

**From:** billy rayman <billyray104@yahoo.com> on 04/08/2008 01:50:04 AM

**Subject:** Regulation Z

Dear Federal Reserve Board,

If your proposed changes to Reg-Z are intended to protect consumers, then you've put on blinders trying to identify the source of the mortgage woes. Worse, not only won't these rule changes help consumers, they put more power in the hands of the lenders who have demonstrated unequivocally through the centuries that they do not have their borrowers' best interest in mind!

Requiring brokers, and only brokers, to provide consumers a binding, written disclosure of the total dollar amount of their compensation prior to application both tips the scales unfairly against brokers and limits their ability to work for their clients' behalf by eliminating their ability to source multiple lenders and programs. Currently I'm buying a car. I can't expect a dealer to tell me what all his charges will be if I don't know what I'm looking to buy; nor would I expect him to be able to know what the costs will be without knowledge of my credit and financial worth, what features I want. Importantly, it's a competitive market and I'd expect each to compete for my business. That's what creates fairness. Put all the power in the banks' hands and you have an oligopoly in place to squeeze every consumer who will have no choice where to shop.

The proposal mandates a written disclaimer from the mortgage broker that states: "a lender payment to a mortgage broker can influence which loan products and terms the broker offers you, which may not be in your best interest or may be less favorable than you otherwise could obtain." By law a mortgage broker has to make a full and accurate disclosure of the terms of a loan to borrowers and to act always in the utmost good faith toward their clients. The proposed language wrongfully misrepresents the duties a broker owes his clients. Furthermore, it's knowingly prejudicial. We don't have to look further than Hollywood innuendo or our current political campaign to see the debilitating effects of a seemingly well-intentioned gossip: Obama studied at a Islamic school comes to mind.

You want to fix the system? Go back to regulating banks. Start regulating the shadowy world of derivatives. Bailing out Bear Stearns gives you the right to run them. Do your jobs before there's a problem. Don't point fingers at a free market system that plays by the laws, rules and ethics set by Washington.

Bill Rayman