

# COVID-19 Resource Guide

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We are living in unprecedented times. With new information being released by the minute, Accume Partners wants to provide you with a comprehensive resource guide for relevant news. This guide is intended to keep you informed. The information and services provided by Accume are provided for general consultation purposes only and are not intended to constitute, and should not be construed as, legal advice on any subject matter. Accume will not perform any management functions, make any financial decisions, or act in a capacity equivalent to that of a member of management or an employee; Bank management must decide its course of action and is responsible for those decisions.

May 27, 2020



## Response to Client Questions

## NEW Question 1

**Client:** All  
**Topic:** "Wet"/Original Signature Requirements  
**Question:** Is the Bank required to obtain a "wet" signature on loan documents?

Real estate transactions are being impacted by the impacts of the COVID-19 virus. This new environment has greatly impacted the way that financial institutions interact and service their customer base safely and expeditiously. This is governed at the state level under the UETA. The UETA governs the determination of the legality of an electronic signature in both commercial and government transactions. It has been adopted by 47 states with the remaining 3 states (New York, Illinois and Washington) having enacted similar laws.

In contrast, the E-SIGN Act is a federal act impacting people who do business online in all 50 states. If there is a conflict between the E-SIGN Act and the UETA, state law governs. The ESIGN Act specifies that state laws do not have to conform exactly to the federal law, but they must provide equivalent protections. In matters regarding contract legality, it is important to confer with your legal counsel. The link provided here will help with navigating your specific state laws regarding electronic signatures.

### Resources:

[https://content.next.westlaw.com/Document/l82c7d1f0728911ea80afece799150095/View/FullText.html?originationContext=document&transitionType=DocumentItem&contextData=\(sc.DocLink\)](https://content.next.westlaw.com/Document/l82c7d1f0728911ea80afece799150095/View/FullText.html?originationContext=document&transitionType=DocumentItem&contextData=(sc.DocLink))

## NEW Question 2

**Client:** All

**Topic:** Regulation Z Error Resolution and COVID-19

**Question:** Due to staffing and resource reductions, we are concerned that we may not be able to meet investigation time frames regarding error claims. Have the regulators provided any relief for this?

The CFPB has issued a statement informing creditors of their flexible supervisory and enforcement approach during this pandemic regarding the timeframe within which creditors complete their investigations of consumers' billing error notices. Specifically, in evaluating a creditor's compliance with the maximum timeframe for billing error resolution set forth in Regulation Z, the Bureau intends to consider the creditor's circumstances and does not intend to cite a violation in an examination or bring an enforcement action against a creditor that takes longer than required by the regulation to resolve a billing error notice, so long as the creditor has made good faith efforts to obtain the necessary information and make a determination as quickly as possible, and complies with all other requirements pending resolution of the error.

Good faith efforts that creditors may show include obtaining a reasonable estimate from the merchant of when it will be able to respond or determining reasonably that the merchant is unable to respond to the creditor's request for information for the time being. The Bureau does not expect, however, that current circumstances would prevent any creditor from fully complying with the requirements of § 1026.13(d).

### Resources:

[https://files.consumerfinance.gov/f/documents/cfpb\\_statement\\_regulation-z-error-resolution-covid-19\\_2020-05.pdf](https://files.consumerfinance.gov/f/documents/cfpb_statement_regulation-z-error-resolution-covid-19_2020-05.pdf)

## NEW Question 3

**Client:** All

**Topic:** Regulation E and COVID Related Payments

**Question:** Under Regulation E definitions, do government benefits include COVID-19 related assistance or economic impact payments (EIPs), such as those established under the CARES Act?

The CFPB has published an interpretive rule to clarify that the COVID-19 related economic impact payments are not “government benefits” for Regulation E's compulsory use provision. Accordingly, the CFPB has stated that government benefits do not include certain payments if the payments:

- “(1) are made to provide assistance to consumers in response to the COVID-19 pandemic or its economic impacts;
- (2) are not part of an already-established government benefit program;
- (3) are made on a one-time or otherwise limited basis; and
- (4) are distributed without a general requirement that consumers apply to the agency to receive funds.”

The interpretive rule states that COVID-related payments should be treated differently for the purposes of this rule because of their limited nature.

**Resources:**

[https://files.consumerfinance.gov/f/documents/cfpb\\_interpretive-rule\\_pandemic-relief-payments-reg-e.pdf](https://files.consumerfinance.gov/f/documents/cfpb_interpretive-rule_pandemic-relief-payments-reg-e.pdf)

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