee. The Steering Committee will consult with NMLS Policy Committee during the comment evaluation period. A final recommendation, based on comments received, will be sent by the NMLS Modernization Steering Committee and to the NMLS Policy Committee for evaluation and approval/rejection.

Comments should be emailed to comments@csbs.org.

Comment submission deadline: May 31, 2021

[Networked Licensing Model](#)

To support the modernization of NMLS, the NMLS Modernization Steering Committee has developed a proposal for the **Networked Licensing Model**.

The Model will be the foundation of the Modernized NMLS, representing how the licensing process will work in the new system. While beginning with the MSB industry, the Model will be the basis for licensing all industries, including mortgage, debt, and consumer finance, in the Modernized NMLS.

Inspired by the Multistate MSB Licensing Agreement Program (MMLA), the goal of the Model is to increase efficiencies in the licensing process for both state regulators and industry members, while recognizing the needs of both stakeholder groups. Like the MMLA, the model will enable state regulators to share information, leverage the decision making of peer regulators, and eliminate duplicative work, all while retaining authority over their state's licensing decisions. The Model greatly benefits applicants and licensees by increasing clarity around license requirements, providing an initial primary point of contact, and improving application turn times. The MMLA has developed a process, using the Legacy NMLS, that relies on manual processes and communication outside of the system. The Modernized NMLS will provide a technology solution to improve the process and eliminate manual efforts.



The Networked Licensing Model

- Application Submission
 - i. Under the Model, the applicant will identify the license(s) for which they plan to apply.
 - ii. Based on the license(s) selected, the Modernized NMLS will identify the Business-Specific, and License-Specific requirements that must be completed in addition to the Core Requirements.
 - iii. After all requirements have been completed in NMLS, the application will be submitted through NMLS and the Lead Agency will be designated.⁶
 - iv. The applicant will be notified which state agency has been assigned to complete their Phase 1 Review.
 - v. The applicant will complete the License-Specific Requirements for their assigned Lead Agency and pay any applicable fees.
- Phase 1 Review
 - i. The Phase 1 Review will be completed by the Lead Agency, which will include the review of the Core and Business-Specific Requirements and Standards. The review will be based on agreed upon standards set forth by a particular industry or business line.
 - ii. The Phase 1 review will only be repeated if there are significant changes to the company's record.
- Additional Application Submissions
 - i. The applicant will be notified when the Phase 1 Review is complete and may submit additional license applications.
 - ii. The applicant will complete the License-Specific Requirements for any additional application agencies and pay any applicable fees.
- Phase 2 Review
 - i. All Application Agencies, including the Lead Agency, will complete the Phase 2 Review for their own agency, which includes a review of the License-Specific requirements.
 - ii. Each Application Agency will make a licensing decision at the conclusion of the Phase 2 Review.

Licensing Requirements Framework

To support the proposed Model, the NMLS Modernization Steering Committee has developed the **Licensing Requirements Framework (the Framework)**. With the goal of organizing common requirements and recognizing unique license requirements, the Framework segments licensing requirements in a way that standardizes data collection, while providing state regulators with the information needed to make educated licensing decisions.

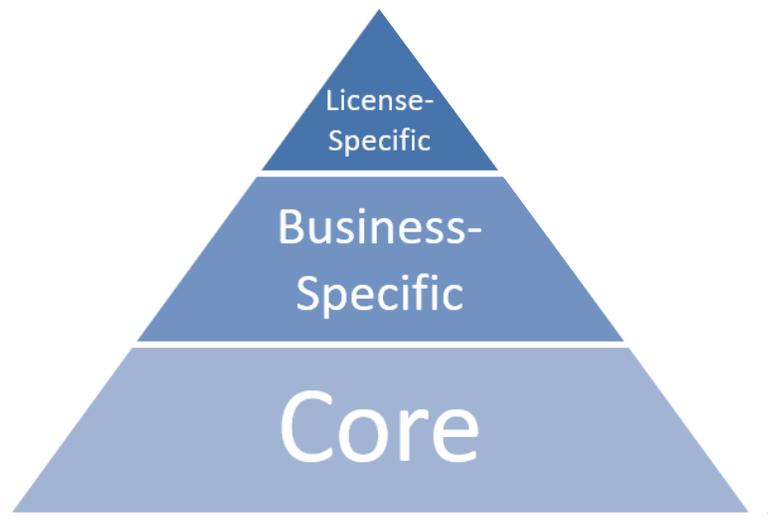
The Framework divides licensing requirements into three categories:

- **Core Requirements:** Demographic and other basic information all nonbank entities, regardless of industry, are required to provide. Core Requirements are not configurable by state agency and are universal to all nonbank financial service companies.
 - Examples: Books and Records Information, Key Individual Identification

⁶ Lead Agency refers to the agency assigned to lead the Phase 1 review on a multistate application.



- **Business-Specific Requirements:** Information generally required for licensing of a business. All companies obtaining a license in that business must complete these requirements. Business-Specific requirements are not configurable by state agency and are universal to all companies offering services or products in that business. Examples of Business-Specific Requirements may include Money Transmission, Check Cashing, Mortgage Lending, etc.
 - Examples: FinCEN Registration Information, Bank Account Information, Key Individual FBI Criminal Background Check and Credit Report Requirements
- **License-Specific Requirements:** Information required by the state agency for their license type. All companies obtaining the state’s license through NMLS must complete these requirements. License-Specific Requirements are configured by state agencies and must be unique and not duplicative of other requirements in the System. License-Specific Requirements must be minimized as much as possible. Information collected as part of the Core or Business-Specific requirements, will not also be collected as part of License-Specific.
 - Examples: Qualifying Individual, Surety Bond, State Criminal Background Check Requirements



Core Requirements Proposal

To support the Modernized NMLS and the Networked Licensing Model, the NMLS Modernization Steering Committee has developed a proposal for **Core Requirements**.

In the Networked Licensing Model, all companies, individuals and locations, regardless of the industry they are operating in or license types they hold, will be required to provide a standard set of information and meet standardized requirements, both of which will be referred to as Core Requirements.

⁷ Visual representation of the Licensing Requirements Framework.



Concept

In 2005, state regulators began developing the MU Forms, also known as the [Company Form MU1](#), [Branch Form MU3](#), and [Individual Form MU2/MU4](#). These forms were the first step in state non-depository regulators working in a networked environment. The MU Forms created a national standard of information collection for company, branch, and mortgage loan originator licensure. The MU Forms are intended to provide state regulators with sufficient information to make a decision to approve a new license, continue a license authority, or approve a license renewal request, while at the same time driving toward greater transparency and uniformity across NMLS participating regulatory agencies. The MU Forms created a “core” for all state regulators using NMLS to manage their license programs.

In the Modernized NMLS, the Core and Business-Specific Requirements, to be reviewed during Phase 1 of the Networked Licensing Model, are intended to improve upon the MU Form. The modernized System will provide state regulators with the necessary information to make a license decision or continue a license authority through amendments and renewals, while continuing to drive toward greater transparency, uniformity, and standardization.

Core Requirements (Core) is defined as the basic information that all nonbank entities, regardless of industry, are required to provide. Core is not configurable by state agencies and is universal to all non-depository financial service entities.

Core Requirements, and the Licensing Requirements Framework, continue the work started by the MU Forms in increasing standardization and harmonization of licensing requirements. Prior to state agencies working in a fully networked manner, which necessitates that regulators trust and are able to rely on the work of their colleagues in other states, agencies must “agree on the facts.” Core Requirements establishes the minimum information (“facts”) required for all companies seeking licensure through NMLS. Core is the most fundamental pieces of information for a company.

Core Requirements support networked supervision by eliminating confusion among state regulators as to the companies and individuals operating in the nonbank space. It determines when a unique record is necessary in NMLS in order to provide clarity to regulators in defining the information associated with that record, how companies and individuals are connected to each other, and the limits of company’s responsibilities.

The Core Requirements must only include information that cannot be contradicted or open to interpretation, and that does not vary by state, industry, or license. Core Requirements do not include information related to the entity’s work in a particular industry or relevant only to a particular license; this information will be categorized as Business-Specific and License-Specific, respectively.

Below are the sections of Core Requirements for companies, individuals and locations.

[Core Requirements for a company](#) contain six categories.

- Identifying Information
- Contact Information

[Core Requirements for an individual](#)⁸ contain four categories.

- Identifying Information
- Contact Information

⁸ Licensed individual, Branch Manager, or Key Individual



- Legal Status
- Disclosure Questions/Explanations
- Key Individuals, Ownership Hierarchy & Organization Chart
- Documents
- Disclosure Questions/Explanations
- Employment

[Core Requirements for a location](#) is made up of one subcategory.⁹

In addition to the Core Requirements, entities will be required to complete Business-Specific and License-Specific Requirements during the license application process.

Core Requirements & Control Persons

For more than two years, CSBS has been working with state regulators and industry on the development of an application to enable companies to more precisely identify individuals who have a management, ownership, or functional area responsibility within the company. Traditionally identified as “control persons” regulators and industry have successfully developed and vetted a prototype application that systematically walks an applicant through a process to identify “key individuals” associated with the company. The application dynamically builds the applicant’s management, ownership, and affiliates charts, calculates and displays ownership percentages, and produces a final report of those individuals who should be required to be vetted based on state law, and communicates why. The Key Individual Wizard Instrument (KIWI) will also serve as the starting point for future Amendments and Change of Control Processes. For a video demonstration of KIWI, click [here](#).

Core Requirements

The following information includes requirements from the [Company Form](#), [Branch Form](#), and [Individual Form](#) currently in use in NMLS, unless otherwise noted. [Click here](#) to see requirements included in the MU Forms not considered Core. This information will be considered for inclusion in the Business-Specific or License-Specific Requirements. All requirements and data points listed below will be required to be completed by companies in NMLS unless otherwise noted.

Core Company Requirements

Identifying Information¹⁰

⁹ Core Requirements for Branch Locations and Agent/Delegate Locations are still being developed. We anticipate these sections to include Branch Manager information, Branch Contact information, Books and Records Information for each location, Branch Expense Information, Agent/Delete Primary Contact, Agent/Delete Company Legal Name & Employer Identification Number, etc.

¹⁰ A subset of this information will be collected during the account creation process.



Requirement/Information	Description
Business Activities	Selection of all Business Activities conducted by the company, including business activities for which a license request is being submitted or for which the company is not specifically seeking licensing authority.
Entity Name	
IRS Employer Identification Number	IRS letter with EIN must also be provided to confirm and validate.
Other than the office in the Main Address, does the entity conduct business with consumers through branch offices, agents or other business locations?	Yes/No Response. If yes, locations will be required to be identified and Core Location Requirements must be completed.
Does your company use any other trade name(s) (i.e. business name, fictitious name, assumed name, or “doing business as” name)?	Yes/No. If yes, includes name, state(s) in which its used/related business type. Also includes indication if the other trade name is forced by a state.
Does your company have any web addresses?	Yes/No. if yes, includes URL, Yes/No response to "Is your company accepting applications or transacting business through this website?"
Will entity engage in any non-financial services-related business?	Yes/No Response; If yes, explanation required.
Will the entity occupy or share space with any person(s) engaged in financial services-related activity?	Yes/No Response; If yes, explanation required.
Will entity engage in any activities that involve the marijuana industry?	Yes/No Response; If yes, explanation required to include in what states.
Have you engaged in any of the business activities in the states for which you are seeking licensure without having been licensed?	Yes/No Response; If yes, explanation required to include what activity and in what states.

Contact Information

Requirement/Information	Description
Main Address	
Mailing Address	
Business Phone	
Business Email	
Resident/Registered Agent	Includes Company, Agent Name, Title, Address, Phone, Email
Primary Company Contact	Includes Name, Title, Email Address, Address, Phone
Primary Consumer Complaint Contact	Includes Name, Title, Email Address, Address, Phone



Additional Contact(s) ¹¹	Includes Name, Title, Email Address, Address, Phone, related business type, areas of responsibility
Books and Records Information	Includes Company, Record Custodian Name, Address, Phone, Email, States for which information is managed, related industry/business line

Legal Status

Requirement/Information	Description
Fiscal year end	The applicant or licensee must enter the month and day of the end of its corporate fiscal year. Sole proprietorships should enter 12/31 for fiscal year end.
Formation State	If formed in the U.S., the applicant or licensee must enter the state in which legal status of the corporate entity was obtained. This information must match that found in the company’s incorporating documents.
Formation Country/Province	The applicant or licensee must enter the formation country or province of the corporate entity. This information must match that found in the company’s incorporating documents.
Date of Formation	The applicant or licensee should enter the month, day, and year in which company was legally formed. This information must match that found in the company’s incorporating documents. This must be in the MM/DD/YYYY format. Not applicable to Sole Proprietorships.
Stock Symbol (If publicly traded)	
Legal Status	Indicate legal status of applicant: Corporation, Limited Liability Company, General Partnership, Limited Partnership, Limited Liability Partnership, Limited Liability Limited Partnership, Not For Profit Corporation, Sole Proprietorship, Trust, or Other (specify)

Disclosure Questions/Explanations

Disclosure Questions from NMLS 1.0 are currently being re-evaluated by the NMLS Policy Committee through a separate engagement process, which will also include a public comment period. These Disclosure Questions will be included in the Core Requirements for the modernized NMLS.

Documents

Requirement/Information	Description
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¹¹ Optional



Formation Documents	Determine classification of your legal status and submit a State certified copy of the requested applicable documentation detailed below.	
	Sole Proprietor	<ul style="list-style-type: none"> Not Applicable. Formation Documents will not be required to be uploaded.
	Unincorporated Association	<ul style="list-style-type: none"> By-Laws or constitution (including all amendments).
	General Partnership	<ul style="list-style-type: none"> Partnership Agreement (including all amendments).
	Limited Liability Partnership	<ul style="list-style-type: none"> Certificate of Limited Liability Partnership; and Partnership Agreement (including all amendments).
	Limited Partnership	<ul style="list-style-type: none"> Certificate of Limited Partnership; and Partnership Agreement (including all amendments).
	Limited Liability Limited Partnership	<ul style="list-style-type: none"> Certificate of Limited Liability Limited Partnership; and Partnership Agreement (including all amendments).
	Limited Liability Company ("LLC"):	<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.
	Corporation:	<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-Laws or Shareholder Agreement, as amended, as applicable.
	Not for Profit Corporation	<ul style="list-style-type: none"> Documents requested of a Corporation; and Proof of nonprofit status <ul style="list-style-type: none"> Internal Revenue Service ("IRS") 501(c)(3) designation letter; or Statement from a State taxing body/attorney general certifying that: <ul style="list-style-type: none"> (i) you are a nonprofit organization operating within the State; and (ii) no part of your net earnings may lawfully benefit any private shareholder or individual; or Your certificate of incorporation or similar document if it clearly establishes your nonprofit status; or Any of the 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 you are a local nonprofit affiliate.
Trust (Statutory)	<ul style="list-style-type: none"> Certificate of Trust; & Governing instrument (all amendments). 	



Certificate of Authority/ Good Standing Certificate	Submit a Chartered 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 your authorization to do business in the state or country of incorporation/organization. ¹²
Business Plan	<p>The business plan should include information related to the following topics:</p> <ul style="list-style-type: none"> • Executive Summary or Overview: This section should answer the Who, What, When, Why and How of the company's business practices at a high level. • Products/Services: Description of all financial products and services available to consumers. • Fee schedule: List of proposed rates and fees to be charged for product/services provided by the applicant. • Marketing strategies: Describe the marketing strategies the company plans to employ to promote their products/services. • Target markets: Describe the group of consumers at which the applicant's product or service is aimed. Make sure to include geographic markets if applicable, including a list of countries to be served. • Operational Plan/Structure: This section may include a description of the company's daily operations, including, methods used to account for funds received; the types of payments you will accept; and structure, including if branches and/or authorized agents/delegates will be used.
IT/ Cybersecurity Policy	<p>Upload the most recent version of IT/Cybersecurity Policy. The Policy should include at a minimum:</p> <ul style="list-style-type: none"> • Designated Information Security Officer • Internal policies, procedures, and controls covering information security, physical security, fraud prevention/investigation • Business continuity • Risk assessment/managing identified risks • Procedures or plan of action in the event of a security breach • Relevant and ongoing training of employees • Program review/maintenance

Key Individuals, Ownership Hierarchy & Organization Chart¹³

Requirement/ Information	Description
Ownership Entry	Applicant will be required to account for 100% ownership, while disclosing those individuals or entities that have a 10% or greater interest in the Applicant. For individual owners, Applicant will denote if the individual is a passive or active investor. Applicant will be required to complete the ownership chain until they reach a natural stop.

¹² Core Requirements will require the company to upload the certificate for the state or country of incorporation/organization. When the company identifies the states in which they plan to apply, the system will require certificates for each state.

¹³ SRR intends to update the Key Individual Wizard (KIWI) to include information required to build a Management Chart and Organizational Chart, with the goal of eliminating these items as PDF uploads in NMLS.



Affiliates/ Subsidiaries	Entity ID; Name, Address; Control Relationship: Affiliate (Under Common Control) or Subsidiary (Entity Controls); Description; I am providing an organizational chart or a document briefly describing control relationship(s) with affiliates/subsidiaries and control entities (including percentage of interest) - Yes/No	
Financial Institutions	If your company is controlled by a credit union, bank holding company, state member bank of the Federal Reserve System, state nonmember bank, national bank, foreign bank, savings association/savings bank, or thrift holding company, all such financial institutions must be identified - Type of Institution: Bank Holding Company, Credit Union, Foreign Bank, National Bank, Savings Association/Savings Bank, State Member Bank of the Federal Reserve System, State Non-Member Bank, Thrift Holding Company; Financial Institution Name; Address; Relationship Description.	
Key Individual Reporting via Key Individual Wizard Initiative C(KIWI) ¹⁴	Applicant Entity Type	Key Individual¹⁵
	<i>Corporation</i>	Chairman of Board Board Members, excluding those that are advisory
	<i>General Partnership</i>	All General Partners, unless there are Managing General Partners, in which case, Managing General Partners
	<i>Housing Authority – Local Non-Profit</i>	Chairman of Board Board Members, excluding those that are advisory
	<i>Housing Authority – State-Chartered Non-Profit</i>	No one is vetted
	<i>Limited Partnership</i>	All General Partners, unless there are Managing General Partners, in which case, Managing General Partners
	<i>Limited Liability Company – Manager Managed</i>	All Managers
	<i>Limited Liability Company- Member Managed</i>	All Members with a 10% or more interest in the Applicant, unless they are passive investors
	<i>Limited Liability Partnership</i>	All partners with a 10% or more interest in the Applicant, unless they are passive investors
	<i>Non-Profit Corporation</i>	Chairman of Board Board Members, excluding those that are advisory
	<i>Trust</i>	Trustee If the Trust is revocable, the Grantor

¹⁴ For more information on this section see [Core Requirements and Control Persons](#).

¹⁵ Key Individuals identified will have to complete the [Core Individual Requirements](#), which includes information currently included in the Individual Form (MU2/4). Criminal Background Check and Credit Report requirements for these individuals will be defined at the Business-Specific Requirement level.



Core Individual Requirements

Identifying Information¹⁶

Requirement/Information	Description
Full Legal Name	Includes first name, middle name, last name, prefix and suffix
Social Security Number	
Gender	
Date of Birth	
State/Province of Birth	
Country/Province of Birth	
US Citizen	Yes/No Response
Other Names	Examples: nicknames, aliases, names used before and after marriage
Government Issued ID ¹⁷	Include Issuing State and Number
Passport ¹⁸	Include Issuing Country and Number

Contact Information

Requirement/Information	Description
Business Phone	
Home Phone	
Cell Phone	
Work Email Address	
Personal Email Address	
Mailing Address	
Current Residence	Include From Date (MM/YYYY), Address
Past 10 Years of Residential History	Include From and To Dates (MM/YYYY), Address

¹⁶ A subset of this information will be collected during the account creation process.

¹⁷ If applicable

¹⁸ If applicable



Disclosure Questions/Explanations

Disclosure Questions from NMLS 1.0 are currently being re-evaluated by the NMLS Policy Committee through a separate engagement process, which will also include a public comment period. These Disclosure Questions will be included in the Core Requirements for the modernized NMLS.

Employment

Requirement/Information	Description
Current Employer	Include From Date (MM/YYYY), Employer Name, Position, Financial Services-Related?, Address
Past 10 Years of Employment History	Include From Date (MM/YYYY), Employer Name, Position, Financial Services-Related?, Address
Are you currently engaged in any other business either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise?	Exclude non-financial services-related activity that is exclusively charitable, civic, religious, or fraternal and is recognized as tax exempt. If YES, provide the Business Name, Financial Services-Related?, Address, Nature of Business, Position/Title, Start Date, Hours Per Month, Description of Duties

Core Locations Requirements

All nonbank entities will be required to complete the following information for all location where they plan to conduct business. Based on the license type(s) selected in the field "Operating Under which License Authority?" the system will enforce the completion of additional information, such as Branch Manager. These requirements will be covered in the Business Specific Requirements document.

Requirement/Information	Description
Business Activities	Selected from Business Activities reported by the Company.
Operating Under which License Authority?	Selected from License Authority held or applied for by the Company
Physical Address ¹⁹	
Mailing Address	
Other Trade Names	Selected from Other Trade Names reported by the Company.
Is this a company-owned location?	Yes/No. Depending on the license authority(s) operated at this location, the system will determine if additional information is required. Additional

¹⁹ Changed from "Branch Main Address," previously included on the Branch Form (MU3).



	information will be covered in Business-Specific Requirements.
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MU Form Requirements Not Considered Core Requirements²⁰

Requirement/Information	Description	Entity Type	Current Source	Current Proposed Requirement Level
Federal Housing Administration (FHA) Approval	Indicate Approval Type: Government Lender, Investing Lender, Non-supervised Lender, or Supervised Lender; and provide Main Approval #	Company	MU1	Business-Specific
Ginnie Mae approved Issuer/Servicer	Provide Main Approval #	Company	MU1	Business-Specific
Fannie Mae approved Seller/Servicer	Provide Main Approval #	Company	MU1	Business-Specific
Freddie Mac approved Seller/Servicer	Provide Main Approval #	Company	MU1	Business-Specific
Veterans Administration (VA) Approved Lender	Provide Main Approval #	Company	MU1	Business-Specific
FinCEN Registration	Provide Confirmation # and Filing Date	Company	MU1	Business-Specific
Uniform Debt-Management Services Act Accreditation		Company	MU1	Business-Specific
Guaranteed Rural Housing (GRH) Approval	Provide Main Approval #	Company	MU1	Business-Specific
Other Approval/Designation	Provide the name of approval/designation and Approval/Registration #	Company	MU1	License-Specific
Bank Account Information	Account Type: Letter/Line of Credit, Operating, or Trust/Primary; If Letter/Line of Credit, complete Amount of Letter/ Line of Credit and Expiration Date; Bank Name; Bank PO Box or Address; Account Number; Notes; Identify applicable business type; Identify the state(s) for every listed bank account	Company	MU1	Business-Specific

²⁰ This information will be considered for inclusion in the Business-Specific or License-Specific Requirements.



Qualifying Individual	Include Name, NMLS ID #, Title, Email Address, Address, related business type, related state(s)	Company	MU1	License-Specific
Financial Statements		Company	Financial Statement Function	Business-Specific
Surety Bond		Company	Electronic Surety Bond, MU1 Doc Upload	License-Specific
Flow of Funds Structure		Company	MU1 Doc Upload	Business-Specific
AML/BSA Policy		Company	MU1 Doc Upload	Business-Specific
Trade Name/Assumed Name Registration Certificates		Company	MU1 Doc Upload	License-Specific
Permissible Investments		Company	MU1 Doc Upload	License-Specific
Trust Account Authorization		Company	MU1 Doc Upload	License-Specific
Company Staffing and Internal Policies		Company	MU1 Doc Upload	business-Specific
Credit Reports Authorization			MU2/MU4	Business-Specific
FBI Criminal Background Check Authorization	New or Existing Fingerprints, Eye color, height, race, hair color, weight		MU2/MU4	Business-Specific
(a). Will this branch office and/or individuals at this branch office operate pursuant to a written agreement or contract with the main office?	Operation Information Questions	Branch	MU3	Business-Specific
(b). Will this branch office have sole responsibility for decisions relating to individuals participating in financial-related services with respect to employment?	Operation Information Questions	Branch	MU3	Business-Specific
(c). Will this branch office have sole responsibility for decisions relating to individuals participating in financial-related services with respect to compensation?	Operation Information Questions	Branch	MU3	Business-Specific
(d). Other than the entity, does anyone have responsibility for the expenses or have a financial ownership/liability interest in the activities of this branch? If answered yes, complete the following section for each person responsible for the expenses or with a financial ownership/liability interest.	Operation Information Questions	Branch	MU3	Business-Specific



Identity Verification

To support the goals of creating a single sign-on, improving self-help features and implementing a strong Identity and Access Management solution, all users of NMLS Modernization will complete an Identity Verification when creating a new user account.

In the modernized system, all users will create a single user account that will be used to access all applications and records included in the NMLS suite of applications. Each user will complete an Identity Verification process via a third-party vendor. Along with Multi-factor Authentication and a strong password complexity policy, this will provide regulators and companies a high level of confidence that the individual providing the information and accessing the system belongs to the identity.

The proposed verification process, using the third-party vendor's site, will include matching a scanned government ID to a "selfie" or individuals responding to knowledge-based questions generated from the subject's credit file.

The information used for verification purposes will not be stored, communicated to NMLS, or used for any other purpose. The Identity Verification will also replace the verification process used to authorized credit pulls through NMLS; once verified, Key Individuals will not be required to go through a second verification when authorizing a credit report through NMLS.