

# SRR settles SAFE MLO Test questions lawsuit

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Washington, DC – The Conference of State Bank Supervisors subsidiary that operates the Nationwide Multistate Licensing System (NMLS) settled a lawsuit against four defendants who were alleged to have misused and reproduced copyrighted questions from the national exam that state-licensed mortgage loan originators (MLO) must pass to obtain a license.

The lawsuit alleged that Colorado-based MTI, Don Exley, Carey Green and Billy Glenn “Bart” Bartholomew misused and reproduced the State Regulatory Registry’s (SRR) copyrighted SAFE MLO Test questions without authorization, causing damage to SRR and compromising the integrity of the SAFE MLO Test. State and federal law require all licensed MLOs pass the SAFE MLO Test.

**John Ducrest**, Louisiana Office of Financial Institutions commissioner and SRR Board chairman: “The integrity of the SAFE Act test is integral to ensuring that state-licensed mortgage loan originators understand the laws and regulations they operate under and to protecting consumers from bad actors.”

**Bill Matthews**, SRR president and CEO: “SRR takes the security of test questions and other aspects of SAFE MLO Test security very seriously. We will not hesitate to appropriately defend our copyrighted materials.”

The court ruled that SRR takes significant measures to ensure the confidentiality of test questions, including by storing questions in a secure database and implementing video and audio surveillance of test takers. Advance access to the test questions may give a test taker an unfair advantage on the exam. The judge’s ruling confirmed that SRR owned valid copyrights and that at least two of the defendants – MTI and Green – copied the protectable elements of SRR’s work.

SRR revoked MTI’s NMLS-approved course provider status and barred Don Exley from ever being associated with any NMLS-approved course provider. Mr. Bartholomew was also barred from associating with NMLS-approved course providers for five years. Carey Green’s access to NMLS is suspended indefinitely.

MTI, Exley and Bartholomew, who worked for MTI, admitted that MTI’s practice tests included questions that were substantially similar to actual test content. Green acknowledged that some of his SAFE MLO Test prep questions sold on his website infringed SRR’s copyrighted exam questions but denies knowing that the test questions belonged to SRR. All the parties have reached settlements on terms that were satisfactory to SRR.

*Clarification – The following actions were taken by SRR through its administrative proceedings:*

- *Revoked MTI's NMLS-approved course provider status*
- *Barred Don Exley from ever being associated with any NMLS-approved course provider*
- *Barred Billy Glenn "Bart" Bartholomew from associating with NMLS-approved course providers for five years*
- *Suspended Carey Green's access to NMLS*