

RULES AND REGULATIONS OF THE COMMISSIONER

CHAPTER 1 – GENERAL MATTERS AND DEFINITIONS

Section 1. Authority.

(a) Generally, these Rules and Regulations (herein after referred to as the “Rules”) are promulgated pursuant to W.S. 16-3-102(a)(i). Some Chapters are also promulgated pursuant to other, more specific statutory authority, as specified in such Chapter.

(b) This Chapter provides for matters that apply generally to residential mortgage loans and supplies general information that is basic and common to the balance of these Rules.

Section 2. Definitions.

(a) When used in these Rules, Chapters 1 through 5, the following definitions apply:

(i) “Appeal period” means the period of twenty (20) days after the notice date.

(ii) “Cease and desist order” means an order that instructs the ordered person to cease and desist from proscribed activity.

(iii) “Commissioner” means the State Banking Commissioner of the state of Wyoming.

(iv) “Contested case” means any formal or investigative hearing before the Commissioner.

(v) "Division" means the Department of Audit, Division of Banking.

(vi) “Hearing” means a public hearing before the Commissioner on an application as provided in W.S. 40-23-107(d) or W.S. 40-23-126(c), or an appeal from the Commissioner’s notice of intent.

(vii) “Hearing date” means the date set by the hearing officer for the hearing. The hearing date shall be no less than ten (10) days and no more than ninety (90) days from the date the appeal is filed with the Commissioner. Upon agreement of the parties and the hearing officer, the hearing date may be extended past ninety (90) days from the date the appeal is filed.

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(viii) “Hearing notice” means the notice of the hearing given by the hearing officer to the respondent.

(ix) “Hearing officer” means the any person appointed by the Commissioner to preside over a contested case.

(x) “Notice date” means the date on which the ordered person is served with a notice of intent, which shall conclusively be the date shown on the return receipt or other reliable report of service.

(xi) “Notice of intent” means the notice given by the Commissioner that he intends to issue a final order.

(xii) “Order” means a cease and desist order, consent order, penalty order, order to show cause, adjustment order, or any other order issued by the Commissioner.

(xiii) “Ordered person” means a person who or which is the subject of an order and upon whom or which the order is to operate directly.

(xiv) “Penalty order” means an order, or such portion of an order, that imposes a civil monetary penalty.

(xv) “Person” means an individual, sole proprietorship, partnerships, corporation, limited liability company or other entity, public or private.

(xvi) “Proscribed activity” means, as determined by the Commissioner, any action or inaction that violates the Wyoming Residential Mortgage Practices Act.

(xvii) “Residential mortgage loan” means a first mortgage loan made primarily for personal, family or household use and primarily secured by a security interest on residential real property in Wyoming upon which is constructed or intended to be constructed a dwelling.

(xviii) “Respondent” means the person whose legal rights, duties, privileges, or conduct are the subject of a hearing before the Commissioner.

Section 3. Filing.

(a) All papers, records and all other property of the division shall be maintained and filed in the office of the Commissioner.

(b) All communications shall be made to the Commissioner and the records of such communications kept in said office.

Section 4. Computation of Time.

Unless otherwise stated, in computing any time period prescribed by these Rules, the day of the act or event from which the time period begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, a Sunday, or a legal holiday. When the period is less than eleven (11) days, Saturdays, Sundays, and legal holidays shall be excluded in the computation.

Section 5. Rules of Construction.

(a) Unless the content clearly indicates otherwise, this Chapter applies to all Chapters.

(b) Unless the context clearly indicates otherwise, these Rules shall be construed as follows:

(i) Words and phrases shall be taken in their ordinary and usual use, but technical words and phrases having a peculiar and appropriate meaning in law or in the residential mortgage loan industry shall be understood according to their technical import.

(ii) Reference to “Wyoming Statutes” or the abbreviation “W.S.” means the Wyoming Statutes as published from time to time and, pending reduction to published form and subject to applicable effective dates, all supplements, additions and other modifications enacted by the Legislature of the State of Wyoming. Reference to a named act or rule shall be treated correspondingly.

(iii) Words in the present tense include the future tense;

(iv) Words in the plural form include the singular and words in the singular form include the plural;

(v) Words expressed using one gender include the other genders;

(vi) Use of the term “includes” or “including” means that the list of items is not exhaustive but instead is illustrative.

(vii) If any provision of the Act or these Rules or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Act or Rules which can be given effect without the invalid provision or application, and to this end the provisions are severable.

Section 6. Records.

If any book, log, journal, document, record or information relevant and necessary to the examination or investigation is kept or maintained electronically, the business examined or investigated shall provide such data or access to data in an electronic format when requested by the Commissioner.

RULES AND REGULATIONS OF THE COMMISSIONER

CHAPTER 2 – MORTGAGE LENDER/BROKER LICENSING FEES; SURETY BOND; PREPAYMENT PENALTY DISCLOSURE FORM

Section 1. Application/Licensing; Surety Bond.

(a) Each applicant for a mortgage lender/broker shall provide all of the information required on the license application form prescribed by the Commissioner, as applicable.

(b) An application to obtain a license mortgage lender/broker license pursuant to W.S. 40-23-107 shall be considered “filed” only after all information and appropriate processing fees required by the Commissioner have been received from the applicant by the Commissioner.

(c) An application for a license is a continuing obligation up until approval and issuing of the license applied for. If information in an application becomes inaccurate after filing, the applicant shall promptly notify the Commissioner.

(d) Pursuant to W.S. 40-23-110(a)(ii), effective January 1, 2010, an initial surety bond must be maintained by all licensees in the amount of twenty five thousand dollars (\$25,000.00) until the first renewal date after the initial license is obtained. When renewing a license each year, the bond amount shall be adjusted based upon the volume of business under the act transacted during the previous calendar year according to the following scale:

(i) If the total volume of Wyoming loans made or brokered under the act was equal to or less than three million dollars (\$3,000,000.00), the amount of the bond shall be twenty-five thousand dollars (\$25,000.00).

(ii) If the total volume of loans Wyoming made or brokered under the act was greater than three million dollars (\$3,000,000.00) but less than ten million dollars (\$10,000,000.00), the amount of the bond shall be fifty thousand dollars (\$50,000.00).

(iii) If the total volume of Wyoming loans made or brokered under the act was equal to or greater than ten million dollars (\$10,000,000.00) the amount of the bond shall be one hundred thousand dollars (\$100,000.00).

Section 2. Application Fee.

(a) Pursuant to W.S. 40-23-107(a), each filed application for one (1) or more licenses shall be accompanied by:

(i) A five hundred dollar (\$500.00) application fee for the home office location; and

(ii) An additional application fee of fifty dollars (\$50.00) for each additional location.

~~(b) Funds submitted pursuant to this Section shall be made payable to the Department of Audit.~~

Section 3. **Change in Control Fee.**

(a) An application filed as a result of a change in control pursuant to W.S. 40-23-108 shall be accompanied by:

(i) A five hundred dollar (\$500.00) application fee for the home office location; and

(ii) An additional application fee of fifty dollars (\$50.00) for each additional location.

~~(b) Funds submitted pursuant to this Section shall be made payable to the Department of Audit.~~

Section 4. **License Renewal Fee and Annual Report.**

(a) The annual report required pursuant to W.S. 40-23-109 shall be accompanied by:

(i) A five hundred dollar (\$500.00) renewal fee for the home office location; and

(ii) An additional renewal fee of fifty dollars (\$50.00) for each additional location.

~~(b) Funds submitted pursuant to this Section shall be made payable to the Department of Audit.~~

Section 5. **License Modification Fee.**

(a) Any modification required to a license pursuant to W.S. 40-23-107(g), shall be submitted with a fifty dollar (\$50.00) license modification fee.

~~(b) Funds submitted pursuant to this Section shall be made payable to the Department of Audit.~~

Section 6. **Prepayment Penalty Disclosure Form.**

If a prepayment penalty may be a condition of a residential mortgage loan offered to a borrower, a disclosure notice in substantially the following form must be provided to the borrower pursuant to W.S. 40-23-113(a)(ii) [and W.S. 40-23-115](#):

IMPORTANT PREPAYMENT PENALTY DISCLOSURE

The loan that you are applying for contains a PREPAYMENT PENALTY provision. If you pay off or refinance this loan before _____ (date) _____, you will be assessed a PREPAYMENT PENALTY calculated according the following formula:

(complete explanation of the prepayment penalty calculation)

Do not sign this document unless you fully understand and accept the prepayment penalty provision of this loan.

Applicant _____ Date _____

Applicant _____ Date _____

RULES AND REGULATIONS OF THE COMMISSIONER

CHAPTER 3 – LOAN ORIGINATOR LICENSING; FEES; INFORMATION CHALLENGE

Section 1. Application/Licensing.

(a) Each mortgage loan originator applicant shall provide all of the information required on the license application form prescribed by the Commissioner, as applicable.

(b) An application to obtain a mortgage loan originator license pursuant to W.S. 40-23-125 shall be considered “filed” only after all information and appropriate processing fees required have been received by the Commissioner.

(c) An application for a license is a continuing obligation up until approval and issuing of the license applied for. If information in an application becomes inaccurate after filing, the applicant shall promptly notify the Commissioner.

(d) A mortgage loan originator license is only active if the mortgage loan originator is sponsored by an exempt entity or a mortgage lender or mortgage broker licensed under the Wyoming Residential Mortgage Practices Act, and registered with the Nationwide Mortgage Licensing System. A mortgage loan originator can only be sponsored by and conduct business as a mortgage loan originator for only one company at any time.

Section 2. Application Fee.

Pursuant to W.S. 40-23-125(f), each application for a mortgage loan originator license shall be accompanied by a one hundred and fifty dollar (\$150.00) application fee.

Section 3. License Renewal Fee; Reinstatement; Continuing Education.

(a) Pursuant to W.S. 40-23-129(a)(iii), the mortgage loan originator license renewal fee shall be one hundred and fifty dollars (\$150.00).

(b) Pursuant to W.S. 40-23-129(b) and W.S. 40-23-130(h), if any licensed mortgage loan originator fails to satisfy the requirements for renewal of their license by December 1, that license shall expire on December 31. The mortgage loan originator shall have until March 1 of the year immediately following the year the license expired to satisfy all of the renewal requirements under W.S. 40-23-129(a)(i), (ii) and (iii) and reinstate the license. Business as a mortgage loan originator may not be conducted after December 31 until such time as all of the renewal requirements have been satisfied and the license has been reinstated to active status on the Nationwide Mortgage Licensing

System. Failure to complete all of the renewal requirements by March 1 will result in final expiration of the license.

Section 4. Information Challenge on Report to the Registry.

(a) Upon written request, an individual is entitled to a hearing to challenge any information relating to that individual entered onto the registry by the Commissioner if the individual has previously provided a written challenge to the Commissioner regarding such information and the Commissioner has provided a written response that the information being challenged will not be removed from the registry.

(b) Notwithstanding any provision under the Wyoming Administrative Procedure Act, a request for hearing shall not be made more than fifteen (15) days after the individual has received notification by certified mail that information being challenged will not be removed from the registry by the Commissioner and the supporting reasons for that decision.

(viii) “Hearing notice” means the notice of the hearing given by the hearing officer to the respondent.

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