



ADMINISTRATIVE RULES OF MONTANA



24.210.427 TRUST ACCOUNTS

- (1) Brokers who receive any monies on behalf of other persons must deposit the funds in a trust account per 37-1-319, MCA, and maintain the account according to this rule. If funds are delivered to a third party, the broker must obtain and retain documentation of receipt by the third party.
- (2) Trust accounts must be:
 - (a) liquid;
 - (b) readily accessible;
 - (c) insured in Montana financial institutions;
 - (d) identified as trust accounts; and
 - (e) reconciled each month having activity.
- (3) Trust funds cannot be:
 - (a) maintained in sweep accounts; or
 - (b) invested in certificates of deposit, repurchase agreements, or any other method that places funds at risk.
- (4) Brokers:
 - (a) may separately maintain multiple trust accounts;
 - (b) are responsible for all funds in and maintenance of their trust accounts;
 - (c) may delegate authority for trust account maintenance to another licensed broker. Both brokers are responsible for failure to comply with trust account requirements; and
 - (d) must deposit monies belonging to others into a trust account within three business days, unless otherwise agreed to by the parties.
- (5) Trust funds may be maintained in interest-bearing accounts with interest payable to the broker or any other person. Interest payable to a broker must be identified as consideration for services performed and are personal funds unless otherwise designated.
- (6) Brokers may deposit and hold in a trust account up to \$1,000 of personal funds that include interest accrued to the broker.
 - (a) Personal funds may be distributed for trust account bank charges, related trust account maintenance expenses, and when due and payable to the broker.
 - (b) Money due the broker must be withdrawn within ten business days once due and payable.

- (7) Brokers must maintain complete and chronological records of all trust account funds received and disbursed including personal funds. Each record must include a running balance and clearly identify for all transactions:
 - (a) dates;
 - (b) parties, payees, and sources of funds; and
 - (c) amounts received, disbursed, and deposited.
- (8) Trust account records must be maintained to facilitate auditing.
- (9) Trust funds must be retained in the trust account until the transaction is closed or terminated; however, trust funds may be disbursed to the closing agent in anticipation of closing upon written agreement of the buyers and sellers.
- (10) At a client's instruction, trust funds otherwise due and payable from a trust account may be retained in the trust account although there is no purchase, lease, or rental agreement in existence, or when the transaction has been terminated.
- (11) A broker is not entitled to any earnest money or other monies paid in connection with a real estate transaction as part or all of the commission or fee until the transaction has been closed or terminated. Division of forfeited earnest money between broker and seller must be pursuant to a written agreement.

Authorizing statute(s): 37-1-319, MCA

Implementing statute(s): 37-1-319, MCA

History: NEW, 2026 MAR, Notice No. 2025-349, Eff. 2/21/26.