



MERGERS AND ACQUISITIONS DURING RENEWAL

Transferring MLOs by using the NMLS M&A feature, the following must be in place:

- MLOs must have an active federal registration with the acquired institution.
- Purchasing institution must have an active federal registration.

Completing an M&A during the NMLS Renewal Period (Nov. 1st – Dec. 31st) can cause confusion. An MLO's initial registration date will determine if he or she is required to renew or is exempt:

Active Initial Registration	Need to Renew?
On or before June 30, 2016	Yes
On or after July 1, 2016	No, MLO is exempt from renewal

Below are M&A scenarios during or near the Renewal Period.

Scenario 1 – Same Federal Regulator & Transaction Date Before Renewal Period

Bank A acquires Bank B on 10/1; both institutions have the same federal regulator. Easiest course of action is to complete the entire M&A process before the beginning of the Renewal Period (11/1) – MLOs eligible for renewal will be renewed by the purchasing institution, Bank A, once M&A process is complete.

Any MLO under the acquired institution, Bank B, who has not completed the transfer process before Nov. 1st must be renewed with Bank B first. Once renewed MLO can complete the M&A. MLOs will not need to be renewed by purchasing institution, Bank A.

Scenario 2 – Different Federal Regulator and Transaction Date Before Renewal Period

Bank A acquires Bank B on 10/1; institutions have different federal regulators. Easiest course of action is to complete the entire M&A process prior to the beginning of the Renewal Period (11/1) – MLOs eligible for renewal will be renewed by the purchasing institution, Bank A, once M&A process is complete.

Any MLO under acquired institution, Bank B, who has not completed the transfer process before Nov. 1st must be renewed with Bank B first. Once renewed, MLO can complete the M&A process. MLOs must be renewed again by purchasing institution, Bank A.

Scenario 3 – Same Federal Regulator and Transaction Date After Renewal Period

Bank A acquires Bank B on 11/1; both institutions have the same federal regulator. Acquired institution, Bank B, must renew all of the MLOs before Bank A can complete M&A process.

Once transferred MLOs will not need to be renewed again by purchasing institution, Bank A.

Scenario 4 – Different Federal Regulator and Transaction Date After Renewal Period

Bank A acquires Bank B on 11/1; institutions have different federal regulators. Acquired institution, Bank B, must renew all of the MLOs before Bank A can complete M&A process. Once transferred:

- MLO will NOT need renewed again if this is the first federal registration
- MLO MUST renew again if he or she has previously held the federal registration

For additional navigational assistance, please contact your employer or the NMLS Call Center at 1-855-NMLS-123 (1-855-665-7123).