Who is exempt from licensing as a mortgage loan originator under this act? The following are exempt from licensing as a mortgage loan originator:

1. Registered mortgage loan originators or any individual required to be registered while employed by a covered financial institution as defined in regulation G, 12 C.F.R. Sec. 1007.102;

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

3. Any individual who offers or negotiates terms of a residential mortgage loan secured by a dwelling that served as the individual's residence;

4. A Washington 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;

5. Individuals who do not take residential mortgage loan applications or negotiate the terms of residential mortgage loans for compensation or gain or in the expectation of compensation or gain; and

6. (a) An employee of a bona fide nonprofit organization who acts as a loan originator only with respect to his or her work duties to the bona fide nonprofit organization, and who acts as a loan originator only with respect to residential mortgage loans with terms that are favorable to the borrower.

   (b) Terms favorable to the borrower are terms consistent with loan origination in a public or charitable context, rather than a commercial context.

7. Individuals employed by a licensed residential mortgage loan servicing company engaging in activities related to servicing, unless licensing is required by federal law or regulation.

8. See also WAC 208-620-232.