

**State of Rhode Island and Providence Plantations
Department of Business Regulation
Division of Banking & Securities
233 Richmond Street, Suite 231
Providence, Rhode Island 02903**

January 22, 2007

**NOTIFICATION CONCERNING ENACTMENT OF THE RHODE ISLAND
HOME LOAN PROTECTION ACT**

In 2006, the Rhode Island legislature passed into law the Rhode Island Home Loan Protection Act, enacted as Rhode Island General Laws § 34-25.2. This Act took effect on December 31, 2006.

Subsequent to enactment, and on December 29, 2006, the Department of Business Regulation issued an emergency regulation concerning procedures, interpretations, and clarifications in order to provide guidelines and requirements to ensure compliance with and the promotion of the purposes of the provisions of Rhode Island General Laws § 34-25.2. The emergency regulation is effective for a period not exceeding one hundred twenty (120) days. Please note that Section Seven (7) of the regulation, entitled "Effective Date", provides that the Department will not take any enforcement actions on said regulatory requirements for any issues related to the use of disclosures prior to February 1, 2007. Please be advised that the Department has extended this date from February 1, 2007 to March 1, 2007.

All licensees should obtain and review the following to ensure for compliance with the statute and emergency regulation, as applicable:

1. Rhode Island General Laws § 34-25.2

Available at: <http://www.rilin.state.ri.us/Statutes/TITLE34/34-25.2/INDEX.HTM>

2. Statement of Need for Emergency Adoption of Banking Regulation 3 – Home Loan Protection Act

Available at: http://www.dbr.state.ri.us/documents/rules/banking_securities/Statement.pdf

3. Banking Regulation 3 – Home Loan Protection Act

Available at: http://www.dbr.state.ri.us/documents/rules/banking_securities/Regulation3-revised.pdf

The Department of Business Regulation will hold a hearing concerning the proposed final Regulation, on a date yet to be determined. The hearing will be preceded by a thirty (30) day comment period on the proposed final Regulation. Please periodically refer to the

Department's website at <http://www.dbr.state.ri.us/news/> for information on the hearing date and comment period.