

# Sheshunoff™

Dear Valued Customer,

With the Obama administration's plans to reshape the financial regulatory landscape, banks should be bracing themselves for big changes. To help stay one step ahead, this update of *Bank Marketing and Advertising Regulatory Compliance* contains the latest in compliance to help you and your bank stay up-to-date with these changes. The following topics are discussed:

- *Regulation DD*. Effective as of January 1, 2010, the requirement to disclose certain overdraft fee information on periodic statements will apply to all banks that offer these kinds of services, regardless of whether they promote the services. See Chapters 2, 8, and 11.
- *Proposal to extend TAG Program*. In June 2009, the FDIC issued a proposal offering two alternatives affecting only those banks that currently participate in the TAG program: 1) extending the TAG Program for an additional six months; or 2) allowing the TAG Program to expire at the end of 2009 as currently scheduled. See Chapters 2, 8, 11, and 14.
- *Identity theft program FAQs*. In June 2009, the federal bank regulatory agencies published a set of frequently asked questions (FAQs) concerning each bank's responsibility in connection with the rules addressing identity theft red flags and address discrepancies. These FAQs, which are intended to assist banks in their efforts to comply with the provisions of the regulations on this subject, are reproduced in Appendix 16C.
- *Regulation X*. In November 2008, HUD overhauled many of the requirements in Regulation X for purposes of simplifying the regulation and making it more consumer-friendly. The most significant of the changes include:
  - A total overhaul of the good faith estimate (GFE) requirement set forth in Regulation X. The revised GFE specifies a format as well as content; HUD intends the form to be available to consumers as a shopping tool for mortgage loans.
  - A substantial revision of HUD's settlement statement forms (HUD-1 and HUD-1A)

See Chapters 19 and 23.

- *Higher Education Opportunity Act (HEOA)*. HEOA amends the Truth-in-Lending Act by adding substantive provisions and disclosure requirements with respect to private education loans. The law requires the Fed to adopt new regulations that implement the provisions of the act by no later than August 14, 2009. See Chapter 21.

In May 2009, the Fed proposed amendments to Regulation Z to reflect the relevant provisions of the HEOA. The amendments will add a new Subpart F to the regulation, consisting of three new sections, 226.37, 226.38 and 226.39. Model forms will be added to Appendix H, and new commentary will expand on the requirements set forth in the new regulatory sections.