

1st Sub. S.B. 178

MORTGAGE BROKER AMENDMENTS

Representative **R. Curt Webb** proposes the following amendments:

1. Page 1, Line 19:

19 ▶ establishes license categories of mortgage officer and principal ~~[[lending manager]]~~ lender ,

2. Page 4, Lines 92 through 94:

92 (3) "Associate ~~[[lending manager]]~~ lender " means a person who:
93 (a) has qualified under this chapter as a principal ~~[[lending manager]]~~ lender ; and
94 (b) works by or on behalf of another principal ~~[[lending manager]]~~ lender in transacting the

3. Page 6, Lines 152 through 153:

152 (17) ~~[["Lending manager" or "principal lending manager"]]~~ "Principal lender" means a
 person licensed as a
153 principal ~~[[lending manager-]]~~ lender under Section 61-2c-206.

4. Page 6, Lines 158 through 159:

158 loans through a principal ~~[[lending manager-]]~~ lender .
159 (b) "Mortgage officer" does not include a principal ~~[[lending manager-]]~~ lender .

5. Page 16, Line 468:

468 individual, or by ~~[a control person]~~ the principal ~~[[lending manager-]]~~ lender of the entity, licensed
 under

6. Page 16, Line 472:

472 of residential mortgage loans -- Mortgage officer -- Principal ~~[[lending manager-]]~~ lender .

7. Page 17, Line 496

a. Senate Committee Amendments

b. 2-20-2004:

496 who has not obtained a license as a principal ~~[[lending manager-]]~~ lender automatically converts to a

8. Page 17, Line 500

a. Senate Committee Amendments

b. 2-20-2004:

500 activate the license with a principal ~~[[lending manager]]~~ lender .

9. Page 17, Line 517

a. Senate Committee Amendments

b. 2-20-2004:

517 residential mortgage loans from any person or entity except the principal ~~[[lending manager]]~~ lender
with

10. Page 17, Line 521 through Page 18, Line 522

a. Senate Committee Amendments

b. 2-20-2004:

521 (a) through the principal ~~[[lending manager]]~~ lender with which the individual is licensed;
522 (b) in the business name under which the principal ~~[[lending manager]]~~ lender is authorized
by

11. Page 18, Line 539

a. Senate Committee Amendments

b. 2-20-2004:

539 officer has licensed with a principal ~~[[lending manager]]~~ lender by following the procedures
established

12. Page 18, Lines 548 through 550

a. Senate Committee Amendments

b. 2-20-2004:

548 (b) On or after January 1, § [2005] 2006 § , if a licensed entity terminates its principal ~~[[lending]]~~
549 ~~[[manager]]~~ lender , or if the principal ~~[[lending manager]]~~ lender of a licensed entity
resigns, dies, or becomes
550 unable to act as a principal ~~[[lending manager]]~~ lender due to disability, the entity may not transact
the

13. Page 18, Line 552

a. Senate Committee Amendments

b. 2-20-2004:

552 division that are required to affiliate another principal ~~[[lending manager]]~~ lender with the entity.

14. Page 19, Lines 564 through 565
Senate Committee Amendments
2-20-2004:

564 (A) lists the principal ~~[[lending manager]]~~ lender of the entity; and
565 (B) contains the signature of the principal ~~[[lending manager]]~~ lender ;

15. Page 20, Line 612 through Page 21, Line 614
Senate Committee Amendments
2-20-2004:

612 (c) (i) The applicant shall pay the cost of:
613 ~~[[(i)]]~~ (A) the fingerprinting required by this section; and
614 ~~[[(ii)]]~~ (B) the background check required by this section.
(ii) All funds collected under this Subsection (4)(c) shall be nonlapsing.

16. Page 22, Line 671
a. Senate Committee Amendments
b. 2-20-2004:

671 (ii) on or after January 1, § ~~[2005]~~ 2006 § , a principal ~~[[lending manager]]~~ lender who fails to
meet the

17. Page 24, Line 711
Senate Committee Amendments
2-20-2004:

711 (B) on or after January 1, § ~~[2005]~~ 2006 § , the principal ~~[[lending manager]]~~ lender of the
entity; or

18. Page 25, Line 761
a. Senate Committee Amendments
b. 2-20-2004:

761 **61-2c-206.** ~~[[Lending manager]]~~ Principal lender licenses.

19. Page 26, Line 770:

770 principal ~~[[lending manager]]~~ lender under this chapter, an individual shall, in addition to meeting
the

20. Page 26, Line 776

Senate Committee Amendments

2-20-2004:

776 (d) submit proof of having successfully completed the principal ~~[[lending manager]]~~ lender

21. *Page 26, Line 783*

a.Senate Committee Amendments

b.2-20-2004:

783 may qualify as a principal ~~[[lending manager]]~~ lender without:

22. *Page 26, Line 785*

a.Senate Committee Amendments

b.2-20-2004:

785 (ii) completing the portions of the principal ~~[[lending manager]]~~ lender examination described
in

23. *Page 26, Line 789*

a.Senate Committee Amendments

b.2-20-2004:

789 (b) An individual may qualify as a principal ~~[[lending manager]]~~ lender pursuant to
Subsection

24. *Page 27, Line 805*

a.Senate Committee Amendments

b.2-20-2004:

805 ~~—(5) (3) §~~ A principal ~~[[lending manager]]~~ lender may not engage in the business of residential

25. *Page 28, Line 833*

a.Senate Committee Amendments

b.2-20-2004:

833 (b) On or after January 1, § [2005] 2006 § , if the license of a principal ~~[[lending~~
~~manager]]~~ lender is

26. *Page 28, Line 835*

a.Senate Committee Amendments

b.2-20-2004:

835 ~~[[lending manager]]~~ lender shall automatically convert to inactive status.

27. Page 28, Line 846

a. Senate Committee Amendments

b.2-20-2004:

846 the principal ~~[[lending manager]]~~ lender with whom the mortgage officer will be actively licensed on
the

28. Page 28, Lines 854 through 855

a. Senate Committee Amendments

b.2-20-2004:

854 disability, or departure of its principal ~~[[lending manager]]~~ lender shall submit the forms required by
the

855 division to affiliate the license of another principal ~~[[lending manager]]~~ lender with the entity.

29. Page 30, Line 924

a. Senate Committee Amendments

b.2-20-2004:

924 (s) on or after January 1, § [2005] 2006 § , in the case of the principal ~~[[lending~~
~~manager-]]~~ lender of an

30. Page 31, Line 926:

926 mortgage officers who are licensed with the principal ~~[[lending manager]]~~ lender ; or

31. Page 31, Lines 938 through 940:

938 (3) A principal ~~[[lending manager]]~~ lender does not violate Subsection (1)(s) if:

939 (a) in contravention of the principal ~~[[lending manager's]]~~ lender's written policies and

940 instructions, an affiliated licensee of the principal ~~[[lending manager-]]~~ lender violates a provision of:

32. Page 31, Line 943:

943 (b) the principal ~~[[lending manager]]~~ lender established and followed reasonable procedures
to

33. Page 31, Lines 945 through 949:

945 (c) upon learning of a violation by an affiliated licensee, the principal ~~[[lending~~
~~manager-]]~~ lender

946 attempted to prevent or mitigate the damage;

947 (d) the principal ~~[[lending manager]]~~ lender did not participate in or ratify the violation by an
948 affiliated licensee; and
949 (e) the principal ~~[[lending manager]]~~ lender did not attempt to avoid learning of the violation.

34. Page 37, Line 1129

a. Senate Committee Amendments

b.2-20-2004:

1129 mortgage loans unless the action is brought against the principal ~~[[lending manager]]~~ lender with
whom

35. Page 37, Lines 1135 through 1138

a. Senate Committee Amendments

b.2-20-2004:

1135 (ii) the principal ~~[[lending manager]]~~ lender of an entity on behalf of the entity.

1136 (4) On or after January 1, § ~~2005~~ 2006 § , a principal ~~[[lending manager]]~~ lender who
transacts the

1136a business

1137 of residential mortgage loans on the principal ~~[[lending manager's]]~~ lender's own behalf may sue in
the

1138 principal ~~[[lending manager's]]~~ lender's own name for the recovery of a fee, commission, or
compensation