

How to Comply with the New Risk-Based Pricing Regulations

Webinar • March 23, 2010, 1:30-3:30 CT

On December 22, 2009, the Federal Reserve and the FTC published 202 pages of final rules to implement the risk-based pricing provisions in section 311 of the FACT Act. This webinar explains the new rules.

This final piece of the FACT Act, which has been unfolding since December 2003, requires all financial institutions to adopt new policies and new procedures to comply with the new requirements. The final rules, effective on January 1, 2011:

- Require a creditor to provide a risk-based pricing notice to a consumer when the creditor uses a consumer report to grant or extend credit to the consumer on terms that are materially less favorable than the most favorable terms available to a substantial proportion of consumers from or through that creditor.
- Provide for two alternative means by which creditors can determine when they are offering credit on terms that are materially less favorable.
- Include certain exceptions to the general rule, including exceptions for creditors that provide a consumer with a disclosure of the consumer's credit score in conjunction with additional information that provides context for the credit score disclosure.

Highlights

This program explains the new risk-based pricing rules including:

- Who is covered by the new requirements
- An explanation of the menu of approaches that creditors may use to comply with the new requirements
- Which terms are "material terms"
- How to determine when terms are "materially less favorable"
- The three methods for determining which consumers must receive risk-based pricing notices: case-by-case direct comparison; credit score proxy; and tiered pricing
- New risk-based pricing notice, including:
 - When the notice is required
 - Price increase upon account review
 - Required content of the notice
 - Form of the notice
 - Timing of the notice
 - Exceptions to use of the notice
- Revised credit score notice
- New notice required when no credit score is available

Speaker

Jack Holzknicht, a principal with Pegasus Educational Services, LLC, has provided training for 27 years. He started as a federal bank examiner. He also headed the form and software division of a regional consulting company and spent seven years in charge of their education division. Holzknicht has been an instructor at compliance schools presented by the KY, PA, NY, and TX bankers associations and developed and delivered training for the FDIC and OTS.

Audience

Compliance officers, auditors, security officers, and lending and operations personnel affected by the changes.

CE Applied: 2.5 hours of CRCM/CPB/CLBB/CCSR credit with the Institute of Certified Bankers

CE Awarded: 2 hours of credit with the Texas State Board of Public Accountancy

What Is a Webinar

A webinar is an enhanced telephone seminar. The audio portion is delivered by speaker phone. You also may view a corresponding PowerPoint presentation using a PC. No special hardware is needed. The program consists of 90 minutes of instruction and 30 minutes of live Q&A. Each webinar registration provides one connection to the webinar, materials, and access to the On-Demand Webinar for 30 days following the broadcast. You may have unlimited listeners on your connection by speaker phone and PC. You will receive a PIN, materials, and instructions prior to the seminar. **If you do not receive a confirmation at least 2 days prior to the event, call 888-262-7701.**

The **On-Demand Webinar** is a live webinar that has been recorded and then streamed to your computer to watch at your convenience. The program can be viewed anytime 24/7. You can watch a portion, come back, and pick up where you left off! You also may review the program at will if you need a refresher. Anyone at your branch may access the program from a computer using the login and password. When you purchase an on-demand webinar, you have unlimited access to the program for six months from the date of purchase.

Transmission, retransmission, or republishing of the audio portion of the seminar is prohibited. Your registration entitles you to one connection at one location with permission to copy materials for participants. Complete one registration per location.

Please check all appropriate boxes **SW2-1264**
New Risk-Based Pricing Regulations **March 23, 2010**

Webinar/materials (live hookup) \$260 mem \$510 nonmem
 On-demand webinar/materials* \$275 mem \$545 nonmem

**Unlimited online access to a copy of the webinar for 6 months from purchase date*

We cannot guarantee registration for incomplete and/or illegible registration forms received. Please complete the form and type or write carefully.

Name _____

Title _____

Bank _____

Mailing Address _____

City/State/Zip _____

E-mail _____

Preferred Payment Method: Online or E-Check

Payment Must Accompany Registration - Invoices Are Not Provided

Four Ways to Register

Online: Visit TNBankers.org (Professional Development Calendar) or bankersed.com/TNBANKERS/catalog.asp

Fax: Fax completed form with credit card information to 512-381-1571

Mail: Mail completed form with check **at least 10 days** prior to the event to Bankers Ed, 5700 S Mopac, #C310, Austin, TX 78749

Phone: Call Bankers Ed at 888-262-7701

Late Registration: Please register online when registering **2 days prior** to the event (credit cards & E-checks accepted). Call 888-262-7701 for assistance.

Method of Payment (check one):

Check payable to Bankers Ed (must be accompanied by registration form)
 Discover Card MasterCard VISA AMEX

Card Number _____ Security Code _____

Signature _____ Exp Date _____

**Contact TBA only for general information about webinars.
 Please route this brochure.**