Compliance Certificate Program Course Catalog

Introduction to Lending Compliance

Banking laws and regulations have existed for decades however since the financial crisis beginning in 2008, the amount of regulations have grown significantly, mostly in part due to the enactment of the Dodd Frank Consumer Protection Act of 2010. It is imperative that lenders, loan operation staff, management and board of directors are aware the compliance rules when accepting and originating applications for credit at their banks. This course will provide an overview of the laws and regulations that affect the lending side of the bank. This course is intended for a variety of job whom work in the lending area of the bank, including loan assistants, credit departments, lenders, loan operations, management, and board of directors. Rev-10/18. **Course length ≈ 30 minutes**.

Course Outline:

- Fair Lending Laws (Reg B – ECOA, FHA, HMDA, CRA)
- Mortgage Lending (Reg Z, Reg X – RESPA, Reg B, Flood, SAFE Act, E-Sign Act)
- Military Lending (MLA, SCRA)
- Bank Secrecy Act/OFAC
- Privacy (Regulation P & Financial Privacy)
- Consumer Protection (UDAAP, FDCPA)
- Marketing Rules (Advertising, TCPA, CAN-SPAM)
- Fair Credit Reporting Act/FACTA
- Regulation U
- Regulation O
- Bank Bribery Act

Regulation Z: Overview

Regulation Z or the Truth in Lending Act, is one of the most complex regulations within banking. The regulation encompasses several laws or acts and has been amended over and over. The regulation requires creditors to disclose the terms and cost of consumer credit transactions along with a host of other things. This course will provide an overview of each of the subparts within the Truth in Lending Act. This course is intended for those working in the consumer lending arena, both real estate and non-real estate. Rev-10/18. **Course length ≈ 35 minutes.**

Learning Objectives:

- Understand what loan types apply to Regulation Z
- Determine what a finance charge is in order to calculate the APR
- Acknowledge the requirements of closed-end credit for both real estate and non-real estate secured loans

- Acknowledge the requirements of open-end credit for both real estate and non-real estate secured loans
- Identify other miscellaneous provision of Regulation Z

Course Outline:

- Coverage
- APR & Finance Charge
- General Closed-end Credit
- Closed-end Credit – Non-Real Estate
- Closed-end Credit – Real Estate
- General Open-end Credit
- Open-end Credit – Non-Real Estate
- Open-end Credit – Real Estate
- Loan Originator Compensation
- Mortgage Servicing
- Advertising

Regulation Z: Closed-End Credit (Non-Real Estate)

Regulation Z or the Truth in Lending Act, encompasses several laws or acts and has been amended over the years. The regulation requires creditors to disclose the terms and cost of consumer credit transactions and includes rules meant to inform and protect consumers. There are specific requirements for closed-end credit plans, whether they are real estate secured or not. This course focuses on the requirements and limitation extended to closed-end consumer credit that is not secured by real estate. This course is intended for lenders, loan operations staff, and compliance personnel. Rev-10/18. **Course length ≈ 13 minutes.**

Learning Objectives:

- Ensure your bank is providing the appropriate disclosures to consumers in the required timeframes
- Understand how various disclosure amounts are calculated

Course Outline:

- Disclosures
- Calculations
- Tolerances
- Miscellaneous provisions

Regulation Z: Closed-End Credit (Real Estate)

Regulation Z or the Truth in Lending Act, encompasses several laws or acts and has been amended over the years. The regulation requires bank to disclose the terms and cost of consumer credit transactions and includes rules meant to inform and protect consumers. There are specific requirements for closed-end credit plans, whether they

are real estate secured or not. This course focuses on the requirements extended to closed-end consumer credit that is secured by real estate, focusing mainly on the Integrated Disclosures (TRID). This course does not go in depth on how to complete the Integrated Disclosures. This course is intended for lenders, loan operations staff, and compliance personnel. Rev-10/18. **Course length ≈ 55 minutes.**

Learning Objectives:

- Understand the various calculations that go into required fields on disclosures
- Identify the contents and timing requirements of the Loan Estimate and Closing Disclosure
- Know when a revised disclosure may be provided
- Understand that special rules apply to loans that have special terms and conditions
- Comply with the requirements of Regulation Z in closed-end real secured transactions

Course Outline:

- Calculations
- General Disclosures
- Loan Estimate
- Closing Disclosure
- Tolerances & Revisions
- Home Loan Toolkit
- ARM Loans
- High Priced Mortgage Loans
- High Cost Mortgage Loans
- Ability-to-Repay & Qualified Mortgages
- Right of Rescission
- Servicing

Regulation Z: Open-End Credit (Non-Real Estate)

Regulation Z or the Truth in Lending Act, encompasses several laws or acts and has been amended over the years. The regulation requires creditors to disclose the terms and cost of consumer credit transactions and includes rules meant to inform and protect consumers. There are specific requirements for open-end credit plans, whether they are real estate secured or not. This course focuses on the requirements and limitation extended to open-end consumer credit that is not secured by real estate. This course is intended for lenders, loan operations staff, and compliance personnel. Rev-10/18. **Course length ≈ 20 minutes.**

Learning Objectives:

- Ensure your bank is sending the appropriate disclosures to account holders in the required timeframes
- Understand how costs, interest and fees are calculated and charged

- Know what date payments must be credited to an account based on when they were received
- Determine when disputes must be resolved and understand the activities a creditor is prohibited from when there is a dispute
- Acknowledge there are specific rules that apply to credit card issuers

Course Outline:

- Disclosures
- Loan Calculations
- Periodic Statements
- Crediting of Payments
- Billing Error Resolution
- Credit Cards

Regulation Z: Open-End Credit (Real Estate)

Regulation Z or the Truth in Lending Act, encompasses several laws or acts and has been amended over the years. The regulation requires creditors to disclose the terms and cost of consumer credit transactions and includes rules meant to inform and protect consumers. There are specific requirements for open-end credit plans, whether they are real estate secured or not. This course focuses on the requirements and limitation extended to open-end consumer credit secured by real estate. This course is intended for lenders, loan operations staff, and compliance personnel. Rev-10/18. **Course length ≈ 30 minutes.**

Learning Objectives:

- Ensure your bank is providing the appropriate disclosures to account holders in the required timeframes
- Understand how costs, interest and fees are calculated and charged
- Know what date payments must be credited to an account based on when they were received
- Determine when disputes must be resolved and the understand the activities a creditor is prohibited from when there is a dispute

Course Outline:

- Disclosures
- Loan Calculations
- HELOC Limitations
- Right of Rescission
- Periodic Statements
- Crediting of Payments
- Billing Error Resolution

RESPA: Overview

The Real Estate Settlement Procedures Act requires lenders, mortgage brokers, and mortgage servicers to provide borrowers with pertinent and timely disclosures regarding the nature and costs of the real estate settlement process, place caps on required escrow deposits for insurance and taxes, eliminate kickbacks and referral fees, and set requirements for servicing a mortgage loan. This course provides an overview of the sections and requirements of RESPA. This course is intended for those working in the consumer real estate lending arena. Rev-10/18. **Course length ≈ 25 minutes.**

Learning Objectives:

- Understand what types of loans require certain disclosures prior to consummation of the loan
- Know the basic requirements of maintaining and servicing escrow accounts
- Know what mortgage servicing rules apply to all servicers and those that small servicers are exempt from.
- Recognize the restrictions RESPA applies to kickbacks, unearned fees and affiliated business arrangements.

Course Outline:

- Coverage
- Loan Application Disclosures
- Escrow
- Mortgage Servicing
- Section 8 Violations

Regulation B: Equal Credit Opportunity Act

Regulation B, also known as the Equal Credit Opportunity Act (ECOA) seeks to promote the availability of credit to all credit-worthy application and prohibits a creditor from discriminating against applicants based on the applicants protected characteristics. It also provides rules on rules in relation to action taken on an application, the collection of applicant information, and appraisals. This course provides all of the information needed to ensure the bank's policies and procedures are compliant with Regulation B. This course is intended for lending and compliance personnel. Rev-10/18. **Course length ≈ 60 minutes.**

Learning Objectives:

- Ensure all credit policies at your bank are compliant with Regulation B
- Ensure all Regulation B rules are being followed at your bank
- Ensure all required notifications are being provided to customers
- Understand the incentives for self-regulation contained in Regulation B

Course Outline:

- Rules
- Special Purpose Credit Programs
- Self-Testing and Self-Correction
- ECOA Requirements

Fair Lending

The fair lending laws prohibit discrimination in all credit transactions including real estate and non-real estate secured transactions as well as unsecured credit. Understanding fair lending is important to managing credit and compliance risk as well as reputation risk. In this course we provide a brief overview of the fair lending laws, the types of lending discrimination and the policies and procedures your bank needs to enact to ensure compliance with the laws. This course is intended for all lending personnel, management, and directors. Rev-05/20. **Course length ≈ 33 minutes.**

Learning Objectives:

- Understand the laws that require fair lending
- Identify the types of lending discrimination
- Know what information can and cannot be collected from an applicant and how to use that information when evaluating an application for credit
- Understand how a bank can mitigate its fair lending risk
- Understand the risk of non-compliance

Course Outline:

- Fair Lending Laws (ECOA, FHA, others)
- Types of Fair Lending Discrimination
- Requests for Information & Application Evaluation
- Managing Fair Lending Risk
- Fair Lending Violations

Home Mortgage Disclosure Act: In Depth

The Home Mortgage Disclosure Act (HMDA) requires certain financial institutions to collect, report, and disclosure information about their mortgage lending activity. HMDA was originally enacted by the Congress in 1975 and is implemented by Regulation C. The Regulation was overhauled in 2015, requiring a large of amount of additional data to be collected and reported. This course will provide you with the detailed information you need to ensure your Financial Institution is in full compliance with HMDA including, definitions, coverage, data collection and reporting, and disclosure requirements. This course in intended for compliance and loan operations personnel. Rev-04/20. **Course length ≈ 65 minutes.**

Learning Objectives:

- State the purpose of HMDA
- Identify whether or not a financial institution is a HMDA reporter
- Identify the transactions that are HMDA applicable
- Know when to report covered loans
- Identify the modified and new data collection points
- Ensure compliance with disclosure requirements

Course Outline:

- Purpose
- Important Definitions
- Institution Coverage
- Transactions Coverage
- Data Points
- Reporting Data
- Disclosure Requirements

Flood Disaster Protection Act

The National Flood Insurance Program (NFIP) was created to help property owners protect themselves financially. The Flood Disaster Protection Act, its amendments and implementing regulations, make the purchase of flood insurance mandatory when a designated loan is located or will be located in a Special Flood Hazard Area. This course will discuss the flood insurance requirements in detail to ensure compliance with the laws. It will also provide best practices for monitoring the banks real estate secured loans for flood compliance. This course is intended for all personnel involved in real estate secured lending, including lenders, loan assistants, loan operations, and compliance. Rev-03/20. **Course length ≈ 30 minutes.**

Learning Objectives:

- Know when to obtain a standard flood hazard determination form
- Understand what is required for acceptance of a private flood insurance policy
- Know how to provide the proper notices and disclosures
- Ensure you have sufficient insurance coverage for applicable loans
- Understand when escrow is required
- Understand when force placement occurs
- Implement best practices for ensuring flood insurance requirements are met

Course Outline:

- Coverage
- Private Flood Insurance Rules
- Standard Flood Hazard Determination Form & Fees
- Notices and Disclosures

- Sufficient Coverage
- Escrow
- Force Placement
- Best Practices

Regulation O: Insider Lending – In Depth

Regulation O governs extensions of credit made by a bank to an executive officer, director, or principal shareholder. It also applies to extensions of credit made by a bank to a political or campaign committee that benefits or is controlled by such a person. This course provides an in-depth look at Regulation O. You will learn about extensions of credit, prohibitions and restrictions, reporting and recordkeeping and required disclosures. This course is intended for senior management, directors, and compliance personnel. **Course length ≈ 28 minutes.**

Learning Objectives:

- Explain what constitutes an extension of credit
- Understand how Regulation O prohibits certain extensions of credit
- Comply with the regulation's recordkeeping and reporting requirements

Course Outline:

- Extensions of Credit
- Prohibitions
- Recording keeping
- Disclosure of Credit
- Penalties

Military Lending Act – Final Rule

The Department of Defense issued regulations the financial institutions must follow regarding loans to military personnel. This course discusses the rules and the impact to bank's policies and procedures. This course is intended for compliance personnel, lenders, and loan operations personnel. **Course length ≈ 12 minutes.**

Learning Objectives:

- Explain how the MLA final rule defines consumer credit
- Ensure bank policies and procedures services are in compliance with the modifications the Final Rule makes to the MLA, specifically the modifications to disclosure and roll-over rules
- Understand and explain the protections the MLA final rule provides to service members and their dependents
- Ensure bank policies and procedures are not in violation of the prohibitions set forth in the MLA final rule

Course Outline:

- Overview and definitions
- Modifications and disclosures
- Covered borrowers
- Prohibitions

Introduction to Deposit Compliance

Deposit accounts are a necessity for all financial institutions. There are several laws and regulations that surround deposit accounts, the transactions that occur within them, and related products and services. This course will provide an overview of many of those regulations. This course is intended for a variety of job functions within the bank. Those that open deposit accounts, those that discuss transaction activity with customers such as tellers and lenders, deposit operations personnel, management and directors. Rev-04/20. **Course length ≈ 25 minutes**.

Course Outline:

- Regulation DD – Truth in Savings Act
- Regulation CC – Expedited Funds Availability Act
- Regulation E – Electronic Funds Transfer Act
- Regulation D – Reserve Requirements
- Regulation GG – Unlawful Internet Gambling
- E-Sign Act
- Bank Secrecy Act
- Privacy (Regulation P & Financial Privacy)
- Marketing Rules (Advertising, UDAAP, TCPA, CAN-SPAM, COPPA)
- Fair Credit Reporting Act/FACTA
- Community Reinvestment Act
- Non-deposit Investment Products (NDIP)
- Bank Bribery Act

Regulation E: Electronic Funds Transfer Act

Regulation E, also known as the Electronic Funds Transfer Act (EFTA), establishes the basic rights, liabilities, and responsibilities of consumers who use electronic fund transfer services and of financial institutions that offer these services. Its goal is to protect consumers who engage in these activities. This course discusses, in depth, the rules that banks must follow to ensure their policies and procedures are compliant with the regulation. This course is intended for operations and compliance personnel. Rev-3/19. **Course length ≈ 120 minutes.**

Learning Objectives:

- Ensure all the necessary disclosure policies required by Regulation E are in place at your bank

- Review bank protocols regarding electronic fund transfers are fully compliant with Regulation E
- Ensure your bank is keeping the necessary electronic fund transfer records
- Review bank policy to ensure that all other requirements of Regulation E are being met

Course Outline:

- Coverages and Exemptions
- Disclosures and Notices
- Customer Liability
- Error Resolution
- Preauthorized Transfers
- Open End Loans
- EFT Requirements
- Relation to Other Laws and Record Retention
- Remittance Transfers
- Prepaid Account Rules

Regulation DD: Truth in Savings Act

Regulation DD, also known as, the Truth in Savings Act, seeks to increase uniformity in the disclosures financial institutions provide customer opening new accounts. It exists to help enable consumer to make informed decisions about accounts at financial institutions. It also stipulates rules for account advertising and overdraft disclosures. This course will provide you with the requirements of Regulation DD. This course is intended for frontline, deposit operations, and compliance personnel. **Course length ≈ 37 minutes.**

Learning Objectives:

- Ensure the stipulations regarding the disclosures and notices required by Regulation DD are being followed at your bank
- Review your bank's existing advertising and advertising policies to ensure all advertising at your bank adheres to Regulation DD's advertising provisions
- Review interest paying policies at your bank to ensure they are in compliance with Regulation DD
- Review overdraft policies at your bank to ensure they are in compliance with Regulation DD

Course Outline:

- Disclosures and Notices
- Advertising
- Payment of Interest
- Additional Disclosure Requirements for Overdrafts
- Record Retention

Regulation CC: Funds Availability Act – In Depth

Regulation CC, also known as the Expedited Funds Availability Act, establishes the basic rights, liabilities, and responsibilities financial institutes have regarding the availability of deposited funds. Regulation CC also outlines the rules and regulations banks must follow pertaining to check collection, check processing and substitute checks. This course provides an in-depth look at the regulation's requirements. This course is intended for deposit operations and compliance personnel. Rev-06/20. **Course length ≈ 48 minutes.**

Learning Objectives:

- Ensure the availability of funds policies, procedures, and practices at your bank are in full compliance with Regulation CC.
- Review systems and procedures with employees to ensure all customers are being provided with disclosures and notices as required by Regulation CC.
- Ensure collection of check policies and procedures at your bank are compliant with Regulation CC.
- Understand the Regulation CC rules regarding substitute checks and ensure compliance with those rules at your bank.

Course Outline:

- Introduction
- Initial Disclosures
- Availability of Funds
- Next Day & Two-Day Availability
- Exception Holds/Delayed Availability
- Requirements for Delayed Availability
- Collection of Checks
- Check 21

Regulation D: Reserve Requirements

Reserve requirements are designed to assist the federal government in the implementation of is monetary policy. Financial Institutions must follow rules regarding withdrawal activity, payment of interest and reporting requirements. This course discusses how Regulation D governs reserve requirements in the U.S. This course is intended for operations, accounting, and compliance personnel. **Course length ≈ 47 minutes.**

Learning Objectives:

- Ensure all policies and procedures at your bank are in compliance with Regulation D
- Ensure your bank is meeting all of the reporting requirements of Regulation D

Course Outline:

- Reporting
- Payment of Interest on Balances
- NOW Accounts
- Reserve Requirements

Understanding UDAAP

Unfair, deceptive, or abusive acts and practices (UDAAP) can cause significant financial injury to consumers, erode consumer confidence, and undermine the financial marketplace. Federal Regulations make it illegal for any provider of consumer financial products or services to engage in unfair, deceptive or abusive acts or practices. This course introduces UDAAP and how to create policies and procedures and products and services that will not violate the federal regulations. This course is intended for all personnel. **Course length ≈ 18 minutes.**

Learning Objectives:

- Test the policies, procedures, processes and controls at your bank concerning liabilities to ensure function and compliance.

Course Outline:

- Auditing Deposits
    - Obtain an understanding of the key concepts related to deposits.
    - Discuss audit objectives of deposit accounts.
    - Discuss an example of an internal control questionnaire for deposits.
    - Discuss an example of an internal audit program for deposits.
    - Discuss basic policy considerations related to deposit accounts.
- Sample Violations
    - Bank
    - Credit card
    - Credit card number two
- Creating a UDAAP Compliance Program
    - Advertising
    - Disclosures
    - Products
    - Consumer compliance
    - Employee conduct
    - Service provider conduct
- Controls

Regulation BB: Community Reinvestment Act

Regulation BB, also known as the Community Reinvestment Act (CRA) requires each financial institution to assess an institution's record of helping meet the credit needs of the local communities, including low- and moderate-income neighborhoods, in which

the institution is chartered, consistent with safe and sound operations. This course an overview of the Community Reinvestment Act requirements. This course is intended for CRA compliance personnel and for those that want to learn about how a bank is examined under the Community Reinvestment Act. Rev-01/18. **Course length ≈ 75 minutes.**

Learning Objectives:

- Understand the various standards for assessing performance within the CRA
- Ensure compliance with the CRA's reporting, recordkeeping, and disclosure requirements

Course Outline:

- Standards for Assessing Performance
- Assessment Areas, Disclosures, Reports and Records
- Ratings

Red Flags Identity Theft Prevention Programs

Every financial institution must develop and implement a written identity theft prevention program that is designed to detect, prevent, and mitigate identity theft in connection with the opening of an account. This course discusses the information you need to implement and maintain a fully compliance program at your bank. This course is intended for all personnel of the bank including, frontline, lenders, operations, and compliance. Ver.- 06/19. **Course length ≈ 30 minutes.**

Learning Objectives:

- Explain the necessary components of a Red Flags Identity Theft Prevention Program
- Establish a Red Flags Identity Theft Prevention Program at your bank
- Understand the change of address policies your bank is required to have as a part of its Red Flags Identity Theft Prevention Program Implement proper Red Flags Identity Theft Prevention Program training policies for staff at your bank

Course Outline:

- Overview
- Establishing the Program
- Change of Address Requirements
- Recordkeeping and Enforcement
- Fraud Alerts
- Examples

Regulation P: Consumer Privacy – In Depth

The Gramm-Leach Bliley Act (GLBA), is implemented by Regulation P: Privacy of Consumer Financial Information. The GLBA limits when and how an bank may disclose nonpublic personal information about a consumer to nonaffiliated third parties. For information shared, the consumer must be allowed to opt-out of the sharing. This course will provide details of Regulation P. This course is intended for compliance and operations personnel. Rev-06/20. **Course length ≈ 55 minutes.**

Learning Objectives:

- Understand the various definitions under Regulation P in order to comply with the regulation
- Know which notices the bank must provide as well as when to provide an opt-out option
- Understand the exceptions to opting out

Course Outline:

- Introduction
- Definitions
- Privacy Notices
- Initial Privacy Notice
- Annual Privacy Notice
- Revised Privacy Notices
- Content of Privacy Notices
- Opt-out Notice
- Limits on Disclosure to Nonaffiliated Third Parties
- Limits on Disclosure and Reuse of Information
- Limits on Sharing Account Number Information for Marketing Purposes
- Exceptions (Section 13, 14, & 15)

FCRA: Consumer Reports

The Fair Credit Reporting Act (FCRA) governs the collection, assembly, and use of consumer report information and provides the framework for the credit reporting system in the U.S. In general banks are not considered consumer reporting agencies however there are parts of the Act that banks must comply with. This course discusses the general rules banks must follow regarding consumer reports and information sharing. This course is intended for operations and compliance personnel and those whom review credit reports. **Course length ≈ 60 minutes.**

Learning Objectives:

- Understand the FCRA requirements regarding credit reports
- Explain the disclosures required by the FCRA
- Ensure record retention policies at your bank are FCRA compliant

Course Outline:

- Reports
    - Permissible purposes of reports
    - Obligations of users of consumer reports
    - Obsolete information
    - Investigative reports
    - Restrictions on investigative reports
    - Public information for employment purposes
    - Procedure in case of disputed amount
    - Compliance procedures for reporting agencies
    - Prescreened lists
- Disclosures
    - Disclosure to government
    - Disclosure to consumers
    - Conditions of disclosure to consumers
    - Charges for certain disclosures
- Enforcement and Recordkeeping
    - Enforcement
    - Record retention
    - Disposal of records

FCRA: Risk Based Pricing

The Fair Credit Reporting Act (FCRA) governs the collection, assembly, and use of consumer report information and provides the framework for the credit reporting system in the U.S. In general banks are not considered consumer reporting agencies however there are parts of the Act that banks must comply with. Risk-based pricing is the practice of offering materially more favorable or materially less favorable credit terms to consumers based on the consumers` credit history. This course discusses the rules banks are required to follow regarding risk-based pricing and providing consumers with appropriate disclosures. This course is intended for lenders, loan operations personnel and compliance personnel. **Course length ≈ 55 minutes.**

Learning Objectives:

- Ensure all risk-based pricing disclosure policies at your bank are Fair Credit Reporting Act compliant
- Understand the content, form, and timing requirements of risk-based pricing disclosure notices

Course Outline:

- General Requirements for Risk-Based Pricing Notice
- Content, Form, and Timing of Risk-Based Pricing Notices
- Exceptions
- Rules of Construction

Bank Secrecy Act: BSA & Compliance Officers

The Bank Secrecy Act (BSA) is one of the main tools the Federal Government uses to combat financial crimes and terrorist activity. The BSA requires banks to assist in preventing crime by enacting sound policies regarding reporting, recordkeeping, and monitoring of potentially criminal activity. The BSA requires the Board of Directors to appoint a Bank Secrecy Officer. It is important that the Bank Secrecy Officer be well versed in the Bank Secrecy Act in order to implement a compliance BSA/AML program. This course will provide Bank Secrecy Officer and other BSA/compliance personnel with the training they need to effectively create and manage their banks program. Rev-06/18. **Course length ≈ 65 minutes.**

Learning Objectives:

- Implement an effective BSA/AML Compliance Program
- Identify when you should complete a report as required by the Bank Secrecy Act, such as Suspicious Activity Report or Currency Transaction Report
- Explain and comply with the recordkeeping requirements of the Bank Secrecy Act
- Properly follow the required procedures for gathering customer identification
- Monitor a customer's account for suspicious activity
- Perform reviews on customers and transactions against various lists provided by government agencies
- Know the latest trends in the Bank Secrecy Act compliance arena

Course Outline:

- BSA/AML Compliance Program (5 pillars)
- Risk Assessment
- Currency Transaction Reports
- Monetary Instrument Recordkeeping
- Funds Transfer Recordkeeping
- Customer Identification Program
- Customer Due Diligence
- Suspicious Activity Reporting and Monitoring
- OFAC & 311 Special Measures
- Information Sharing (314(a) & 314(b)
- Hot Topics

Bank Secrecy Act: Red Flags

The Bank Secrecy Act (BSA) requires financial institutions to assist U.S. government agencies in detecting and preventing financial crimes such as terrorist financing, tax evasion, identity theft, different types of fraud (such as wire fraud, loan fraud, elder fraud), structuring, account takeovers, human trafficking, funnel account activity, and more. If a bank suspects any illegal activity happening within its bank, documentation must be maintained and a Suspicious Activity Report (SAR) may be filed. This course will

identify red flags that can help bank employees recognize possible illegal activity. This course is intended for all bank personnel. Rev-06/18. **Course length ≈ 24 minutes.**

Learning Objectives:

- Understand what money laundering is and the government agencies working to stop the activity
- Identify red flags that indicate activities that may be associated with illegal activity
- Explain what to do if you encounter a red flag

Course Outline:

- Money Laundering
    - Definition
    - Importance
    - FinCEN
- Key Money Laundering Red Flags
- Terrorist Financing Red Flags
- Bankers Responsibilities

Bank Secrecy Act: Customer Due Diligence and Beneficial Ownership

In May of 2016, the Financial Crimes Enforcement Network (FinCEN) amended the Bank Secrecy Act to include ``Customer Due Diligence``. The mandatory effective date of this new rule is May 11, 2018. In this course you will learn about the new Customer Due Diligence rules including the following requirements and how to comply with them: customer identification and verification; beneficial ownership identification and verification; using customer relationships to develop a customer risk profile; and monitoring for reporting suspicious transactions and, on a risk basis, maintaining and updating customer information. This course is intended for new accounts personnel and BSA and compliance personnel. Rev-01/18. **Course length ≈ 18 minutes.**

Learning Objectives:

- State the four core elements of a customer due diligence program
- Understand the difference between the requirements for CIP versus Beneficial Ownership
- Know the rules for opening an account for a legal entity customer
- Ensure your financial institution has compliant written policies and procedures for customer due diligence monitoring

Course Outline:

- *Customer Identification and Verification*
- *Beneficial Ownership*
    - *Definitions*
    - *Requirements*

- *Customer Risk Rating and Ongoing Monitoring*