

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF PERSONS AND )  
BUSINESSES SEEKING )  
LICENSURE UNDER THE NEW JERSEY )  
RESIDENTIAL MORTGAGE LENDING )  
ACT AND APPLICANTS FOR INITIAL )  
LICENSURE OR REGISTRATION )  
UNDER THE NEW JERSEY )  
LICENSED LENDERS ACT )

ORDER

This matter having been opened by the Commissioner of the Department of Banking and Insurance (“Commissioner”) pursuant to N.J.S.A. 17:11C-51 et seq. and all powers expressed or implied therein; and

IT APPEARING that the New Jersey Residential Mortgage Lending Act, P.L. 2009, c. 53 (“RMLA”) was enacted on May 4, 2009; and

IT FURTHER APPEARING that P.L. 2009, c. 53, s. 74 authorizes the Commissioner to issue orders necessary to implement the provisions of the law; and

IT FURTHER APPEARING that commencing on or about January 4, 2010 licensure under the RMLA will be effectuated through applications submitted to the Nationwide Mortgage Licensing System & Registry (“NMLS&R”); and

IT FURTHER APPEARING that all applications for the licensure of businesses, branches, qualified individuals and mortgage loan originators under the RMLA will be submitted electronically through the NMLS&R; and

IT FURTHER APPEARING that pursuant to N.J.S.A. 17:11C-54, the authority of the holders of licenses issued under the New Jersey Licensed Lenders Act, N.J.S.A.

17:11C-1 through 50 (“LLA”) with mortgage banker, correspondent mortgage banker, mortgage broker and/or secondary lender authority and the authority of all persons registered under the LLA as mortgage solicitors to engage in activity related to residential mortgage loans that is regulated under the RMLA will expire on July 31, 2010; and

IT FURTHER APPEARING that it is in the best interest of the licensee community, the Department and the public for the Department to facilitate the application process for licensure under the RMLA of individuals and business entities currently licensed or registered under the LLA so as to provide for an uninterrupted transition to licensure under the RMLA for such individuals and business entities; and

IT FURTHER APPEARING that business entities currently licensed as mortgage bankers, correspondent mortgage bankers, mortgage brokers or secondary lenders under the LLA that will seek licensure under RMLA as residential mortgage lenders, residential correspondent mortgage lenders, or residential mortgage brokers will be subject to requirements related to bonding, the applicant’s tangible net worth, and to the fingerprinting of and performance of criminal history record background checks on their principals and other key individuals; and

IT FURTHER APPEARING that individuals currently licensed or registered under the LLA seeking licensure under RMLA as either a qualified individual licensee or a mortgage loan originator will be subject to requirements regarding pre-licensure education, testing, continuing education, criminal history record background checks that include fingerprinting, and credit-related background checks; and

IT FURTHER APPEARING that pursuant to the RMLA and the provisions of N.J.S.A. 2A:168A-1 et seq., as amended by P.L. 2009, c. 53, criminal history may

disqualify applicants, including individuals currently licensed or registered under the LLA, from licensure under the RMLA; and

IT FURTHER APPEARING that in order to qualify for licensure under RMLA all individual applicants will be required to be sponsored by a licensed business entity with which they are to be affiliated and to identify that entity in their filing with the NMLS&R; and

IT FURTHER APPEARING that no individual seeking licensure as a mortgage loan originator or a qualified individual licensee will qualify for licensure as such until the business licensee with which he or she will be affiliated has been approved for licensure; and

IT FURTHER APPEARING that business and individual applicants for licensure under RMLA may begin the process to transition immediately, although the earliest date on which it is anticipated that the NMLS&R will be available to accept application filings for New Jersey licenses is January 4, 2010,; and

IT FURTHER APPEARING that current licensees and registrants under the LLA who wish to transition to licensure under the RMLA should begin the transition process as soon as possible by creating a record with the NMLS&R at [www.stateregulatoryregistry.org/nmls](http://www.stateregulatoryregistry.org/nmls), and obtaining a unique identifier; and

IT FURTHER APPEARING that the following dates have been identified by the NMLS&R as the dates upon which the means to fulfill the education, testing and fingerprinting requirements for licensure under the RMLA are anticipated to be available:

General pre-licensing education –currently available;

New Jersey state-specific pre-licensure education – anticipated to be available shortly;

National test – currently available;

New Jersey test – on or about January 4, 2010 (Content outline currently available on NMLS&R website noted above);

New Jersey State fingerprinting – on or about November 15, 2009; and

Federal fingerprinting – on or about January 25, 2010;

NOW THEREFORE, IT IS on the 30<sup>th</sup> day of September, 2009 ORDERED that:

1. All mortgage banker, correspondent mortgage banker, mortgage broker and secondary lender licenses and mortgage solicitor registrations issued under the LLA shall expire at 11:59 p.m. EST on July 31, 2010.

2. Beginning January 4, 2010, business entities holding licenses under the LLA that seek licensure as residential mortgage lenders, residential correspondent mortgage lenders or residential mortgage brokers under the RMLA to be effective on or before August 1, 2010 must fulfill the requirements for licensure and submit a complete electronic application to the NMLS&R no later than April 30, 2010. Businesses that otherwise qualify for licensure and that complete the filing of an application through the NMLS&R after April 30, 2010 cannot be guaranteed that a license will be approved on or before July 31, 2010.

3. Beginning on January 4, 2010 all individuals holding licenses under the LLA and individuals whose licenses under the LLA are currently in inactive status, who seek licensure as Qualified Individual Licensees under the RMLA to be effective on or before August 1, 2010 must fulfill the requirements for such licensure and electronically submit a

complete license application through the NMLS&R no later than April 30, 2010. Individuals who otherwise qualify for licensure and who complete the filing of an application for licensure as a qualified individual licensee through the NMLS&R after April 30, 2010 cannot be guaranteed that a license will be approved on or before July 31, 2010.

4. Beginning January 4, 2010, all individuals holding mortgage solicitor registrations under the LLA who seek licensure as Mortgage Loan Originators under the RMLA to be effective on or before August 1, 2010 must fulfill the requirements for licensure and electronically submit a complete license application through the NMLS&R no later than May 15, 2010. Individuals who otherwise qualify for licensure and who complete the filing of an application for a mortgage loan originator license through the NMLS&R after May 15, 2010 cannot be guaranteed that a license will be approved on or before July 31, 2010.

5. Commencing on or about November 1, 2009, business licensees and branches licensed under the LLA and in good standing may submit a preliminary paper application directly to the Department for a preliminary review of eligibility for licensure under the RMLA to streamline the processing of their electronic filing to be made through the NMLS&R. The transitional preliminary paper application process shall be available only to those business licensees who are in full compliance with N.J.S.A. 17:11C-43 and N.J.A.C. 3:15-6.16 and 3:23-4.1 et seq. with respect to the filing of annual reports, and with N.J.S.A. 17:1C-33 et seq. and N.J.A.C. 3:5-1 et seq. with respect to the payment of annual assessments. The transitional preliminary application forms will be posted on the Department's website by on or about November 1, 2009 and may be submitted via US

mail to: Licensing Services Bureau, Banking, New Jersey Department of Banking and Insurance, P.O. Box 473, Trenton, NJ 08625-0473 or via overnight delivery to Licensing Services Bureau, Banking, New Jersey Department of Banking and Insurance, 20 W. State Street, 8<sup>th</sup> Floor, Trenton, NJ 08608. The transitional paper application is intended solely as a courtesy to provide applicants for business and branch licenses with notice of whether any deficiencies are apparent in the application prior to filing the electronic application through the NMLS&R. Response by the Department is entirely discretionary and shall in no way be construed as an approval or rejection of the electronic application to be filed through the NMLS&R or a waiver of the electronic filing requirements. The Department does not warrant that any deficiencies noted in a response to a transitional paper application constitute a full and complete list of the deficiencies in the application. Applicants are advised to carefully review their applications for accuracy and completeness prior to submission.

6. Applications for the issuance of new licenses to businesses, branches and individuals under the LLA shall not be accepted after November 30, 2009. Any license issued on the basis of such an application filed prior to that date shall expire on July 31, 2010.

7. Applications to newly register or to re-register as a mortgage solicitor under the LLA shall not be accepted after November 30, 2009. All registrations issued on the basis of such applications filed prior to that date shall expire on July 31, 2010.

8. Business licensees are hereby directed to disseminate this Order to their licensed individuals and registered mortgage solicitors immediately.

/s/ Neil N. Jasey  
Neil N. Jasey  
Commissioner

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