



InfoSight Highlight

Power of Attorney Issues

A power of attorney is a writing that appoints and authorizes a person to act on behalf of another person in order to assist that person in handling his or her business and/or personal affairs. The person who creates a power of attorney is called a principal, and the person who is granted the power of attorney is referred to as being the principal's attorney in fact.

There are two primary reasons that a principal creates and appoints an attorney in fact to act under a power of attorney on behalf of the principal: 1) to assist the principal with his or her business and/or personal affairs because the principal is physically and/or mentally incapable of transacting those business and affairs for himself or herself, or 2) to allow the attorney in fact to attend to specific transactions on behalf of the principal, which the principal wants to delegate to the attorney in fact.

For more information, please see the [Power of Attorney Issues](#) topic in InfoSight.

Compliance News

Is Your CU Ready for August 1st?

[CUNA's Compliance Blog](#) notes that the Consumer Financial Protection Bureau (CFPB) has recommended credit unions consider several practical implementation issues well before the **August 1, 2015**, effective date of the new integrated mortgage disclosures:

- To fully understand the impact of the changes may involve a review of your existing business processes, as well as the hardware and software that you and your settlement service providers use. Gap analysis may be a helpful output of such a review and can help to inform a robust implementation plan.
- Review your technology platforms and determine which version of MISMO is currently supported. The data standards to support the new Loan Estimate and Closing Disclosure forms will exist in MISMO version 3.3 and later.
- Evaluate the current integrations between your technology platforms and those of your relevant third party service

GEORGIA CREDIT UNION

Affiliates

InfoSight
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Credit Union National Association

Compliance Video

Compliance Connection Video

In this video, League InfoSight CEO Glory LeDu talks about the highlights from the 4th Quarter of 2018 and the 1st Quarter of 2019.

When S.2155, the Economic Growth, Regulatory Relief, and Consumer Protection Act, passed in 2018 there was a lot to understand! Glory LeDu, League InfoSight CEO, provides [Part 1 in this short video](#) to break it down for you.

Just a reminder that Compliance videos since 2016 can be found on YouTube at [the Compliance Connection](#)

providers, such as document generators and settlement service providers, to determine required updates.

- Third-party updates may be necessary to:
 - obtain required information or verifications,
 - incorporate new disclosures, and
 - make sure your software, compliance, quality-control, and recordkeeping protocols comply with the new regulations.
- Software providers and technology vendors may offer compliance solutions that can assist with any necessary changes.
- All creditors will likely need to carefully coordinate readiness and compliance with the network settlement service providers on whom they rely for closing services. In some cases, you may want to negotiate revised or new contracts with these parties, or seek a different set of services.
- Credit union should be in close touch with all key vendors to ensure that their process and technology changes will meet your business and compliance needs and are scheduled to occur on a timeline that supports collaborative readiness.
- Make sure you understand the extent of the assistance that vendors and settlement services providers provide. For example, if vendors provide software that calculates tolerances to determine which cost changes at settlement require re-disclosure to the member, do they guarantee the accuracy of their conclusions?
- The CFPB expects credit unions to have an effective process for managing the risks of service provider relationships.
- Consider the training that will be necessary for your loan officer, processor, closing, compliance, and quality-control staff, as well as anyone else who accepts applications, processes loans or monitors transaction compliance.
- Ensure your policies and procedures are updated or revised to indicate the credit union will comply with the requirements of the TILA-RESPA Integrated Final rule including the disclosure and timing requirements of the rule.

[channel](#), where they are generally updated quarterly.

Compliance Calendar

March 3
Permissible Derivatives
Effective Date

March 8
Daylight Savings Time Begins

March 30
NACHA Operating Rules
Changes

April 24
5300 Call Report Due to NCUA

April 30
Credit Card Quarterly
Agreement Submission Due to
CFPB (10,000 or more open
credit card accounts)

May 25
Memorial Day - Federal
Holiday

[Click here for upcoming
compliance dates.](#)

Compliance Training

February 18, 2015
[Opportunities in the
Underserved Market](#) - NCUA
Webinar
2:00 p.m. EST

For more information, see the CFPB's "[TILA-RESPA Integrated Disclosure rule Small entity compliance guide.](#)"

HMDA Data Collection Requirements for 2015
NCUA reminds credit unions in [Regulatory Alert 15-RA-02](#) that if

your credit union makes residential mortgage loans and meets all three criteria outlined below, you must comply with Regulation C, which implements the Home Mortgage Disclosure Act (HMDA). Regulation C requires you to collect HMDA data associated with mortgage loan applications processed during 2015, if:

1. Your credit union's total assets as of December 31, 2014, exceeded \$44 million;
2. Your credit union had a home or branch office in a Metropolitan Statistical Area on December 31, 2014; and
3. During 2014, your credit union originated at least one home purchase loan (other than temporary financing such as a construction loan) or refinanced a home purchase loan, secured by a first lien on a one-to-four-family dwelling.

If your credit union meets all three criteria, you must collect HMDA data during calendar year 2015 and submit the data to the Federal Reserve Board no later than March 1, 2016. If your credit union does not meet all three criteria, you are exempt from filing HMDA data for calendar year 2015.

If you have questions, please contact NCUA's Office of Consumer Protection at (703) 518-1140 or at ComplianceMail@ncua.gov.

\$10.00 GRMA Fee Reminder

The \$10.00 per loan fees required by O.C.G.A. Section 7-1-1011(b)(2) and Department Rule 80-5-1-.04 are due no later than **March 1, 2015**, for residential mortgage loans closed during the period July 1, 2014, through December 31, 2014. A \$10.00 fee will be due if the loan is a residential mortgage loan as defined in the Georgia Residential Mortgage Act ("GRMA"), and if a security deed, a modification of a security deed, or other form of modification of a security interest is recorded.

Remember, the GRMA fee on-line reporting and payment process has recently changed.

Please refer to the [Department's website](#) for a more detailed discussion of these changes.

February 18, 2015
[2015 Tax Refunds - Webinar](#)
2:00 – 3:00 p.m. EST

February 18, 2015
[Expiring ITINs and Form W-8BEN - Webinar](#)
2:00 – 3:00 p.m. EST

February 18 – 19, 2015
[Sales & Service Boot Camp](#)
Atlanta, Georgia

February 19, 2015
[ABCs of Collections - Webinar](#)
12:00 – 1:30 p.m. EST

February 19, 2015
[Payments Systems Fraud for Compliance Staff - Webinar](#)
2:00 – 3:00 p.m. EST

February 20, 2015
[Fair Lending and HMDA Compliance - NCUA webinar](#)
2:00 p.m. EST

February 25, 2015
[Mandatory Repossession Letters and How to Avoid Common Mistakes - Webinar](#)
1:00 – 2:15 p.m. EST

March 4, 2015
[Collection Compliance Do-s and Don't-s for the Frontline - Webinar](#)
2:00 - 3:00 p.m. EST

March 10, 2015
[8 Hour SAFE Comprehensive Mortgage Loan Originator Course #4528 \(NMLS #1405021\)](#)
8:30 – 5:00 p.m.

The most significant changes to the GRMA semiannual reporting and payment process are as follows:

- **Elimination of “\$0 GRMA fee statement reporting”**: Revisions to Department Rules eliminated the requirement that a fee statement be filed even if no residential mortgage loans were closed during the semiannual reporting period. **As a result, the online payment and reporting website no longer allows reporting of \$0 loans.** Collecting agents that did not close any loans during the semi-annual period do not need to file a hardcopy report with the Department.
- **Changes to the Online GRMA Reporting and Payment Process**: The online GRMA per Loan Fee Reporting and Payment Process has been modified as follows:
 - The payment site at <https://bkgfin.dbf.state.ga.us/GRMAFee.html> no longer requires a Login ID and password.
 - Separate reporting and payment processes have been created for Georgia state-chartered banks and credit unions, Georgia state-licensed or registered mortgage companies, and all other entities reporting that are not chartered or licensed by the Department.
 - **GRMA Late Fees/Fines**: Rule changes were made to clarify that the remittance of any \$10.00 fees after the date on which they are due shall subject the collecting agent to a late payment fee of \$100 for each due date missed. In addition, if the Department finds that the collecting agent has not submitted GRMA fees within six months of the due date, the collecting agent will be subject to an additional fine of 20% of the total amount of \$10.00 fees required to be collected for the applicable period.
 - **Online Payment Options**: The Department is using Official Payments Corporation as its credit card service provider for the payment of fees due the Department. Official Payments Corporation charges a nominal convenience fee based on the amount of the transaction. The convenience fee is 2.50% of the payment amount, with a minimum service fee of \$1.00 per payment transaction. **Note**: The Department continues to offer ACH draft as a payment option.

Important Note: Most of the Department’s payment sites perform better using the Mozilla Firefox browser. If you use Internet Explorer, please ensure that you have version 7.0 or higher. Keep in mind that

March 11, 2015
Recognizing Financial Elder Abuse for the Frontline - Webinar
2:00 - 3:30 p.m. EST

March 23, 2015
The Director - A Guide to Effectively Working with the Supervisory Committee - Webinar
2:00 - 3:00 p.m. EST

March 25, 2015
Bankruptcy Best Practices for Credit Unions - Webinar
12:00 – 1:00 p.m. EST

March 31 – April 9, 2015
Protecting Members Under Reg E - Webinar Series
2:00 – 3:00 p.m. EST

April 1, 2015
New Accounts for the Frontline: Compliance Issues to Watch For - Webinar
2:00 - 3:00 p.m. EST

April 7, 2015
Regulation E for ACH Error Resolution - Which 60 Day Rule Will You Follow - Webinar
2:00 - 3:00 p.m. EST

April 9, 2015
Sharpening Your Skip Tracing Skills - Webinar
12:00 – 1:30 p.m. EST

April 12-17, 2015
CUNA Regulatory Compliance School
Las Vegas, NV

you may also need to refresh your browser and clear your browser's cache to ensure that you see the current, active page.

Inclement Weather Closing Reminder

As a reminder, Georgia state-chartered financial institution offices directly affected by severe weather conditions may close under the conditions set forth in Department Rule 80-5-2-.02. Current regulations provide that financial institution management may exercise its own discretion, with notification to the Department, in closing any institution for one business day, with renewal for successive days, upon management's determination that the safety of customers/members, employees or assets would be in jeopardy due to civil disorder, fire, acts of God, or similar circumstances which render the institution unable to conduct business in a safe manner.

Financial institutions closing due to severe weather should make every effort to reopen as quickly as possible to address the banking needs of Georgia citizens. Weather-related and other emergency closings should be communicated to the Department, preferably by e-mail to dbfcorp@dbf.state.ga.us, as soon as transmission of such notice is feasible. If notification to the Department by e-mail is not possible, communication of such closings may be made by telephone, fax or mail.

The Department reminds state chartered credit unions that there is no requirement for a prior posted notice of an emergency closing to members, as this would not be a practical requirement based on the nature of an emergency closing. However, if possible, posting such notice is ideal. In addition, multiple successive day closings are permissible if a state of emergency is declared.

The Department would also like to remind Georgia state-chartered credit unions to ensure that their emergency contact information is current with the Department. Please note that the Department's emergency contact database allows a financial institution to store one primary and two alternate contacts. The Department recommends that one individual be assigned as administrator to manage the institution's contact information in the Department's system. Georgia state-chartered credit unions can update their information here: <https://bkgfin.dbf.state.ga.us/CUEmergCont.html>.

April 14, 2015
[Collections & Bankruptcy Update](#)
Atlanta, Georgia

April 23, 2015
[The Redaction Trap - NPI Disclosure Penalties to Avoid - Webinar](#)
12:00 - 1:00 p.m. EST

BSA Training Opportunities through GCUA
[Click here for details](#)

Federal credit unions do not have to notify NCUA Region III regarding closings.

Your CU Should Know...

NCUA and SBA to Help Small Businesses Get Credit: The NCUA and the SBA have announced the signing of a Memorandum of Understanding outlining a series of educational initiatives during the next three years that include webinars, examiner training on SBA programs, data resources and media outreach. The primary objective of the collaboration is increasing credit union awareness of SBA programs.

Regulators Promote Military Saves and America Saves

Week: A press release has been issued by the FDIC encouraging consumers to use America Saves Week as a time to begin or continue saving towards financial goals. America Saves Week, which runs from February 23–28, 2015, is an annual opportunity for organizations to encourage consumers to make a savings commitment, and then provide access to ideas, tools, and other helpful resources to help consumers develop a plan to achieve their goal. The agency provided educational resources developed by the FDIC to help consumers evaluate savings options to achieve their savings goals.

The NCUA has announced that a live Twitter chat will be available on February 26, 2015, beginning at 11 a.m. EST, for credit unions and their members to share strategies for developing positive savings behavior during Military Saves and America Saves Week. Credit unions and consumers can follow @MyCUGov and contribute to the conversation using the #NCUAChat hashtag on Twitter.

Reverse Mortgage Consumer Advisory and Complaint Report: The CFPB announced its release of a report of 1,200 reverse mortgage complaints received by the agency from December 1, 2011 to December 31, 2014. The Bureau also posted a Consumer Advisory listing three steps a consumer with a reverse mortgage should take:

1. Verify who is on the loan

2. If the reverse mortgage is in the name of only one spouse, make a plan for the non-borrowing spouse
3. Talk to children and heirs—make a plan for any non-borrower family members living in the home

The Bureau also recommended its *[Guide to Reverse Mortgages for Older Consumers and their Families](#)* for those looking for more information.

CFPB Takes on Mortgage Companies for Deceptive Ads: The CFPB has announced the filing of a complaint and the issuance of administrative consent orders against three mortgage companies. The Bureau alleges the companies misled consumers with advertisements implying U.S. government approval of their products. A complaint was filed against All Financial Services, a mortgage broker and lender in Maryland, New Jersey, Pennsylvania, and Washington, D.C. Consent orders were issued against Flagship Financial Group, LLC, headquartered in Utah and licensed as a mortgage broker or lender in 35 states; and against American Preferred Lending, headquartered in California and a mortgage lender and mortgage broker in California. American Preferred is also a mortgage loan originator in Florida.

The CFPB has also announced it has issued a Consent Order against NewDay Financial, LLC for deceptive mortgage advertising and kickbacks. The CFPB found NewDay deceived consumers about a veterans' organization's endorsement of NewDay products and participated in a scheme to pay kickbacks for customer referrals. NewDay will pay a \$2 million civil money penalty for its actions. The Order also requires that NewDay may not deceptively market mortgage credit products, may not enter into business relationships involving third-party endorsements inconsistent with FTC guidance, and must make no payments for referrals.

Credit Limits Management Study: The Philadelphia Federal Reserve Bank has posted a discussion paper, "[A Tale of Two Vintages: Credit Limit Management Before and After the CARD Act and the Great Recession](#)," on its website. The paper examines how the Great Recession and implementation of the CARD Act affected credit card issuers' credit limit management strategies by analyzing tradeline-level credit card data on initial credit limits and early credit limit increases.

Local Training - 8 Hour SAFE Comprehensive Mortgage Loan Originator Course

The new rules issued by the CFPB pursuant to Dodd-Frank amended Regulation Z and now require that a loan originator must receive periodic training. This training must cover Federal and State law requirements that relate to the individual loan originator's origination activities.

This course covers the following:

- Regulation Z (Truth-in-Lending)
- Regulation X (RESPA)
- Regulation B (Equal Credit Opportunity Act)
- Fair Housing Act
- Regulation C (Home Mortgage Disclosure Act)
- Adjustable Rate Mortgages
- Federal Housing Administration (FHA) and Veterans Administration (VA) loan programs
- Reading and Understanding Credit Reports & Scores / Fair Credit Reporting Act (FCRA)

Please join us **March 10th in Atlanta** for this course, which was designed to meet the continuing education requirements of the SAFE Act inclusive of (3) hours federal laws & regulations, (3) hours ethics, consumer protection & fair lending, and (2) hours lending standards for the non-traditional mortgage product marketplace.

Please click [here](#) for more information and to register.

Comment Calls

NCUA's Economic Growth and Regulatory Paperwork Reduction Act (EGRPRA)

NCUA has issued a [request for comments](#) to identify outdated, unnecessary, or burdensome regulatory requirements imposed on federally insured credit unions as part of the agency's decennial EGRPRA regulatory review. The Federal financial institution regulators, excluding NCUA, are

required by EGRPRA to review their rules at least once every ten years. NCUA voluntarily chooses to participate in this review. Please provide any comments or concerns that you might have regarding NCUA's review to Selina Gambrell at selinag@gcua.org by **March 1st**.

Regarding RBC2: To stay up-to-date on the latest information on NCUA's Risk Based Capital 2 proposal, please see CUNA's [RBC2 Blog](#).

The [CUNA Regulatory Advocacy Report](#) contains information from the office of the President of CUNA about regulatory issues that affect credit unions. You can view the current report and past reports from the archive.

Click [here](#) to request to be added to the mailing list for this and/or other GCUA email publications.

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Need a BSA, ACH or Website review? Email compliance@gcua.org.