*** § 737. License or authorization.** 1. No person or other entity, except an exempt organization or an authorized buy-now-pay-later lender as defined in this article, shall act as a buy-now-pay-later lender without first obtaining a license from the superintendent under this article.

(a) An application for a license shall be in writing, under oath, and in the form and containing such information as the superintendent may require.

(b) At the time of filing an application for a license, the applicant shall pay to the superintendent a fee as prescribed pursuant to section eighteen-a of this chapter.

(c) A license granted under this article shall be valid unless revoked or suspended by the superintendent or unless surrendered by the licensee and accepted by the superintendent.

(d) No licensee or authorized buy-now-pay-later lender shall be permitted to engage in lending of any category of buy-now-pay-later loan not captured by subdivision three of section seven hundred thirty-six of this article without receiving permission from the superintendent to do so.

(e) The superintendent shall establish a process by which a licensee or authorized lender may obtain permission to update categories of buy-now-pay-later loans they are permitted to offer to a license or authorization under this article, provided that a single license or authorization may include multiple categories of buy-now-pay-later loans. A license or authorization granted under this article shall specify the eligible buy-now-pay-later loans and shall be limited to categories of lending in which the lender has been licensed or authorized by the superintendent to engage. Buy-now-pay-later lenders shall not be required to obtain more than one license or authorization for multiple categories of lending. A licensed or authorized buy-now-pay-later lender must clearly and conspicuously disclose to consumers its license or authorization status in accordance with section seven hundred thirty-nine of this article.

(f) In connection with an application for a license, the applicant shall submit an affidavit of financial solvency, including financial statements, noting such capitalization requirements and access to such credit or such other affirmation or information as may be prescribed by

the regulations of the superintendent for different categories of buy-now-pay-later loans. The applicant shall also submit policies and procedures for underwriting such buy-now-pay-later loans.

2. Any banking organization, foreign banking corporation licensed by the superintendent to transact business in this state or originating buy-now-pay-later loans from a branch in this state subject to article five-C of this chapter, or a licensed lender licensed by the superintendent under article nine of this chapter, other than an exempt organization, must obtain the superintendent's prior written authorization to act as a buy-now-pay-later lender for specific categories of buy-now-pay-later loans. The superintendent shall establish a process by which an entity described in this subdivision may request such authorization to act as a buy-now-pay-later lender, which process shall include, but not be limited to, requirements that the entity requesting such authorization submit a written plan describing the proposed buy-now-pay-later lending, its proposed policies and procedures for complying with the provisions of this article, and the impact on the overall business of the entity. The superintendent shall establish a process for withdrawing an authorization to act as a buy-now-pay-later lender.

* NB Effective upon the one hundred eightieth day after the promulgation of rules and/or regulations by the department of financial services to effectuate certain provisions (see Ch. 58 of 2025, Part Y, § 13)