

**RULES OF THE ARKANSAS SECURITIES COMMISSIONER UNDER THE FAIR MORTGAGE LENDING ACT, ARK. CODE ANN. § 23-39-501, ET SEQ.**

**RULE 5001 TITLE - RESERVED**

**RULE 5002 DEFINITIONS**

When the terms listed below are used in the Fair Mortgage Lending Act, any rules or forms promulgated under the Fair Mortgage Lending Act, or any order of the Commissioner under the Fair Mortgage Lending Act, the following definitions shall apply, unless a contrary definition is expressly provided or clearly required by the context, to the extent that they do not conflict with the definitions set forth in the Fair Mortgage Lending Act.

- (1) Act. The term "Act" as used in these Rules means the Fair Mortgage Lending Act, Ark. Code Ann. § 23-39-501 et seq., as the same may be codified and amended from time to time.
- (2) Continuing education program. The phrase "Continuing education program" means a classroom education program approved pursuant to Rule 5007 of these Rules.
- (3) Instructor. The term "Instructor" means an individual who is employed by a provider and who is responsible for teaching a continuing education program.
- (4) Provider. The term "Provider" means a business corporation or entity, professional organization, trade association, government entity, educational institution, or non-profit organization that offers approved continuing education programs under these Rules.

**RULE 5003 LICENSE REQUIRED – LICENSEE RECORDS - RESERVED**

**RULE 5004 RULEMAKING AUTHORITY - RESERVED**

**RULE 5005- QUALIFICATIONS FOR LICENSURE-ISSUANCE - RESERVED**

**RULE 5006 LICENSE RENEWAL-TERMINATION – RESERVED**

**RULE 5007-1 CONTINUING EDUCATION**

- (1) Beginning with the calendar year 2007, all loan officers that have held a loan officer license for a period, whether consecutive or not, of one hundred eighty (180) days or more, during the calendar year for which continuing education hours are required shall complete eight (8) hours of continuing education annually, at least one (1) hour of which shall be on mortgage industry ethics, by December 31; provided, however, that any continuing education approved by the Commissioner and completed during calendar year 2006 may be applied toward the 2007 requirement.

- (a) an hour of continuing education shall consist of course instruction of fifty (50) minutes;
- (b) if a licensee acquires in excess of eight (8) approved continuing education hours in one calendar year, the excess credit may be carried forward and applied to the continuing education requirement for the next calendar year only up to a maximum of eight (8) hours.

(2) A licensee shall receive credit for participation in a program if it is presented by a provider approved by the Commissioner and the Commissioner has approved the program pursuant to this Rule. The Commissioner shall make available to the public a current listing of approved providers and programs.

(3) Any provider desiring to conduct a continuing education program for which credit is to be awarded shall do the following:

- (a) at least forty-five (45) days prior to the first date of the program, request that the Commissioner approve the provider's qualifications and approve each program to be offered.
- (b) submit an application which includes the following information:
  - (i) the name and address of the provider;
  - (ii) the date(s) and location(s) at which the program is to be offered;
  - (iii) the qualifications and experience of the provider's principal officers, staff, and instructor(s);
  - (iv) the costs of all programs for which approval is sought; and
  - (v) a description of each program for which approval is sought, and if requested by the Staff, a copy of all course materials to be provided in connection with the program.

(4) A prospective provider may be approved if the Commissioner determines that its general business experience, knowledge of, and reputation and experience in the mortgage lending and brokerage industries, experience in the provision of professional educational presentations and the quality of such presentations, when taken together, warrant a belief that its continuing education programs will enhance the professional knowledge or development of individuals participating in the program.

(5) Continuing education programs for loan officers must provide basic, fundamental information and also enhance the existing professional competence of the target group of licensees by providing updated information or more detailed or narrowly focused information.

(6) The Commissioner's approval of any provider or program shall expire on December 31 of each year.

(7) Upon written request and receipt of an extension fee of fifty dollars (\$50.00), the Commissioner may allow an extension of up to one hundred eighty (180) days beyond December 31 in order to allow a loan officer to obtain continuing education hours and meet the requirements of this rule.

(8) The Commissioner may deny or revoke approval of any provider or any individual program upon a finding that the provider has refused or failed to comply with any applicable provision of these Rules or of any condition imposed by the Commissioner, or has refused or failed to submit in a timely manner information or properly completed forms prescribed by the Commissioner.

(9) The Commissioner may, for good cause shown, waive or modify, in part or in whole, any of the requirements set forth above.

## **RULE 5007-2 REQUIREMENTS FOR PROVIDERS**

(1) A provider shall designate one person as its contact person who shall be available to the Commissioner during ordinary business hours and shall be knowledgeable and have authority to act with regard to all administrative matters concerning instructors, scheduling, advertising, recordkeeping, and supervising all programs offered by the provider.

(2) Providers shall take reasonable steps to ensure that each loan officer attending a continuing education program offered by the provider is actually present for the number of hours claimed by the loan officer.

(3) Within thirty (30) days following the conclusion of the program, the provider will furnish to the Commissioner in a form acceptable to the Commissioner a listing of each loan officer attending the program and the number of continuing education hours to which each loan officer is entitled. Such listing shall include information sufficient to allow the loan officers to be identified, and shall be certified by the provider to be accurate to the best of the provider's knowledge and belief.

(4) Providers shall retain the following material from each program on file for a minimum of three years: class schedules; advertisements; bulletins, catalogues, and other publications distributed to attendees; a list of attendees' names with information sufficient to allow each attendee to be identified; and the name of the instructor. All files shall be made available to the Commissioner upon request.

(5) A provider shall not use any words, symbols or other means to indicate that either the provider or a program has received the Commissioner's approval unless such approval has been issued and remains in effect.

## **RULE 5008 MANAGING PRINCIPALS AND BRANCH MANAGERS - RESERVED**

## **RULE 5009 OFFICES-ADDRESS CHANGES-LOCATION OF RECORDS – RESERVED**

## **RULE 5010 LICENSEE DUTIES – RESERVED**

**RULE 5011 RECORDS-ESCROW FUNDS OR TRUST ACCOUNTS –  
RESERVED**

**RULE 5012 PUBLIC INSPECTION OF RECORDS-EXCEPTIONS - RESERVED**

**RULE 5013 PROHIBITED ACTIVITIES - RESERVED**

**RULE 5014 DISCIPLINARY AUTHORITY - RESERVED**

**RULE 5015 REVIEW OF ORDER OF THE COMMISSIONER - RESERVED**