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June 20, 2001

Regulation Comments
Chief Counsel's Office
Office of Thrift Supervision
1700 G Street NW
Washington, DC 20552
Attention Docket No. 2001-41

Re: Comment on On-line Delivery of Financial Services

Dear Sirs:

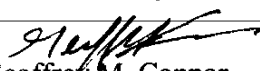
At 66 Federal Register No. 112, p. 31186 (June 11, 2001) you asked for comments on how the Office of Thrift Supervision ("OTS") might facilitate the use of technology by federal associations to deliver products and services to customers.

Federal associations are particularly in the business of home mortgage lending to consumers. The Electronic Signatures in Global and National Commerce Act, 15 U.S.C. 7001 et seq. ("E-Sign Act"), facilitates the electronic delivery of home mortgage services by authorizing the delivery of disclosures by electronic means provided the consumer consents to receiving required disclosures electronically and the other requirements of the E-Sign Act are met.

The E-Sign Act, as being implemented by the federal banking regulators, goes a long way towards facilitating the delivery of home mortgage loans on-line. However, many of the disclosures which a federal association must deliver at the time of application and/or before or at closing are those required by the U. S. Department of Housing and Urban Development ("HUD") under the Real Estate Settlement Procedures Act, 12 U.S.C. sec. 2601 et seq. and Regulation X promulgated pursuant thereto, 24 CFR § 3500 et seq. Among these requirements are that a special loan information booklet be delivered at the time of loan application, that a good faith estimate be made of settlement service costs, and that a servicing disclosure statement and applicant acknowledgement be delivered.

As far as I know, HUD has so far not proposed regulations, similar to those of the federal banking regulators, authorizing the electronic delivery of the disclosures which HUD requires. If this is correct, I suggest that the OTS work with HUD so that the HUD disclosures, along with the OTS and Federal Reserve disclosures, can be given electronically, thus facilitating electronic commerce.

Yours sincerely,


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GMC/mb

cc: Kenneth Markison, Esq. Assistant General Counsel, HUD

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