
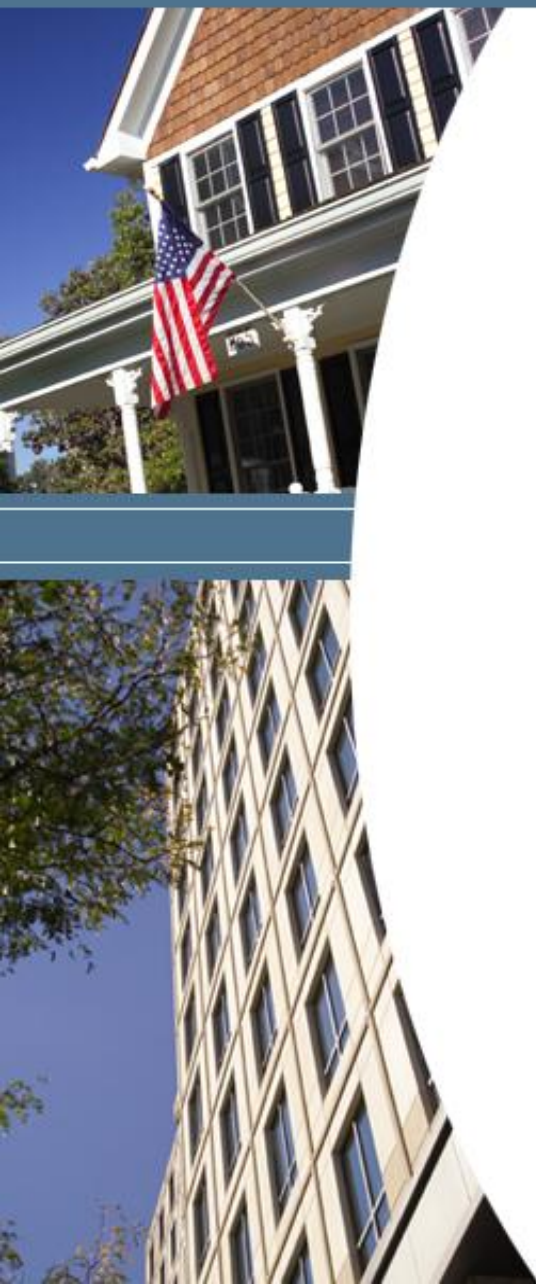


Regulatory and Legislative Origination Changes on the Horizon and How They Will Be Enforced



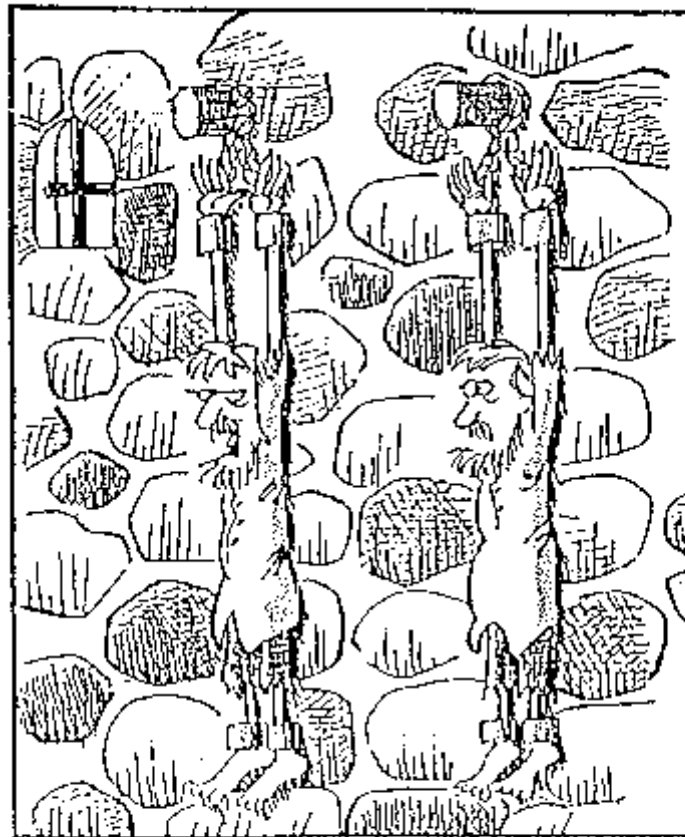
MBA's Legal Issues and Regulatory Compliance Conference
Carlsbad, CA
April 29, 2008

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PAUL H. SCHIEBER is chairman of Blank Rome LLP's Consumer Financial Services/Retail Banking Group. Mr. Schieber's clients include major banks, thrift institutions, credit unions, mortgage companies, finance companies, title and mortgage insurance companies, universities, secondary market investors, real estate companies and other financial services providers. He concentrates his practice on all aspects of residential mortgage, consumer loan and credit sale transactions, including first and second mortgage, installment sale, home equity, student loan, automobile sale and leasing, and credit card programs. Mr. Schieber advises clients on state and federal consumer compliance and regulatory issues, including RESPA, TILA, HMDA, ECOA, usury and federal preemption, as well as warehouse lending, loan sales and securitizations, servicing, mergers and acquisitions, government relations, strategic planning and other business law matters. His Group provides clients with litigation defense and prosecution in state and federal courts throughout the United States. The Group has counseled and represented businesses involved in the consumer financial services industry for over three decades. More information about the Group can be found at <http://www.blankrome.com/index/dfm?contentID=14&itemID=91>

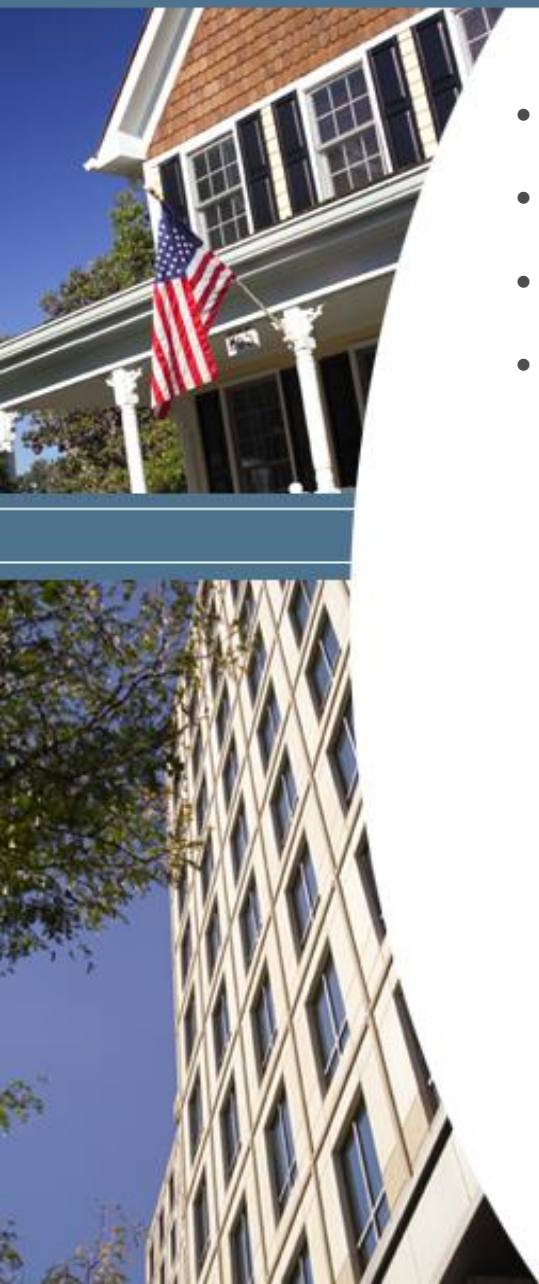
Mr. Schieber is co-author of the 6 volume Pratt's State Regulation of Second Mortgages and Home Equity Loans; and co-author of A Lender's Guide to Consumer Compliance and Anti-Discrimination Laws: Complete Coverage of CRA, ECOA and HMDA, published by the Mortgage Bankers Assn. of America. His more than 30 articles have appeared in the ABA Banking Journal, Origination News, Risk Management Assn. Journal, Pennsylvania Law Journal, Loyola Consumer Law Review, Mortgage Banking Magazine, and other publications. His monograph, Federal Regulation of Second Mortgage Lending, 2nd Ed. was published by the National Home Equity Mortgage Association. He is author of the original Allregs© State Law Compliance Module. Mr. Schieber has spoken extensively on consumer finance matters before and prepared educational materials for numerous national and state financial services organizations. Mr. Schieber is past Chairman of the Pennsylvania Bar Association Consumer Law Committee and the Philadelphia Bar Association Consumer Financial Services Committee.

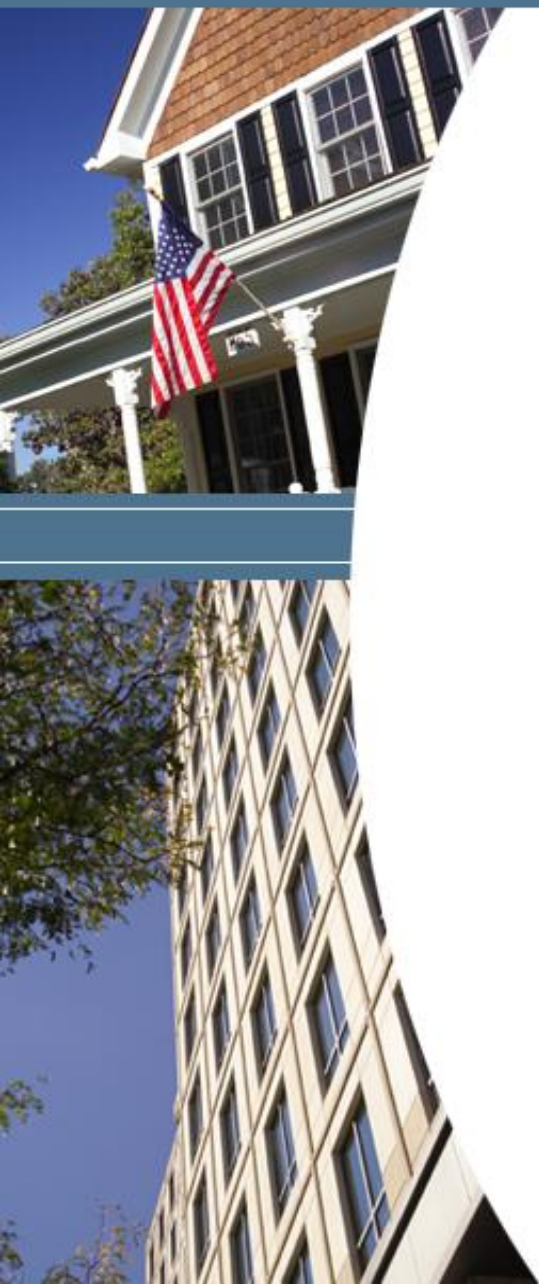


"So,...do you still believe the examiners
are only here to help?"

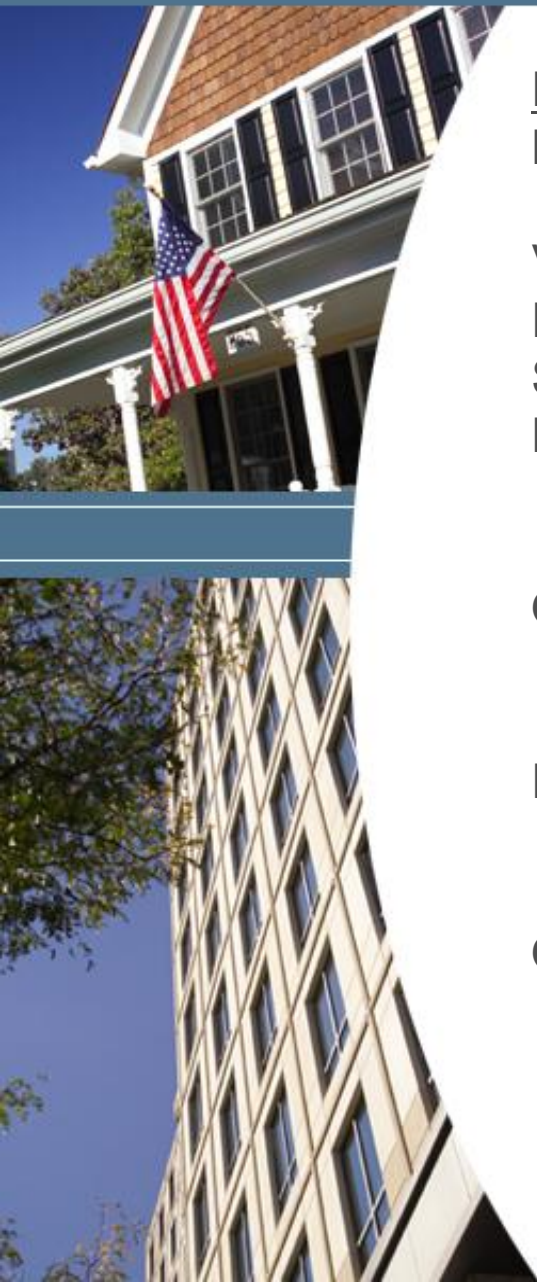
House and Senate Legislation

- Comparison of key legislative proposals
- FHA reform
- Bankruptcy cramdown?
- GSE's





Meet Your (New) Regulators



Federal

HUD

- RESPA
- Mortgage Review Board

VA

FTC

SEC

DOJ

- non-banks
- public companies
- fair lending
- FBI
- U.S. attorneys

OTS

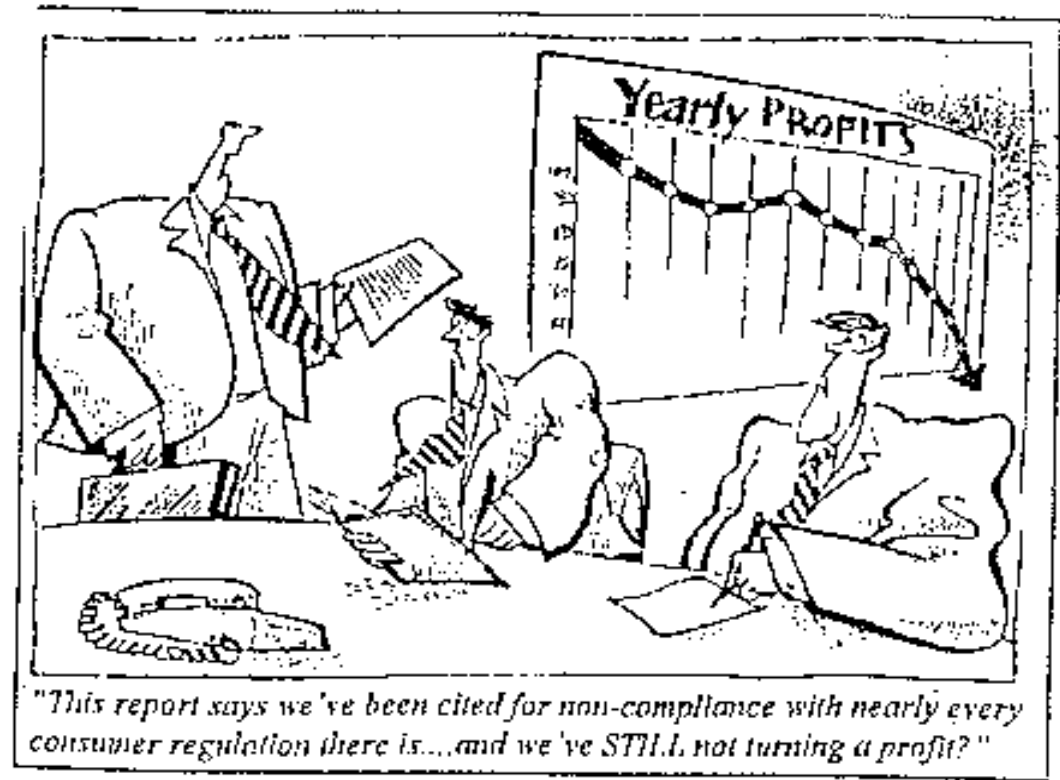
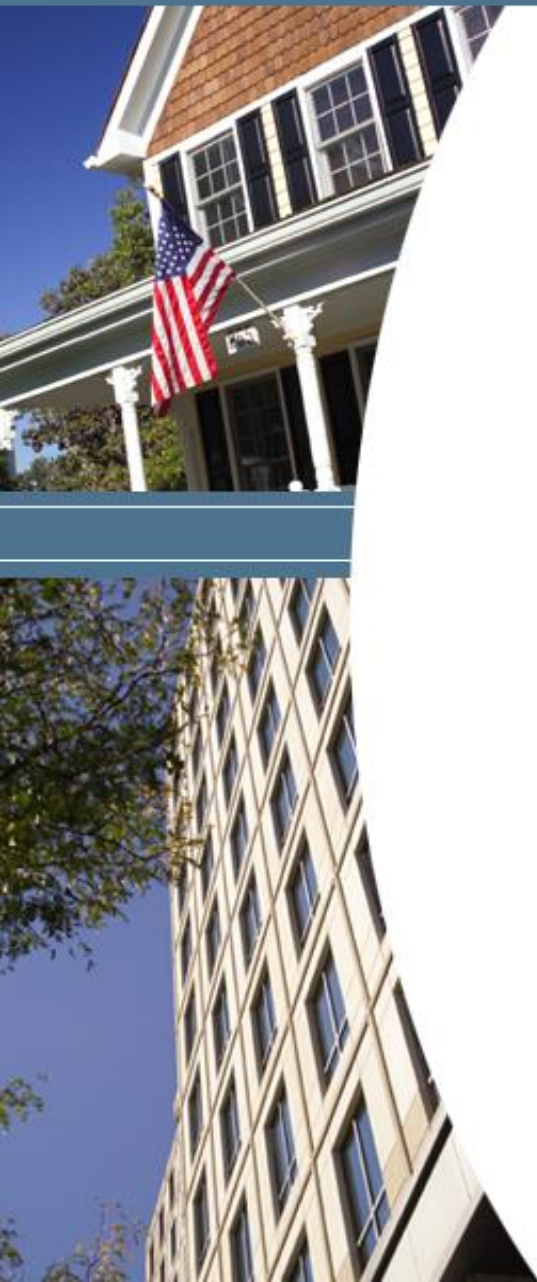
- federally chartered thrifts
and their operating
subsidiaries

Federal Reserve

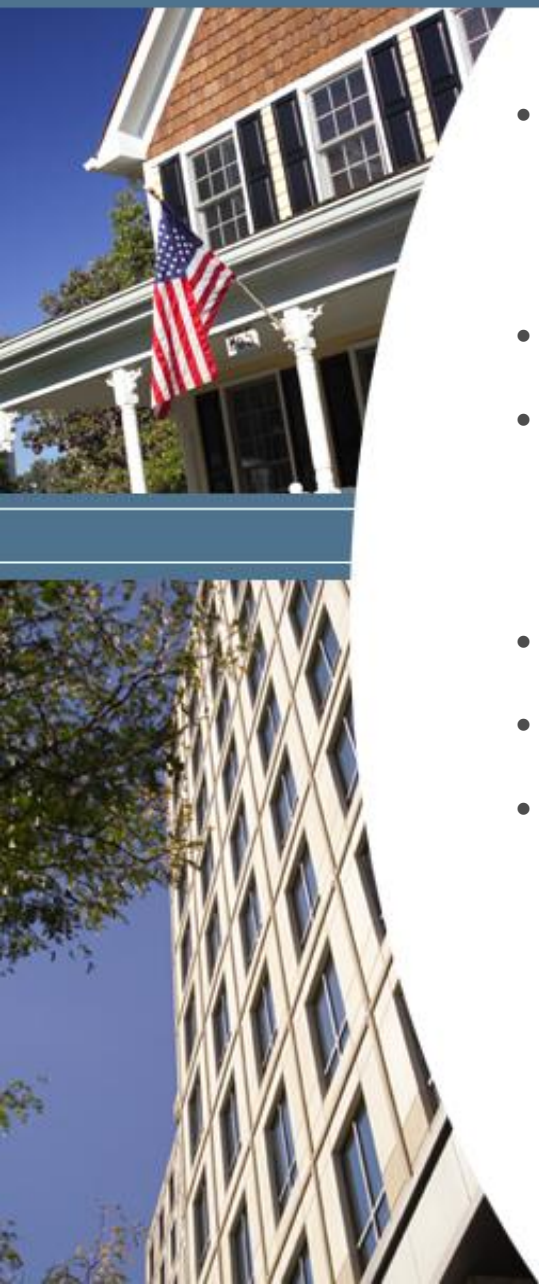
- banks and their operating
subsidiaries

OCC

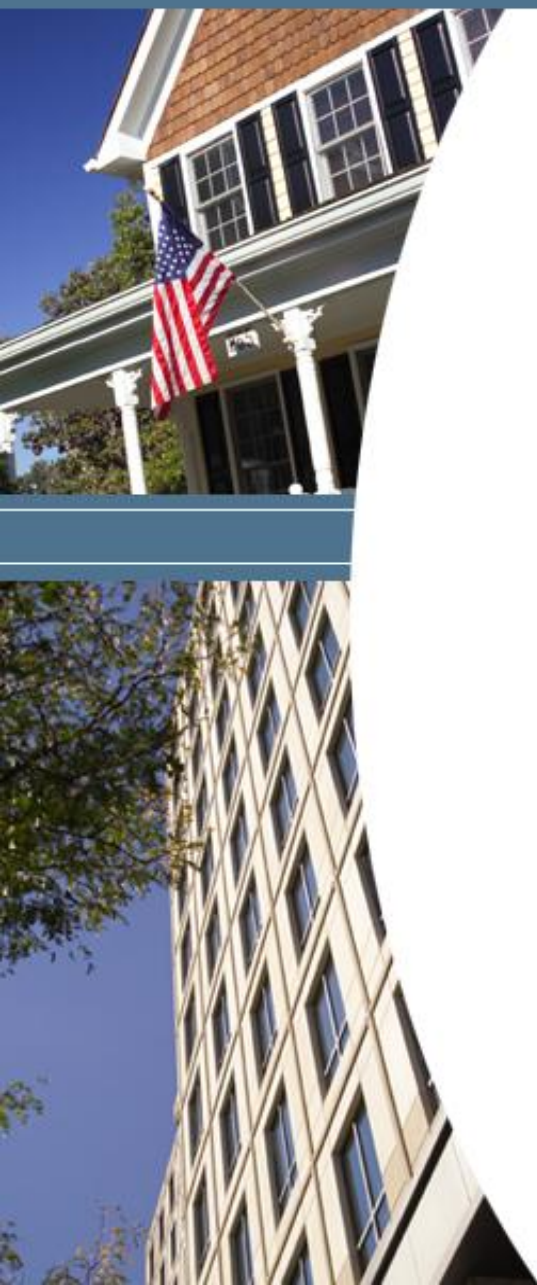
- federally chartered banks
and their operating
subsidiaries



States (enforcing state and federal laws)

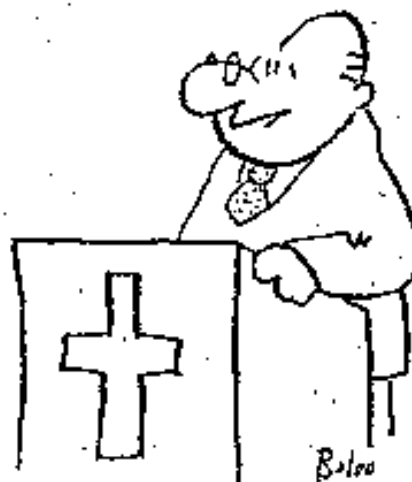


- Departments of Banking
 - non-federally chartered banks and thrifts
 - non-bank/non-thrift/non-subsubsidiary lenders, brokers
- Secretaries of State
- licensing boards
 - real estate
 - appraisal
- Attorneys General
- consumer protection bureaus
- broad powers



Pepper . . . and Salt

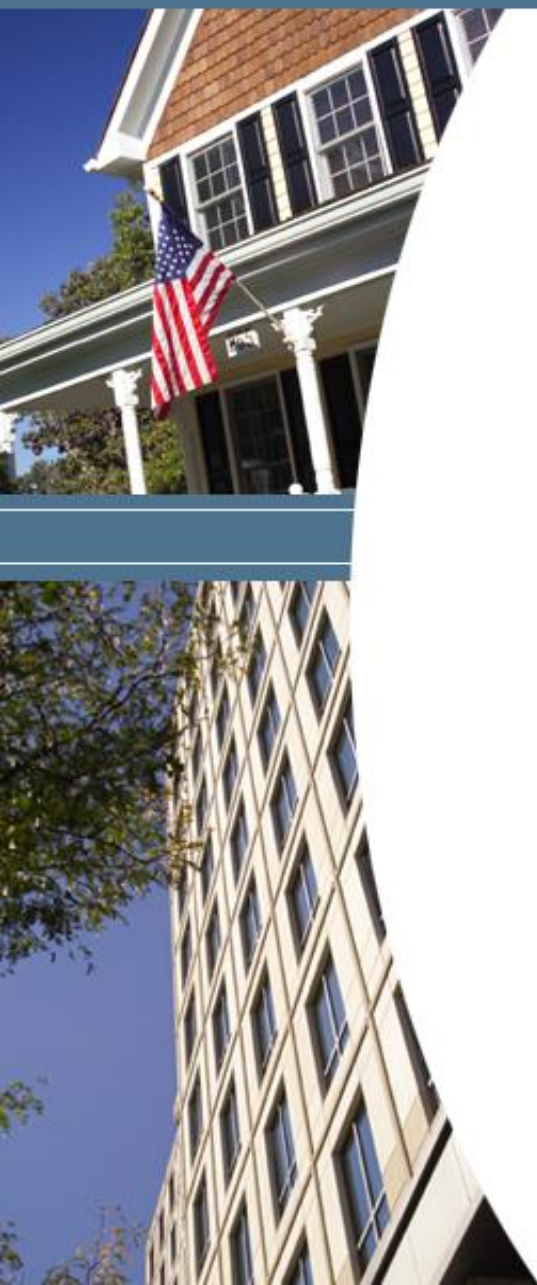
THE WALL STREET JOURNAL



"In compliance with federal full-disclosure laws, I'm required to tell you that I'm really not sure about any of this stuff."

States (enforcing state and federal laws) (con't)

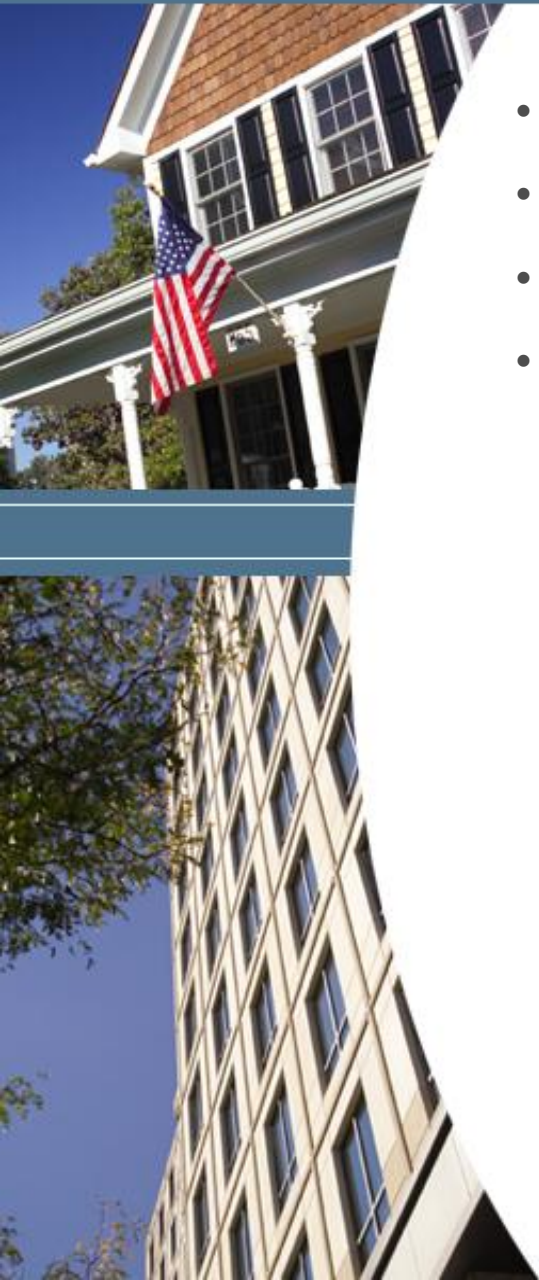
- Human Relations Commissions
 - fair lending
 - “predatory lending”
- Securities Commissions
 - public companies



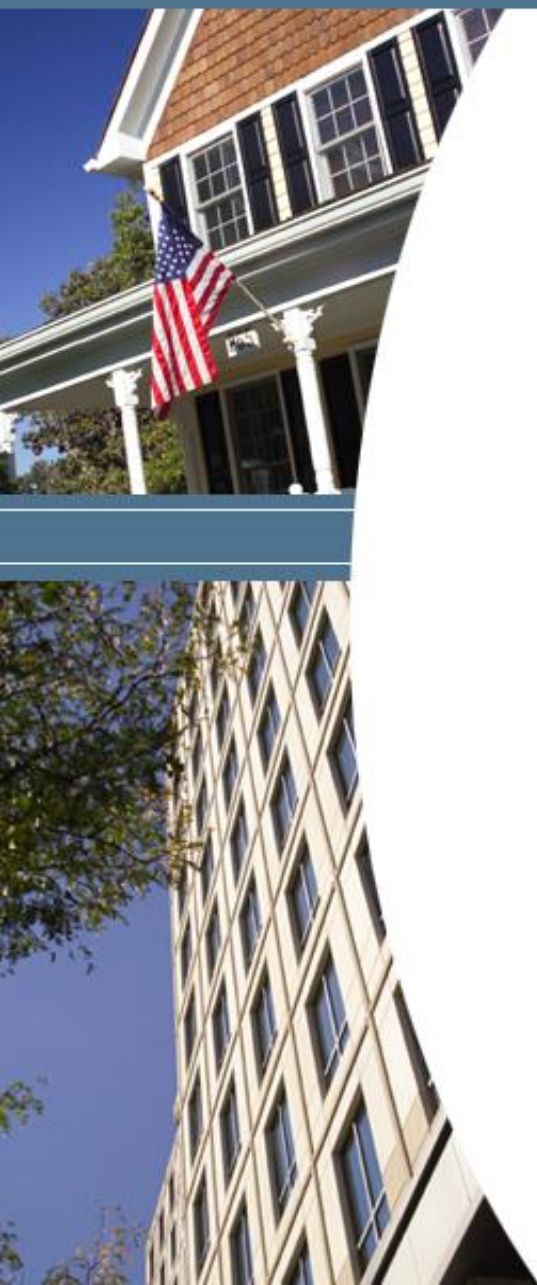
Compliance Officer Recognition.....



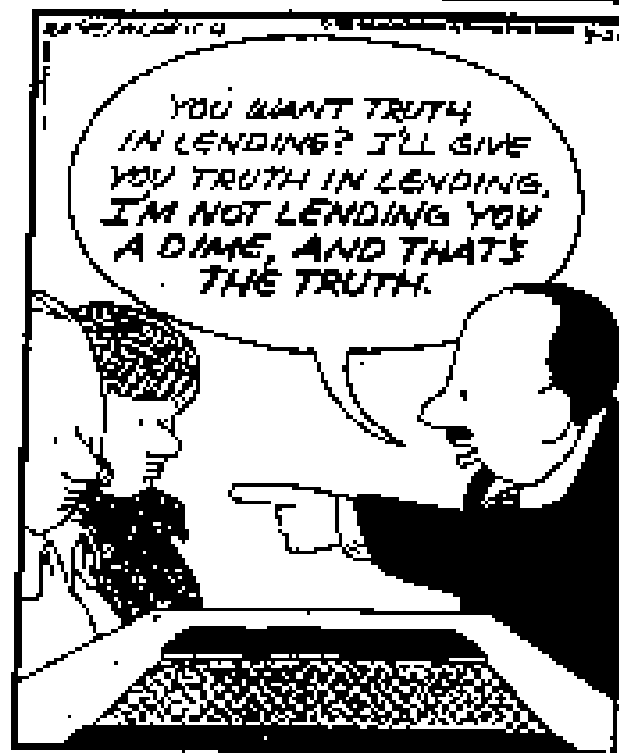
"Mitchelson, words can never express this firm's gratitude for all you've done ... however, *in lieu of a salary increase*, they'll have to do."



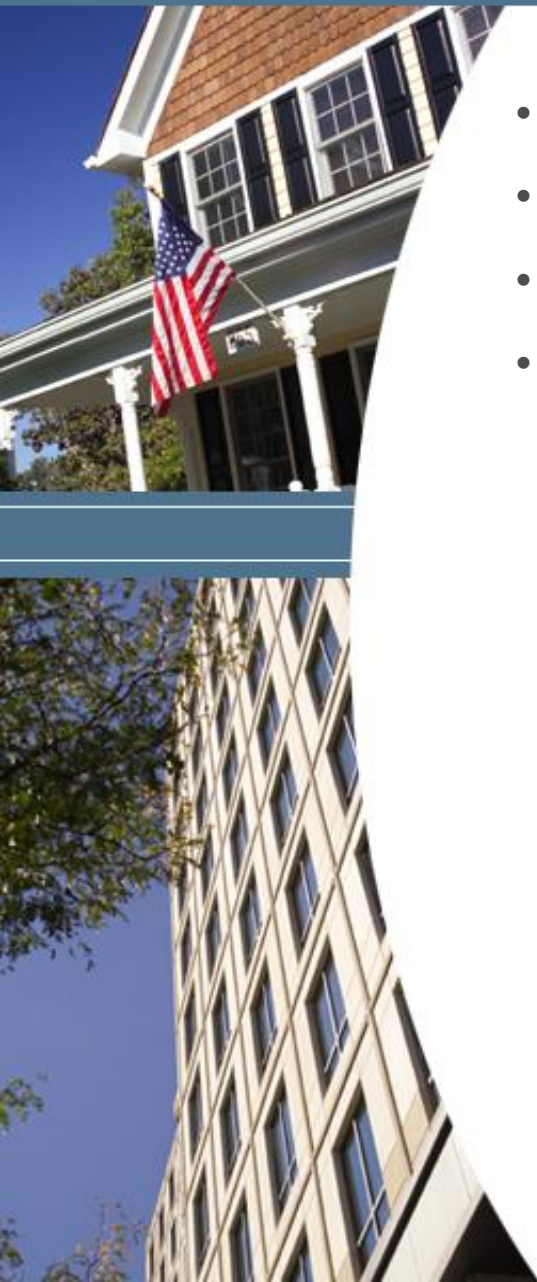
- Human Relations Commissions
- Sheriffs' offices
- Consumer protection agencies
- Consumer ombudsmen



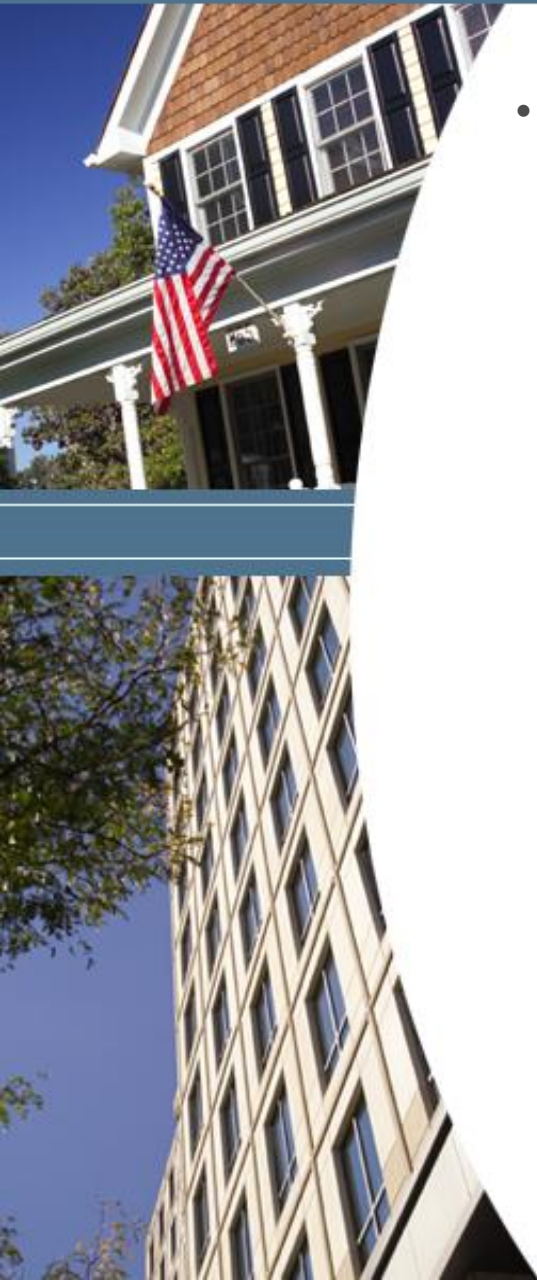
REAL LIFE ADVENTURES



Judiciary

- 
- Federal bankruptcy judges
 - New cramdown powers?
 - Bankruptcy trustees
 - State, local (elected) judges

- Put backs – both defaulting and non-defaulting loans

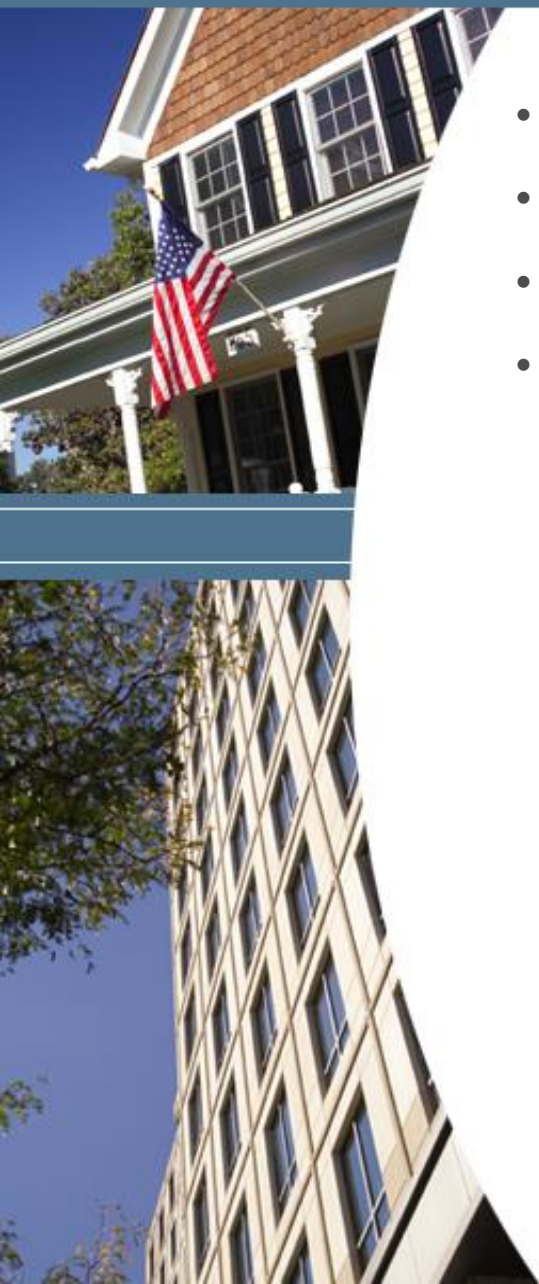


Plaintiffs' Attorneys

- Class actions
- Individual actions
- Defenses to foreclosure

Bar Associations, Legal Services, and Other Organizations

- Training plaintiffs' attorneys
- FASB



- Investors
- Banking agencies
- Central banks
- Law enforcement authorities
 - Federal
 - EU