

From: Coastal Enterprises, Inc., Ronald L. Phillips  
Subject: Regulation Z - Truth in Lending

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Comments:

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Comments:

On behalf of Coastal Enterprises, Inc. (CEI), I am writing to oppose the Federal Reserve Board's proposed changes to the Truth in Lending Act published in FRB Docket No. R-1390. It would effectively eliminate the right of rescission and stop homeowners from challenging unfair foreclosures. The new rule would encourage abusive lending by removing lender accountability. The right of rescission gives borrowers an important protection. When a lender doesn't properly disclose a loan's amount, interest rate or repayment terms, the borrower can reject the loan within three years. A homeowner still must pay back a rescinded loan, but the lender cannot foreclose. The right of rescission gives a homeowner a chance to refinance or modify a loan so it is fair, affordable and clear. Our nation is facing the worst foreclosure crisis since the Great Depression. CEI, as a HUD-approved housing counseling agency serving the entire state of Maine, sees the effects of this crisis first-hand. CEI has successfully advocated for stronger consumer protection in Maine, including the groundbreaking court mediation program for foreclosure diversion. We believe that the Federal Reserve Board should be strengthening, not weakening, consumer protections. I urge the Federal Reserve Board to withdraw the proposed rule. Sincerely, Ronald L. Phillips President and CEO