

Change of Circumstance Process

Overview:

This document outlines the TMS Funding Change of Circumstances (COC) Process for Wholesale Brokers.

Effective Date: All new loan submissions on or after June 13, 2011

Monitored Dates:

TMS Funding monitors two key dates:

- **Change of Circumstance Event Date (COC Event Date):** The date a document was received that contained information triggering the need for a change.
- **Notification Date:** The date that TMS Funding Redisclosure Team was requested to review a change and issue a new GFE. This date should be within 24 hours of the COC Event Date allowing TMS Funding 48 hours to review and issue a new GFE.

Responsibilities:

- **Broker is responsible for:**
 1. Initial GFE and all COC GFEs upon submission.
 2. Generating all COC notifications after loan is submitted to TMS Funding.
 3. Verifying the accuracy of any variances between Doc Request and most recent GFE.
- **TMS Funding is responsible for:**
 1. Review of initial GFE and COC GFEs upon submission.
 2. Generating all COC GFEs after loan is submitted to TMS Funding.
 3. Re-disclosing all COC GFEs directly to borrower within 3 business days of Change Event (provided broker notifies TMS Funding of Change Event within 24 hours of occurrence).
 4. Verifying the accuracy of any variances between Doc Request and most recent GFE.

Procedure:

1. Broker submits the initial GFE and any COC GFEs **that occurred prior to submission along with** all supporting documentation to TMS Funding with initial submission package for underwriting.
2. New Loan Setup (NLS) conducts initial review at time of submission to ensure that documentation and fees meet RESPA regulations and that all required COC's up to that point are included.
NOTE: The loan will not be put into process if documentation does not support requirements.
3. Once loan has been submitted to TMS Funding, all future COC GFEs will be prepared and sent to the Borrower directly within 3 business days from the Change Event. Broker will be notified that the disclosure has been uploaded for them to view.
NOTE: Broker **MUST** submit a COC Request Form to TMS Funding **within 24 hours** of receiving documentation or being notified **of the Change Event** in order for TMS Funding to re-disclose within the 3 day requirement. TMS Funding will always endeavor to re-disclose within 3 days of the Change Event even if the Broker does not meet the 24 hour notification requirement, but, if the broker misses the 24 hour notification window and we are not able to meet the 3 day deadline, the Broker is responsible for any un-allowed additional costs to the borrower.

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4. All loan changes are generated by broker or UW to: ratelock@tmsfunding.com within 24 hours of Change Event. Ratelock Desk will make the necessary changes and send the confirmation to TMS Funding Redisclosure Team and the broker. All changes that negatively impact the borrower will require a Redisclosure. Broker must upload a [COC form](#) with all updated documentation (i.e., updated 1003, etc.). TMS Funding will review the request and documentation and issue the GFE to meet the 3 day requirement. **All changes, worse for the borrower, must be documented by a new GFE and COC Form.** NOTE: If notification does not come from Broker to TMS Funding in required timeframe the Broker will be responsible for the cost outside of the allowed tolerance of whatever change occurred.

Change	Notification Flow	Redisclosure Team Action
Changes Generated by TMS Funding Internal Review of File	UW to notify Ratelock of loan data change. Ratelock will notify Redisclosure Team of change when confirmed.	If Redisclosure required, RT will issue GFE (and TIL if applicable) to meet the 3 day requirement from Change Event. If not approved, ISS will notify the Broker accordingly.
Broker Generated Requests for Change of Circumstance * (i.e., Locks / Re-locks, Loan Amount Changes, Final Inspections, Credit Supplements, Riders, etc.)	Broker to notify ratelock@tmsfunding.com of all loan changes. If Redisclosure is required, broker to upload COC form and all associated documentation. COC form must be received within 24 hours of Change Event notification / awareness.	<ol style="list-style-type: none"> 1. If Redisclosure required, RT will issue GFE (and TIL if applicable) to meet the 3 day requirement from Change Event. If not approved, ISS will notify the Broker accordingly. 2. RT will notify the underwriter if documents submitted must also be reviewed by the underwriter.
*Broker to notify TMS Funding within 24 hours of the Change Event		

5. When Docs are being drawn, the Doc Request and Title Fees, as well as actual invoices provided, will be compared against the last COC and GFE. If there are any differences between the documents, the Closer contacts the Broker to clarify the accuracy of the documents. In the event that Doc Request is correct:
- There are variances between the documents that are a detriment to the Borrower:
 - If the Broker failed to deliver notice within 24 hours, the tolerance violations are borne by Broker.
 - If TMS Funding failed to disclose updated GFE within 3 days and Broker provided 24 hour notice, tolerance violations will be borne by TMS Funding.
 - If there are tolerance violations by both Broker and TMS Funding, escalate to Ops Mgr or Compliance for determination of outcome.
 - There are variances between the documents that are a betterment to the Borrower:
 - Closer will reach out to the Broker to confirm what is correct, and from there determine if a new Doc Request or GFE will be required or the loan will close to the benefit of the borrower.