



MARYLAND COMMISSIONER OF FINANCIAL REGULATION INDUSTRY ADVISORY REGULATORY NOTICE



August 19, 2020

State Examination System (SES) for Mortgage Licensees: Maryland to Commence use of SES in September 2020

The Office of the Commissioner of Financial Regulation (“OCFR”) will soon start using the State Examination System (SES) to conduct examinations, investigations, and other supervisory activities. The SES was officially launched in the fall of 2019 and since that time a number of state regulatory agencies have started using the system. Maryland has agreed to use the SES and this Advisory is intended to inform Maryland regulated companies that it will do so commencing in September, 2020. Maryland is part of a group of state regulatory agencies that will begin using SES in 2020.

About the State Examination System (SES)

SES was developed by the Conference of State Bank Supervisors (CSBS), the same organization behind the NMLS. Just as NMLS supports the licensing process of state regulators and their licensed companies, SES is now supporting the examination and supervision processes. SES is a secure online platform that manages the end-to-end workflow for examinations, investigations, enforcements and other supervisory activities of state licensed companies and will be used by both regulators and companies under supervision.

Companies subject to examination in SES will interact with the system in the following primary areas:

1. The information request process. The complete list of information requests for scheduled examinations in the system will be shared with your company through the system and your responses to these requests will take place in the system.
2. Receiving and responding to the report of examination. The report of examination and any follow-up items after the agency’s examination will be uploaded to SES and companies will be able to respond to the report of examination and any follow-up items in the system.

Upcoming Examinations in SES

A company examined in SES will be notified by OCFR about the examination a few weeks prior to the start of the examination in the system. This communication, titled Getting Started with SES, will hold important information on how to set up user accounts, where to go for training resources on the system

and other important information. This communication will be sent to the OCFR's regular point of contact within the company for examinations.

In addition, if the company is new to SES, the company examination contact will receive two emails for account set-up. One of these emails will come from *SES notifications* and the other will come from *Okta (CSBS SSO)*, the single sign on solution used by SES. **Please take action when these emails are received** as they are the first step in establishing the company's account in SES. If the company has an existing SES account, perhaps due to an exam in SES from another agency, they will not have to go through the account set-up process again and the organization's examination contact will continue to receive email notifications about upcoming examination(s) in SES. Follow [this link](#) to access the Company Quick Start Guide.

At this point, no action from your organization is required. Further instructions on how to access the system will be shared with each company as examinations are being scheduled in the system. However, at the company's discretion, there are a couple of action items that companies may take now to prepare for an upcoming examination in SES. Refer to the resources below for more information.

SES Notifications and Training Resources

SES notifications will be exchanged between OCFR and the company by email. [URLs and email addresses](#) associated to SES are provided in the link above. Companies should mark these as safe to avoid having these notifications and URLs blocked by internal security systems.

Training resources for companies are available [here](#). This site has videos and other resources that explain how to use the system. Please visit this resource site often, as training material will be regularly updated.

You will also find helpful information about the system in the [NMLS/SES Customer Portal](#).

OCFR looks forward to advancing its supervision program through SES. SES offers a new, more streamlined and consistent platform for supervision across state agencies and we hope companies see these benefits.

For questions about this communication, please contact Christine Brooks, Director of Mortgage Supervision by phone at 410-230-6074 or by email at christine.brooks@maryland.gov.

The Office of the Commissioner of Financial Regulation, a division of the Maryland Department of Labor, is Maryland's banking and financial services regulatory agency. For more information, please visit our website at www.labor.maryland.gov/finance.

