

Definitions contained in: California Code of Regulations (Chapter 3, Title 10, Sections 1404 through 1570)

§ 1404. Definitions.

The following terms used in Subchapter 6 of these rules shall have (unless the context otherwise indicates) the following meanings:

- (a) "Call report" or "NMLS Mortgage Call Report" means a report of condition on the company and its operations including financial statements and production activity volumes, as required by NMLS.
- (b) "Company" includes all domestic and foreign private corporations, limited liability companies, joint ventures, associations, syndicates, joint stock companies, partnerships of every kind, unincorporated organizations, government or political subdivisions of a government, trustees and individuals.
- (c) "Department" means the Department of Corporations of the State of California.
- (d) "Finance company" means a company subject to the California Finance Lenders Law and also has the same meaning as "licensee" as defined in Financial Code Section 22007.
- (e) "Law" or "Code" means the California Finance Lenders Law.
- (f) "Mortgage lender" or "mortgage broker" or "mortgage lender and broker" means a finance company, finance lender, or broker who makes, brokers, or services residential mortgage loans and who is required to be licensed pursuant to Section 22100 of the Code.
- (g) "Form MU1" means the uniform licensing form developed by the Nationwide Mortgage Licensing System and Registry for a mortgage lender, mortgage servicer, or mortgage broker business, entitled "Uniform Mortgage Lender/Mortgage Broker Form."
- (h) "Form MU2" means the uniform licensing form developed by the Nationwide Mortgage Licensing System and Registry for a person that directly or indirectly exercises control over a mortgage lender, mortgage servicer, or mortgage broker business, or a branch thereof, including the qualifying individuals and branch managers specified in item 2 of Schedule A of the form Form MU1, entitled "Uniform Mortgage Biographical Statement & Consent Form."
- (i) "Form MU3" means the uniform licensing form developed by the Nationwide Mortgage Licensing System and Registry for the branch office of a mortgage lender, mortgage servicer, or mortgage broker, entitled "Uniform Mortgage Branch Office Form."

(j) “Form MU4” means the uniform licensing form developed by the Nationwide Mortgage Licensing System and Registry for an individual mortgage loan originator license or registration, entitled “Uniform Individual Mortgage License/Registration & Consent Form.”

(k) “NMLS” means the Nationwide Mortgage Licensing System and Registry.

(l) “Sponsoring” or “to sponsor” means to maintain an employment relationship between a mortgage loan originator and a mortgage lender, mortgage broker, or mortgage lender and broker where the mortgage loan origination activities of the mortgage loan originator are subject to the supervision and oversight of the mortgage lender, mortgage broker, or mortgage lender and broker. A licensed mortgage lender, mortgage broker, or mortgage lender and broker is the “sponsor” of a mortgage loan originator employed by, and subject to the supervision and oversight of, the mortgage lender, mortgage broker, or mortgage lender and broker. For purposes of Subchapter 6 of these rules, an employment relationship may be established through factors such as supervision and control of the sponsored mortgage loan originator, legal and regulatory responsibility for the acts of the mortgage loan originator, and performance under the name, authority and policies of the sponsor, and is not necessarily contingent on whether a mortgage loan originator is issued a Form W-2 by the sponsor.

Note: Authority cited: Sections 22012, 22100, and 22150, Financial Code. Reference: Sections 22000 et seq., Financial Code.

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