

## OVERVIEW

The S.A.F.E. Act requires residential Mortgage Loan Originators (MLO) to register with the [Nationwide Mortgage Licensing System and Registry](#) (NMLS), obtain a unique identifier, and maintain this registration. Flagstar refers to MLOs as a Sr. Branch Manager, Branch Manager, Sr. Loan Officer, or Direct Lending Loan Officer. In addition, branch sales assistants and administrative assistants will be registered.

In connection with the Federal registration, the Agencies at a minimum must ensure that the Registry is furnished with information concerning the mortgage loan originator's identity, including: (1) Fingerprints for submission to the Federal Bureau of Investigation (FBI) and any other relevant governmental agency for a State and national criminal history background check; and (2) personal history and experience, including authorization for the Registry to obtain information related to any administrative, civil, or criminal findings by any governmental jurisdiction.

## TRANSPARENCY

The purpose of the S.A.F.E. Act is to create transparency for consumers when working with MLOs. The implementation of the S.A.F.E. Act allows consumers to easily research the background of their MLO and confirm that the Institution of the mortgage professional with whom they wish to conduct business with is licensed in their state. However, federally regulated institutions do not need to be state licensed.

This means that Flagstar MLOs must be transparent with consumers in all forms of communications. This requires inclusion of their NMLS unique ID on the following forms of communication:

- Email Signature (i.e. Lotus Notes, Webmail, BlackBerry, Smart Phones)
- Business Cards
- Web sites (i.e. Loan Officer or Co-Branded)
- Marketing Materials
- Written Communications (i.e. emails, letters, direct mail campaigns)

## MLO JOB RESPONSIBILITIES

MLOs must provide their NMLS ID as described below:

- Upon customer request
- Before acting as a MLO, for example, discussing products, terms and/or conditions
- Included on all written communication, including but not limited to, email, direct mail, product flyers, post cards, etc.

## REGISTRATION

Flagstar Bank will automatically load MLO basic information (name, social security number, date of birth, email address) into the NMLS web site after an employment offer has been accepted. Flagstar will be notified if a new user account and NMLS ID was created or if the MLO has an existing account and NMLS ID.

All MLOs must be registered with the NMLS and have an active NMLS ID prior to originating a loan with Flagstar Bank effective July 29, 2011. Flagstar Bank MLOs are not required to be licensed or take a test. MLOs must answer all questions accurately when attesting on the NMLS web site. Providing inaccurate information when registering with NMLS will result in corrective action including but not limited to, written warning and possible termination of employment.

### **MLOs ALREADY REGISTERED WITH NMLS (NEW HIRES WITH A NMLS ID)**

If the MLO is already registered with NMLS, Flagstar will be notified that the candidate must update their institution access (naming Flagstar Bank as their employer). MLOs already registered must change the institution to Flagstar Bank NMLS ID 417490 and re-attest the MU4R form. Flagstar Bank will then confirm employment. Once employment has been confirmed, the MLO must log in and complete the Fingerprinting process. MLOs already registered can choose to use the fingerprint records from their previous employment assuming they are not expired to expedite the process.

MLOs already registered with NMLS will receive instructions in their welcome packet on how to grant Flagstar Bank access to their NMLS record prior to the start of their first day. Flagstar Bank will not attest to their employment until after they show for work on their first day. Sr. Branch Managers should prepare MLOs that are already registered that



## Secure and Fair Enforcement for Mortgage Licensing Act

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it could take several days before they can originate a loan based on their response time to changing institution access, re-attesting to the MU4R Form, and completing the fingerprinting section as outlined above.

Step by step directions may be found on pages 6-8 of the [Navigation Guide- Federal Registry Manage MLO Registrations](#).

### **MLOs NOT ALREADY REGISTERED WITH NMLS (NEW HIRES WITHOUT A NMLS ID)**

If the MLO is not already registered with NMLS this process will create a username, temporary password and NMLS ID. The log in information will be sent to the MLOs Flagstar.com email including instructions on how to log in. MLOs not already registered must complete the MU4R form and attest to the accuracy of the information provided. Once the MU4R form is completed and attested, Flagstar Bank will pay the MU4R Form Filing Fee (\$60) and CBC Processing Fee (\$39) for Background Check / Fingerprints. MLOs do not need to pay these fees with a credit card. Once payment has been made, the MLO will be notified to schedule their appointment for fingerprinting. It is highly recommended that MLOs select a fingerprinting location that takes electronic finger prints to expedite the process. Once fingerprinting is completed, the MLO can check their NMLS ID status. Once the process is completed, the status will change from *pending* to *active*.

Step by step instructions on how to complete the MU4R form can be found on pages 10-11 of the [Navigation Guide- Federal Registry Manage MLO Registrations](#). Instructions on how to complete the criminal background check can be found on pages 22-23 of the [Navigation Guide- Federal Registry Manage MLO Registrations](#).

### **RENEWAL**

NMLS IDs for all active MLOs will expire on December 31 each calendar year. MLOs will be sent notifications to renew as early as the first week of November from IT Security. Renewal reminders will also be sent from NMLS. If renewal action is not entirely completed by year-end, user access to Loantrac and Flagstar Proposals will be removed until renewal is completed. MLOs must respond to renewal notifications promptly, so their ability to register new loans remains uninterrupted.

### **SYSTEM CONTROLS**

MLOs are blocked from registering loans in Loantrac until the NMLS registration process is complete and the NMLS ID status is active. Loan applications may not be taken in another MLOs name while a new MLO is waiting for their NMLS ID to become active. Loans with application/registration dates in Loantrac prior to the date the NMLS ID and/or Institution became active will not be transferred to that MLO. We expect regulators to confirm MLOs were fully registered and active on the date the application was taken. The NMLS ID will appear on all 1003 Uniform Residential Loan Applications.

### **RESOURCES**

Detailed information regarding the Secure and Fair Enforcement for Mortgage Licensing (S.A.F.E.) Act and it's policy can be found by viewing the [Federal Register](#). For any additional assistance in navigating around the [NMLS website](#) help can be found on the [Navigation Guide- Federal Registry Manage MLO Registrations](#). Further instructions on how to complete registration process with NMLS can be found by viewing memo #11148 for new registrants and memo # 11149 for users who already have been registered prior to employment with Flagstar Bank.