

The [toll-free] [collect call] telephone number of your new servicer is _____. If you have any question relating to the transfer of servicing to your new servicer call _____ [enter the name of an individual or department here] at _____ [toll free or collect call telephone number] between ____ a.m. and ____ p.m. on the following days _____.

The date that your present servicer will stop accepting payments from you is _____. The date that your new servicer will start accepting payments from you is _____. Send all payments due on or after that date to your new servicer.

[Use the paragraph if appropriate; otherwise omit.] The transfer of servicing rights may affect the term of or the continued availability of mortgage life or disability insurance or any other type of optional insurance in the following manner:

and you should take the following action to maintain coverage:

You should also be aware of the following information, which is set out in more detail in Section 6 of the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. 2605):

During the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer before its due date may not be treated by the new loan servicer as late, and a late fee may not be imposed on you.

Section 6 of RESPA (12 U.S.C. 2605) gives you certain consumer rights. If you send a "qualified written request" to your loan servicer concerning the servicing of your loan, your servicer must provide you with a written acknowledgment within 20 Business Days of receipt of your request. A "qualified written request" is a written correspondence, other than notice on a payment coupon or other payment medium supplied by the servicer, which includes your name and account number, and your reasons for the request. [If you want to send a "qualified written request" regarding the servicing of your loan, it must be sent to this address:
_____]

Not later than 60 Business Days after receiving your request, your servicer must make any appropriate corrections to your account, and must provide you with a writ-

ten clarification regarding any dispute. During this 60-Business Day period, your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such period or qualified written request. However, this does not prevent the servicer from initiating foreclosure if proper grounds exist under the mortgage documents.

A Business Day is a day on which the offices of the business entity are open to the public for carrying on substantially all of its business functions.

Section 6 of RESPA also provides for damages and costs for individuals or classes of individuals in circumstances where servicers are shown to have violated the requirements of that section. You should seek legal advice if you believe your rights have been violated.

[INSTRUCTIONS TO PREPARER: Delivery means placing the notice in the mail, first class postage prepaid, prior to 15 days before the effective date of transfer (transferor) or prior to 15 days after the effective date of transfer (transferee). However, this notice may be sent not more than 30 days after the effective date of the transfer of servicing rights if certain emergency business situations occur. See 12 CFR §1024.21(d)(1)(ii). "Lender" may be substituted for "present servicer" where appropriate. These instructions should not appear on the format.]

PRESENT SERVICER
[Signature not required]

Date
[and][or]

FUTURE SERVICER
[Signature not required]

Date

PART 1026—TRUTH IN LENDING (REGULATION Z)

Subpart A—General

Sec.

- 1026.1 Authority, purpose, coverage, organization, enforcement, and liability.
- 1026.2 Definitions and rules of construction.
- 1026.3 Exempt transactions.
- 1026.4 Finance charge.

Subpart B—Open-End Credit

- 1026.5 General disclosure requirements.
- 1026.6 Account-opening disclosures.
- 1026.7 Periodic statement.
- 1026.8 Identifying transactions on periodic statements.
- 1026.9 Subsequent disclosure requirements.
- 1026.10 Payments.

§ 1026.1

- 1026.11 Treatment of credit balances; account termination.
- 1026.12 Special credit card provisions.
- 1026.13 Billing error resolution.
- 1026.14 Determination of annual percentage rate.
- 1026.15 Right of rescission.
- 1026.16 Advertising.

Subpart C—Closed-End Credit

- 1026.17 General disclosure requirements.
- 1026.18 Content of disclosures.
- 1026.19 Certain mortgage and variable-rate transactions.
- 1026.20 Subsequent disclosure requirements.
- 1026.21 Treatment of credit balances.
- 1026.22 Determination of annual percentage rate.
- 1026.23 Right of rescission.
- 1026.24 Advertising.

Subpart D—Miscellaneous

- 1026.25 Record retention.
- 1026.26 Use of annual percentage rate in oral disclosures.
- 1026.27 Language of disclosures.
- 1026.28 Effect on state laws.
- 1026.29 State exemptions.
- 1026.30 Limitation on rates.

Subpart E—Special Rules for Certain Home Mortgage Transactions

- 1026.31 General rules.
- 1026.32 Requirements for certain closed-end home mortgages.
- 1026.33 Requirements for reverse mortgages.
- 1026.34 Prohibited acts or practices in connection with high-cost mortgages.
- 1026.35 Prohibited acts or practices in connection with higher-priced mortgage loans.
- 1026.36 Prohibited acts or practices in connection with credit secured by a dwelling.
- 1026.37–1026.38 [Reserved]
- 1026.39 Mortgage transfer disclosures.
- 1026.40 Requirements for home equity plans.
- 1026.41 [Reserved]
- 1026.42 Valuation independence.
- 1026.43–1026.45 [Reserved]

Subpart F—Special Rules for Private Education Loans

- 1026.46 Special disclosure requirements for private education loans.
- 1026.47 Content of disclosures.
- 1026.48 Limitations on private education loans.

Subpart G—Special Rules Applicable to Credit Card Accounts and Open-End Credit Offered to College Students

- 1026.51 Ability to pay.

12 CFR Ch. X (1–1–12 Edition)

- 1026.52 Limitations on fees.
- 1026.53 Allocation of payments.
- 1026.54 Limitations on the imposition of finance charges.
- 1026.55 Limitations on increasing annual percentage rates, fees, and charges.
- 1026.56 Requirements for over-the-limit transactions.
- 1026.57 Reporting and marketing rules for college student open-end credit.
- 1026.58 Internet posting of credit card agreements.
- 1026.59 Reevaluation of rate increases.
- 1026.60 Credit and charge card applications and solicitations.

APPENDIX A TO PART 1026—EFFECT ON STATE LAWS

APPENDIX B TO PART 1026—STATE EXEMPTIONS

APPENDIX C TO PART 1026—ISSUANCE OF OFFICIAL INTERPRETATIONS

APPENDIX D TO PART 1026—MULTIPLE ADVANCE CONSTRUCTION LOANS

APPENDIX E TO PART 1026—RULES FOR CARD ISSUERS THAT BILL ON A TRANSACTION-BY-TRANSACTION BASIS

APPENDIX F TO PART 1026—OPTIONAL ANNUAL PERCENTAGE RATE COMPUTATIONS FOR CREDITORS OFFERING OPEN-END CREDIT PLANS SECURED BY A CONSUMER'S DWELLING

APPENDIX G TO PART 1026—OPEN-END MODEL FORMS AND CLAUSES

APPENDIX H TO PART 1026—CLOSED-END MODEL FORMS AND CLAUSES

APPENDIX I TO PART 1026 [RESERVED]

APPENDIX J TO PART 1026—ANNUAL PERCENTAGE RATE COMPUTATIONS FOR CLOSED-END CREDIT TRANSACTIONS

APPENDIX K TO PART 1026—TOTAL ANNUAL LOAN COST RATE COMPUTATIONS FOR REVERSE MORTGAGE TRANSACTIONS

APPENDIX L TO PART 1026—ASSUMED LOAN PERIODS FOR COMPUTATIONS OF TOTAL ANNUAL LOAN COST RATES

APPENDIX M1 TO PART 1026—REPAYMENT DISCLOSURES

APPENDIX M2 TO PART 1026—SAMPLE CALCULATIONS OF REPAYMENT DISCLOSURES

SUPPLEMENT I TO PART 1026—OFFICIAL INTERPRETATIONS

AUTHORITY: 12 U.S.C. 5512, 5581; 15 U.S.C. 1601 *et seq.*

SOURCE: 76 FR 79772, Dec. 22, 2011, unless otherwise noted.

Subpart A—General

§ 1026.1 Authority, purpose, coverage, organization, enforcement, and liability.

(a) *Authority.* This part, known as Regulation Z, is issued by the Bureau of Consumer Financial Protection to