



Nationwide Multistate Licensing System

NMLS Policy Guidebook Changes – August 28, 2023

- *Pages 53-54: NMLS Individual Form (MU2) Identifying Information Section and*
- *Pages 89-90: NMLS Individual License Form (MU4) Identifying Information Section*

Below represents the identifying Information Sections in the Guidebook. The NMLS Policy Committee approved adding the language shown in red to these sections:

- Full Name should be the individual's legal name as found on their birth certificate, including a middle name even if not used, unless modified by a legal proceeding.
- Individuals should use their Last, First, Middle names, and suffix ("Jr", "III", etc.) if any. Do not enter a professional or academic suffix.
- If the individual's name has changed, they must provide legal documentation of the change.
- **If the individual's name has changed and proof of the name change is requested by an agency, the individual must provide legal documentation of the change; namely, a government issued ID¹ and a copy of a marriage certificate, a divorce decree, a court order or a certificate of naturalization, as applicable.**

In the case that the legal name was changed as a result of marriage, the marriage certificate may be used to prove the following scenarios:

- 1. Listing their full legal name as shown on their marriage certificate;**
 - 2. Listing their maiden name shown on the marriage certificate as their middle name; or**
 - 3. Listing their last name as a hyphenated name (e.g., [maiden name]-[married name] or previous surname-married name).**
- State of Birth and Country/Province of Birth for the individual must be identified.
 - Individuals must identify if they are a US Citizen.
 - The Government Issued ID and/or Passport information is not required for all individuals. Please review the state licensing requirements to see if you must submit this information.

An individual's middle name must be included in the individual's NMLS record, if it is part of their full legal name, even if not on the form of identification provided.

¹ Examples of a government issued ID are a Real ID, driver's license, passport, and/or other identification documents provided by a state or federal government. Where an individual does not have a REAL ID, additional documentation may be required.

If a person does not have a middle name, they may be requested to produce a birth certificate or other legal documentation to evidence they have no middle name.

While reviewing the two Identifying Information sections to make sure that they were uniform, it was determined that there were two statements that needed to be added to the pages listed below. This language is not new and was already approved for these sections.

- **Added to Pg 89 (already on page 53):**

The following language was added as bullet point three under Individual's Identifying Information:

If the individual's name has changed, they must provide legal documentation of the change.

- **Added to Pg 54 (already on page 90):**

The following language was added under "Do you want to amend your legal name?" in the Identifying Information section:

Check jurisdiction specific documents to determine if you must submit documents outside the system for a legal name change.

- **Pg 24: Resident/Registered Agent**

The following language was added as the last notation in the section:

Resident/Registered Agent should match Secretary of State documentation.

- **Pg 143: Glossary**

The definition of Business Activity was added.

BUSINESS ACTIVITY - A generic, non-legal definition of a financial services activity that reasonably describes the activity. No activity can be covered by more than one definition.

- **Pg 8: Dormant Individual Accounts and Pending Filings**

Dormant account rules now only apply to Individual accounts:

Dormant Individual Accounts and Pending Filings

An **individual** account is considered dormant if it contains no data such as testing and education results, regulatory actions or submitted licensure applications on the record. NMLS will delete a dormant **individual user** account after 180 days. ~~for company and individual users~~. Pending filings do not prevent an account from dormancy and will be deleted after 180 days along with any related dormant accounts. Any record of an individual on a company filing named as a non-control Indirect Owner will not be marked as dormant.

For accounts with education and testing results or submitted or approved filings, NMLS will disable the account if it has not been accessed in 120 days by a company account user or 15

months by an individual user. If a user account is disabled, the System prompts the user to provide identifying information before they can log into their account.

- **Pg 107: Terminate a Relationship**

When a company relationship with an individual is terminated, the reason for ending the relationship must be indicated. The System provides a drop-down box with a limited selection of reasons for ending the relationship that must be chosen from by the company user. None of the choices are appropriate when one has been terminated as a result of a layoff and hence without cause. As shown below Reduction in Force was added to the dropdown and a description of the relationship termination requirements was added.

Note: New language is redlined

Terminate a Relationship

Either a company or the mortgage loan originator individual can terminate a relationship. **When a relationship is terminated, an end date and a reason for ending must be provided. The reason for ending drop down box choices are as follows:**

- Deceased on Date
- Voluntary Resignation
- Permitted to Resign
- Discharged
- Reduction in Force

An explanation for “Reason for Ending” may be provided but is not required.

In the case of death, the end date shall be the same date as the date of death.

For your reference the screen in NMLS will now appear as follows:

Enter the requested information below to end the relationship. Ending this relationship will: (1) remove company access, (2) remove any registered location links, and (3) remove all sponsorships related to this company. In addition, any MU2 Associations will be removed.

Effective Date 3/10/2008

Established By [REDACTED]

End Date

Reason for Ending

Explanation for Ending
Voluntary Resignation
Permitted to Resign
Discharged
Reduction in Force

Deceased Date