

SFIG RMBS 3.0 TRID Compliance Review Scope Version [Updated October 2018]

Important Note: The goal of this **updated version of the** SFIG Third Party Review (TPR) Scope documentation is to create a uniform testing standard as a result of a consistent Truth-In-Lending Act liability interpretation according to our understanding of prevailing legal precedent and informal written guidance and webinars offered by the CFPB, as it applies to the Know Before You Owe / TILA RESPA Integrated Disclosure Rule (78 FR 79730, as amended) across TPR firms. The **original version was based on the** underlying premise of this documentation is to establish a best practices approach to pre-securitization testing logic that will drive the due diligence conducted by TPRs. Due to the fact that the logic driving the content of this document is based upon informal CFPB guidance, and legal precedent from several court decisions, there may be shifts in the requirements should there be future CFPB rulemakings or formal guidance, and as caselaw develops following the passage of the Know Before You Owe / TILA RESPA Integrated Disclosure Rule. **Most of the updates within this version of the document are based on the Amendments to Federal Mortgage Disclosure Requirements under the Truth in Lending Act with an optional compliance date of October 10, 2017 and a mandatory compliance date of October 1, 2018, the updates related to the “Black Hole” that were effective June 1, 2018, and the Economic Growth, Regulatory Relief, and Consumer Protection Act enacted on May 24, 2018. There are some additional updates, primarily clarifications, that are based on the interactions between market participants to address some ambiguities in the original version.** Note that the conclusions set forth herein do not necessarily reflect how courts and regulators, including the CFPB, may view liability for TILA violations presently, or in the future. This is not intended to be legal advice, and is strictly for general informational purposes only and shall not be relied on by any third party as legal advice. If you have received this matrix, and have questions about any specific transaction or generally about laws applicable to you, your business, or a particular transaction, you should consult with your legal counsel.

We may alter the guidance set forth in this proposal as regulatory developments warrant.

SFIG and its membership continue to work with the CFPB toward the goal of providing formal guidance for the benefit of the consumer, primary, and secondary mortgage markets.

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Row	Disclosure	Provision of 12 C.F.R. Part 1026	Description of Provision	Assignee Liability Type	Initial Grade	Action to Resolve	Final Grade	In Scope to Test	Discussion Comments
2	Loan Estimate "LE"	19(e)(1)(i)	Requires creditor to provide LE.	Statutory Damages	EV3	No Obvious Cure	EV3	In Scope, Cannot Obviously be Cured	Includes the Verification of borrower(s) and address to ensure the LE is provided to borrower.
3	Loan Estimate "LE"	19(e)(1)(ii)	Requires mortgage broker or creditor to provide LE if mortgage broker receives an application.	Statutory Damages	EV3	No Obvious Cure	EV3	In Scope, Cannot Obviously be Cured	
4	Loan Estimate "LE"	19(e)(1)(iii)	Timing, within three business days after application	Statutory Damages	EV3	No Obvious Cure	EV3	In Scope, Cannot Obviously be Cured	
5 - Updated	Loan Estimate "LE"	19(e)(1)(v)	Waiver for bona fide personal financial emergency	Actual Damages	EV2	No Obvious Cure	EV2	EV2, In Scope, Cannot Obviously be Cured	The consideration of a waiver to alter the exception to an EV2-B, requires the TPR firm to confirm the waiver is not a printed form, that it contains the written statement describing the emergency, specifically waives the waiting period and is executed by the consumer(s). The waiver of the waiting period will still warrant an EV2-B level exception to identify the potential risk the basis is not deemed to meet the bona fide financial emergency consideration threshold.
6 - Updated	Loan Estimate "LE"	19(e)(1)(vi)	Written List of Providers	Actual Damages	EV2	No Obvious Cure	EV2	EV2, In Scope, Cannot Obviously be Cured	If there is a delay or other issues with the SSPL, the TPR firms will consider the fees associated with the services using a 10% tolerance if the consumer was permitted to shop. (As indicated on the LE/CD). An updated SSPL list that is provided after the initial SSPL list will still be considered in making the determination of whether the consumer was provided the opportunity to shop for a specific fee. The inclusion of the fee within Section C of the most recent LE provided to the consumer will still carry the primary basis for consideration of whether the consumer was permitted to shop.
7	Loan Estimate "LE"	19(e)(2)(i)	Pre-disclosure fee restriction	Neither	N/A	N/A	N/A	Outside of Scope	
8	Loan Estimate "LE"	19(e)(2)(ii)	Worksheet disclaimer	Actual Damages	EV2	No Obvious Cure	EV2	EV2, In Scope, Cannot Obviously be Cured	
9	Loan Estimate "LE"	19(e)(2)(iii)	Prohibition of requiring verifying information	Neither	N/A	N/A	N/A	Outside of Scope	
10 - Updated	Loan Estimate "LE"	19(e)(3)	Tolerances	Statutory Damages	EV3	LOE Proof of Delivery Refund Fee Tolerance Provide Corrected CD	EV2 within 60 of consummation, EV2 within 60 of Discovery, EV3 if not within 60 of discovery	Yes, Explicit Funds due Consumer	Proof of delivery Non-material disclosures - Shipping label, confirmation of edelivery, LOE from lender, or date issued on PC CD. Fee tolerance cures that impact Material disclosures (TOP, Finance Charge, Amount Financed, APR, and Payment Tables) - will require shipping label with evidence of date sent. Will confirm shipping through FedEx, USPS, or UPS. Note: re-open RTC if applicable for the material disclosures.
11 - Updated	Loan Estimate "LE"	19(e)(4)(i)	Timing of Revised LEs for "Changed Circumstances," etc.	Statutory Damages	N/A	No Obvious Cure	N/A	Outside of Scope, but used for Tolerances	If the LE is provided outside of 3 days of CIC when fees increase, baseline for tolerance considerations are not adjusted. CDs issued on or after June 1, 2018 and PRIOR to closing, can be used to rebaseline fees if issued within 3 days of a valid change of circumstance. (Note, CD's issued or received after closing are not permitted to rebaseline fee tolerance amounts)
12 - Updated	Loan Estimate "LE"	19(e)(4)(ii)	Prohibition on Providing Revised LE after Providing CD, Timing of Final LE, Timing of "Changed Circumstances on CD	Statutory Damages	EV3	No Obvious Cure	EV3	In Scope, Cannot Obviously be Cured	To Clarify the Approach, if the LE Issue Date is on or after the CD Issue date, EV3 Exception. However, if the LE Issue Date is prior to the CD issue date, but the LE received date may be on or after the CD received date, then an EV2 Exception. An EV3 exception will be issued if the revised LE is received less than 4 business days prior to consummation. Initial and subsequent CDs received more than 4 days prior to consummation will be allowed to rebaseline tolerance fees for CDs issued on or after 6/1/2018 that are prior to consummation and within 3 days of a valid CoC
13	Loan Estimate "LE"	37	General requirement that reflects terms of legal obligation, or if not known, must be in good faith based on best information reasonably available.	Statutory Damages	EV3	No Obvious Cure	EV3	In Scope, Cannot Obviously be Cured	
14	Loan Estimate "LE"	37(a)(1)	Form Title	Neither	N/A	N/A	N/A	Outside of Scope	
15	Loan Estimate "LE"	37(a)(2)	Form Purpose	Neither	N/A	N/A	N/A	Outside of Scope	
16	Loan Estimate "LE"	37(a)(3)	Creditor Name	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
17	Loan Estimate "LE"	37(a)(4)	Date Issued	Neither	N/A	N/A	N/A	Outside of Scope	
18	Loan Estimate "LE"	37(a)(5)	Applicants	Neither	N/A	N/A	N/A	Outside of Scope	
19	Loan Estimate "LE"	37(a)(6)	Property	Neither	N/A	N/A	N/A	Outside of Scope	
20	Loan Estimate "LE"	37(a)(7)	Sales Price	Neither	N/A	N/A	N/A	Outside of Scope	
21	Loan Estimate "LE"	37(a)(8)	Loan Term	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	
22	Loan Estimate "LE"	37(a)(9)	Purpose	Neither	N/A	N/A	N/A	Outside of Scope	
23	Loan Estimate "LE"	37(a)(10)	Product	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	
24	Loan Estimate "LE"	37(a)(11)	Loan Type	Neither	N/A	N/A	N/A	Outside of Scope	
25	Loan Estimate "LE"	37(a)(12)	Loan Identification Number	Neither	N/A	N/A	N/A	Outside of Scope	
26	Loan Estimate "LE"	37(a)(13)	Rate Lock	Neither	N/A	N/A	N/A	Outside of Scope	
27	Loan Estimate "LE"	37(b)(1)	Loan Amount	Neither	N/A	N/A	N/A	Outside of Scope	
28	Loan Estimate "LE"	37(b)(2)	Interest Rate	Neither	N/A	N/A	N/A	Outside of Scope	
29	Loan Estimate "LE"	37(b)(3)	Principal and Interest Payment	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	
30	Loan Estimate "LE"	37(b)(4)	Prepayment Penalty	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
31	Loan Estimate "LE"	37(b)(5)	Balloon Payment	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	
32	Loan Estimate "LE"	37(b)(6)	Increases after Consummation	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	
33	Loan Estimate "LE"	37(b)(7)	Details about Balloon Payment	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	

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34	Loan Estimate "LE"	37(b)(7)	Details about Prepayment Penalty	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	
35	Loan Estimate "LE"	37(c)(1)-(3)	Projected Payments	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	
36 - Updated	Loan Estimate "LE"	37(c)(2)(iii) (for items in escrow account)	Projected Payments	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	
37	Loan Estimate "LE"	37(c)(4) and (5) (for items not in escrow account)	Estimated Taxes, Insurance, and Assessments	Actual Damages	N/A	N/A	N/A	Based on LE and EV2, Outside of Scope	
38	Loan Estimate "LE"	37(d)(1)	Costs at Closing: Closing Costs	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
39	Loan Estimate "LE"	37(d)(2)	Costs at Closing: Cash to Close	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
40	Loan Estimate "LE"	37(e)	Website	Neither	N/A	N/A	N/A	Outside of Scope	
41	Loan Estimate "LE"	37(f)(1)	Loan Costs: Origination Charges	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	Tests to exclude is alphabetical testing, fee naming conventions, etc. Tolerance testing would still consider all fees disclosed on LE's and CD's.
42	Loan Estimate "LE"	37(f)(2) to (4)	Loan Costs: Itemization of Services You Can and Cannot Shop For and Subtotal of Loan Costs	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	Tests to exclude is alphabetical testing, fee naming conventions, etc. Tolerance testing would still consider all fees disclosed on LE's and CD's.
43	Loan Estimate "LE"	37(f)(5)	Loan Costs: Item Description and Ordering	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
44	Loan Estimate "LE"	37(f)(6)	Loan Costs: Use of Addenda in Addition to Form	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
45	Loan Estimate "LE"	37(g)(1) to (6)	Other Costs: Taxes, Prepaids, Escrow, Other, Lender Credits, Subtotal of Other Costs, Lender Credits and Total Closing Costs	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
46	Loan Estimate "LE"	37(g)(7)	Other Costs: Item Description and Ordering	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
47	Loan Estimate "LE"	37(g)(8)	Other Costs: Use of Addenda in Addition to Form	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
48	Loan Estimate "LE"	37(h)	Calculating Cash to Close	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
49	Loan Estimate "LE"	37(i)	Adjustable Payment Table	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	
50	Loan Estimate "LE"	37(j)	Adjustable Interest Rate Table	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	
51	Loan Estimate "LE"	37(k)	Contact Information - NMLS ID Disclosure	Statutory Damages	EV3	Re-Disclose Correct Information	EV2	LE is within scope, requires redisclosure of correct information on LE or CD	The TPRs will consider the redisclosure to the consumer of the corrected information on a subsequent CD or a post close CD as resolving the exception to an EV2
52	Loan Estimate "LE"	37(k)	Contact Information - name, address, email, phone, etc.	Neither	N/A	N/A	N/A	Outside of Scope	
53 - Updated	Loan Estimate "LE"	37(l)(1)	In 5 Years	Statutory Damages	EV2	Re-Disclose Correct Information	EV1	Based on LE, test that a value was provided, will test accuracy on CD	The totals in 5 years are the precursor to the Total of Payments on the Closing Disclosure. Cite an EV2-B exception if the totals in 5 years are not provided. The accuracy of these values will not be cited as the testing of the TOP value on the Closing Disclosure will test for accuracy.
54	Loan Estimate "LE"	37(l)(2)	Annual Percentage Rate	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	Does not include LE's APR tolerance testing. Initial CD is required to be disclosed 3 days prior to consummation. Test initial CD and any subsequent CDs for MDIA tolerance requirements and re-disclosure requirements per TRID.
55	Loan Estimate "LE"	37(l)(3)	Total Interest Percentage	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
56	Loan Estimate "LE"	37(m)(1)	Appraisal (1 ECOA & 2 TRID)	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	ECOA testing is in place and can be verified with statement on LE but if not on LE then stand-alone Right to Receive Appraisal disclosure.
57	Loan Estimate "LE"	37(m)(1)	Appraisal (1026.35 HPML)	Statutory Damages	EV3	No Obvious Cure	EV3	In Scope, Cannot Obviously be Cured	This is not directly related to the TRID Scope... the issue relates to the Appraisal requirement applicable to HPML loans and therefore should be tested for HPML threshold loans...
58	Loan Estimate "LE"	37(m)(2)	Assumption	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
59	Loan Estimate "LE"	37(m)(3)	Homeowner's Insurance	Neither	N/A	N/A	N/A	Outside of Scope	
60	Loan Estimate "LE"	37(m)(4)	Late Payment	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
61	Loan Estimate "LE"	37(m)(5)	Refinance	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	
62	Loan Estimate "LE"	37(m)(6)	Servicing	Neither	EV2	Re-Disclose Correct Information	EV1	Only Test LE as not present on the CD	Accuracy of the statement will not be confirmed, only that the Servicing intent is disclosed. * Re-disclosure on the standalone Servicing transfer notice to consumer will be considered as a redisclosure of correct information.
63	Loan Estimate "LE"	37(m)(7)	Liability After Foreclosure	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	TPR firms check to confirm that the disclosure is populated, but not the accuracy of the disclosed value.
64	Loan Estimate "LE"	37(n)	Signature Statement	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
65	Loan Estimate "LE"	37(o)(1)	General form requirements; clear and conspicuous; form consumer can keep; segregated; only required information and same order as Form H-24.	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
66	Loan Estimate "LE"	37(o)(2)	"Estimated" in headings and labels	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
67	Loan Estimate "LE"	37(o)(3)(i)	Standard form requirements	Neither	N/A	N/A	N/A	Outside of Scope	
68	Loan Estimate "LE"	37(o)(3)(ii)	Model form requirements	Statutory Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE, Outside of Scope, will test on CD	Failure to provide an LE is a material exception that is addressed with row 2 above. 19(e)(1)(i)
69 - Updated	Loan Estimate "LE"	37(o)(3)(iii)	E-SIGN	Statutory Damages	EV3	No Obvious Cure	EV3	EV3, In Scope, Cannot Obviously be Cured	The severity of this exception is based on the failure to obtain proper consent is the equivalent of the disclosures never being sent, this can result in timing exceptions and impact fee tolerance considerations. If there is no impact on timing considerations, the exception can be downgraded to EV2-B

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70	Loan Estimate "LE"	37(o)(4)	Rounding	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	The rounding requirements will be outside of scope for the LE. Tolerance testing is covered separately.
71	Loan Estimate "LE"	37(o)(5)	Exceptions	Actual Damages	N/A	Re-Disclose Correct Information	N/A	Based on LE and EV2, Outside of Scope	
72	Closing Disclosure "CD"	19(f)(1)(i)	Creditor must provide CD	Statutory Damages	EV3	No Obvious Cure	EV3	In Scope, Cannot Obviously be Cured	
73	Closing Disclosure "CD"	19(f)(1)(ii)(A)	Timing of CD	Statutory Damages	EV3	No Obvious Cure	EV3	In Scope, Cannot Obviously be Cured	
74	Closing Disclosure "CD"	19(f)(1)(ii)(B)	Special Timing of CD for Timeshares	Neither	N/A	N/A	N/A	Outside of Scope	
75 - Updated	Closing Disclosure "CD"	19(f)(1)(iv)	Waiver for Bona Fide Personal Financial Emergency	Statutory Damages	EV3	No Obvious Cure	EV3	In Scope, Cannot Obviously be Cured	The consideration of a waiver to alter the exception to an EV2-B, requires the TPR firm to confirm the waiver is not a printed form, that it contains the written statement describing the emergency, specifically waives the waiting period and is executed by the consumer(s). The waiver of the waiting period will still warrant an EV2-B level exception to identify the potential risk the basis is not deemed to meet the bona fide financial emergency consideration threshold.
Updated - 76	Closing Disclosure "CD"	19(f)(2)(i) and (ii)	Timing of corrected CDs (including one-day right to inspect)	Statutory Damages	EV3	No Obvious Cure	EV3	In Scope, Cannot Obviously be Cured	CDs issued on or after May 24, 2018 will not trigger an additional 3-day waiting period prior to consummation for APR decreases.
77	Closing Disclosure "CD"	19(f)(2)(iii)	Post-consummation corrected CDs	Neither	N/A	N/A	N/A	Outside of Scope	
78 - Updated	Closing Disclosure "CD"	19(f)(2)(v)	Tolerance Cures	Statutory Damages	EV3	LOE Proof of Delivery Refund Fee Tolerance Provide Corrected CD	EV2 within 60 of consummation, EV2 within 60 of Discovery, EV3 if not within 60 of discovery	Final CD is within Scope, Interim CDs out of scope	The fee tolerances will be tested against the final CD and post close CDs to confirm the consumer did not pay more than the permissible 0% and 10% tolerances permit. Tolerance cures through settlement, prior to disbursement, will be an EV1 and will not require the LOE, proof of delivery, or refund check. Post closing cures will be an EV2.
79	Closing Disclosure "CD"	19(f)(3)(i)	Must be actual charge received by service provider	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	
80	Closing Disclosure "CD"	19(f)(3)(ii)	Average Charge	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	
81	Closing Disclosure "CD"	19(f)(5)	No Fee for Preparation of LE and CD	Neither	EV2	LOE Proof of Delivery Refund Fee Tolerance Provide Corrected CD	EV1	Only Test Final CD	Test Final CD only as an EV2 initial grade and an EV1 final grade based on lack of statutory risk and no assignee liability. If a fee was charged for providing an LE or CD, require refund of fee amount to the consumer
82	Closing Disclosure "CD"	19(g)	Special Information Booklet	Neither	N/A	N/A	N/A	Outside of Scope	
83	Closing Disclosure "CD"	38	General requirement that reflects terms of legal obligation, or if not known, use estimates.	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	
84	Closing Disclosure "CD"	38(a)(1)	Form Title	Neither	N/A	N/A	N/A	Outside of Scope	
85	Closing Disclosure "CD"	38(a)(2)	Form Purpose	Neither	N/A	N/A	N/A	Outside of Scope	
86	Closing Disclosure "CD"	38(a)(3)	Closing Information	Neither	EV2	Letter of Explanation Re-Disclose Correct Information	EV1	Only Test Final CD	Test Final CD only as an EV2 initial grade and an EV1 final grade based on lack of statutory risk and no assignee liability.
87	Closing Disclosure "CD"	38(a)(4)(i) and (ii)	Transaction Information	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
88	Closing Disclosure "CD"	38(a)(4)(iii)	Transaction Information: Creditor	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
89 - Updated	Closing Disclosure "CD"	38(a)(5)(i)	Loan Information: Loan Term	Statutory Damages	EV3	LOE Proof of Delivery Re-open Rescission if Applicable Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	Rescission impact is based on the CFPB reliance on, among other sections of statutory authority, TILA 128(a)(6).
90	Closing Disclosure "CD"	38(a)(5)(ii)	Loan Information: Purpose	Neither	EV2	Letter of Explanation Re-Disclose Correct Information	EV1	Only Test Final CD	Test Final CD only as an EV2 initial grade and an EV1 final grade based on lack of statutory risk and no assignee liability.
91	Closing Disclosure "CD"	38(a)(5)(iii)	Loan Information: Product	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	Test Final CD (Will impact 3 day testing considerations.) To clarify, although the testing of the accuracy of the Product from the interim CDs is outside of scope, the product disclosed will impact the testing of the timing requirement to disclose the final loan product to the consumer at least 3 days prior to consummation.
92	Closing Disclosure "CD"	38(a)(5)(iv)	Loan Information: Loan Type	Neither	EV2	Letter of Explanation Re-Disclose Correct Information	EV1	Only Test Final CD	Test Final CD only as an EV2 initial grade and an EV1 final grade based on lack of statutory risk and no assignee liability. Will monitor for future guidance from the CFPB.
93	Closing Disclosure "CD"	38(a)(5)(v)	Loan Information: Loan Identification Number	Neither	N/A	N/A	N/A	Outside of Scope	
94	Closing Disclosure "CD"	38(a)(5)(vi)	Loan Information: Mortgage Insurance Case Number	Neither	N/A	N/A	N/A	Outside of Scope	
95	Closing Disclosure "CD"	38(b)	Loan Terms	Neither				See Items Below	
96 - Updated	Closing Disclosure "CD"	38(b) see 37(b)(1)	Loan Amount	Neither	EV2	Letter of Explanation Re-Disclose Correct Information	EV1	Only Test Final CD	Test Final CD only as an EV2 initial grade and an EV1 final grade based on lack of statutory risk and no assignee liability.
97 - Updated	Closing Disclosure "CD"	38(b) see 37(b)(2)	Interest Rate	Neither	EV2	Letter of Explanation Re-Disclose Correct Information	EV1	Only Test Final CD	Test Final CD only as an EV2 initial grade and an EV1 final grade based on lack of statutory risk and no assignee liability.
98 - Updated	Closing Disclosure "CD"	38(b) see 37(b)(3)	Principal and Interest Payment	Statutory Damages	EV3	LOE Proof of Delivery Re-open Rescission if Applicable Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	Rescission impact is based on the CFPB reliance on, among other sections of statutory authority, TILA 128(a)(6).
99 - Updated	Closing Disclosure "CD"	38(b) see 37(b)(4)	Prepayment Penalty	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
100 - Updated	Closing Disclosure "CD"	38(b) see 37(b)(5)	Balloon Payment	Statutory Damages	EV3	LOE Proof of Delivery Re-open Rescission if Applicable Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	Rescission impact is based on the CFPB reliance on, among other sections of statutory authority, TILA 128(a)(6).
101 - Updated	Closing Disclosure "CD"	38(b) see 37(b)(6)	Increases after Consummation	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	
102 - Updated	Closing Disclosure "CD"	38(b) see 37(b)(7)	Details about Balloon Payment	Statutory Damages	EV3	LOE Proof of Delivery Re-open Rescission if Applicable Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	Rescission impact is based on the CFPB reliance on, among other sections of statutory authority, TILA 128(a)(6).
103 - Updated	Closing Disclosure "CD"	38(b) see 37(b)(7)	Details about Prepayment Penalty	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	

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Row	Disclosure	Provision of 12 C.F.R. Part 1026	Description of Provision	Assignee Liability Type	Initial Grade	Action to Resolve	Final Grade	In Scope to Test	Discussion Comments
104 - Updated	Closing Disclosure "CD"	38(c)	Projected Payments	Statutory Damages	EV3	LOE Proof Of Delivery Re-open Rescission if Applicable Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	If remediation is within 60 days of discovery, the exception will be regraded to an EV2, if outside 60 days of discovery exception will remain an EV3.
105 - Updated	Closing Disclosure "CD"	37(c)(1)-(3)	Projected Payments	Statutory Damages	EV3	LOE Proof Of Delivery Re-open Rescission if Applicable Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	If remediation is within 60 days of discovery, the exception will be regraded to an EV2, if outside 60 days of discovery exception will remain an EV3.
106 - Updated	Closing Disclosure "CD"	37(c)(2)(iii) (for items in escrow account)	Projected Payments	Statutory Damages	EV3	LOE Proof Of Delivery Re-open Rescission if Applicable Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	If remediation is within 60 days of discovery, the exception will be regraded to an EV2, if outside 60 days of discovery exception will remain an EV3.
107 - Updated	Closing Disclosure "CD"	37(c)(4) and (5) (for items not in escrow account)	Estimated Taxes, Insurance, and Assessments	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	Based on the number of payments to be collected during the 1st year after consummation, acceptable amounts would include 10 months, 11 months or 12 months for escrow fees 1 year after consummation on page 4.
108	Closing Disclosure "CD"	38(d)(1)	Costs at Closing: Closing Costs	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
109	Closing Disclosure "CD"	38(d)(2)	Costs at Closing: Cash to Close	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
110	Closing Disclosure "CD"	38(e)	Alternative Calculating Cash to Close	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
111	Closing Disclosure "CD"	38(f)(1)	Loan Costs: Origination Charges	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
112	Closing Disclosure "CD"	38(f)(2) to (5)	Loan Costs: Services Borrower Did and Did Not Shop For; Subtotal and Total of Loan Costs	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
113	Closing Disclosure "CD"	38(g)(1) to (6)	Other Costs: Taxes, Prepaids, Escrow, Other, Lender Credits, Subtotal and Total of Other Costs	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
114	Closing Disclosure "CD"	38(h)(1) and (2)	Closing Cost Totals	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
115	Closing Disclosure "CD"	§ 1026.38(h)(3)	Closing Cost Totals: Lender Credits	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
116	Closing Disclosure "CD"	§ 1026.38(h)(4)	Closing Cost Totals: Same Descriptions and Ordering for Charges as on Loan Estimate	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
117	Closing Disclosure "CD"	38(i)	Calculating Cash to Close	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
118	Closing Disclosure "CD"	38(j)	Summaries of Transactions: Borrower's Transaction	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
119	Closing Disclosure "CD"	38(k)	Summaries of Transactions: Seller's Transaction	Neither	N/A		N/A	Outside of Scope	
120	Closing Disclosure "CD"	38(l)(1)	Assumption	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
121	Closing Disclosure "CD"	38(l)(2)	Demand Feature	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
122	Closing Disclosure "CD"	38(l)(3)	Late Payment	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
123	Closing Disclosure "CD"	38(l)(4)	Negative Amortization	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	
124	Closing Disclosure "CD"	38(l)(5)	Partial Payment Policy	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	
240	Closing Disclosure "CD"	38(l)(6)	Security Interest	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	
126 - Updated	Closing Disclosure "CD"	38(l)(7)	Escrow Account	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	Based on the number of payments to be collected during the 1st year after consummation, acceptable amounts would include 10 months, 11 months or 12 months for escrow fees 1 year after consummation on page 4 Due to rounding considerations, the amount of 0.02 per payment tolerance for accuracy applied to amounts listed in Escrow Account table (eg. Non-Escrowed Property Costs over Year 1) Default method for calculating Initial Escrow Payment is to use borrower paid portion in Section G. If disclosed amount includes amounts paid by party other than borrower, EV2 exception will be cited
127	Closing Disclosure "CD"	38(m)	Adjustable Payment Table	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	
128	Closing Disclosure "CD"	38(n)	Adjustable Interest Rate Table	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	Test Final CD
129 - Updated	Closing Disclosure "CD"	38(o)(1)	Total of Payments	Statutory Damages	EV3	LOE Proof Of Delivery Refund Underdisclosed amount Re-open Rescission if Applicable Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	Overdisclosed TOP values that exceed the calculated TOP value will not warrant an exception. Only underdisclosed TOP values will warrant an exception. The calculated "Total of Payments," is the total the consumer will have paid after making all payments of principal, interest, mortgage insurance, and loan costs, as scheduled. This includes the Total Principal and Interest payment calculated for entire loan term, Total Payment stream MI for entire loan term, Total Loan Costs (Borrower Paid) from D of the CD, Borrower Paid Prepaid Interest, (including negative per diem), from F of the CD, Borrower Paid Mortgage Insurance from F of the CD, and Borrower Paid Mortgage Insurance from G of the CD. For loans with a consummation date prior to 10/10/2017, the TOP tolerance considerations will allow an underdisclosure of less than (\$0.02 * Number of payments) (e.g. \$0.02 * 360 months = \$7.20) due to permissible payment calculation variations. For loans with a consummation date on or after 10/10/2017, the applicable underdisclosure tolerance will be \$35.00 for rescindable transactions and \$100.00 for non-rescindable transactions. If remediation is within 60 days of discovery, the exception will be regraded to an EV2, if outside 60 days of discovery exception will remain an EV3.

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Row	Disclosure	Provision of 12 C.F.R. Part 1026	Description of Provision	Assignee Liability Type	Initial Grade	Action to Resolve	Final Grade	In Scope to Test	Discussion Comments
130 - Updated	Closing Disclosure "CD"	38(o)(2)	Finance Charge	Statutory Damages	EV3	LOE Proof of Delivery Refund Underdisclosed amount Re-open Rescission if Applicable Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	If remediation is within 60 days of discovery, the exception will be regraded to an EV2, if outside 60 days of discovery exception will remain an EV3.
131 - Updated	Closing Disclosure "CD"	38(o)(3)	Amount Financed	Statutory Damages	EV3	LOE Proof of Delivery Re-open Rescission if Applicable Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	If remediation is within 60 days of discovery, the exception will be regraded to an EV2, if outside 60 days of discovery exception will remain an EV3.
132 - Updated	Closing Disclosure "CD"	38(o)(4)	Annual Percentage Rate	Statutory Damages	EV3	LOE Proof of Delivery Refund Underdisclosed equivalent unless based on Future ARM change Re-open Rescission if Applicable Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	Clarification pertaining to future ARM changes causing underdisclosed APR remediations. In place of the refund check component, the lender can modify the terms of the loan to ensure the consumer does not pay more than that which was disclosed. (This is often accomplished through a reduction in the ARM margin.) The other documentation is still required as is the modification to the note altering the ARM terms. If remediation is within 60 days of discovery, the exception will be regraded to an EV2, if outside 60 days of discovery exception will remain an EV3.
133 - Updated	Closing Disclosure "CD"	38(o)(5)	Total Interest Percentage	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	Rounding numeric representations for percentages; although the numeric testing of the values disclosed is in scope, the removal of trailing 0's are not within the testing scope. TPRs will use a 0.003% tolerance.
134	Closing Disclosure "CD"	38(p)(1)	Appraisal	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	
135	Closing Disclosure "CD"	38(p)(1)	Appraisal (1026.35 HPML)	Statutory Damages	EV3	No Obvious Cure	EV3	In Scope, Cannot Obviously be Cured	This is not directly related to the TRID Scope... the issue relates to the Appraisal requirement applicable to HPML loans and therefore should be tested for HPML threshold loans...
136	Closing Disclosure "CD"	38(p)(2)	Contract Details	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
137	Closing Disclosure "CD"	38(p)(3)	Liability After Foreclosure	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	
138	Closing Disclosure "CD"	38(p)(4)	Refinance	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	
139	Closing Disclosure "CD"	38(p)(5)	Tax Deductions	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
140	Closing Disclosure "CD"	38(q)	Questions Notice	Neither	N/A	N/A	N/A	Outside of Scope	
141 - Updated	Closing Disclosure "CD"	38(r)	Contact Information - NMLS ID Disclosure	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	CDs are within scope, requires redisclosure of correct information on CD	The TPRs will consider the redisclosure to the consumer of the corrected information on a subsequent CD or a post close CD as resolving the exception to an EV2. For wholesale loans, the Lender's LO Contact name and LO NMLS number may be omitted on the Closing Disclosure if the Broker was the primary contact point with the consumer.
142	Closing Disclosure "CD"	38(r)	Contact Information- name, address, email, phone, etc.	Neither	N/A	N/A	N/A	Outside of Scope	
143	Closing Disclosure "CD"	38(s)	Signature Statement	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
144	Closing Disclosure "CD"	38(t)(1)	General form requirements; clear and conspicuous; form consumer can keep; segregated; only required information and same order as Form H-25.	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	
145	Closing Disclosure "CD"	38(t)(2)	"Estimated" in headings and labels	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
146	Closing Disclosure "CD"	38(t)(3)(i)	Standard form requirement	Neither	N/A	N/A	N/A	Outside of Scope	
147	Closing Disclosure "CD"	38(t)(3)(ii)	Model form requirement	Statutory Damages	EV3	Letter of Explanation Re-Disclose Correct Information	EV2	Final CD is within Scope, Interim CDs out of scope	
148 - Updated	Closing Disclosure "CD"	38(t)(3)(iii)	E-Sign	Statutory Damages	EV3	No Obvious Cure	EV3	EV3, In Scope, Cannot Obviously be Cured	The severity of this exception is based on the failure to obtain proper consent is the equivalent of the disclosures never being sent, this can result in timing exceptions and impact fee tolerance considerations. If there is no impact on timing considerations, the exception can be downgraded to EV2-B
149	Closing Disclosure "CD"	38(t)(4)	Rounding	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	
150	Closing Disclosure "CD"	38(t)(5)	Exceptions	Actual Damages	EV2	Letter of Explanation Re-Disclose Correct Information	EV2	Limit Test to Final CD, no interim CDs	

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Additional Considerations

TPR Best Practices:

1.)	Although a TRID worksheet may be required as part of a client overlay, the baseline scope will not set an exception for any loan in which a TRID worksheet is not provided.
2.)	TIP Tolerance to be deemed as permissible up to 0.003 difference. (The threshold is based on differences using acceptable payment calculation methods including payment rounding, final payment difference considerations, and interest allocation through the amortization schedule. The same tolerance is to be used underdisclosed and overdisclosed TIP evaluations.)
3.) Updated	<p>Good Faith Fee Violations - The TPRs will not issue an exception for items that are not disclosed on the initial LE(s), that appear on later disclosures unless there is explicit evidence within the loan file clearly identifying when the lender was first aware of the fee and that the knowledge predates the disclosure issuance. If the file contains evidence the fee/charge should have been on the early disclosures, then lacking an explicit cure, the lender would be required to refund the fee to cure the Good Faith issue. (The default approach is to accept that the lender disclosed based on the best information available standard.)</p> <p>Effective for loan applications that are taken on or after October 1, 2018, Property tax amounts disclosed are only considered to be in the Good Faith tolerance consideration if the initial estimate is based on the best information reasonably available. If the creditor does not disclose an amount or discloses an unreasonably low amount, then the charge will be subject to 1026.19(e)(3)(i), aka the 0% tolerance category. (e.g. increases in property taxes in excess of 20% will be cited as a 0% fee tolerance exception.)</p>
4.)	The TPR firm can exclude an LE or CD from consideration if it was not provided to the consumer. Acceptable documentation is a lender attestation that it was not provided to the consumer. (This is only applicable if the document is not acknowledged by the consumer.)
5.) Updated	Final CDs and or Post Close CDs - TPR to add additional exceptions when cure refunds are provided for tolerance violations but the corrected CD does not properly reflect cure in Section J and comparison table or after October 10, 2017, if cure is provided in the form of principal reduction, cure is not reflected in the Summaries of Transactions table or Payoffs and Payments table with required cure language, as applicable.
6.) Updated	Although some clients will require a final Closing Disclosure to be wet signed by all consumers with an ownership interest in the property, the baseline scope will not set an exception for loans in which the Final CD is not signed, including rescindable transactions. (The signature and date can be useful for evidentiary purposes.) Will monitor for future CFPB guidance and/or industry considerations of this as a requirement.
7.)	A redisclosed CD to reflect fee changes that occurred after closing, (e.g. a recording fee increase), the issuance of the corrected CD would yield an EV1... (No Exception)
8.)	A Fee tolerance cure that is provided through the final CD at closing, (e.g. a 0% Fee tolerance cure), would yield an EV1... (No Exception)
9.)	A Fee tolerance issue that requires a post close cure will be an EV3. If the cure is provided post closing, (e.g. a 0% Fee tolerance issue existed at closing), based on the lender's internal QC or the TPR review results within 60 days of consummation, the exception would yield an EV2, B Grade. (If the cure occurs more than 60 days from consummation the exception would also yield an EV2, B Grade.) Subject to the cure being within 60 days of discovery.
10.)	Fee tolerance considerations in relation to 0% and 10% fees that are rounded on initial LEs, the tolerance evaluation will be based on the consideration of the possibility the LE figures disclosed were rounded at time of LE disclosure and only issue an exception if the difference is outside the permissible rounded value considerations. (e.g. the LE discloses a fee for a service the consumer cannot shop for, the credit report. On the LE it reflects a charge of \$8 and the CD reflects \$8.46. The fee would not generate an exception.)
11.)	TOP payment example calculation Methodologies. (The TOP exceptions will only be generated if the amount disclosed is less than the total calculated under Option A.)
A.) Updated	Include negative per diem interest and Only include borrower paid fees (General / lump sum lender/seller/other credits will not be considered in the TOP calculation)
12.)	Total of Payments underdisclosure tolerances for loans that are closed on or after October 10, 2017, will be \$100.00 for non-rescindable transactions and \$35.00 for loans subject to rescission.

SFIG RMBS 3.0 TRID Compliance Review Scope 2018

Additional Considerations

13.)	Effective June 1, 2018, loans that have not been consummated will allow the use of an initial or subsequent CD that is issued on or after 6/1/2018 and PRIOR to closing, to rebaseline tolerance fees as long as the CD is issued within 3 days of a valid change of circumstance (note, CD's issued or received after closing are not permitted to rebaseline fee tolerance amounts)
14.)	Fee considerations for 0% and 10% fees, exclude fees from tolerance evaluations when the fees are not paid by the consumer. Treating like Seller Points for Finance Charges. If the seller does not pay the fee, then it would be a tolerance issue when it is required to be paid by the consumer. Although this is the default approach for reviews, clients can opt to have seller and third party paid fees included in tolerance considerations.
15.)	Although the seller paid fees are required to be disclosed on page 2 of the consumers CD, if the seller paid fees are not reflected on the Consumer's CD, but the fees can be sourced from an alternative document, (Seller CD or Settlement Statement), then the exception cited will be an EV1-A level exception reflecting the alternative source. If the Seller paid fees cannot be sourced from an alternative document, then the exception cited will clarify the missing information required for compliance testing is the basis for the EV3-C level exception. Note some purchase transactions may not have any seller paid fees, if this is confirmed, the exception can be cleared.
16.)	The review and evaluation of the ALTA Settlement Statement, or similar document, for the purpose of comparing figures to the CD, is not within the scope of review.
17.)	As a default waterfall, general lender and/or general seller credits can be applied to non-finance charges first. (Remaining credit amounts could then be applied to offset finance charges for purposes of TILA finance charge evaluations.) Specific Lender credits or Seller Credits reflected in the columns on page 2 for the specific fee line items would not be considered as paid by the consumer and therefore would not be considered as finance charges. At the client request, the TPR firm can apply the general credits, whether lender or seller as follows: 1.) allocate to finance charges first, or 2.) allocate against specific fee(s) based on an itemization, LOS Screen print, or other means of documenting the allocation Although both allocation methods are considered permissible and will impact the finance charge evaluations, either one will warrant a separate EV2 level exception identifying the methodology employed. Note, general/lump sum lender credits or seller credits are not used to offset any fees for purposes of high cost and other anti-predatory lending points and fees tests.)
18.)	Sufficient documentation of Changed Circumstance, Consumer requested revisions, and interest rate dependent charges will at a minimum include the date of the change and a description of the change to tie out to the specific fees impacted.
19.)	10% tolerance fees that have a more detailed breakdown on the CD than the fee breakdowns from the LE, will allow for the inclusion of the additional fee line items in the 10% tolerance category when the same provider is used for the services with the more detailed breakdown. (Additional fees that may have a different provider, but would still be included in the 10% category would be ancillary serviced procured by the settlement provider. Examples to include Courier fee, Notary Fee, document signing fee, Doc Prep Fee, Recording Service fee, etc.)
20.)	Principal Curtailments for tolerance cure considerations will be accepted for loans with a consummation date on or after October 10, 2017. The Curtailment will need to be reflected on the final CD or Post Close CD in the correct section with applicable curative language. Lender to include a copy of the screen print reflecting the curtailment of the principal if the cure is completed post settlement.
21.)	TRID disclosures will be required for loans to Trusts or on COOPs for all loans on or after 10/1/2018. (Prior to the mandatory effective date, the requirement for COOPs will vary by state.)
22.)	Pursuant to 1026.19(e)(3)(iii)(D), effective 10/10/17, To the extent the consumer is permitted to shop for the service and the consumer chooses the third party provider that is not on the Written Settlement Service Provider list, the fee would not be limited to the 0% tolerance category even if the provider is an affiliate of the creditor as it would be in good faith if it is consistent with the best information available standard.
23.)	Rounding alterations and numeric representations for percentages with an optional compliance date of October 10, 2017, allows the lender to round values to three decimal positions and then omit any trailing zeros, which is required for applications on or after 10/1/2018. Although the numeric testing of the values disclosed is in scope, the removal of trailing 0's are not within the testing scope.

SFIG RMBS 3.0 TRID Compliance Review Scope 2018

Additional Considerations

24.)	Post Close CDs issued by the lender without an accompanying Letter of Explanation will be permitted to remediate exception(s) on the Final CD if provided to the consumer within 60 days of consummation for corrections to non-numerical clerical errors and/or good faith tolerance cures. An LOE is required for such corrections if made beyond 60 days of consummation. All post close corrections under 130(b) require the LOE, and if the cure pertains to a material disclosure violation, a corrected CD, refund check, proof of delivery, and reopening rescission.
25.)	19(f)(2)(i) and (ii) Timing of corrected CDs for the one-day right to inspect are only tested when the file contains explicit evidence of the consumers request.
26.)	Post Close CD - Material Disclosures Accuracy Test: Prior to TRID, material disclosures disclosed on the final TIL provided to the borrower at or before closing are compared to figures disclosed on most recent HUD-1 (issued pre or post close). Similarly, for TRID loans, TPRs will assume at initial review that fee changes reflected on PCCDs are corrections (similar to corrected HUD-1s), not updates of fees resulting from changes occurring after closing (lender incorrectly disclosed fees they were aware of or should have been aware of on final CD and issued a PCCD reflecting actual fees that should have been disclosed on final CD). Accordingly, TPR will calculate the APR, Finance Charge and TOP based on corrected fees on PCCD and cite exceptions if APR, Finance Charge and TOP disclosed on final CD are inaccurate based on fees shown on PCCD, an EV3-C exception will be cited if APR, Finance Charge, TOP on final CD are outside of tolerance for accuracy based on fees on most recent PCCD unless: 1) discrepancy results from change in interim interest due to difference in anticipated vs. actual disbursement date; or 2) there is a corresponding credit/cure for the amount of the increase in fees paid by borrower reflected on PCCD; or 3) there is evidence or attestation supporting that fee changes resulted from events occurring after consummation and could not have been reasonably known by creditor at the time final CD was prepared. Otherwise, TILA 130(b) correction with refund required to cure to EV2-B
27.)	Post Close CD - Anti-Predatory Lending ("APL") Tests: Prior to TRID, high cost and other anti-predatory lending tests are performed based on fees on most recent HUD (issued pre or post close). For TRID loans, post close CDs are required to be provided for other reasons including re-disclosure to reflect: 1) changes due to events occurring within 30 days of consummation affecting fee amounts (1026.19(f)(2)(iii)); 2) Changes due to clerical errors (1026.19(f)(2)(iii)); 3) Refunds related to good faith analysis (TRID fee tolerance cures) ((1026.19(f)(2)(v)). These three (3) TRID CD re-disclosure requirements pose a challenge for determining final figures and actual charges at consummation particularly when PCCD reflects cure amounts and credits provided post-consummation. However, as PCCD is still the most current documentation in file that should be reflective of actual charges at consummation, TPR will perform all high cost and APL tests based on most recent PCCD disregarding any post-consummation cure amounts or lender credits/refunds provided post-consummation.
28.)	Post Close CD - Good Faith Tolerance: Fees disclosed on post close CDs will be tested for tolerance under § 1026.19(e)(3) and any corresponding tolerance exceptions cited. PCCDs will not be permitted to rebaseline fee tolerance amounts despite occurrence of a valid changed circumstance (see example in Comment 19(f)(2)(iii)-1(ii))
29.)	Based on the recently enacted Economic Growth, Regulatory Relief, and Consumer Protection Act that was enacted on 5/24/2018, APR reductions of 0.125, or 0.250 if applicable, will no longer be subject to the additional 3 day waiting period when the APR reduction is not corresponding to a reduction in the finance charge.
30.)	Seller Credits (Comments 37(h)(1)(vi)-1 and -2, and 38(i)(7)(iii)(A)-1) - If there is a difference between the amount of seller credits disclosed on the Loan Estimate and those disclosed on the Closing Disclosure, not attributed to rounding, there must be a statement on the Closing Disclosure that the consumer should see the details of the credits. (Comment 38(i)(7)(iii)(A)-1) (See 117) The review will confirm the two amounts are reflected on the final CD and the indication of whether they changed corresponds to the two amounts reflected on the CD.

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Additional Considerations

31.)	<p>Seller Credits Revised Comments 37(h)(1)(vi) clarify that creditors continue to have two options for disclosing seller credits on the Loan Estimate based on information known to the creditor at the time of disclosure: General non-specific credits are disclosed as a lump sum credit while credits for specific charges are disclosed by either reducing the amount of the charge by the amount of credit allocated for that specific fee or removing the fee altogether if the seller will pay for the fee in its entirety. Tolerance considerations will apply to either disclosure method subject to a valid justification for the increase under § 1026.19(e)(3)(iv) and § 1026.19(e)(4). While a change in seller credit amount or fee allocation of credits based on ongoing negotiations between buyer and seller would be considered a valid changed circumstance, the loan file images must contain documentation or evidence of seller/RE broker/borrower communicating any changes to seller credits from the time initial LE was issue to rebaseline increases to borrower paid amounts resulting from seller credit changes. (Ex. At the time initial LE was prepared, seller agreed to pay for entire amount of appraisal fee (\$500), therefore, creditor did not disclose appraisal on initial LE. If seller later reduces credit designated for appraisal to \$400, creditor may disclose a revised LE reflecting \$100 appraisal paid by borrower and reset appraisal fee baseline with documentation of creditor receiving information regarding seller credit change within 3 days of revised LE)</p>
32.)	<p>Lender Credits (Comment 19(e)(3)(i)-5 and -6) Zero percent tolerance violation when a change in lender credit results in an increased charge to the consumer, when the total amount of lender credits, whether specific or general, actually provided to the consumer is compared to the amount of the "lender credits" disclosed in the Total Closing Costs on the LE. For purposes of determining lender credit tolerance, lender credit on the CD is calculated by adding the lump sum lender credit disclosed on Section J of the CD (less any amounts designated for tolerance cures) and total of itemized fees paid by lender as reflected in paid by others column but only if the fee was previously disclosed to consumer on the loan estimate. This methodology captures potential circumvention of tolerance violations through the addition of fees shown as lender paid on the CD that were not contemplated by the consumer at the time the lump sum lender credit was disclosed on the LE. (Example: LE disclosed \$1000 origination fee and \$500 appraisal fee and \$1500 lender credit. Final CD shows \$1000 origination fee paid by lender, \$200 processing fee paid by lender and \$300 appraisal fee paid by lender and \$0 lump sum credit in Section J. While total amount of lender paid fees is still \$1500, appraisal fee decreased by \$200 but instead of consumer receiving \$200 lump sum credit for the decrease in actual amount of appraisal fee, creditor added a \$200 processing fee which is an increase in cost to the consumer (refer to examples in Comment 19(e)(3)(i)-5)).</p>
33.)	<p>The confirmation of the values attributable to the LE disclosure that are reflected on the CD disclosure is outside of scope. The scope will confirm that values are present and that the response to whether they changed from the LE to the CD corresponds to the numbers reflected on the Final CD. The statement on the closing disclosure directing the consumer to see the details of the item is also outside of the scope of review.</p>
34.)	<p>Although some clients will require additional testing to perform a comparison of invoices for third party services correspond with the actual charges reflected on the final CD. The baseline scope will not check to confirm that the third party invoices are present in the loan images or a verification of the amounts reflected on the invoices correspond to the charges reflected on the CD.</p>