

March 30, 2000

Secretary  
Federal Trade Commission  
Room H-159  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

Re: Proposed Privacy Regulations Under Title V of the Gramm-Bleach-Bliley Act

Ladies and Gentlemen:

Cendant Corporation, on behalf of its indirect wholly owned subsidiary, Cendant Mortgage Corporation, welcomes the opportunity to provide comments on the proposed rules to implement Title V of the Gramm-Leach-Bliley Act (the "Act"). Cendant Mortgage is the sixth largest retail originator of mortgages in the Nation, and, we believe, the largest originator of mortgages over the telephone.

Cendant is a member of the Consumer Mortgage Coalition ("CMC") and has been an active participant in preparing comments to be submitted by the CMC on the proposed regulations. We fully concur with and support the positions and requests made in the CMC's comments. Cendant urges the Commission to carefully review the CMC's comments and adopt the positions advocated therein.

### **Consumer Consent to Disclose Nonpublic Information**

In addition to supporting the CMC's comments, we also believe that comments are warranted with respect to section 313.11.

Section 313.11(a)(1) states that the requirements for initial notice to consumers otherwise required by the proposed regulations do not apply "...with the consent or act of the consumer provided that the consumer has not revoked the consent or direction...." In the preamble, the Commission specifically requests comments on whether additional safeguards, such as a requirement that the consent be written, should be added to minimize the potential for consumer confusion.

As noted above, we believe that Cendant Mortgage is the largest originator of mortgages in the country utilizing the telephone to counsel, collect information,

and provide loan decisions directly to applicants. Before going further, it is important to note that these are consumer-generated incoming telephone calls. Cendant Mortgage typically does not make outgoing telephone marketing calls to consumers.

By combining telephone access, superior loan counseling and sophisticated technology, Cendant is able to make quick loan decisions and communicate those decisions directly to applicants. In fact, Cendant Mortgage guaranties its applicants that we will make a same-day loan decision. This dedication to providing timely responses to applicants is an important factor in Cendant's continuing growth and emergence as a leader in the mortgage industry.

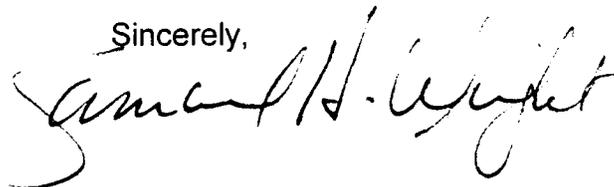
Except during time periods when consumers are refinancing their mortgages as a result of significant reductions in interest rates, the only reason that consumers seek mortgages is to purchase a home. The overwhelming percentage of such consumers are working with a real estate professional to assist them in the selection of the home and completing the entire purchase transaction. Mortgage applicants are in the process of finalizing two important contracts – the first a contract of sale to purchase a home and the second a mortgage to finance the purchase. Coordinating these two simultaneous activities, and, in many cases, the sale of an existing home, creates an understandably high level of anxiety for even the most sophisticated consumer. An additional complication is that communication among all parties and their real estate professionals needs to be made rapidly and often during weekends. The established practice in virtually all regions of the country is that these communications flow through real estate professionals serving both the buyer and seller.

To the extent that the privacy regulation would apply to this type of communication, we can think of no potential abuses or insufficient safeguards if oral consent to the communication is provided by a consumer as permitted by proposed Section 313.11(a)(1).

Cendant urges the Commission not to adopt any additional provisions in the proposed regulations, including a requirement that consent pursuant to Section 313.11(a)(1) be given in writing before a financial institution may provide nonpublic personal information to a nonaffiliated third party. To do so would add to the confusion and frustration that consumers would feel if they were told that information could not be provided, without written consent, to a professional assisting them with a major transaction where time is often of the essence.

Thank you for your consideration of our views.

Sincerely,

A handwritten signature in black ink, appearing to read "Samuel H. Wright". The signature is written in a cursive, flowing style with a large initial 'S'.