

Supplement to FIL-26-2009: Regulation Z (Truth In Lending)
Early Disclosure Requirements

During 2008, the Federal Reserve promulgated amendments to Regulation Z closed-end mortgage early disclosure requirements that were to take effect October 1, 2009. However, the 2008 regulatory amendments were superseded by the enactment of the Mortgage Disclosure Improvement Act of 2008 (MDIA). Pursuant to the MDIA, in May of 2009 the Federal Reserve revised Regulation Z early disclosure requirements to incorporate the MDIA statutory provisions. Compliance with the revised early disclosure requirements is mandatory on July 30, 2009.

All written applications received by mortgage lenders on or after July 30, 2009, must comply with the early disclosure requirements of Regulation Z as amended in May of 2009.

The chart below highlights the differences between the 2008 early disclosure amendments to Regulation Z and the superseding 2009 amendments that take effect July 30, 2009.

**Regulation Z Early Disclosure Requirements of Section 226.19
 2008 Revisions (superseded except as noted) vs. 2009 Revisions**

| Early TIL Disclosure | 2008 Revisions | 2009 Revisions (effective 7/30/09) |
|--|---|---|
| Applies to: | Loans to purchase or construct home, refinance home loans, and home equity loans | Same |
| Secured by: | Principal dwelling | Any consumer dwelling |
| Timing of delivery: | Within 3 business days of application | Within 3 business days of application and at least 7 business days before consummation (Timing waiver for bona fide emergency) |
| Content: | Good faith estimate of § 226.18 disclosures | Good faith estimate of § 226.18 disclosures and the statement: "You are not required to complete this agreement merely because you have received these disclosures or signed a loan application." |
| Timing of re-disclosure (if APR outside § 226.22 tolerance): | Must be given no later than consummation or settlement | Must be given at least 3 business days before consummation |
| Application Fee: | No fee allowed until after early disclosures provided, except for a credit report fee | Same |