



2009 Annual Report

State Regulatory Registry LLC

May 14, 2010

Increasing Consumer Protection • Enhancing State Supervision • Driving Uniform Licensing

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Letter from the SRR Board of Managers

May 14, 2010

Users of the Nationwide Mortgage Licensing System,

The Board of Managers presents the second annual report on the operations and performance of State Regulatory Registry LLC¹ (SRR) and the Nationwide Mortgage Licensing System and Registry (NMLS or the System).

2009 was a significant year for SRR and the System with implementation of the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE Act), NMLS participation by new states, system enhancements, and coordinated supervisory policies and examinations. All of these changes were part of a coordinated state effort through the Conference of State Bank Supervisors² (CSBS) and the American Association of Residential Mortgage Regulators³ (AARMR) to increase consumer protection, enhance state supervision and streamline the licensing process in the residential mortgage industry.

NMLS is a web-based application which enables state-licensed mortgage lenders, mortgage brokers, and loan originators to apply for, amend, update or renew licenses online with participating state agencies using a single set of uniform applications. The System benefits users by providing efficiency, uniformity and enhanced supervision. More information about NMLS can be found on the *NMLS Resource Center*⁴ website.

As the mortgage industry continued to struggle throughout 2009, NMLS provided state regulators and the mortgage industry with much needed information and greater transparency on licensed companies, branches and individuals. With the remaining states' transition onto NMLS in 2010, information and trends provided by the System will become more complete and invaluable to consumers, regulators and industry.

In 2009, 14 new states and territories began using NMLS as the system of record for their licensees, bringing the total number of states on the System to 33. In January 2010, an additional 12 states began using NMLS (bringing the total to 45 states and territories). It is expected that the remaining states will require their licensees to transition onto NMLS in 2010.

In 2009, implementation of the SAFE Act was a high priority for the states and SRR. During the year, the states met multiple mandates put forth by the SAFE Act, including: (1) 49 states, the District of Columbia and the Virgin Islands introduced and passed SAFE Act enabling legislation; (2) a national test component on federal laws and ethics and 25 state-law test components were developed and made available to state-licensed mortgage loan originators; (3) education standards and procedures for pre-licensure and continuing education courses and course providers were implemented; and (4) development of consumer access and criminal background checks were completed and launched in January 2010.

States, territories and the industry played key roles in providing the resources to make 2009 a successful year for SRR and NMLS. Throughout the year, states and industry staffed numerous committees, task forces and working

¹ State Regulatory Registry LLC is a wholly owned subsidiary of CSBS and operates the Nationwide Mortgage Licensing System and Registry (NMLS) on behalf of state mortgage regulators. Voting members of the Board of Managers consist of six state mortgage regulators. Formed in 2006, SRR is a non-profit corporation based in Washington, D.C.

² The Conference of State Bank Supervisors (CSBS) is the nationwide organization for state bank regulation, representing the bank regulators of the 50 states, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. State authorities supervise approximately 6,000 state-chartered financial institutions. Further, the majority of state banking departments also oversees mortgage providers and other financial service providers. CSBS is also responsible for improving the quality of state bank supervision by providing performance evaluation and accreditation programs for the banking departments, as well as supervisory education and training programs for state personnel.

³ AARMR is the national organization representing state residential mortgage regulators. AARMR's mission is to promote the exchange of information between and among the executives and employees of the various states who are charged with responsibility for the administration and regulation of residential mortgage lending, servicing and brokering.

⁴ <http://mortgage.nationwidelicencingsystem.org>

Letter from the SRR Board of Managers

groups including the Mortgage Licensing Policy Committee (MLPC), Mortgage Testing and Education Board (MTEB), Residential Mortgage Regulatory Taskforce (RMRT) and Mortgage Advisory Council (MAC). In 2009, states contributed in excess of \$6.6 million to develop NMLS, for total state contributions since NMLS's inception of \$13.7 million.

SRR held two successful NMLS user conferences for industry and regulators in early 2009 and 2010. States also made significant progress on coordinated supervision of mortgage entities through multi-state examination procedures and supervisory actions.

In the next several years, SRR will focus on transitioning the final states onto NMLS; continued implementation of and compliance with the SAFE Act; working with the federal banking and farm credit regulators to register mortgage loan originators; and expanding and improving NMLS functionality, operations and services.

Sincerely,

State Regulatory Registry LLC Board of Managers

Gavin Gee, Chairman and Director, Idaho Department of Finance
William Haraf, Treasurer and Commissioner, California Department of Financial Institutions
Thomas Gronstal, Manager and Superintendent, Iowa Division of Banking
David Bleicken, Manager, AARMR Representative and Deputy Secretary, Pennsylvania Department of Banking
John Allison, Manager and Commissioner, Mississippi Department of Banking and Consumer Finance
Steven Antonakes, Manager and Commissioner, Massachusetts Division of Banks
Joseph Smith*, Manager, CSBS Chairman and Commissioner, North Carolina Office of Commissioner of Banks
Neil Milner*, Secretary, Manager and CSBS President and CEO
William Matthews*, Manager and SRR President and CEO

**Non-voting members of the SRR Board of Managers*

2009 Milestones

In 2009, SRR spent significant resources to transition states onto NMLS, increase System functionality to meet SAFE Act requirements, and enhance NMLS operations for industry and state mortgage regulators. Major milestones achieved by the states, SRR and NMLS during the year include:

- (1) 14 new states and territories began using NMLS as the system of record for its licensees, bringing the total number of states participating on the System to 33 by year-end 2009.
- (2) 49 states, the District of Columbia and the Virgin Islands passed SAFE Act enabling legislation.
- (3) NMLS developed and launched a national test and 25 unique state test components for mortgage loan originators. Over 25,000 test components were administered.
- (4) NMLS developed policies and procedures to approve course providers and courses. A total of 152 course providers were approved nationwide. By year-end 2009, these providers had a combined total of 248 approved courses and delivered more than 420,000 hours of education.
- (5) SRR established the Mortgage Testing and Education Board (MTEB) to approve courses and providers and conduct administrative procedures concerning testing and education matters.
- (6) NMLS developed a testing and education certification process by which mortgage loan originators can have previously completed state testing and education recognized for SAFE Act requirements.
- (7) SRR established the position of NMLS Ombudsman.
- (8) NMLS managed 106,537 unique entities (companies, branches and mortgage loan originators) that held 134,731 state licenses from the 33 participating states.
- (9) HUD's proposed SAFE Act rule indicates that state agencies that meet the CSBS/AARMR Mortgage Accreditation program standards are considered compliant with the SAFE Act supervisory performance standards.
- (10) NMLS collected and disbursed more than \$33 million in state license fees.
- (11) NMLS Call Center answered more than 200,000 inquiries from users.
- (12) The *NMLS Resource Center* received 1.3 million visits.
- (13) SRR conducted more than 36 live user training sessions, instructing over 1,000 professionals.

Organizational History and Background

State Regulatory Registry LLC

State Regulatory Registry LLC (SRR) is a wholly owned subsidiary of the Conference of State Bank Supervisors (CSBS) and operates the Nationwide Mortgage Licensing System and Registry (NMLS or the System) on behalf of state mortgage regulatory agencies. SRR is governed by a six-member Board of Managers comprised of state banking commissioners and a representative of the American Association of Residential Mortgage Regulators (AARMR). The SRR Board of Managers is responsible for all development, operations and policy matters concerning NMLS.

At the end of 2009, SRR employed 20 full-time professionals in Washington, DC who work under the direction of the SRR Board of Managers to develop and operate NMLS, administer the testing and education programs, and facilitate the working groups of state regulators and industry members related to state licensing, supervision, and NMLS policy. Additionally, SRR contracts with a number of firms to deliver various portions of NMLS functionality and program oversight.

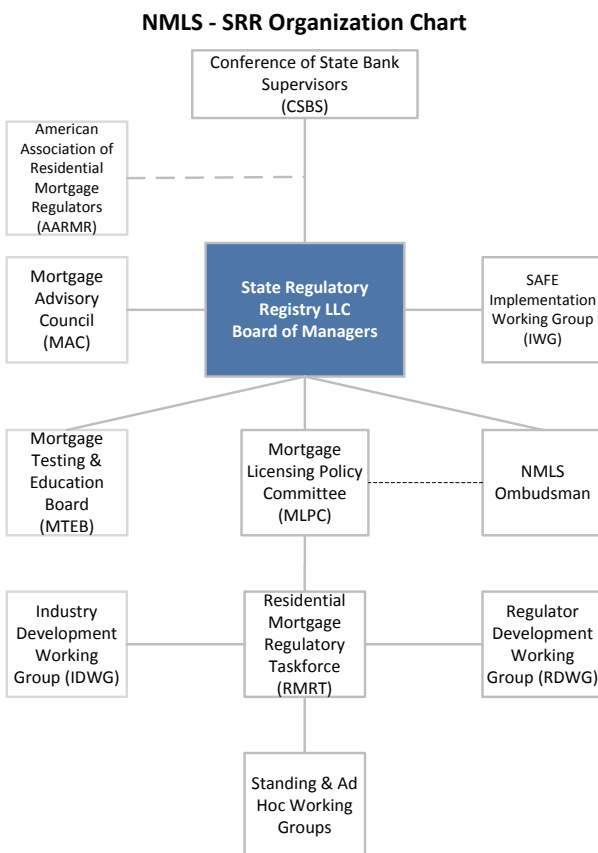


Figure 1. NMLS - SRR Organization Chart

Mortgage Licensing Policy Committee

In 2008, the SRR Board of Managers created the Mortgage Licensing Policy Committee (MLPC) to assist in decision-making and handling operational and policy matters related to NMLS operations and development. The MLPC is comprised of 11 state mortgage regulators.

Mortgage Testing and Education Board

In September 2009, the SRR Board of Managers created the Mortgage Testing and Education Board (MTEB). The MTEB is comprised of nine state regulators representing each of the CSBS Districts and at least one AARMR representative. More details on the MTEB can be found in the Education and Testing section.

Mortgage Advisory Council

In 2008, the SRR Board of Managers created the Mortgage Advisory Council (MAC) to provide industry input on system policies and operations. MAC members consist of mortgage lenders and brokers and industry trade associations.

Membership of the MLPC, MTEB and MAC can be found in Appendix C.

NMLS Ombudsman

In August 2009, the SRR Board of Managers created the position of NMLS Ombudsman. The Ombudsman provides the mortgage industry and other interested parties with a neutral venue to discuss issues or concerns regarding NMLS and/or mortgage licensing. The objective of the Ombudsman is to foster constructive dialogue between industry users of NMLS and state regulators to mutually work toward the goal of modern and efficient mortgage regulation.

The Ombudsman is a member of the MLPC and reports directly to the SRR Board of Managers.

The first Ombudsman is Deborah Bortner, Director of Consumer Services, Washington Department of Financial Institutions. The Ombudsman is scheduled to meet with industry representatives twice a year.

NMLS Operating Highlights

NMLS Operations

In 2009, NMLS added 14 new states, bringing the total to 33 states and territories using NMLS to manage mortgage licensing and become its system of record. Total company, branch and mortgage loan originator licenses being managed on NMLS at year-end 2009 were 134,731, a 49 percent increase from the 90,176 licenses the prior year (Figure 2).

Company and Individual Licenses Managed in NMLS

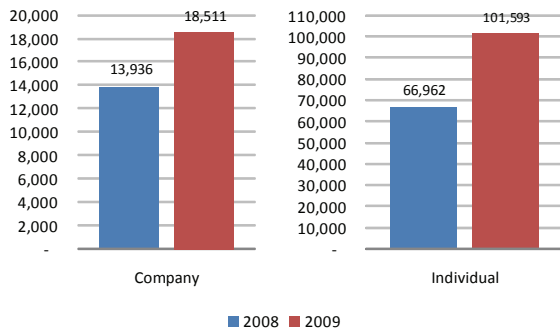


Figure 2. Company and Individual Licenses Managed in NMLS

NMLS processes a variety of transactions for system users as regulators supervise and licensees apply for and/or maintain a license. As noted in Figure 3, a total of 412,430 transactions were processed by NMLS in 2009. The most common transactions are amendments and renewals. An amendment occurs each time a licensee record is updated. Renewals are submitted annually.

2009 NMLS Transactions by Type

Transaction Type	Company	Branch	Individual	Total	% of Total
Transition Requested	4,487	1,501	9,035	15,023	4%
New License Requested	2,520	5,622	40,375	48,517	12%
License Amendment	54,614	13,226	104,691	172,531	42%
Renewal Requested	13,880	10,814	58,836	83,530	20%
Surrender Requested	1,923	1,927	1,412	5,262	1%
Sponsorship Request			52,955	52,955	13%
Sponsorship Removal			32,026	32,026	8%
Other	386	688	1,512	2,586	1%
TOTAL	77,810	33,778	300,842	412,430	100%

Figure 3. 2009 NMLS Transactions by Type

In 2009, 83,530 company, branch and individual renewal requests were submitted through NMLS for company, branch and individual licenses in 27 states that required renewal. This represents an 88 percent increase from 2008 when 17 states processed renewals through NMLS (Figure 4).

⁵ Many states passed SAFE Act enabling legislation that expanded or required new individual and company licensure. Estimated license counts were based on the existing or expected number of licensees.

Annual Renewals Processed in NMLS

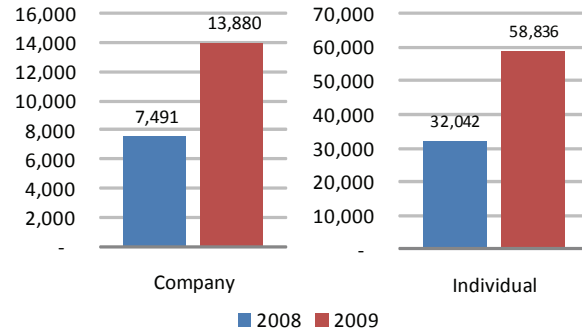
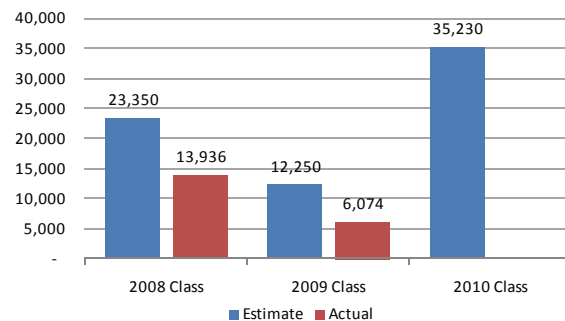


Figure 4. Annual Renewals Processed in NMLS

While 14 new states and their licensees joined NMLS in 2009, the overall number of licensed companies and individuals continued to decline dramatically as a result of depressed housing and real estate economic conditions. For the states transitioning onto NMLS in 2008 and 2009, Figure 5 shows the states' estimate⁵ of the number of licensed company and individual licensees (blue bars), compared with the number of licensees that actually transitioned onto the System (red bars).

The number of licenses that transitioned onto NMLS was significantly lower than the state-estimated

Transition: Company Licenses



Transition: Individual Licenses

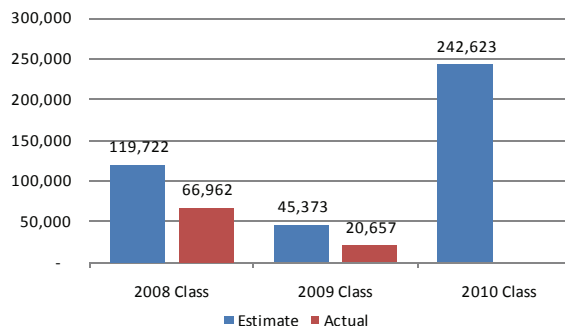


Figure 5. Transition: Company & Individual Licenses

NMLS Operating Highlights

number of licensed companies, branches and individuals. In 2009, for example, 50 percent of the estimated number of company and 46 percent of individual mortgage loan originator licenses actually transitioned onto NMLS.

As populous states such as California, Florida, Illinois, New Jersey, Ohio and Texas transition onto NMLS in 2010, the estimated number of company (35,230) and individual licenses (242,623) is approximately the same as the combined totals for 2008 and 2009.

As the system of record for state mortgage regulatory agencies, NMLS is able to track the number of unique companies and individuals, as well as the number of licenses they hold in participating states. As of year-end 2009, NMLS managed 12,627 unique companies and 79,185 individuals with a state license or pending application (Figure 6). The 2008-2009 increase in the number of unique companies and individuals managed in NMLS is primarily due to the number of additional states using the System.

Individual mortgage loan originators held, on av-

Unique Company & Individual Entities Managed in NMLS

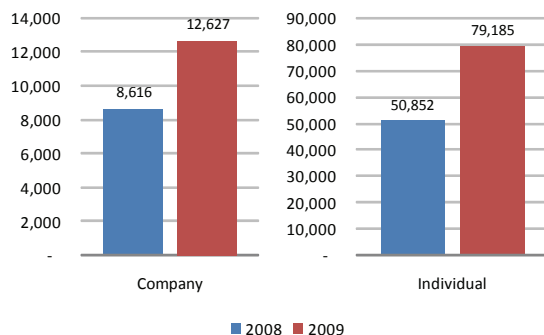


Figure 6. Unique Company & Individual Entities Managed in NMLS

Individual Licenses Managed in NMLS

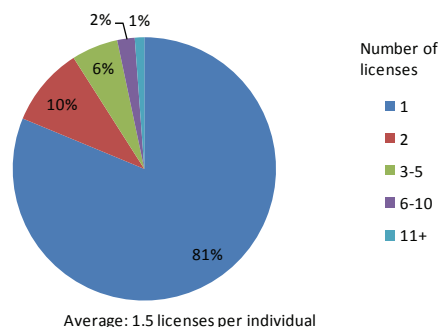


Figure 7. Individual Licenses Managed in NMLS

erage, 1.5 state licenses (Figure 7). A total of 81 percent of individuals held one license, and one percent held more than 11 or more licenses.

Transitioning onto NMLS

Similar to 2008, SRR devoted considerable effort in 2009 to prepare new states to transition their licensees and licensing process onto NMLS (Figure 8). Much of this effort was devoted to the group of twelve states which began using NMLS for the first time in January 2010. These states license an estimated 150,000 company, branch and individual licensees.

States/Territories Participating on NMLS

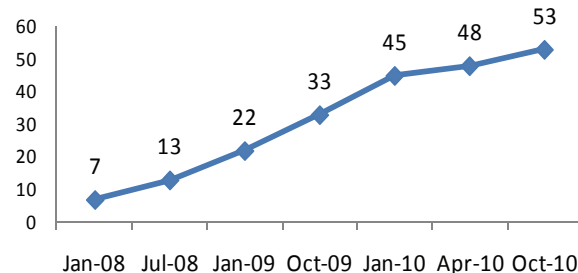


Figure 8. States/Territories Participating on NMLS

Preparing state agencies to use NMLS is a six-month process covered through weekly conference calls, three days of in-person training and various webinars. In 2009, in-person training was conducted in various east and west coast locations.

SRR also provided training to industry users on how to start and proficiently use the System. In 2009, SRR held more than 36 live user training sessions for industry and regulatory users, providing instruction to approximately 1,000 professionals. Online tutorials and navigation guides are also maintained on the *NMLS Resource Center* website to help licensees use the System.

NMLS Call Center

NMLS operates a call center in Rockville, Maryland that provides support to NMLS users, including assistance in setting up an initial account, completing uniform license application forms, submitting such forms to state regulators, processing annual renewal requests and scheduling examinations.

By assisting users in navigating through a new electronic system, the NMLS Call Center plays a key role in the System's success. Figure 9 provides 2009 statistics for call center activity. The NMLS Call Center experienced its highest activity in 2009 during an-

NMLS Operating Highlights

nual renewal, state transition deadlines and implementation of new functionality. The peak in March 2009, as shown in Figure 9, was due to both state deadlines and the release of NMLS financial statement functionality. The increased volume in November and December was generated by the annual renewal process.

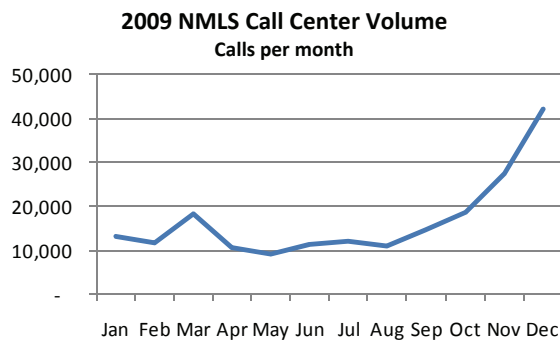


Figure 9. 2009 NMLS Call Center Volume (Calls per month)

The NMLS Call Center is open from 9:00 AM to 7:00 PM ET. Call center staffing also increased during the year to meet demand as additional states transitioned onto the System. At year-end 2009, the NMLS Call Center employed 39 full-time professionals. Figure 10 compares 2008 and 2009 call volume and statistics.

The NMLS Call Center is funded through the NMLS processing fees and operates at no additional charge to System users.

2008 & 2009 Call Center Volume and Statistics

	2008	2009
Total Calls	147,758	201,280
Average Speed Of Answer (Seconds)	79	47
Abandon Rate	4%	2%
Average Call Duration (Seconds)	526	430

Figure 10. 2008 & 2009 Call Center Volume and Statistics

NMLS Resource Center Website

The *NMLS Resource Center* website serves as the gateway to NMLS. It provides NMLS users with state licensing information and deadlines, training materials and tools and tips to assist licensees with their use of NMLS. This year the *NMLS Resource Center* website added an area for Professional Requirements to provide instructions, requirements and helpful resources regarding testing, and education and background check requirements for mortgage loan originators. Another

section was added to allow education providers to apply for and become approved by the NMLS to deliver pre-licensure and continuing education courses.

With more states joining NMLS and new requirements coming into effect, the *NMLS Resource Center* has played a critical role in guiding licensees through the process and serving as a clearing house for critical news alerts and information.

The *NMLS Resource Center* website had 1.3 million visitors who viewed 4.4 million pages in 2009. Because of the increased demands upon the site in October 2009, the *NMLS Resource Center* was rebuilt on a new platform to allow for easier maintenance and improved user experience.

NMLS User Conference & Training

The inaugural NMLS User Conference and Training was held February 10-12, 2009 in New Orleans, Louisiana. The conference consisted of combined general sessions along with regulatory and industry breakout sessions. Speakers included state regulators, industry users, officials from the U.S. Department of Housing and Urban Development (HUD), NMLS Call Center personnel, and SRR staff.

The 2010 Annual NMLS User Conference and Training was held February 9-11, 2010 in San Diego, California. The second conference brought together nearly 300 state and federal regulators, mortgage companies, banks, law firms, education providers, and consultants to discuss matters relating to NMLS and the SAFE Act.

2009 NMLS Users Conference Panel



Figure 11. 2009 NMLS Users Conference Panel

NMLS Operating Highlights

NMLS Functionality Enhancements

NMLS design and development, including the uniform application, Mortgage Uniform (MU) Forms, is accomplished through various working groups, taskforces and committees populated by state mortgage regulators, industry and SRR staff. Countless volunteer hours have gone into this process and have been key to NMLS' design and smooth operations.

By January 2009, the System consisted of core filing and renewal functionality for regulators and industry users, data download capabilities, standard industry and regulatory reporting on NMLS data, system notifications and automated company entitlement. During 2009 and January 2010, additional functionality was added through four major system releases that included:

- (1) Automated financial statement submission
- (2) Expanded regulator access
- (3) Additional standard reports
- (4) Renewal process enhancements
- (5) MU Form changes
- (6) SAFE Act-requirements:
 - a. Testing and education
 - b. Fingerprinting
 - c. Consumer Access

Items Issued for Public Comment

Active and archived proposals issued for public comment are available on the *NMLS Resource Center* website. The following three proposals were issued in 2009:

- (1) On May 7, 2009, comments were requested on the policies and fees associated with NMLS Testing and Education Services.
- (2) On September 14, 2009, comments were requested on NMLS Background Check Processing.
- (3) On November 4, 2009, comments were requested on proposed changes to the fees associated with NMLS Education Services.

Public comments are used by the SRR Board of Managers and staff as part of the decision making process on major system or policy issues.

Security, Privacy or Breach Issues

SRR did not experience any material issues related to security, privacy or information breach in 2009. NMLS' Privacy, Data Security and Security Breach Notification Policy is available on the *NMLS Resource Center* website⁶.

Legal Issues

SRR did not have any material adverse legal issues in 2009.

NMLS Online User Agreement Amendment

There are two NMLS online agreements that govern the use of NMLS: the Applicant-Licensee User Agreement and the State Agency User Agreement. In 2009, there were no changes to the Applicant User Agreement. The State Agency User Agreement was amended in July 2009. The change in the State Agency User Agreement amends the online agreement to:

- (1) Change the agreement into a terms of use in order to eliminate the need for a written letter agreement with each state agency.
- (2) Adding satisfaction of testing and education requirements to the definition of Applicant Data.
- (3) An expansion of NMLS authority to use licensee contact information to include NMLS communications concerning mortgage licensing issues.
- (4) Authority to check Applicant Data against other state and federal regulatory agency, Social Security Administration or financial services/securities industry self-regulatory organization (SRO) databases.
- (5) Authority to share Applicant Data with relevant state or federal Regulatory Agencies and financial services or securities industry SROs subject to appropriate usage agreements.

Copies of the User Agreements are available on the *NMLS Resource Center* website.⁷

⁶ <http://mortgage.nationwidelicensingsystem.org/about/policies/Pages/SystemPrivacyPolicy.aspx>

⁷ <https://www.statemortgageregistry.com/Public/Login.aspx>

NMLS Operating Highlights

NMLS Consumer Access

In order to provide homebuyers and the general public with greater information concerning the companies and professionals in the mortgage industry, SRR launched *NMLS Consumer Access*, a fully searchable website that allows the public to view information concerning companies, branches, and individuals licensed and registered by state regulatory agencies through NMLS. One of the goals set by state regulators when designing NMLS was to provide a central source of standardized information concerning mortgage companies and professionals that promotes transparency throughout the states. Additionally, the SAFE Act requires that NMLS provide consumers with easily accessible information, offered at no charge, regarding the employment history of, and publicly adjudicated disciplinary and enforcement actions against, state-licensed and federally registered mortgage loan originators. In *NMLS Consumer Access*, SRR combined the goals of state regulators with SAFE Act requirements to create a nationwide website of mortgage licensing and registration information (Figure 12).

NMLS Consumer Access Home Page

The screenshot shows the NMLS Consumer Access Home Page. At the top, there is a blue header bar with the NMLS logo on the left and navigation links (home, about, FAQs, terms of use, contact us) on the right. Below the header, the main content area has a light blue background. It features a search bar with a text input field containing the placeholder text "Enter a Name, Company, City, State, Zip Code, NMLS ID, and/or License Number" and a yellow "SEARCH" button. Below the search bar, there is a small example text: "Example: John Smith Rockville MD 20852 Bank of USA" and a link that says "[+] Search tips...". Below the search bar, there is a white box with a light blue border containing a welcome message: "Welcome to NMLS Consumer Access™, a free service for consumers to confirm that the mortgage company or mortgage professional with whom they wish to conduct business is licensed in their state. Users of NMLS Consumer Access are subject to the Terms of Use Agreement." and a link that says "[x] Learn more". At the bottom of the page, there is a blue footer bar with white text providing information about the data source and the system's purpose.

Figure 12. NMLS Consumer Access Home Page

SAFE Act

Overview

On July 30, 2008, the President signed into law “The Housing and Economic Recovery Act of 2008”. Title V of this Act, entitled “The Secure and Fair Enforcement for Mortgage Licensing Act of 2008” (SAFE Act), contains provisions to enhance consumer protection and reduce mortgage fraud by requiring states to establish minimum standards for the licensing or registration of all mortgage loan originators. The law provides that mortgage loan originators who work for an insured depository, an owned or controlled subsidiary regulated by a federal banking agency, or for an institution regulated by the Farm Credit Administration, must be registered. All other mortgage loan originators must be licensed by the states. All mortgage loan originators must be licensed or registered through NMLS.

The SAFE Act gave states one year to pass legislation establishing these licensing and registration requirements. As the states moved to pass legislation throughout 2009 (Figure 13), uniformity in mortgage regulation was fostered and driven as the existing state licensing laws were revised in a consistent manner to

establish standardized applications, processes, requirements and practices across the nation.

State Implementation

After the SAFE Act’s enactment, state regulators immediately began the work of implementing the law, including development of a model state law to implement mortgage regulation that incorporated the standards in the SAFE Act⁸. The Model State Law included standardized definitions, nationwide prelicensure and continuing education, nationwide testing requirements, and financial responsibility and criminal background standards for mortgage loan originators. In a January 5, 2009 notice in the Federal Register⁹, HUD formally stated that “HUD has reviewed this model legislation and finds that it meets the minimum requirements of the SAFE Mortgage Licensing Act.”

Relying on the Model State Law, state legislatures moved in a focused and efficient manner to enact SAFE Act implementing legislation in 49 states, the District of Columbia, and the Virgin Islands in one year of the Act’s passage. State enactment of the

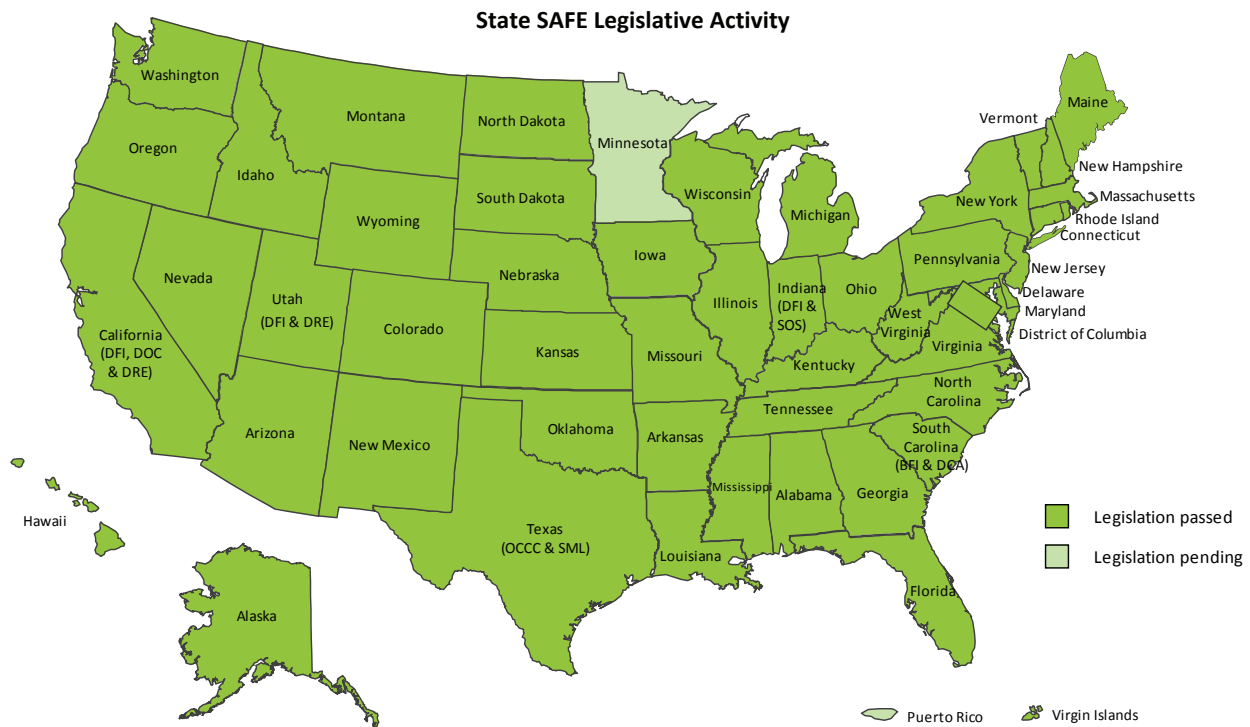


Figure 13. State SAFE Legislative Activity

⁸ The CSBS/AARMR Model State Law can be found online at: <http://mortgage.nationwidelicencingsystem.org/safe/Pages/default.aspx>.

⁹ A copy of the S.A.F.E. Mortgage Licensing Act Notification of Availability of Model Legislation can be found online at: <http://mortgage.nationwidelicencingsystem.org/safe/Pages/default.aspx>.

model state law was formally endorsed by the National Conference of State Legislatures and the National Conference of Insurance Legislators. The few remaining jurisdictions (as shown in Figure 13) have developed legislative proposals that will be considered during the 2010 legislative sessions. Mortgage licensing laws are far more uniform today than ever before, establishing a foundation for better mortgage supervision.

State SAFE Act Requirements

The SAFE Act requires state-licensed mortgage loan originators to pass a written qualified test, to complete pre-licensure education courses, and to take annual continuing education courses (Figure 14). The SAFE Act also requires registered and licensed mortgage loan originators to submit fingerprints to NMLS for submission to the Federal Bureau of Investigation (FBI) for a criminal background check, and state-licensed mortgage loan originators to provide authorization for NMLS to obtain an independent credit report.

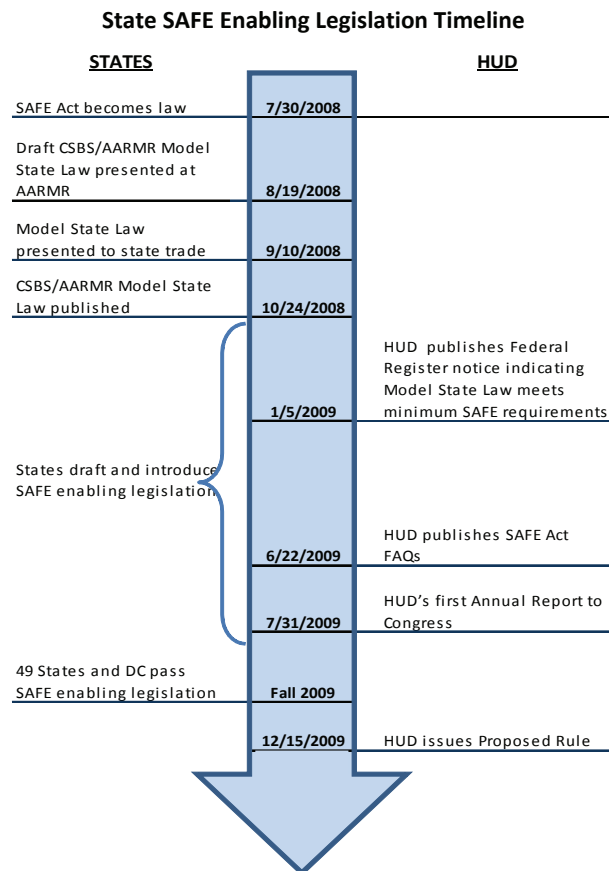


Figure 14. State SAFE Enabling Legislation Timeline

State legislation must also establish financial responsibility standards and require that all mortgage loan originators are covered by a surety bond, net worth requirements, or recovery fund. Additionally, all states must license mortgage loan originators through NMLS. HUD must determine that each state's mortgage loan originator licensing standards meet the federally mandated minimums and that the state is participating in NMLS.

If HUD determines that a state's mortgage loan originator licensing standards are not in compliance with federally mandated minimums, then HUD must implement a system to license mortgage loan originators in that state in accordance with the SAFE Act. HUD's regulation would be in addition to any state licensing requirements.

As the states completed the process of enacting SAFE enabling legislation, HUD began the process of reviewing those new laws for compliance with the federal law. In late 2009, HUD released a proposed rule, "SAFE Mortgage Licensing Act: HUD Responsibilities" (under the SAFE Act) which is anticipated to be finalized in 2010. The proposed rule clarifies and expands upon the SAFE Act provisions, and HUD will base its determination of state compliance on the language contained in the final rule. The proposed rule provides that a supervisory authority that is accredited under the CSBS/AARMR Mortgage Accreditation Program will be presumed by HUD to be compliant with required performance standards.

NMLS SAFE Act Requirements

In addition to mandating state laws and regulations to meet certain minimum requirements, the SAFE Act contained seven specific mandates for NMLS. To date, five of these mandates have been fully implemented. These include:

- (1) Establishing protocols for the issuance of unique identifiers. This mandate was accomplished at system launch, and as of year-end 2009 more than 13,000 mortgage companies and 87,000 mortgage loan originators have obtained a NMLS Unique ID number.
- (2) Receiving and processing of fingerprints for federal criminal history background checks for all residential mortgage loan originators. An automated, streamlined federal criminal background check process was implemented in NMLS on January 25, 2010. This system includes a national network of over 850 sites for capturing fingerprints electronically with the

SAFE Act

ability for a mortgage loan originator to provide prints and request a single, criminal background check in any state or U.S. territory for a license application or applications in one or more other states or U.S. territories. In the first two weeks of operation, over 5,800 mortgage loan originators requested criminal background checks through this automated process. These criminal histories will be reviewed by state regulators to ensure SAFE Act standards are met.

- (3) Developing and administering a qualified written test. NMLS worked with test development professionals to launch the national component of the SAFE mortgage loan originator test on July 30, 2009. Developed with input from industry and regulatory experts, this entry level test evaluates an individual's knowledge of the basic federal law, mortgage products, ethics, and business practices necessary to be a professional mortgage loan originator. By year-end 2009, 17,099 individuals had taken the national test component. NMLS also developed 25 unique state test components and by year-end 2009, 10,724 individuals had taken the state test components.
- (4) Review and approval of pre-licensure and continuing education courses. NMLS developed an education provider and course approval process that launched in June 2009. NMLS-approved providers can offer NMLS-approved courses that meet the SAFE Act pre-licensure and continuing education requirements in all states. By year-end 2009, there were 152 NMLS-approved course providers, 248 NMLS approved courses, and more than 420,000 classroom hours of approved education were delivered.
- (5) Providing public access to licensing information on all residential mortgage licensed loan originators. On January 25, 2010, NMLS launched *NMLS Consumer Access*, a website that provides consumers with basic information concerning state-licensed mortgage loan originators, free of charge.

The two remaining NMLS mandates are:

- (1) Development of a Mortgage Call Report. Prior to the SAFE Act, most states required companies to submit financial statements, and 38 states required an annual report of mortgage activity. A working group of state regu-

lators developed a discussion draft of a Mortgage Call Report that seeks to replace these reports with a uniform set of requirements that will provide state regulators and the industry with the information necessary to better monitor the status of non-depository mortgage companies. The Mortgage Call Report is proposed to be completed by any company that employs licensed mortgage loan originators. In 2010, SRR will put out for public comment a discussion draft of the NMLS Mortgage Call Report, which will be available on the *NMLS Resource Center*. The NMLS Mortgage Call Report is expected to be available in 2011.

- (2) Availability of publicly adjudicated disciplinary and enforcement actions. A working group of state regulators has begun drafting the policies and processes necessary to make public enforcement actions taken by regulators against mortgage companies and mortgage loan originators available on *NMLS Consumer Access*. The functionality is expected to be available in 2011.

SAFE Act Mandates for NMLS






Description	Status
Establish protocols for issuance of a NMLS Unique ID number.	
Receive and process fingerprints for criminal history background checks for all loan originators.	
Develop a written, qualified mortgage test and approve test providers.	
Review and approve, using reasonable standards, pre-licensure and continuing education courses.	
Develop a mortgage call report.	2011 (tentative)
Provide public access to licensing information.	
Provide information on disciplinary actions.	2011 (tentative)
Process consumer complaints.	TBD

Figure 15. SAFE Act Mandates for NMLS

Summary

In 2009, NMLS reached a number of critical milestones in its implementation of SAFE Act testing and education requirements. NMLS:

- (1) Selected a vendor to develop and maintain tests, administer them and support education activities.
- (2) Developed and launched a national and 25 unique state test components (Figure 16). More than 27,000 test components have been administered.
- (3) Developed policies and procedures to approve courses.
- (4) Approved 152 course providers who delivered 420,000 hours of education through 248 NMLS-approved courses.
- (5) Established the Mortgage Testing and Education Board (MTEB).
- (6) Developed a testing and education certification process by which mortgage loan originators can have previously completed state testing and education recognized. NMLS also developed internal infrastructure to implement and support ongoing testing and education requirements.

The rest of this section describes these accomplishments.

Background

The SAFE Act established a number of requirements for NMLS in the areas of testing and education to ensure that all state-licensed mortgage loan originators demonstrate a basic level of industry and regulatory knowledge. Under the SAFE Act, NMLS must:

- (1) Develop a qualified written test which all state-licensed mortgage loan originators must take and pass with a minimum passing score of 75 percent.
- (2) Approve all courses which state-licensed mortgage loan originators must take to satisfy either their pre-licensure education or their continuing education requirements.

Vendor Selection

In January 2009, the SRR Board of Managers approved the proposal submitted by the Financial Industry Regulatory Authority, Inc. (FINRA) and its subcontractor Pearson VUE to implement the testing and education requirements mandated by the SAFE Act.

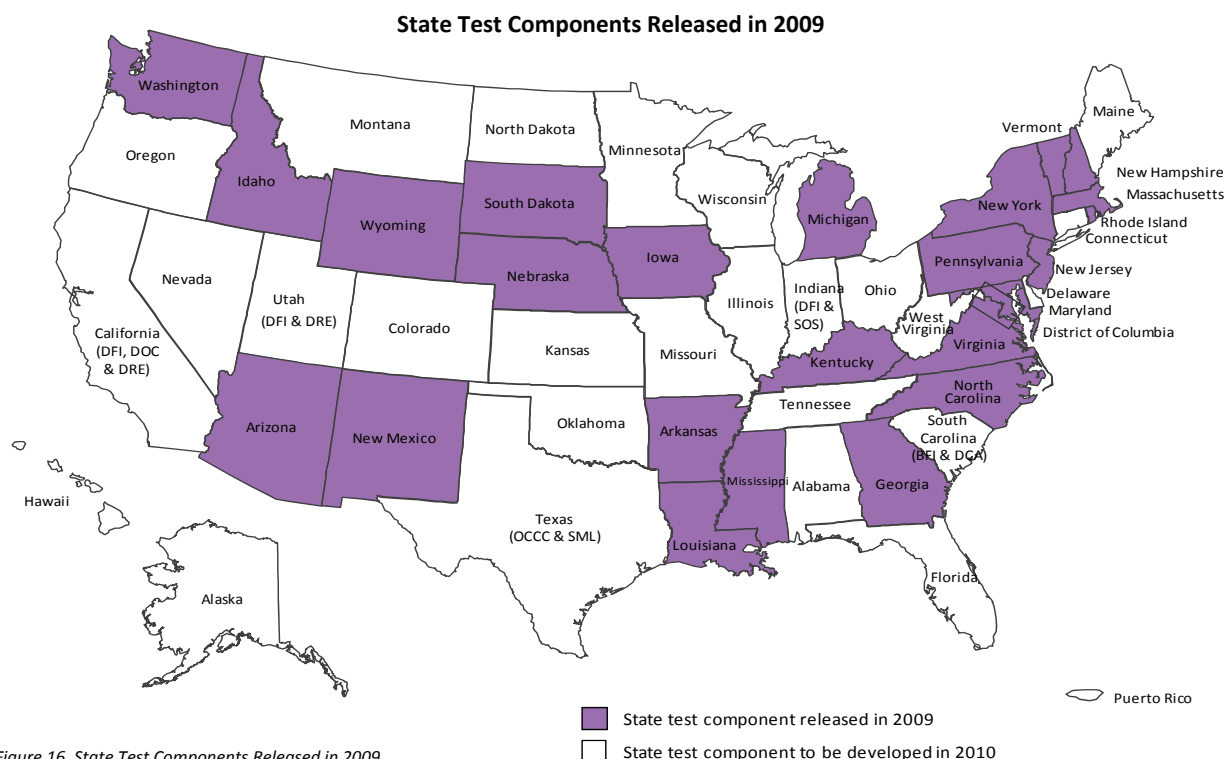


Figure 16. State Test Components Released in 2009

Education and Testing

FINRA is the largest non-governmental regulator for securities firms doing business in the United States. It has over 50 years of experience delivering license examinations for the securities industry. Pearson VUE, a business unit of NCS Pearson, Inc., is a major mortgage licensing examination provider and a nationally recognized administrator of financial certification examinations.

Test Development

FINRA and Pearson VUE led the development of a SAFE mortgage loan originator test which featured two parts: a national test component and a state test component. The national component and 11 unique state test components were developed and launched on July 30, 2009, one year after the passage of the SAFE Act. By year-end 2009, 25 unique state test components had been launched. Figure 16 illustrates the states for which a state test component was developed and launched in 2009.

The national component of the SAFE Act mortgage loan originator test includes questions concerning federal mortgage-related laws, mortgage loan originator activities, general mortgage knowledge, and ethics. There are 100 questions on the national test—90 questions are scored and 10 are unscored. Each unique state test component includes the following topic areas: the state's specific regulatory authority; state law and regulation definitions; state license law and regulation; compliance; and disciplinary action. Each state is able to customize or adjust the state specific test component to meet its specific needs. State test components can vary in length between 55 and 65 questions—45 to 55 of the questions are scored and 10 of them are unscored.

More than 90 subject matter experts from across the country participated in the development of the national test component. An additional 150 subject matter experts participated in the development of the state test components.

Additionally, in April 2009, a job analysis survey was conducted to provide further insight into the National Component Content Outline. More than 10,000 industry professionals and regulators participated in the survey. The results of the National Job Analysis confirmed the content and weightings of the existing National Content Outline.

Test Administration

The first test components – the national and 11 unique state test components were available to mort-

gage loan originators for testing on July 30, 2009. By year-end 2009, more than 27,000 test components had been taken.

Mortgage loan originators are able to take any of the test components at more than 500 test centers throughout the United States and its territories. The test centers are owned and operated by two FINRA sub-contractors: Pearson VUE and Prometric.

Figure 17 reflects the number of test components administered in 2009, the number of components which were successfully passed and the pass rates for the national component and a state aggregate.

NMLS periodically updates and posts test performance information on the *NMLS Resource Center* website.

2009 National and State Test Components

	National Test Component	Aggregate State Test Components
Test Components Taken	17,099	10,724
Test Components Passed	11,667	8,050
Pass Rate	68%	75%

Figure 17. 2009 National and State Test Components

In 2010, the remaining state test components are scheduled to be developed and deployed. Also, each existing test component (both national and state specific) will undergo a maintenance cycle, which involves psychometric analysis and formal test contest review meetings with the test development subject matter expert committees.

Education

NMLS developed policies, procedures and configured computer applications to approve course providers which would offer NMLS-approved pre-licensure and continuing education courses.

The State Testing and Education Subgroup of the Implementation Work Group, comprised of 17 state regulators representing 14 state agencies, proved critical to the development of education policies and procedures. This group was formed in August 2008 and worked closely with SRR staff to develop and approve the policies which would be used to carry out the SAFE Act requirements. Additional support was provided by an Industry Testing and Advisory Committee comprised of 16 individuals from the education industry including state trade associations. This group pro-

vided critical feedback regarding the practical application of the course provider and course approval policies, procedures and systems.

On June 22, 2009, NMLS began accepting applications from organizations to become approved course providers. By July 15, 2009, NMLS began accepting applications for course approvals, and by September 1, 2009, providers were offering NMLS-approved courses to mortgage loan originators to help them satisfy their 20-hour pre-licensure SAFE Act requirements. As of year-end 2009, NMLS approved 152 organizations as approved course providers. NMLS also approved 248 courses which enabled mortgage loan originators across the country access to a wide variety of course titles and delivery formats. By year-end 2009, approved education providers delivered 420,000 hours of pre-licensure education to state-licensed mortgage loan originators. Figure 18 reflects the rapid growth of education being delivered to the industry.

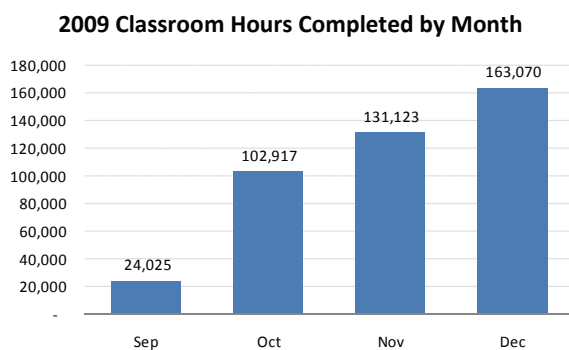


Figure 18. 2009 Classroom Hours Completed by Month

Despite these significant achievements, NMLS continues to work with its course providers to increase the number of courses available as well as solicit new organizations to become approved course providers. Also, NMLS has initiated an auditing function to ensure that approved course providers are complying with the standards of conduct and delivering the type of quality education the industry expects and the public deserves.

Certification of Testing and Education

Acting with the approval of the SRR Board of Managers and with the guidance of the Mortgage Testing and Education Board (MTEB), SRR staff developed a set of policies, procedures and NMLS system functionality by which currently licensed mortgage loan originators could participate in a process where their previously completed state-required education

and state test results may be used to satisfy SAFE Act testing and education requirements. 35 state agencies are scheduled to participate in this certification process which will be implemented in 2010.

Mortgage Testing and Education Board

In September 2009, the SRR Board of Managers created the Mortgage Testing and Education Board (MTEB). The MTEB, which is a successor to the Testing and Education Subgroup of the Implementation Working Group, has both oversight and advisory roles. The MTEB is comprised of nine state regulators representing each of the CSBS Districts and at least one AARMR representative.

The MTEB has administrative responsibility regarding the Rules of Conduct which apply to test candidates and the Standards of Conduct which apply to approved course providers and applicants. The MTEB has the authority to investigate complaints of violations of the Rules and Standards of Conduct and can discipline course providers including denying applications or withdrawing approvals. In cases involving test candidates, it may find that an applicant or licensee violated the Rules of Conduct and notify the appropriate state agencies of its findings.

The MTEB also serves in an advisory role by providing guidance and recommendations to the SRR Board of Managers and staff on policies about a range of issues affecting the implementation and operations of SAFE Act testing and education requirements.

A committee roster of the MTEB can be found in Appendix C.

Cooperative State Regulation and Supervision

Overview

By early 2009, all 50 states plus the District of Columbia and Puerto Rico signed the Nationwide Cooperative Protocol and Agreement for Mortgage Supervision (Protocol and Agreement). The Protocol and Agreement are companion documents outlining a basic framework for the coordination and supervision of multi-state mortgage entities (those non-depository institutions operating in two or more states). The initiative established the Multistate Mortgage Committee (MMC) comprised of ten state regulatory officials appointed by CSBS and AARMR to coordinate and direct the examination and enforcement efforts for all states that signed the Agreement¹⁰.

The MMC is responsible for the selection of examination targets and coordination of multistate examinations. In addition, the MMC is responsible for the development of uniform examination processes and the modernization of traditional examination approaches to achieve more effective supervision. The processes are being designed initially to pull data from NMLS and ultimately to coordinate seamlessly with the licensing processes. A major focus of the initiative is the employment of robust examination software to be used in pre-screening the institution's entire loan portfolio to identify overall risk and potential problem areas requiring greater supervisory attention. Through a master services agreement between CSBS/AARMR and ComplianceEase®, all state mortgage regulators, including depository regulators of institutions with

mortgage portfolios, will have the ability to utilize ComplianceAnalyzer® and RegulatorConnect™ web-based software for both on-site examinations and off-site monitoring.

In 2009, the MMC began its first multi-state examinations. In conjunction with this schedule, the state of Pennsylvania undertook a pilot program on behalf of the MMC to conduct electronic reviews of 250 mortgage lenders using the software discussed above. This program will be phased in throughout 2010, with full lender integration and upload capability expected by 2011.

Throughout the year, the states conducted examinations of reverse mortgage institutions using the CSBS/AARMR Reverse Mortgage Examination Guidelines published in late 2008. In addition, state collaboration on investigations and enforcement actions continued to be a key component of the cooperative effort.

Companies Operating in One or More States in NMLS

Number of States in Which a License is Held	Companies	%
1	8,032	49%
2	568	7%
3-5	412	9%
6-10	191	9%
11-20	155	14%
21+	79	12%
*Total Companies: 9,437		
Total Company Licenses: 16,372		

*Total Companies excludes companies with only submitted applications.

Figure 19. Companies Operating in One or More States in NMLS

10 <http://www.csbs.org/Content/NavigationMenu/Home/2009MMCREPORTTOSTATEREGULATORSFinal.pdf>

NMLS Processing Fees

NMLS Fees

To fund NMLS operations, functionality and enhancements as well as to achieve the objectives of the SAFE Act, NMLS charges various fees for services provided. Section 1510 of the SAFE Act authorizes NMLS to “charge reasonable fees to cover the costs of maintaining and providing access to information from the Nationwide Mortgage Licensing System and Registry.” NMLS fees are paid for, in the majority of cases, by the licensed entity or, in some instances, by the state.

A summary of NMLS fees by type includes:

- (1) NMLS processing fees for company, branch and mortgage loan originator licenses managed in the System.
- (2) Test fees for the national and state test components.
- (3) Education fees related to the:
 - a. Banking of course hours taken by licensed mortgage loan originators.
 - b. Approval and renewal of course providers and pre-licensure and continuing education courses.
- (4) Criminal background check fees for the collection of fingerprints and distribution of FBI’s criminal history record information to authorized recipients¹¹.

NMLS fees collected in 2009 by type are provided in Figure 20. Other NMLS services, such as the NMLS Call Center, system access, updating a licensee’s re-

cord, system reports and *NMLS Consumer Access* are provided at no charge to the user.

The SRR Board of Managers reviews, at least annually, the NMLS fees by type to determine the appropriateness of each fee. SRR solicits public comment on any fees that the SRR Board of Managers has under consideration for change.

NMLS Processing Fees

Users of NMLS pay various processing fees as listed below. These processing fees are unchanged from 2008 levels. Processing fees by type are provided in Figure 21.

- (1) *Initial Set-up Fee.* This \$100/\$20/\$30 fee is charged each time a company (Form MU1), branch (Form MU3), or mortgage loan originator (Form MU4), respectively, uses NMLS to transition an existing license or to apply for a new license in a participating state. The Initial Set-up Fee is “per state, per license.”
- (2) *Annual Processing Fee.* This \$100/\$20/\$30 fee is charged annually at the time of renewal when a company, branch, or mortgage loan originator, respectively, renews a license in a participating state. The Annual Processing Fee is a “per state/per license” fee.
- (3) *Mortgage Loan Originator Transfer Fee.* This \$30 fee is charged each time the NMLS

2009 NMLS Fees Collected

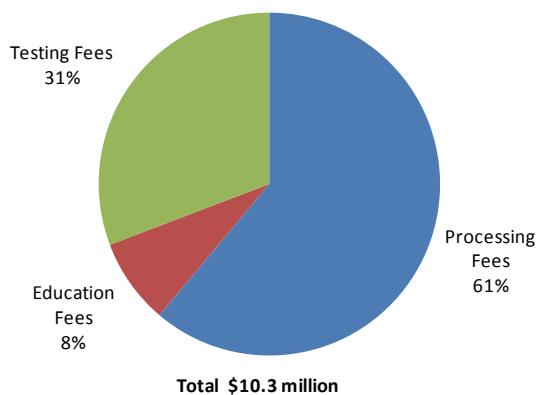


Figure 20. 2009 NMLS Fees Collected

2009 NMLS Processing Fees by Type

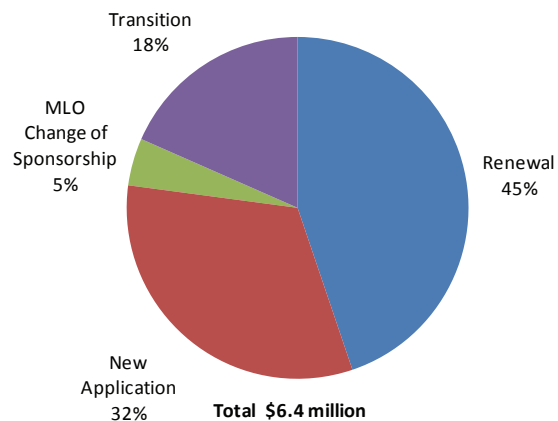


Figure 21. 2009 NMLS Processing Fees by Type

¹¹ Criminal background check functionality was made available in NMLS in January 2010. Consequently, no revenue was collected in 2009.

NMLS Processing Fees

processes a company's request to have a mortgage loan originator's license affiliated with that company. In essence, this fee is charged each time a mortgage loan originator changes employment. The Mortgage Loan Originator Transfer Fee is a "per state/per license" fee.

NMLS Test Fees

Under the SAFE Act each mortgage loan originator is required to pass a test which consists of two components: a national component and a unique state test component. These fees are payable by an individual who is enrolling to take the mortgage loan originator SAFE Act test components or by the company which may be enrolling its mortgage loan originator(s) for the test components. Test fees by component are as follows:

- (1) National component - \$92 (contains 100 questions with an appointment time of three hours).
- (2) Each unique state component - \$69 (contains 55-65 questions with an appointment time of two hours).

NMLS Education Fees

Under the SAFE Act, each mortgage loan originator is required to take a minimum of 20 hours of pre-licensure education and eight hours annually of continuing education through courses and course provid-

ers that are approved by NMLS. Fees associated with approval and renewal of courses and course providers are provided in Figure 22.

NMLS also charges each NMLS-approved course provider a "credit banking fee" of \$1.50 per course hour taken by a mortgage loan originator. "Credit banking" is the process where the course provider records a candidate's or licensee's SAFE Act required education hours into NMLS. Fees paid by a mortgage loan originator to take an NMLS-approved course are set by the NMLS-approved course provider.

NMLS Criminal Background Check Fees

NMLS provides functionality within the system to process fingerprints for the purpose of obtaining a federal criminal background check (CBC) through the Federal Bureau of Investigation (FBI). The criminal history record information check response from the FBI will be attached to the mortgage loan originator's NMLS record and viewable by state regulators who have issued the mortgage loan originator a license. Fees associated with a criminal background check are as follows:

- (1) Live Scan (electronic): \$39 CBC Processing Fee.
- (2) Paper Card Capture (if Live Scan is not selected): \$49.

More information about NMLS processing fees can be found on the *NMLS Resource Center*.

NMLS Education Fees

Education Services Process/Transaction Type and Who Pays the Fee	Fees 2009
Course Provider Application Fee – Initial Course Provider pays	\$400 for each initial application, good for 2 years.
Course Provider Application Fee – Renewal Course Provider pays	\$400 for each initial application, good for 2 years.
Course Application Fee – Initial Course Provider Pays	\$300 for each initial application, good for 1 year.

Figure 22. NMLS Education Fees

Overview

Highlights of SRR's audited financial statements as of year-end 2009 and 2008 are shown in Figure 23. SRR's \$15.9 million in 2009 total assets increased by \$5.5 million or 53 percent from 2008 as it continued to invest in the expansion and enhancement of NMLS and the development of SAFE Act national and state test components. Borrowings increased \$3.1 million or 53 percent to fund NMLS development.

Total SRR 2009 revenues of \$16.3 million were derived from: \$6.4 million in NMLS processing fees; \$5.9 million in state development and operating support; \$3.1 million in test administration fees; and \$0.8 million in education registration fees. NMLS operating expenses totaled \$15.7 million, resulting in a \$668,000 net gain for the year. In 2008, state regulatory agencies provided \$6.6 million in funds that were used to pay for the development of NMLS. Total state contributions for NMLS development over the past several years is \$13.7 million. In 2009, NMLS collected and disbursed more than \$33 million on behalf of the states participating in NMLS, up from \$24 million in 2008.

State Regulatory Registry LLC 2009 and 2008 Financial Highlights (audited) (Dollars in Thousands)		
	<u>2009</u>	<u>2008</u>
Total assets	\$15,940	\$10,410
Mortgage licensing system, net	12,137	8,312
Test development costs, net	1,123	0
Lines of credit	8,774	5,705
Retained earnings	2,878	2,210
Revenues	16,327	9,605
Expenses	15,659	10,252
Net income (12 months)	668	(647)

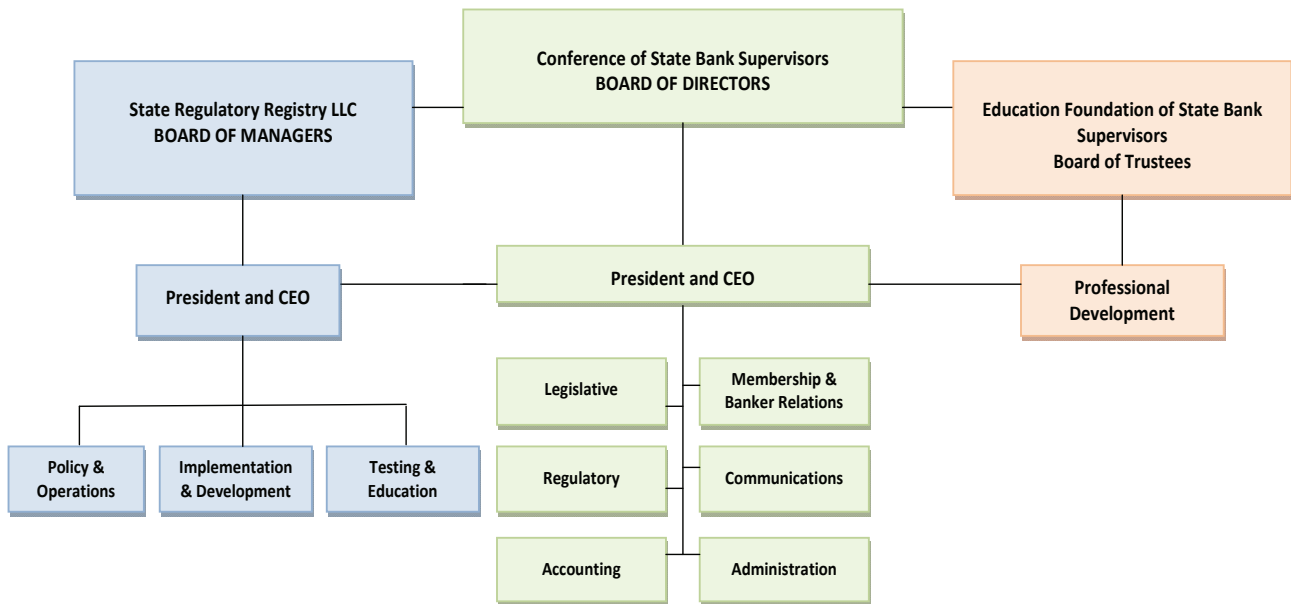
Figure 23. SRR LLC 2009 and 2008 Financial Highlights (audited)

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Appendix A. CSBS Organization Chart

Conference of State Bank Supervisors Organization Chart



Conference of State Bank Supervisors: www.csbs.org

The Conference of State Bank Supervisors (CSBS) is the nationwide organization for state bank regulation, representing the bank regulators of the 50 states, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. State authorities supervise approximately 6,000 state-chartered financial institutions. Further, the majority of state banking departments also oversees mortgage providers and other financial service providers. CSBS is also responsible for improving the quality of state bank supervision by providing performance evaluation and accreditation programs for the banking departments, as well as supervisory education and training programs for state personnel.

Education Foundation of State Bank Supervisors: www.csbs.org

The Education Foundation of State Bank Supervisors (EFSBS) is the professional development division of CSBS. EFSBS offers a wide range of programs from basic examiner training, continuing education, and executive programs for senior department personnel.

State Regulatory Registry LLC: www.stateregulatoryregistry.org

The Nationwide Mortgage Licensing System (NMLS) is owned and operated by State Regulatory Registry LLC (SRR). The Conference of State Bank Supervisors (CSBS) in cooperation with the American Association of Residential Mortgage Regulators (AARMR) established the SRR on September 21, 2006. A limited-liability company, SRR is to develop and operate nationwide systems for state regulators in the financial services industry. Such systems are intended to enhance states ability to protect consumers; improve supervision and enforcement of licensed entities; and streamline licensing and other processes for state agencies and the industry through the use of modern technology and centralizing redundant state agency operations.

Appendix B. NMLS Development Schedule

System Development Schedule

Release Roadmap and Features	
Date:	Primary Features:
03/06/2009 (2009.1 Release)	<ul style="list-style-type: none"> Financial Statements Functionality Open Regulator Access View Confidential Information Role Mortgage Loan Originator Roster Report for Regulators System Efficiency Enhancements
06/22/2009 (2009.2 Release)	<ul style="list-style-type: none"> SAFE:MLO National and State Testing SAFE: Pre-licensure and Continuing Education Form Filing Updates and Enhancements
09/14/2009 (2009.4 Release)	<ul style="list-style-type: none"> Streamlined Renewal Enhancements Addition of Original License Date field Additional system notification: Branch Administrative Action MU Form Changes SAFE: Pre-Licensure and Continuing Education enhancements Requirements Instructional text and workflow message update
01/25/2010 (2010.1 Release)	<ul style="list-style-type: none"> Fingerprinting Phase I: Consumer Access MU Form Changes
Planned Future Enhancements	
	Features:
	<ul style="list-style-type: none"> Additional Reports State Test/Pre-Education Certification Federal Registration Credit Reports Call Reports Disciplinary/Enforcement Actions Disclosure Explanations/Details Reporting Consumer Complaints Routing B2B Consumer Access Surety Bonds

Appendix C. Committee Rosters

Mortgage Policy Licensing Committee 2009 Members

Chair	
Ms. Deborah Bortner Director of the Division of Consumer Services Washington Department of Financial Institutions	
Members	
Mr. Alan J. Cicchetti Deputy Commissioner Connecticut Department of Banking	Mr. David J. Cotney Chief Operating Officer Massachusetts Division of Banks
Ms. Jean Boven Deputy Commissioner Regulatory Compliance Division Michigan Office of Financial and Insurance Regulation	Mr. Jeff Bush Chief Deputy Commissioner Securities Division Indiana Secretary of State
Mr. Rod Carnes Deputy Commissioner Non-Depository Financial Institutions Division Georgia Department of Banking & Finance	Mr. Mike Igney Assistant Commissioner Compliance Division Tennessee Department of Financial Institutions
Mr. Mike Cameron Attorney Nebraska Department of Banking and Finance	Ms. Marlene Aitchison Projects Coordinator Wyoming Division of Banking
Mr. Richard Fergus Division Manager Arizona Department of Financial Institutions	Ms. Louisa A. Broudy Deputy Commissioner California Department of Corporations
SRR Staff	
Mr. Tim Doyle Vice President Phone: (202) 728-5728 tdoyle@csbs.org	Mr. Tim Lange Director, Policy Phone: (202) 728-5734 tlange@csbs.org

Appendix C. Committee Rosters

Mortgage Advisory Council 2009 Members

Members	
AllyMac Mortgage Services Mr. Neil Sweren Owings Mills, MD	American Brokerage Mr. Adam L. Stein President Auburn, WA
American Financial Services Association Ms. Danielle Fagre Arlowe Sr. VP, State Government Affairs Washington, DC	AMS Mortgage Ms. Vickie Graves President Madison, MS
Associated Mortgage Group, Inc. Mr. Thomas R. Hendrickson Portland, OR	Citigroup, Inc. Ms. Briget Polichene VP & Senior Counsel Indianapolis, IN
Community Mortgage Banking Project c/o Mortgage Banking Initiatives Inc. Mr. Pete Mills Alexandria, VA	CTX Mortgage Ms. Debra R. Dunn Executive VP, Industry Relations Montrose, CO
GMAC Mortgage Group, LLC Mr. William H. Finlay Associate Counsel Horsham, PA	HSBC – North America Mr. Larry Heckner Sr. VP, Government Relations Wilmington, NC
Massachusetts Mortgage Association Ms. Denise M. Leonard Executive Director Medford, MA	Mortgage Bankers Association Mr. Christopher Oswald Director, State Government Affairs Washington, DC
Mortgage Bankers Association Mr. Ken Markison Washington, DC	Mortgage Bankers Association of Georgia Mr. Tyler Wood President Macon, GA
New England Mortgage Education Council a dba of MA MBA Mr. Kevin M. Cuff Executive Director Boston, MA	SMC Home Finance Mr. Donald E. Fader Executive Vice President Kinston, NC
SRR Staff	
Mr. Tim Doyle Vice President Phone: (202) 728-5728 tdoyle@csbs.org	Ms. Mary Pfaff Senior Director, Policy Phone: (202) 728-5748 mpfaff@csbs.org

Appendix C. Committee Rosters

Mortgage Testing & Education Board 2009 Members

Chairman	Vice Chairman
Mr. Ambrose Wilson, IV Deputy Commissioner Kentucky Department of Financial Institutions	Mr. Craig D. Christensen, CME Senior Examiner, Finance Bureau Iowa Division of Banking
Members	
Mr. Darin Domingue Deputy Chief Examiner Residential Mortgage Lending Section Louisiana Office of Financial Institutions	Mr. Jeremy Windham Loan Examinations Coordinator Alabama State Banking Department
Mr. Kris Booker, CME Examiner III Mississippi Department of Banking & Consumer Finance	Ms. Lucinda Marie Fazio Financial Legal Examiner Washington Department of Financial Institutions
Ms. Pamela Kay Baker Manager Consumer Finance Lending Unit Michigan Office of Financial Insurance Regulation	Mr. Philip J. Neary Regional Manager Division of Consumer and Mortgage Lending Kansas Office of the State Bank Commissioner
Mr. Timothy M. Siwy Director Bureau of Compliance, Investigation and Licensing Pennsylvania Department of Banking	
SRR Staff	
Mr. Pete Marks Vice President, National Mortgage Testing & Education Programs Phone: (202) 728-5723 pmarks@csbs.org	Mr. Richard Madison Director, Mortgage Education Programs Phone: (202) 728-5737 rmadison@csbs.org
Ms. Anne Altman Manager, Mortgage Testing Programs Phone: (202) 728-5750 aaltman@csbs.org	

© 2010 State Regulatory Registry LLC

**1155 Connecticut Avenue, N.W.
Fifth Floor
Washington, D.C. 20036
Phone: (202) 296-2840
Fax: (202) 296-1928**