



Federal Deposit Insurance Corporation  
550 17th Street NW, Washington, D.C. 20429-9990

Financial Institution Letter  
FIL-1-2011  
January 4, 2011

## SECURE AND FAIR ENFORCEMENT FOR MORTGAGE LICENSING ACT OF 2008 (S.A.F.E. Act)

### Update: Registration of Residential Mortgage Loan Originators

**Summary:** The Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the Farm Credit Administration, and the National Credit Union Administration (Agencies) expect the system for federal registration of residential mortgage loan originators (MLOs) to begin operation on or around January 31, 2011. The Agencies' rules implementing the S.A.F.E. Act require MLOs to register with the Nationwide Mortgage Licensing System and Registry (Registry) within 180 days of the date the Registry begins accepting federal registrations. The Agencies will confirm the opening date for federal registration closer to the actual date and will publish notice of that date in the *Federal Register*.

#### Distribution:

FDIC-Insured Institutions (Commercial and Savings)

#### Suggested Routing:

Chief Executive Officer  
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#### Related Topics:

The Secure and Fair Enforcement for Mortgage Licensing Act of 2008  
Final Rule, Subpart B to 12 CFR Part 365, Real Estate Lending Standards

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#### Note:

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#### Highlights:

- The S.A.F.E. Act is intended to improve the accountability and tracking of residential MLOs, enhance consumer protection, reduce fraud, and provide consumers with easily accessible information regarding an MLO's professional background.
- On July 28, 2010, the Agencies announced the *Federal Register* publication of rules implementing the S.A.F.E Act through this joint press release: <http://www.fdic.gov/news/news/press/2010/pr10170.html>.
- The press release states that advance notice would be provided for the date the Registry would begin accepting federal registrations; the Agencies currently expect federal registration to begin on January 31, 2011.
- MLOs employed by Agency-regulated institutions will have 180 days from the date on which the Registry begins accepting federal registrations to complete initial registration. At present, the Agencies expect the initial registration period to expire on July 29, 2011.
- After the initial registration period expires, MLOs will be prohibited from originating residential mortgage loans until they successfully complete the federal registration process.
- The Agencies' rules provide a de minimis exception whereby MLOs that originated 5 or fewer mortgage loans during the previous 12 months are not required to complete the federal registration process.
- The Agencies will confirm the actual registration start date before the initial registration period begins and publish an announcement in the *Federal Register*.

Institutions should periodically visit the Registry's Web site at: <http://mortgage.nationwidelicencingsystem.org/fedreg/Pages/default.aspx> for updates and important technical information about the registration process.