

**AMENDMENTS TO 209 CMR 42.00:
THE LICENSING OF MORTGAGE LENDERS AND MORTGAGE BROKERS
EFFECTIVE OCTOBER 1, 2002**

209 CMR 42.00 is hereby amended by striking out Section 42.12A and inserting in place thereof, the following:-

42.12A: Prohibited Acts and Practices

(1) It is a prohibited act or practice for a Licensee to make or broker a high cost mortgage loan subject to 209 CMR 32.32, which has rates, fees, terms, or features that violate:

- (a) the disclosure requirements of 209 CMR 32.32(3);
- (b) the loan limitations set forth in 209 CMR 32.32(4);
- (c) the prohibited acts and practices provisions of 209 CMR 32.34(1); or
- (d) the unfair high cost loan practices provisions of 209 CMR 32.34(2).

(2) It is a prohibited act or practice for a person licensed as a mortgage lender to purchase or to make a high cost loan originated by a mortgage broker that violates the provisions of 209 CMR 32.32, 209 CMR 32.34, or 209 CMR 42.12A(1).

(3) A violation of 209 CMR 42.12A(1) or 209 CMR 42.12A(2) shall constitute grounds for the issuance of a cease and desist order under M.G.L. c. 255E, s. 7 and shall constitute grounds for license suspension or revocation under M.G.L. c. 255E, s. 7.