



Wells Fargo Funding

# Newsflash

Attention: All Correspondent Clients

## Financial Reform (Dodd-Frank Act): Information for Wells Fargo Funding Sellers

This Newsflash is dedicated to topics related to Title XIV of the 2010 Financial Reform Act and final rules issued by the Consumer Financial Protection Bureau (CFPB). Sellers should refer to CFPB resources for details. In most cases, Wells Fargo Funding will communicate about Financial Reform issues in a separate Newsflash on Thursdays, with no other topics included.

### Topics in this Newsflash include:

- [Correction: Update on Vendor Alternatives to Wells Fargo Funding's Fee Details Form](#)
- [Update to Wells Fargo Funding's Fee Details Form](#)
- [Key Information Sources for Financial Reform Title XIV \(Dodd-Frank Act\)](#)

## Correction: Update on Vendor Alternatives to Wells Fargo Funding's Fee Details Form

### Summary

*The article below, published in Newsflash C14-009FR, dated January 23, 2014, has been corrected and is being reprinted in its entirety. Corrections appear in red font.*

Wells Fargo Funding has confirmed that the following vendor forms/reports include the data needed to complete our pre-purchase points and fees review and may be submitted as an alternative to our *Fee Details Form* (Seller Guide Form 37):

- Doc Magic Loan Detail Report
- Byte Software's version of the *Wells Fargo Fee Details Form*
- PPDocs's version of the *Wells Fargo Fee Details Form*

We will also accept the *ComplianceEase*<sup>®</sup> full *ComplianceAnalyzer*<sup>®</sup> report in lieu of our *Fee Details Form*. However, Seller's must provide the following supplemental information (as applicable), which is not currently included in the *ComplianceAnalyzer* report:

1. For all TPO transactions, Sellers must provide the **Broker Compensation at the time the interest rate is set** using the Wells Fargo Funding *Fee Details Form*.
2. All individual **fees paid outside of closing by the borrower (POC or POC-B)** must be clearly identified on the Final HUD-1.

Loans submitted for purchase with the *ComplianceAnalyzer* report that do not include the applicable supplemental information above will be suspended.

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## Updated on Vendor Alternatives to Wells Fargo Funding's Fee Details Form (Continued)

### Summary continued

As a reminder, the following vendor forms/reports were previously communicated as acceptable alternatives to the Wells Fargo Funding *Fee Details Form*:

- *LoanScoreCard*™ QM Findings Report (calyx)
- *Ellie Mae's*® *Mavent*® *Compliance Service*™ Report with Expanded Fee Details
- *Mortgage Builder's*® version of the Wells Fargo Funding *Fee Details Form*
- *DocuTech's*™ version of the Wells Fargo Funding *Fee Details Form*
- *Docu Prep's*® version of the Wells Fargo Funding *Fee Details Form*

We continue to work with other vendors and will advise you of any additional acceptable vendor forms.

### Please note the following with respect to vendor forms:

- We are reviewing vendors' forms to ensure they contain the loan-level data required to complete our pre-purchase review.
- We are **not** endorsing or approving the results of any vendor's compliance screening, nor will we rely on any vendor's compliance screening in lieu of our pre-purchase review.

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## Update to Wells Fargo Funding's Fee Details Form

### Summary

Wells Fargo Funding's *Fee Details Form* (Seller Guide Form 37) has been **updated to include a Date field** for the date the form was completed. The new *Date* field ensures we can identify the most current version of the *Fee Details Form* when multiple versions are submitted in the Closed Loan Package.

### Effective Date

Sellers **may begin** using our updated *Fee Details Form* immediately.

Wells Fargo Funding's updated *Fee Details Form* or an acceptable vendor alternative that includes a form date **will be required** with

- Best Effort Locks, relocks, and renegotiations on and after **April 1, 2014**.
- Mandatory Commitments on and after **April 1, 2014**.

### Recommended Seller Action

- Identify all third-party vendors who provide support for your organization's compliance with the rules. Obtain confirmation from each vendor regarding how the new requirement above will be met.
- Ensure Wells Fargo Funding's updated *Fee Details Form*, or an acceptable vendor alternative that includes a form date, is implemented according to the effective dates above.

### Forms & Exhibits

The updated *Fee Details Form* (Form 37) is attached in *Microsoft*® *Excel*® format with the email that delivered this message and has been incorporated within the *Wells Fargo Funding Seller Guide*.

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## Key Information Sources for Financial Reform Title XIV (Dodd-Frank Act)

- **Consumer Finance Protection Bureau**
  - Final Rule: [Loan Originator Compensation Requirements under the Truth in Lending Action \(Regulation Z\)](#)
  - Final Rule: [High-Cost Mortgage and Homeownership Counseling Amendments to the Truth in Lending Act \(Regulation Z\) and Homeownership Counseling Amendments to the Real Estate Settlement Procedures Act \(Regulation X\)](#)
  - Final Rule: [Ability-to-Repay and Qualified Mortgage Standards under the Truth in Lending Act \(Regulation Z\)](#)
  - Regulation Page: [LO Comp Rule](#)
  - Regulation Page: [High-Cost Mortgage and Homeownership Counseling Rule](#)
  - Regulation Page: [ATR/QM Rule](#)
  - [Dodd-Frank Mortgage Rules Readiness Guide](#) (released July 8, 2013)
  - [Regulatory Implementation Page](#)
  - ATR and QM Rule Plain Language Guide: [Small Entity Compliance Guide](#)
  - [Appendix Q](#)
  - The CFPB's Office of Regulations can be contacted by phone at (202) 435-7700 to ask questions on how to interpret or apply the regulations or by email at [CFPB\\_reginquiries@cfpb.gov](mailto:CFPB_reginquiries@cfpb.gov).
- Wells Fargo Funding Newsflashes
  - C14-009FR, dated January 23, 2014 (HOEPA/High-Cost Rule; ATR/QM Rule)
  - C14-007FR, dated January 17, 2014 (ATR/QM Rule)
  - C14-005FR, dated January 10, 2014 (ATR/QM Rule)
  - C14-003FR, dated January 7, 2014 (ATR/QM Rule)
  - C14-001FR, dated January 2, 2014 (ATR/QM Rule)
  - C13-080FR, dated December 27, 2013 (ATR/QM Rule)
  - C13-077FR, dated December 19, 2013 (HOEPA/High-Cost Rule; ATR/QM Rule)
  - C13-076FR, dated December 17, 2013 (ATR/QM Rule)
  - C13-074FR, dated December 12, 2013 (LO Comp Rule; High-Cost Rule; ATR/QM Rule)
  - C13-072FR, dated December 5, 2013 (RESPA Application Date; LO Comp Rule)
  - C13-067FR, dated November 14, 2013 (LO Comp Rule; ATR/QM; High-Cost Rule)
  - C13-065FR, dated November 7, 2013 (RESPA Application Date; ATR/QM Rule; High-Cost Rule)
  - C13-061FR, dated October 24, 2013 (LO Comp Rule)
  - C13-059FR, dated October 17, 2013 (Appraisal Delivery Rule; ATR/QM Rule; High-Cost Rule)
  - C13-056FR, dated October 10, 2013 (ATR/QM Rule; High-Cost Rule)
  - C13-053FR, dated October 3, 2013 (RESPA Application Date/ATR/QM Rule)
  - C13-048FR, dated September 12, 2013 (ATR/QM Rule; LO Comp Rule)
  - C13-044FR, dated August 22, 2013 (High-Cost Rule; ATR/QM Rule)
  - C13-041FR, dated August 15, 2013 (Appraisal Delivery Rule; ATR/QM Rule)
  - C13-039FR, dated August 1, 2013 (ATR/QM Rule)
  - C13-036FR, dated July 19, 2013 (ATR/QM Rule)
  - C13-033FR, dated July 11, 2013 (ATR/QM Rule)
  - C13-029, dated June 17, 2013 (LO Comp Rule)
  - C13-022, dated May 20, 2013 (Escrow Rule)
  - C13-014, dated March 25, 2013 (Escrow Rule)
  - C13-007, dated February 5, 2013 (Summary of all final rules)
- Recorded Webinars
  - The *Financial Reform Update*, *Fee Details Form* and the *Income and Debt (IAD) Worksheet* webinar playbacks are available. Login to [wellsfargofunding.com](http://wellsfargofunding.com) and look under "Features" for details on how to access.

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