

Deal With It.

Credit Union Fair Lending Act Compliance Training Sample

Issues

The Reach of the Act.

Is it possible for an employee who has nothing to do with lending, to be guilty of violating a Fair Lending Act regulation, and if yes, how?

Sample
Game
Cards

(Shown
smaller than
Actual size)

The Purpose of the Act.

When it comes to complying with the various provisions of the Fair Lending regulations, which is more important?
1) Making it easy for members to obtain credit.
2) Treating our members with the same consistent attitude.

The Battle of Perceptions.

Does the fact that our credit union has granted more loans to one ethnic group more than another prove discrimination, and why or why not?

Investigating the Limits.

A young man wants to purchase his first home. He has been employed for 15 months at the same firm. His case looks great but you know from his boss, that the factory where he works will be closing for about 3 months. Can you use this reliable source of knowledge when making your loan determination?

Working within the Act #1.

Our credit union has tightened its income underwriting standards because it had problems with a certain class of loans. Because of the make-up of your member base you note that one ethnic group will have few loans approved. Will this be a cause for concern and how do you ensure compliance?

Working within the Act #2.

You have a woman that could qualify for a loan if an acceptable explanation is made concerning a previous loan listed on her credit report. Do you ask her for this explanation and how do you make sure that disparate treatment is not possible?

Preventing Mistakes.

Is it better to let someone apply for a loan that he or she could not possibly receive or to try to save them the time and effort?

Problems with Non-compliance.

If our credit union has a policy that causes a disparate impact, under what condition could it be justified? What else must be considered?