

December 1, 2015

Regulatory Compliance E-News

Your source for guidance on regulatory issues and updates that may impact your organization.

Frequently Asked Compliance Question

Question

Under the Know Before you Owe/TRID rules we have an applicant that does not have an accepted offer but does have a particular property in mind and chose to provide that address to the institution. Would that be considered having the property address for an application and therefore trigger the requirement to disclose a Loan Estimate?

Short Answer

Yes, if the applicant provides the institution with a property address, the information is considered to be received and therefore so long as the institution has the other five required pieces of information it will be required to disclose the Loan Estimate within three business days...[click here to view the answer details](#).

If you have a question that you would like us to answer in an upcoming Regulatory Compliance E-News, contact [Stephen King, JD, AMLP](#), at 617-428-5448 or sking@wolfandco.com, or Brian Shea, CRCM, CAMS at 617-261-8133 or bshea@wolfandco.com.

FFIEC Issues 2016 HMDA Edits



On November 13, 2015, the Federal Financial Institution Examination Council (“FFIEC”) issued 2016 Home Mortgage Disclosure Act (“HMDA”) Edits and File Specifications. The edits reflect revisions to certain fields as well as a threshold change made to macro quality edits.

Further information can be found [here](#).

CFPB Issues Fall 2015 Supervisory Highlights Publication

On November 3, 2015, the Consumer Financial Protection Bureau (“CFPB”) issued the Fall 2015 edition of its Supervisory Highlights publication. The publication provides a discussion of trends identified during CFPB examinations on matters such as consumer reporting, debt collection, mortgage origination and servicing, student loans and fair lending. The publication also provides information on enforcement actions, supervision developments and updated examination procedures.



The publication can be found [here](#).

FDIC Updates Brokered Deposit FAQs



On November 13, 2015, the Federal Deposit Insurance Corporation (“FDIC”) updated its Frequently Asked Questions (“FAQs”) on brokered deposits. The FAQs cover areas such as identification, acceptance and reporting of brokered deposits, including key definitions. The updates are in response to inquiries and comments that have been received since the original issuance of the FAQs. The FDIC has provided a “track changes” version for easy reference.

The FDIC’s press release can be found [here](#).

FDIC Issues FIL on Purchased Loans and Purchased Loan Participations

On November 6, 2015, the FDIC issued an advisory via Financial Institution Letter (“FIL”) 49-2015 addressing purchased loans and loan participations. The FIL updates information contained in a previous advisory issued in 2012. The FIL reminds FDIC-supervised institutions of the importance of underwriting and administering these purchased credits as if the loans were originated by the purchasing institution.



The updated advisory also reminds institutions that third-party arrangements to facilitate loan and loan participation purchases should be managed by an effective third-party risk management process.

The FDIC’s FIL can be found [here](#).

FDIC Provides Clarification Over Payday Lending Guidance



On November 16, 2015, the FDIC issued FIL 52-2015 to provide updated guidance over Payday Lending. Originally issued in 2005, the guidance establishes expectations over banks making payday loans either directly or through third parties.

The FIL has been issued to make banks and other parties aware that the guidance does not apply to banks offering products and services such as deposit accounts and extensions of credit to non-bank payday lenders.

The FDIC’s FIL can be found [here](#).

Important Regulatory Dates

2015

December 31 - Sunset of Servicemembers Civil Relief Act (“SCRA”) foreclosure protections that were extended from ninety days to one year following a period of active duty

2016

January 1 - Flood Escrow and other rule changes take effect

October 3 - Military Lending Act amendments become mandatory for most lending products

2017

October 3 - Military Lending Act amendments become mandatory for certain credit card products

2018

January 1 - Expanded HMDA data collection requirements become effective

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PDFs of the Regulatory Compliance E-News and featured questions with full detailed answers from 2015 can be found [here](#).

This information in this newsletter is based on our preliminary analysis of the regulatory language. It is communicated with the understanding that the Firm is not rendering legal services. If legal advice is required, the services of an attorney should be sought.

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