

**(4) Issues in controversy**

The term “issues in controversy” means—

(A) any final agency decision involving any claim against an insured depository institution or insured credit union for which the agency has been appointed conservator or receiver or for which a liquidating agent has been appointed, as the case may be;

(B) any final action taken by an agency in the agency’s capacity as conservator or receiver for an insured depository institution or by the liquidating agent appointed for an insured credit union; and

(C) any other issue for which the appropriate Federal banking agency or the National Credit Union Administration Board determines that alternative means of dispute resolution would be appropriate.

**(g) Effect on other authority**

Nothing in this section shall affect the authority of an appropriate Federal banking agency or the National Credit Union Administration Board to take enforcement or supervisory action.

(Pub. L. 103–325, title III, §309, Sept. 23, 1994, 108 Stat. 2218.)

TERMINATION OF ADMINISTRATIVE CONFERENCE OF  
UNITED STATES

For termination of Administrative Conference of United States, see provision of title IV of Pub. L. 104–52, set out as a note preceding section 591 of Title 5, Government Organization and Employees.

**§ 4807. Time limit on agency consideration of completed applications****(a) In general**

Each Federal banking agency shall take final action on any application to the agency before the end of the 1-year period beginning on the date on which a completed application is received by the agency.

**(b) Waiver by applicant authorized**

Any person submitting an application to a Federal banking agency may waive the applicability of subsection (a) with respect to such application at any time.

(Pub. L. 103–325, title III, §343, Sept. 23, 1994, 108 Stat. 2238.)

**§ 4808. Revising regulatory requirements for transfers of all types of assets with recourse****(a) Review and revision of regulations****(1) In general**

During the 180-day period beginning on September 23, 1994, each appropriate Federal banking agency shall, consistent with the principles of safety and soundness and the public interest—

(A) review the agency’s regulations and written policies relating to transfers of assets with recourse by insured depository institutions; and

(B) in consultation with the other Federal banking agencies, promulgate regulations that better reflect the exposure of an insured depository institution to credit risk from transfers of assets with recourse.

**(2) Regulations required**

Before the end of the 180-day period beginning on September 23, 1994, each appropriate Federal banking agency shall prescribe the regulations developed pursuant to paragraph (1)(B).

**(b) Regulations required****(1) In general**

After the end of the 180-day period beginning on September 23, 1994, the amount of risk-based capital required to be maintained, under regulations prescribed by the appropriate Federal banking agency, by any insured depository institution with respect to assets transferred with recourse by such institution may not exceed the maximum amount of recourse for which such institution is contractually liable under the recourse agreement.

**(2) Exception for safety and soundness**

The appropriate Federal banking agency may require any insured depository institution to maintain risk-based capital in an amount greater than the amount determined under paragraph (1), if the agency determines, by regulation or order, that such higher amount is necessary for safety and soundness reasons.

**(c) Coordination with section 1835(b) of this title**

This section shall not be construed as superseding the applicability of section 1835(b) of this title.

**(d) Definitions**

For purposes of this section, the terms “appropriate Federal banking agency”, “Federal banking agency”, and “insured depository institution” have the same meanings as in section 1813 of this title.

(Pub. L. 103–325, title III, §350, Sept. 23, 1994, 108 Stat. 2242.)

**§ 4809. “Plain language” requirement for Federal banking agency rules****(a) In general**

Each Federal banking agency shall use plain language in all proposed and final rulemakings published by the agency in the Federal Register after January 1, 2000.

**(b) Report**

Not later than March 1, 2001, each Federal banking agency shall submit to the Congress a report that describes how the agency has complied with subsection (a).

**(c) Definition**

For purposes of this section, the term “Federal banking agency” has the meaning given that term in section 1813 of this title.

(Pub. L. 106–102, title VII, §722, Nov. 12, 1999, 113 Stat. 1471.)

CODIFICATION

Section was enacted as part of the Gramm-Leach-Bliley Act, and not as part of title III of Pub. L. 103–322 which comprises this chapter.

**CHAPTER 49—HOMEOWNERS PROTECTION**

Sec.  
4901. Definitions.

Sec.	
4902.	Termination of private mortgage insurance.
4903.	Disclosure requirements.
4904.	Notification upon cancellation or termination.
4905.	Disclosure requirements for lender paid mortgage insurance.
4906.	Fees for disclosures.
4907.	Civil liability.
4908.	Effect on other laws and agreements.
4909.	Enforcement.
4910.	Construction.

### § 4901. Definitions

In this chapter, the following definitions shall apply:

#### (1) Adjustable rate mortgage

The term “adjustable rate mortgage” means a residential mortgage that has an interest rate that is subject to change. A residential mortgage that: (A) does not fully amortize over the term of the obligation; and (B) contains a conditional right to refinance or modify the unamortized principal at the maturity date of the term, shall be considered to be an adjustable rate mortgage for purposes of this chapter.

#### (2) Cancellation date

The term “cancellation date” means—

(A) with respect to a fixed rate mortgage, at the option of the mortgagor, the date on which the principal balance of the mortgage—

(i) based solely on the initial amortization schedule for that mortgage, and irrespective of the outstanding balance for that mortgage on that date, is first scheduled to reach 80 percent of the original value of the property securing the loan; or

(ii) based solely on actual payments, reaches 80 percent of the original value of the property securing the loan; and

(B) with respect to an adjustable rate mortgage, at the option of the mortgagor, the date on which the principal balance of the mortgage—

(i) based solely on the amortization schedule then in effect for that mortgage, and irrespective of the outstanding balance for that mortgage on that date, is first scheduled to reach 80 percent of the original value of the property securing the loan; or

(ii) based solely on actual payments, first reaches 80 percent of the original value of the property securing the loan.

#### (3) Fixed rate mortgage

The term “fixed rate mortgage” means a residential mortgage that has an interest rate that is not subject to change.

#### (4) Good payment history

The term “good payment history” means, with respect to a mortgagor, that the mortgagor has not—

(A) made a mortgage payment that was 60 days or longer past due during the 12-month period beginning 24 months before the later of (i) the date on which the mortgage reaches the cancellation date, or (ii) the

date that the mortgagor submits a request for cancellation under section 4902(a)(1) of this title; or

(B) made a mortgage payment that was 30 days or longer past due during the 12-month period preceding the later of (i) the date on which the mortgage reaches the cancellation date, or (ii) the date that the mortgagor submits a request for cancellation under section 4902(a)(1) of this title.

#### (5) Initial amortization schedule

The term “initial amortization schedule” means a schedule established at the time at which a residential mortgage transaction is consummated with respect to a fixed rate mortgage, showing—

(A) the amount of principal and interest that is due at regular intervals to retire the principal balance and accrued interest over the amortization period of the loan; and

(B) the unpaid principal balance of the loan after each scheduled payment is made.

#### (6) Amortization schedule then in effect

The term “amortization schedule then in effect” means, with respect to an adjustable rate mortgage, a schedule established at the time at which the residential mortgage transaction is consummated or, if such schedule has been changed or recalculated, is the most recent schedule under the terms of the note or mortgage, which shows—

(A) the amount of principal and interest that is due at regular intervals to retire the principal balance and accrued interest over the remaining amortization period of the loan; and

(B) the unpaid balance of the loan after each such scheduled payment is made.

#### (7) Midpoint of the amortization period

The term “midpoint of the amortization period” means, with respect to a residential mortgage transaction, the point in time that is halfway through the period that begins upon the first day of the amortization period established at the time a residential mortgage transaction is consummated and ends upon the completion of the entire period over which the mortgage is scheduled to be amortized.

#### (8) Mortgage insurance

The term “mortgage insurance” means insurance, including any mortgage guaranty insurance, against the nonpayment of, or default on, an individual mortgage or loan involved in a residential mortgage transaction.

#### (9) Mortgage insurer

The term “mortgage insurer” means a provider of private mortgage insurance, as described in this chapter, that is authorized to transact such business in the State in which the provider is transacting such business.

#### (10) Mortgagee

The term “mortgagee” means the holder of a residential mortgage at the time at which that mortgage transaction is consummated.

#### (11) Mortgagor

The term “mortgagor” means the original borrower under a residential mortgage or his or her successors or assignees.