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OFI WILL BE AMONG FIRST TO JOIN NATIONWIDE MORTGAGE DATABASE

System will enhance consumer protection and streamline licensing

FRANKFORT, Ky. (August 28, 2007) – The Kentucky Office of Financial Institutions (OFI) today announced it is one of the handful of state regulator agencies that will join in the new Nationwide Mortgage Licensing System (NMLS) on the first day of operation on Jan. 2, 2008.

“OFI is proud to be one of the first state agencies to join the Nationwide Mortgage Licensing System,” said OFI Executive Director Cordell Lawrence. “The system will provide better supervision of the mortgage industry as Kentucky links with other states to protect consumers.”

The NMLS, developed by state regulators through the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators, will enhance consumer protection and streamline the licensing process for regulators and the industry.

The system will be used by state residential mortgage regulators to accept and process national, uniform license applications and license renewal requests. Licensees will be able to electronically manage a single record in the NMLS to apply for, amend, renew and surrender licenses for one or more states. The system will manage the licenses of all mortgage companies, branches and individuals operating in Kentucky.

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Beginning Jan. 2, OFI will require all companies who wish to apply for a license, as well as existing licensees who wish to amend their license, to access the system for the first time to create a record and submit it to OFI for approval. All licensees must create a complete corporate record on the system and submit it to OFI for approval by June 30, 2008.

In preparation for the January start date, OFI is asking mortgage company licensees to fill out and send OFI a form for pre-entitlement by Nov. 1, 2007. Pre-entitlement allows OFI to verify the company information so the business will be able to access the system by Jan. 2.

In Kentucky, there are currently 724 mortgage companies and brokerages and approximately 4,000 individual mortgage registrants affected by the changes.

As of July, at least 35 state agencies have signed a statement indicating their commitment to participate in the NMLS. It is expected that several of these states will join the system each quarter through 2008 and 2009. More information about the NMLS may be found on the Web at www.csbs.org.

Information about completing and submitting the pre-entitlement information can be found on OFI's Web site at www.kfi.ky.gov.

OFI is an agency of the Department of Public Protection in the Environmental and Public Protection Cabinet. It licenses, charters and regulates the activities of state-chartered/licensed depository and nondepository financial institutions. OFI's mission is to serve the public through effective and efficient regulation that promotes consumer confidence and economic growth.