

## MEMORANDUM

To: Subscribers to *Bank Marketing and Advertising Regulatory Compliance*

From: Sheshunoff Information Services

Subject: Highlights

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Enclosed is the latest update to your *Bank Marketing and Advertising Regulatory Compliance* manual. The following topics are discussed in this update.

- **In March 2008**, the federal bank regulatory agencies proposed to revise its questions and answers with respect to flood hazard insurance. The proposal includes new questions and answers for such areas as second lien mortgages and loan syndications or participations. See Chapters 19 and 23.
- **In March 2008**, HUD issued a new proposal to “simplify and improve the disclosure requirements for mortgage settlement costs” under RESPA, to “protect consumers from unnecessarily high settlement costs.” The centerpiece of this new proposal is a pre-application good faith estimate (GFE) form that could be used as a shopping tool for consumers. See Chapters 19 and 23.
- **In January 2008**, the Federal Reserve Board proposed a host of new advertising rules applicable to mortgage loans. The Fed proposes to require that advertisements for both open-end and closed-end mortgage loans provide accurate and balanced information, in a clear and conspicuous manner, about rates, monthly payments, and other loan features. See Chapters 20 and 24.
- **In January 2008**, the Fed published a proposal to adopt new regulatory provisions for higher-priced mortgage loans. A mortgage loan would be subject to this new rule if it is a consumer-purpose, closed-end loan, secured by a consumer’s principal dwelling, and having an annual percentage rate (APR) that exceeds the comparable Treasury security. See Chapter 23.

By updating *Bank Marketing and Advertising Regulatory Compliance*, you can continue to rely on your manual as a definitive source of information in these critical areas. If you have any questions or comments, or if you would like information regarding an additional Sheshunoff product, please contact our customer service representatives at 1-800-456-2340 or visit our web site at [www.sheshunoff.com](http://www.sheshunoff.com).

### FILING INSTRUCTIONS

#### Volume 1

- Remove 2/08 title page through page lx. Insert 6/08 title page through page lx.

#### Volume 2

- Remove 2/08 title page through page xxx. Insert 6/08 title page through page xxx.

#### Tab: Open-End Credit

- Remove old pages 16-i through 16-vi. Insert updated pages 16-i through 16-vi.

- Remove old pages 16-21 and 16-22. Insert updated pages 16-21 and 16-22.
- Remove old pages 16-47 and 16-48. Insert updated pages 16-47 and 16-48.
- Remove old pages 16-55 and 16-56. Insert updated pages 16-55 and 16-56.
- Remove old pages 19-i through 19-24. Insert updated pages 19-i through 19-24.
- Remove old pages 19-57 through 19-78. Insert updated pages 19-57 through 19-78l.
- Remove old Chapter 20, pages 20-i through 20-22. Insert updated Chapter 20, pages 20-i through 20-22.

**Tab: Closed-End Credit**

- Remove old pages 21-i through 21-vi. Insert updated pages 21-i through 21-vi.
- Remove old page 21-45 through 21-50. Insert updated pages 21-45 through 21-50.
- Remove old pages 21-67 and 21-68. Insert updated pages 21-67 and 21-68.
- Remove old pages 23-i through 23-vi. Insert updated pages 23-i through 23-vi.
- Remove old pages 23-25 through 23-38. Insert updated pages 23-25 through 23-38b.
- Remove old pages 23-57 and 23-58. Insert updated pages 23-57 and 23-58.
- Remove old pages 23-79 and 23-80. Insert updated pages 23-79 through 23-80b.
- Remove old Chapter 24, pages 24-i through 24-20. Insert updated Chapter 24, pages 24-i through 24-20.

**Tab: Exhibits Volume II/Appendixes**

- Remove old pages Ex II-i and Ex II-ii. Insert updated pages Ex II-i and Ex II-ii.
- Remove old pages Ex II-41 through Ex II-44. Insert updated pages Ex II-41 through Ex II-44.