

## **Module 4: Maintenance of Escrow Accounts and Insurance Products**

### **Maintenance of Escrow**

Examiners should obtain a sample of servicing records. For the loans in the sample, examiners should assess whether the servicer is complying with the law in the areas listed below. If the file review indicates potential risks, examiners also should conduct interviews of a sample of consumers and staff, if appropriate, to assess consumer experiences with escrow accounts and any force-placed insurance products.

### **Escrow Disclosures**

1. Assess compliance with RESPA – Escrow Disclosures. Please refer to the RESPA examination procedures, 24 CFR § 3500.17, for more information.

[Click&type]

### **Escrow Disbursement**

2. Assess compliance with RESPA – Escrow Disbursement. Please refer to the RESPA examination procedures, 24 CFR § 3500.21, for more information.

[Click&type]

### **Other Risks to Consumers**

3. Determine whether the customer incurred penalties or unnecessary charges in the event the servicer failed to make disbursements of escrow funds for insurance, taxes, and other charges with respect to the property in a timely manner.

[Click&type]

4. Evaluate whether the servicer has established adequate procedures to ensure customers are not improperly assessed force-placed insurance, including the servicer's procedures for notifying customers that the servicer needs evidence of insurance coverage.

[Click&type]

5. Review the extent to which borrowers are provided with relevant information about force-placed insurance in a timely, accurate, and understandable manner. Review the servicer's practices when borrowers fail to respond to such notices.

[Click&type]

6. Determine whether the servicer cancels force-placed insurance when the customer provides adequate evidence of existing and sufficient insurance coverage.

[Click&type]

7. Determine whether the servicer refunds insurance premiums and any related fees that

were assessed for force-placed insurance coverage that ran concurrent with the customer's existing insurance coverage.

[Click&type]

8. Determine whether the servicer or any of its affiliates imposes mark-ups, or received commissions or other payments, related to any force-placed insurance products.

[Click&type]