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West Virginia Division of Financial Institutions (WV-DFI) Continuing Education (CE) Notice

Purpose

The purpose of this notice is to inform NMLS approved course providers of the required topics to be covered in the 2-hour state specific Continuing Education (CE) requirement which must be met as a condition for maintaining a mortgage loan originator (MLO) license with the West Virginia Division of Financial Institutions.

CE requirements are as follows:

- 3 hours of Federal law;
- 2 hours of Ethics;
- 2 hours of lending standards for non-traditional mortgage products;
- 2 hours of WV state-specific defined electives

Total CE: 9 Hours

WVDFI has established the following required learning objectives and topics list for the 2 hours of state-specific CE:

Required Learning Objectives:

- Emphasize the compliance issues related to the use of social media by the company and mortgage loan originators and issues that could arise and lead to violations of law.
- Describe the Tangible Net Benefit requirements and demonstrate proper completion of the WV statutorily required form.
- Know the late payment penalty maximum charge of \$30.00 and describe the requirement that this be disclosed correctly on all loan disclosures.
- Explain the loan-to-value limitation of 100%, unless program is specifically exempted by statute.
- Know that no application fees may be collected. Explain that third party pass through fees may be collected for the actual amount of the service provided.
- Recite fee limitations.
- Explain that no instrument evidencing or securing a primary or subordinate loan may contain a requirement that the final installment be greater than any other installment (balloon).
- Discuss the records that must be maintained per 106CSR5 of the Legislative Rules.
- Illustrate the requirement that an MLOs NMLS unique identifier is displayed on all advertising, including social media.
- Explain the restriction on use of the term “banker”.

- Discuss the explanation and documentation required if a non-local appraiser (greater than 75 miles) is used.
- Examine the determination of ability to repay (or exemption from the requirement). If debt-to-income ratio exceeds 50%, a written assessment containing certain information must be signed by the lender or lender's representative and the borrower. Note that this requirement stands even if the mortgage loan is a "no doc" or "low doc" product.
- Describe the requirements regarding the good funds settlement act.

Required Topics:

- Disclosures and Advertising
- Conditions and Limitations of Certain Mortgage Transactions
- Residential Mortgage Loans
- Licensing Maintenance & Renewal

References:

Code of State Rules, Title 106, Series 5 – Rule Pertaining to Residential Mortgage Lenders, Brokers and Loan Originators
 West Virginia Code Chapter 31, Article 17
 West Virginia Code Chapter 31, Article 17A
 West Virginia Code Chapter 39A, Article 1
 West Virginia Code Chapter 46A, Article 1
 West Virginia Code Chapter 46A, Article 2
 West Virginia Code Chapter 46A, Article 3
 West Virginia Code Chapter 46A, Article 6
 West Virginia Code Chapter 46A, Article 6C
 West Virginia Code Chapter 46A, Article 6K
 West Virginia Code Chapter 46A, Article 7
 West Virginia Code Chapter 47, Article 6
 West Virginia Code Chapter 31A, See §31A-4-2

NMLS Approving Authority

In accordance with the SAFE Act, NMLS is the approval authority for courses that are intended to satisfy the PE & CE requirement for an MLO to be licensed by a state-agency. Courses intending to satisfy these requirements must also meet NMLS course approval standards as detailed in the *Functional Specification for All NMLS Approved Courses*.

Legislative Updates

Course providers are responsible for keeping abreast of changes made to the applicable statutes, regulations and rules.