



8 Hour CA-DFPI SAFE Comprehensive: Compliance for 2023

Course Syllabus (Online Self-Study)

ProEducate

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Monday-Friday, 8am – 5pm CT

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*Roy L. Ponthier, Ph.D., Ed.D., CDEI, DREI
Executive Director*

Instructor Backgrounds/Resumes:

Roy L. Ponthier, Ph.D., Ed.D., CDEI, DREI

- Dr. Ponthier is a licensed Louisiana real estate broker, certified real estate and appraisal instructor, and Director of Executive Training Centers, LLC, an educational services company which offers in-class training in real estate, mortgage finance and appraisal, as well as online training through ProEducate, the company's web-based education division which offers real estate and mortgage finance related courses throughout the United States.
- Dr. Ponthier holds a B.S. degree from Southeastern Louisiana College. His graduate training was taken at Tulane University (M.S. and Ph.D.) and the University of New Orleans (M.Ed. and Ed.D.). He holds the Certified Distance Education Instructor (CDEI) certification awarded by the International Distance Education Certification Center (IDECC), as well as the Distinguished Real Estate Instructor (DREI) designation awarded by the Real Estate Educators Association in recognition of exceptional effectiveness in the classroom. Dr. Ponthier has served on the faculty of three Universities, currently teaches classes for The Real Estate Law Society of Loyola University Law School and has chaired college divisions of Computer Science, as well as Education. Since 1988 he has taught real estate related subjects to more than 63,000 students. He is a member of five academic honor societies, as well as MENSA, and author of more than two dozen internationally published scientific papers. He was Director of The Center for Computer Education, Inc., which trained teachers in computer science, and was president of Worldwide Information Network, Inc., a provider of Internet and television marketing in real estate. He has owned two mortgage companies, as well as a business brokerage company and a residential and commercial real estate company.
- Since early 2009, Dr. Ponthier has served on a work group for the Nationwide Mortgage Licensing System & Registry (NMLS&R) to help develop the functional specifications for mortgage pre-licensing and continuing education programs taught in the U.S. He is a member of the Real Estate Educator's Association, The South Central Educators Group, and the Louisiana Mortgage Bankers Association, for which he is Chair of the education committee. Dr. Ponthier's achievements have been documented in Who's Who (Oxford Edition), American Men and Women of Science, and the International Who's Who in Education.
- Dr. Ponthier has contracted with Loyola University of New Orleans, College of Law, to be the exclusive provider of online Continuing Legal Education (CLE) for the University.

- **EDUCATION**

- PhD. Political Science/Comparative Politics and International Relations 2014 (University of New Orleans, New Orleans, Louisiana)
- M.A. Political Science 2011 (University of New Orleans, New Orleans, Louisiana)
- B.A. Political Science 2009 (Loyola University, New Orleans, Louisiana)

- **WORK EXPERIENCE**

- Licensed Mortgage Loan Officer (NMLS 1379216), Southwest Funding, LP September 2015-Currently
 - Licensed to originate mortgage loans; responsible for conducting financial analyses and analyzing clients' financial risk to determine their financial standing with regards to a mortgage loan
- Adjunct Professor, Department of Political Science, Tulane University January 2015-Currently
 - Comparative Politics Professor
 - Responsible for the creation of the course, teaching and giving 40 undergraduate students per class overall comprehension of comparative politics in the political science field, prepared and conducted daily lectures and created and graded assignments, quizzes, and exams
- Dissertation Research, Department of Political Science, University of New Orleans 2013-2014
 - Performed research and data collection in various comparative subjects within Latin American countries (economy, social welfare, female political representation), created different quantitative models and conducted quantitative analyses using statistical software
- Teaching Assistant, Department of Political Science, University of New Orleans 2012
 - Course Instructor- Introduction to Comparative Politics
 - Responsible for the creation of the course, responsible for teaching and giving 30 undergrad students overall comprehension of comparative politics in the political science field, prepared and conducted daily lectures, created and graded assignments, quizzes and exams
 - Responsible for transforming non-digitalized data into digitalized data for new database, updated database files, organized Fulbright Scholar files dating back for a period of decades, ran extensive search for current whereabouts of scholars, assisted incoming scholars with application process, managed office and reception.

- **PROFESSIONAL DEVELOPMENT**

- Passed the National and Louisiana State examination created by the Nationwide Mortgage Licensing System and Registry (NMLS) and received a Mortgage Loan Originator License to operate as a Loan Officer in the State of Louisiana.
- Certificate of Achievement for IS-00200.b from FEMA's Emergency Management Institute, October 10, 2014

Course Description:

- This course satisfies the required 8 hours of mortgage continuing education as specified in the SAFE Act, and includes 3 hours of federal laws, 2 hours of ethics, 2 hours of non-traditional mortgage products, and 1 hour of California state-specific laws **as required by the California Department of Financial Protection and Innovation (DFPI)**. It is also a composite of updates and reviews of regulations and legislative actions important to mortgage loan originators who are active in the business.

Required Course Material:

This course is entirely self-contained and does not require additional study materials.

REQUIRED HARDWARE and SOFTWARE:

- All course content is available online. To access the course, the student will need a PC or laptop to access the Internet. The only software needed is an Internet browser such as Google Chrome, Firefox, Safari, etc.
- Any additional software, such as Adobe Reader, needed to access PDF files, is available in the course for immediate and free download.

Completion Expectations:

Prerequisites:

- There are no educational prerequisites for this course; however, students are expected to have high school level reading and mathematics ability.

Upon registering:

- Students must complete the course lessons/modules and the final exam before the course expiration date.
 - Course completion will include completion of all case studies.
 - Each lesson/module will have a quiz at the end that must be passed in order to continue to the next lesson/module.
 - The quiz will consist of multiple-choice format questions requiring a minimum passing score of 70%
 - Quiz questions will be displayed one at a time.
 - The final exam questions are also presented in multiple-choice format requiring a passing score of 70% or higher
 - The username and password will be deactivated after the course expiration date has passed.
- Students will be issued a completion certificate upon successful completion of the course. Course completion will be banked on the NMLS website within 7 days of the end of the course.

School Policies:

Registration:

- The student is responsible for verification of qualifications for licensing, before registering for a course of study.
- Registrants with any form of criminal history, including misdemeanor or felony convictions, or who are currently on parole, must contact the relevant licensing agency before registering for any pre-licensing or pre-certification course.
- An e-mail account is essential to participate in the online program.
- Any attempt to take the course under an assumed identity, or to accept assistance from others in completing any portion of the course, may result in rejection of a license application, revocation of an existing license, fines, or other penalty provided by law governing the relevant state regulatory agency to whom the student submitted documentation.

Course Participation:

- Students are asked to please be certain that their address book is updated to include acceptance of e-mails from StudentServices@ProEducate.com.

School Contact Information:

- **By Phone:** For questions regarding **administrative** issues, the administrative offices may be contacted by phone at (504) 454-9866 or (800) 966-9866, weekdays between 8 a.m. and 5 p.m. central time.
- **By E-mail:** Ask technical or course content questions 24 hours a day by e-mailing the school office at the addresses listed below. A response will typically be received by close of business on the next business day.
 - **StudentServices@ProEducate.com** for questions or comments about registration, technical assistance, administrative issues, or purchases from the
- **In Person:** We are in the office to assist you with administrative questions Monday - Friday 8:00 a.m. to 5:00 p.m. central time. We are located at 4200 S. I-10 Service Rd. W., Suite 134, Metairie, Louisiana 70001 (Boy Scouts of America Building).

Additional Information Regarding the Online Course:

- During the allotted class time, students will have access to the course 24 hours a day and may login and work on the assignments at their convenience.
- Students will be issued a completion certificate upon successful completion of the course. Course completion will be banked on the NMLS website within 7 days of the end of the course.
- The NMLS unique identifier will be requested when each student first begins the course, or they may e-mail it to StudentServices@ProEducate.com at any time while enrolled in the course.
- The course also makes a detailed glossary available to the students. Students may click on the glossary to study the definition of terms with which they are not familiar.
- The “Links” section of the course makes forms and documents available to assist students in their studies.
- Upon completion of the course material, each student will be required to respond to a course evaluation in addition to a multiple choice final examination.

Learning Objectives, Modules (Lessons), Assignments, and Outline:

Course Objectives:

This course reviews with the student the most commonly found issues in Multi-State Mortgage Committee (MMC) examinations. The Examination findings showed regulators that there was room for improvement for what is considered compliance as common threads of deficiencies were identified. CFPB requires NMLS licensees review these common violations to educate licensees on expected compliance with federal mortgage regulations.

Federal Laws – Module 1

For this module, we will review the importance of Multi-State Mortgage Committee (MMC), and some of the most frequent violations it found during examinations. Regulators want licensees to learn how to properly comply with federal regulations. The student will review the most non-compliant issues found in the examination reports. Laws covered include aspects of ECOA, TILA and RESPA compliance with examples. With this knowledge, students will understand what is considered compliant with the federal laws that govern the mortgage lending industry.

Ethics – Module 2

The student will learn the regulations that govern ethical behavior in the mortgage industry. Some of these laws include: The Bank Secrecy Act Anti-Money laundering rules, Gramm-Leach-Bliley Act privacy rights, Fair and Accurate Credit Transaction Act Identity theft rules, and Telemarketing and Consumer Fraud and Abuse Prevention Act for consumer rights to opt-out. Students will learn what is considered compliance with these mortgage industry regulations, and ways to make ethical based decisions. Students will have a strong understanding of what actions are prohibited after a review of these federal regulations.

Nontraditional Mortgage Products – Module 3

In this module, the student will understand and learn how to adapt to our current changing market with non-traditional loan programs that help to meet borrowers' needs. Programs reviewed are two one buydown and how they can be used in comparison to discount points. The assumption process and the importance of second mortgages to meet the down payment. Adjustable-rate mortgages with current indexes and requirements. Students will understand how these programs benefit the borrower and take a brief review of current industry changes including the United States Space Force (USSF) members eligibility for the VA home loan program.

California Mortgage Law – Module 4

In this module the students will cover The California Homeowner Bill of Rights, abbreviated HBOR, the California Financial Code Division 9 (known as the California Financing Law, abbreviated CFL), and Division 20 (known as the California Residential Mortgage Lending Act, abbreviated CRMLA.).

8 Hour CA_DFPI SAFE Comprehensive: Compliance for 2023

| Module/Lesson | Learning Objectives <i>Upon Completion of each lesson, each student will be able to:</i> | Assignments and Materials Utilized | Segment Time in Minutes |
|--|--|------------------------------------|-------------------------|
| MODULE 1: FEDERAL LAWS (3 hours) | | | |
| Federal Laws I | This module will review the importance of Multi-State Mortgage Committee (MMC), and some of the most frequent violations it found during examinations. Regulators want licensees to learn how to properly comply with federal regulations. The student will review the most non-compliant issues found in the examination reports. Laws covered include aspects of ECOA, TILA and RESPA compliance with examples. With this knowledge, students will understand what is considered compliant with the federal laws that govern the mortgage lending industry. | PowerPoint/Audio Presentation | 120 |
| Lesson Quiz | | | 3 |
| MODULE 2: ETHICS (2 hours) | | | |
| Ethics | The student will learn the regulations that govern ethical behavior in the mortgage industry. Some of these laws include: The Bank Secrecy Act Anti-Money laundering rules, Gramm-Leach-Bliley Act privacy rights, Fair and Accurate Credit Transaction Act Identity theft rules, and Telemarketing and Consumer Fraud and Abuse Prevention Act for consumer rights to opt-out. Students will learn what is considered compliance with these mortgage industry regulations, and ways to make ethical based decisions. Students will have a strong understanding of what actions are prohibited after a review of these federal regulations. | PowerPoint/Audio Presentation | 98 |
| Lesson Quiz | | | 3 |
| MODULE 3: NON-TRADITIONAL MORTGAGE PRODUCTS (2 hours) | | | |
| Non-Traditional Mortgage Lending | In this module, the student will understand and learn how to adapt to our current changing market with non-traditional loan programs that help to meet borrowers' needs. Programs reviewed are two one buydown and how they can be used in comparison to discount points. The assumption process and the importance of second mortgages to meet the down payment. Adjustable-rate mortgages with current indexes and requirements. Students will understand how these programs benefit the borrower and take a brief review of current industry changes including the United States Space Force (USSF) members eligibility for the VA home loan program. | PowerPoint/Audio Presentation | 107 |
| Lesson Quiz | | | 3 |
| MODULE 4: CALIFORNIA MORTGAGE LAW (1 hour State Specific) | | | |

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|--|---|---|-----|
| California Mortgage – DFPI (State-Specific) | In this module the students will cover The California Homeowner Bill of Rights, abbreviated HBOR, the California Financial Code Division 9 (known as the California Financing Law, abbreviated CFL), and Division 20 (known as the California Residential Mortgage Lending Act, abbreviated CRMLA). | PowerPoint text-based presentation; downloadable handouts pertaining to lesson content; extensive glossary to view online or print; and lesson quiz | 47 |
| | | Lesson Quiz | 3 |
| Case Studies | | | |
| | Case Study 1: Federal Law | | 3 |
| | Response to Case Study 1 | | 5 |
| | Review of Feedback | | 3 |
| | Case Study 2: Federal Law | | 3 |
| | Response to Case Study 2 | | 3 |
| | Review of Feedback | | 3 |
| | Case Study 3: Federal Law | | 3 |
| | Response to Case Study 3 | | 5 |
| | Review of Feedback | | 5 |
| | Case Study 4: Ethics | | 4 |
| | Response to Case Study 4 | | 3 |
| | Review of Feedback | | 5 |
| | Case Study 5: CA Mortgage Law | | 3 |
| | Response to Case Study 5 | | 3 |
| | Review of Feedback | | 3 |
| Final Exam | Measures student's competency. | Exam in multiple-choice format. | 10 |
| End-of-Course Survey | Measures course presentation, materials, content and instructor competency. | Survey questions provided to students to rate course/instructor/materials. | 5 |
| Total Minutes | | | 452 |

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Module 1 – Federal Law

Objective

MMC Influences

Multi-State Mortgage Committee

RESPA Compliance

Truth-in-Lending Compliance

TILA HPML Compliance

TILA – Loan Estimate Compliance

TILA Closing Disclosure Summary of Required Content

Closing Disclosure Accurate Information

Closing Cost Details & Loan Costs Sections

Origination Charges Section

Services Borrower Did Not Shop for Section

Services the Borrower Did Shop for

Official Interpretation of Other Charges

Owner's Title Insurance Policy Rate

Simultaneous Title Insurance Premium Rate in Purchase Transactions

Designation of Optional Items

Official Interpretations of Regulation Z states “Prepays”

TILA – Disclosure of Liability after Foreclosure & Content Table Completion

“Other Disclosures” Section of Closing Disclosure

Official Interpretations of Regulation Z State Liability after Foreclosure

Official interpretation of State Law Liability after Foreclosure

Official interpretation of Contact information

TILA/RESPA Exceptions to Form H-25 Disclosure

Separation of Consumer and Seller Information

Official Interpretation of Separation of Consumer and Seller Information

TILA Corrected Closing Disclosure

Official interpretation of Changes to CD after Consummation

Certain Mortgage/variable-rate Transactions, Final Disclosure of Subsequent Changes

ECOA Notice of Action Taken Compliance

Content of Notification When Adverse Action is Taken

ECOA Notice Requirements

ECOA Disclosure Provided in Timely Manner

Notification 15 mins of Action Taken Timing

Official Interpretation of Credit Decision Notification

Official Interpretation Preapprovals

Lesson Quiz

Module 2 – Ethics

Objective

Definitions

Ethical Federal Laws

Ability to Repay Regulations

Gramm-Leach-Bliley Act

Customer Relationships and Loans

GLB Prohibition

Nonpublic Information In-depth Review

GLB Terms Defined

GLB Disclosure

Identity Theft Issues

- The Fair Credit Reporting Act

- Identity Theft Program

Anti-Money Laundering Issues in Mortgage Lending

- Money Laundering

- Bank Secrecy Act

- Anti-Money Laundering Program (“AML”)

Suspicious Activity Red Flags

- Suspicious Activity Reports

- Shell Companies Decreases Transparency

- “All-Cash” Real Estate Purchases Further Decreases Transparency

- BSA Penalties

Telemarketing and Consumer Fraud and Abuse Prevention Act (TCPA)

- Telemarketing Sales Rule

- Do Not Call Provision

- TSR Violations and Fines

Senior Citizen Consumer Fraud

- Scenarios of Predatory Acts

Lesson Quiz

Module 3 – Non-Traditional

Objective

2-1 Buydowns

Buydowns vs. Discount Points

- How do you know which to choose?

Prepayment Penalty Benefit

Assumable Loans

- FHA Assumptions

- VA Assumption

USDA Assumptions

- Mortgage Assumption after Death and Divorce

- Conventional Loans Assumable?

- Illegal Assumption

Source of Down Payment

- Type of Assumptions

Adjustable-Rate Mortgages

- Components of ARMs

- Adjustable-Rate Loan Program Differences

- Review of Conventional ARMS

- Review of FHA 251 ARM Program

- Review of VA ARMS

MCC Tax Credits

- MCC Eligibility and Benefits

- Qualifying with MCC

FHA Mortgage Updates

- Required Documentation

- Eligible Properties

- Requirements for PFI

VA Mortgage Updates

- Conforming Loan – 2023 Cash Out and LLPA Changes

Lesson Quiz

Module 4: California Mortgage Law *{State-Specific}*

Department of Financial Protection and Innovation (DFPI)

Introduction

Homeowner Bill of Rights

Increased Notifications

Single Point of Contact

No Dual Tracking is Permitted

Verification of Documents

Enforceability

Tenant Rights

Neighborhood Blight

California Financing Law

Chapter 1, Article 1, section 22001

Definitions

Exceptions

Restrictions

California Residential Mortgage Lending Act (CRMLA)

Prohibited Practices and Penalties

Lesson Quiz

Case Study

Case Study #1 Federal Law

Case Study #2 Federal Law

Case Study #3 Federal Law

Case Study #4 Ethics

Case Study #5 California Mortgage Law

End of Course Survey

Final Exam

Assignments and Materials Utilized in Each Module (Lesson) Include: PowerPoint / Audio based presentation and end of lesson quiz.