



## ***Notice***

### ***Regulation B Changes April 13, 2004***

In light of recent Regulation B changes effective April 15, 2004, FIPCO has added form WBA 1003ADD – Addendum to 1003 Residential Loan Application. This form was added as an addendum to the Freddie Mac/Fannie Mae 1003 Residential Loan Application to comply with recent changes to Regulation B, which implements the Equal Credit Opportunity Act. All joint secondary borrowers in addition to the primary borrowers are required to complete the addendum. Financial institutions should begin using the new form by April 15, 2004. The WBA applications already incorporate language to conform with the Reg B revisions and do not need this addendum.

To ensure that only parties who intend to apply for joint credit are required to sign the credit instrument, the Regulation B revisions provide that a person's intent to apply for joint credit must be evidenced at the time of application. The Regulation B commentary explains that "signatures or initials on a credit application affirming applicants' intent to apply for joint credit may be used to establish intent to apply for joint credit."

Due to a recent FDIC conference call regarding Reg B, the Addendum to the 1003 Residential Loan Application form was added. A listener asked whether the FDIC was going to look for something more than the co-borrower's signature on the Form 1003 to evidence the intent to apply for joint credit since the Federal Reserve had not revised the form. The FDIC indicated it would and suggested a form be attached to or a rubber stamp be stamped on the application where the co-borrower signs or initials to signify intent. However, when WBA subsequently contacted the FDIC to discuss the examiner's response, the FDIC agreed that a co-borrower's signature may be sufficient without additional language. Nonetheless, WBA and FIPCO believe the proper completion of the Addendum is appropriate and will provide institutions with a statement of the applicant's intent to apply for joint credit. Thus, for joint credit with a spouse, both spouses must complete the application and sign the addendum.

For joint credit with someone other than a spouse, each applicant must complete and sign a separate application. If either of the joint applicants is married and a Wisconsin resident, the applicant should provide information about his/her spouse, but the spouse does not sign the application or the addendum.

When a person is applying for separate credit, only the applicant should sign the application, even though information about the spouse will be provided if the applicant is married and lives in Wisconsin.

The 1003ADD is being provided at no charge to customers and can be obtained from the FIPCO web site home page ([www.fipco.com](http://www.fipco.com)) where a copy of the form can be printed. The form can be duplicated and used as needed. You can also contact FIPCO customer service (1-800-722-3498 ext. 222) for a fax copy of the form.



## ADDENDUM TO UNIFORM RESIDENTIAL LOAN APPLICATION

Applicants: \_\_\_\_\_  
\_\_\_\_\_

This Addendum supplements and is made a part of the attached Uniform Residential Loan Application.

We intend to apply for joint credit under the Uniform Residential Loan Application.

Dated \_\_\_\_\_

\_\_\_\_\_  
Applicant Signature

\_\_\_\_\_  
Co-Applicant Signature