

THE SECONDARY MORTGAGE LOAN ACT (EXCERPT)
Act 125 of 1981

493.62 Contracts or commitments made prior to suspension or revocation.

Sec. 12. (1) This act does not prevent a person whose license or registration has been suspended or revoked from continuing to service secondary mortgage loans under servicing contracts in existence at the time of the suspension for a period not to exceed 6 months after the date of the entry of the final decision in the contested case suspending or revoking the license or registration.

(2) In the event of a summary suspension or revocation, the commissioner shall have discretion to order the licensee or registrant to cease all activities including the servicing of secondary mortgage loans and the closing of secondary mortgage loans under any commitments to make secondary mortgage loans issued by a person prior to the suspension or revocation.

(3) For an administrative action other than a summary suspension or revocation, this act does not prevent a person whose license or registration has been suspended or revoked from making a secondary mortgage loan under a commitment to make a secondary mortgage loan issued by the person prior to the suspension or revocation. A person who received a commitment issued by a person whose license or registration has been suspended or revoked may, prior to closing the loan, terminate the commitment and receive a refund of all money paid to the person.

History: 1981, Act 125, Imd. Eff. July 23, 1981;—Am. 1997, Act 91, Imd. Eff. Aug. 1, 1997.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.

Popular name: Secondary Mortgage Loan Act