



State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF BANKING
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JON S. CORZINE
Governor

STEVEN M. GOLDMAN
Commissioner

BULLETIN NO. 07-19

**TO: ALL NEW JERSEY LICENSED MORTGAGE BANKERS,
CORRESPONDENT MORTGAGE BANKERS, MORTGAGE BROKERS,
SECONDARY LENDERS AND REGISTERED MORTGAGE SOLICITORS**

FROM: STEVEN M. GOLDMAN, COMMISSIONER

**RE: DEFINITION OF "SOLICITATION" FOR PURPOSES OF
P.L. 2007, c. 51, CODIFIED AT N.J.S.A. 17:16Y-1 ET SEQ.**

The Department of Banking and Insurance ("Department") is notifying entities regulated under the New Jersey Licensed Lenders Act (the "Act"), N.J.S.A. 17:11C-1 et seq., of its view of the meaning of the term "solicitation" as used in P.L. 2006, c. 51, codified at N.J.S.A. 17:16Y-1 et seq. Section 5 of this new law provides that the Department shall promulgate regulations as necessary to effectuate its purposes.

The Department is aware of uncertainty in the marketplace about the scope of the term "solicitation" in the new law, and of the potential chilling effect of such uncertainty on legitimate business activities, arising from the prohibition against using a customer's loan number, loan amount or other specific loan information in a solicitation. In these circumstances, I have concluded that it is appropriate to advise the regulated community of the Department's views on the term "solicitation" as used in Section 5 of the new law prior to the promulgation of rules.

In 2003, the Department issued Bulletin No. 03-18 disapproving certain advertising practices that are now expressly prohibited by the new law. Consistent with that earlier bulletin and with the intent of the new law, we view the advertising activities and the solicitation activities subject to the new law as extensive. Thus, we view the term "solicitation" to refer to initial or "cold" contacts with consumers through print, electronic, telephonic, facsimile, or any other form of communication. Thus, the Department does not view subsequent contacts with consumers, conducted at the consumer's request, as constituting "advertisement" or "solicitation" within the meaning of P.L. 2007, c. 51. The Department intends to propose regulations so providing in the coming months. Until such rules are adopted, licensees should be guided by this Bulletin and share the information contained herein with the mortgage solicitors registered with them.

9/18/07
Date

/s/ Steven M. Goldman
Commissioner

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