



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D.C. 20551

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DIRECTOR
DIVISION OF CONSUMER
AND COMMUNITY AFFAIRS

CA 15 – 10

October 21, 2015

**TO THE OFFICERS AND MANAGERS IN CHARGE OF CONSUMER AFFAIRS
SECTIONS AND TO EACH DOMESTIC AND FOREIGN BANKING
ORGANIZATION SUPERVISED BY THE FEDERAL RESERVE:**

Applicability to Community Banking Organizations: This guidance applies to institutions supervised by the Federal Reserve with total consolidated assets of \$10 billion or less.

**SUBJECT: Supervisory Expectations for Supervised Institutions Regarding the
TILA-RESPA Integrated Disclosure Rule**

This letter provides guidance on the Federal Reserve Board's supervisory expectations in connection with early examinations of Board-supervised institutions for compliance with the TILA-RESPA Integrated Disclosure Rule (the Rule), which was effective on October 3, 2015.

The Federal Reserve expects supervised institutions to make good faith efforts to comply with the Rule's requirements in a timely manner. Accordingly, during early examinations, examiners will evaluate an institution's compliance management system and overall efforts to come into compliance, recognizing the scope and scale of changes necessary for each supervised institution to achieve effective compliance. Examiners will consider an institution's implementation plan, including actions taken to update policies, procedures, and processes; its training of appropriate staff; and its handling of early technical problems or other implementation challenges. This supervisory approach is consistent with the approach taken regarding initial examinations for compliance with the mortgage rules that became effective at the beginning of January 2014.

If mortgage loans are part of the scope of a consumer compliance examination, Reserve Bank examiners will apply the interagency examination procedures for Regulation Z and Regulation X transmitted with CA Letter 15-6 (September 22, 2015).

If you have any questions concerning this guidance, please contact Dana Miller, Senior Supervisory Consumer Financial Services Analyst, at (202) 452-2751, or Amy Henderson, Managing Counsel, at (202) 452-3140. In addition, questions may be sent via the Board's public website.¹

Sincerely,

Cross-reference: CA 15-06 “Revised Interagency Examination Procedures for Regulation Z and Regulation X” (September 22, 2015)

¹ See <http://www.federalreserve.gov/apps/contactus/feedback.aspx>.