



ADMINISTRATIVE RULES OF MONTANA



2.59.1701 DEFINITIONS

For purposes of the Montana Mortgage Act and this subchapter, the following definitions apply:

- (1) "Breach of trust" means:
 - (a) a wrongful act, use, misappropriation, or omission with respect to any property or fund that has been committed to a person in a fiduciary or official capacity; or
 - (b) the misuse of a person's official or fiduciary position to engage in a wrongful act, use, misappropriation, or omission.
- (2) "Dishonesty" means:
 - (a) to cheat or defraud directly or indirectly;
 - (b) to cheat or defraud for monetary gain or its equivalent; or
 - (c) to wrongfully take property belonging to another in violation of any criminal statute.
 - (d) Dishonesty includes acts involving want of integrity, lack of probity, or a disposition to distort, cheat, or act deceitfully or fraudulently, and may include crimes which federal, state, or local laws define as dishonest.
- (3) "Employing" means the entity for whom the individual works is liable for withholding payroll taxes pursuant to Title 26 of the United States Code.
- (4) "Extant" means currently or actually existing; still existing; not destroyed or lost.
- (5) "Initiation of an investigation" means any administrative, civil, or criminal proceeding initiated by a state, municipal or federal governmental entity, the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Agency and such proceeding is evidenced by a written formal complaint or charge filed by the investigating agency.
- (6) "Material change" means:
 - (a) a change in the board of directors or the principal officers;
 - (b) the acquisition or disposition of another company; or
 - (c) any change which would have authorized the department not to issue a license, if it had occurred before licensure.
- (7) "Personal information" means: an individual's name, signature, address, or telephone number, in combination with one or more additional pieces of information about the individual, consisting of

the individual's passport number, driver's license, or state identification number, insurance policy number, bank account number, credit card number, debit card number, password, or personal identification number required to obtain access to the individual's finances. A social security number, in and of itself, constitutes personal information.

- (8) "Restitution" may include, but is not limited to, refunds of any or all the fees paid directly or indirectly by the borrower.
- (9) "Safeguard" means to prevent unauthorized access, use, disclosure, or dissemination.
- (10) "Termination" means separation from employment for any reason. The term includes the circumstance of a loan originator when the employing entity's Montana license is suspended, revoked, or surrendered even though the loan originator may continue to be employed by the entity in another capacity or in another state.
- (11) "Work in a related field" or "in a related field" means three years of experience as a:
 - (a) mortgage broker or a branch office manager of a mortgage broker business;
 - (b) mortgage banker, responsible individual, or branch manager of a mortgage banking business;
 - (c) mortgage loan officer;
 - (d) branch manager of a mortgage broker or lender;
 - (e) mortgage loan originator; or
 - (f) state or federal regulator who examines compliance of residential mortgages of state or federally chartered financial institutions.

Authorizing statute(s): 32-9-109, 32-9-121, 32-9-130, MCA

Implementing statute(s): 32-9-109, 32-9-116, 32-9-120, 32-9-121, 32-9-122, 32-9-123, 32-9-133, 32-9-166, MCA

History: NEW, 2004 MAR p. 1133, Eff. 5/7/04; AMD, 2005 MAR p. 320, Eff. 2/25/05; AMD, 2008 MAR p. 2034, Eff. 9/26/08; AMD, 2010 MAR p. 307, Eff. 2/12/10; AMD, 2010 MAR p. 1480, Eff. 6/25/10; AMD, 2012 MAR p. 1762, Eff. 9/7/12; AMD, 2013 p. 2417, Eff. 12/27/13; AMD, 2018 MAR p. 822, Eff. 4/28/18; AMD, 2022 MAR p. 228, Eff. 2/12/22.