

Dear Valued Customer,

With major changes made to regulations dealing with real estate lending, mortgage disclosures, and consumer credit, and changes expected in many other areas, it is more important than ever to stay on top of regulatory compliance requirements. Sheshunoff's *Compliance Officer's Management Manual* provides comprehensive answers to your regulatory compliance questions. The author, Patsy Parkin, works directly with banks that have compliance problems as well as banks that want to avoid problems, so she knows what examiners are scrutinizing and understands the impact regulatory changes are having on bank operations.

This latest update to your *Compliance Officer's Management Manual* contains:

- *Special Report: Treasury Department Reveals Making Home Affordable Plan.* Two programs make up the Obama administration and Treasury Department's Making Home Affordable Plan: the Home Affordable Refinancing Program and the Home Affordable Modification Program. This special report discusses the details of both programs, as well as Treasury's Making Home Affordable Housing Counselor Q&A. The report also warns about foreclosure rescue scams that have increased in the wake of these new programs.
- *Special Report: Important Changes in Consumer Credit Regulations and Mandatory Compliance Dates.* This useful table provides a summary of important changes, compliance dates, and statute citations for changes to Reg X (RESPA), Reg Z (TILA and HOEPA), Reg C (HMDA), Reg DD (Truth in Savings), and Reg AA (prohibited practices on credit card accounts).
- *Fair lending risk assessment.* Although it is not required, regulators are recommending that banks perform a fair lending risk assessment. A new section in Chapter 20 discusses how to conduct that risk assessment. To assist in that task, you can use the Fed's quantity of fair lending risk indicators checklist (new Exhibit 20.11) and follow the training outlines from the OCC and FDIC seminars on how to conduct a fair lending risk assessment (new Exhibit 20.12).
- *Disclosure timing for residential mortgage transactions.* The timing of Reg Z/TILA disclosures on dwelling-secured closed-end loans has changed, and that section in Chapter 8 has been revised. Disclosure timing changes were also made in the High-Rate and High-Fee Loan section in that same chapter.
- *RESPA early truth-in-lending disclosures.* Changes in Reg Z/TILA disclosure requirements also prompted revisions to this section in Chapter 9.
- *Identity theft red flags and address discrepancies.* In June 2009 the FFIEC issued FAQs to help financial institutions, creditors, users of consumer reports, and issuers of credit and debit cards comply with federal regulations. A copy of the FAQs has been added as an exhibit in Chapter 14.
- *Regulation D deposit requirements.* The number of transactions a customer can make in a savings deposit account in a calendar month or statement cycle has been standardized to six. Before the change, electronic transfers were treated separately from other types of transfers, and that discrepancy has been fixed. Chapter 22 contains the details.
- *BSA exemption eligibility "reasonable determination."* A nonlisted business customer's eligibility for exemption is based on a reasonable determination of the percentage of gross revenue derived from ineligible business activities. A discussion of "reasonable determination" has been added to Chapter 24.