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**MEMORANDUM**

November 2, 2007

To Our Clients and Friends

Re: Regulation E: Final Rule on Electronic Delivery of Disclosures

On November 1, 2007, the Federal Reserve Board issued amendments to Regulation E, implementing the Electronic Fund Transfer Act, to address the requirements for electronic delivery of disclosures by banks.

In addition to the changes to Regulation E, the Federal Reserve Board also issued amendments to its other consumer financial services regulations (Regulation B (Equal Credit Opportunity), Regulation M (Consumer Leasing), Regulation Z (Truth in Lending) and Regulation DD (Truth in Savings)) to clarify the requirements for providing consumer disclosures in electronic form under such regulations.

The Federal Reserve Board withdrew portions of Regulation E that restated provisions of the Electronic Signatures in Global and National Commerce Act (E-Sign Act). The Federal Reserve Board, however, made it clear that any electronic disclosures still must comply with the consumer consent and other applicable provisions of the E-Sign Act. The amendments also withdraw portions of Regulation E that imposed additional requirements (beyond the E-Sign Act requirements) on the use of electronic delivery of disclosures, such as the requirement that a disclosure remain on a website for 90 days after posting.

The new rules become effective in approximately 30 days and compliance is required by October 1, 2008.

A copy of the final rules can be found at  
[http://www.schwartzandballen.com/whats\\_new.html](http://www.schwartzandballen.com/whats_new.html).

If you have any questions, please call Gilbert Schwartz, Robert Ballen or Tom Fox at (202) 776-0700.