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Montana Division of Banking and Financial Institutions (MT-DBFI) Pre-licensure Education (PE) Notice

Purpose

The purpose of this notice is to inform NMLS approved course providers of the required topics to be covered in the 2-hour state specific pre-licensure education (PE) requirement which must be met as a condition for obtaining a mortgage loan originator (MLO) license with the Montana Division of Banking and Financial Institutions.

MT-DBFI PE requirements are as follows:

- 3 hours of Federal law;
- 3 hours of Ethics;
- 2 hours of non-traditional mortgage lending;
- 10 hours of general electives;
- 2 hours of Montana state-specific defined electives

Total PE: 20 Hours

Required Learning Objectives:

- Know that Loan Estimate and Closing Disclosure must be signed and dated by the borrower(s). (ARM 2.59.1710 and ARM 2.59.1724)
- Explain the record keeping requirements for mortgage brokers and mortgage lenders and the general requirements for the maintenance, storage, transfer, and destruction of records. (32-9-121, MCA, and ARM 2.59.1710, 2.59.1724, and 2.59.1746)
- Demonstrate the requirements for advertising, including social media and individual websites if used for the provision of services. Know the additional advertising requirements outlined in the mortgage lender prohibitions and under prohibited acts. (32-9-124, 32-9-149, and 32-9-168, MCA)
- Discuss the Montana Mortgage Loan Origination Disclosure, which is required for loans brokered by mortgage loan originators, and its requirements, including that the form must be signed and dated by the borrower(s). (32-9-124(2), MCA, and ARM 2.59.1737)
- Articulate the prohibited acts for a mortgage loan originator. (32-9-124, MCA)
- Know that a mortgage loan originator may work for only one mortgage broker/mortgage lender. (32-9-116, MCA)
- Describe the role and responsibilities of a designated manager. (32-9-122, MCA)

MT-DBFI has established the following required topics list for the 2 hours of state-specific PE:

- Operation of Mortgage Brokers
- Operation of Mortgage Lenders
- General Provisions of the Commissioner's Supervision
- Residential Mortgage Loans

- Examinations and Audits
- Records and Reports
- Surety Bond Requirements
- Escrow Fund
- Disclosures and Advertising
- Enforcement
- Disciplinary and Other Actions
- Prohibited Acts; Penalties
- Designated Manager
- Montana Mortgage Loan Origination Disclosure

References:

Montana Mortgage Act –

https://leg.mt.gov/bills/mca/title_0320/chapter_0090/part_0010/sections_index.html

Administrative Rules - <http://www.mtrules.org/gateway/Subchapterhome.asp?scn=2%2E59.17>

NMLS Approving Authority

In accordance with the SAFE Act, NMLS is the approval authority for courses that are intended to satisfy the PE & CE requirement for an MLO to be licensed by a state-agency. Courses intending to satisfy these requirements must also meet NMLS course approval standards as detailed in the *Functional Specification for All NMLS Approved Courses*.

Legislative Updates

Course providers are responsible for keeping abreast of changes made to the applicable statutes, regulations and rules.