



PA Partially Exempt Registration New Application Checklist (Company)

CHECKLIST SECTIONS

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GENERAL INFORMATION

Who Is Required to Have This License?

The Pennsylvania Mortgage Licensing Act (7 Pa.C.S. § 6101 *et seq.*) requires a license for any person or company who either engages in the mortgage loan business with a Pennsylvania consumer from any location or from a Pennsylvania location to any consumer. 7 Pa.C.S. § 6111(b).

A separate branch license will be required for every location where mortgage activities are conducted outside the company's principal place of business. 7 Pa.C.S. § 6131(a.1).

Who Is Not Required to Have This License?

The full listing of Exemptions should be reviewed in Section 6112 of the Mortgage Licensing Act. Below is a list of the most common exceptions to license requirements as a mortgage lender.

- attorneys at law who do not hold themselves out to the public as engaging in the mortgage loan business and who are not compensated by a company or individual in the mortgage business
- banking institutions and their subsidiaries, and credit unions; however, their employed mortgage originators must register (not license) through NMLS according to regulations to be issued by federal regulatory agencies
- registered mortgage loan originators who are employees of banking institutions, credit unions or their subsidiaries
- loan processors and underwriters solely performing clerical or supportive functions if employed by a mortgage licensee or entity exempt from licensure
- employees of a mortgage business who only re-negotiate existing mortgage loans held or serviced by his or her employer unless determined otherwise by HUD or a court of competent jurisdiction
- an individual or entity solely involved in offering to make or negotiating extensions of credit relating to timeshare plans
- A person who originates or negotiates less than four mortgage loans in a calendar year, unless determined to be engaged in the mortgage loan business by the department.
- agencies of the federal government or a corporation created by an act of the United States Congress (e.g., Fannie MAE, Ginnie MAE, FHA, VA, or FHLM)

Activities Authorized Under This License

This license authorizes the following activities...

- First mortgage brokering
- Second mortgage brokering
- First mortgage lending
- Second mortgage lending
- First mortgage servicing
- Subordinate lien mortgage servicing
- Mortgage loan purchasing
- Short sale
- Foreclosure consulting/foreclosure rescue
- Home equity lending/lines of credit
- Reverse mortgage brokering
- Reverse mortgage lending
- Third party mortgage loan processing
- Third party mortgage loan underwriting
- Manufactured housing financing
- Mortgage loan modifications
- Lead generation

Pre-Requisites for License Applications

- Bond: Obtain and maintain a bond in the amount that will provide coverage for the mortgage originators employed by the company based upon total Pennsylvania loan volume.

<u>Bond Amount</u>	<u>Anticipated or Actual Amount of PA Mortgage Loan Originations</u>
\$100,000	\$29,999,999.99 or less
\$200,000	\$30,000,000 - \$99,999,999.99
\$300,000	\$100,000,000 – \$249,999,999.99
\$500,000	\$250,000,000 or more

- Education and Testing: Pre-licensing education and testing is required for at least one qualifying individual of a mortgage broker company. Pre-licensing education courses and tests will be reviewed and approved by the NMLS and only NMLS approved course providers and testers will be accepted. Approved course providers and testers will be published on the NMLS website.

The 20 hours of pre-licensing education requirement for mortgage originators and a mortgage company applicant have a national element and a Pennsylvania-specific element.

Pre-education courses must contain the below subject areas:

- 3 hours of federal law and regulation
- 3 hours of ethics, consumer protection and fair lending
- 2 hours of lending standards for the non-traditional mortgage marketplace
- 3 hours of Pennsylvania law and regulations

- 9 hours of elective courses related to the mortgage industry. The pre-licensing testing requirement will be administered by a NMLS approved test provider and the test will measure the applicant's knowledge and comprehension in the subject areas of ethics and state/federal mortgage laws and regulations. In order to satisfy the pre-licensing testing requirement, the following condition must be met: Passing score on the National test component which includes the uniform state content. NMLS must indicate compliance with this requirement.

Pennsylvania 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.

Helpful Resources

- [Company Form \(MU1\) Filing Instructions](#)
- [Document Upload Descriptions and Examples](#)
- [Individual Form \(MU2\) Filing Quick Guide](#)
- [Financial Statements Quick Guide](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

Agency Contact Information

Contact Pennsylvania Department of Banking and Securities, Non-Depository Licensing Office staff by phone at 717-787-3717 or send your questions via email to ra-asklicensing@pa.gov for additional assistance.

The completed checklist and the documents that are required to be submitted outside of NMLS must be received within 5 business days of the electronic submission of your application through NMLS via email to ra-AskLicensing@pa.gov

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL 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.

NMLS ID Number		
Applicant Legal Name		
LICENSE FEES - Fees collected through NMLS are NOT REFUNDABLE OR TRANSFERABLE.		
Complete	PA Partially Exempt Registration	Submitted via...
<input type="checkbox"/>	Pennsylvania License Application Fee: \$0 NMLS Initial Processing Fee: \$100 7 Pa.C.S. § 6132(a)(4)	NMLS (Filing submission)

REQUIREMENTS COMPLETED IN NMLS		
Complete	PA Partially Exempt Registration	Submitted via...
<input type="checkbox"/>	<p>Submission of Company Form (MU1): Complete and submit the Company Form (MU1) in NMLS. This form serves as the application for the license through NMLS.</p> <p>7 Pa.C.S. § 6131(a)</p>	NMLS
<input type="checkbox"/>	<p>Resident/Registered Agent: The Resident / Registered Agent must be listed under the <i>Resident/Registered Agent</i> section of the Company Form (MU1).</p> <p>7 Pa.C.S. § 6131(i)(2)</p>	NMLS
<input type="checkbox"/>	<p>Primary Contact Employees: The following individuals must be entered into the <i>Contact Employees</i> section of the Company Form (MU1).</p> <ol style="list-style-type: none"> Primary Company Contact. The person responsible for answering application and licensing questions from the Department. Primary Consumer Complaint Contact. The person responsible for answering consumer complaints forwarded by the Department. <p>7 Pa.C.S. § 6131(a)(1)(iv)</p>	NMLS
<input type="checkbox"/>	<p>Non-Primary Contact Employees: Pennsylvania requires that an individual(s) be identified as a Non-Primary Contact for the following areas. These contacts must be listed in the <i>Contact Employees</i> section of the Company Form (MU1).</p> <ol style="list-style-type: none"> Exam Billing Consumer Complaint (Regulator) Pre-Exam Contact <p>7 Pa.C.S. § 6131(a)(1)(iv)</p>	NMLS
<input type="checkbox"/>	<p>Disclosure Questions: Provide a complete and detailed explanation and document upload for each “Yes” response to Disclosure Questions made by the company (MU1) or related control persons (MU2).</p> <p>See the Company Disclosure Explanations Quick Guide for instructions.</p> <p>7 Pa.C.S. § 6131(a)(1)(iv), 6133(d, e)</p>	Upload in NMLS in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2).
<input type="checkbox"/>	<p>Qualifying Individual: Each company must appoint a Qualifying Individual on the Company (MU1) Form who:</p> <ul style="list-style-type: none"> ➤ Is a mortgage originator or meets the licensing requirements of a mortgage originator by completing appropriate education and testing ➤ Is a management-level officer assigned to the company’s principal place of business. 	NMLS

	<p>This individual must be listed in the <i>Qualifying Individual</i> section of Company Form (MU1).</p> <p>7 Pa.C.S. § 6131(k)(5)</p>	
<input type="checkbox"/>	<p>Pre-Licensure Education and Testing: Pre-licensure education and testing is required for at least one management level officer assigned to the principal place of business who must also be listed on the NMLS Company Form as a Direct Owner / Executive Officer or Qualifying Individual.</p> <ul style="list-style-type: none"> ➤ <i>Pre-licensure Education:</i> Complete 20 hours of NMLS approved pre-licensure education courses, and 3 hours of Pennsylvania law; the individual’s education record in NMLS must indicate compliance with this requirement. ➤ <i>Pre-licensure Testing:</i> One of the following three conditions must be met; the individual’s testing results in NMLS must indicate compliance with this requirement. <ul style="list-style-type: none"> ○ Passing results on both the National and Pennsylvania state components of the SAFE test; or ○ Passing results on both the National and Stand-alone UST components of the SAFE test; or ○ Passing results on the National Test Component with Uniform State Content. <p>7 Pa.C.S. § 6131.1; 6131(k)(5)</p>	<p>NMLS</p>
<input type="checkbox"/>	<p>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).</p> <p>7 Pa.C.S. § 6131(a)(1)(iii)</p>	<p>NMLS</p>
<input type="checkbox"/>	<p>Books and Records: A change in the books and records address to a location other than the principal place of business, when approved by the Department through NMLS, is deemed an approved alternate site recordkeeping location for the purposes of the Mortgage Licensing Act and will furthermore constitute as a valid change or termination of an existing alternate site recordkeeping order.</p> <p>Records stored at an alternate location must be electronically available. Only one books and records location is allowed for Pennsylvania.</p> <p>7 Pa.C.S. § 6135(a)(2)</p>	<p>NMLS</p>

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS

Complete	PA Partially Exempt Registration	Submitted via...										
<input type="checkbox"/>	<p>Surety Bond: Submit the Pennsylvania-approved company bond in the appropriate amount (see below) furnished by a surety company authorized to conduct business in Pennsylvania. The name and address of the principal insured on the bond must match exactly the full legal business name, including all trade names if applicable, and address of the applicant.</p> <table border="1" data-bbox="337 510 1118 730"> <thead> <tr> <th><i>Amount</i></th> <th><i>Anticipated or Actual Amount of PA Mortgage Loan Originations</i></th> </tr> </thead> <tbody> <tr> <td>\$100,000</td> <td>\$29,999,999.99 or less</td> </tr> <tr> <td>\$200,000</td> <td>\$30,000,000 - \$99,999,999.99</td> </tr> <tr> <td>\$300,000</td> <td>\$100,000,000 – \$249,999,999.99</td> </tr> <tr> <td>\$500,000</td> <td>\$250,000,000 or more</td> </tr> </tbody> </table> <p>Click here to access the form</p> <p>This document should be named <i>Pennsylvania MLO Surety Bond</i>.</p> <p>7 Pa.C.S. § 6131(k)(4)</p>	<i>Amount</i>	<i>Anticipated or Actual Amount of PA Mortgage Loan Originations</i>	\$100,000	\$29,999,999.99 or less	\$200,000	\$30,000,000 - \$99,999,999.99	\$300,000	\$100,000,000 – \$249,999,999.99	\$500,000	\$250,000,000 or more	<p>Upload in NMLS: under <u>Surety Bond</u> in the <i>Document Uploads</i> section of the Company Form (MU1)</p>
<i>Amount</i>	<i>Anticipated or Actual Amount of PA Mortgage Loan Originations</i>											
\$100,000	\$29,999,999.99 or less											
\$200,000	\$30,000,000 - \$99,999,999.99											
\$300,000	\$100,000,000 – \$249,999,999.99											
\$500,000	\$250,000,000 or more											
<input type="checkbox"/>	<p>Business Plan: Upload a business plan outlining the following information:</p> <p>**Documents below are not required for a 3rd Party mortgage processing company.</p> <ul style="list-style-type: none"> • Marketing strategies. • Products. • Target markets. • Fee schedule. • Operating structure the applicant intends to employ. • A statement with a detailed breakdown of the portfolio of mortgage loan servicing rights on a nationwide basis, as well as separately for Pennsylvania. The information should reflect the composition of the portfolio based on mortgage servicing rights owned and aggregate number of loans and unpaid principal balance of all 1-4 family residential mortgage loans segregated by sub-servicer. The information provided should be as of the most recent quarter. • Include a complete description of the applicant’s servicing business, stating whether it will service its own loans and/or loans on behalf of others. • A copy of applicant’s servicing policy and procedures, including quality control procedures. • The person or firm responsible for quality control and the experience in quality control. • Sample “hello” and “goodbye” letters. 	<p>Upload in NMLS: under the Document Type <u>Business Plan</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>										

	<ul style="list-style-type: none"> The name and contact information of the person who will be responsible for the Pennsylvania portfolio of loans. <p>This document should be named <i>Pennsylvania Business Plan</i>.</p> <p>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.</p> <p>7 Pa.C.S. § 6131(a)(1)(iv)</p>	
<input type="checkbox"/>	<p>Internal Policies and Procedures: Upload document(s) including information on staffing and internal organizational policies and procedures. If submitting multiple policies, upload and name each policy separately. The document must include the following information:</p> <p>**Documents below are not required for a 3rd Party mortgage processing company.</p> <ul style="list-style-type: none"> General disclosure requirements Mortgage servicing transfers Timely escrow payments and treatment of escrow balances Error resolution procedures Requests for information Force-placed insurance General servicing policies, procedures, and requirements Early intervention requirements for certain borrowers Continuity of contact Loss mitigation procedures Additional Notices Consumer Complaint Policy <p>This document should be named <i>[Name of Policy]</i>.</p> <p>7 Pa.C.S. § 6131(a)(1)(iv); 10 Pa. Code § 59</p>	<p>Upload in NMLS: under the Document Type <u>Company Staffing and Internal Policies</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Certificate of Authority/Foreign Registration Statement: Upload proof of registration of the full legal business name with the Pennsylvania Department of State, Corporations Bureau and approved document with the assigned Pennsylvania business entity number that demonstrates authorization to do business Pennsylvania.</p> <p>This document should be named <i>Pennsylvania Certificate of Authority OR Pennsylvania Foreign Registration Statement</i>.</p> <p>7 Pa.C.S. § 6121(2); 6131(i)(1)</p>	<p>Upload in NMLS: under the Document Type <u>Certificate of Authority/Good Standing Certificate</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>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 <i>Other Trade Names</i> section of the Company Form (MU1). Pennsylvania does not limit the number of other trade names.</p> <p>If operating under an “Other Trade Name”, upload proof of registration of the trade name(s) with the Pennsylvania Department of State, Corporations Bureau</p>	<p>NMLS</p> <p>Upload in NMLS: under the Document Type <u>Trade Name/Assumed Name Registration Certificates</u></p>

	<p>and approved document with the assigned Pennsylvania business entity number that demonstrates authorization to do business Pennsylvania under that trade name.</p> <p>This document should be named <i>Pennsylvania Trade Name – Assumed Name</i>. 7 Pa.C.S. § 6121(2); 6131(i)(1)</p>	<p>in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p>Formation Documents: Submit a State-certified copy of the requested applicable documentation detailed below based on your company’s legal status and classification. Include original formation documents and all subsequent amendments, with a list of any name changes.</p> <p>This document should be named <i>Formation Documentation [Date of Creation (MM-DD-YYYY)]</i>.</p> <p>Unincorporated Association:</p> <ul style="list-style-type: none"> • By-Laws or constitution (including all amendments). <p>General Partnership:</p> <ul style="list-style-type: none"> • Partnership Agreement (including all amendments). <p>Limited Liability Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Liability Partnership; and • Partnership Agreement (including all amendments). <p>Limited Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Partnership; and • Partnership Agreement (including all amendments). <p>Limited Liability Limited Partnership:</p> <ul style="list-style-type: none"> • Certificate of Limited Liability Limited Partnership; and • Partnership Agreement (including all amendments). <p>Limited Liability Company (“LLC”):</p> <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. <p>Corporation:</p> <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. <p>Not for Profit Corporation</p> <ul style="list-style-type: none"> • Documents requested of a Corporation; and 	<p>Upload in NMLS: under <u>Formation Document</u>” in the <i>Document Uploads</i> section of the Company Form (MU1).</p>

	<ul style="list-style-type: none"> • 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 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. <p>Trust (Statutory)</p> <ul style="list-style-type: none"> • Certificate of Trust; and • Governing instrument (all amendments). <p>7 Pa.C.S. § 6121(2)</p>	
<input type="checkbox"/>	<p>Organizational Chart/Description: Submit a chart showing (or a description which includes) the percentage of ownership of:</p> <ul style="list-style-type: none"> • Direct Owners (total direct ownership percentage must equate to 100%) • Indirect Owners • Subsidiaries and Affiliates of the applicant/licensee <p>This document should be named <i>[Company Legal Name] Organizational Chart – Description</i>.</p> <p>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.</p> <p>7 Pa.C.S. § 6131(a)(1)</p>	<p>Upload in NMLS: under <u>Organizational Chart/Description</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<p>INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS</p>		
<p>No individual (MU2) documents are required to be uploaded into NMLS for this license/registration at this time.</p>		

NMLS ID Number	
Applicant Legal Name	

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS		
Complete	PA Partially Exempt Registration	Submitted via...
<input type="checkbox"/>	<p>Company Memorandum of Tax Certification: Provide a certified memorandum for the company indicating all tax obligations to the Commonwealth of Pennsylvania have been paid or that a deferred payment plan with the Pennsylvania Department of Revenue has been made.</p> <p>Click here to download the Company Tax Waiver and Certification Form.</p> <p>7 Pa.C.S. § 6133(e)(4)</p>	<p>Email to: ra-asklicensing@pa.gov</p>
<input type="checkbox"/>	<p>Ability to Repay Analysis: Provide the policies and procedures on how the ability to repay analysis will be performed as required by §46.2 (g) of Chapter 46 Proper Conduct of Lending and Brokering in the Mortgage Loan Business (“the Regulation”). The Regulation can be found under “Laws & Regulations” on the Pennsylvania Department of Banking and Securities website, www.dobs.pa.gov.</p> <p>Questions related to the ability to repay analysis should be directed to mtgexams@pa.gov.</p>	<p>Email to: ra-asklicensing@pa.gov</p>
<input type="checkbox"/>	<p>Loan Modifications: Will you be conducting, participating in, or advertising any third-party loan modification transactions?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>	<p>Email to: ra-asklicensing@pa.gov</p>
<input type="checkbox"/>	<p>Home Improvement: Are you engaged in or providing home improvement services?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>If yes, are you registered with the Pennsylvania Office of Attorney General?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>	<p>Email to: ra-asklicensing@pa.gov</p>
<input type="checkbox"/>	<p>Pennsylvania Remote Location: Definition of a Remote Location: A Location, other than a licensee’s principal place of business or branch, where a mortgage originator sponsored by the licensee, a person excepted from this chapter or excepted from licensure under section 6112 (relating to exceptions to license requirements) or any other employee of the licensee, may engage in licensed activities on the behalf of the licensee under all of the following conditions:</p> <ol style="list-style-type: none"> 1. The Licensed activities are conducted under the supervision of the licensee. 2. The licensee has written policies and procedures for the supervision of personnel working from the location. 	<p>Email to: ra-asklicensing@pa.gov</p>

	<ol style="list-style-type: none">3. Access to the licensee’s platforms and customer information is conducted in accordance with the licensee’s comprehensive written information plan.4. In-person consumer interaction does not occur at the remote location.5. Physical records regarding the licensee’s mortgage loan business are maintained at the location.6. The location is not advertised or represented to consumers as an operating location of the licensee or the licensee’s employees who work at the location.7. The location is not owned or controlled by the licensee. For the purposes of this definition, a location shall not be considered owned or controlled by a licensee if the location is under the control of a subsidiary or affiliate of the licensee, is primarily used by the subsidiary or affiliate and is only used by the licensee on an incidental basis for the convenience of consumers.	
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