

October 24, 2008

## Transition Plan: Indiana Department of Financial Institutions

### Current Indiana Loan Licensees:

Lenders holding an Indiana **Loan License**, and regularly engaged in Subordinate Lien Mortgage Lending in Indiana, must create a record in the Nationwide Mortgage Licensing System (NMLS) by creating Form MU1 for the company and a Form MU2 for each of their control persons. This should be completed by **November 1, 2008**. After November 1 and before December 31, 2008, the lender must renew and transition the existing Loan License to a **Subordinate Lien Mortgage Lending License** via NMLS.

(Note: If you are regularly engaged in non-mortgage consumer loans **and** do not make subordinate lien mortgage loans, you must retain your existing loan license. Registration on NMLS is not required to retain the consumer loan license for non-mortgage lenders.)

It is important that current licensees have their Indiana LicID number available when filing their Form MU1 and Creditor's Notification Return. The LicID number has been provided to each licensee in previous communications and is available on the Department's Web site at: <http://extranet.dfi.in.gov/dfidb/nondeplist.aspx>.

**Filing MU forms through NMLS will replace part of Indiana's annual renewal process. Licensees will continue to report annual volume on the Creditor's Notification Return. To access and print the Creditor's Notification Return, go to:** <http://extranet.dfi.in.gov/renewal/NMLSRenew.aspx>

Paper applications will not be accepted after **October 10, 2008**. Licensees should not make changes (i.e. address changes, etc.) while requesting transition to the NMLS. Any licensee that needs to amend a license or complete any other action previously completed in paper form is encouraged to update all information with our office by **October 15, 2008**, so at the time of transition there will be no pending changes to submit.

### New First Lien Mortgage Lending License Requirements for Indiana effective January 1, 2009:

Companies regularly engaged in first lien mortgage lending in Indiana will be required to apply for the new **First Lien Mortgage Lending License**. Companies have until **December 31, 2008** to complete and submit through NMLS Forms MU1 and MU2. **Beginning January 1, 2009, you must be licensed to make first lien mortgage loans in Indiana.** For additional information go to: <http://www.in.gov/dfi/2673.htm>.

**Note:** If you have submitted forms MU1 and MU2 for another state, you do not need to re-enter your company record into NMLS to transition your license or apply for the new First Lien Mortgage Lending license. You will only need to identify the appropriate license(s) in Indiana and complete a few state specific requirements.