

INFORMATIONAL MEMORANDUM



May 2, 2018

To: Chief Executive Officer  
All Farm Credit System Institutions

From: Samuel R. Coleman, Director and Chief Examiner  
Office of Examination

Subject: 2016 Mortgage Servicing Rule Amendment

This Informational Memorandum provides information about the Consumer Financial Protection Bureau's (CFPB) final rule amending the 2016 Mortgage Servicing Rules under the Truth in Lending Act (Regulation Z). It also provides information about recent updates the CFPB has made to compliance-related information it provides.

**Mortgage Servicing Rule Amendment**

The CFPB issued a final rule amending the timing requirements for servicers transitioning between providing unmodified periodic statements and coupon books and modified periodic statements and coupon books for consumers in bankruptcy.

Under the amended rule, the single-billing-cycle exemption is replaced with a single-statement exemption. Specifically, after a triggering event (such as the borrower entering or exiting bankruptcy or the discharge of personal liability), the servicer is exempt from providing the next periodic statement or coupon book that would otherwise be required, regardless of when the triggering event occurs in the billing cycle. Under the prior rule, the exemption had applied for the next periodic statement or coupon book only if the billing cycle's payment due date was no more than 14 days after the triggering event.

The final rule was published in the [Federal Register at 83 FR 10553](#) on March 12, 2018. The effective date for the rule was April 19, 2018, which was when the 2016 mortgage servicing rule amendments that require sending bankruptcy-specific periodic statements and coupon books became effective. We provided information about these amendments by [Informational Memorandum dated April 17, 2017](#).

## CFPB Compliance-Related Information

The CFPB periodically updates the resources it provides to help financial institutions understand, implement, and comply with its regulations. Recently, the CFPB updated the following:

- [Small Entity Compliance Guide for the Mortgage Servicing Rules](#)
- [Mortgage Servicing Rules Frequently Asked Questions](#)
- [Mortgage Servicing Rules Coverage Chart](#)
- [Reportable HMDA Data: A regulatory and reporting overview reference chart](#)
- [Rural or underserved and “rural” counties lists](#)

The language of all the CFPB’s rules, as well as resources for implementing and complying with its rules, can be found on the [CFPB website](#). The CFPB is constantly updating this information, and institutions should refer to it frequently to ensure they have the latest information. System institutions can also sign up on the website to receive updates about new rules and other guidance.

We are providing this information as a courtesy to keep you informed of issues that may affect your institution. This information should not be a replacement for reviewing the full regulation or for management’s due diligence in monitoring issues that may affect your institution.

If you have any questions about this Informational Memorandum, please contact Jennifer Cohn, Senior Counsel, Office of General Counsel, at (703) 883-4020 or by email at [cohnj@fca.gov](mailto:cohnj@fca.gov); or Lynn Major, Senior Examiner, Office of Examination, at (703) 883-4285, or by email at [majors@fca.gov](mailto:majors@fca.gov).