

November 16, 2019

## Course Updates – Summary of Changes

### Regulations

None this period

### Maintenance

- Ethical Dilemmas and the Fight Against Mortgage Fraud – 13061
- Right to Financial Privacy Act (RFPA) – 63
- DB - Right to Financial Privacy Act (RFPA) – 48192
- Loans to Executive Officers - Regulation O – 50
- Customer Identification Program (CIP) Refresher – 2742
- CU - Member Identification Program (MIP) Refresher – 21649
- Office of Foreign Assets Control (OFAC) – 66753
- Bank Secrecy Act for Lenders – 66741
- Federal Regulation of Real Estate Appraisals – 1899
- Introduction to Appraisal – 19934
- IRA Rollovers, Transfers, and Direct Rollovers – 3347
- Real Estate Settlement Procedures Act - Regulation X – 40019
- CU - Real Estate Settlement Procedures Act - Regulation X – 17197

### Maintenance

#### Ethical Dilemmas and the Fight Against Mortgage Fraud – 13061

**Example replacement:** *Federal Laws > Money Laundering Example*

**Old text** – “In a description of recent money laundering investigations, the IRS provided an example of a mortgage fraud scheme that led to a 17-month prison term for one defendant and a 30-month sentence for his co-conspirator. Both defendants falsified loan documents while conducting business as mortgage brokers. The defendant who earned the 30-month sentence fabricated supporting documentation for loan applicants, including documents showing down payments that were never made and numerous “cut and paste” revisions of other documents. Both defendants provided false information to the IRS regarding the income that they earned as mortgage brokers. By mailing and transmitting false

information to the government, they committed mail fraud and wire fraud. Furthermore, by transferring mail fraud proceeds from one bank account to another, the defendants committed (and earned a conviction for) money laundering.[13]

[13] IRS. "Examples of Money Laundering Investigations-Fiscal Year 2013. 4 Nov. 2013. <http://www.irs.gov/uac/Examples-of-Money-Laundering-Investigations-Fiscal-Year-2013> and Morse, Janice. "Mortgage Scheme Sends West Chester Woman to Prison." West Chester Buzz. 26 June 2013. <http://westchesterbuzz.com/2013/06/26/mortgage-scheme-sends-west-chester-woman-to-prison/>"

**New text** – "An employee of a financial institution admitted to laundering more than \$1 million in foreign bribery proceeds paid to officials of a state-owned and state-controlled company. He did so by wiring the funds from his own bank account to accounts in order to conceal the bribery, retain existing contracts, and be awarded new business.

Each year, the IRS releases the IRS: Criminal Investigation Annual Report. You may access this report online if you wish to view real-world examples of recent money laundering cases. [1]

[1] IRS. Criminal Investigation Annual Report. 2018. [https://www.irs.gov/pub/irs-utl/2018\\_irs\\_criminal\\_investigation\\_annual\\_report.pdf](https://www.irs.gov/pub/irs-utl/2018_irs_criminal_investigation_annual_report.pdf)"

## Right to Financial Privacy Act (RFPA) – 63

### DB - Right to Financial Privacy Act (RFPA) – 48192

**Typo:** *Exceptions > RFPA Exceptions*

**Old text** – "1. When a government authority does has to provide neither notice to the customer nor a certificate of compliance to a financial institution"

**New text** – "1. When a government authority has to provide neither notice to the customer nor a certificate of compliance to a financial institution"

## Loans to Executive Officers - Regulation O – 50

**Typo:** *Pre- and Post-Test > Q3*

**Old version** – "Extensions of credit to executive officers are limited in amount to 2.5% of your institution's unimpaired capital and unimpaired surplus or \$25,000 (whichever is greater) with a maximum of \$100,000. One exception to the limit is:"

**New version** – "Extensions of credit to executive officers are limited in amount to 2.5% of your institution's unimpaired capital and unimpaired surplus or \$25,000 (whichever is greater) with a maximum of \$100,000. One exception to the limit is:"

## Customer Identification Program (CIP) Refresher – 2742

## CU - Member Identification Program (MIP) Refresher – 21649

**Typo:** *MIP Fundamentals > Quiz (1)*

**Old version** – Correct answers: “Comes in to open a new checking account” and “Stops in to wire money to Las Vegas”

**New version** – Correct answers: “Comes in to open a new checking account” and “Moves to town and opens a safe deposit box”

## Office of Foreign Assets Control (OFAC) – 66753

**Incorrect feedback:** *Pre- and Post-Tests > Q40*

**Old version** – Incorrect response feedback: “Incorrect. The correct answer is ‘Intercede / reverse.’”

**New version** – Incorrect response feedback: “Incorrect. The correct answer is ‘Block / freeze.’”

## Bank Secrecy Act for Lenders – 66741

A video has been added to the beginning of this course.

## Federal Regulation of Real Estate Appraisals – 1899

**Threshold adjustment:** *Bring It on Home > Knowledge Check (3)*

**Old version** – Question: “If a lender is making a real estate loan of \$200,000.” Answer C: “No appraisal is required; the transaction value is less than \$250,000” Correct response feedback: “Correct. No appraisal is required. The transaction value is less than \$250,000.” Incorrect response feedback: “Incorrect. The correct answer is 'No appraisal is required; the transaction value is less than \$250,000.’”

**New version** – Question: “If a lender is making a real estate loan of \$300,000.” Answer C: “No appraisal is required; the transaction value is less than \$400,000” Correct response feedback: “Correct. No appraisal is required. The transaction value is less than \$400,000.” Incorrect response feedback: “Incorrect. The correct answer is 'No appraisal is required; the transaction value is less than \$400,000.’”

## Introduction to Appraisal – 19934

**Page removal:** *Three Appraisal Approaches > New Content Page*

The page at the end of this section containing only a table has been removed.

## IRA Rollovers, Transfers, and Direct Rollovers – 3347

**Text removal:** *Employer Plan-to-IRA Rollover Basics > Distributions Not Eligible for Rollover*

**Old version** – “The following types of distributions are not eligible for rollover. Roll your mouse over each distribution type for more information.”

**New version** – “The following types of distributions are not eligible for rollover;”

## Real Estate Settlement Procedures Act - Regulation X – 40019

### CU - Real Estate Settlement Procedures Act - Regulation X – 17197

**Typo:** *Kickbacks and Escrow > Kickbacks Explanation*

**Old text** – “Since its in response...”

**New text** – “Since it’s in response...”