

Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

## SENATE ENROLLED ACT No. 334

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AN ACT to amend the Indiana Code concerning trade regulation.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 24-4.4-1-202, AS AMENDED BY HEA 1245-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 202. (a) As used in this section, "balloon payment", with respect to a mortgage transaction, means any payment:

- (1) that the creditor requires the debtor to make at any time during the term of the mortgage;
- (2) that represents the entire amount of the outstanding balance with respect to the mortgage; and
- (3) the entire amount of which is due as of a specified date or at the end of a specified period;

if the aggregate amount of the minimum periodic payments required under the mortgage would not fully amortize the outstanding balance by the specified date or at the end of the specified period. The term does not include a payment required by a creditor under a due-on-sale clause (as defined in 12 U.S.C. 1701j-3(a)) or a payment required by a creditor under a provision in the mortgage that permits the creditor to accelerate the debt upon the debtor's default or failure to abide by the material terms of the mortgage.

(b) This article does not apply to the following:

- (1) Extensions of credit to government or governmental agencies

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or instrumentalities.

(2) A first lien mortgage transaction in which the debt is incurred primarily for a purpose other than a personal, family, or household purpose.

(3) An extension of credit primarily for a business, a commercial, or an agricultural purpose.

(4) Except for IC 24-4.4-2-401(2), IC 24-4.4-2-402.3, IC 24-4.4-2-405(4), and IC 24-4.4-2-405(5), a first lien mortgage transaction made:

(a) in compliance with the requirements of; and

(b) by a community development corporation (as defined in IC 4-4-28-2) acting as a subrecipient of funds from;

the Indiana housing and community development authority established by IC 5-20-1-3.

(5) Except for IC 24-4.4-2-401(2), IC 24-4.4-2-402.3, IC 24-4.4-2-405(4), and IC 24-4.4-2-405(5), a first lien mortgage transaction made by an entity that exclusively uses funds provided by the United States Department of Housing and Urban Development under Title 1 of the federal Housing and Community Development Act of 1974, Public Law 93-383, as amended (42 U.S.C. 5301 et seq.).

(6) An extension of credit originated by **the following:**

(a) A depository institution. **However, a federal savings bank may voluntarily register with the department for the purpose of sponsoring, under an exclusive written agreement, individuals who are licensed as mortgage loan originators under this article and 750 IAC 9-3, who perform mortgage loan origination activities as independent agents under the federal savings bank's direct supervision and control, who hold a current, valid insurance producer license under IC 27-1-15.6, and who sell, solicit, or negotiate insurance under an exclusive written agreement for a licensed insurance company that is a subsidiary of a company that also owns or controls the federal savings bank, if the federal savings bank does the following:**

**(i) Assumes responsibility for and reasonably supervises the activities of all licensed mortgage loan originators sponsored by the federal savings bank under this clause.**

**(ii) Registers with and maintains a valid unique identifier issued by the NMLSR as required by IC 24-4.4-2-401(2), maintains a surety bond in accordance with**



**IC 24-4.4-2-402.3, submits to the NMLSR reports of condition in accordance with IC 24-4.4-2-405(4) (subject to IC 24-4.4-2-402.4), and files financial statements with the department in accordance with IC 24-4.4-2-405(5).**

**(iii) Cooperates with the department, and provides access to records and documents, as required by the department in carrying out examinations of the activities of the licensed mortgage loan originators sponsored by the federal savings bank under this clause, as described in IC 24-4.4-2-405(1).**

**(iv) Agrees to comply with all law, rules, directives, and orders in connection with the activities of the licensed mortgage loan originators sponsored by the federal savings bank, as the director determines necessary to ensure compliance with the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (12 U.S.C. 5101 et seq.) and with Indiana law.**

(b) Subsidiaries that are not licensed under this article and that are:

- (i) owned and controlled by a depository institution; and
- (ii) regulated by a federal banking agency. **or**

(c) An institution regulated by the Farm Credit Administration.

(7) Except for IC 24-4.4-2-401(2), IC 24-4.4-2-402.3, IC 24-4.4-2-405(4), and IC 24-4.4-2-405(5), a credit union service organization that is majority owned, directly or indirectly, by one (1) or more credit unions.

(8) A first lien mortgage transaction originated by a registered mortgage loan originator, when acting for an entity described in subsection (6). However, a privately insured state chartered credit union shall comply with the system of mortgage loan originator registration developed by the Federal Financial Institutions Examinations Council under Section 1507 of the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE).

(9) An individual who offers or negotiates terms of a mortgage transaction with or on behalf of an immediate family member of the individual.

(10) An individual who offers or negotiates terms of a mortgage transaction secured by a dwelling that served as the individual's residence.

(11) Unless the attorney is compensated by:

- (a) a lender;



(b) a mortgage broker;  
 (c) another mortgage loan originator; or  
 (d) any agent of the lender, mortgage broker, or other mortgage loan originator described in clauses (a) through (c);  
 a licensed attorney who negotiates the terms of a mortgage transaction on behalf of a client as an ancillary matter to the attorney's representation of the client.

(12) The United States, any state or local government, or any agency or instrumentality of any governmental entity, including United States government sponsored enterprises.

(13) A person in whose name a tablefunded transaction is closed, as described in section 301(34)(a) of this chapter. However, the exemption provided by this subsection does not apply if:

(a) the transaction:

(i) is secured by a dwelling that is a mobile home, a manufactured home, or a trailer; and

(ii) is not also secured by an interest in land; and

(b) the person in whose name the transaction is closed, as described in section 301(34)(a) of this chapter, sells the dwelling to the debtor through a retail installment contract or other similar transaction.

(14) A bona fide nonprofit organization not operating in a commercial context, as determined by the director, if the following criteria are satisfied:

(a) Subject to clause (b), the organization originates only one

(1) or both of the following types of mortgage transactions:

(i) Zero (0) interest first lien mortgage transactions.

(ii) Zero (0) interest subordinate lien mortgage transactions.

(b) The organization does not require, under the terms of the mortgage or otherwise, balloon payments with respect to the mortgage transactions described in clause (a).

(c) The organization is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code.

(d) The organization's primary purpose is to serve the public by helping low income individuals and families build, repair, and purchase housing.

(e) The organization uses only:

(i) unpaid volunteers; or

(ii) employees whose compensation is not based on the number or size of any mortgage transactions that the employees originate;

to originate the mortgage transactions described in clause (a).



(f) The organization does not charge loan origination fees in connection with the mortgage transactions described in clause (a).

(15) A bona fide nonprofit organization (as defined in section 301(37) of this chapter) if the following criteria are satisfied:

(a) For each calendar year that the organization seeks the exemption provided by this subdivision, the organization certifies, not later than December 31 of the preceding calendar year and on a form prescribed by the director and accompanied by such documentation as required by the director, that the organization is a bona fide nonprofit organization (as defined in section 301(37) of this chapter).

(b) The director determines that the organization originates only mortgage transactions that are favorable to the debtor. For purposes of this clause, a mortgage transaction is favorable to the debtor if the director determines that the terms of the mortgage transaction are consistent with terms of mortgage transactions made in a public or charitable context, rather than in a commercial context.

SECTION 2. IC 24-4.4-2-401, AS AMENDED BY P.L.89-2011, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 401. (1) Unless a person subject to this article has first obtained a license under this article from the department and annually maintains the license, the person shall not engage in Indiana as a creditor in first lien mortgage transactions. A separate license under this article is required for each legal entity that engages in Indiana as a creditor in first lien mortgage transactions. However, a separate license under this article is not required for each branch of a legal entity licensed under this article.

(2) Each:

(a) creditor licensed under this article; and

(b) entity exempt from licensing under this article that:

**(i) employs a licensed mortgage loan originator; or**

**(ii) sponsors under an exclusive written agreement, as permitted by IC 24-4.4-1-202(b)(6)(a), a licensed mortgage loan originator as an independent agent;**

shall register with and maintain a valid unique identifier issued by the NMLSR. Each licensed mortgage loan originator must be employed by, **or sponsored under an exclusive written agreement (as permitted by IC 24-4.4-1-202(b)(6)(a)) and as an independent agent**, and associated with, a licensed creditor, or an entity exempt from licensing under this article, in the NMLSR in order to originate loans.



(3) An individual engaging solely in loan processor or underwriter activities shall not represent to the public, through advertising or other means of communicating or providing information, including the use of business cards, stationery, brochures, signs, rate lists, or other promotional items, that the individual can or will perform any of the activities of a mortgage loan originator.

(4) Applicants for a license under this article must apply for the license in the form prescribed by the director. Each form:

- (a) must contain content as set forth by rule, instruction, or procedure of the director; and
- (b) may be changed or updated as necessary by the director to carry out the purposes of this article.

(5) To fulfill the purposes of this article, the director may establish relationships or contracts with the NMLSR or other entities designated by the NMLSR to:

- (a) collect and maintain records; and
- (b) process transaction fees or other fees related to licensees or other persons subject to this article.

(6) For the purpose of participating in the NMLSR, the director or the department may:

- (a) waive or modify, in whole or in part, by rule or order, any of the requirements of this article; and
- (b) establish new requirements as reasonably necessary to participate in the NMLSR.

SECTION 3. IC 24-4.4-2-402.3, AS AMENDED BY HEA 1245-2014, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 402.3. (1) Each:

- (a) creditor; and
- (b) person exempt from licensing under this article that:
  - (i) employs **a licensed mortgage loan originator; or**
  - (ii) **sponsors under an exclusive written agreement, as permitted by IC 24-4.4-1-202(b)(6)(a), a licensed mortgage loan originator as an independent agent;**

must be covered by a surety bond in accordance with this section.

(2) A surety bond must:

- (a) provide coverage for:
  - (i) a creditor; or
  - (ii) a person exempt from licensing under this article that employs **a licensed mortgage loan originator, or that sponsors under an exclusive written agreement (as permitted by IC 24-4.4-1-202(b)(6)(a)) a licensed mortgage loan originator as an independent agent;**



in an amount as prescribed in subsection (4);

(b) be in a form prescribed by the director;

(c) be in effect:

(i) during the term of the creditor's license under this chapter;

or

(ii) at any time during which the person exempt from licensing under this article employs **a licensed mortgage loan originator, or that sponsors under an exclusive written agreement (as permitted by IC 24-4.4-1-202(b)(6)(a))** a licensed mortgage loan originator **as an independent agent;**

as applicable;

(d) remain in effect during the two (2) years after:

(i) the creditor ceases offering financial services to individuals in Indiana; or

(ii) the person exempt from licensing under this article ceases to employ **a licensed mortgage loan originator, or ceases to sponsor under an exclusive written agreement (as permitted by IC 24-4.4-1-202(b)(6)(a))** a licensed mortgage loan originator **as an independent agent,** or to offer financial services to individuals in Indiana, whichever is later;

as applicable;

(e) be payable to the department for the benefit of:

(i) the state; and

(ii) individuals who reside in Indiana when they agree to receive financial services from the creditor or the person exempt from licensing under this article, as applicable;

(f) be issued by a bonding, surety, or insurance company authorized to do business in Indiana and rated at least "A-" by at least one (1) nationally recognized investment rating service; and

(g) have payment conditioned upon:

(i) the creditor's or any of the creditor's licensed mortgage loan originators'; or

(ii) the exempt person's or any of the exempt person's licensed mortgage loan originators';

noncompliance with or violation of this chapter, 750 IAC 9, or other federal or state laws or regulations applicable to mortgage lending.

(3) The director may adopt rules or guidance documents with respect to the requirements for a surety bond as necessary to accomplish the purposes of this article.

(4) The penal sum of the surety bond shall be maintained in an amount that reflects the dollar amount of mortgage transactions



originated as determined by the director. If the principal amount of a surety bond required under this section is reduced by payment of a claim or judgment, the creditor or exempt person for whom the bond is issued shall immediately notify the director of the reduction and, not later than thirty (30) days after notice by the director, file a new or an additional surety bond in an amount set by the director. The amount of the new or additional bond set by the director must be at least the amount of the bond before payment of the claim or judgment.

(5) If for any reason a surety terminates a bond issued under this section, the creditor or the exempt person shall immediately notify the department and file a new surety bond in an amount determined by the director.

(6) Cancellation of a surety bond issued under this section does not affect any liability incurred or accrued during the period when the surety bond was in effect.

(7) The director may obtain satisfaction from a surety bond issued under this section if the director incurs expenses, issues a final order, or recovers a final judgment under this chapter.

(8) Notices required under this section must be in writing and delivered by certified mail, return receipt requested and postage prepaid, or by overnight delivery using a nationally recognized carrier.

SECTION 4. IC 24-4.4-2-405, AS AMENDED BY P.L.27-2012, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 405. (1) Every licensee shall maintain records in a manner that will enable the department to determine whether the licensee is complying with this article. The record keeping system of a licensee is sufficient if the licensee makes the required information reasonably available. The department shall determine the sufficiency of the records and whether the licensee has made the required information reasonably available. The department shall be given free access to the records wherever the records are located. Records concerning any first lien mortgage transaction shall be retained for two (2) years after the making of the final entry relating to the transaction, but in the case of a revolving first lien mortgage transaction, the two (2) years required under this subsection is measured from the date of each entry relating to the transaction. **A federal savings bank that voluntarily registers with the department under IC 24-4.4-1-202(b)(6)(a) for the purpose of sponsoring, under an exclusive written agreement, licensed mortgage loan originators as independent agents shall:**

- (a) cooperate with the department; and**
- (b) provide access to records and documents;**





**as required by the department in carrying out examinations of the activities of the licensed mortgage loan originators sponsored by the federal savings bank.**

(2) The unique identifier of any person originating a mortgage transaction must be clearly shown on all mortgage transaction application forms and any other documents as required by the director.

(3) Every licensee shall use automated examination and regulatory software designated by the director, including third party software. Use of the software consistent with guidance and policies issued by the director is not a violation of IC 28-1-2-30.

(4) Each:

- (a) creditor licensed by the department under this article; and
- (b) entity that is exempt from licensing under this article and that:
  - (i) employs one (1) or more licensed mortgage loan originators; or**
  - (ii) sponsors under an exclusive written agreement, as permitted by IC 24-4.4-1-202(b)(6)(a), one (1) or more licensed mortgage originators as independent agents;**

shall submit to the NMLSR reports of condition, which must be in a form and must contain information as required by the NMLSR.

(5) Each:

- (a) creditor licensed by the department under this article; and
- (b) entity exempt from licensing under this article that:
  - (i) employs one (1) or more licensed mortgage loan originators; or**
  - (ii) sponsors under an exclusive written agreement, as permitted by IC 24-4.4-1-202(b)(6)(a), one (1) or more licensed mortgage loan originators as independent agents;**

shall file with the department additional financial statements relating to all first lien mortgage transactions originated by the licensed creditor or the exempt entity as required by the department, but not more frequently than annually, in the form prescribed by the department.

(6) A licensed creditor shall file notification with the department if the licensee:

- (a) has a change in name, address, or any of its principals;
- (b) opens a new branch, closes an existing branch, or relocates an existing branch;
- (c) files for bankruptcy or reorganization; or
- (d) is subject to revocation or suspension proceedings by a state or governmental authority with regard to the licensed creditor's activities;

not later than thirty (30) days after the date of the event described in



this subsection.

(7) A licensee shall file notification with the department if the licensee or any director, executive officer, or manager of the licensee has been convicted of a felony under the laws of Indiana or any other jurisdiction. The licensee shall file the notification required by this subsection not later than thirty (30) days after the date of the event described in this subsection.

(8) A licensee shall file notification with the department if the licensee or any director, executive officer, or manager of the licensee has had the person's authority to do business in the securities, commodities, banking, financial services, insurance, real estate, or real estate appraisal industry revoked or suspended by Indiana or by any other state, federal, or foreign governmental agency or self regulatory organization. The licensee shall file the notification required by this subsection not later than thirty (30) days after the date of the event described in this subsection.

SECTION 5. IC 24-4.5-3-502.1, AS ADDED BY P.L.35-2010, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 502.1. (1) Unless a person:

- (a) is a depository institution;
- (b) is a subsidiary that is owned and controlled by a depository institution and regulated by a federal banking agency;
- (c) is an institution regulated by the Farm Credit Administration;
- or
- (d) has first obtained, and subsequently retains, a license from the department under this article;

the person shall not regularly engage in Indiana as a creditor in subordinate lien mortgage transactions, take assignments in Indiana of subordinate lien mortgage transactions, or undertake in the direct collection of payments from or enforcement of rights against debtors in Indiana arising from subordinate lien mortgage transactions.

(2) Each:

- (a) creditor licensed by the department under this article; and
- (b) entity **that is** exempt from licensing under this article **or under IC 24-4.4-1-202(b)(6)(a) and that:**
  - (i) employs a **licensed mortgage loan originator; or**
  - (ii) **sponsors under an exclusive written agreement, as permitted by IC 24-4.4-1-202(b)(6)(a), a licensed mortgage loan originator as an independent agent;**

shall register with and maintain a valid unique identifier issued by the NMLSR. Each licensed mortgage loan originator must be employed by, **or sponsored under an exclusive written agreement (as permitted**



by **IC 24-4.4-1-202(b)(6)(a)** and as an independent agent, and associated with, a licensed creditor or an exempt entity described under subdivision (b) in the NMLSR in order to originate loans.

(3) Applicants for a license must apply for a license under this chapter in a form prescribed by the director. Each form:

- (a) must contain content as set forth by rule, instruction, or procedure of the director; and
- (b) may be changed or updated as necessary by the director to carry out the purposes of this article.

(4) To fulfill the purposes of this article, the director may establish relationships or contracts with the NMLSR or other entities designated by the NMLSR to:

- (a) collect and maintain records; and
- (b) process transaction fees or other fees;

related to licensees or other persons subject to this article.

(5) For the purpose of participating in the NMLSR, the director or the department may:

- (a) waive or modify, in whole or in part, by rule, regulation, or order, any or all of the requirements of this article; and
- (b) establish new requirements as reasonably necessary to participate in the NMLSR.

SECTION 6. IC 24-4.5-3-503.3, AS AMENDED BY P.L.216-2013, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 503.3. (1) Each:

- (a) creditor licensed by the department under this article; and
- (b) person **that is** exempt from licensing under this article **or under IC 24-4.4-1-202(b)(6)(a) and that:**
  - (i) employs a **licensed mortgage loan originator; or**
  - (ii) sponsors under an **exclusive written agreement, as permitted by IC 24-4.4-1-202(b)(6)(a)**, a licensed mortgage loan originator **as an independent agent;**

must be covered by a surety bond in accordance with this section.

(2) A surety bond must:

- (a) provide coverage for:
  - (i) a creditor described in subsection (1)(a); and
  - (ii) an exempt person described in subsection (1)(b);
 in an amount as prescribed in subsection (4);
- (b) be in a form as prescribed by the director;
- (c) be in effect:
  - (i) during the term of the creditor's license under this chapter;
  - or
  - (ii) at any time during which the person exempt from licensing



under this article **or under IC 24-4.4-1-202(b)(6)(a)** employs **a licensed mortgage loan originator, or sponsors under an exclusive written agreement (as permitted by IC 24-4.4-1-202(b)(6)(a))** a licensed mortgage loan originator **as an independent agent;**

as applicable;

(d) remain in effect during the two (2) years after:

(i) the creditor ceases offering financial services to individuals in Indiana; or

(ii) the person exempt from licensing under this article **or under IC 24-4.4-1-202(b)(6)(a)** ceases to employ **a licensed mortgage loan originator, or ceases to sponsor under an exclusive written agreement (as permitted by IC 24-4.4-1-202(b)(6)(a))** a licensed mortgage loan originator **as an independent agent**, or to offer financial services to individuals in Indiana, whichever is later;

as applicable;

(e) be payable to the department for the benefit of:

(i) the state; and

(ii) individuals who reside in Indiana when they agree to receive financial services from the creditor or the person exempt from licensing under this article **or under IC 24-4.4-1-202(b)(6)(a)**, as applicable;

(f) be issued by a bonding, surety, or insurance company authorized to do business in Indiana and rated at least "A-" by at least one (1) nationally recognized investment rating service; and

(g) have payment conditioned upon:

(i) the creditor's or any of the creditor's licensed mortgage loan originators'; or

(ii) the exempt person's or any of the exempt person's licensed mortgage loan originators';

noncompliance with or violation of this chapter, 750 IAC 9, or other federal or state laws or regulations applicable to mortgage lending.

(3) The director may adopt rules or guidance documents with respect to the requirements for surety bonds as necessary to accomplish the purposes of this article.

(4) The penal sum of the surety bond shall be maintained in an amount that reflects the dollar amount of mortgage transactions originated as determined by the director. If the principal amount of a surety bond required under this section is reduced by payment of a claim or judgment, the creditor or exempt person for whom the bond



is issued shall immediately notify the director of the reduction and, not later than thirty (30) days after notice by the director, file a new or an additional surety bond in an amount set by the director. The amount of the new or additional bond set by the director must be at least the amount of the bond before payment of the claim or judgment.

(5) If for any reason a surety terminates a bond issued under this section, the creditor or the exempt person shall immediately notify the department and file a new surety bond in an amount determined by the director.

(6) Cancellation of a surety bond issued under this section does not affect any liability incurred or accrued during the period when the surety bond was in effect.

(7) The director may obtain satisfaction from a surety bond issued under this section if the director incurs expenses, issues a final order, or recovers a final judgment under this chapter.

(8) Notices required under this section must be in writing and delivered by certified mail, return receipt requested and postage prepaid, or by overnight delivery using a nationally recognized carrier.

SECTION 7. IC 24-4.5-3-505, AS AMENDED BY P.L.27-2012, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 505. (1) Every creditor required to be licensed under this article shall maintain records in conformity with generally accepted accounting principles and practices in a manner that will enable the department to determine whether the licensee is complying with the provisions of this article. The record keeping system of a licensee shall be sufficient if the licensee makes the required information reasonably available. The department shall determine the sufficiency of the records and whether the licensee has made the required information reasonably available. The department shall be given free access to the records wherever located. The records pertaining to any loan shall be retained for two (2) years after making the final entry relating to the loan, but in the case of a revolving loan account the two (2) years is measured from the date of each entry. A person licensed or required to be licensed under this chapter is subject to IC 28-1-2-30.5 with respect to any records maintained by the person. **A person that is exempt from licensing under this article or under IC 24-4.4-1-202(b)(6)(a) and that sponsors one (1) or more licensed mortgage loan originators as independent agents under an exclusive written agreement, as permitted by IC 24-4.4-1-202(b)(6)(a), shall:**

- (a) cooperate with the department; and**
- (b) provide access to records and documents;**



**as required by the department in carrying out examinations of the activities of the licensed mortgage loan originators sponsored by the federal savings bank.**

(2) The unique identifier of any person originating a mortgage transaction must be clearly shown on all mortgage transaction application forms and any other documents as required by the director.

(3) Every licensee that engages in mortgage transactions shall use automated examination and regulatory software designated by the director, including third party software. Use of the software consistent with guidance documents and policies issued by the director is not a violation of IC 28-1-2-30.

(4) Each:

(a) creditor that is licensed by the department under this article and that engages in mortgage transactions; and

(b) entity that is exempt from licensing under this article **or under IC 24-4.4-1-202(b)(6)(a)** and that:

(i) employs **one (1) or more licensed mortgage loan originators; or**

(ii) sponsors under an exclusive written agreement, as permitted by **IC 24-4.4-1-202(b)(6)(a)**, one (1) or more licensed mortgage loan originators **as independent agents;**

shall submit to the NMLSR a call report, which must be in the form and contain information the NMLSR requires.

(5) Every creditor required to be licensed under this article shall file with the department a composite report as required by the department, but not more frequently than annually, in the form prescribed by the department relating to all consumer loans made by the licensee. The department shall consult with comparable officials in other states for the purpose of making the kinds of information required in the reports uniform among the states. Information contained in the reports shall be confidential and may be published only in composite form. The department may impose a fee in an amount fixed by the department under IC 28-11-3-5 for each day that a creditor fails to file the report required by this subsection.

(6) A creditor required to be licensed under this article shall file notification with the department if the licensee:

(a) has a change in name, address, or principals;

(b) opens a new branch, closes an existing branch, or relocates an existing branch;

(c) files for bankruptcy or reorganization; or

(d) is subject to revocation or suspension proceedings by a state or governmental authority with regard to the licensee's activities;



not later than thirty (30) days after the date of the event described in this subsection.

(7) Every licensee shall file notification with the department if the licensee or any director, executive officer, or manager of the licensee has been convicted of a felony under the laws of Indiana or any other jurisdiction. The licensee shall file the notification required by this subsection not later than thirty (30) days after the date of the event described in this subsection.



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President of the Senate

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President Pro Tempore

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Speaker of the House of Representatives

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

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