



## CFPB Integrated Mortgage Disclosures – Responsibility for Compliance

### To: Settlement Agents

In December, Bank of America announced that it would generate and deliver the buyer/borrower Closing Disclosure when the new documents take effect on August 1, 2015. This decision was made as a result of the increased responsibility the Consumer Financial Protection Bureau's (CFPB) Integrated Mortgage Disclosures rule places on the lender. While there is still much work to be done, we are pleased to share more details of what you can expect when closing a loan with Bank of America.

Bank of America will be responsible for ensuring both the accuracy of the buyer/borrower Closing Disclosure and delivery to accommodate the three business day waiting period. Bank of America will not require settlement agents to monitor compliance with the three business day waiting period for receipt of either the initial Closing Disclosure or any required re-disclosures. However, we will need close collaboration during the process, including timely responses to requests for information and notice of all loan and fee changes via our selected platform, RealEC® Technologies Closing Insight™. Bank of America will review all changes to the loan and fees to determine whether an update to the Closing Disclosure is necessary and if so, whether a new three business day waiting period is required. If we are unable to meet the scheduled closing date due to re-disclosure, we will notify the settlement agent of the new closing date through Closing Insight™.

Important changes for how settlement agents transact with Bank of America include:

- In most cases Bank of America will engage the settlement agent to begin fee collaboration a minimum of 10 calendar days prior to the scheduled signing date.
- Bank of America will generate and send the Closing Disclosure six business days prior to the scheduled signing date.
- Closing Instructions provided by Bank of America will reflect new requirements pertaining to the Integrated Mortgage Disclosures rule.
- Bank of America will require all changes to loan and fee data be submitted for review and approval through Closing Insight™ prior to proceeding with signing.

We encourage you to submit your questions and feedback to us at [Integrated.Disclosures.Feedback@bankofamerica.com](mailto:Integrated.Disclosures.Feedback@bankofamerica.com) and

thank those of you who have already taken the time to do so. We will continue to take into consideration all of the valuable information received as we work toward our goal of providing our mutual customers with a positive closing experience.

Below are answers to just a few of the questions we have received from settlement agents about the upcoming changes to support of the CFPB Integrated Mortgage Disclosures rule.

**Q: What is the consummation date?**

**A:** Per TILA, consummation means the time that a consumer becomes contractually obligated to a credit transaction. Bank of America will use the signing/closing date, when the mortgage note is signed, as the consummation date.

**Q: Will Bank of America request settlement agents to provide only traditional title fees and recording fees, or will requests extend to other line items typically calculated by the settlement agent, such as lien payoffs, tax payments, etc?**

**A:** Collaboration will include all data elements needed to generate a complete buyer/borrower Closing Disclosure.

**Q: Will the settlement agent be required to provide fee approval?**

**A:** Yes, both the lender and settlement agent must provide approval before fees are considered final. However, in some circumstances, Bank of America may elect to send the Closing Disclosure to the borrower prior to final approval using the most recent information available. The Closing Disclosure used for consummation/closing will be approved by both the lender and the settlement agent.

**Q: Considering the various changes that occur during the loan process, how will Bank of America engage the settlement agent to obtain updates such as payoffs, taxes, and title/closing fees?**

**A:** Bank of America will initiate requests for updated information through Closing Insight™. Closing Insight™ will support a variety of notification methods which may vary based on whether you are a web user or accessing the platform via your title & escrow production system.

**Q: How can the settlement agent assist Bank of America with revisions to the buyer/borrower Closing Disclosure?**

**A:** The Settlement Agent can assist by providing accurate fees in a timely manner and ensuring any updates to loan or fee information are submitted immediately via Closing Insight™.

**Q: When will Bank of America send the final closing package?**

**A:** While the buyer/borrower Closing Disclosure will be completed in advance of the signing, there are no expected changes to the current timing for the delivery of the final closing package.

**Q: How should the settlement agent handle a signing that needs to be rescheduled?**

**A:** Settlement agents must notify Bank of America immediately when a signing does not take place as scheduled. Similarly, Bank of America will notify the settlement agent via Closing Insight™ when a signing date is rescheduled.

In the coming weeks, RealEC® Technologies will begin communicating information regarding registration in advance of August 1, 2015. In the interim, please email [ProviderRegistration@realec.com](mailto:ProviderRegistration@realec.com) with any questions. As a reminder, many title & escrow software providers are working with RealEC® Technologies to enhance current integrations in support of the Closing Insight™ technology. For more information about their plans to integrate with Closing Insight™, reach out to your software provider directly.

Thank you for your partnership.

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