

# DODD-FRANK UPDATE! REGULATIONS Z, B, AND RESPA SEMINAR

RECEIVE SPECIAL PRICING AND SAVE ON EVERY ATTENDEE – SEE BELOW

*A two-day seminar offering an in-depth analysis of the recent final rules and recent revisions.*



The Consumer Financial Protection Bureau (CFPB) has already revised the long-awaited "final rules" which will have a huge effect on the consumer mortgage lending process. New requirements mandated by the

Dodd-Frank Act affect most mortgage loans and mortgage lenders, with specific emphasis on Higher-Priced Mortgage Loans (HPMLs) and High Cost Mortgage Loans. These new rules establish minimum underwriting requirements for Qualified Mortgage loans, expand escrows and restrictions when making HPMLs, establish additional appraisal requirements, lower thresholds for determining High Cost Mortgage Loans, prescribe new mortgage servicing requirements and disclosures, and revise rules related to loan originator compensation. Additionally, procedures will need to be revised in order to accommodate new appraisal disclosures and delivery requirements under ECOA.

Lenders making Qualified Mortgage loans under the general Ability-to-Repay standard will be required to consider and verify eight specific underwriting factors. In addition, underwriting the monthly payment for purposes of calculating the borrower's ability to repay will vary based on whether the loan is a fixed rate, variable rate, or has a balloon-payment feature. Lenders choosing to originate Qualified Mortgage loans, in order to take advantage of special protections from liability, will also have to satisfy new underwriting requirements, payment calculations, and a limit on points and fees charged to be eligible. Also, new standards must be satisfied to originate balloon-payment Qualified Mortgages and to facilitate the new "streamlined" refinancing of a non-standard mortgage loan.

The recent revisions are designed to assist smaller creditors by extending Qualified Mortgage status to creditors holding loans in their own portfolio, permit

certain small creditors to continue balloon loans for two years, and allow a higher APR for certain first lien loans. These revisions also permit certain exceptions to requirements that loan originator compensation be included in total permissible points and fees for Qualified Mortgages and High Cost Mortgage Loans.

This two-day program is designed to offer an **in-depth analysis of the recent changes affecting Regulations Z, B, and RESPA** with a particular emphasis on the challenges faced by smaller (community-based) financial institutions. It will not only describe the specific requirements of the final rules, but it will offer methods and examples of documenting and verifying compliance to the satisfaction of your examiners and regulatory authorities.

### HERE IS WHAT YOU WILL LEARN

#### Ability-to-Repay/Qualified Mortgages (Effective 1/10/14)

- How to meet the general Ability-to-Repay standard
- Appropriate methods for considering and verifying the eight prominent underwriting criteria
- Underwriting payments for ARM loans and higher-priced balloon loans under the general Ability-to-Repay standard
- Issues regarding originating Qualified Mortgage loans
  - "Safe Harbor" vs. "Presumption of Compliance"
  - Limitations on points and fees and on other loan terms to qualify for the special protection from liability
- Balloon-payment Qualified Mortgages
  - Eligibility requirements
  - How are "rural" and "underserved" areas designated for purposes of the exception
- Refinancing of a non-standard mortgage
  - Elements of the streamlined refinance option

#### Expanded Escrow Requirements for HPMLs (Effective 6/1/13)

- New escrow requirements
- Exemptions for certain small creditors
- Discussion of rural and underserved areas

#### Expanded Protections Under the Home Ownership and Equity Protections Act of 1994 – HOEPA (Effective 1/10/14)

- New thresholds and index for determining High Cost Mortgages

- Additional restrictions for HOEPA transactions
- Relationship of HELOCs to HOEPA coverage
- Homeownership counseling provisions

#### RESPA and TILA Servicing Rules (Effective 1/10/14)

- **Periodic billing statements** for closed-end mortgage loans
- New adjustable rate mortgage interest rate adjustment notices
- Prompt payment crediting and payoff statements
- New force-placed insurance obligations and notification
- Error resolution and information requests
- Early intervention with delinquent borrowers
- Continuity of contact with delinquent borrowers
- New rules regarding foreclosures
- Loss mitigation procedures
- Small servicer exemption

#### Appraisals for HPMLs (Effective 1/18/14)

- New requirements for appraisals
- When an additional independent appraisal is required
- Required statements regarding use of the appraisal
- Exemptions from the Higher-Priced Mortgage Appraisal Rule

#### Loan Originator Compensation (Effective 1/10/14)

- Clarification of definition of loan originator
- Loan originator qualification requirements
- Recordkeeping requirements
- Ban on requiring consumers to submit disputes to mandatory arbitration (Effective June 1, 2013)
- Ban on financing premiums for credit insurance (Delayed Until January 10, 2014)

#### Disclosure and Delivery Requirements for Copies of Appraisals – Regulation B (Effective 1/18/14)

- Timing requirements to notify applicants of their right to receive a copy of appraisals developed
- Requirements to provide applicants a copy of each appraisal at least three business days before consummation
- Applicants ability to waive the timing requirement for providing these copies
- Prohibition against charging for the copy of appraisals and other written valuations

## AGENDA – DAYS ONE & TWO

**8:30** Registration  
**9:00** Program  
**12:00** Lunch  
**4:00** Adjourn  
**Instructional Method** Group-Live

All times are local at seminar site.

## WHO SHOULD ATTEND

Because the new rule now incorporates what were formerly "safety and soundness" considerations into the compliance arena, it is strongly recommended that attendance not be limited to compliance officers, but include senior management and loan officers as well. No advance preparation is required. **Program Level – Intermediate.**

**Field of Study** Specialized Knowledge and Applications.

## CANCELLATION POLICY

If you cancel at least seven days prior to the seminar date, we grant full refunds. If you cancel six days or less, there will be a cancellation fee of \$100 for each day of the seminar. Refunds will not be granted for "no-shows" or for cancellations received on the date of the seminar. Substitutions are welcome at any time. If PBS cancels a seminar for any reason, we will refund the entire registration fee and supply you with a complimentary copy of the manual.

## REGISTRATION FEES

Receive special pricing of **\$525 per attendee.**

Normal registration fee is \$625 per attendee, receive discounted pricing by: mail or fax using this form, online – enter the code 2013CBK100, or give us the code by phone

*Fee includes lunch, coffee breaks and all course materials. Breakfast and parking are on your own.*

**Payment must accompany registration.**

## DATES & LOCATION

**December 10 & 11, 2013**

Capitol Plaza Hotel  
 1717 S.W. Topeka Boulevard  
 Topeka, KS 66612  
 785-431-7200

**The Manual** The manual contains a comprehensive yet "plain language" explanation of each topic covered. Like all of our seminar manuals, it is organized and designed to serve not only as a teaching guide at the seminar, but also as an ongoing reference guide.

**Confirmations** You will receive a written confirmation of your seminar registration within ten days after we receive payment. If an e-mail address is provided, your confirmation will be sent via e-mail. Please make sure to add registrar@probank.com to your list of approved e-mail addresses.

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**The Speaker**  
**Kathleen Mayes** is a Senior Consultant at PBS. Prior to joining the firm in 2000, Ms. Mayes served as a compliance examiner for the Federal Deposit Insurance Corporation in the San Francisco Region. Ms. Mayes has nearly fifteen years experience with the FDIC and Federal Home Loan Bank/Office of Thrift Supervision. In addition to her compliance experience, Ms. Mayes served as a senior supervisory analyst with the FHLB/OTS, supervising multi-billion dollar savings and loan associations and holding companies and recommending action regarding institutions exhibiting adverse financial operating trends, violations of law and regulations, and other problems. Ms. Mayes is a Certified Regulatory Compliance Manager.



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## ADDITIONAL SEMINAR INFO

Normal Registration fee is \$625, use code 2013CBK100 and receive a discount of \$100.

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 Eligible for 13 CPE credits.

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## DODD-FRANK UPDATE! REGULATIONS Z, B, AND RESPA SEMINAR COMMUNITY BANKERS ASSOCIATION OF KANSAS

INSTITUTION INFORMATION		ATTENDEE NAMES & EMAIL ADDRESSES	
FINANCIAL INSTITUTION	ATTENDEE #1	EMAIL ADDRESS	\$525
MAILING ADDRESS/PO BOX	ATTENDEE #2	EMAIL ADDRESS	\$525
CITY	ATTENDEE #3	EMAIL ADDRESS	\$525
STATE, ZIP	ATTENDEE #4	EMAIL ADDRESS	\$525
ROUTING/MICR NUMBER	ATTENDEE #5	EMAIL ADDRESS	\$525
TELEPHONE FAX	ATTENDEE #6	EMAIL ADDRESS	\$525
I / WE WILL ATTEND THE SEMINAR IN _____ ON _____		TOTAL REGISTRATION FEES: \$ _____	
CITY PROGRAM DATE		PAYMENT MUST ACCOMPANY REGISTRATION. THANK YOU.	
<b>PAYMENT INFORMATION</b> <input type="checkbox"/> PAYMENT BY CHECK ENCLOSED <input type="checkbox"/> CHARGE MY: <input type="checkbox"/> MASTERCARD <input type="checkbox"/> VISA <input type="checkbox"/> DISCOVER <b>PLEASE PRINT CLEARLY</b>			
CARD NUMBER	EXP DATE	CVV (SECURITY CODE)	AUTHORIZED SIGNATURE
CARDHOLDER'S NAME	CARDHOLDER'S BILLING ADDRESS		CITY/STATE/ZIP