

**South Carolina State Board of Financial Institutions (SC-BFI)
South Carolina Department of Consumer Affairs (SC-DCA)
Pre-Licensure Education (PE) Notice**

Purpose

The purpose of this notice is to inform NMLS approved course providers of the required topics to be covered in the 3-hour state specific pre-licensure education (PE) requirement which must be met as a condition for obtaining a mortgage loan originator (MLO) license with the South Carolina State Board of Financial Institutions and the South Carolina Department of Consumer Affairs.

PE requirements are as follows:

- 3 hours of Federal law;
- 3 hours of Ethics;
- 2 hours of non-traditional mortgage lending;
- 9 hours of general electives;
- 3 hours of South Carolina state-specific defined electives

Total PE: 20 Hours

SC-BFI and SC-DCA have established the following required learning objectives and topics list for the 3 hours of state-specific PE:

- Understand the mission of SC-BFI and SC-DCA and be familiar with different business entities and license types each oversees.
- Know when to provide the attorney insurance preference form to consumers and ascertain the consumer's preference as required by S.C. Code Ann. § 37-10-102
- Know where NMLS ID numbers are required on documentation as required by S.C. Code Ann. § 37-22-110, et seq. and S.C. Code Ann. § 40-58-10, et seq.
- Understand how to comply with required provisions of section S.C. Code Ann. § 37-22-140(K) when licensed mortgage lenders act as a mortgage broker.
- Explain how to disclose fees properly on mortgage broker fee agreement and the timeline in which the mortgage broker fee agreement must be provided (S.C. Code Ann. § 40-58-75).
- Understand the consequences associated with failure to properly sign application forms
- Articulate the requirements associated with the disclosure that identifies the agency designated to receive complaints or inquiries from the consumer (S.C. Code Ann. § 37-23-70).
- Describe how state law is different from federal law regarding prohibited activities and mortgage broker fee agreement (S.C. Code Ann. § 40-58-70, 75 & 78; S.C. Code Ann. § 37-22-190).

- Understand the mortgage log requirement (S.C. Code Ann. § 37-22-210; S.C. Code Ann. § 40-58-65).

Required Topics:

- General Provisions of the Department’s and the Board’s Structure and Supervision
- Licensing and Operation of Mortgage Brokers
- Licensing and Operation of Mortgage Lenders
- Examinations
- Surety Bond Requirements
- Escrow Accounts
- Disclosures and Advertising
- Enforcement
- Disciplinary Actions
- Prohibited Acts; Penalties

References:

All information is from the SC Code of Laws which can be viewed at:

<http://www.scstatehouse.gov/code/statmast.php>

- SC Code Title 1, Chapter 23
- SC Consumer Protection Code, Title 37
Chapter 3 requires all disclosures be in compliance with TILA
Chapter 5
Chapter 6
Chapter 10
Chapter 22
Chapter 23
- SC Code Title 40
Chapter 5
Chapter 58
- Regulation 15-64 – Article 4 - Mortgage Lending Act Regulations

ALERT: Each SC course is approved to report credits towards the license requirement for SC-BFI. If the a student needs credit to satisfy the license requirement for SC-DCA, submit a request to [NMLS Education Support](#) for SC-DCA credits to be reported; include the student’s full name, NMLS ID, course number, and offering ID.

NMLS Approving Authority

In accordance with the SAFE Act, NMLS is the approval authority for courses that are intended to satisfy the PE & CE requirement for an MLO to be licensed by a state-agency. Courses intending to satisfy these requirements must also meet NMLS course approval standards as detailed in the *Functional Specification for All NMLS Approved Courses*.

Legislative Updates

Course providers are responsible for keeping abreast of changes made to the applicable statutes, regulations and rules.