CRCM Q&As

Certified Regulatory Compliance Manager CRCM

Pass American Bankers Association CRCM Exam with 100% Guarantee

Free Download Real Questions & Answers **PDF** and **VCE** file from:

https://www.leads4pass.com/crcm.html

100% Passing Guarantee
100% Money Back Assurance

Following Questions and Answers are all new published by American Bankers Association Official Exam Center

QUESTION 1

is frequent refinancing that do not benefit the borrower. This practice can result in borrower injury from the fees imposed and from the fact that it decreases home equity and increases the consumer\\'s debt burden, thus increasing the chance of foreclosure.

A. Loan flipping

B. Loan refinancing

C. Securitization

D. Subprime loans

Correct Answer: A

QUESTION 2

QRS State Bank is being examined under the lending test. Which of the following is the most relevant criteria for the lending test?

A. The distribution of the bank\\'s small business loans

B. The racial and gender characteristics of QRS\\'s lending staff

C. The location of QRS\\'s branches

D. The services QRS offers to its community

Correct Answer: A

QUESTION 3

It is the policy of First Safe Bank to offer credit life insurance and accident and disability insurance to all consumer loan customers. What procedures fulfill the disclosure requirements for the bank?

A. Place a sign on loan officers\\' desks that provides the disclosures and give each customer a written disclosure it loan closing.

B. Give each customer the disclosures orally at the time of application and, if applicable, in writing at loan closing.

C. Only a written disclosure at closing is necessary.

D. Only give disclosures to persons who actually purchase the insurance.

Correct Answer: B

QUESTION 4

Martin Taylor, a loan officer at First National Bank, is a long-time friend of Bill Evans, a local homebuilder. Bill would like a line of credit at the bank and discusses the potential loan with Martin. During the discussion, Martin expresses his desire to build a house one day and Bill offers to build him one "at cost plus 5 percent." If Martin accepts Bill\\'s offer, can he continue to act as his loan officer?

A. No. The value of the gift is too great.

B. Yes, if Martin discloses this fact to the bank.

C. Yes, if Martin does not let the discount on the house affect his decision making process.

D. Yes, if the bank\\'s code of conduct allows such activity.

Correct Answer: A

QUESTION 5

Underwriting standards in Subprime Mortgage Lending include:

A. The borrower\\'s debt-to-income ratio should include the borrower\\'s total yearly housing-related payments as a percentage of gross monthly income

B. Institutions should have a clear policy governing the use of risk-layering features, such as reduced documentation loans or simultaneous second lien mortgages

C. Stated income and reduced documentation loans to subprime borrowers should be made only if there are clear, documented mitigating factors

D. Mitigating factors should be present when risk layering features are combined in order to support the underwriting decision and the borrower\\'s repayment capacity

Correct Answer: A