



JIM GIBBONS
Governor

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING
400 W. King Street, Suite 101
Carson City, NV 89703
(775) 684-7060 Fax (775) 684-7061
www.mld.nv.gov

DIANNE CORNWALL
Director

JOSEPH L. WALTUCH
Commissioner

ATTENTION ALL MORTGAGE BROKERS AND QUALIFIED EMPLOYEES

September 17, 2009

Bond Requirement - Brokers are reminded that they must submit an original bond or adequate instrument in lieu of the bond to the Division by October 1, 2009. The bond amount is \$50,000 if a broker only maintains a principal office; if the broker maintains any branch offices a \$75,000 is required. The bond must name the company and all associated mortgage agents ("ABC Mortgage and all associate Mortgage Agents"). The bond must establish coverage effective 10-1-09. The Division has posted a sample bond form on our Web site on the forms link in section 9, Mortgage Broker and Mortgage Banker Other. The Division can provide upon request a list of potential bonding companies that have written bonds in the past. However, the Division does not endorse any of these companies, nor are we certain the companies are offering the required bond.

Qualified Employees - R123-08 requires all *non-owner* Qualified Employees who do not currently hold a mortgage agent license to submit one to the Division no later than August 1, 2009. The Division has determined that not all current QE hold an agent license nor have they submitted an application to be a mortgage agent.

QE's who have failed to submit a mortgage agent application are exposing themselves and their broker to administrative action and/or fines under NAC 645B. A list of current QE's who have not applied for a mortgage agent license will be immediately given to investigators of the Division for further action.

Education - Effective October 1, 2009, any person who has not yet received a mortgage agent license or any QE that has not yet been approved and currently does not hold an active mortgage agent license will be required to obtain pre-licensing education and pass the State exam before the mortgage agent license is issued or the QE is approved.

Mortgage Broker/Owners - Effective October 1, 2009, pursuant to AB 523, all mortgage broker/owners who conduct residential loan originations in Nevada, or supervise agents who conduct residential loan originations are required to be licensed as mortgage agents. Although the bill allows a transition period for compliance, the Division encourages broker/owners to submit these applications as soon as possible. Brokers who were not subject to the education/ test requirement at renewal due to the initial date of issuance of their license (prior to 10-1-05) will not be required to complete education or testing. However, they must submit a complete agent application including the fee and the fingerprint cards.

Non Approved Education Provider - The Division wishes to advise all brokers that Financial Strategies is NOT an approved education provider and continuing education courses provided by them will not be accepted as proof of pre-licensing or continuing education.

Loan Servicing Registration- Effective 10-1-09, any person or institution, including a mortgage broker, which services loans secured by real property in Nevada, is required to register with the Division. The registration form is available on the Division's Web site under the forms link (item #20). There is not fee associated with the registration.