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Comments:

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Regulation Z - Truth in Lending Act Questions Table Formatting for H-4(E) & H-4(F) 1. The regulation references "monthly payments" and "periodic payments". Many lenders have different payment frequencies to accommodate the borrower's pay schedule (ex. - weekly, biweekly, semimonthly, and quarterly, etc.). The Truth in Lending disclosure is used to display the estimated payment the member should expect for the loan, term and interest rate. There is no mention in the regulation of other payment frequencies and more guidance is needed. In Regulation X, the Good Faith Estimate mandated form requires the payment to be converted to "monthly" by stating that there may be no changes to the model form. There is no other place on the disclosures to display the true periodic payment for the borrower to consider when choosing a loan other than the Truth in Lending disclosure. The model chart provided in the documentation is set up for "monthly payments". Can this chart be modified to display the actual frequency of the payment in the column headings and bottom row label? The "Regular periodic payments" section of the regulation under 226.18 (s)(3)(i)(A) lead me to believe that we could change this wording for the necessary clarity since our loans are fully amortized over the term based on the applicable frequency. This is confused by the interim rule amendment to the comment "to add the new model clauses H-4 (E), H-4 (F), H-4 (G) and H-4 (H) to the list of models whose formatting may not be altered." The items listed as "acceptable changes" in Supplement I to Part 226-Official Staff Interpretations Appendixes G and H-Open-End and Closed-End Model Forms and Clauses do not include a change for the frequency of the payments. If there can be no change to the frequency title in the table, how do we disclose the actual periodic payment for the loan? 2. The regulation states that for an adjustable-rate or step-rate mortgage, the interest rate at consummation and the period of time until the first interest rate adjustment may occur should be included in a table with a column header of "Introductory Rate and Monthly Payment." If the

rate at consummation is not an introductory or "teaser" rate, are we still required to include the label "Introductory Rate"? Can we re-label the column as "Initial Rate and Monthly Payment" or "Rate and Monthly Payment"? We do not want to confuse the borrower. If the initial interest rate is not an introductory/teaser rate, then we would prefer not to label it as such in the table.