

R162-2c-201. Licensing and Registration Procedures.

- (1) Mortgage loan originator.
 - (a) To obtain a Utah license to practice as a mortgage loan originator, an individual who is not currently and validly licensed in any state shall:
 - (i) evidence good moral character pursuant to R162-2c-202(1);
 - (ii) evidence competency to transact the business of residential mortgage loans pursuant to R162-2c-202(2);
 - (iii) obtain a unique identifier through the nationwide database;
 - (iv) successfully complete, within the 12-month period prior to the date of application, 40 hours of Utah-specific pre-licensing education as approved by the division;
 - (v)
 - (A) successfully complete 20 hours of pre-licensing education as approved by the nationwide database according to the nationwide database outline for national course curriculum; or
 - (B) if the individual previously passed the 20-hour national course, obtained a license, and thereafter allowed the license to expire, successfully complete continuing education:
 - (I) approved by the nationwide database; and
 - (II) in the number of hours that would have been required to renew the expired license in the year in which the individual allowed the license to expire;
 - (vi) take and pass the examinations that meet the requirements of Section 61-2c-204.1(4) and that:
 - (A) are approved and administered through the nationwide database; and
 - (B) consist of a national component and a Utah-specific state component;
 - (vii) request licensure as a mortgage loan originator through the nationwide database;
 - (viii) authorize a criminal background check and submit fingerprints through the nationwide database;
 - (ix) provide to the division all relevant information regarding "yes" answers to disclosure questions found within the application submitted on the MU4 form;
 - (x) complete, sign, and submit to the division a social security verification form as provided by the division; and
 - (xi) pay all fees through the nationwide database as required by the division and by the nationwide database.
 - (b) To obtain a Utah license to practice as a mortgage loan originator, an individual who is currently and validly licensed in another state shall:
 - (i) evidence good moral character pursuant to R162-2c-202(1);
 - (ii) evidence competency to transact the business of residential mortgage loans pursuant to R162-2c-202(2);
 - (iii)
 - (A) successfully complete, within the 12-month period prior to the date of application, 40 hours of Utah-specific mortgage loan originator prelicensing education; and
 - (B) take and pass the Utah-specific state examination component;

- (iv) provide to the division all relevant information regarding "yes" answers to disclosure questions found within the application submitted on the MU4 form;
- (v) request licensure as a mortgage loan originator through the nationwide database;
- (vi) authorize a criminal background check through the nationwide database;
- (vii) complete, sign, and submit to the division a social security verification form as provided by the division; and
- (viii) pay all fees through the nationwide database as required by the division and by the nationwide database.

(2) Principal lending manager. To obtain a Utah license to practice as a PLM, an individual shall:

- (a) qualify as a mortgage loan originator through the nationwide database;
- (b) evidence good moral character pursuant to R162-2c-202(1);
- (c) evidence competency to transact the business of residential mortgage loans pursuant to R162-2c-202(2);
- (d) obtain approval from the division to take the Utah-specific PLM prelicensing education by evidencing that the applicant has, within the five years preceding the date of application, had three years of full-time active experience as a mortgage loan originator;
- (e) within the 12-month period preceding the date of application, successfully complete 40 hours of Utah-specific PLM prelicensing education as certified by the division;
- (f)
 - (i) if currently licensed in Utah as a mortgage loan originator, take and pass a principal lending manager examination as approved by the commission; or
 - (ii) if not currently licensed in Utah as a mortgage loan originator, take and pass:
 - (A) the Utah-specific state examination component; and
 - (B) a principal lending manager examination as approved by the commission;
- (g) provide to the division all relevant information regarding "yes" answers to disclosure questions found within the application submitted on the MU4 form;
- (h) register in the nationwide database by selecting the "principal lending manager" license type and completing the associated MU4 form;
- (i) complete, sign, and submit to the division a social security verification form as provided by the division; and
- (j) pay all fees through the nationwide database as required by the division and by the nationwide database.

(3) Associate lending manager. To obtain a Utah license to practice as an ALM, an individual shall:

- (a) comply with this Subsection (2)(a) through (g);
- (b) register in the nationwide database by selecting the "associate lending manager" license type and completing the associated MU4 form; and

- (c) pay all fees through the nationwide database as required by the division and by the nationwide database.
- (4) Mortgage entity.
- (a) To obtain a Utah license to operate as a mortgage entity, a person shall:
 - (i) establish that all control persons meet the requirements for moral character pursuant to R162-2c-202(1);
 - (ii) establish that all control persons meet the requirements for competency pursuant to R162-2c-202(2);
 - (iii) register any other trade name with the Division of Corporations and Commercial Code;
 - (iv) register the entity in the nationwide database by:
 - (A) submitting an MU1 form that includes:
 - (I) all required identifying information;
 - (II) the name of the PLM who will serve as the entity's qualifying individual;
 - (III) the name of any individuals who may serve as control persons;
 - (IV) the entity's registered agent; and
 - (V) any other trade name under which the entity will operate; and
 - (B) creating a sponsorship through the nationwide database that identifies the mortgage loan originator(s) sponsored by the entity;
 - (v) register any branch office operating from a different location than the entity;
 - (vi) pay all fees through the nationwide database as required by the division and by the nationwide database;
 - (vii) provide to the division proof that any assumed business name or other trade name is registered with the Division of Corporations and Commercial Code;
 - (viii) provide to the division all court documents related to any criminal proceeding not disclosed through a previous application or renewal and involving any control person;
 - (ix) provide to the division complete documentation of any action taken by a regulatory agency against:
 - (A) the entity itself; or
 - (B) any control person; and
 - (C) not disclosed through a previous application or renewal; and
 - (x) provide to the division a notarized letter on company letterhead, signed by the owner or president of the entity, authorizing the PLM to use the entity's name.
 - (b) Restrictions on entity name. No license may be issued by the division to an entity that proposes to operate under a name that closely resembles the name of another entity licensee, or that the division determines might otherwise be confusing or misleading.
- (5) Branch office.
- (a) To register a branch office with the division, a person shall:

- (i) obtain a Utah entity license for the entity under which the branch office will be registered;
 - (ii) submit to the nationwide database an MU3 form that includes:
 - (A) all required identifying information; and
 - (B) if registering on or after November 1, 2010, the name of the ALM who will serve as the branch lending manager;
 - (iii) create a sponsorship through the nationwide database that identifies the mortgage loan originator(s) who will work from the branch office; and
 - (iv) pay all fees through the nationwide database as required by the division and by the nationwide database.
 - (b) A person who registers another trade name and operates under that trade name from an address that is different from the address of the entity shall register the other trade name as a branch office pursuant to this Subsection (5).
- (6) Licenses not transferable.
- (a) A licensee shall not transfer the licensee's license to any other person.
 - (b) A licensee shall not allow any other person to work under the licensee's license.
 - (c) If a change in corporate structure of a licensed entity creates a separate and unique legal entity, that entity shall obtain a unique license, and shall not operate under any existing license.
- (7) Expiration of test results.
- (a) Scores for the mortgage loan originator licensing examination shall be valid for five years.
 - (b) Scores for the PLM exam shall be valid for 90 days.
- (8) Incomplete PLM or ALM application.
- (a) The division may grant a 30-day extension of the 90-day application window upon a finding that:
 - (i) an applicant has made a good faith attempt to submit a completed application; but
 - (ii) requires more time to provide missing documents or to obtain additional information.
 - (b) If the applicant does not supply the required documents or information within the 30-day extension, the division may deny the application as incomplete.
- (9) Nonrefundable fees. All fees are nonrefundable, regardless of whether an application is granted or denied.
- (10) Other trade names.
- (a) The division shall not approve a license for any person operating under an assumed business name that poses a reasonable likelihood of misleading the public into thinking that the person is:
 - (i) endorsed by the division, the state government, or the federal government;
 - (ii) an agency of the state or federal government; or
 - (iii) not engaged in the business of residential mortgage loans.

- (b) A mortgage entity that operates under another trade name shall register the other trade name by including it on the MU1 form and obtaining the required registration.