



ADMINISTRATIVE RULES OF MONTANA



2.59.2043 PROHIBITED ACTS OR PRACTICES

- (1) A mutual association is prohibited from engaging in any of the following acts or practices:
 - (a) extending credit or altering the terms or conditions of an extension of credit conditioned upon the customer entering into a debt cancellation contract or debt suspension agreement with the mutual association. The prohibition is commonly referred to in the regulatory context as the anti-tying provision;
 - (b) engaging in any practice or using any advertisement that could mislead or otherwise cause a reasonable person to reach an erroneous belief with respect to information that must be disclosed under ARM 2.59.2042, including what is being offered, the cost, and/or the terms of the contract;
 - (c) offering debt cancellation contracts or debt suspension agreements that contain terms:
 - (i) giving the mutual association the right unilaterally to modify the contract unless:
 - (A) the modification is favorable to the customer and is made without additional charge to the customer; or
 - (B) the customer is notified of any proposed change and is provided a reasonable opportunity to cancel the contract without penalty before the change goes into effect; or
 - (ii) requiring an up-front, lump-sum single payment for the contract if the extension of credit to which the contract pertains is a residential mortgage loan.

Authorizing statute(s): 32-2-704, MCA

Implementing statute(s): 32-2-909, MCA

History: NEW, 2022 MAR p. 230, Eff. 2/12/22.