

## Bur. of Consumer Financial Protection

## § 1026.25

(6) *Misleading use of the term “counselor”*. Using the term “counselor” in an advertisement to refer to a for-profit mortgage broker or mortgage creditor, its employees, or persons working for the broker or creditor that are involved in offering, originating or selling mortgages.

(7) *Misleading foreign-language advertisements*. Providing information about some trigger terms or required disclosures, such as an initial rate or payment, only in a foreign language in an advertisement, but providing information about other trigger terms or required disclosures, such as information about the fully-indexed rate or fully amortizing payment, only in English in the same advertisement.

### Subpart D—Miscellaneous

#### § 1026.25 Record retention.

(a) *General rule*. A creditor shall retain evidence of compliance with this part (other than advertising requirements under §§ 1026.16 and 1026.24, and other than the requirements under § 1026.19(e) and (f)) for two years after the date disclosures are required to be made or action is required to be taken. The administrative agencies responsible for enforcing the regulation may require creditors under their jurisdictions to retain records for a longer period if necessary to carry out their enforcement responsibilities under section 108 of the Act.

(b) *Inspection of records*. A creditor shall permit the agency responsible for enforcing this part with respect to that creditor to inspect its relevant records for compliance.

(c) *Records related to certain requirements for mortgage loans*—(1) *Records related to requirements for loans secured by real property or a cooperative unit*—(i) *General rule*. Except as provided under paragraph (c)(1)(ii) of this section, a creditor shall retain evidence of compliance with the requirements of § 1026.19(e) and (f) for three years after the later of the date of consummation, the date disclosures are required to be made, or the date the action is required to be taken.

(ii) *Closing disclosures*. (A) A creditor shall retain each completed disclosure required under § 1026.19(f)(1)(i) or

(f)(4)(i), and all documents related to such disclosures, for five years after consummation, notwithstanding paragraph (c)(1)(ii)(B) of this section.

(B) If a creditor sells, transfers, or otherwise disposes of its interest in a mortgage loan subject to § 1026.19(f) and does not service the mortgage loan, the creditor shall provide a copy of the disclosures required under § 1026.19(f)(1)(i) or (f)(4)(i) to the owner or servicer of the mortgage as a part of the transfer of the loan file. Such owner or servicer shall retain such disclosures for the remainder of the five-year period described under paragraph (c)(1)(ii)(A) of this section.

(C) The Bureau shall have the right to require provision of copies of records related to the disclosures required under § 1026.19(f)(1)(i) and (f)(4)(i).

(2) *Records related to requirements for loan originator compensation*. Notwithstanding paragraph (a) of this section, for transactions subject to § 1026.36:

(i) A creditor shall maintain records sufficient to evidence all compensation it pays to a loan originator, as defined in § 1026.36(a)(1), and the compensation agreement that governs those payments for three years after the date of payment.

(ii) A loan originator organization, as defined in § 1026.36(a)(1)(iii), shall maintain records sufficient to evidence all compensation it receives from a creditor, a consumer, or another person; all compensation it pays to any individual loan originator, as defined in § 1026.36(a)(1)(ii); and the compensation agreement that governs each such receipt or payment, for three years after the date of each such receipt or payment.

(3) *Records related to minimum standards for transactions secured by a dwelling*. Notwithstanding paragraph (a) of this section, a creditor shall retain evidence of compliance with § 1026.43 of this regulation for three years after consummation of a transaction covered by that section.

[76 FR 79772, Dec. 22, 2011, as amended at 78 FR 6583, Jan. 30, 2013; 78 FR 11410, Feb. 15, 2013; 78 FR 60382, Oct. 1, 2013; 78 FR 80112, Dec. 31, 2013; 82 FR 37769, Aug. 11, 2017]