



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
OFFICE OF FINANCIAL AND INSURANCE REGULATION
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
STANLEY "SKIP" PRUSS, DIRECTOR

KEN ROSS
COMMISSIONER

DATE: February 23, 2010

TO: Michigan Loan Officer Registrants

FROM: Michigan Office of Financial and Insurance Regulation

RE: Mortgage Loan Originator License (MLO) Transition by **July 31, 2010**

This notification is sent to provide you with information about the requirements to become a mortgage loan originator. All individuals currently registered as loan officers will need to transition to a loan originator license by July 31, 2010, in order to continue to originate mortgage loans. Loan officer registrations will terminate July 31, 2010.

Each individual must satisfy requirements before a loan officer registration may be transitioned to a loan originator license. You may make a request for transition in NMLS and begin meeting these requirements **March 1, 2010**.

Specific requirements that you can satisfy now are summarized here and in more detailed format in this notification.

Request to Transition – all mortgage loan registrants will need to request transition to a mortgage loan originator license. A request to transition must be made, using your current loan officer registration NMLS unique identification number. Once a loan officer registrant requests transition and meets loan originator requirements, the State of Michigan will place the transition request in an "Approved-Conditional" status. This status will change to "Approved" beginning July 31, 2010. Loan officer registrations will terminate July 31, 2010.

Sponsorship – transition requests cannot be approved until a sponsorship is established with your employer. To meet this requirement, your employer must be properly transitioned or approved as a licensed or registered mortgage broker, lender, and/or servicer. Loan originator transition requests will not be processed if the loan officer registrant is not sponsored by a licensed or registered company. Sponsorship requests are submitted by the company through NMLS.

Education – all loan originators are required to complete a minimum 20 hours of pre-licensing education. Loan officer registrants were required to complete 24 hours of pre-registration education, or were "grandfathered" and not required to take the 24 hour pre-registration education course. If you completed the 24 hour pre-registration education course and you submit your transition request before July 31, 2010, the State of Michigan will certify your education, and you will not be required to take the 20 hour pre-licensing education. If you were

“grandfathered” and did not take the 24 hour pre-registration education course, you will need to complete the 20 hours of pre-licensing loan originator education. You can register for the 20 hour course through the NMLS website.

Testing – all loan originators are required to pass a National test component approved through NMLS. Individuals are also required to pass a Michigan test component. Both Michigan and National components must be passed with a minimum score of 75% for each examination. Loan officer registrants that passed the NMLS approved National test and the NMLS approved Michigan test will not need to re-take these tests if you submit your transition request before July 31, 2010. Loan officer registrants that only passed the Michigan loan officer registration test prior to October 22, 2009, will be required to pass the NMLS approved National test; however, they will not be required to take and pass the NMLS approved Michigan test. You can register for the NMLS approved National test through the NMLS website.

Fingerprints- all loan originators are required to submit new fingerprints through NMLS. This is required even though you have had fingerprints taken when you applied for and received your loan officer registration. A new criminal background check will be completed by the FBI, with the results made available to the State of Michigan.

Credit Reports – all loan originators are required to grant authority to have a credit report pulled. The credit report will be completed by a third party credit reporting vendor, with the results made available to the State of Michigan. The capability of this requirement is not yet available through NMLS. You will receive further notification of how to proceed with this requirement.

Bonds – all loan originators are required to submit a surety bond to the Office of Financial and Insurance Regulation (OFIR). The surety bond form will be placed on the OFIR website under the Licensing – Mortgage Loan Originator section (http://www.michigan.gov/dleg/0,1607,7-154-10555_22535_54462---,00.html) in the near future.

See the Michigan Mortgage Loan Originators Licensing Act 2009 PA 75 for complete details and the full definition of a mortgage loan originator.

Additional information is located on the NMLS website under the heading Professional Requirements (<http://mortgage.nationwidelicensingsystem.org>) and website of the Office of Financial and Insurance Regulation website under the Licensing, Mortgage Loan Originator heading (www.michigan.gov/ofis).

If you have any questions regarding licensing requirements contact Consumer Finance Licensing Unit at (877) 999-6442. If you have questions regarding NMLS navigation, please contact the NMLS Call Center at 240-386-4444.

Very Truly Yours,

/s/

Mark W. Weigold, Director
Consumer Finance Section