§ 599-c. License required. 1. License required. No individual, unless specifically exempt pursuant to subdivision three of this section shall engage in the business of a mortgage loan originator with respect to any dwelling or residential real property in this state without first obtaining and maintaining annually a license under this article. Each licensed mortgage loan originator must register with and maintain a valid unique identifier issued by the NMLSR.

2. Effective date. In order to facilitate an orderly transition to licensing and minimize disruption in the mortgage marketplace:

(a) Each individual, other than an individual described in paragraph (b) of this subdivision, shall be licensed pursuant to subdivision one of this section not later than July thirty-first, two thousand ten, or such later date approved for mortgage loan originators in this state by the Secretary of the U.S. Department of Housing and Urban Development, pursuant to the authority granted under Public Law 110-289, Section 1508(a) and approved by the superintendent;

(b) Each individual authorized as a mortgage loan originator under prior law not later than July thirty-first, two thousand nine, shall be licensed pursuant to subdivision one of this section not later than January first, two thousand eleven, or such later date approved for mortgage loan originators in this state by the Secretary of the U.S. Department of Housing and Urban Development, pursuant to the authority granted under Public Law 110-289, Section 1508(a) and approved by the superintendent.

(c) Notwithstanding paragraphs (a) and (b) of this subdivision, after the effective date of this article, no individual shall act as a mortgage loan originator if such individual has been convicted of, or pled guilty or nolo contendere to, a felony of the types and during the time periods described in paragraph (b) of subdivision one of section five hundred ninety-nine-e of this article, in a domestic, foreign or military court, unless expressly authorized to act as a mortgage loan originator by the superintendent.

3. Exemption from licensing requirements. The following persons are exempt from the licensing requirements otherwise applicable under this article:

(a) Registered mortgage loan originators, when acting for an entity described in subparagraphs (i), (ii) and (iii) of paragraph (a) of subdivision thirteen of section five hundred ninety-nine-b of this article.

(b) Any individual who offers or negotiates the terms of a residential mortgage loan with or on behalf of an immediate family member of the individual.

(c) Any individual who offers or negotiates terms of a residential mortgage loan secured by a dwelling or residential real property that served as the individual's own residence.

(d) A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of the client, unless the attorney is compensated by a lender, a mortgage broker, or other mortgage loan originator or by any agent of such lender, mortgage broker, or other mortgage loan originator.

(e) Any individual employed by a mortgage loan servicer registered under article twelve-D of this chapter, who negotiates any modification of an existing residential mortgage loan on behalf of such servicer, and does not otherwise act as a mortgage loan originator, unless licensing is required by a rule, regulation, guideline or interpretation issued by the U.S. Department of Housing and Urban Development under Public Law 110-289.

(f) Any individual involved in the sale of manufactured homes if exempted from licensing by a rule, regulation, guideline or interpretation issued by the U.S. Department of Housing and Urban Development under Public Law 110-289.

4. Independent contractor loan processors or underwriters. A loan processor or underwriter who is an independent contractor of an originating entity may not engage in residential mortgage loan origination activities unless such independent contractor loan processor or underwriter obtains and maintains a license under this article. Each independent contractor loan processor or underwriter licensed as a mortgage loan originator must have and maintain a valid unique identifier issued by the NMLSR.