



FEDERAL RESERVE BANK
OF DALLAS

ROBERT D. McTEER, JR.
PRESIDENT
AND CHIEF EXECUTIVE OFFICER

DALLAS, TEXAS
75265-5906

June 23, 1995

Notice 95-58

TO: The Chief Executive Officer of each member bank and others concerned in the Eleventh Federal Reserve District

SUBJECT

**Corrections to the
Final Rule to Regulation Z
(Truth in Lending)**

DETAILS

The Board of Governors of the Federal Reserve System has issued corrections to the final rule amending Regulation Z (Truth in Lending), which was published in this Bank's Notice No. 95-36. That final rule concerned new disclosure requirements for certain home loans bearing rates or fees above a certain percentage or amount and on reverse mortgage transactions.

The corrections to the amendments were effective June 7, 1995.

ATTACHMENT

A copy of the Board's notice as it appears on page 29969, Vol. 60, No. 109, of the Federal Register dated June 7, 1995, is printed on the reverse of this Bank's notice.

MORE INFORMATION

For more information, please contact Eugene Coy at (214) 922-6201. For additional copies of this Bank's notice, please contact the Public Affairs Department at (214) 922-5254.

Sincerely yours,

Robert D. McTeer, Jr.

For additional copies, bankers and others are encouraged to use one of the following toll-free numbers in contacting the Federal Reserve Bank of Dallas: Dallas Office (800) 333-4460; El Paso Branch *Intrastate* (800) 592-1631, *Interstate* (800) 351-1012; Houston Branch *Intrastate* (800) 392-4162, *Interstate* (800) 221-0363; San Antonio Branch *Intrastate* (800) 292-5810.

home loans bearing rates or fees above a certain percentage or amount and on reverse mortgage transactions.

EFFECTIVE DATE: June 7, 1995.

FOR FURTHER INFORMATION CONTACT: Jane Ahrens, Senior Attorney, or Kyung Cho-Miller, Sheilah Goodman, or Kurt Schumacher, Staff Attorneys, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, at (202) 452-3667 or 452-2412; for the hearing impaired *only*, Dorothea Thompson, Telecommunications Device for the Deaf, at (202) 452-3544.

SUPPLEMENTARY INFORMATION:

Background

The regulation that is the subject of the corrections is Regulation Z (12 CFR part 226), which implements the Truth in Lending Act (15 U.S.C. 1601-1666j). The act (TILA) requires creditors to disclose credit terms for consumer transactions. The final rule implemented the Home Ownership and Equity Protection Act of 1994 (HOEPA), contained in the Riegle Community Development and Regulatory Improvement Act of 1994 (Pub. L. 103-325, 108 Stat. 2160). Section 152 of the HOEPA adds a new section 129 to the TILA dealing with certain mortgages bearing rates or fees above a certain percentage or amount.

Need for Correction

As published, the final rule implementing new TILA section 129 contains errors which could be confusing and should be clarified.

Correction of Publication

Accordingly, the publication on March 24, 1995, of the final regulation (Docket No. R-0858), which was the subject of FR Doc. 95-7231, is corrected as follows:

§ 226.31 [Corrected]

On page 15472, in the first column, in § 226.31, in paragraph (g), in the third line, the phrase "annual percentage yield" is corrected to read "annual percentage rate".

§ 226.32 [Corrected]

On page 15472, in the second column, in § 226.32, in paragraph (b)(1)(iii), in the first and second lines, the phrase "required to be disclosed under" is corrected to read "listed in"

By order of the Board of Governors of the Federal Reserve System, acting through the Secretary of the Board, June 1, 1995.

William W. Wiles,
Secretary of the Board.

[FR Doc. 95-13863 Filed 6-6-95; 8:45 am]

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[Regulation Z; Docket No. R-0858]

Truth in Lending; Mortgage Disclosures; Correction

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Corrections to final regulation.

SUMMARY: This document contains corrections to the final rule (Docket No. R-0858) which was published Friday, March 24, 1995 (60 FR 15463). The amendments to Regulation Z concerned new disclosure requirements on certain