

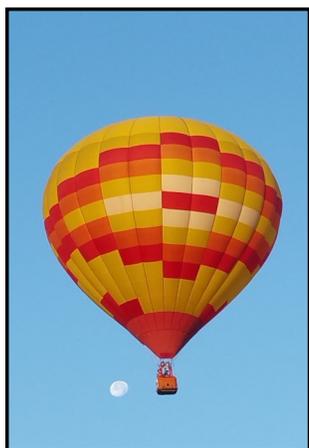


THE IDAHO COMPLIANCE CONNECTION

Summer 2015

INSIDE THIS ISSUE:

Are You on NMLS? Want Your License Renewal Process to Go Smother This Year?	1
Are You a Third Party Licensing Service Vendor?	3
Did You Know. . .	4
Consumer Finance Bureau Statistics	5
Tips	6
NMLS Consumer Access Portal	7
Top Consumer Complaints	7
Enforcement Actions	8
Important Dates to Remember	9
Announcement: Eight Hours of Continuing Education Available	10



Are You on NMLS?

Want Your License Renewal Process to Go Smoother This Year?

Here are Six Tips from the Source.

Make sure all license items have been cleared prior to October 31.

All license items should be cleared prior to submitting a renewal request. Outstanding license items are the number one reason renewal application approvals are delayed. The earlier you clear any outstanding items, the better. Waiting until the last minute increases the work-load on staff and causes delays in getting your renewal approved. Specific questions regarding license items can be directed to staff members identified in the license item or under State Agency Contacts on the NMLS Resource Center. Remember that attesting to a filing is indicating that all information is current and correct. If there are license items that have not been cleared, that attestation will be false which may lead to an administrative action.

Keep your NMLS filing current and up-to-date by regularly reviewing and updating information.

Did you know NMLS Policy requires amendments to be made within 30 days of the date the event occurs? Idaho law requires information to be filed as necessary to keep the information current—for which 30 days is allowed. For instance, if there is a residential address change or a new disclosure item to report that took place on May 1st, you must report that information on an NMLS filing no later than June 1st. Items not reported within the required 30 day period can garner a Letter of Warning from the Department. (NOTE: This does not apply to items that require advance notice)

Individuals should have fingerprints taken in September *if the previous set has expired*. This applies to MLOs only.

Criminal background checks can be completed up to 90 days prior to the renewal request submission. The FBI requires that fingerprints be retaken every three years. Review the Individual Criminal Background Check Requests section under the Composite View tab on NMLS to see if you need to complete this step.

Use the NMLS Resource Center.

The NMLS Resource Center is an excellent resource for printed instructions on how to use the system for licensing—including renewals. From Company and Individual

(Continued on page 2)

(Continued from page 1)

Quick Guides to a specific section regarding Renewal Requests, NMLS has created visual guides for each step in the process to help you successfully amend and submit your filing for review. We encourage all licensees to take a tour of the NMLS Resource Center and become familiar with the information available. It could save you time!

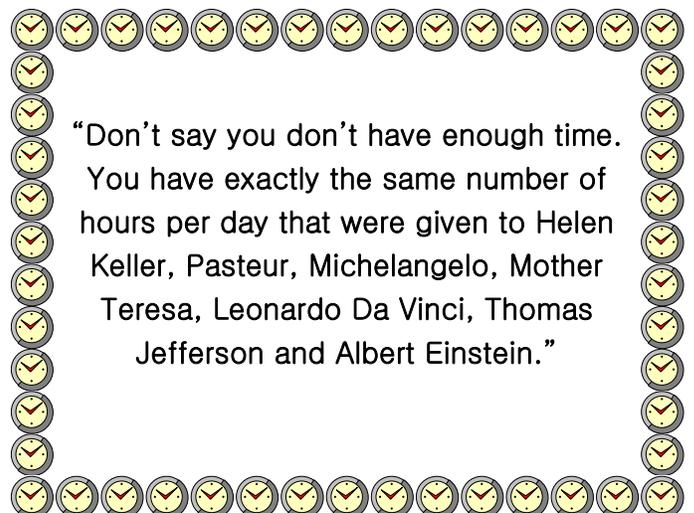
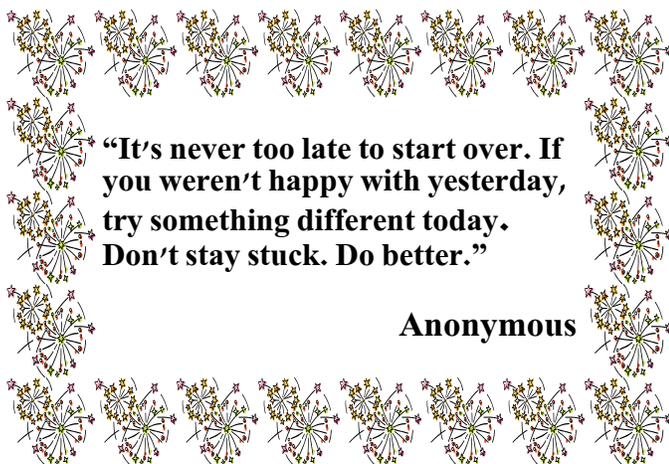
File early and be patient.

The licensing staff works diligently to make sure all renewal submissions get processed prior to year end. They often work over 60 hours a week to process all the submissions received. You can help this process run efficiently by filing your renewal request early in the renewal period and limiting contact with review examiners to questions regarding specific requirements or license items. The status of the license or renewal request can always be found in real time on the NMLS. Renewal requests submitted by December 1st will be reviewed before the expiration date of December 31st. Those filed after December 1 risk license expiration, reinstatement fees and interruption to business activities.

Watch for the Streamlined Renewal Reminder e-mail notification in September.

In an effort to promote good working relationships with our licensees, the Department sends a courtesy notice to all licensees in the month of September with information regarding the streamlined renewal process and specific steps to be completed prior to November 1st in order to successfully renew your license for the next year.

November 2015							December 2015						
Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7			1	2	3	4	5
8	9	10	11	12	13	14	6	7	8	9	10	11	12
15	16	17	18	19	20	21	13	14	15	16	17	18	19
22	23	24	25	26	27	28	20	21	22	23	24	25	26
29	30						27	28	29	30	31		



**Are You a Third Party Licensing Service Vendor?
Do You Assist Companies and Individuals with Their Licensing Needs?
Are You an Entity That Uses a Third Party Licensing Vendor?**

Important New Information

In an effort to manage various licensing and compliance needs, some entities may contract with third party vendors (Vendors) to assist them. In many cases, these Vendors will research licensing requirements, prepare application and renewal forms, and present them to their clients for final authorization and signature/attestation. For applications and filings in the "paper world" this sometimes includes a power of attorney (POA) if the client isn't readily available. In the electronic NMLS filing process, a Vendor usually has an officer or "Control Person" of the entity attest to the filing prior to filing it through NMLS.

NMLS is not a regulator—it is a conduit for the flow of information and a system of record for information storage related to applicants and licensees. In order to create and maintain records as well as transmit information, NMLS creates and maintains functionalities that allow users to perform various filing functions. While NMLS allows the creation of Organization Users by a company through its Account Administrator, it is not conferring any specific authority or permissions by that role other than allowing processes to be performed. In the paper world, it is likened to an employee being instructed to package application information and mail it to the regulator.

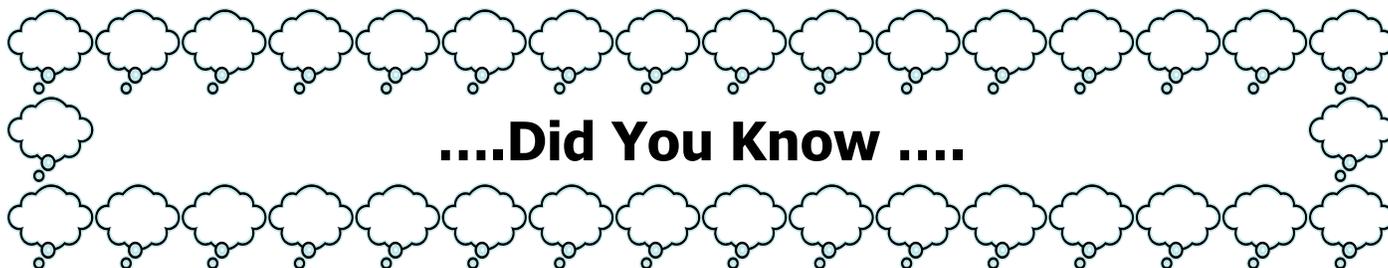
The attestation, whether on a paper application or in NMLS, is not designed or intended to be executed by a party other than the applicant/licensee, who will be responsible and held accountable for the filing content associated with that particular attestation. Similarly, it is not designed to allow for the use of a POA. Applications will no longer be accepted that are executed by someone other than a Control Person identified on the Company Form (MU1) in NMLS or on Schedule A of a paper application, nor will a POA be accepted unless the POA has been provided, reviewed, and accepted for the specific activity being performed. It is a misrepresentation when a Vendor attests to a filing using one of its employees' names, and represents that it is the licensee or applicant. Such misrepresentation may lead to an enforcement action.

With the above in mind, and in an attempt to verify the true level of authority conveyed, if the Vendor does not secure an attestation from a listed Control Person of the company prior to making a filing, the Department will require one of the following items:

A copy of the executed contract between the Vendor and the applicant/licensee detailing the level of authority conveyed and what specific functions the Vendor can and cannot perform on behalf of the applicant/licensee. This should include signature/attestation authority (and by whom) and/or a copy of an executed POA, if applicable; or

The completion and submission of the form entitled, "Applicant/Licensee Attestation Authorization and Certification" which is available on the Department's website at www.finance.idaho.gov.

Questions may be directed to the Consumer Finance Licensing Section at mortgage@finance.idaho.gov, collections@finance.idaho.gov, icc.mail@finance.idaho.gov or (208) 332-8002.



....Did You Know

- Consumer Lender and Collection Agency licensees can still transition their license records to the NMLS and maintain their licenses electronically. Licensees can gain access to their records almost 24/7 from any location with access to the internet allowing for amendment updates, renewals, new applications, training information, reports and more at their convenience. Call for more information!
- Credit Reports *are required* of mortgage company **control persons** (Form MU2), which include QPICs and branch managers, as well as **MLOs** (Form MU4) for each new application and ***every annual license renewal***. Credit reports must be authorized **prior** to attesting to the filing. Everyone should become familiar with Idaho Policy 2011-01 pertaining to financial responsibility and the requirements to obtain or retain a license.
- Criminal Background Checks for control persons will NOT be required until the functionality is available in the NMLS.
- The Bureau does not mail annual renewal forms. For over six years the Bureau has sent courtesy email notifications as a reminder to renew licenses and how to obtain necessary forms. ***It is important that all licensees keep current email addresses on file with the Bureau.*** If your internal control systems block batch or bulk emails you may want to consider contacting your IT department about changing that or adding the department's domain as a safe sender.
- The Bureau does not issue paper licenses for **any** of its license programs. All approved license information is displayed on the Department's website at <http://finance.idaho.gov>, as well as renewal confirmation and other detailed information. Licenses may additionally be verified in NMLS Consumer Access at <http://www.nmlsconsumeraccess.org> for mortgage broker/lenders, mortgage loan originators, and transitioned regulated lenders, payday lenders and collection agencies.
- The Nationwide Multistate Licensing System (NMLS) can be reached by phone at 1-855-NMLS-123 (1-855-665-7123) AND email at NMLS_CallCenter@statemortgageregistry.com.
- Bureau examiners participated in 7 consumer education conferences, high school and college financial education training programs reaching over 263 participants and attendees between November 1, 2014 and May 31, 2015.
- As of May 31, 2015 the Bureau has processed over 50,100 loan originator sponsorship/relationship requests since January 2, 2008 when the NMLS went live. *These transactions are solely related to employment changes.*
- Unlicensed activity is still the number one complaint received by the Department. If you become aware of an entity that may need to be licensed in order to conduct business in Idaho please contact the Department by email at mortgage@finance.idaho.gov or phone call at (208) 332-8002 option 1.

CONSUMER FINANCE BUREAU STATISTICS AS OF MAY 31, 2015

Active Licensees (as of 5-31-2015)

Mortgage Brokers/Lenders	795
Mortgage Loan Originators (Approved-Active)	2344
Mortgage Loan Originators (Approved-Inactive)	255
Regulated Lenders (inc Title Lenders)	593
Payday Lenders	201
Collection Agencies	611
Debt/Credit Counselors	41
Debt Buyers	100
Credit Repair Company/Organizations	7
Debt Settlement Companies	9
Collection Agency Agents/Solicitors	48672

New Applications Received (11-1-14 to 5-31-15)

Mortgage Brokers/Lenders	198
Mortgage Loan Originators	529
Regulated Lenders (inc. payday/title)	51
Collection Agencies	135

Revocations/Denials (11-1-14 to 5-31-15)

1

Withdrawals (11-1-14 to 5-31-15)

Mortgage Broker/Lenders	70
Mortgage Loan Originators	192
Regulated Lenders (inc Payday/Title)	9
Collections (all categories)	40

**Terminations (failed to renew licenses)
(11-1-14 to 5-31-15)**

Mortgage Broker/Lenders	55
Mortgage Loan Originators	599
Regulated Lenders (inc Payday/Title)	5
Collection (all categories)	77

Exams Conducted (11-1-14 to 5-31-15)

Mortgage Brokers/Lenders	44
Branches	99
MLOs	971
Regulated Lenders (inc. payday/title)	12
Branches	8
Collection Agency	7

Complaints filed (written) (11-1-14 to 5-31-15)

Mortgage (Origination/servicing)	17
Loan Originators	1
Collection Agency	79
Payday Lender, Regulated Lender (Finance Co., Payday, Title)	29
Idaho/Federal Chartered Banks and Credit Unions	21
Unlicensed Activity (all categories)	56

Complaints Closed (all) (11-1-14 to 5-31-15)

176



Known as "The River of No Return," the Salmon River is the longest free-flowing river (425 miles) within one state in the lower 48.



A little bit about Idaho —

- **#1 National Producer**
 - * Potatoes, Trout, Austrian Winter Peas, & Lentils
- Hells Canyon is the deepest river gorge in America, deeper than the Grand Canyon.
- Shoshone Falls, The Niagara of the West, spills over a 212-foot drop near Twin Falls.
- Sun Valley was created in 1936 as America's first destination ski resort.
- Soda Springs boasts the largest man-made geyser in the world.

PERSONAL

IDENTIFICATION

SEQUENCES FOR INPUT INTO THE ACCESS IDAHO SITE Always put the dashes in the number sequence

 UNITED STATES —
###-##-#### (SSN)

 CANADA —
###-###-### (SIN)

 INDIA —
LLLL####L (PAN)

 PHILLIPINES —
##-#####-# OR
#-#####-# (TIN)

 WEST INDIES —
#####

 MEXICO —
LLLL#####LLLLL##
(CURP)

 HONDURAS
####-####-####

 COSTA RICA
#-####-####
(CEDULA)

 AUSTRALLIA
###-###-###

= NUMBER L= LETTER
Social Security Number or
Other Country equivalent



“Tips”

A few tips for Collection Agency licensees filing Quarterly and Annual Notification of Agent forms:

- * forms cannot be dated and submitted more than 30 days prior to the due date. Those received outside that time frame will be required to file an amendment certifying to current information within that window period.
- *Agent U.S. Social Security Numbers must only be reflected in the boxes marked SSN. Agents that hold identification numbers from countries other than the U.S. must list those numbers in the section for “Other ID”.
- *Agent start dates are to be the date that the agent/collector began licensable activities in Idaho—not their hire date with the company.

If you have an Idaho Mortgage Broker/Lender license to renew in NMLS remember that your designated Qualified Person in Charge (QI/QPIC) must have their Idaho MLO license renewed before your company and branch licenses can be approved. If you are prioritizing your license renewal submissions get those QI/QPIC MLO license renewals submitted first!

Mortgage inquiries and information not required in NMLS may be submitted to mortgage@finance.idaho.gov.

Loan originator inquiries and information not required in NMLS may be submitted to mlo@finance.idaho.gov.

Regulated lender, title lender, and payday lender inquiries and information may be submitted to ICC.mail@finance.idaho.gov.

Collection agency inquiries and information may be submitted to collections@finance.idaho.gov.

Access Idaho Agent inquiries, problems and information may be submitted to agents@finance.idaho.gov.

Please keep your email addresses and contact personnel information current! The Department’s primary method of communication and information distribution is electronic. Electronic communications include, but are not limited to:

- training notices;
- newsletters;
- renewal reminders and information;
- application and license deficiency notifications.

Companies are encouraged to have a **general** email on record that more than one party in their business can access (not a third party entity) and is not subject to change due to employee turnover. Individual licensees are encouraged to keep a personal, non-work related email address current. Ultimately, it is the licensee’s responsibility to know the requirements of the law, rules and policies to maintain their licenses and operate their business activities within those standards.

NMLS CONSUMER ACCESS PORTAL

The Consumer Access Portal at <http://www.nmlsconsumeraccess.org> has been available to citizen, industry and regulators alike since January 2010.

The Consumer Access Portal provides a valuable and vast amount of information to potential borrowers or other interested citizens and organizations who desire to conduct searches to determine if a financial-services company or professional is licensed to do business in their state.

There has been increased interest in enhancing the Consumer Access Portal to make it better than ever! Suggestions include expanding the portal's visibility for all financial-services companies or professionals who are online licensees, adding consumer education links for the public, as well as enhancing functionality and usability of the site.

More and better information for the public is vital to a healthy and vigorous financial climate. If you have suggestions for improvements or additions to the Consumer Access Portal, whether your industry interest is mortgage, consumer finance, collection or money services, please submit them to finance@finance.idaho.gov.

Top Consumer Complaints

Mortgage Servicers

Foreclosure issues; Account disputes and customer service

Mortgage Loan Originators

Failure to obtain funding

Debt/Credit Counseling and Collection Agencies

Unlicensed activity; account disputes

Mortgage Broker/Lender

Communication and "pre-approval" letters not being honored; failure to fund the loans

Payday/Title and Consumer Lenders

Unlicensed activity; Fee and account disputes



Mortgage Company and MLO Licensees Celebrate a Third Partial Fee Holiday at Renewal!

The Idaho Residential Mortgage Practices Act allows the Director to offer a recovery fund fee proration to licensees during the annual license renewal process once the fund reaches a balance of \$1,550,000.00. That amount has been reached and maintained in 2015! Accordingly, the Director has authorized, for the third consecutive year, a waiver of the full recovery fund fee payment amount for all mortgage company, branch and individual licensees for the renewal of their licenses for 2016.

ENFORCEMENT ACTIONS
November 1, 2014 through May 31, 2015

**COLLECTION AGENCIES, DEBT/CREDIT COUNSELORS,
DEBT BUYERS, DEBT SETTLEMENT COMPANIES,
CREDIT REPAIR COMPANIES**

NCC RECOVERY, INC. (Victorville, California)—November 12, 2014 — Order to Cease and Desist, Order Imposing Civil Penalty, and Order Imposing Costs issued alleging violations of the Idaho Collection Agency Act (Act) by failing to provide Department examiners with documents required to complete a compliance examination and failing to pay incurred examination costs. Additionally, NCC failed to renew its license. The order required NCC to immediately cease and desist from violating the provisions of the Act, pay a civil penalty of \$5,000, and remit examination costs of \$569.70.

MYRIAD CAPITAL MANAGEMENT, INC. dba STONE WHITMAN & ASSOCIATES (Orlando, Florida)—November 25, 2014 — Order to Cease and Desist issued for unlicensed collection activity. The order required Myriad to immediately cease and desist from engaging in collection activity in Idaho without a license under the Idaho Collection Agency Act.

SIMPLE RECOVERY SOLUTIONS, LLC (Orlando, Florida) – November 25, 2014 — Order to Cease and Desist issued for unlicensed collection activity. The order required Simple to immediately cease and desist from engaging in collection activity in Idaho without a license under the Idaho Collection Agency Act.

ASSIGNED CREDIT SOLUTIONS, INC. (Marlton, New Jersey) – May 5, 2015 — Consent Order entered into addressing unlicensed activity under the Idaho Collection Agency Act (the Act). The company admitted to engaging in violations of §§ 26-2223(1) and –(2) of the Act to include collecting against Idaho residents without a license; agreed to cease and desist from all collection activities in Idaho until the company maintains a license to do so in Idaho; and agreed to pay to the Department an administrative penalty of \$5,000 and attorney fees and investigative costs in the amount of \$500.

The company applied for and was granted an Idaho collection agency license.

GREENBERG, GRANT & RICHARDS, INC. (Houston, Texas) – May 7, 2015 — Consent Order entered into addressing unlicensed activity under the Idaho Collection Agency Act (the Act). The company admitted to engaging in violations of §§ 26-2223(1) and –(2) of the Act to include collecting against an Idaho resident without a license; agreed to cease and desist from all collection activities in Idaho until the company maintains a license to do so in Idaho; and agreed to pay to the Department an administrative penalty of \$1,000 and attorney fees and investigative costs in the amount of \$500.

The company applied for and was granted an Idaho collection agency license.

MORTGAGE LOAN ORIGINATORS

TREVOR DEE WALKER (Ammon, Idaho) – May 7, 2015 — Notice of Denial of Mortgage Loan Originator License Application issued. The order was based on a material misstatement made in the license application. The final order became effective May 23, 2015.

Important Dates to Remember

<u>Renewals</u>	<u>Last Date to Complete</u>
Collection Agencies -- Paper Submissions	March 15, 2015
Collection Agencies-- NMLS	December 31, 2014
Regulated Lenders (includes payday and title lenders)	May 31, 2014
Paper Submissions reinstatement with fee	July 31, 2014
Regulated Lenders (includes payday and title lenders) - NMLS	December 31, 2014
reinstatement with transition & fee	February 28, 2015
 Mortgage Brokers/Lenders	 December 31, 2014
Reinstatement with fee	February 28, 2015
 Mortgage Loan Originators	 December 31, 2014
Reinstatement with fee	February 28, 2015
 <u>Annual Reporting of Activity Final Date to File</u>	
Collection Agencies ("paper" or NMLS licensees)	March 15 th
 Mortgage Broker/Lenders Call Reports (MCR)	 Qtr1--May 15 th Qtr2--August 14 th Qtr3--November 14 th Qtr4--February 14 th
 Regulated Lenders ("paper" or NMLS licensees)	 May 31
Reinstatement with fee	July 31

*Idaho Collection Agency **Annual** Agent Report filings are due March 15 and **Quarterly** Agent Report filings are due on June 15, September 15 and December 15 regardless of whether company license records are maintained in a "paper" format or electronically on NMLS, or whether agent filings are reported on paper or electronically through Access Idaho. These must be filed **as close to the 15th** as possible to report accurate hiring additions and terminations **as of that date** and cannot be dated more than 30 days in advance of the due date.

Please mark your calendar.

QUARTERLY REPORT INSTRUCTIONS: If you file via the paper report

- ✓ Quarterly Notifications are **DUE** June 15, September 15, and December 15;
- ✓ Send the Quarterly Report only once a quarter **no more than 30 days prior to the due date**;
- ✓ Complete the entire top left portion of the report and mark the box on the right indicating which quarter reporting for;
- ✓ Mark the quarter being reported with the year (i.e. 2014, 2015, etc) on the top right portion of the report;
- ✓ The list must be in alphabetical order and by location order;
- ✓ List terminated employees at the end of the Quarterly Report in alphabetical order and location order;
- ✓ Attach Legal Dispositions and explanations for checked Felony or Misdemeanor answers;
- ✓ A fee of \$20.00 (each) for all **new** active agents, or newly hired over 30 days terminated agents must accompany this report for reporting on June 15th, September 15th and December 15th;
- ✓ Attach **ONE** check payable to the Idaho Department of Finance for the total fees due (\$20 for **each new** agent you are registering);
- ✓ The Quarterly Report form may be copied or downloaded as needed; be sure the form is signed.

MARK YOUR CALENDAR!

IAMP & IMLA in conjunction with the Idaho Department of Finance presents.....

8 Hours of Continuing Education (NMLS Approved)!

WHEN & WHERE: (8:00am– 5:00pm, lunch break from 12-1 pm)

Coeur d’Alene– September 10, 2015

Location TBD

Boise- September 17, 2015

MK Plaza Auditorium, 720 Park Blvd. Event Parking is across the street.

Class Includes:

3 Hours Federal

1 Hour State

2 Hours Ethics

2 Hours Non-
Traditional



SAVE THE DATE!



Not a member? Join today:

www.idahomortgageprofessionals.org

Questions?

www.idahomortgagelenders.org/

Phone: 208-321-9309

Fax: 208-321-4819



USPS

(Regular Mail)



IDAHO DEPARTMENT
OF FINANCE
P O BOX 83720
BOISE ID 83720-0031

OVERNIGHT DELIVERY

IDAHO DEPARTMENT OF FINANCE
800 PARK BLVD STE 200
BOISE ID 83712

Phone:

(208) 332-8000

Consumer Finance Bureau:

(208) 332-8002

Facsimile:

(208) 332-8096

Website:

<http://finance.idaho.gov>

Email Contacts

For General Mortgage
Company email:

mortgage@finance.idaho.gov

For Mortgage Loan Originator
email:

mlo@finance.idaho.gov

For Regulated Lenders, Title
Lenders, Payday Lenders:

ICC.mail@finance.idaho.gov

Collection Agency Licenses:

Collections@finance.idaho.gov

Access Idaho Agent Filings

Agents@finance.idaho.gov



Idahoans having fun on the Salmon River

This newsletter is produced semi-annually as a part of the Consumer Finance Bureau's continued communication outreach with the companies it regulates. Delivery is provided by electronic notification of its availability on the Department's website at <http://finance.idaho.gov>.

Suggestions and comments concerning the newsletter or its contents should be sent to the Bureau at PO Box 83720, Boise, Idaho 83720-0031 or via email to

kc.schaler@finance.idaho.gov