WEST VIRGINIA CODE: §31-17A-16

§31-17A-16. Prohibited acts and practices.

It is a violation of this article for a person or individual subject to this article to:

(1) Directly or indirectly employ any scheme, device or artifice to defraud or mislead borrowers or lenders or to defraud any person.

(2) Engage in any unfair or deceptive practice toward any person.

(3) Obtain property by fraud or misrepresentation.

(4) Solicit or enter into a contract with a borrower that provides in substance that the person or individual subject to this article may earn a fee or commission through "best efforts" to obtain a loan even though no loan is actually obtained for the borrower.

(5) Solicit, advertise or enter into a contract for specific interest rates, points, or other financing terms unless the terms are actually available at the time of soliciting, advertising or contracting.

(6) Conduct any business covered by this article without holding a valid license as required under this article, or assist or aide and abet any person in the conduct of business under this article without a valid license as required under this article.

(7) Fail to make disclosures as required by this article and any other applicable state or federal law including rules and regulations thereunder.

(8) Fail to comply with this article or rules promulgated under this article, or fail to comply with any other state or federal law, including the rules and regulations thereunder, applicable to any business authorized or conducted under this article.

(9) Make, in any manner, any false or deceptive statement or representation with regard to the rates, points or other financing terms or conditions for a residential mortgage loan, or engage in bait and switch advertising.

(10) Negligently make any false statement or knowingly and willfully make any omission of material fact in connection with any information or reports filed with a governmental agency or the Nationwide Mortgage Licensing System and Registry or in connection with any investigation conducted by the commissioner or another governmental agency.

(11) Make any payment, threat or promise, directly or indirectly, to any person for the purposes of influencing the independent judgment of the person in connection with a residential mortgage loan, or make any payment threat or promise, directly or indirectly, to any appraiser of a property for the purposes of influencing the independent judgment of the

WV Legislature

appraiser with respect to the value of the property.

(12) Collect, charge, attempt to collect or charge or use or propose any agreement purporting to collect or charge any fee prohibited by this article.

(13) Cause or require a borrower to obtain property insurance coverage in an amount that exceeds the replacement cost of the improvements as established by the property insurer.

(14) Fail to truthfully account for moneys belonging to a party to a residential mortgage loan transaction.

WV Legislature