

2 Hour WV SAFE: Requirements and Prohibitions

Course Syllabus

Course Overview

Welcome to the 2 Hour WV SAFE: Requirements and 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 2 Hour WV SAFE: Requirements and Prohibitions course is designed to meet NMLS continuing education requirements.

Course Description:

The 2 Hour WV SAFE: Requirements and Prohibitions course meets SAFE Act continuing education requirements for licensed entities through review and analysis of state requirements, limitations, and restriction for residential mortgage loan transactions.

Course Objectives:

Upon completion of this course, you should be able to:

- Name the regulator responsible for administering the West Virginia SAFE Mortgage Licensing Act (MLA) and list the penalties for violations of the Act
- Recognize West Virginia State requirements for residential mortgage loans
- Explain the loan-to-value limitation of 100%, unless program is specifically exempted by statute
- Describe the Tangible Net Benefit requirements and demonstrate proper completion of the WV statutorily required form
- Examine the determination of ability to repay (or exemption from the requirement). If debt-to-income ratio exceeds 50%, a written assessment containing certain information must be signed by the lender or lender's representative and the borrower
- Describe the requirements regarding the Good Funds Settlement Act
- Discuss the explanation and documentation required if a non-local appraiser (greater than 75 miles) is used.
- Discuss the records that must be maintained per 106CSR5 of the Legislative Rules
- Explain that no instrument evidencing or securing a primary or subordinate loan may contain a requirement that the final installment be greater than any other installment (balloon)
- Recite fee limitations
- Know that no application fees may be collected. Explain that third party pass through fees may be collected for the actual amount of the service provided
- Know the late payment penalty maximum charge of \$30.00 and describe the requirement that this be disclosed correctly on all loan disclosure
- Explain the restriction on use of the term "banker"
- List the state requirements for a mortgage advertisement
- Determine when advertising content is fair and reasonable
- Illustrate the requirement that an MLOs NMLS unique identifier is displayed on all advertising, including social media

Course Outline:

Introduction

Module 1: Division of Financial Institutions (DFI) (15 minutes)

- Module Objective
- Purpose of State Mortgage Licensing
- Administration of Mortgage Activities
 - Agency Website
 - DFI Responsibilities
- License Requirements
 - License Required
 - CE Requirements
 - Providing Accurate Information
- DFI Authority
 - Licensing and Examination
 - Violations and Penalties
- Module summary and quiz

Module 2: State Requirements for Residential Mortgage Loans (25 minutes)

- Module Objectives
- Laws and Regulations
- Truthful Accounting
- Hazard Insurance
- Maximum Loan-to-Value
- Prepayment Penalties
 - Prepayment Penalties
 - Rebate of Unearned Finance Charges
- Ability to Repay
- Refinance Mortgage Loans
- Tangible Net Benefit Test
- Subordinate Loan Rates
- Disclosures
 - Plain Language Requirements
 - Required Disclosures
 - Adverse Action Notices
- Good Funds
- Recordkeeping
 - Timeframes
 - Availability of Records
- Module summary and quiz

Module 3: State Conditions and Limitations of Certain Mortgage Transactions (30 minutes)

- Module Objectives
- Loan Prohibitions
 - Restricted Loan Provisions
 - Repayment Limitations
 - Security Interest Limitations
- Fees
 - All Fees Must be Disclosed

- No Close, No Commission
 - Fee Limitations
 - Third-Party Fees
 - Application Fees
 - Knowledge Check
 - Late Fees
- Use of the Term Banker
- Fraud
 - Deception
 - What is Fraud?
 - Pressure on Third Parties
- Appraisals
 - Appraisal Fraud
 - Appraisal Influence
 - Use of Non-Local Appraisers
- Module summary and quiz

Module 4: Advertising (20 minutes)

- Module Objectives
- Advertisements vs. Promotional Materials
- Deceptive Advertising in the Mortgage Industry
- Advertisement Requirements
 - Implied Claims
 - Example of a Deceptive Ad
 - Use of Government Logos
- Social Media
 - Using Facebook for Advertising
 - Discriminatory Practices
- Bait and Switch
 - Availability of Terms
- Recordkeeping
- Module summary and quiz

Case Study: 10 minutes

Final Assessment: 10 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 first page of the unit of instruction within the module. 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% or better to pass.

Instructor(s) Background:

This course does not have an instructor. This course was developed through content contributions Valorie Kacherian.

Instructor Biographies:

Valorie Kacherian is an industry veteran and has been working in the consumer financial industry for over thirty years, primarily focused on state and federal regulatory compliance, both from an origination and mortgage loan servicing perspective. She has held senior management positions in mortgage loan originations, mortgage originations compliance and mortgage loan servicing compliance. Her extensive and varied experience brings a unique perspective and capability to all things related to consumer finance.

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. 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% or better – students are allowed two attempts
- Receive (download) the Certificate of Completion

Successfully completing a module:

This course is broken into three 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% 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 and a Flash Player version 6 or newer. The following browsers are acceptable: 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 8:00am – 5:00pm 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 slide number(s) 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.