

INFORMATION & INSTRUCTIONS - MORTGAGE BROKER

Access this form via website at: www.hawaii.gov/dcca/areas/pvl

For information relating to Exemptions to Mortgage Broker and Mortgage Solicitor Licensing visit our website at: www.hawaii.gov/dcca/areas/pvl and click on "Mortgage Broker and Solicitor".

WHO MUST BE LICENSED

Any sole proprietor, partnership, corporation, limited liability company (LLC), and limited liability partnership (LLP), who, for compensation or gain, either directly or indirectly makes, negotiates, acquires, or offers to make, negotiate, or acquire a mortgage loan on behalf of a borrower seeking a mortgage loan shall be licensed as a mortgage broker. In Hawaii, mortgage lenders are also licensed as mortgage brokers. Licensed mortgage solicitors are employed by a mortgage broker as employees to act in its behalf.

AGE REQUIREMENT

Every person licensed as a mortgage broker shall be eighteen years of age or older.

APPLICATION

Complete and sign the application form (MB-01) in black ink, type or print legibly, complete all sections and questions. **Attach** all forms and documents to support the application form. If more space is needed, complete and attach additional sheets, 8½" x 11". Applicants are subject to requirements in effect at time of filing.

- **Failure to provide the requested information will delay the processing of application.**

SOCIAL SECURITY NUMBER

Your social security number is used to verify your identity for licensing purposes and for compliance with the below laws. **For a license to be issued you must provide your social security number or your application will be deemed deficient and will not be processed further.**

The following laws require that you furnish your social security number to our agency.

FEDERAL LAWS:

42 U.S.C.A. §666 (a)(13) requires the social security number of any applicant for a professional license or occupational license be recorded on the application for license; and

If you are a license health care practitioner, **45 C.F.R., Part 61, Subpart B, §61.7** requires the social security number as part of the mandatory reporting we must do to the Healthcare Integrity and Protection Data Bank (HIPDB), of any final adverse licensing action against a licensed health care practitioner.

HAWAII REVISED STATUTES ("HRS"):

§576D-13(j), HRS requires the social security number of any applicant for a professional license or occupational license be recorded on the application for license; and

§436B-10(4) HRS which states that an applicant for license shall provide the applicant's social security number if the licensing authority is authorized by federal law to require the disclosure (and by the federal cites shown above, we are authorized to require the social security number).

FEES

If applying for licensure between January 1, odd-numbered year, to December 31, odd-numbered year, pay.....\$320
(Appl Fee - \$50*, License Fee - \$100, CRF - \$70, 1/2 renewal - \$100)

If applying for licensure between January 1, even-numbered year, to December 31, even-numbered year, pay.....\$185**
(Appl Fee - \$50*, License Fee - \$100, CRF - \$35)

Attach check or money order made payable to: COMMERCE AND CONSUMER AFFAIRS.

* Application fee is not refundable.

** Subject to renewal December 31, even-numbered year, regardless of issue date.

Note: One of the numerous legal requirements that you must meet in order for your new license to be issued is the payment of fees as set forth in this application. You may be sent a license certificate before the payment you sent us for your required fees is honored by your bank. If your payment is dishonored, you will have failed to pay the required licensing fee and your license will not be valid, and you **may not** do business under that license. Also, a \$25.00 service charge shall be assessed for payments that are dishonored for any reason.

If for any reason you are denied the license you are applying for, you may be entitled to a hearing as provided by Chapter 91, Hawaii Revised Statutes, and Title 16, Chapter 201, Hawaii Administrative Rules. Your written request for a hearing must be directed to the agency that denied your application, and must be made within 60 days of notification that your application for a license has been denied.

(CONTINUED ON BACK)

ENTITY REGISTRATION

If the applicant is a corporation, partnership, LLC or LLP, we will require the following proof to show that the entity is properly registered with the Business Registration Division (BREG), Department of Commerce and Consumer Affairs, State of Hawaii, P.O. Box 40, Honolulu, HI 96810. (Please call them for the proper forms at (808) 586-2727 or visit their website at www.businessregistrations.com/home.html to order Certificates of Good Standing, forms, etc.)

If the entity has been registered in this state for LESS THAN ONE (1) YEAR, **ATTACH** a "filed-stamped" copy of the document filed with BREG; or one of the certificates mentioned below.

If the entity has been registered in this state for MORE THAN ONE (1) YEAR, **ATTACH** a current "Certificate of Good Standing" or "Certificate of Qualification" issued not more than 1 year ago.

TRADE NAME

If you are planning to use a trade name, **submit** a current "filed-stamped" copy of the trade name registration approved by the Business Registration Division of the Department of Commerce and Consumer Affairs.

DESIGNATED PRINCIPAL

The designated principal shall provide information as to experience, financial integrity, and competency as to financial transactions involving primary or subordinate mortgage financing and will be in charge of the mortgage broker office. If the designated principal is not licensed, **submit** a completed "Application for Mortgage Solicitor" (MB-2), and appropriate fees.

- In a sole proprietorship, the sole owner shall be the designated principal with a minimum of two years of primary or subordinate mortgage financing experience. **Attach** completed "Designated Principal Mortgage Solicitor", form (MB-11).
- In a corporation, an officer or employee shall be the designated principal through the attached "Designated Principal Mortgage Solicitor" form (MB-11). A \$25 application fee, releasing letter (if licensed with another broker), and \$10 reissuance fee are required if solicitor is licensed. The designated principal shall be a current licensed mortgage solicitor with a minimum of two years of primary or subordinate mortgage financing experience.
- In a partnership, one of the general partners shall be the designated principal through the attached "Designated Principal Mortgage Solicitor" form (MB-11). A \$25 application fee, releasing letter (if licensed with another broker), and \$10 reissuance fee are required if solicitor is licensed. The designated principal shall be a current licensed mortgage solicitor with a minimum of two years of primary or subordinate mortgage financing experience.
- In a limited liability partnership, one of the partners shall be the designated principal through the attached "Designated Principal Mortgage Solicitor" form (MB-11). A \$25 application fee, releasing letter (if licensed with another broker), and \$10 reissuance fee are required if solicitor is licensed. The designated principal shall be a current licensed mortgage solicitor with a minimum of two years of primary or subordinate mortgage financing experience.
- In a limited liability company that is member-managed, one of the members shall be the designated principal through the attached "Designated Principal Mortgage Solicitor" form (MB-11). A \$25 application fee, releasing letter (if licensed with another broker), and \$10 reissuance fee are required if solicitor is licensed. The designated principal shall be a current licensed mortgage solicitor with a minimum of two years of primary or subordinate mortgage financing experience.
- In a limited liability company that is manager-managed, one of the managers shall be the designated principal through the attached "Designated Principal Mortgage Solicitor" form (MB-11). A \$25 application fee, releasing letter (if licensed with another broker), and \$10 reissuance fee are required if solicitor is licensed. The designated principal shall be a current licensed mortgage solicitor with a minimum of two years of primary or subordinate mortgage financing experience.

FINANCIAL STATEMENT

Submit a current financial statement (not more than a year old) prepared and **signed** by applicant or Certified Public Accountant.

SURETY BOND

A surety bond of \$15,000 (MB-07) is required for a mortgage broker license. The bond shall run to the State with the mortgage broker as principal and a Hawaii-licensed surety company as surety. Bond form must be notarized by both the applicant and the surety issuing the bond. The bond shall cover mortgage broker activity and the mortgage broker entity only. The name of the "Principal" shall be identical to the mortgage broker's license name. The surety may cancel the bond by giving sixty days' notice, in writing, to the Licensing Branch. **Attach** completed bond form.

PLACE OF BUSINESS

A mortgage broker shall have a principal place of business in Hawaii. The place of business shall conform with the permitted use under the zoning code of the county government. A post office box number is not accepted as a place of business. (NOTE: An out-of state mailing address is permitted.)

BRANCH OFFICE

All branch offices shall be registered and conform with the permitted use under the zoning code of the county government. To register a branch office, an application for branch office must be submitted (MB-14), designating a mortgage solicitor as mortgage solicitor-in-charge of the branch. If this solicitor is not registered with this broker, a letter of release from the solicitor's former broker and a transfer fee of \$10 is also required.

Instructions for "Yes" Answers to questions (4) thru (6) of the Application for License (MB-01)

- A. The following documentation must be submitted with the license application. Applications for license will not be considered without this material.
 - 1) Questions 4a and 4b refer to complaints, charges of unlicensed activity, or pending disciplinary actions for any profession, occupation, or license. If your answer is "yes" to one or more of these questions, you must **submit** the following:
 - i. A statement signed by you explaining the circumstances; and
 - ii. Copies of any documents from the agency, including final orders, petitions, complaints, finding of facts and conclusions of law, and any other relevant documents;
 - 2) If your application indicates a criminal conviction, you must **submit** the following:
 - i. A statement signed by you explaining the circumstances leading to the conviction and detailing all activities since the conviction, including employment and business involvements. Include job title, period of employment, employer's name, description of duties, training attended, and educational courses attended;
 - ii. A copy of the court order, verdict, and terms of sentence; and
 - iii. If applicable, a copy of the terms of probation and/or parole and a notarized statement from your probation or parole officer as to your compliance with the court orders;
 - 3) If you have any pending lawsuits, unpaid judgments outstanding tax obligations, or any other type of involuntary liens against you must **submit** the following:
 - i. A statement signed by you explaining the circumstances and current status, and if no payment or payment arrangement has been made, the reason;
 - ii. A resume of employment and business activities; and
 - iii. Copies of the court complaint, judgment, documentation of payment arrangements, lien documents, records of any payments, and other relevant documents.

ADDRESS

Mail all required items to:

Deliver to office location at:

Mortgage Brokers and Solicitors
DCCA, PVL Licensing Branch
P.O. Box 3469
Honolulu, HI 96801

or

335 Merchant St., Room 301
Honolulu, HI 96813
Phone: (808) 586-3000

LAWS

To obtain a copy of the Mortgage Brokers and Solicitors law, Chapter 454, Hawaii Revised Statutes, send a written request to the address above. Chapter 436B, HRS, the Professional and Vocational Licensing Act should be read in conjunction with Chapter 454. The laws are also available on our website at: www.hawaii.gov/dcca/areas/pvl. Click on "Mortgage Brokers and Solicitors".

**ABANDONED
APPLICATIONS**

Pursuant to HRS § 436B-9 your application shall be considered abandoned and shall be destroyed if you fail to provide evidence of continued efforts to complete the licensing process for two consecutive years. The failure to provide evidence of continued efforts include but is not limited to: (1) failure to submit any required information and documents requested by the licensing authority within two consecutive years from the last date the documents and information were requested, or (2) failure to complete any additional requirements for licensure that remain after approval of your application, such as attempting to complete an exam requirement, within two consecutive years from the date your application was approved, or (3) failure to provide the licensing authority with any written communication during two consecutive years indicating that you are attempting to complete the licensing process. If an application is deemed abandoned the applicant shall be required to reapply for licensure and comply with the licensing requirements in effect at the time of the reapplication.

MAINTAINING THE LICENSE

MAINTAIN BOND

Maintain bond throughout licensure and keep on file with the Department evidence of such coverage. Without a current and valid bond, your license is no longer in effect and will be cancelled and you cannot engage in mortgage broker activity. Mortgage solicitors licensed under your firm will have to transfer their licenses to a properly licensed mortgage broker or their mortgage solicitors licenses will also be affected.

**PLACE OF
BUSINESS**

Each licensed mortgage broker shall have and maintain a principal place of business in the State for the transaction of business. A post office box number is not acceptable as a place of business.

**BIENNIAL
RENEWAL**

A mortgage broker license, regardless of issuance date, is renewable biennially on or before **December 31 of each even-numbered year**. Failure to renew license (payment of fees, completed renewal application form and current bond coverage) on or before December 31, even-numbered years shall constitute an automatic forfeiture of license. A licensee who fails to restore a license within six (6) months of the forfeiture, shall apply as a new applicant.

This material can be made available for individuals with special needs. Please call the Licensing Branch Manager at (808) 586-3000 to submit your request.

APPLICATION FOR LICENSE - MORTGAGE BROKER <i>Read attached information and instructions sheet before completing this form.</i>		Approved	Initials/Date
		Effective Date	License No. MB-
Name of Applicant (<i>Give name of person, corporation, partnership, LLC, LLP</i>)			DPMS-
Trade name (attach <u>current</u> registration)		FOR OFFICIAL USE ONLY	
Hawaii Business Address (Include suite no., city, state and zip code)			
Mailing Address (street address or P.O. Box, city, state, zip code)			

Social Security No. (Individual)	Business Phone No.: ()	Indicate type of BUSINESS ENTITY applying for:	
Other names used:		Sole Proprietor	Partnership Corporation
		Limited Liability Company	Limited Liability Partnership

SECTION I. DESIGNATION OF PRINCIPAL MORTGAGE SOLICITOR

Name of Designated Principal Mortgage Solicitor	License No. of DPMS: MS-
	If no license, applied on:
Hawaii Residence Address of Designated Principal Mortgage Solicitor	<u>EXPERIENCE:</u> Complete and attach "Experience Certificate" Form(s) MB-03 to support applicant's assignment as the designated principal mortgage solicitor. (Not required if previously held DPMS position)

- ATTACH completed "Designated Principal Mortgage Solicitor" form (MB – 11) to confirm employment.
- ATTACH fee of \$25.00.
- ATTACH completed "Experience Certificate" form(s) MB – 03. (Not required if previously held DPMS position)

SECTION II. TO BE COMPLETED BY APPLICANT FOR MORTGAGE BROKER

The following questions pertain to the applicant and any owners, officers, directors, managements, partners, etc. responsible for the mortgage broker. Circle answers. If response is "YES" to question(s) 4 through 6, refer to the instructions for additional documents that must be submitted with this application.

1. Are you at least 18 years of age? YES NO
2. Are you a U.S. citizen, a U.S. national, or an alien authorized to work in the United States? YES NO
3. Has any owner, officer of the corporation, major stockholder, partner, manager, or member of the entity ever held any other license(s)? YES NO
(Type/Lic. No.: _____ Status: _____ State: _____)
4. a) Has any owner, officer of the corporation, major stockholder, partner, manager, or member of the entity ever have a license revoked, or otherwise subject to any disciplinary action? YES NO
b) Are there any disciplinary actions pending against any owner, officer of the corporation, major stockholder, partner, manager, or member of the entity? YES NO
5. Are there now or have there ever been any law suits, unpaid judgments, outstanding tax liens, or any other type of involuntary liens against any owner, officer of the corporation, major stockholder, partner, manager, or member of the entity? YES NO
6. In the past 20 years, has any owner, officer of the corporation, major stockholder, partner, manager, or member of the entity ever been convicted of a crime in which the conviction has not been annulled or expunged? YES NO

(CONTINUED ON BACK-SIGNATURE REQUIRED ON PAGE 2)

Mtg Bkr	Appl.....	416.....	\$50
	Lic.....	415.....	\$100
	CRF.....	418.....	\$70/35
	½ Renewal.....	413.....	\$100
	Service Charge.....	BCF.....	\$25

SECTION III. OFFICERS, PARTNERS, DIRECTORS, MANAGERS AND MEMBERS

Provide Name and circle Title	Residence Address (not P.O. Box)	Phone No.
President/Partner/Manager/Member		
Vice-President/Partner/Manager/Member		
Secretary/Partner/Manager/Member		
Treasurer/Partner/Manager/Member		
Director/Partner/Manager/Member		

SHAREHOLDERS OWNING AT LEAST 10% OF OUTSTANDING CAPITAL STOCK – Show separate capital stock subscribed and outstanding.

Attach additional sheets if necessary.

Name	Residence Address and Phone No.	No. of Shares		
		Percent of Ownership	Owned	Outstanding

SECTION IV. SERVICES

State in detail the type of mortgage brokerage service applicant will be rendering or offering to the public under this application.

- Failure to provide this information will delay the processing of this application.

SECTION V. CERTIFICATION

I, the undersigned, being an authorized representative of the applicant or the applicant for license as a mortgage broker, hereby certify that the statements, answers and representations made in this application and in the documents attached are true and correct. I understand that any misrepresentation is grounds for refusal to grant or subsequent revocation of license and is a misdemeanor (Section 710-1017, Sections 436B-19 and 454-4, Hawaii Revised Statutes). I further certify that I have read, understand and will abide by Chapter 454, HRS.

 Signature of Applicant

 Print Name of Applicant

 Date

 Title

This material can be made available for individuals with special needs. Please call the Licensing Branch Manager at (808) 586-3000 to submit your request.

BOND - MORTGAGE BROKER LICENSE

Mortgage Brokers and Solicitors Program
Department of Commerce and Consumer Affairs
PVL Licensing Branch
P.O. Box 3469
Honolulu, HI 96801
www.hawaii.gov/dcca/areas/pvl

INSTRUCTIONS FOR FILING:

1. Complete all sections of form as required.
2. **Both** applicant **and** surety must complete and **notarize** form.
3. Failure to submit a completed form will delay processing of your license.
4. Attach Power of Attorney if applicable.

BOND NO. _____

KNOW ALL MEN BY THESE PRESENTS:

THAT WE, _____ of
(Name of Applicant)

_____, State of Hawaii, as Principal,
(Hawaii Address of Applicant)

and _____, registered and authorized to do business in
(Name of Surety)

the State of Hawaii, as Surety, are held and firmly bound unto the State of Hawaii, for the benefit of any person or persons who may have a cause of action against the Principal under the provisions of Section 454, Hawaii Revised Statutes, in the sum of **FIFTEEN THOUSAND DOLLARS (\$15,000.00)** in lawful money of the United States of America, for the payment of which, well and truly to be made, we hereby bind ourselves jointly and severally, and our joint and several heirs, executors, administrators, successors and assigns, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE AS FOLLOWS:

THAT, WHEREAS, the above bounden Principal has been granted a license under the provisions of Chapter 454, Hawaii Revised Statutes, and all rules and regulations lawfully made by the Director of Commerce and Consumer Affairs with respect thereto and will pay to the State of Hawaii for the benefit of any person injured by the wrongful act, default, fraud or misrepresentation of said Principal or his solicitors, then this obligation shall be void, otherwise, this obligation shall be and remain in full force and effect; provided, however, that the aggregate liability of the Surety shall, in no event, exceed the amount of this bond.

AND, this bond shall remain in full force and effect and shall be continuous in nature, and the Surety, may cancel or terminate this bond by giving **sixty (60) days** notice in writing to the Director of Commerce and Consumer Affairs and shall thereafter be relieved of any liability of any breach of condition occurring after the effective date of cancellation.

IN WITNESS WHEREOF, we, the said Principal and the said Surety, have hereunto set our hands and seals this _____ day of _____, 20_____.

Subscribed and sworn to before me
this _____ day of _____, 20_____

Principal: _____

By: _____

Notary Public, State of _____
My commission expires: _____

Its _____

Subscribed and sworn to before me
this _____ day of _____, 20_____

Surety: _____

By: _____

Notary Public, State of _____
My commission expires: _____

Its _____