

RMLO Anti-Money Laundering Awareness 2024

Course Outline and Provider Qualifications

Welcome to the Exchange Analytics Anti-Money Laundering (AML) Awareness Training Course, developed specifically for non-bank residential mortgage lenders and originators (RMLOs). Recognizing and preventing possible money laundering and mortgage fraud is a top priority in our industry. As a professional in the mortgage lending and origination business, you play an important role in a global effort to detect and stop illegal activity from occurring. Understanding AML requirements and staying abreast of rule changes is at the cornerstone of an effective AML program. Participating in an annual training program is also a requirement under the U.S. Bank Secrecy Act and related regulations.

- I. How Does Money Laundering Work?
 - a. What Money is Laundering and Terrorist Financing?
 - b. How Does Money Laundering Apply to RMLOs?
 - c. How Does Money Laundering Work?
 - a. Placement
 - b. Layering
 - c. Integration
- II. Regulatory Landscape
 - a. AML Legal Background
 - Bank Secrecy Act (BSA)
 - Money Laundering Control Act
 - Financial Crimes Enforcement Network (FinCEN)
 - PATRIOT Act
 - AML Programs and SARs
 - b. The Financial Action Task Force
 - Role and responsibility
 - Recommendations
 - List of AML Deficient Countries
 - “Grey List” of Jurisdictions Under Increased Monitoring
 - “Black List” of High-Risk Jurisdictions
 - Guidance on Crowdfunding as Impacted by Terrorist Groups
 - Use of Crowdfunding to Raise Money for Terrorism
 - Guidance Regarding the Abuse of Non-profit Organizations by Terrorist Groups
 - c. OFAC Sanctions Compliance
 - d. Digital (Virtual) Assets

- III. AML Compliance Program Requirements
 - a. Elements of an AML Compliance Program
 - b. Customer Identification Program Steps
 - c. Suspicious Activity Reporting
 - SAR Requirements
 - Reporting Suspicious Cyber Activity
 - Additional SAR Requirements
 - Information Sharing Requests
 - Willful Blindness or Turning a Blind Eye

- IV. Red Flags
 - a. RMLO Red Flags
 - b. Mortgage Fraud and Scams
 - c. Mortgage Fraud Red Flags
 - d. Digital Assets in the RMLO Market
 - e. FATF Digital Asset Red Flags
 - f. Red Flag Summary

- V. Enforcement Cases
- VI. Case Study
- VII. Quiz & Acknowledgement

Provider Qualifications - About the Authors

Lawrence Schneider has over 40 years of experience in the securities and futures industry. He has served as an adjunct lecturer at Northwestern University teaching courses on futures and options, and in 2007 received the Distinguished Teaching Award from the University. He has served on the National Futures Association's Advisory Committee on Testing and Education and on the Chicago Mercantile Exchange's Education, Ethics and Professional Responsibilities Committee. Mr. Schneider holds a BA in Economics from Drake University and a Master of Business Administration from DePaul University. He is a Certified Anti-Money Laundering Specialist. Since the time that FinCEN's Final Rules for RMLOs went into effect (2012) he has conducted over 240 independent AML performance tests (audits) on mortgage lenders and originators as senior AML auditor for EA Compliance, Inc.

Joseph Adamczyk served as a co-author. Prior to his affiliation with Exchange Analytics, he served as the Chief Compliance Officer for Options Clearing Corporation (OCC). Mr. Adamczyk oversaw the firm's compliance risk monitoring and governance programs, advised the board of directors and staff on compliance and regulatory requirements, and interacted with federal regulators on compliance, risk, and examination matters. Before joining OCC, Mr. Adamczyk worked at CME Group where he served as the Managing Director & Associate General Counsel overseeing the company's non-U.S. legal staff and activities. In this role, he interacted with regulators from around the globe. He also handled CME Group's interactions with U.S. regulators and other authorities on cybersecurity and technology controls, requirements, cyber incident response, and examinations. At CME Group, Mr. Adamczyk also served as the Global Head of Investigations and Enforcement in the Market Regulation Department. In that role, he oversaw teams responsible for monitoring, investigating, and enforcing the CME Group exchanges' trade practice rules and other requirements. Mr. Adamczyk received his MBA from the University of Chicago, law degree from Loyola University Chicago School of Law, and undergraduate degree from DePaul University. He has no regulatory actions or other disciplinary history.