Pennsylvania Department of Banking and Securities (DOBS)
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 3 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 Pennsylvania Department of Banking and Securities.

PE requirements are as follows:
- 3 hours of Federal law;
- 3 hours of Ethics;
- 2 hours of non-traditional mortgage lending;
- 9 hours of general electives;
- 3 hours of Pennsylvania state-specific defined electives

Total PE: 20 Hours

DOBS has established the following required topics list for the 3 hours of state-specific PE:

I. Pennsylvania Department of Banking (5%)
   a. Regulatory authority
   b. Department/agency structure
   c. Responsibilities and limitations

II. State Law and Regulation Definitions (15%)
   a. State law and regulation definitions

III. License Law and Regulation (15%)
   a. Persons or entities required to be licensed
      i. Loan originators
      ii. License companies
      iii. Exemptions
   b. Licensee qualifications and application process
      i. Financial responsibility (surety bond, net worth, or recovery fund)
      ii. Background check and fingerprints (criminal check; credit report)
      iii. Pre-licensing education and experience
      iv. Testing and retesting
   c. Grounds for denying license
      i. Criminal convictions
      ii. Previous revocation
      iii. Prohibition
   d. License maintenance
i. Continuing education  
ii. Personal information updates and required notifications  
iii. Renewal  
iv. Record keeping and reporting  
v. Suspension and reinstatement  

IV. Compliance (55%)  
a. Prohibited conduct and practices  
b. Required conduct  
c. Fees and charges  
d. Disclosures and agreements  
e. Advertising  
f. Other (loan modification, etc.)  

V. Disciplinary Action (10%)  
a. Notifications, hearings, and appeals  
b. Suspension, revocation, and rescission of licenses  
c. Penalties/fines  
d. Civil and criminal liability  

References:  
- Department of Banking and Securities Code, Section 302 and 405 (Pennsylvania Department of Banking Code Relating to the Powers and Duties of the Department of Banking and the Secretary of Banking)  
- Regulation - 10 PA code chapter 46 (dated December 20, 2008, Proper Conduct of Lending and Brokering in the Mortgage Loan Business)  
- Crime Codes Section 7331  
- MBBCEPA Chapter 5  

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.