



October 1, 2015

Frank Keating  
President and CEO  
American Bankers Association  
1120 Connecticut Avenue, NW  
Washington, DC 20036

Dear Mr. Keating:

Thank you for your letter of August 12<sup>th</sup> and with the trade associations copied below of September 8<sup>th</sup>, regarding the Consumer Financial Protection Bureau's Know Before You Owe TILA-RESPA Integrated Disclosure Rule (the Rule). The letters request that the Federal Financial Institutions Examination Council (FFIEC) articulate its policy for its member agencies' examination and supervision of financial institutions for the initial months after the Rule becomes effective on October 3, 2015.

The member agencies of the FFIEC<sup>1</sup> recognize that the mortgage industry has needed to make significant systems and operational changes to adjust to the requirements of the Rule, and that implementation requires extensive coordination with third parties. The OCC recognizes that its supervised institutions have dedicated resources to understand the requirements, adapt systems, and train affected personnel, and that additional technical and other questions are likely to be identified once the new forms are used in practice after the effective date.

During initial examinations for compliance with the Rule, the agency's 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 expect supervised entities to make good faith efforts to comply with the Rule's requirements in a timely manner. Specifically, examiners will consider the institution's implementation plan, including actions taken to update policies, procedures, and

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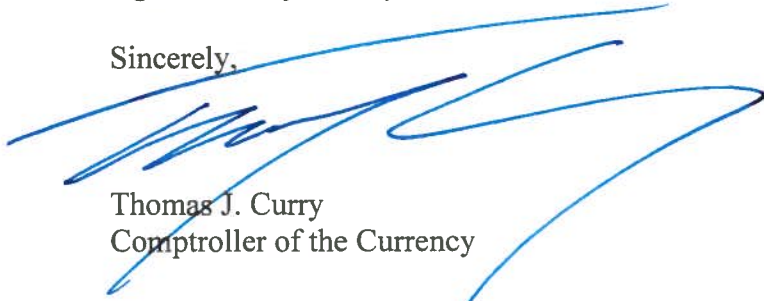
<sup>1</sup> The FFIEC is comprised of principals of the following: the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, the Office of the Comptroller of the Currency, the Consumer Financial Protection Bureau, and the State Liaison Committee. The American Bankers Association's August 12<sup>th</sup> letter included four of the member agencies and the September 8<sup>th</sup> letter addressed the entire membership of the FFIEC.

processes; its training of appropriate staff; and its handling of early technical problems or other implementation challenges.

As you may recall, this is similar to the approach the member agencies took in initial examinations for compliance with the mortgage rules that became effective at the beginning of January 2014. I believe that served as a constructive and sound approach.

Again, thank you for your letters.

Sincerely,



Thomas J. Curry  
Comptroller of the Currency

cc:

- American Land Title Association
- American Escrow Association
- The Appraisal Firm Coalition
- Appraisal Institute
- Collateral Risk Network
- Consumer Bankers Association
- Community Home Lenders Association
- Consumer Mortgage Coalition
- Community Mortgage Lenders
- Credit Union National Association
- Housing Policy Council
- Independent Community Bankers of America
- Mortgage Bankers Association
- National Association of Home Builders
- National Association of Mortgage Brokers
- National Association of REALTORS
- Real Estate Services Providers Council, Inc. (RESPRO)