

3 Hour NY SAFE: Requirements & Prohibitions

Course Syllabus

Course Overview

Welcome to the 3 Hour NY SAFE: Requirements & Prohibitions course. In this document, you will learn about the scope of the course, as well as administrative specifics, such as grading and certificates.

Course Purpose:

The 3 Hour NY SAFE: Requirements & Prohibitions course is designed to meet NMLS continuing education requirements.

Course Description:

The 3 Hour NY SAFE: Requirements & Prohibitions course meets SAFE Act continuing education requirements for licensed entities through review and analysis of New York licensing, mortgage origination, and prohibited acts and practices for mortgage loan originators, mortgage bankers, and mortgage brokers. Learners will be presented with several scenarios and a case study to demonstrate how these prohibitions may occur in the course of day-to-day business activities.

Course Objectives:

After the completing the course, you should be able to:

- Define who qualifies as a mortgage loan originator (MLO) under New York State Banking Law.
- Define MLO license requirements under New York state Banking Law.
- Describe the license renewal process and requirements for MLOs.
- List the different types of reports, books, and records that originating entities must maintain.
- Explain the requirements for interacting with third parties and penalties for influencing them.
- Identify the general restrictions of the New York State Banking Law.
- Identify the pre-application and disclosure requirements for MLOs and mortgage brokers.
- Identify the prohibited acts and practices for MLOs under Part 420.20 and 38.7 of the General Regulations of New York Banking Law.
- Describe the discrimination issues that have emerged in the mortgage lending industry.

Course Outline:

Introduction

Module 1 – MLO License Requirements (25 minutes)

- License Renewal
 - Surety Bond Coverage
 - Renewal Dates
 - Changes in Status
- Reports and Records
- Junior Liens
- Module summary and quiz

Module 2 – Licensee Requirements and Restrictions (15 minutes)

- Compliance with the NY Banking Law
- Title Insurance Companies
- Appraisers
- General Restrictions
- Fines and Penalties
- State Required Disclosures
 - Pre-Application Disclosures
 - Interest Rate Disclosure
 - Broker Disclosures
 - Application Requirements
 - Disclosures at the Time of Commitment
- Module summary and quiz

Module 3 – Department of Financial Services (20 minutes)

- Examinations
- Disciplinary Action
- Emergency Order
- Reinstatement of a License
- Enforcement
- Superintendent Report Requirements
- Penalties and Enforcement
- Module summary and quiz

Module 4 –MLO Prohibited Acts and Practices Part 1 (20 minutes)

- Prohibited Acts
- Cannot Conceal Loan Terms
- Display License
- Disclosure of Required Information
- Good Faith Efforts
- Disclosure of Costs and Loan Proceeds
- Right to Choose an Attorney
- Cannot Delay Satisfaction of a Mortgage
- Escrow Prohibitions
- Broker Choice Agreement
- Module summary and quiz

Module 5 –MLO Prohibited Acts and Practices Part 2 (15 minutes)

- Good Faith Deposit
- Employment Prohibitions
 - License Prohibitions
- Good Faith and Fair Dealing
- Cannot Remove Loan Files
- Number of Employer Prohibition
- Advertising Requirements and Restrictions
- Module summary and quiz

Module 6 –Federal and State Fair Lending Laws (35 minutes)

- A Fair Race?
- Equal Credit Opportunity Act
- New York Human Rights Law
 - What is not a violation?
 - Statements and Records
- Familial Status
- Types of Fair Lending Violations
 - Overt Discrimination
 - Disparate Treatment
 - Disparate Impact
- Advertising and Outreach
- Pre-Application Inquiries
- Loan Decision
- Load Administration
- Case Study
- Module summary and quiz

Final Assessment: 20 minutes

Required Course Materials:

All materials required for the course are contained within the learning management system or provided via links within the course. No other materials are required. This course does not have to be completed in one sitting, but it is recommended for your learning retention that each component of the course be completed in one sitting. If you begin the course and you are timed out due to six minutes of inactivity, you will be returned to the page where you left off. If you begin the course and choose to leave the course you may re-access the course at any time without starting from the beginning. When re-entering the course, you will be asked if you would like to continue where you left off, simply answer OK to continue through the material. You must have pop-ups enabled and toolbars disabled. You may review any course materials you have already completed by using the navigation tools located in the course, menus and course index page. You must have Adobe Reader to view the supplemental materials/handouts in the course.

Final Course Assessment

After completing the course materials, you will need to pass a multiple-choice assessment. You must receive a score of 70 percent or better to pass.

Instructor(s) Background:

This course does not have an instructor. This course was developed through content contributions from Diane Erbeznik.

Instructor Biographies:

Diane Erbeznik has more than 20 years of residential mortgage regulatory compliance experience, as well as secured and unsecured consumer lending. She has worked for top national lenders including Wells Fargo and First Union (The Money Store), regional banks including Bank of Hawaii and Washington Mutual, and is currently First Vice President/Regulatory Control Manager within Consumer Fair and Responsible Banking for a southeast regional bank. She received a Bachelor of Science degree in Business Management from the University of Phoenix. In addition, she

is an active member of the American Bankers Association and has earned the Certified Regulatory Compliance Manager (CRCM) professional certification. She is also an active member of the National Association of Legal Assistants and has earned the Certified Legal Assistant (CLA) professional certification.

Instructor contact information: Please feel free to contact our instructors at learning@elliemae.com

Course Administration

Rules of Conduct:

As an individual completing either pre-licensure education (PE) or continuing education (CE), I agree to abide by the following rules of conduct:

1. I attest that I am the person who I say I am and that all my course registration information is accurate.
2. I acknowledge that I will be required to show a current government issued form of identification prior to, and during the course, and/or be required to answer questions that are intended to verify/validate my identity prior to, and during the course.
3. I understand that the SAFE Act and state laws require me to spend a specific amount of time in specific subject areas. Accordingly, I will not attempt to circumvent the requirements of any NMLS approved course.
4. I will not divulge my login ID or password or other login credential(s) to another individual for any online course.
5. I will not seek or attempt to seek outside assistance to complete the course.
6. I will not give or attempt to give assistance to any person who is registered to take an NMLS-approved pre-licensure or continuing education course.
7. I will not engage in any conduct that creates a disturbance or interferes with the administration of the course or other students' learning.
8. I will not engage in any conduct that would be contrary to good character or reputation, or engage in any behavior that would cause the public to believe that I would not operate in the mortgage loan business lawfully, honestly or fairly.
9. I will not engage in any conduct that is dishonest, fraudulent, or would adversely impact the integrity of the course(s) I am completing and the conditions for which I am seeking licensure or renewal of licensure.

I understand that NMLS approved course providers are not authorized by NMLS to grant exceptions to these rules and that I alone am responsible for my conduct under these rules. I also understand that these rules are in addition to whatever applicable rules my course provider may have.

I understand that the course provider or others may report any alleged violations to NMLS and that NMLS may conduct an investigation into alleged violations and that it may report alleged violations to the state(s) in which I am seeking licensure or maintain licenses, or to other states.

I further understand that the results of any investigation into my alleged violation(s) may subject me to disciplinary actions by the state(s) or the State Regulatory Registry (SRR), including removal of any course from my NMLS record, and/or denial or revocation of my license(s).

Any violation of this standard could lead to automatic withdrawal from the course without credit or refund. The course should be taken in a quiet, distraction free area. NMLS has established a mandatory, automatic, log-out and after six minutes of inactivity, you will be logged out of the course. On logging back in, you will return to either the page where inactivity was detected or the start of the unit of instruction. Units of instruction are indicated in the Course Outline section of this syllabus.

Course Deadline:

Students have until December 31 in the year in which the course is purchased to complete the course. You may complete the course at any time during this period. However, course providers are afforded seven calendar days to credit the student's NMLS account following successful completion of the course. It is strongly advised that you complete the course at least one week prior to the December 31 deadline.

Grading Policy:

Successfully completing a module:

To receive CE credit with the NMLS for this course, students must successfully complete the following items:

- Review the syllabus
- Complete the course
- Final Assessment with a score of 70 percent or better – students are allowed two attempts
- Receive (download) the Certificate of Completion

Successfully completing a module:

This course is broken into modules. Each module contains activities such as scenarios, videos, review questions and a module quiz. Students must successfully complete these activities and pass the module quiz with a grade of 70 percent or better to complete that module.

Course Evaluation:

After you have completed the course and final assessment, please take a moment to complete the course evaluation. Your feedback will help us improve our courses and develop new offerings.

Technical Requirements/Support

Computer and internet requirements:

Students must have an Internet connection, for best performance, ethernet versus Wi-Fi is preferred. The following browsers are acceptable: Chrome, Edge, Internet Explorer (version 7 or later; but not IE9), Firefox, Safari, or Opera. You must have Adobe Reader to view the supplemental materials/handouts in the course. Make sure you disable toolbars in your browser and enable popups.

If you can't find what you are looking for, contact our support staff at (800)848-4904 Monday–Friday 8 a.m.– 5 p.m. Central Time.

Help and Contact Information:

Please feel free to contact our industry experts by emailing learning@elliemae.com. Please include the course title and related page in your communication.

Continued Learning:

After completing this course, you may be interested in other courses to enhance your knowledge. Visit <http://elliemae.com/education/continuing-education> for a list of all course offerings. In addition to self-paced online courses, AllRegs by Ellie Mae offers instructor-led onsite, classroom courses, instructor-led virtual classroom courses, single session webinars on key issues impacting the mortgage industry, and may be able to meet your customized training needs.