



Ohio Administrative Code

Rule 1301:8-7-03 Standards for applications, certificates of registration, letters of exemption, and licenses.

Effective: January 4, 2016

(A) Submitting an application for a certificate of registration, letter of exemption or license via the NMLS does not authorize the applicant to begin acting as a registrant, qualified exempt entity, or licensee. The applicant must first receive an active certificate of registration, letter of exemption or license from the superintendent to be authorized to begin acting as a registrant, qualified exempt entity, or licensee.

(B) Each question and answer on the NMLS, including any exhibit or attachment, is material to the application process. Submitting false or fraudulent information or omitting information is grounds to refuse to issue the certificate of registration, letter of exemption, or license and may subject the applicant and individuals who signed and attested to the application to administrative, civil, or criminal actions.

(C) Engaging in mortgage broker or loan origination activity on or after the first day of January by a person who fails to submit a renewal application via the NMLS by the thirty-first day of January constitutes activity without a certificate of registration or license in violation of Chapter 1322. of the Revised Code, and the person engaged in the violation may be subject to administrative, civil, or criminal actions.

(D) Registrants, qualified exempt entities, licensees, and applicants are responsible for ensuring that all information maintained on the NMLS is current and accurate. If information on the NMLS becomes out-of-date or inaccurate for any reason, the registrant, qualified exempt entity, licensee or applicant shall correct the information within ten business days of the change unless a different time frame is specified in Chapter 1322. of the Revised Code or rule 1301:8-7-19 of the Administrative Code.

(E) In order to apply for an active license, a licensee or applicant to be a licensee shall have a sponsorship request submitted via the NMLS on his or her behalf by the registrant or qualified exempt entity with whom the licensee or applicant seeks to be associated or employed.



(F) Having a sponsorship submitted via the NMLS is not sufficient to activate a license. To be authorized to originate residential mortgage loans for a registrant or qualified exempt entity, the sponsorship request must be approved by the superintendent and the loan originator must receive an active license from the superintendent.

(G) An individual or registered loan originator may obtain or maintain a license in escrow without having a sponsorship submitted via the NMLS on his or her behalf by a registrant or qualified exempt entity. The licensee shall not originate residential mortgage loans while his or her license is in escrow.

(H) A licensee shall not originate a residential mortgage loan for a transaction that is governed by sections 1321.51 to 1321.60 of the Revised Code unless the individual is licensed as a mortgage loan originator as that term is defined in division (P) of section 1321.51 of the Revised Code. An individual may obtain a loan originator license under Chapter 1322. of the Revised Code and a mortgage loan originator license under sections 1321.51 to 1321.60 of the Revised Code if the individual's sponsor is registered to originate loans pursuant to both statutes. An individual shall not be employed by or associated with more than one registrant or qualified exempt entity at any one time. For purposes of this paragraph, registrant includes a person registered under sections 1321.51 to 1321.60 of the Revised Code.

(I) When transferring to a different registrant or qualified exempt entity, or when a loan originator seeks to activate an escrowed license, a nonrefundable fifteen dollar fee plus applicable NMLS fees must be submitted via the NMLS.

(J) An applicant may request the withdrawal of an application for a certificate of registration, letter of exemption or license prior to a determination on the application being made by the superintendent by submitting a request via the NMLS. The application may only be withdrawn with the permission of the superintendent. An application withdrawn at the request of the applicant may only be re-activated within seven calendar days of the withdrawal for good cause shown and at the discretion of the superintendent. A withdrawn application does not prohibit a person from reapplying.

(K) An escrowed or suspended license is subject to all of the following:



(1) If a license is placed in escrow or suspended, the licensee shall comply with the continuing education requirements of section 1322.052 of the Revised Code. Placing a license in escrow or having a license suspended does not extend or toll the time for completion of the licensee's continuing education requirements;

(2) An escrowed or suspended license may be renewed pursuant to division (B) of section 1322.041 of the Revised Code;

(3) An escrowed or suspended license is subject to suspension, refusal, revocation, or any other administrative, civil, or criminal actions for conduct occurring before, during, or after the license was placed in escrow or suspended status.

(L) A suspended certificate of registration or letter of exemption is subject to all of the following:

(1) A suspended certificate of registration or letter of exemption may be renewed pursuant to division (C) of section 1322.04 or division (D) of sections 1322.022 and 1322.023 of the Revised Code, respectively;

(2) A suspended certificate of registration or letter of exemption is subject to refusal, revocation, or any other administrative, civil, or criminal actions for conduct occurring before, during or after the suspension.

(M) A suspended certificate of registration, letter of exemption, or license may be returned to active status if it meets all of the following:

(1) The superintendent believes that all conditions which led to the suspension have been remedied;

(2) The registrant, qualified exempt entity, or licensee is otherwise eligible to hold an active certificate of registration, letter of exemption, or license.

(N) A certificate of registration, letter of exemption or license may be surrendered in accordance with the following:



(1) A person may voluntarily surrender a certificate of registration, letter of exemption, or license unless the person is being investigated by the superintendent or another financial institution regulatory authority as defined in division (C) of section 1322.061 of the Revised Code, or a notice of opportunity for a hearing has been issued by the superintendent in accordance with Chapter 119. of the Revised Code. A person may surrender by submitting a written statement to the superintendent or by submitting a request via the NMLS. The certificate of registration, letter of exemption or license may only be surrendered with the permission of the superintendent;

(2) A surrendered certificate of registration, letter of exemption or license is subject to administrative, civil, or criminal actions for conduct occurring before, during or after the surrender and does not impair or affect the obligation of a pre-existing lawful contract between the registrant, qualified exempt entity or licensee and any person, including a borrower.