|  | **Examination Procedures**  [Document supporting evidence noting determinations and findings made] | **Y** | **N** |
| --- | --- | --- | --- |
| **1** | **Review and evaluate the adequacy of the institution's policies, procedures, practices, and internal controls to ensure compliance with the requirements of the Homeowners Protection Act of 1998. Determine whether the institution's internal review process tests for compliance in these areas. If it does not, or if the review indicated areas of weakness, complete the following steps as necessary to determine compliance with the Act.** |  |  |
| **Examiner Notes:** | | | |
| **2** | **Review a sample of fixed-rate and adjustable-rate home loans closed since the last examination (or the effective date of the Act) to determine whether the institution made the required disclosures.** |  |  |
| **Examiner Notes:** | | | |
| **3** | **Review a sample of existing home loans to determine whether annual statements detail the borrower's cancellation and termination rights under the Act along with an address and telephone number of a contact person.** |  |  |
| **Examiner Notes:** | | | |
| **4** | **Determine whether borrowers with adjustable-rate loans are being informed when their loans reach the cancellation date.** |  |  |
| **Examiner Notes:** | | | |
| **5** | **Determine if the institution is ensuring that affected loans with a loan-to-value ratio approaching 78 percent or loans approaching the mid-point of their amortizations are being tracked.** |  |  |
| **Examiner Notes:** | | | |
| **6** | **Determine whether PMI is being terminated on loans where the loan-to-value ratio has reached 78 percent and the borrower is current on the payments or on loans where the mid-point of the amortization has been reached.** |  |  |
| **Examiner Notes:** | | | |
| **7** | **Review a sample of loans where the borrower's request for cancellation of PMI has been rejected and loans where automatic termination has not been granted to determine whether the institution has provided the required notifications within the required timeframes.** |  |  |
| **Examiner Notes:** | | | |
| **8** | **Discuss items of concern, scope of work performed, and conclusions with the EIC.** |  |  |
| **Examiner Notes:** | | | |
| **9** | **Organize and compile, if necessary, violations of law and regulation into a Violation Summary Sheet.** |  |  |
| **Examiner Notes:** | | | |