



State of New Jersey

DEPARTMENT OF BANKING AND INSURANCE

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Governor

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THOMAS B. CONSIDINE
Commissioner

BULLETIN NO. 10-29

TO: ALL BUSINESS ENTITIES AND INDIVIDUALS HOLDING EXTENDED LICENSES OR REGISTRATIONS UNDER THE LICENSED LENDERS ACT WITH EXPIRATION DATES OF OCTOBER 31, 2010 AND ALL BUSINESS ENTITIES AND INDIVIDUALS CONDITIONALLY APPROVED AS RESIDENTIAL MORTGAGE LENDERS, RESIDENTIAL MORTGAGE BROKERS, QUALIFIED INDIVIDUAL LICENSEES OR MORTGAGE LOAN ORIGINATORS

FROM: THOMAS B. CONSIDINE, COMMISSIONER

RE: COMPENSATION FOR RESIDENTIAL MORTGAGE-RELATED ACTIVITY

The purpose of this Bulletin is to advise all business entities and individuals currently conditionally approved for licensure under the Residential Mortgage Lenders Act, N.J.S.A. 17:11C-51 et seq. ("the Act") and all business entities and individuals whose license applications are currently pending receipt of conditional approval of important information related to compensation for residential mortgage-related activity in New Jersey.

All such business entities and individuals are advised as follows. The Department construes the Act, specifically, N.J.S.A. 17:11C-75k(1), as permitting licensees or former licensees to pay and receive compensation for mortgage solicitor or mortgage loan origination activity when such activity took place in full while the person paying or receiving the compensation was duly authorized under a then-existing license or registration or an applicable Order of the Commissioner. The Department construes the law as allowing compensation to be paid or received as noted above, regardless of the date on which the actual payment or receipt of such compensation occurs. The Department reserves the right to examine or investigate all cases involving the payment of such compensation to determine, among other things, that the compensable activity occurred during a time when the person paying or receiving the compensation was legally authorized to engage in that activity.

ALL BUSINESS ENTITIES THAT RECEIVE THIS BULLETIN ARE DIRECTED TO DISSEMINATE COPIES OF IT TO ALL CONDITIONALLY APPROVED INDIVIDUALS OR TO ALL HOLDERS OF EXTENDED LICENSED LENDER ACT LICENSES AND MORTGAGE SOLICITOR REGISTRATIONS, AS APPLICABLE, WHO ARE AFFILIATED WITH THEIR FIRM.

October 26, 2010
Date



Thomas B. Considine
Commissioner

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