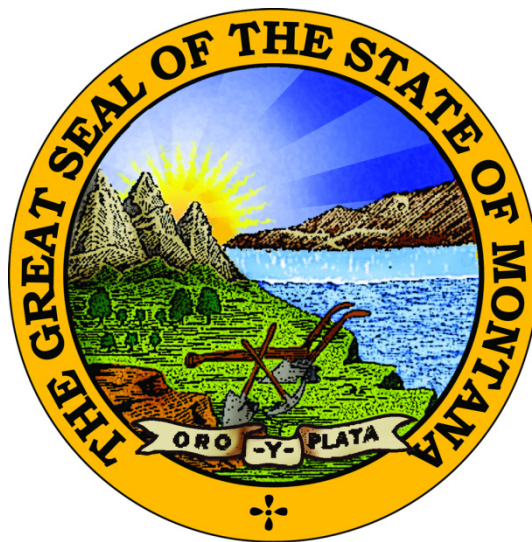


STATE OF MONTANA
DEPARTMENT OF ADMINISTRATION
DIVISION OF BANKING AND FINANCIAL INSTITUTIONS
ADMINISTRATIVE RULES RELATING TO
ESCROW



ISSUED BY:

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DEPARTMENT OF ADMINISTRATION

CHAPTER 59

BANKING

SUBCHAPTER 7

ESCROW BUSINESSES

Rule	2.59.701	Application Procedure for Authorization to Engage in the Escrow Business
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SUBCHAPTER 7
ESCROW BUSINESS

2.59.701 APPLICATION PROCEDURE FOR AUTHORIZATION TO ENGAGE IN THE ESCROW BUSINESS

(1) Pursuant to and in compliance with Title 32, chapter 7, MCA, "The Regulation of Escrow Business Act," all existing or proposed escrow businesses, as defined by the act, shall file with the department of administration applications for licenses to engage in the escrow business.

(2) Said applications must be in writing, verified by oath, and in the form prescribed by the director. Application forms may be obtained from the Commissioner of Banking and Financial Institutions, Department of Administration, 301 South Park, Suite 316, P.O. Box 200546, Helena, MT 59620-0546.

(3) In addition to statutory qualifications, officers and managers of proposed escrow businesses must demonstrate through past record and present status as purveyors of escrow services and as business persons and citizens, that they are likely to operate their proposed escrow businesses in compliance with all applicable laws of the state and local governments.

(4) The director, the commissioner of banking and financial institutions, and examining personnel of the banking and financial institutions division may gather all available information relative to applications and conduct such investigations as they may determine are warranted to verify the qualifications of the applicant.

(5) An application fee of \$350 shall be paid to the state of Montana at the time of application, and thereafter shall not be refundable either in whole or in part.

History: Sec. [32-7-108](#), MCA; **IMP**, Sec. [32-7-109](#), MCA; **NEW**, 1990 MAR p. 929, Eff. 5/18/90; **TRANS**, from Commerce, 2001 MAR p. 1181.

2.59.702 CHANGE OF OWNERSHIP IN ESCROW BUSINESS

(1) In the event of a change of ownership of an escrow business, the buyer(s) shall file with the department of administration, a new application for a license. For the purpose of this rule, a change in ownership will be deemed to occur when a 25% or more partnership interest of 25% or more of the outstanding voting stock in a corporation is transferred to a new owner.

History: Sec. [32-7-108](#), MCA; **IMP**, Sec. [32-7-111](#), MCA; **NEW**, 1990 MAR p. 929, Eff. 5/18/90; **TRANS**, from Commerce, 2001 MAR p. 1178.

2.59.703 EXAMINATION OF ESCROW BUSINESS

(1) Examinations of escrow businesses may be conducted by the department of administration, division banking and financial institutions, when requested by the licensee or when, in the judgment of the director, they are necessary. Licensees shall be charged for examinations at a rate equal to the department's actual costs for examiner wages and travel expenses. Examination fees shall be paid to the state of Montana within 10 days of completion of the examination. Failure to pay the examination fee will result in an order from the director that licensee cease and desist from doing business as an escrow business

until the examination fee is paid. If necessary, the director may apply to the district court of the first judicial district court of Lewis and Clark County to enforce compliance.

History: Sec. [32-7-108](#), MCA; **IMP**, Sec. [32-7-108](#), [32-7-122](#), MCA; **NEW**, 1990 MAR p. 929, Eff. 5/18/90; **TRANS**, from Commerce, 2001 MAR p. 1178.

2.59.704 ESCROW BUSINESS BONDING

(1) An applicant for an escrow business license shall file with the division of banking and financial institutions a bond in the amount of \$100,000 along with the application for licensure.

History: Sec. [32-7-108](#), MCA; **IMP**, Sec. [32-7-109](#), MCA; **NEW**, 2004 MAR p. 2276, Eff. 8/20/04.