

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

FINANCIAL INSTITUTIONS BUREAU

SECONDARY MORTGAGE LICENSEES

(By authority conferred on the commissioner of the financial institutions bureau by sections 19, 23, and 28 of Act No. 125 of the Public Acts of 1981, being SS493.69, 493.73, and 493.78 of the Michigan Compiled Laws)

R 493.101 Definitions.

Rule 1. (1) As used in these rules, "act" means Act No. 125 of the Public Acts of 1981, being §493.51 et seq. of the Michigan Compiled Laws.

(2) Terms defined in the act have the same meanings when used in these rules.

History: 1982 AACS; 1998-2000 AACS.

R 493.102 Rescinded.

History: 1982 AACS; 1998-2000 AACS.

R 493.110 Rescinded.

History: 1982 AACS; 1998-2000 AACS.

R 493.111 Records; daily transactions; borrowers; foreclosure loan accounts; location of records.

Rule 11. (1) A licensee or registrant shall maintain a record of all transactions covered by the act involving receipt or disbursement of money by the licensee or registrant each day. The record shall identify each transaction and show all of the following:

- (a) All payments received, shown separately.
- (b) Account numbers.
- (c) Names of borrowers.

(d) Amounts disbursed. A licensee or registrant shall post and balance the record daily.

(2) A servicer shall maintain a record for each borrower. The record shall contain all of the following information:

(a) Borrower's name and address.

(b) Loan number.

(c) Loan amount.

(d) The date any adjustment is made to the contract rate and the adjusted rate.

(e) Loan date.

(f) Contract rate.

(g) Repayment terms.

(h) Address of security.

(i) Any amount received or withheld from the borrowers as a premium for insurance in connection with the loan and the term covered by the insurance policy.

(j) The dates and amounts of all principal payments received, interest charges received, and cash disbursements pertaining to the loan, including court costs.

(k) The date to which interest charges are paid and the unpaid principal balance.

(l) Description and amount of fees collected from the borrower.

(3) A licensee or registrant shall maintain a list of all foreclosure loan accounts.

(4) A licensee or registrant shall store and make available, at the address appearing on the licensee's or registrant's license or registration certificate, all records maintained on transactions covered by the act. A

licensee or registrant may store records at a site other than the address appearing on the licensee's or registrant's license or registration certificate if the licensee or registrant provides the commissioner with a notice of the site's address indicating which records are stored at the site's address.

History: 1982 AACS; 1998-2000 AACS.

R 493.112 Records; errors.

Rule 12. A licensee or registrant shall maintain a list of all loan records maintained under R 493.111 in which errors were made. A licensee or registrant shall provide, if requested for examination purposes, the date, nature, and amount of an error and its correcting entry.

History: 1982 AACS; 1998-2000 AACS.

R 493.113 Correspondence; retention by licensed office.

Rule 13. A licensee or registrant shall retain all written correspondence between the bureau and the licensee or registrant for a period of not less than 2 years.

History: 1982 AACS; 1998-2000 AACS.

R 493.114 Rescinded.

History: 1982 AACS; 1998-2000 AACS.

R 493.120 Rescinded.

History: 1982 AACS; 1998-2000 AACS.