§ 1731.5

(1) Disclosing or reporting such fraud pursuant to legal requirements, including reporting to appropriate law enforcement or other governmental authorities; or

(2) Taking any legal or business action it may deem appropriate, including any action involving the party or parties connected with the mortgage fraud or possible mortgage fraud.

(d) Acceptance of other forms. The Director may, upon written notice to each Enterprise, accept reports of mortgage fraud or possible mortgage fraud in formats promulgated by any Federal agency that has jurisdiction over the reporting of mortgage fraud or possible mortgage fraud by the Enterprises.

(e) No waiver of privilege. An Enterprise does not waive any privilege it may claim under law by reporting mortgage fraud or possible mortgage fraud under this part.

§ 1731.5 Internal controls, procedures, and training.

An Enterprise shall establish adequate and efficient internal controls and procedures and an operational training program to assure an effective system to detect and report mortgage fraud or possible mortgage fraud under this part.

§ 1731.6 Supervisory action.

Failure by an Enterprise to comply with §§1731.3, 1731.4, and 1731.5 may subject the Enterprise or the board members, officers, or employees thereof to supervisory action by OFHEO under the Federal Housing Enterprises Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.), including but not limited to, cease-and-desist proceedings and civil money penalties.

PART 1732—RECORD RETENTION

Subpart A—General

Sec.
1732.1 Purpose and scope.
1732.2 Definitions.
1732.3-4 [Reserved]

Subpart B—Record Retention Program

1732.5 Establishment and evaluation of record retention program.

12 CFR Ch. XVII (1–1–10 Edition)

Subpart C—Supervisory Action

1732.10 Supervisory action.

AUTHORITY: 12 U.S.C. 4513(a), 4513(b)(1), 4513(b)(5), 4514, 4611, 4632, and 4632.

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