

EM-33.2

Category: Compliance
Topic: Borrower Rights
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Overview

This section contains FCA's standard procedures for examining Borrower Rights; however, the guidance for each procedure is currently under development. In the interim, the following links provide related guidance that was contained in the old FCA Examination Manual:

- [EM- 605 Introduction](#)
- [EM- 620 Borrower Rights- Disclosure of Loan Information](#)
- [EM- 621 Borrower Rights- Notice of Action and Review](#)
- [EM- 622 Borrower Rights- Protection of Borrowers](#)
- [EM- 623 Borrower Rights- Restructuring](#)
- [EM- 624 Borrower Rights- Right of First Refusal](#)
- [EM- 625 Borrower Rights- Access to Information](#)
- [EM- 626 Borrower Rights- Retirement of Equities](#)

Examination Procedures and Guidance

General

1. Releasing Information:

Evaluate the adequacy of guidance and controls to ensure compliance with FCA Regulations on releasing information (Part 618, Subpart G).

Guidance:

2. Interest Rate Disclosures:

Evaluate the adequacy of guidance and controls to ensure compliance with FCA Regulations on the disclosure of effective and differential interest rates (Part 617, Subparts B and C).

Guidance:

3. Notice of Action & Review:

Evaluate the adequacy of guidance and controls to ensure compliance with FCA Regulations on taking actions on applications and reviewing credit decisions (Part 617, Subpart D).

Guidance:

4. Distressed Loan Restructuring:

Evaluate the adequacy of guidance and controls to ensure compliance with FCA Regulations on distressed loan restructuring (Part 617, Subparts E and F).

Guidance:

5. Right of First Refusal:

Evaluate the adequacy of guidance and controls to ensure compliance with FCA Regulations on providing right of first refusal to previous owners of real estate acquired by System institutions (Part 617, subpart G).

Guidance:

6. Audit:

Determine if the institution conducts an effective audit (scope, reporting, and followup) of compliance with borrower rights regulations.

Guidance:

7. Transaction Testing:

Examine individual loans and applications to assess compliance with borrower rights regulations and the effectiveness of institution control processes.

Guidance: