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**TRUTH-IN-LENDING/REGULATION Z POLICY****DISCLOSING LOAN ORIGINATOR INFORMATION ON COVERED LOAN DOCUMENTS****OVERVIEW**

Embedded in the Consumer Financial Protection Bureau’s (“CFPB”) 2013 Loan Originator Compensation Rule is a new disclosure requirement adding Section 1026.36(g) to Regulation Z. Per this new requirement, individual and organization “loan originators” must disclose their full licensed name as appearing in the Nationwide Mortgage Licensing System and Registry (“NMLS”) and unique NMLS identification number on the following documents:

- (1) 1003 credit application; (the rule does not specify whether it be an initial or a final 1003 application);
- (2) Note (last page only);
- (3) Security Instrument (last page only); and
- (4) Starting August 1, 2015, on the initial and final integrated RESPA/TILA disclosures (final rule published on November 20, 2013 in the *Federal Register*).

By this rule, a “loan originator organization” can mean a mortgage brokerage entity as well as a creditor.

If there is more than one loan originator for a transaction, the rule specifies that the person holding primary responsibility for the transaction at the time the loan documents are issued is the one whose licensed name and NMLS identification number are to be disclosed. Each loan origination organization can by written policy specify how the individual loan originator with primary responsibility over the loan transaction is to be identified.

The CFPB’s stated purpose for this rule is “not only to permit consumers to look up the loan originator’s record on the consumer access website of the NMLSR ([www.nmlsconsumeraccess.org](http://www.nmlsconsumeraccess.org)) before proceeding further with a mortgage transaction, but also to help ensure accountability of loan originators both before and after a transaction has been originated.”

**POLICY STATEMENT**

It is the policy of CMG Mortgage, Inc., dba CMG Financial (hereinafter referred to as “CMG Financial”) to comply with the new CFPB Loan Originator Compensation Rules found in Regulation Z including, but not limited to Section 1026.36(g) loan originator disclosure requirements, and its accompanying Staff Commentary **effective for all loan applications received on and after January 1, 2014.**

Given the rule’s limited construct for determining the appropriate individual loan originator being the one with primary responsibility at the time loan documents are drawn, CMG Financial will apply the 1026.36(g) disclosure requirement to the Final 1003 credit application, the Note, and the Security Instrument (Mortgage or Deed of Trust, depending on state jurisdiction) (collectively, the “Covered Documents”).



NMLS #1820

TILA/Reg Z – Disclosing Loan Originator Information  
on Covered Loan Documents

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Depository institutions may be creditors and mortgage brokerages in a mortgage loan transaction, but they may not have issued a NMLS identification number. Every individual mortgage loan originator, whether subject to federal registration or to state licensing, must have a NMLS identification number.

An individual's "licensed name" to be disclosed is their FULL name – first, middle and last names – appearing on the NMLS website, [www.nmlsconsumeraccess.org](http://www.nmlsconsumeraccess.org). For Correspondent Sellers only due to internal systems limitations, CMG Financial can accept alternative name(s) registered in NMLS as "Other."

The "individual loan originator holding primary responsibility in the loan transaction" is:

- the CMG Mortgage Consultant who earns commission on the closed loan transaction;
- the 1099 individual mortgage broker who is approved by CMG Financial's Wholesale Division;
- the W-2 employed loan agent of a mortgage brokerage that is approved by CMG Financial's Wholesale Division and identified on the final 1003 credit application;
- the W-2 retail loan agent of a Correspondent Seller that is approved by CMG Financial's Correspondent Division and identified on the Covered Documents;
- the W-2 retail loan agent of a *Select Partner* Seller that is approved by CMG Financial's Wholesale Division and identified on the Covered Documents.

The disclosure of loan originator information is to be presented on each of the Covered Documents as follows.

*For Correspondent Loans:*

Loan Originator: [Individual Loan Originator's Full Licensed Name or Registered "Other" name as it appears on NMLS], NMLS #\_\_\_\_.

Sponsored by Creditor: [Name of Seller], NMLS #\_\_\_\_ [if any]

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