

8-Hour SAFE Comprehensive: Compliance in Action 2019

Course Description and Purpose

This course satisfies the requirements set forth by the SAFE Act for a comprehensive 8-hour continuing education course for mortgage loan originators. *SAFE Comprehensive: Compliance in Action 2019* covers topics required by the SAFE Act: (3hrs) of federal law, (2hrs) of ethics (which shall include fraud, consumer protection, and fair lending issues), (2hrs) of nontraditional mortgage lending, plus (1hr) of undefined education (elective).

Course Provider

School Name: Tennessee Association of Mortgage Professionals
Address: PO Box 111, Spring Hill, TN 37174
Phone: 615-302-0809
Other contact information: Info@ TNAMP.com
Location: Tennessee locations
Date/Times: 2019 – various times and places in Tennessee

Course Instructor

Name: Kim Miller, Mike Simmons, Jim Tew and Brian Short
Qualifications: all are current and past industry licensed TNAMP instructors

Course Learning Objectives

After completing this course, you will be able to:

- Identify the regulations within the Truth in Lending Act, including disclosure requirements, APR regulations, and the consumer's right of rescission.
- Recognize the timing and tolerances of loan disclosures under RESPA and TRID.
- Describe important regulations highlighted within the Equal Credit Opportunity Act, the Home Mortgage Disclosure Act, the Home Ownership and Equity Protection Act, MARS Rule, and the Homeowners Protection Act.
- Describe the methods in which identity theft is committed and how it can be prevented in the mortgage industry, including protections offered from the FCRA, FACTA, GLBA, and the Red Flags Rules.
- Recognize the Bank Secrecy Act and Anti-Money Laundering Act prohibitions implemented to prevent money laundering in the financial industry.
- Identify key regulations within the National Do Not Call Registry, Mortgage Assistance Relief Services Rule, and MAP Rule.
- Identify key components, guidance, and mortgage standards issued within the Guidance on Nontraditional Mortgage Product Risks and Subprime Statement on Mortgage Lending.
- Define the characteristics, borrower requirements, benefits, and risks associated with certain types of nontraditional loan products.
- Describe the requirements and features of the programs replacing HARP, including eligibility and underwriting requirements.

Course Materials

The core instructional text for this course:

- *SAFE Comprehensive: Compliance in Action 2019*

Course Expectations

Attendance: Attendance is mandatory to receive course credit.

Classroom Policies:

- Active participation is required in this course. Students are expected to be actively engaged with the material, listen to and follow the directions of the facilitator (instructor), participate in group discussions and activities, and complete all student activities as assigned.
- Students are expected to be respectful when interacting with the instructor and other students in the classroom and refrain from inappropriate language or derogatory comments.
- Cell phones should be on mute or turned off.
- Tape recorders are not permitted during class lecture sessions.

Course Completion

Before your completion status can be transmitted to the Nationwide Mortgage Licensing System & Registry (NMLS), you are required to:

- Spend the minimum required amount of time in the course.
- Attend and participate in all course sessions.
- Complete all required activities.
- Multiple-choice chapter quizzes are included as additional activities with no passing score required.

Course Evaluation

At the conclusion of the course, you will be asked to complete a Course Evaluation.

Course Outline

Course Introduction

Estimated Time	5 minutes
Topics	<ul style="list-style-type: none">• Course Materials• Student Expectations

Chapter 1: Federal Mortgage-Related Laws

Estimated Time	145 minutes
Chapter Topics	<ul style="list-style-type: none">• Dodd-Frank Act<ul style="list-style-type: none">• Consumer Financial Protection Bureau• Qualified Mortgage Rule• The Federal Reserve MLO Compensation Rule<ul style="list-style-type: none">• Prohibited Practices• Additional Provisions• Steering and Safe Harbor• The SAFE Mortgage Licensing Act<ul style="list-style-type: none">• Enforcement Authorities of the CFPB• State Regulatory Authority Responsibilities• State System of Supervision and Enforcement• Model State Law• Prohibited Conduct and Practices• Truth in Lending Act<ul style="list-style-type: none">• Disclosures• The Loan Estimate• Annual Percentage Rate• Right of Rescission• TILA Provisions Related to Servicing• Fair Credit Reporting Act<ul style="list-style-type: none">• Consumer Rights: Copy of Consumer Credit File• Consumer Reporting Agency Obligations• Real Estate Settlement Procedures Act<ul style="list-style-type: none">• Covered Transactions• Section 6 of RESPA: Mortgage Servicing• Section 8 of RESPA: Kickbacks, Fee-Splitting, Unearned Fees• Section 9 of RESPA: Title Insurance• Section 10 of RESPA: Limits on Escrow Account• Consumer Disclosures<ul style="list-style-type: none">• Disclosure Timing• Your Home Loan Toolkit• Disclosures Within 3 Business Days of Completed Application• The Loan Estimate• Disclosures Before Settlement

	<ul style="list-style-type: none"> • Disclosures At Settlement • Disclosures After Settlement • The Closing Disclosure • Revisions and Corrections • Disclosures that May Be Required at Loan Consummation • Equal Credit Opportunity Act <ul style="list-style-type: none"> • Protected Classes • Income Evaluation • Required Disclosures • Home Mortgage Disclosure Act <ul style="list-style-type: none"> • Covered Properties • Data Reporting • Home Ownership and Equity Protection Act <ul style="list-style-type: none"> • Loan Types and Properties Covered • High Cost Loan Triggers • Limitations • Required Counseling and Disclosures • Higher-Priced Loans • Homeowners Protection Act • Case Study: RESPA Section 8
ACTIVITY	<ul style="list-style-type: none"> • Knowledge Checks • Class Discussion Activities
Chapter Quiz	<ul style="list-style-type: none"> • 30 multiple-choice questions; no passing score required

Chapter 2: Identity Theft, Consumer Protection, and Fraud

Estimated Time	95 minutes
Chapter Topics	<ul style="list-style-type: none"> • Identity Theft <ul style="list-style-type: none"> • What is Identity Theft? • How is Identity Theft Committed? • Identity Theft in History • Federal Laws Protecting Against Identity Theft <ul style="list-style-type: none"> • Fair Credit Reporting Act • Identity Theft and Assumption Deterrent Act of 1998 • Gramm-Leach-Bliley Act • Fair and Accurate Credit Transaction Act • Section 211: Access to Credit Reports • Section 112: Fraud Alerts and Freezes • Section 113: Truncation of Credit and Debit Card Numbers • Section 216: Security and Disposal • Section 114 and 315: Red Flags Rules
ACTIVITY	<ul style="list-style-type: none"> • Knowledge Checks

[Suggested Break]

Chapter 2: Identity Theft, Consumer Protection, and Fraud (cont.)

Chapter Topics	<ul style="list-style-type: none"> • Money Laundering and Fraud <ul style="list-style-type: none"> • Bank Secrecy Act • The Anti-Money Laundering Act • Suspicious Activity Reports • The National Do Not Call Registry <ul style="list-style-type: none"> • Exceptions to the Do Not Call Rule • Mortgage Assistance Relief Services <ul style="list-style-type: none"> • Key Provisions of the MARS Rule • Advance Fee Ban • Penalties • Mortgage Acts & Practices Act <ul style="list-style-type: none"> • MAP Provisions • Mortgage Fraud <ul style="list-style-type: none"> • Mortgage Fraud Perpetrators • Typical Fraud Schemes • Case Study: Identifying Unethical Behavior
ACTIVITY	<ul style="list-style-type: none"> • Class Discussion Activities
Chapter Quiz	<ul style="list-style-type: none"> • 20 multiple-choice questions; no passing score required

Chapter 3: Nontraditional Loans

Estimated Time	95 minutes
Chapter Topics	<ul style="list-style-type: none"> • Recent History of the Mortgage Industry <ul style="list-style-type: none"> • Subprime Lending • Guidance on Nontraditional Mortgage Product Risk <ul style="list-style-type: none"> • CSBS/AARMR Guidance • Statement on Subprime Mortgage Lending <ul style="list-style-type: none"> • CSBS/AARMR/NACCA Subprime Statement • Nontraditional Mortgage Loan Programs <ul style="list-style-type: none"> • 15-year loans • Adjustable Rate Mortgages • Interest-Only Mortgages • Balloon Mortgage • Reverse Mortgage • HECMs • FHA Loans and Updates • Nontraditional Underwriting
ACTIVITY	<ul style="list-style-type: none"> • Knowledge Checks • Class Discussion Activities
Chapter Quiz	<ul style="list-style-type: none"> • 20 multiple-choice questions; no passing score required

Chapter 4: Help for Underwater Homeowners

Estimated Time	45 minutes
Chapter Topics	<ul style="list-style-type: none">• The Home Affordable Refinance Program<ul style="list-style-type: none">• HARP Program Guidelines• General Underwriting• New Programs for Freddie Mac and Fannie Mae<ul style="list-style-type: none">• Borrower Benefit• Lender Benefits• General Underwriting• Case Study: Optimum Refinancing for the Borrower
ACTIVITY	<ul style="list-style-type: none">• Knowledge Checks• Class Discussion Activities
Chapter Quiz	<ul style="list-style-type: none">• 10 multiple-choice questions; no passing score required

Final Activity and Course Evaluation

Estimated Time	20 minutes
Activity	Comprehensive Application Final Activity
Survey	Complete a course evaluation
Total Estimated Time	400 minutes