



governmentattic.org

"Rummaging in the government's attic"

Description of document: Consumer Financial Protection Bureau (CFPB)
Memoranda of Understanding (MOUs), Memoranda of
Agreement (MOAs) and Correspondence to/from
Congressional Offices, 2013

Requested date: 31-May-2015

Released date: 16-June-2015

Posted date: 30-November-2015

Source of document: Consumer Financial Protection Bureau
Attention: Chief FOIA Officer
1700 G Street, NW
Washington, DC 20552
Email: FOIA@cfpb.gov

The governmentattic.org web site ("the site") is noncommercial and free to the public. The site and materials made available on the site, such as this file, are for reference only. The governmentattic.org web site and its principals have made every effort to make this information as complete and as accurate as possible, however, there may be mistakes and omissions, both typographical and in content. The governmentattic.org web site and its principals shall have neither liability nor responsibility to any person or entity with respect to any loss or damage caused, or alleged to have been caused, directly or indirectly, by the information provided on the governmentattic.org web site or in this file. The public records published on the site were obtained from government agencies using proper legal channels. Each document is identified as to the source. Any concerns about the contents of the site should be directed to the agency originating the document in question. GovernmentAttic.org is not responsible for the contents of documents published on the website.



RE: FOIA Request #CFPB-2015-194-F

June 16, 2015

This letter is in final response to your Freedom of Information Act (FOIA) request dated May 31, 2015. Your request sought records previously released in CFPB-2014-081-F and CFPB-2014-082-F.

This information was previously provided as part of another FOIA request and determined to be appropriate for public release. No deletions or exemptions have been claimed on these records. Please note that the original release of CFPB-2014-081-F contained 133 pages, including 16 pages of duplicates. They were duplicates of the Montana (4), New Mexico (3), Colorado (4) and Department of Education (5) Memorandums of Understanding. These duplicate pages have been removed from the attached.

Provisions of the FOIA allow us to recover part of the cost of complying with your request. However, since this information was previously provided in response to previous FOIA requests, there is no charge.

For questions concerning our response, please feel free to contact CFPB's FOIA Service Center by email at FOIA@cfpb.gov or by telephone at 1-855-444-FOIA (3642).

Sincerely,

A handwritten signature in black ink, appearing to read "M. Michalosky", is written over a circular stamp or watermark.

Martin Michalosky
FOIA Manager
Operations Division

List of IAAs

Contractor	Description
Federal Reserve System Board of Governors	Federal Retirement Plan for Employees of the Federal Reserve System, Thrift Plan, Retirement Plan Trust and Thrift Plan Trust - mod to add funds, change performance period, and change invoice approver
Federal Reserve System Board of Governors	Federal Retirement Plan for Employees of the Federal Reserve System, Thrift Plan, Retirement Plan Trust and Thrift Plan Trust - mod to add funds for FY13 contributions and change performance period
Federal Reserve System Board of Governors	Federal Retirement Plan for Employees of the Federal Reserve System, Thrift Plan, Retirement Plan Trust and Thrift Plan Trust - mod to add funds for FY13 contributions and change performance period
Federal Reserve System Board of Governors	Federal Retirement Plan for Employees of the Federal Reserve System, Thrift Plan, Retirement Plan Trust and Thrift Plan Trust - mod to add funds for FY14 contributions and change performance period
U.S. Government Printing Office	Mod to add funds for OPM Length of Service Certificates
Office of Personnel Management	Presidential Management Fellows
Office of the Comptroller of Currency	Retirement Benefits for Transferees - mod to change invoice approver
Office of the Comptroller of Currency	Retirement Benefits for Transferees - mod to add FY12 funding
Office of the Comptroller of Currency	Retirement Benefits for Transferees - mod to realign funding

Office of the Comptroller of Currency	Retirement Benefits for Transferees - mod to deobligate unused funds
Office of the Comptroller of Currency	Retirement Benefits for Transferees - mod to deobligate unused funds
Office of the Comptroller of Currency	Retirement Benefits for Transferees - mod to add funds, change performance period
Office of the Comptroller of Currency	Retirement Benefits for Transferees - mod to add funds, change invoice approver and performance period
Office of the Comptroller of Currency	Retirement Benefits for Transferees - mod to add funds for balance of charges
Office of the Comptroller of Currency	OTS Deferred Compensation Plan
Office of the Comptroller of Currency	OTS Deferred Compensation Plan - mod to add FY12 funding
Office of the Comptroller of Currency	OTS Deferred Compensation Plan - mod to change invoice approver
Office of the Comptroller of Currency	OTS Deferred Compensation Plan - mod to deobligate funds and realign funding

Office of the Comptroller of Currency	OTS Deferred Compensation Plan - mod to change performance end date
Office of the Comptroller of Currency	FIRREA Common Salary Survey project
Office of Personnel Management	FedView Survey - mod to extend performance period
Office of Personnel Management	FedView Survey - mod to correct performance period
Office of Personnel Management	New Employee and Exit Surveys
Treasury , Working Capital Fund	Administrative Services
Treasury , Working Capital Fund	Administrative Services - change LOA
Unites States Department of Agriculture	System programming to change annual leave consistent with CFPB policy
United States Department of Transportation	CFPB's Transit Subsidy Program
USDA	NFC - POI 4039
USDA	NFC - POI 4039 - mod to correct obligation amount and performance period to match agreement

Agency/State	Purpose/Nature of Interaction
American Arbitration Association (AAA)	NDA/MOU for Research signed with the American Arbitration Association
City of Chicago	MOU establishing general confidentiality, protecting information received from the City of Chicago, and setting forth procedure for the City of Chicago to request information from CFPB.
Colorado Attorney General's Office	MOU establishing general confidentiality, protecting information received from the Colorado AG, and setting forth procedure for the Colorado AG to request information from CFPB.
Cornell University	MOU between CFPB and Cornell University on behalf of Cornell eRulemaking Initiative (CeRI) pertaining to collaboration of information and materials for the purpose of consumer financial protection.
CSBS	To establish the framework for the parties, and to establish and enhance the cooperative relationship between the CFPB and State Regulators to preserve the confidential nature of the information the parties share by and among themselves.
District of Columbia	MOU establishing general confidentiality, protecting information received from the District of Columbia, and setting forth procedure for the District of Columbia to request information from CFPB.
DOE	MOU between CFPB and ED concerning the sharing of non-public information for the purpose of consumer financial protection; this agreement coordinates the provision of assistance to borrowers seeking to resolve complaints related to their private education or Federal student loans
DOJ	Addendum to MOU between CFPB and DOJ for the purpose of avoiding conflict and promoting consistency in litigation of matters under Federal law

DOJ	MOU between CFPB and DOJ for the purpose of avoiding conflict and promoting consistency in litigation of white collar crime under Federal law
DOJ	MOU between CFPB and DOJ pertaining to fair lending practices and the confidentiality of such information between agencies
DOJ-FTC-HUD	Addendum to include CFPB in original information sharing agreement among DOJ, FTC, and HUD. Information sharing agreement between agencies for the purpose of cooperative fair lending investigations; agreement between agencies to share certain work products relating to their targeting, inquiries, and screening procedures used in their fair lending investigations.
DOL - OWCP	Provides for Federal Employees' Compensation Act information to be transmitted from CFPB to the Division of Federal Employees' Compensation.
DOT	MOU between CFPB and DOT-DO pertaining to interagency cooperation and the recovery of costs incurred by DO in providing services to the customer agency; establishes the protocol between agencies for fund reimbursement and credible requests for funding between the CFPB and DOT
FDIC	Sets forth the agreement between the Bureau and FDIC, with respect to their sharing of non-public information in connection with their responsibilities related to or affecting the establishment of the Bureau

FDIC	1) define the non-retirement benefits to be retained by transferees for 1 year following the DTD; 2) define the services related to the provision of non-retirement benefits FDIC will provide; and 3) provide for reimbursement by CFPB to FDIC.
FDIC	SUPERCEDED BY MOU-00009 Extends information-sharing agreement between CFPB and FDIC until May 16, 2012.
FDIC	Sets forth the agreement between the Bureau and the FDIC with respect to the sharing and treatment of certain information in connection with their respective responsibilities.
FDIC - Corporate University	IAA between CFPB and FDIC, providing short seminar class at the FDIC on admin law for federal banking agencies.
FDIC - OCC	1) to define non-retirement benefits retained by Transferees after DTD; 2) define services related to their provision; 3) provide for reimbursement by CFPB to FDIC and OCC.
FDIC - OCC	To memorialize that OCC and FDIC will administer existing retirement/thrift plans for Transferees and to define services and reimbursement procedures related to the administration of these plans .
Federal Reserve Banks, Office of Employee Benefits	Employees who are transferring from a Reserve Bank to the Bureau under subtitle F of Dodd-Frank will continue to participate in the following nonretirement benefits offered by their respective Reserve Bank until 7/31/12
Federal Reserve System	The Bureau has requested that its employees who participate in the FRS Retirement and Thrift Plans be given the opportunity to participate in and receive the benefits of the Board's Non-Qualified Plans.

Federal Reserve System	Rcaffirming, through Director Cordray's approval, the Bureau's commitment to information sharing with the Federal Reserve System
FFIEC	To ensure the protection of the confidentiality of information provided by FFIEC to CFPB as it transitions into FFIEC membership.
FHFA	MOU between CFPB and FHFA for the purpose of sharing confidential information between agencies; this agreement establishes the sharing of confidential information between agencies for the purpose of consumer financial protection
FinCEN	States the terms under which the Bureau participates in the program that FinCEN maintains to permit qualifying organizations to obtain direct electronic access to information collected pursuant to the reporting authority contained in the Bank Secrecy Act.
FRB	Establishment of the Consumer Financial Protection Civil Penalty Fund, set forth in Section 1017(d)(1) of DFA; establishment of fund by FRBNY; transfer of funds, disbursements; authorities to take action on behalf of CFPB's Director.
FRB	MOU between CFPB and FRB establishing the CFPB and regulating the sharing of non-public information for the purpose of consumer financial protection; establishes the CFPB as a regulating body, necessitating the need for confidential non-public information sharing for the purpose of consumer financial protection

FRB	MOU between CFPB and Board of Governors of the FRB regarding non-retirement benefits for transfer employees; stipulates transferee participation in non-retirement benefit programs to continue until July 28, 2012 (the end of pay period #15)
FRB	MOU between CFPB and Board of Governors of the FRB regarding eligibility to participate in FRS Retirement Plan and FRS Thrift Plan; Provides opportunity for employees transferred from FRB to CFPB to retain eligibility for participation in FRS Retirement Plan and FRS Thrift Plan, as well as participate in the Non-Qualified Plans with reimbursement
FRB	MOU between CFPB and FRB establishing the FRB's responsibility to consumer credit oversight for public safety; establishes statutory obligation by FRB to collect credit card price and availability information for the public, make the information available to the public, and report their findings to Congress on a semi-annual basis
FRB	To establish the terms and conditions under which Bureau employees are eligible to participate in the retirement and thrift plans of the FRB, the Bureau contributes to the plans, and the Bureau reimburses administrative expenses of the plans.
FRS	IAA between CFPB and FRS dictating the Account Agreement between parties, determining monetary support to the CFPB by FRS.
FRS	IAA between CFPB and FRS pertaining to the sharing of information between agencies and the public.
FSOC-DOTreas-FRS-OCC-SEC-FDIC-CFTC-NCUA-OFR-FIO-CSBS	MOU between CFPB and listed parties pertaining to the sharing of non-public information, consistent with functions and activities of the FSOC and OFR.

<p style="text-align: center;">FTC</p>	<p style="text-align: center;">MOU to facilitate cooperation and coordination on supervision, enforcement, and consumer complaint response activities.</p>
<p style="text-align: center;">FTC</p>	<p style="text-align: center;">Consumer Sentinel Network Confidentiality and Data Security Agreement between CFPB and FTC regarding the exchange of confidential consumer complaint information; stipulates the sharing of confidential consumer complaint information pertaining to consumer fraud and deception perpetrated through the internet, direct mail, telemarketing, or other media between agencies for the purpose of consumer financial protection</p>
<p style="text-align: center;">FTC</p>	<p style="text-align: center;">MOU between CFPB and FTC pertaining to the cooperative protection of consumers; stipulates the cooperative agreement between agencies for the purpose of consumer financial protection and consistency in financial services and products provided to the public</p>
<p style="text-align: center;">FTC</p>	<p style="text-align: center;">Standing agreement between CFPB and FTC concerning the exchange of non-public information between agencies; stipulates the sharing of confidential information pertaining to investigations and litigation alleging violations of consumer protection laws by providers of consumer financial products or services</p>
<p style="text-align: center;">Hawaii Attorney General's Office</p> <p style="text-align: center;">.waii Office of Consumer Protection (Hawaii OC</p>	<p style="text-align: center;">MOU establishing general confidentiality, protecting information received from the Hawaii AG, and setting forth procedure for the Hawaii AG to request information from CFPB.</p>
	<p style="text-align: center;">MOU establishing general confidentiality, protecting information received from the Hawaii OCP, and setting forth procedure for the Hawaii OCP to request information from CFPB.</p>

HUD	Sets forth the agreement between the Bureau and HUD with respect to their sharing of information in connection with their responsibilities related to or affecting the establishment of the Bureau.
Iowa Attorney General's Office	MOU establishing general confidentiality, protecting information received from the Iowa AG, and setting forth procedure for the Iowa AG to request information from CFPB.
Kentucky Attorney General's Office	MOU establishing general confidentiality, protecting information received from the Kentucky AG, and setting forth procedure for the Kentucky AG to request information from CFPB.
MA	MOU between CFPB and the Commonwealth of Massachusetts establishing the framework to preserve the confidentiality of information sharing between agencies
Mississippi Attorney General's Office	MOU establishing general confidentiality, protecting information received from the Mississippi AG, and setting forth procedure for the Mississippi AG to request information from CFPB.
Missouri AG	MOU between CFPB and Missouri AG for the purpose of establishing framework consistent with law, preserving confidentiality of information shared between parties.
Montana Department of Justice	MOU establishing general confidentiality, protecting information received from the Montana DOJ, and setting forth procedure for the Montana DOJ to request information from CFPB.
Navajo Nation Department of Justice (DOJ)	MOU between CFPB and the Navajo Nation (DOJ) pertaining to the confidentiality of information sharing between agencies, consistent with law.

NCCUD	To establish the framework for the parties, and to establish and enhance the cooperative relationship between CFPB and state regulators, such as NCCUD, and to preserve the confidential nature of the information the parties share by and among themselves.
NCCUD	MOU between CFPB and North Carolina Credit Union Division, pertaining to the sharing of non-public information between agencies; agreement between CFPB and NCCUD establishing confidential sharing of information for the purpose of consumer financial protection
NCUA	Reaffirm their commitment to be bound by and comply with the terms of the MOU after the designated transfer date under section 1062 of Title X of the Wall Street Reform and CPA.
NCUA	Sets for the agreement between the Bureau and NCUA, with respect to their sharing of non-public information in connection with their responsibilities related to or affecting the establishment of the Bureau.
NCUA	MOU between CFPB and NCUA pertaining to the sharing of non-public information between agencies; establishes the facilitation of handling consumer complaints and inquiries as well as sharing of information between agencies for the purpose of consumer financial protection
Nevada Attorney General's Office	MOU establishing general confidentiality, protecting information received from the Nevada AG, and setting forth procedure for the Nevada AG to request information from CFPB.
New Hampshire Attorney General's Office	MOU establishing general confidentiality, protecting information received from the New Hampshire AG, and setting forth procedure for the New Hampshire AG to request information from CFPB.

New Mexico Attorney General's Office	MOU establishing general confidentiality, protecting information received from the New Mexico AG, and setting forth procedure for the New Mexico AG to request information from CFPB.
New York Attorney General's Office	MOU establishing general confidentiality, protecting information received from the New York AG, and setting forth procedure for the New York AG to request information from CFPB.
North Carolina Attorney General's Office	MOU establishing general confidentiality, protecting information received from the North Carolina AG, and setting forth procedure for the North Carolina AG to request information from CFPB.
North Dakota Attorney General's Office	MOU establishing general confidentiality, protecting information received from the North Dakota AG, and setting forth procedure for the North Dakota AG to request information from CFPB.
NYC Dept of Consumer Affairs	MOU between CFPB and NYC Dept. of Consumer Affairs for the purpose of sharing confidential information between parties.
OALJ-SEC	<p>SUPERCEDED BY 2012 IAA</p> <p>Interagency agreement between CFPB and OALJ (SEC) authorizing the obtainment of goods or services between agencies on a reimbursable basis;</p> <p>Stipulates CFPB authorization to obtain services from OALJ-SEC as needed, for the purpose of deciding certain cases on a written administrative record and to issue Recommended Decisions as defined by CFPB Act 2010, Public Law 111-203, as well as provide an associated hearing facility and court reporter or veideographer services</p>

OALJ-SEC	<p>Interagency agreement between CFPB and OALJ (SEC) authorizing the obtainment of goods or services between agencies on a reimbursable basis;</p> <p>Stipulates CFPB authorization to obtain services from OALJ-SEC as needed, for the purpose of deciding certain cases on a written administrative record and to issue Recommended Decisions as defined by CFPB Act 2010, Public Law 111-203, as well as provide an associated hearing facility and court reporter or videographer services</p>
OCC	<p>AMENDED BY 2/8/12 MOU. To facilitate the requested transition of Consumer Complaint processing responsibilities regarding the institutions, products, and services over which the Bureau will have examination authority and primary enforcement authority.</p>
OCC	<p>MOU between CFPB and OCC pertaining to the transition of Consumer Complaint processing responsibilities between agencies;</p> <p>establishes a cooperative manner in consistently handling consumer complaints and inquiries through the transition phase of delegated responsibility</p>
OCC	<p>MOU between CFPB and OCC pertaining to the delegation of duties to detail-employees regarding consumer complaints and their subsequent responses by government agency;</p> <p>establishing necessity for detail staff of nine (9) consumer response staff from CFPB to the OCC for the purpose of handling certain categories of complaints on behalf of CFPB</p>

OCC	MOU between CFPB and OCC pertaining to the relocation of nine (9) CAG employees (OCC) to CFPB; Specifies responsibilities of transferee benefits programs to both the CFPB and OCC as applicable
OCC	Amendment to 7/22/11 MOU between CFPB and OCC regarding the Rollout Schedule as it pertains to the responsibility of handling consumer complaints; Establishes the agreement between agencies to accept amended roll out schedule as stipulated in MOU Amendment document
OCC	Sets forth the agreement between the Bureau and the OCC with respect to the sharing and treatment of information in connection with their respective responsibilities.
OCC	MOU between CFPB and OCC pertaining to the supervisory coordination between agencies, pursuant to MOU pertaining to sharing of information between agencies.
OCC	ADDENDUM TO 4/8/11 MOU pertaining to the sharing of information between CFPB and OCC, obligating parties to continue their original contract, unless MOU is amended or terminated pursuant to Sec. IV.3 or Sec. IV.1, respectively.
OCC	Non-reimbursable detail of nine CFPB Consumer Response employees to OCC to handle certain categories of complaints.
OCC, OTS	Sets forth the agreement between OCC, OTS and CFPB with respect to their sharing of non-public information in connection with their responsibilities related to or affecting the establishment of the Bureau.

OEB	MOU between CFPB and OEB regarding non-retirement benefits for transfer employees; stipulates transferee participation in non-retirement benefit programs to continue until July 31, 2012
Office of Mortgage Oversight	GPMAA between CFPB and Office of Mortgage Oversight for the purpose of monitoring and sharing pertinent confidential information relevant to consumer financial protection.
OPM	Interagency Delegated Examining Agreement (BCFP-1) between CFPB and OPM for the purpose of authorizing examining authority and the use of OPM-developed examining instruments; Establishes the delegated authority to the CFPB to examine applicants for administrative judgeship from OPM or other federal agencies
OTS	MOU between CFPB and OTS regarding non-reimbursable detail employment between agencies; establishes authority for OTS or CFPB to detail personnel to each other, with or without reimbursement
PA Dept of Banking	Agreement between CFPB and PA Dept of Banking for the purpose of sharing information relevant to NMLS Agreement.
Prudential Regulators	MOU between CFPB and Prudential Regulators outlining their coordinated supervisory activities, as well as encouraging additional voluntary cooperation for the purpose of consumer financial protection.
SRR	Terms of use agreement entered between SRR and CFPB for the purpose of sharing access to information off the NMLS registry system.
USAO SDNY	MOU between CFPB and the USAO SDNY pertaining to the confidentiality of information sharing between agencies, consistent with law.

Vermont Attorney General's Office	MOU establishing general confidentiality, protecting information received from the Vermont AG, and setting forth procedure for the Vermont AG to request information from CFPB.
WAGO	MOU between CFPB and Washington Attorney General's Office establishing the framework to preserve the confidentiality of information sharing between agencies
White House Office of Public Engagement-DOHHS/Admin for Community Living-DOJ-IPI	MOU between CFPB and co-Sponsors of the White House Event on Elder Abuse and Financial Exploitation pertaining to the collaboration and coordination between agencies for the purpose of consumer financial protection.
Wyoming Attorney General's Office	MOU establishing general confidentiality, protecting information received from the Wyoming AG, and setting forth procedure for the Wyoming AG to request information from CFPB.
	Management of Criminal Information and Referrals
	No Appendix A attached

**ADDENDUM TO MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
THE CONSUMER FINANCIAL PROTECTION BUREAU
AND
THE NATIONAL CREDIT UNION ADMINISTRATION**

Pursuant to Section IV.1 of the Memorandum of Understanding By and Between the Consumer Financial Protection Bureau and the National Credit Union Administration (*MOU*), the National Credit Union Administration and the Bureau of Consumer Financial Protection hereby reaffirm their commitment to be bound by and comply with the terms of the MOU after the designated transfer date under section 1062 of Title X of the Wall Street Reform and Consumer Protection Act. The sharing of information under the MOU may therefore continue unless and until the parties amend the MOU pursuant to Section IV.3 or any party gives written notice of its intent to terminate the MOU pursuant to Section IV.1.

FOR THE U.S. DEPARTMENT OF
THE TREASURY
acting on behalf of
THE BUREAU OF CONSUMER
FINANCIAL PROTECTION

By: _____

George W. Madison
General Counsel

Date: _____

FOR THE NATIONAL CREDIT
UNION ADMINISTRATION

By: _____

Robert M. Fenner
General Counsel

Date: _____

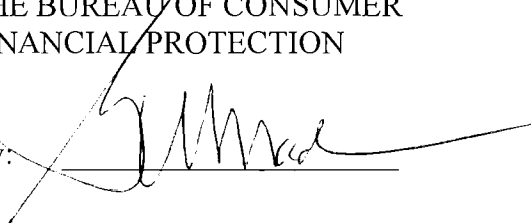
**ADDENDUM TO MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
THE CONSUMER FINANCIAL PROTECTION BUREAU
AND
THE NATIONAL CREDIT UNION ADMINISTRATION**

Pursuant to Section IV.1 of the Memorandum of Understanding By and Between the Consumer Financial Protection Bureau and the National Credit Union Administration (*MOU*), the National Credit Union Administration and the Bureau of Consumer Financial Protection hereby reaffirm their commitment to be bound by and comply with the terms of the MOU after the designated transfer date under section 1062 of Title X of the Wall Street Reform and Consumer Protection Act. The sharing of information under the MOU may therefore continue unless and until the parties amend the MOU pursuant to Section IV.3 or any party gives written notice of its intent to terminate the MOU pursuant to Section IV.1.

FOR THE U.S. DEPARTMENT OF
THE TREASURY
acting on behalf of
THE BUREAU OF CONSUMER
FINANCIAL PROTECTION

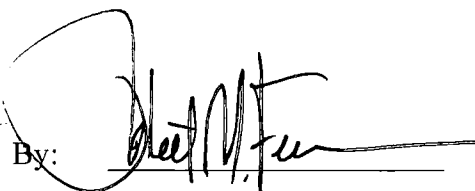
FOR THE NATIONAL CREDIT
UNION ADMINISTRATION

By: _____



George W. Madison
General Counsel

By: _____



Robert M. Fenner
General Counsel

Date: _____

7/15/11

Date: _____

7.11.11

**MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
THE CONSUMER FINANCIAL PROTECTION BUREAU
AND
THE NATIONAL CREDIT UNION ADMINISTRATION**

I. Introduction and Purpose

This Memorandum of Understanding (*MOU*) is entered into between the Consumer Financial Protection Bureau (*Bureau*) and the National Credit Union Administration (*NCUA*). Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub. L. No. 111-203) (*the Dodd-Frank Act or Act*) establishes the Bureau, an independent bureau with authority to regulate the offering and provision of consumer financial products or services under Federal consumer financial laws as set forth in the Dodd-Frank Act. The NCUA is responsible for the regulation and supervision of Federal credit unions in accordance with the Federal Credit Union Act (12 U.S.C. §§1751 et seq.), including the insurance of member accounts at Federal credit unions and most state chartered credit unions.

The Act mandates that the Bureau have access to confidential reports of examination or financial condition of insured depository institutions upon reasonable assurances of confidentiality (12 U.S.C. §5512(c)(6)(B)(i)). The Act also authorizes the NCUA to provide, in its discretion, other reports and confidential supervisory information regarding insured depository institutions to the Bureau (12 U.S.C. §5512(c)(6)(B)(ii)). Therefore, this Memorandum of Understanding sets forth the agreement between the Bureau and the NCUA (collectively, *the Agencies or the Parties*), with respect to their sharing, consistent with law and NCUA's rule governing access to information (12 C.F.R. Part 792), of non-public information in connection with their responsibilities related to or affecting the establishment of the Bureau.

The parties agree that the provisions of this MOU relating to the treatment of consumer complaints (as defined in section II, paragraph 2) may be amended or superseded by a separate agreement, as the parties may later establish.

II. Information Sharing

1. To the extent the providing Agency (*the Provider*) deems appropriate and necessary to permit the Agencies to fulfill their respective responsibilities related to or affecting the establishment of the Bureau, including setting up the Bureau and preparing for the transfer of certain consumer financial protection functions to the Bureau (*the Bureau-related provisions*), the Provider may, in its discretion, share information, such as personnel information and other Non-public Information (as defined in this MOU), in any form (including oral), with the other Agency (*the Recipient*).

2. Except as provided in paragraph (3) of this section, *Non-public Information* subject to this MOU shall be all information that a Provider provides to a Recipient pursuant to this

MOU, unless the Provider expressly consents or designates the information as publicly available or as no longer Non-public Information subject to this MOU. For purposes of this MOU, Non-public Information also includes all materials that the Provider has provided to the Recipient prior to the effective date of this MOU in connection with the Bureau-related provisions of the Dodd-Frank Act, except for information expressly designated as publicly available. With respect to examination-related information shared pursuant to this MOU, all such information that is provided shall be deemed to be Non-public Information and may be employed by the Recipient only for the purposes of planning, developing, enhancing, or conducting the Bureau's supervisory, enforcement, and regulatory functions. Non-public Information shall not include any complaint, inquiry, or allegation regarding any financial product or service submitted to the Bureau in any form by an individual consumer (*consumer complaint*) and which the Bureau provides to the NCUA for investigation or resolution.

3. The Parties understand and acknowledge that, notwithstanding the transfer of functions from the NCUA to the Bureau pursuant to the Dodd-Frank Act, NCUA retains responsibility for the prudential regulation and safety and soundness examination of all Federal credit unions and, in collaboration with state regulatory authorities, of state chartered, federally insured credit unions. Accordingly, after the designated transfer date under section 1062 of the Act (*the Designated Transfer Date*), information provided to the Bureau by the NCUA under this MOU shall continue to remain agency records of the NCUA unless, at the time the information is provided to the Bureau, the NCUA shall have specifically identified the record as containing only information that pertains exclusively to functions transferred to the Bureau. Such specifically designated records shall become, after the Designated Transfer Date, an agency record of the Bureau and no longer Non-public Information of the NCUA subject to this MOU. The Bureau will adopt rules providing for the confidential treatment of such records as appropriate.

4. To facilitate the planning and preparation for the establishment and performance of the Bureau's supervisory and enforcement functions and to assure that no interruption in supervision occurs as a result of the transfer of supervisory functions from the NCUA to the Bureau, the NCUA will provide to the Bureau prior to the Designated Transfer Date copies of records related to supervisory or enforcement functions to be transferred from the NCUA to the Bureau. Within two weeks of the execution of this agreement, the Bureau and the NCUA shall establish a schedule for the provision of such records to the Bureau prior to the Designated Transfer Date. Copies of records related to such supervisory or enforcement functions shall be provided to the extent that the NCUA, in consultation with the Bureau, as appropriate, deems they are records necessary for the Bureau's use in planning or preparation for the establishment and performance of its supervisory or enforcement functions. After the Designated Transfer Date, the NCUA shall timely provide to the Bureau copies of records related to other functions transferred from the NCUA to the Bureau to the extent that the NCUA, in consultation with the Bureau, as appropriate, deems they are records necessary for the Bureau's use in its performance or support of such other functions. The parties agree to cooperate and coordinate on the media and format of such copies of records, as well as the process for

providing such copies to the Bureau, in order to retain the accuracy of the records and promote the efficient use of resources of the agencies.

III. Permissible Uses and Confidentiality

The Parties agree as follows:

1. Except as specified in section II, above, all Non-public Information provided by the Provider to the Recipient remains the property of the Provider. This MOU is not intended to and does not alter, waive, or compromise the discretion of the Provider to determine the information it will share under this MOU.
2. Except as permitted by this MOU, Non-public Information may not be shared outside of the Recipient without the prior written permission of the Provider.
3. The Recipient agrees to establish and maintain such safeguards as are necessary and appropriate to protect the confidentiality of the Non-public Information provided pursuant to this MOU, as well as any information derived therefrom. These safeguards include:
 - (i) restricting access to the Non-public Information obtained pursuant to this MOU to only those of its officers, employees, contractors, and agents who have a *bona fide* need for such information in carrying out the responsibilities of the Party in connection with the Bureau-related provisions of the Dodd-Frank Act;
 - (ii) informing those persons who are provided access to such Non-public Information of their responsibilities under this MOU;
 - (iii) establishing appropriate physical safeguards for maintaining the confidentiality of the Non-public Information; and,
 - (iv) to the extent that the Non-public Information is personally identifiable information or is information subject to the Privacy Act of 1974, 5 U.S.C. § 552a, ensuring that the Non-public Information is also protected as required by the Privacy Act and the applicable information security standards, including National Institute of Standards and Technology, Special Publication 800-122 "Guide to Protecting the Confidentiality of Personally Identifiable Information."
4. Unless prohibited by law or otherwise provided in this MOU, the Recipient shall:
 - (i) promptly notify the Provider in writing of any legally enforceable demand or request for Non-public Information of the Provider (including but not limited to, a subpoena, court order, request pursuant to the Freedom of Information Act, or a request by the U.S. Government Accountability Office); transfer the request or demand to the Provider for its consideration and advise the requestor of such action;

provide the Provider a reasonable opportunity to respond to the demand or request; and assert all such legal exemptions or privileges on behalf of the Provider as the Provider may reasonably and appropriately request be asserted;

(ii) consent to application by the Provider to intervene in any related action for the purpose of asserting and preserving any claims of confidentiality with respect to the Provider's Non-public Information; and

(iii) not grant the demand or request for the Provider's Non-public Information or furnish it to any third party, or make public any of the information or any information derived therefrom, without the prior written approval of the Provider.

5. Nothing in this MOU shall prevent a party from complying with a legally valid and enforceable subpoena, or order of a court of competent jurisdiction that compels production of the Provider's Non-public Information or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives. To the extent permitted by law, the Recipient will advise the Provider of such a request, demand, or order as promptly as is reasonably possible and consult with the Provider on the response before complying with the request, demand, or order. Recipient shall use its best efforts to ensure that the requestor secures an appropriate protective order or, if the requestor is a legislative body, use its best efforts to obtain the commitment or agreement of the legislative body that it will maintain the confidentiality of the information.
6. The Parties agree that sharing of Non-public Information pursuant to this MOU will not constitute public disclosure and is not intended to constitute a waiver of confidentiality or of any applicable privileges, including the examination privilege, nor waives or alters any provisions of any applicable laws relating to Non-public Information. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

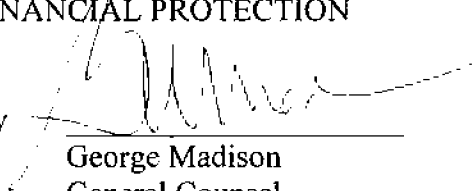
IV. General Terms

1. This MOU is effective upon the signature by representatives of the Parties and remains effective until either party provides written notice of its intent to terminate this MOU or until the Designated Transfer Date. The sharing of information under this MOU between the NCUA and the Bureau may continue after the Designated Transfer Date if both the NCUA and the Bureau reaffirm, in writing, their commitment to be bound by and to comply with the terms of this MOU.
2. Following the termination of this MOU, all Non-public Information provided pursuant to this MOU shall remain confidential and will continue to be protected as set forth in this MOU.

3. The Parties to the MOU may from time to time amend this MOU in writing and such amendments, when executed by both Parties, shall then become a part of the MOU.
4. This MOU contains the entire and exclusive agreement of the Parties with respect to its subject matter.
5. This MOU may be executed in separate counterparts, each of which when executed and delivered shall be deemed an original, and all of which taken together shall constitute one and the same MOU.
6. As soon as practicable after execution of this MOU, each party will advise the other of the name, title, and contact information, including addresses and telephone and fax numbers, for the appropriate official(s) to contact for purposes of notices and exchanges of information. This contact information will be updated as appropriate.
7. No provision of this MOU is intended to affect the parties' respective enforcement authority.

FOR THE U.S. DEPARTMENT
OF THE TREASURY
acting on behalf of
THE BUREAU OF CONSUMER
FINANCIAL PROTECTION

By

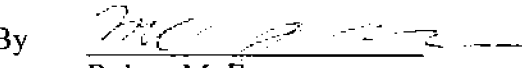


George Madison
General Counsel
Department of Treasury

Date: _____

FOR THE NATIONAL CREDIT
UNION ADMINISTRATION

By



FOR Robert M. Fenner
General Counsel

Date: _____

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau and Montana Department of Justice**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The Montana Department of Justice (“MTDOJ”) oversees the Montana Office of Consumer Protection (“OCP”). The OCP is a division of the MTDOJ that is charged with responsibilities regarding investigation and enforcement of violations of Montana’s Unfair Trade Practices and Consumer Protection Act.

II. Purpose

The CFPB and the MTDOJ (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to the MTDOJ’s information are set forth in this MOU. Any information provided to the MTDOJ shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of MTDOJ’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the MTDOJ and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the MTDOJ. The CFPB shall, upon the reasonable request of the MTDOJ and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the MTDOJ. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the MTDOJ’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the MTDOJ;
- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the MTDOJ's information may not be disclosed insofar as it is the property of the MTDOJ, and that any request for the disclosure of such information is properly directed to the MTDOJ. In providing the information, the MTDOJ will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the MTDOJ is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the MTDOJ (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the MTDOJ's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the MTDOJ in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the MTDOJ and, to the extent applicable, afford the MTDOJ a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the MTDOJ may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the MTDOJ to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. MTDOJ's Obligations Upon Receipt of the CFPB's Information

MTDOJ may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth MTDOJ's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the MTDOJ disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the MTDOJ required under this MOU shall be delivered to Jim Molloy, Chief of Consumer Protection, (406) 444-2026, jmolloy@mt.gov, and Chuck Munson, (406) 444-2026, cmunson@mt.gov, or their successors.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: July 10, 2012

FOR THE MONTANA DEPARTMENT OF
JUSTICE

By: Jim Molloy
Jim Molloy
Chief of Consumer Protection
Montana Department of Justice

Date: 7-9-12

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau and Navajo Nation Department of
Justice**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The Navajo Nation Department of Justice is represented in this agreement by Attorney General Harrison Tsosie.

II. Purpose

The CFPB and the Navajo Nation Department of Justice (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to the Navajo Nation Department of Justice’s information are set forth in this MOU. Any information provided to the Navajo Nation Department of Justice shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of Navajo Nation Department of Justice’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the Navajo Nation Department of Justice and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the Navajo Nation Department of Justice. The CFPB shall, upon the reasonable request of the Navajo Nation Department of Justice and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the Navajo Nation Department of Justice. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the Navajo Nation Department of Justice’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the Navajo Nation Department of Justice;

- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the Navajo Nation Department of Justice's information may not be disclosed insofar as it is the property of the Navajo Nation Department of Justice, and that any request for the disclosure of such information is properly directed to the Navajo Nation Department of Justice. In providing the information, the Navajo Nation Department of Justice will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the Navajo Nation Department of Justice is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the Navajo Nation Department of Justice (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the Navajo Nation Department of Justice's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the Navajo Nation Department of Justice in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the Navajo Nation Department of Justice and, to the extent applicable, afford the Navajo Nation Department of Justice a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the Navajo Nation Department of Justice may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the Navajo Nation Department of Justice to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. Navajo Nation Department of Justice's Obligations Upon Receipt of the CFPB's Information

Navajo Nation Department of Justice may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b)

submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth Navajo Nation Department of Justice's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the Navajo Nation Department of Justice disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the Navajo Nation Department of Justice required under this MOU shall be delivered to Harrison Tsosie, (928) 871-6345, hstosie@nndoj.org, his successors.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: 1/22/2013

FOR THE NAVAJO NATION
DEPARTMENT OF JUSTICE

By: D. Harrison Tsosie
D. Harrison Tsosie
Attorney General
Navajo Nation Department of Justice

Date: Jan 17, 2013

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau and City of Chicago**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The City of Chicago is a municipal corporation, organized and incorporated under the laws of the State of Illinois. The City of Chicago, through its Department of Business Affairs and Consumer Protection, enters into this MOU pursuant to Municipal Code of the City of Chicago §2-25-050 (b)(21) which provides authority to enter agreements to share data with, and otherwise cooperate with other government agencies in furtherance of its duties to among other things protect consumers.

II. Purpose

The CFPB and the City of Chicago (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to the City of Chicago’s information are set forth in this MOU. Any information provided to the City of Chicago shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of City of Chicago’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the City of Chicago and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the City of Chicago. The CFPB shall, upon the reasonable request of the City of Chicago and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the City of Chicago. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the City of Chicago’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the City of Chicago;

- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the City of Chicago's information may not be disclosed insofar as it is the property of the City of Chicago, and that any request for the disclosure of such information is properly directed to the City of Chicago, pursuant to applicable state and local law. In providing the information, the City of Chicago will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the City of Chicago is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the City of Chicago (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the City of Chicago's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the City of Chicago in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the City of Chicago and, to the extent applicable, afford the City of Chicago a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the City of Chicago may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the City of Chicago to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. City of Chicago's Obligations Upon Receipt of the CFPB's Information

City of Chicago may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth City of Chicago's obligations regarding information received from the CFPB, including the procedure for handling

third party requests for CFPB information and limitations on the City of Chicago disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

C. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect any other MOUs to which the CFPB is party.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the City of Chicago required under this MOU shall be delivered to the Commissioner of the Department of Business Affairs and Consumer Protection, currently Rosemary Krimbel, 312-744-5444, rosemary.krimbel@cityofchicago.org and to the Deputy of Prosecutions, currently Barbara Gressel, acting, 312-7444-5287, Barbara.gressel@cityofchicago.org, or their successors.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

FOR THE CITY OF CHICAGO

By: Rosemary Krimbel
Rosemary Krimbel
Commissioner
Business Affairs and Consumer
Protection

Date: 11/28/2012

Date: 11-20-2012

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau and
The Commonwealth of Massachusetts**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The State is the Commonwealth of Massachusetts (“Commonwealth”).

II. Purpose

The CFPB and the Commonwealth (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to the Commonwealth’s information are set forth in this MOU. Any information provided to the Commonwealth shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of Commonwealth’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the Commonwealth and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the Commonwealth. The CFPB shall, upon the reasonable request of the Commonwealth and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the Commonwealth. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the Commonwealth’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the Commonwealth;

- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the Commonwealth's information may not be disclosed insofar as it is the property of the Commonwealth, and that any request for the disclosure of such information is properly directed to the Commonwealth. In providing the information, the Commonwealth will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the Commonwealth is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the Commonwealth (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the Commonwealth's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the Commonwealth in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the Commonwealth and, to the extent applicable, afford the Commonwealth a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the Commonwealth may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the Commonwealth to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. Commonwealth's Obligations Upon Receipt of the CFPB's Information

The Commonwealth may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General

Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth the Commonwealth's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the Commonwealth's disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the Commonwealth required under this MOU shall be delivered to the Massachusetts Office of the Attorney General, ATTN: Judy Zeprun Kalman, Deputy General Counsel (judy.zeprun@state.ma.us), and Stephanie Kahn, Chief, Consumer Protection Division (stephanie.kahn@state.ma.us), One Ashburton Place, Boston, MA, 02108, or their successors.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: Richard Cordray
Richard Cordray
Director,
Consumer Financial Protection Bureau

Date: 11/6/2012

FOR THE COMMONWEALTH OF
MASSACHUSETTS

By: Judy Zeprun Kalman
Judy Zeprun Kalman
Deputy General Counsel
Massachusetts Office of the Attorney
General

Date: 10/12/12

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau and Kentucky**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The Office of the Attorney General of the Commonwealth of Kentucky (hereinafter “the Kentucky Attorney General”) is the chief law enforcement official of the Commonwealth pursuant to Kentucky Revised Statutes (KRS) 15.02. Furthermore, the Office of the Attorney General is authorized to enforce the Kentucky Consumer Protection Act pursuant to KRS 367.110 *et seq.* as well as other consumer protection statutes.

II. Purpose

The CFPB and the Office of the Attorney General of the Commonwealth of Kentucky, (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to the Kentucky Attorney General’s information are set forth in this MOU. Any information provided to the Kentucky Attorney General shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of the Kentucky Attorney General’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the Kentucky Attorney General and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the Kentucky Attorney General. The CFPB shall, upon the reasonable request of the Kentucky Attorney General and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the Kentucky Attorney General. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the Kentucky Attorney General’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their

responsibilities under the MOU, except as otherwise provided in writing by the Kentucky Attorney General;

- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the Kentucky Attorney General's information may not be disclosed insofar as it is the property of the Kentucky Attorney General, and that any request for the disclosure of such information is properly directed to the Kentucky Attorney General. In providing the information, the Kentucky Attorney General will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the Kentucky Attorney General is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the Kentucky Attorney General (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the Kentucky Attorney General's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the Kentucky Attorney General in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the Kentucky Attorney General and, to the extent applicable, afford the Kentucky Attorney General a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the Kentucky Attorney General may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the Kentucky Attorney General to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. **Kentucky Attorney General's Obligations Upon Receipt of the CFPB's Information**

The Kentucky Attorney General may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee

may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth the Kentucky Attorney General's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the Kentucky Attorney General disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the Kentucky Attorney General required under this MOU shall be delivered to Todd E. Leatherman, Executive Director, Office of Consumer Protection todd.leatherman@ag.ky.gov (502) 696-5389 and Robyn Bender, Assistant Deputy Attorney General robyn.bender@ag.ky.gov (502) 696-5300 or their successors.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: 10/11/2012

FOR THE OFFICE OF THE KENTUCKY
ATTORNEY GENERAL

By: Todd E. Leatherman
Todd E. Leatherman
Executive Director
Office of Consumer Protection
Commonwealth of Kentucky

Date: 10/10/2012

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau and the State of Colorado**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The Attorney General of Colorado is the Chief law enforcement official in the State of Colorado and is the primary enforcement office under the Colorado Consumer Protection Act, and the Uniform Consumer Credit Code, among other consumer protection statutes.

II. Purpose

The CFPB and the State of Colorado (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to the State of Colorado’s information are set forth in this MOU. Any information provided to the State of Colorado shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of Colorado’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the State of Colorado and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the State of Colorado. The CFPB shall, upon the reasonable request of the State of Colorado and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the State of Colorado. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the State of Colorado’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the State of Colorado;
- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the State of Colorado's information may not be disclosed insofar as it is the property of the State of Colorado, and that any request for the disclosure of such information is properly directed to the State of Colorado. In providing the information, the State of Colorado will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the State of Colorado is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the State of Colorado (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the State of Colorado's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the State of Colorado in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the State of Colorado and, to the extent applicable, afford the State of Colorado a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the State of Colorado may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the State of Colorado to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. **State of Colorado's Obligations Upon Receipt of the CFPB's Information**

State of Colorado may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth State of Colorado's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the State of Colorado disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the State of Colorado required under this MOU shall be delivered to Jan Michael Zavislan, Deputy Attorney General, 1525 Sherman Street, Denver, CO 80203. Phone: 303-866-5183. Email: jan.zavislan@state.co.us.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: September 29, 2012

FOR THE STATE OF COLORADO

By: Jan M. Zavislan
Jan M. Zavislan
Deputy Attorney General
State of Colorado

Date: Sept. 27, 2012

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau
and the Washington Attorney General's Office**

I. Parties

The Consumer Financial Protection Bureau ("CFPB" or the "Bureau") was established by the Consumer Financial Protection Act of 2010 ("CFP Act") (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding ("MOU") pursuant to its authority under the CFP Act and its regulations.

The Washington Attorney General's Office is a state agency authorized by law to investigate violations of the Washington Consumer Protection Act, RCW 19.86. The Washington Attorney General's Office enters into this MOU pursuant to its authority under RCW 19.86.

II. Purpose

The CFPB and the Washington Attorney General's Office (collectively "Parties") enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB's obligations with regard to the Washington Attorney General's Office's information are set forth in this MOU. Any information provided to the Washington Attorney General's Office shall be subject to the CFPB's Rule on Disclosure of Records and Information ("Disclosure Rule"), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB's Obligations Upon Receipt of Washington Attorney General's Office's Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the Washington State Attorney General's Office and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the Washington State Attorney General's Office. The CFPB shall, upon the reasonable request of the Washington State Attorney General's Office and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the Washington Attorney General's Office. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the Washington Attorney General's Office's information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the Washington Attorney General's Office;

- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the Washington Attorney General's Office's information may not be disclosed insofar as it is the property of the Washington Attorney General's Office, and that any request for the disclosure of such information is properly directed to the Washington Attorney General's Office. In providing the information, the Washington Attorney General's Office will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the Washington Attorney General's Office is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the Washington Attorney General's Office (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the Washington Attorney General's Office's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the Washington Attorney General's Office in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the Washington Attorney General's Office and, to the extent applicable, afford the Washington Attorney General's Office a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the Washington Attorney General's Office may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the Washington Attorney General's Office to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. Washington Attorney General's Office's Obligations Upon Receipt of the CFPB's Information

Washington Attorney General's Office may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee

may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth Washington Attorney General's Office's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the Washington Attorney General's Office disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the Washington Attorney General's Office required under this MOU shall be delivered to Shannon E. Smith, Sr. Assistant Attorney General, 800 5th Avenue, Ste. 2000, TB-14, Seattle, WA 98104-3188, ShannonS@atg.wa.gov, or their successors.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: September 26, 2012

FOR THE WASHINGTON ATTORNEY
GENERAL'S OFFICE

By: Brian T. Moran
Brian T. Moran
Chief Deputy Attorney General
Washington Attorney General's Office

Date: _____

**Memorandum of Understanding Between the
Consumer Financial Protection Bureau and the
Office of the Attorney General for the State of Wyoming**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The Office of the Attorney General for the State of Wyoming (Wyoming) is responsible for the enforcement of consumer protection laws in the State of Wyoming pursuant to the Wyoming Consumer Protection Act (“Act”) (Wyo. Stat. Ann. § 40-12-101 *et seq.*). Wyoming enters into this MOU pursuant to its authority under the Act.

II. Purpose

The CFPB and Wyoming (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to Wyoming’s information are set forth in this MOU. Any information provided to Wyoming shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of Wyoming’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of Wyoming and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by Wyoming. The CFPB shall, upon the reasonable request of Wyoming and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by Wyoming. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to Wyoming’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by Wyoming;

- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that Wyoming's information may not be disclosed insofar as it is the property of Wyoming and that any request for the disclosure of such information is properly directed to Wyoming. In providing the information, Wyoming will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by Wyoming is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of Wyoming (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event Wyoming's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify Wyoming in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with Wyoming and, to the extent applicable, afford Wyoming a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that Wyoming may reasonably request be asserted on its behalf; and
- (iii) consent to an application by Wyoming to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. Wyoming's Obligations Upon Receipt of the CFPB's Information

Wyoming may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth Wyoming's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on Wyoming disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to Wyoming required under this MOU shall be delivered to Clyde Hutchins, Senior Assistant Attorney General, Consumer Protection Unit, 123 State Capitol, Cheyenne, WY 82002, 307-777-6397, clyde.hutchins@wyo.gov or their successors.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

OFFICE OF THE ATTORNEY GENERAL
FOR THE STATE OF WYOMING

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

By: Gregory A. Phillips
Gregory A. Phillips
Wyoming Attorney General

Date: 9/19/2012

Date: 9-17-12

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CONSUMER FINANCIAL PROTECTION BUREAU AND
THE DISTRICT OF COLUMBIA**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The District of Columbia (“District”) is a municipal corporation, established by Act of Congress, February 21, 1871 (16 Stat. 419), empowered to make contracts and to sue and be sued.

II. Purpose

The CFPB and the District (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to the District’s information are set forth in this MOU. Any information provided to the District shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of District’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the District and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the District. The CFPB shall, upon the reasonable request of the District and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the District. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the District’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the District;
- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the District's information may not be disclosed insofar as it is the property of the District, and that any request for the disclosure of such information is properly directed to the District. In providing the information, the District will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the District is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the District (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the District's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the District in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the District and, to the extent applicable, afford the District a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the District may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the District to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. **The District's Obligations Upon Receipt of the CFPB's Information**

The District may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth the District's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the District disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to enforcement@cfpb.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the District required under this MOU shall be delivered to Bennett Rushkoff, Chief, Public Advocacy Section, Office of the Attorney General for the District of Columbia, 202-727-5173, bennett.rushkoff@dc.gov, or his successor.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

**FOR THE CONSUMER FINANCIAL
PROTECTION BUREAU**

By: *Richard Cordray*
RICHARD CORDRAY
Director
Consumer Financial Protection Bureau

Date: *August 30, 2012*

FOR THE DISTRICT OF COLUMBIA

IRVIN B. NATHAN
Attorney General for the District of Columbia

By: *Bennett Rushkoff*
BENNETT RUSHKOFF
Chief, Public Advocacy Section
Office of the Attorney General for the
District of Columbia

Date: *August 22, 2012*

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau and
the North Dakota Attorney General**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The Attorney General of the state of North Dakota (“North Dakota”) is responsible for the enforcement of consumer protection laws in the State of North Dakota, pursuant to North Dakota Century Code (N.D.C.C.) chapter 54-12. The North Dakota Attorney General, by and through Assistant Attorney General Parrell D. Grossman, Director of the Consumer Protection and Antitrust Division, enters into this MOU pursuant to its authority under the Debt-Settlement Providers Law, N.D.C.C. chapter 13-11, and Consumer Fraud Law, N.D.C.C. chapter 51-15.

II. Purpose

The CFPB and North Dakota (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to North Dakota’s information are set forth in this MOU. Any information provided to North Dakota shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt North Dakota’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of North Dakota and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by North Dakota. The CFPB shall, upon the reasonable request of North Dakota and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by North Dakota. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to North Dakota’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of

their responsibilities under the MOU, except as otherwise provided in writing by North Dakota;

- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that North Dakota's information may not be disclosed insofar as it is the property of North Dakota, and that any request for the disclosure of such information is properly directed to North Dakota. In providing the information, North Dakota will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by North Dakota is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of North Dakota (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event North Dakota's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify North Dakota in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with North Dakota and, to the extent applicable, afford North Dakota a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that North Dakota may reasonably request be asserted on its behalf; and
- (iii) consent to an application by North Dakota to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. North Dakota's Obligations Upon Receipt of the CFPB's Information

North Dakota may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may

authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth North Dakota's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on North Dakota disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to North Dakota required under this MOU shall be delivered to Parrell D. Grossman, Director of the Consumer Protection and Antitrust Division, Office of Attorney General, Gateway Professional Center, 1050 E Interstate Ave, Ste 200, Bismarck, ND 58503-5574, (701) 328-5570, pgrossman@nd.gov, or his successor(s).

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

FOR THE STATE OF NORTH DAKOTA
Wayne Stenehjem
Attorney General

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

By: Parrell D. Grossman
Parrell D. Grossman
Assistant Attorney General
Director, Consumer Protection and
Antitrust Division
Office of Attorney General
Gateway Professional Center
1050 E Interstate Ave, Ste 200
Bismarck, ND 58503-5574
(701) 328-5570
(701) 328-5568 (fax)

Date: 8/14/2012

Date: May 4, 2012

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau and The State of Hawaii Department of
the Attorney General**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The State of Hawaii Department of the Attorney General (“Hawaii Attorney General”) is authorized by Chapters 26 and 28 of the Hawaii Revised Statutes to investigate and prosecute offenders against the laws of the State of Hawaii and enters into this MOU pursuant to its authority.

II. Purpose

The CFPB and the Hawaii Attorney General (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to the Hawaii Attorney General’s information are set forth in this MOU. Any information provided to the Hawaii Attorney General shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of the Hawaii Attorney General’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the Hawaii Attorney General and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the Hawaii Attorney General. The CFPB shall, upon the reasonable request of the Hawaii Attorney General and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the Hawaii Attorney General. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the Hawaii Attorney General’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the Hawaii Attorney General;

- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the Hawaii Attorney General's information may not be disclosed insofar as it is the property of the Hawaii Attorney General, and that any request for the disclosure of such information is properly directed to the Hawaii Attorney General. In providing the information, the Hawaii Attorney General will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the Hawaii Attorney General is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the Hawaii Attorney General (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the Hawaii Attorney General's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the Hawaii Attorney General in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the Hawaii Attorney General and, to the extent applicable, afford the Hawaii Attorney General a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the Hawaii Attorney General may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the Hawaii Attorney General to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. Hawaii Attorney General's Obligations Upon Receipt of the CFPB's Information

Hawaii Attorney General may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth Hawaii Attorney General's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the Hawaii Attorney General disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the Hawaii Attorney General required under this MOU shall be delivered to Stephen H. Levins, Deputy Attorney General, (808) 586-1180, Stephen.h.levins@hawaii.gov, or his successor.


X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority


Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: 
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: August 12, 2012

FOR THE STATE OF HAWAII
DEPARTMENT OF THE ATTORNEY
GENERAL

By: 
David M. Louie
Attorney General
State of Hawaii

Date: August 9, 2012

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau and the
State of Hawaii Office of Consumer Protection**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The State of Hawaii’s Office of Consumer Protection (“OCP”) is the consumer counsel for the State of Hawaii. The OCP is an agency which is not part of the state Attorney General’s Office, but which is statutorily authorized to undertake consumer protection functions, including legal representation of the State of Hawaii.

II. Purpose

The CFPB and the OCP (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to the OCP’s information are set forth in this MOU. Any information provided to the OCP shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of Hawaii’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the OCP and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the OCP. The CFPB shall, upon the reasonable request of the OCP and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the OCP. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the OCP’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the OCP;
- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and

- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the OCP's information may not be disclosed insofar as it is the property of the OCP, and that any request for the disclosure of such information is properly directed to the OCP. In providing the information, the OCP will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the OCP is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the OCP (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the OCP's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the OCP in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the OCP and, to the extent applicable, afford the OCP a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the OCP may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the OCP to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. Hawaii OCP's Obligations Upon Receipt of the CFPB's Information

OCP may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth Hawaii's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the OCP disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the OCP required under this MOU shall be delivered to Bruce B. Kim, Executive Director of the Office of Consumer Protection, 235 South Beretania Street, Room 801, Honolulu, Hawaii 96813-2419, or his successors.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: July 10, 2012

FOR THE STATE OF HAWAII OFFICE OF
CONSUMER PROTECTION

By: Bruce B. Kim
Bruce B. Kim
Executive Director, Office of
Consumer Protection
Hawaii

Date: _____

**Memorandum of Understanding Between the Consumer Financial Protection Bureau and the
State of Hawaii Office of Consumer Protection**

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau and
The New Mexico Attorney General's Office**

I. Parties

The Consumer Financial Protection Bureau ("CFPB" or the "Bureau") was established by the Consumer Financial Protection Act of 2010 ("CFP Act") (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding ("MOU") pursuant to its authority under the CFP Act and its regulations.

Gary K. King is the Attorney General of the State of New Mexico ("NMAG").

II. Purpose

The CFPB and the NMAG (collectively "Parties") enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB's obligations with regard to the NMAG's information are set forth in this MOU. Any information provided to the NMAG shall be subject to the CFPB's Rule on Disclosure of Records and Information ("Disclosure Rule"), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB's Obligations Upon Receipt of NMAG's Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the NMAG and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the NMAG. The CFPB shall, upon the reasonable request of the NMAG and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the NMAG. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the NMAG's information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the NMAG;
- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the NMAG's information may not be

disclosed insofar as it is the property of the NMAG, and that any request for the disclosure of such information is properly directed to the NMAG. In providing the information, the NMAG will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the NMAG is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. Other Requests and Demands. In the event the CFPB receives any legally enforceable demand or request for information of the NMAG (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the NMAG's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the NMAG in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the NMAG and, to the extent applicable, afford the NMAG a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the NMAG may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the NMAG to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. Compulsory Orders and Demands. Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. NMAG's Obligations Upon Receipt of the CFPB's Information

NMAG may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth NMAG's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the NMAG disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such

information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the NMAG required under this MOU shall be delivered to Karen J. Meyers, Assistant Attorney General and Director of the Consumer Protection Division, kmeyers@nmag.gov, and Elaine P. Lujan, Assistant Attorney General, elujan@nmag.gov, 111 Lomas NW, Suite 120, Albuquerque, NM 87102, or their successors.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: 6/13/12

FOR THE NEW MEXICO ATTORNEY
GENERAL'S OFFICE

By: Karen J. Meyers
Karen J. Meyers
Director, Consumer Protection Division
New Mexico Attorney General's Office

Date: 6/11/12

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau and Mississippi**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The State is Mississippi.

II. Purpose

The CFPB and the State of Mississippi (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to the State’s information are set forth in this MOU. Any information provided to the State shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of Mississippi’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the State and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the State. The CFPB shall, upon the reasonable request of the and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the State. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the State’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the State;
- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the State’s information may not be disclosed insofar as it is the property of the State, and that any request for the disclosure of such information

is properly directed to the State. In providing the information, the State will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the State is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the State (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the State's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the State in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the State and, to the extent applicable, afford the State a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the State may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the State to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. Mississippi's Obligations Upon Receipt of the CFPB's Information

Mississippi may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth Mississippi's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the State disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the State required under this MOU shall be delivered to Bridgette W. Wiggins, Special Assistant Attorney General, Post Office Box 22947, Jackson, Mississippi 39225-2947, bwill@ago.state.ms.us, telephone 601-359-4279 or her successors.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

**FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU**

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: 6/13/12

FOR THE STATE OF MISSISSIPPI

By: Bridgette W. Wiggins
Bridgette W. Wiggins
Special Assistant Attorney General
Mississippi Attorney General's Office

Date: 06-12-2012

**MEMORANDUM OF UNDERSTANDING
CONCERNING THE SHARING OF INFORMATION
BY AND BETWEEN THE FEDERAL DEPOSIT INSURANCE CORPORATION
AND THE CONSUMER FINANCIAL PROTECTION BUREAU**

I. Introduction and Purpose

This Memorandum of Understanding (MOU) is entered into between the Consumer Financial Protection Bureau (*the Bureau*) and the Federal Deposit Insurance Corporation (*the FDIC*) (collectively, *the Agencies or the Parties*, individually, *Agency or Party*).

This MOU sets forth the agreement between the Bureau and the FDIC with respect to the sharing and treatment of certain information in connection with their respective responsibilities consistent with and in implementation of the requirements of Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Public Law No. 111-203, (*the Dodd Frank Act*), the FDIC's disclosure regulations at 12 C.F.R. Part 309 and the Bureau's disclosure regulations at 12 C.F.R. Part 1070, or other applicable law.

II. Information Sharing

1. *Non-public Information* shall be all information in any form (including oral) that the providing Agency (*the Provider*) shares with the other Agency (*the Recipient*), unless the Provider expressly consents not to have the information treated as Non-public Information or designates the information as publicly available.¹
2. The Parties contemplate sharing Non-public Information hereunder, in accordance with the terms of both:
 - (i) the requirements of Title X of the Dodd Frank Act or other applicable law; and
 - (ii) an agreement between the Parties allowing for the sharing of specified information that designates that the terms of this MOU will govern the treatment of the shared information.²

¹ Non-public Information also includes all information that the Provider has provided to the Recipient to date in connection with the provisions of the Dodd-Frank Act or pursuant to the *Memorandum of Understanding By and Between the Consumer Financial Protection Bureau and the Federal Deposit Insurance Corporation* dated April 28, 2011, and its addenda dated July 19, 2011, and November 18, 2011, unless the Provider expressly consents or designates the information as publicly available.

² This MOU sets forth the treatment of information shared pursuant to the *Memorandum of Understanding on Supervisory Coordination*.

3. The Parties also may, in their discretion, share other Non-Public Information not specifically covered by the terms of an agreement between the Parties to enable the Recipient to carry out activities required or permitted by the Dodd-Frank Act or any other law. The Bureau will consider requests for discretionary disclosures of information not specifically covered by an agreement pursuant to 12 C.F.R. § 1070.43(d) in accordance with 12 C.F.R. § 1070.43(b). The FDIC will consider requests for discretionary disclosures of information not specifically covered by an agreement in accordance with 12 C.F.R. Part 309.
4. All Non-public Information that the Parties share shall be treated in accordance with the terms set forth in this MOU.

III. Permissible Uses and Confidentiality

The Parties agree as follows:

1. The Recipient will use Non-Public Information received from the Provider only for purposes authorized by law and as agreed upon by the Parties.
2. All Non-public Information remains the record or property of the Provider. The Recipient, in storing and using the Non-public Information, including data, will maintain the identity of the source, to the extent practicable. This MOU is not intended to and does not alter, waive, or compromise the discretion of the Provider to determine the information it will share.
3. Except as permitted by this MOU, Non-public Information may not be shared outside of the Recipient without the prior written permission of the Provider.
4. The Recipient agrees to establish and maintain such safeguards as are necessary and appropriate to protect the confidentiality of the Non-public Information that may be shared, as well as any derived information. These safeguards include:
 - (i) restricting access to the Non-public Information to only those of its officers and employees who have a need for such information to carry out the responsibilities of the Recipient under the Dodd-Frank Act, the Federal Deposit Insurance Act, or other applicable law;
 - (ii) informing those persons who are provided access to such Non-public Information of their responsibilities under this MOU;
 - (iii) establishing appropriate administrative, technical, and physical safeguards for maintaining the confidentiality and data security and integrity of the Non-public Information; and,
 - (iv) to the extent that the Non-public Information is personally identifiable information or is information subject to the Privacy Act of 1974, 5 U.S.C. § 552a, ensuring that the Non-public Information is also protected as required by the Privacy Act and applicable information security standards, including

National Institute of Standards and Technology, Special Publication 800-122
“Guide to Protecting the Confidentiality of Personally Identifiable Information.
(April 2010).”

5. The Recipient may share Non-public Information with its contractors (including individual contractor personnel and including consultants), but only if the contractor is obligated by the terms of its contract with the Recipient (including any corresponding confidentiality agreement) to (i) safeguard the Non-public Information as set forth in paragraph III.4 of this MOU; (ii) return, or certify to the Recipient, the destruction of all copies of the Non-public Information at the conclusion of its engagement with the Recipient; (iii) not use the Non-public Information for any purpose other than in connection with its engagement with the Recipient; and (iv) not disclose the Non-public Information outside of the contractor (other than to the Recipient) without the prior written approval of the Provider.
6. Unless prohibited by law or otherwise provided in this MOU, the Recipient shall:
 - (i) promptly notify the Provider in writing of any legally enforceable demand or request from a third party for any record originated by the Provider (including but not limited to, a subpoena, court order, request pursuant to the Freedom of Information Act, or a request by the U.S. Government Accountability Office);
 - (ii) provide a copy of the request or demand to the Provider for its consideration and advise the requester of such action; provide the Provider a reasonable opportunity to respond to the demand or request; and assert on behalf of the Provider all such reasonable and appropriate legal exemptions or privileges that the Provider may request be asserted on its behalf;
 - (iii) consent to application by the Provider to intervene in any related action for the purpose of asserting and/or preserving any claims of confidentiality with respect to any records originated by the Provider;
 - (iv) not grant any demand or request for the Provider’s Non-public Information or furnish it to any third party without the prior written approval of the Provider except as provided in paragraph III.7 of this MOU; and
 - (v) if directed to do so by the Provider, transfer the request or demand to the Provider for its consideration and advise the requester of such action.
7. Nothing in this MOU shall prevent a party from complying with a legally valid and enforceable subpoena, or an order from a court of competent jurisdiction compelling production of the Provider’s Non-public Information or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives. To the extent permitted by law, the Recipient will advise the Provider of such a request, demand, or order as promptly as is reasonably possible and consult with the Provider on the response before complying with the request, demand, or order. Recipient shall use its best efforts to ensure that the requestor secures an appropriate protective order or, if the requestor is

a legislative body, use its best efforts to obtain the commitment or agreement of the legislative body that it will maintain the confidentiality of the information.

8. The Parties agree that sharing of Non-public Information will not constitute either public disclosure or a waiver of confidentiality or of any applicable privileges, including the examination privilege, and does not waive or alter any provisions of any applicable laws relating to Non-public Information. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

IV. General Terms

1. This MOU is effective upon the signature by representatives of the Parties and remains effective until either party provides written notice of its intent to terminate this MOU.
2. This MOU supersedes and replaces the *Memorandum of Understanding By and Between the Consumer Financial Protection Bureau and the Federal Deposit Insurance Corporation* dated April 28, 2011, and its addenda dated July 19, 2011 and November 18, 2011.
3. Following the termination of this MOU, all Non-public Information that has been shared is subject to the terms of this MOU and shall remain confidential, shall continue to be protected as set forth in this MOU, and shall not be shared outside of the Recipient without the prior written permission of the Provider.
4. The Parties to the MOU may from time to time amend this MOU in writing and such amendments, when executed by all Parties, shall then become a part of the MOU.
5. This MOU contains the entire and exclusive agreement of the Parties with respect to the confidential treatment of nonpublic information shared among the Parties pursuant to this MOU or any other applicable memorandum of understanding (as designated by the Parties).
6. This MOU may be executed in separate counterparts, each of which when executed and delivered shall be deemed an original, and all of which taken together shall constitute one and the same MOU.
7. As soon as practicable after execution of this MOU, each party will advise the other of the name, title, and contact information, including addresses and telephone and fax numbers, for the appropriate official(s) to contact for purposes of notices and exchanges of information. This contact information will be updated as appropriate.
8. No provision of this MOU is intended to and may not be construed to limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of law governing the Parties' respective authorities or responsibilities.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By Richard Corday
Richard Corday
Director

Date: 5/16/2012

FOR THE FEDERAL DEPOSIT
INSURANCE CORPORATION

By _____
Mark E. Pearce
Director, Division of Depositor
and Consumer Protection

Date: _____

By _____
Sandra L. Thompson
Director, Division of
Risk Management Supervision

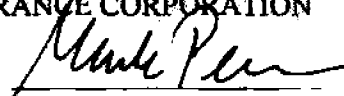
Date: _____

**FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU**

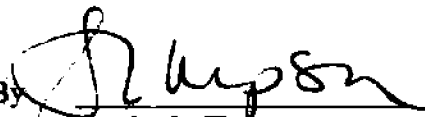
By _____
Richard Corday
Director

Date: _____

**FOR THE FEDERAL DEPOSIT
INSURANCE CORPORATION**

By 
Mark E. Pearce
Director, Division of Depositor
and Consumer Protection

Date: May 15, 2012

By 
Sandra L. Thompson
Director, Division of
Risk Management Supervision

Date: 5/15/2012

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau and the New York State Office of the
Attorney General**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

Attorney General, Eric T. Schneiderman, is the chief legal officer of the State of New York and head of the Office of the New York State Attorney General (NYOAG).

II. Purpose

The CFPB and the NYOAG (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to the NYOAG’s information are set forth in this MOU. Any information provided to the NYOAG shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of NYOAG’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the NYOAG and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the NYOAG. The CFPB shall, upon the reasonable request of the NYOAG and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the NYOAG. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the NYOAG’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the NYOAG;
- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the NYOAG's information may not be disclosed insofar as it is the property of the NYOAG, and that any request for the disclosure of such information is properly directed to the NYOAG. In providing the information, the NYOAG will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the NYOAG is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the NYOAG (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the NYOAG's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the NYOAG in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the NYOAG and, to the extent applicable, afford the NYOAG a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the NYOAG may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the NYOAG to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. NYOAG's Obligations Upon Receipt of the CFPB's Information

NYOAG may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth NYOAG's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the NYOAG disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the NYOAG required under this MOU shall be delivered to Jane M. Azia, Chief of the Consumer Frauds and Protection Bureau, 212-416-8727, jane.azia@ag.ny.gov, her successor or any other person designated by the NYOAG.

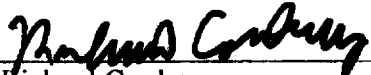
X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

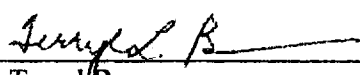
Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: 
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: 5.7.2012

FOR THE OFFICE OF THE NEW YORK
STATE ATTORNEY GENERAL

By: 
Terry L. Brown
General Counsel
Office of the New York State Attorney
General

Date: 1 - MAY - 2012

**MEMORANDUM OF UNDERSTANDING
CONCERNING THE SHARING OF INFORMATION BY AND BETWEEN THE
OFFICE OF THE COMPTROLLER OF THE CURRENCY AND THE
CONSUMER FINANCIAL PROTECTION BUREAU**

I. Introduction and Purpose

This Memorandum of Understanding (*MOU*) is entered into between the Office of the Comptroller of the Currency (*OCC*) and the Consumer Financial Protection Bureau (*Bureau*). Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act (*the Dodd-Frank Act or Act*) established the Bureau, an independent bureau with authority to regulate the offering and provision of consumer financial products or services under Federal consumer financial laws as set forth in the Act.

This MOU¹ sets forth the agreement between the Bureau and the OCC (collectively, *the Agencies or the Parties*), with respect to the sharing and treatment of information, in connection with their respective responsibilities consistent with and in advancement of the requirements of Title X of the Dodd Frank Act or other applicable law.

II. Information Sharing

1. *Non-public Information* shall be all information in any form (including oral) that the providing Agency (*the Provider*) shares with the other Agency (*the Recipient*) pursuant to this MOU or any other agreement between the parties that allows for the sharing of information and that specifically designates that the terms of this MOU will govern the treatment of the shared information, unless the Provider expressly consents or designates the information as publicly available.²
2. The Provider will share Non-public Information with the Recipient as required by the Dodd-Frank Act or any other law.

¹ This MOU supersedes and replaces the *Memorandum of Understanding Concerning the Sharing of Information Related to the Establishment of the Bureau of Consumer Financial Protection* of April 8, 2011, and its addendum dated July 21, 2011.

² Non-public Information also includes all information that the Provider has provided to the Recipient to date in connection with the provisions of the Dodd-Frank Act or pursuant to the *Memorandum of Understanding Concerning the Sharing of Information Related to the Establishment of the Bureau of Consumer Financial Protection* dated April 8, 2011, and its addendum dated July 21, 2011, unless the Provider expressly consents or designates the information as publicly available.

3. The Provider also may, in its discretion, furnish to the Recipient other Non-Public Information to enable the Recipient to carry out activities required or permitted by the Dodd-Frank Act or any other law. The Bureau will consider requests for discretionary disclosures of information not specifically covered by an agreement pursuant to 12 C.F.R. § 1070.43(d) in accordance with 12 C.F.R. § 1070.43(b).
4. The Parties will make their best efforts to share information in a timely way, or as otherwise specified in an agreement between the Parties. The Parties agree to cooperate and coordinate on the media and format of shared information.

III. Permissible Uses and Confidentiality

The Parties agree as follows:

1. The Recipient will use Non-Public Information received from the Provider only for purposes authorized by law or as otherwise agreed upon by the parties.
2. All Non-public Information provided by the Provider to the Recipient remains the record or property of the Provider. To the extent a Provider shares data with a Recipient, the Recipient, in storing and using the data will maintain the identity of the source of the data to the extent practicable. This MOU is not intended to and does not alter, waive, or compromise the discretion of the Provider to determine the information it will share.
3. Except as permitted by this MOU, Non-public Information may not be shared outside of the Recipient without the prior written permission of the Provider.
4. The Recipient agrees to establish and maintain such safeguards as are necessary and appropriate to protect the confidentiality of the Non-public Information that may be shared, as well as any derived information. These safeguards include:
 - (i) restricting access to the Non-public Information obtained pursuant to this MOU to only those of its officers and employees who need for such information to carry out activities required or permitted by the Dodd-Frank Act;
 - (ii) informing those persons who are provided access to such Non-public Information of their responsibilities under this MOU;
 - (iii) establishing appropriate administrative, technical, and physical safeguards for maintaining the confidentiality and data security and integrity of the Non-public Information; and,
 - (v) to the extent that the Non-public Information is personally identifiable information or is information subject to the Privacy Act of 1974, 5 U.S.C. § 552a, ensuring that the Non-public Information is also protected as required by the Privacy Act and the applicable information security standards, including National

Institute of Standards and Technology, Special Publication 800-122 "Guide to Protecting the Confidentiality of Personally Identifiable Information. (April 2010)."

5. The Recipient may share Non-public Information it receives pursuant to this MOU with its contractors (including individual contractor personnel and including consultants), but only if the contractor is obligated by the terms of its contract entered into with the Recipient (including any corresponding confidentiality agreement) to (i) safeguard the Non-public Information as set forth in paragraph III.3 of this MOU; (ii) return, or certify to the Recipient, the destruction of all copies of the Non-public Information at the conclusion of its engagement with the Recipient; (iii) not use the Non-public Information for any purpose other than in connection with its engagement with the Recipient; and (iv) not disclose the Non-public Information outside of the contractor (other than to the Recipient) without the prior written approval of the Provider.
6. Unless prohibited by law or otherwise provided in this MOU, the Recipient shall:
 - (i) promptly notify the Provider in writing of any legally enforceable demand or request from a third party for any record originated by the Provider (including but not limited to, a subpoena, court order, request pursuant to the Freedom of Information Act, or a request by the U.S. Government Accountability Office); provide a copy of the request or demand to the Provider for its consideration and advise the requester of such action; provide the Provider a reasonable opportunity to respond to the demand or request; and assert on behalf of the Provider all such reasonable and appropriate legal exemptions or privileges that the Provider may request be asserted on its behalf;
 - (ii) consent to application by the Provider to intervene in any related action for the purpose of asserting and preserving any claims of confidentiality with respect to any records originated by the Provider; and
 - (iii) not grant any demand or request for the Provider's Non-public Information or furnish it to any third party without the prior written approval of the Provider except as provided in paragraph III.6 of this MOU.
7. Nothing in this MOU shall prevent a party from complying with a legally valid and enforceable subpoena, or United States federal court order compelling production of the Provider's Non-public Information or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives. To the extent permitted by law, the Recipient will advise the Provider of such a request, demand, or order as promptly as is reasonably possible and consult with the Provider on the response before complying with the request, demand, or order. Recipient shall use its best efforts to ensure that the requestor secures an appropriate protective order or, if the requestor is a legislative body, use its best efforts to obtain the commitment or agreement of the legislative body that it will maintain the confidentiality of the information.

8. The Parties agree that sharing of Non-public Information will not constitute either public disclosure or a waiver of confidentiality or of any applicable privileges, including the examination privilege, and does not waive or alter any provisions of any applicable laws relating to Non-public Information. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

IV. General Terms

1. This MOU is effective upon the signature by representatives of the Parties and remains effective until either party provides written notice of its intent to terminate this MOU.
2. Following the termination of this MOU, all Non-public Information that has been shared is subject to the terms of this MOU and shall remain confidential, shall continue to be protected as set forth in this MOU, and shall not be shared outside of the Recipient without the prior written permission of the Provider.
3. The Parties to the MOU may from time to time amend this MOU in writing and such amendments, when executed by all Parties, shall then become a part of the MOU.
4. This MOU contains the entire and exclusive agreement of the Parties with respect to the confidential treatment of nonpublic information shared among the Parties pursuant to this MOU or any other applicable memorandum of understanding (as designated by the Parties) .
5. This MOU may be executed in separate counterparts, each of which when executed and delivered shall be deemed an original, and all of which taken together shall constitute one and the same MOU.
6. As soon as practicable after execution of this MOU, each party will advise the other of the name, title, and contact information, including addresses and telephone and fax numbers, for the appropriate official(s) to contact for purposes of notices and exchanges of information. This contact information will be updated as appropriate.

7. No provision of this MOU is intended to and may not be construed to limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of law governing the Parties' respective authorities or responsibilities.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

FOR THE OFFICE OF THE
COMPTROLLER OF CURRENCY

By *Richard Corday*
Richard Corday
Director *4.26.2012*

By *[Signature]*
Thomas J. Curry *4/30/12*
Comptroller of the Currency

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau
and the North Carolina Attorney General's Office**

I. Parties

The Consumer Financial Protection Bureau ("CFPB" or the "Bureau") was established by the Consumer Financial Protection Act of 2010 ("CFP Act") (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding ("MOU") pursuant to its authority under the CFP Act and its regulations.

The North Carolina Attorney General's Office (NC AGO) and its Consumer Protection Division have the authority to pursue consumer protection related investigations and litigation under N.C. Gen. Stat. § 75-1.1 *et seq.* and other common law and statutory authorities.

II. Purpose

The CFPB and the NC AGO (collectively "Parties") enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB's obligations with regard to the NC AGO's information are set forth in this MOU. Any information provided to the NC AGO shall be subject to the CFPB's Rule on Disclosure of Records and Information ("Disclosure Rule"), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB's Obligations Upon Receipt of NC AGO's Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the NC AGO and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the NC AGO. The CFPB shall, upon the reasonable request of the NC AGO and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the NC AGO. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the NC AGO's information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the NC AGO;
- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the NC AGO's information may not be disclosed insofar as it is the property of the NC AGO, and that any request for the disclosure of such information is properly directed to the NC AGO. In providing the information, the NC AGO will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the NC AGO is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the NC AGO (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the NC AGO's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the NC AGO in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the NC AGO and, to the extent applicable, afford the NC AGO a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the NC AGO may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the NC AGO to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. NC AGO's Obligations Upon Receipt of the CFPB's Information

The NC AGO may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth NC AGO's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the NC AGO disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the NC AGO required under this MOU shall be delivered to Kevin Anderson, Senior Deputy Attorney General and Phil Woods, Special Deputy Attorney General, Consumer Protection Division, North Carolina Department of Justice, P.O. Box 629, Raleigh, NC 27602-0629 or their successors.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: 4/17/2012

FOR THE NORTH CAROLINA ATTORNEY
GENERAL'S OFFICE

By: Kevin Anderson
Kevin Anderson
Senior Deputy Attorney General
Consumer Protection Division
North Carolina Department of Justice

Date: 4/16/12

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau
and the
Nevada Attorney General's Office**

I. Parties

The Consumer Financial Protection Bureau ("CFPB" or the "Bureau") was established by the Consumer Financial Protection Act of 2010 ("CFP Act") (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding ("MOU") pursuant to its authority under the CFP Act and its regulations.

The Office of the Attorney General of Nevada ("Nevada Attorney General") is represented in this MOU by Jo Ann Gibbs, Senior Deputy Attorney General, Bureau of Consumer Protection.

II. Purpose

The CFPB and the Nevada Attorney General's office (collectively "Parties") enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB's obligations with regard to the Nevada Attorney General's information are set forth in this MOU. Any information provided to the Nevada Attorney General shall be subject to the CFPB's Rule on Disclosure of Records and Information ("Disclosure Rule"), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB's Obligations Upon Receipt of Information from the Attorney General of Nevada

All information obtained by the CFPB pursuant to this MOU shall remain the property of the Nevada Attorney General and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the Nevada Attorney General. The CFPB shall, upon the reasonable request of the Nevada Attorney General and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the Nevada Attorney General. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the Nevada Attorney General's information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the Nevada Attorney General;

- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. FOIA Requests. If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the Attorney General's information may not be disclosed insofar as it is the property of the Nevada Attorney General, and that any request for the disclosure of such information is properly directed to the Nevada Attorney General. In providing the information, the Nevada Attorney General will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the Nevada Attorney General is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. Other Requests and Demands. In the event the CFPB receives any legally enforceable demand or request for information of the Nevada Attorney General (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the Nevada Attorney General's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the Nevada Attorney General in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the Nevada Attorney General and, to the extent applicable, afford the Nevada Attorney General a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the Nevada Attorney General may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the Nevada Attorney General to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. Compulsory Orders and Demands. Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. Nevada Attorney General's Obligations Upon Receipt of the CFPB's Information

The Nevada Attorney General may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth the Nevada Attorney General's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the Nevada Attorney General disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the Nevada Attorney General required under this MOU shall be delivered to Senior Deputy Attorney General JoAnn Gibbs, jgibbs@ag.nv.gov, or her successor.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: 4-16-12

FOR THE NEVADA ATTORNEY
GENERAL

By: Jo Ann Gibbs
Jo Ann Gibbs
Senior Deputy Attorney General
Bureau of Consumer Protection
Nevada Attorney General's Office

Date: 4-12-12

**Memorandum of Understanding Between
the Consumer Financial Protection Bureau and the State of Vermont**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The State of Vermont is represented in connection with this MOU by the Vermont Attorney General’s Office.

II. Purpose

The CFPB and the State of Vermont (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to the State of Vermont’s information are set forth in this MOU. Any information provided to the State of Vermont shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of the State of Vermont’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the State of Vermont and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the State of Vermont. The CFPB shall, upon the reasonable request of the State of Vermont and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the State of Vermont. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the State of Vermont’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the State of Vermont;
- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and

(iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the State of Vermont's information may not be disclosed insofar as it is the property of the State of Vermont, and that any request for the disclosure of such information is properly directed to the State of Vermont. In providing the information, the State of Vermont will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the State of Vermont is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the State of Vermont (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the State of Vermont's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the State of Vermont in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the State of Vermont and, to the extent applicable, afford the State of Vermont a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the State of Vermont may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the State of Vermont to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. State of Vermont's Obligations Upon Receipt of the CFPB's Information

The State of Vermont may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth the State of Vermont's obligations regarding information received from the CFPB, including the procedure for handling

third party requests for CFPB information and limitations on the State of Vermont disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of this MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to this MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the State of Vermont required under this MOU shall be delivered to Elliot Burg, Assistant Attorney General, Vermont Attorney General's Office, 109 State Street, Montpelier, VT 05609, 802-828-2153, eburg@atg.state.vt.us, or another delegee of the Vermont Attorney General's Office.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

FOR THE STATE OF VERMONT

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

By: Elliot Burg
Elliot Burg
Assistant Attorney General
State of Vermont

Date: 4/5/2012

Date: April 5, 2012

**Memorandum of Understanding
Between the Consumer Financial Protection Bureau and the State of New Hampshire**

I. Parties

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was established by the Consumer Financial Protection Act of 2010 (“CFP Act”) (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding (“MOU”) pursuant to its authority under the CFP Act and its regulations.

The State of New Hampshire is acting through its Department of Justice, Consumer Protection and Antitrust Bureau, New Hampshire RSA 21-M:9 and RSA 358-A.

II. Purpose

The CFPB and the State of New Hampshire (collectively “Parties”) enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB’s obligations with regard to the State of New Hampshire’s information are set forth in this MOU. Any information provided to the State of New Hampshire shall be subject to the CFPB’s Rule on Disclosure of Records and Information (“Disclosure Rule”), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB’s Obligations Upon Receipt of the State of New Hampshire’s Information

All information obtained by the CFPB pursuant to this MOU shall remain the property of the State of New Hampshire and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the State of New Hampshire. The CFPB shall, upon the reasonable request of the State of New Hampshire and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the State of New Hampshire. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the State of New Hampshire’s information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the State of New Hampshire;
- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and

(iii) complying with applicable breach notification policies and procedures.

B. *FOIA Requests.* If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the State of New Hampshire's information may not be disclosed insofar as it is the property of the State of New Hampshire, and that any request for the disclosure of such information is properly directed to the State of New Hampshire. In providing the information, the State of New Hampshire will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the State of New Hampshire is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. *Other Requests and Demands.* In the event the CFPB receives any legally enforceable demand or request for information of the State of New Hampshire (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the State of New Hampshire's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the State of New Hampshire in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the State of New Hampshire and, to the extent applicable, afford the the State of New Hampshire a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the State of New Hampshire may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the State of New Hampshire to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. *Compulsory Orders and Demands.* Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. State of New Hampshire's Obligations Upon Receipt of the CFPB's Information

The State of New Hampshire may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth the State of New Hampshire's obligations regarding information received from the CFPB, including the procedure

for handling third party requests for CFPB information and limitations on the State of New Hampshire disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the State of New Hampshire required under this MOU shall be delivered to Chief, Consumer Protection and Antitrust Bureau, New Hampshire Department of Justice, 33 Capitol Street, Concord, NH 03301; 603-271-3643; DOJ-CPB@doj.nh.gov.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: 4/5/2012

FOR THE STATE OF NEW HAMPSHIRE

By: James T. Boffetti
James T. Boffetti
Senior Assistant Attorney General
Chief, Consumer Protection and
Antitrust Bureau
State of New Hampshire

Date: 4 April 2012

Memorandum of Understanding
Between the Consumer Financial Protection Bureau and the Iowa Attorney General's Office

I. Parties

The Consumer Financial Protection Bureau ("CFPB" or the "Bureau") was established by the Consumer Financial Protection Act of 2010 ("CFP Act") (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*). The CFPB enters into this memorandum of understanding ("MOU") pursuant to its authority under the CFP Act and its regulations.

The Office of the Attorney General of Iowa ("Iowa Attorney General") is represented in this MOU by William L. Brauch, Special Assistant Attorney General and Director of the Consumer Protection Division of that office.

II. Purpose

The CFPB and the Iowa Attorney General (collectively "Parties") enter into this MOU to establish a framework, consistent with law, to preserve the confidentiality of information the parties share.

III. Treatment of Shared Information

Any nonpublic written or oral information exchanged between the Parties will be deemed confidential. The CFPB's obligations with regard to the Iowa Attorney General's information are set forth in this MOU. Any information provided to the Iowa Attorney General shall be subject to the CFPB's Rule on Disclosure of Records and Information ("Disclosure Rule"), 12 C.F.R. § 1070 *et seq.*, including the limitations on further disclosure of the information.

IV. The CFPB's Obligations Upon Receipt of Information from the Attorney General of Iowa

All information obtained by the CFPB pursuant to this MOU shall remain the property of the Iowa Attorney General and, to the extent practicable, shall be maintained and identified as such and may not be disclosed, except as permitted in writing by the Iowa Attorney General. The CFPB shall, upon the reasonable request of the Iowa Attorney General and, to the extent permitted by law, return, destroy, delete, or otherwise dispose of any information as directed by the Iowa Attorney General. This MOU does not apply to information received by CFPB pursuant to 12 C.F.R. § 1082.1 *et seq.*

A. *Confidentiality Safeguards.* The CFPB agrees to establish and maintain safeguards to protect the confidentiality of the information provided pursuant to this MOU, by:

- (i) restricting access to the Iowa Attorney General's information to its officers, employees, contractors, and agents who have a need for such information in the performance of their official duties, and informing such persons with access of their responsibilities under the MOU, except as otherwise provided in writing by the Iowa Attorney General;

- (ii) establishing appropriate administrative, technical, and physical safeguards to insure the confidentiality of personally identifiable information and data security and integrity; and
- (iii) complying with applicable breach notification policies and procedures.

B. FOIA Requests. If a request is made pursuant to the Freedom of Information Act or the Privacy Act, the CFPB will inform the requester that the Iowa Attorney General's information may not be disclosed insofar as it is the property of the Iowa Attorney General, and that any request for the disclosure of such information is properly directed to the Iowa Attorney General. In providing the information, the Iowa Attorney General will also endeavor to communicate, through appropriate markings or otherwise, whether information provided by the Iowa Attorney General is confidential or privileged, including whether the information contains confidential or privileged commercial or financial information or trade secrets.

C. Other Requests and Demands. In the event the CFPB receives any legally enforceable demand or request for information of the Iowa Attorney General (including, but not limited to, any judicial or administrative subpoena, court order, discovery request, request by the U.S. Government Accountability Office), or in the event the Iowa Attorney General's information is subject to an affirmative disclosure obligation, the CFPB shall promptly notify the Iowa Attorney General in writing and provide a copy of the demand or request for the information or describe the affirmative disclosure obligation, and, before complying with the request or demand or disclosure obligation, shall:

- (i) consult with the Iowa Attorney General and, to the extent applicable, afford the Iowa Attorney General a reasonable opportunity to respond to the demand or request;
- (ii) assert all reasonable and appropriate legal exemptions or privileges that the Iowa Attorney General may reasonably request be asserted on its behalf; and
- (iii) consent to an application by the Iowa Attorney General to intervene in any action or administrative proceeding to preserve, protect, and maintain the confidentiality of the information or any related privilege.

D. Compulsory Orders and Demands. Nothing in this MOU shall prevent the CFPB from complying with a legally valid and enforceable order of a court of competent jurisdiction, an order issued by a federal Administrative Law Judge, or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives.

V. Iowa Attorney General's Obligations Upon Receipt of the CFPB's Information

The Iowa Attorney General may seek information from the CFPB by submitting a written request to the CFPB's General Counsel or its delegee containing the information specified in 12 C.F.R. § 1070.43(b). In some instances, the CFPB's Office of General Counsel or its delegee may authorize standing requests for certain information with an approved 12 C.F.R. § 1070.43(b) submission.

The CFPB's Disclosure Rule, 12 C.F.R. § 1070 *et seq.*, sets forth the Iowa Attorney General's obligations regarding information received from the CFPB, including the procedure for handling third party requests for CFPB information and limitations on the Iowa Attorney General disclosing the CFPB's information.

VI. Effect of this MOU

A. No provision of this MOU is intended to, and no provision of the MOU shall be construed to, limit or otherwise affect the authority of the Parties to administer, implement, or enforce any provision of any law subject to their respective jurisdictions.

B. The Parties agree that sharing of the information pursuant to this MOU will not constitute public disclosure and in no way constitutes an intention to compromise the confidentiality of such information or waive any applicable privilege. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

VII. Term

This MOU is effective upon signature by both Parties, and will remain in effect until superseded by the signed, mutual agreement of the Parties. Either Party may withdraw from or otherwise terminate its participation in this agreement not earlier than 30 days after written notice provided to the other Party. To the extent that a Party retains information upon termination of this MOU, the information shall continue to be treated in accordance with the terms of this MOU and shall not be shared outside the terms of this MOU, except as required by applicable law, or as mutually agreed upon by the Parties.

VIII. Amendments

The Parties to the MOU may from time to time amend this MOU in writing.

IX. Contacts

A. Completed information access forms should be submitted to the CFPB via electronic mail to Enforcement@CFPB.gov. Questions about this MOU should be directed to Kent Markus, Enforcement Director, 202-435-7061, kent.markus@cfpb.gov, and Hunter Wiggins, Deputy Enforcement Director for Strategic Planning, (202) 435-7387, hunter.wiggins@cfpb.gov, or their successors.

B. Any notice to the Iowa Attorney General required under this MOU shall be delivered to William L. Brauch, William.brauch@iowa.gov or his successor.

X. Execution

This MOU may be executed in counterparts and by signature sent by facsimile or electronically, each of which shall be deemed an original for all purposes.

XI. Authority

Each Party to this MOU has requisite legal authority to enter into this MOU. In the event of any material change to its authority, a Party will provide written notification to the other within ten (10) calendar days of any such change.

FOR THE CONSUMER
FINANCIAL PROTECTION BUREAU

By: Richard Cordray
Richard Cordray
Director
Consumer Financial Protection Bureau

Date: 4/4/2012

FOR THE IOWA ATTORNEY GENERAL

By: William L. Brauch
William L. Brauch
Special Assistant Attorney General
Director-Consumer Protection Division
Iowa Attorney General's Office

Date: April 3, 2012

Memorandum of Understanding Between The Bureau of Consumer Financial Protection and The U.S. Department of Education Concerning the Sharing of Information

Introduction and Purpose

This Memorandum of Understanding (MOU) is entered into between the Bureau of Consumer Financial Protection (Bureau) and the U.S. Department of Education (ED). Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act or Act) establishes the Bureau, an independent entity with authority to regulate the offering and provision of consumer financial products or services under Federal consumer financial laws as set forth in the Dodd-Frank Act.

This MOU sets forth the agreement between the Bureau and ED (collectively, the Agencies or the Parties) with respect to sharing, to the extent permitted by applicable privacy laws and regulations, information in connection with their responsibilities under the Dodd-Frank Act. In addition, pursuant to Section 1035 of the Act, this MOU provides the framework for the Parties' "coordination in providing assistance to and serving borrowers seeking to resolve complaints related to their private education or Federal student loans."

The Bureau enters into this MOU pursuant to its authority under sections 1012 and 1035 of the Consumer Financial Protection Act of 2010, Pub. L. No. 111-203, Title X (the Dodd-Frank Act or Act) (codified at 12 U.S.C. 5492, 5535). ED enters into this MOU pursuant to its authority under Sections 415 and 419 of the Department of Education Organization Act, Pub. L. No. 96-88 (Codified at 20 U.S.C. 3475, 3479).

Information Sharing

1. In addition to the sharing described below, to the extent the providing Agency (the Provider) deems appropriate and necessary, the Provider may, at its discretion, share information in any form with the other Agency (the Recipient).
2. For the purposes of the Bureau's Congressional reporting, research, market analysis, complaint resolution, enforcement, supervision, financial education, engagement, and rulemaking needs, ED agrees to work with the Bureau to identify requirements and costs for the Bureau to access ED databases, as applicable, to the extent permitted by applicable privacy statutes and regulations.
3. In addition to the information described in paragraph 2, the Bureau may request and, if the disclosure is permitted by applicable privacy statutes and regulations, obtain information concerning consumer complaints and other information pertaining to specific entities or classes of entities from ED that are relevant to the exercise of the Bureau's supervisory enforcement or regulatory functions.

Educational Content

1. Educational content means any published or public material that increases the public's understanding of an issue or program. This would include, but is not limited to curricula, frequently asked questions, and material from posters.
2. Existing educational content: ED hereby grants the Bureau permission to reproduce, or otherwise use without modification, all educational content made available to the public by ED as of the date of this MOU for use in the Bureau's consumer education and engagement mission, including on the Bureau's Web site.
3. Future educational content: The Bureau and ED may reproduce educational content created by the other if they provide prior notice to the creating agency.

Complaint Handling

Both the Bureau and ED may receive comments, inquiries, and requests for assistance (complaints) from student loan borrowers. The items below describe how the Bureau and ED will cooperate to help borrowers resolve their requests for assistance per section 1035 of the Act.

1. The Bureau and ED shall transfer complaints to the other Agency to the extent permitted by applicable privacy laws and regulations. The Bureau will provide ED with at least 60 days notice before these transfer processes shall commence.
2. For all complaints received by the Bureau related to the origination, disbursement, and servicing of loans made, insured, or guaranteed under Title IV of the Higher Education Act of 1965, as amended (Title IV loans), the Bureau shall direct the complaint to ED within 10 days of contact by the consumer. The agencies shall work to establish an efficient collaborative process to address complaints received by the Bureau about private collection agency actions related to defaulted Title IV loans.
3. For any complaint received by ED related to any private education loan, as defined by the Truth in Lending Act, 15 U.S.C. section 1650(a)(7), ED shall direct the complaint to the Bureau within 10 days of contact by the consumer.
4. For any complaints concerning both Title IV loans and private education loans, the Agency receiving the complaint shall work to resolve the component of the complaint over which it has responsibility and notify the borrower that the remaining portion of the complaint will be referred to the other Agency. The Agencies shall work to determine an efficient process to collaborate to ensure coordination in providing assistance to and serving borrowers seeking to resolve complaints related to their private education or Federal student loans.
5. The Agencies shall provide reports to one another, at least quarterly, that summarize the nature of complaints received, characteristics of borrowers, complaint status, and any available information regarding resolution status. The Agencies shall work to ensure that reporting categories and definitions are consistent in order to ensure comparability.

6. Each Agency shall develop a mutually agreed-upon preferred data format for the electronic transfer of data for complaints referred to the other Agency. The Agencies should reasonably work to accommodate this data format request.
7. Nothing in this section shall be construed to limit either Agency's otherwise existing authorities.

Permissible Uses and Confidentiality of Exchanged Information

The Parties agree as follows:

1. The Parties will comply with the standards applicable to Federal agencies for protection of the privacy and confidentiality of personally identifiable information and for data security and integration.
2. If one Party provides access for the other Party to information that is not publicly available, the Party making the information available may impose, after consultation with the other Party, such conditions upon the other Party's use or further dissemination of the information as are reasonably necessary to protect individuals' privacy interests under the Privacy Act, 5 U.S.C. section 552a, the Party's deliberative process, or any interest protected by the exemptions to the Freedom of Information Act, 5 U.S.C. section 552(b) and the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. section 1232g. Any such conditions shall be reduced to writing and be provided before the relevant exchange of information.
3. The Parties agree that the exchange of information pursuant to the MOU is not intended to constitute public disclosure and is not intended to constitute a waiver of any applicable privileges, nor is such exchange intended to waive any provision of any applicable law. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information shared under this MOU.

General Terms

1. This MOU is effective upon the signatures by representatives of the Parties and remains effective until thirty days after any Party hereto provides written notice to the other party of its intent to terminate the MOU.
2. In the event this MOU is terminated, information exchanges pursuant to this MOU shall continue to be treated in accordance with any conditions imposed by the Party providing the information, unless such conditions are waived or altered by the Party providing the information.
3. The Parties to the MOU may from time to time amend this MOU in writing, and such amendments when executed by the Parties shall then become a part of the MOU.
4. This MOU may be executed in separate counterparts, each of which when executed and delivered shall be deemed an original, and all of which taken together shall constitute one and the same MOU.
5. This MOU does not transfer funds between the Parties or commit the Parties to transfer funds. Each Party shall bear its own costs of complying with this MOU. In the event funds must be transferred between the Parties for the provision of goods or services,

access to ED databases, or any other purpose, such transfer shall be accomplished by a separate interagency agreement.

6. Attachment A to this agreement includes the name, office, and contact information, including addresses and telephone and fax numbers, for the appropriate official(s) to contact for purposes of notices and exchanges of information. This contact information will be updated as appropriate.

FOR THE BUREAU OF CONSUMER FINANCIAL PROTECTION

By 

Title Private Education Loan Ombudsman, CFPB


Date 10-19-2011

FOR THE U.S. DEPARTMENT OF EDUCATION

By 

Title Assistant Secretary, OPE

Date 10-19-2011

By 

Title Chief Operating Officer, FSA

Date 10-19-2011

ATTACHMENT A

For the purposes of notices and exchanges, please contact:

Consumer Financial Protection Bureau

Jeffrey Riley

Office of the Executive Secretary

Phone: 202-435-7497

Fax: 202-435-7329

Jeffrey.Riley@cfpb.gov

Please also copy the following distribution list:

studentloanombudsman@cfpb.gov

Department of Education

Debra Wiley

Federal Student Aid/Customer Experience

Phone: 202-377-3801

Fax: 202-275-5000

Debra.Wiley@ed.gov

Please also copy the following distribution list:

Phil.Martin@ed.gov

Gail.McLarnon@ed.gov

Joyce.DeMoss@ed.gov

BILL NELSON, FLORIDA, CHAIRMAN

RON WYDEN, OREGON
ROBERT P. CASEY JR, PENNSYLVANIA
CLAIRE McCASKILL, MISSOURI
SHELDON WHITEHOUSE, RHODE ISLAND
KIRSTEN E. GILLIBRAND, NEW YORK
JOE MANCHIN III, WEST VIRGINIA
RICHARD BLUMENTHAL, CONNECTICUT
TAMMY BALDWIN, WISCONSIN
JOE DONNELLY, INDIANA
ELIZABETH WARREN, MASSACHUSETTS

SUSAN M. COLLINS, MAINE,
RANKING MEMBER

BOB CORKER, TENNESSEE
ORRIN HATCH, UTAH
MARK KIRK, ILLINOIS
DEAN HELLER, NEVADA
JEFF FLAKE, ARIZONA
KELLY AYOTTE, NEW HAMPSHIRE
TIM SCOTT, SOUTH CAROLINA
TED CRUZ, TEXAS

United States Senate

SPECIAL COMMITTEE ON AGING

WASHINGTON, DC 20510-6400

(202) 224-5364

July 10, 2013

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street NW
Washington, DC 20552

Dear Mr. Cordray:

This letter serves as an invitation for you or your designee to testify before the Senate Special Committee on Aging at our upcoming hearing, "Payday Loans: Short-Term Solution or Long-Term Problem?" The hearing is scheduled to take place on Wednesday, July 24, 2013, at 2:00 p.m. in Room 562 of the Dirksen Senate Office Building.

In order to leave sufficient time for follow-up questions and discussion, we ask that the oral statement be limited to no more than five minutes. Of course, the written statement will be printed in full in the record of the hearing. Guidance on submitting testimony and a description of Committee practices can be found in the enclosed witness information sheet.

If you have any questions regarding the hearing, please contact Matthew T. Lawrence, Chief Clerk/System Administrator, at matt_lawrence@aging.senate.gov or 202-224-5364. Thank you for your participation. We look forward to your testimony.

Sincerely,



Bill Nelson
Chairman



Susan M. Collins
Ranking Member



1700 G Street, N.W., Washington, DC 20552

November 4, 2013

The Honorable Spencer Bachus
U.S. House of Representatives
2138 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Bachus,

Thank you for your September 24, 2013 letter about indirect auto lending practices and compliance with anti-discrimination laws, such as the Equal Credit Opportunity Act (ECOA) of 1974. I appreciate the opportunity to continue a dialogue with you on this important issue and have responded to your questions below.

- 1) You asked about the data and assumptions the Consumer Financial Protection Bureau relied upon to substantiate our determination that a commonly-used markup and compensation policy creates fair lending risk for indirect auto lenders.

The Bureau's March 21, 2013 Auto Bulletin was published to offer guidance to all indirect auto lenders within the Bureau's jurisdiction about compliance with the fair lending requirements of ECOA.¹ The Auto Bulletin did not set forth substantiated findings of discrimination, but instead highlighted the fair lending risk inherent in some indirect auto lenders' markup and compensation policies based upon the discretion those policies permit. As we noted in the Auto Bulletin:

...some indirect auto lenders have policies that allow auto dealers to mark up lender-established buy rates and that compensate dealers for those markups in the form of reserve. . . .Because of the incentives these policies create, and the discretion they permit, there is a significant risk that they will result in pricing disparities on the basis of race, national origin, and potentially other prohibited bases.

As we noted in our August 2, 2013 letter to you (August 2, 2013 Letter), the Auto Bulletin explains that the standard practices of indirect auto lenders likely make them "creditors" under ECOA and that a lender's discretionary markup and compensation policies may alone be sufficient to trigger liability under ECOA if the lender regularly participates in a credit decision and its policies result in discrimination. By describing the relevant laws and regulations that apply to indirect auto lending, the Auto Bulletin's intent was to help indirect auto lenders recognize and

¹ Indirect Auto Lending and Compliance with ECOA, CFPB Bulletin 2013-02, Mar. 21, 2013 available at http://files.consumerfinance.gov/f/201303_cfpb_march_Auto-Finance-Bulletin.pdf

mitigate the risk of discrimination resulting from discretionary dealer markup and compensation policies. This is the type of fair lending risk of which lenders need to be aware and monitor in their portfolios.

In our press release we stated that “[r]esearch indicates that markup practices may lead to African Americans and Hispanics being charged higher markups. . . .” Our August 2, 2013 Letter to you elaborated on this statement, noting that, historically, the failure to properly or consistently monitor discretionary policies and practices for compliance with anti-discrimination laws has been a contributing factor in discrimination in auto lending and in other product markets, like mortgages. This historical experience has been documented by scholars² and is reflected in relevant case law³ and Department of Justice enforcement actions.⁴ This same research supports the monetary level of consumer harm referenced in the Bureau’s press release.

- 2) Your letter also requested the detailed methodology that measures whether discrimination is present in an auto creditor’s portfolio.

You specifically requested a more detailed explanation of our proxy methodology, appropriate controls and disparity “threshold.” Demographic information, such as race, sex, and ethnicity, is not collected by non-mortgage lenders. However, this information is vital to assessing fair lending compliance. Thus, federal regulatory and enforcement agencies have long used proxy methods in non-mortgage data analysis. As we noted in the August 2, 2013 Letter, various proxy methodologies are publicly available and have been used for decades in a number of different civil rights contexts, including voting rights cases, Title VII cases, and constitutional challenges, including jury selection and equal protection matters. In addition, federal banking regulators have made clear that proxy methods may be used in fair lending exams to estimate protected characteristics where direct evidence of the protected characteristic is unavailable.⁵

² For example, see Cohen, Mark A. (2012). “Imperfect Competition in Auto Lending: Subjective Markups, Racial Disparity, and Class Action Litigation.” *Review of Law and Economics* vol. 8, no. 1 (21-58). Working Paper available at <http://ssrn.com/abstract=1951827>.

³ See, Coleman v. Gen. Motors Acceptance Corp., 196 F.R.D. 315 (M.D.Tenn. 2000), *vacated and remanded on unrelated grounds*, 296 F.3d 443 (6th Cir. 2002); Jones v. Ford Motor Credit Co., 2002 WL 88431 (S.D.N.Y. Jan. 22, 2002); Smith v. Chrysler Fin. Co., 2003 WL 328719 (D.N.J. Jan. 15, 2003); Osborne v. Bank of America Nat’l Ass’n, 234 F.Supp.2d 804 (M.D. Tenn. 2002); Wise v. Union Acceptance Corp., 2002 WL 31730920 (S.D. Ind. Nov. 19, 2002).

⁴ See, e.g., United States v. Springfield Ford, Inc., No. 2:07-cv-03469-PBT (E.D. Pa. Aug. 21, 2007); United States v. Pacifico Ford, Inc., No. 2:07-cv-03470-PBT (E.D. Pa. Aug. 18, 2007); United States v. NARA Bank, et al., No. 2:09-cv-07124-RGK-JC (C.D. Cal. Nov. 18, 2009); see also United States v. Countrywide Fin. Corp., No. 2:11-cv-10540-PCG-AJW, (C.D. Cal. Dec. 28, 2011); United States v. AIG Fed. Sav. Bank, No. 1:99-mc-0999 (D. Del. Mar. 4, 2010).

⁵ See *Interagency Fair Lending Examination Procedures*, at 12-13, available at <http://www.ftic.gov/PDF/fairlend.pdf> (explaining that “[a] surrogate for a prohibited basis group may be used” in a comparative file review and providing examples of surname proxies for race/ethnicity and first name proxies for sex); see also, <http://www.philadelphiafed.org/bank-resources/publications/consumer-compliance-outlook-2012-first-quarter-fair-lending-symposium.cfm>.

In general, the proxy methodology used depends on the characteristic being proxied. For example, to proxy for gender, the Bureau relies on a first-name database from the Social Security Administration that reports counts of individuals by gender and birth year for first names occurring at least five times for a particular gender in a birth year.⁶ The proxy method assigns a probability that a particular applicant is female based on the distribution of the population across gender categories (male or female) for the applicant's first name.

There is a greater variety of methods to proxy for race and national origin. A common method for proxying the probability that an applicant is Hispanic or Asian is to use the surname database published by the Census Bureau.⁷ Another method to proxy for race and national origin—typically referred to as “geocoding”—uses the demographics of the census geography (e.g., census tract or block group) in which an individual's residence is located, and assigns probabilities about the individual's race or national origin based on the demographics of that area. This method is frequently used to proxy the probability that an applicant is African American, and it can be used to proxy for other racial and ethnic groups as well.

Over the last decade, another method to proxy for race and national origin has been developed that integrates the surname and geographical approaches described above. This method was developed by health research economists,⁸ and it combines the respective probabilities generated by the surname and geographical proxies. Published research has found that the integrated approach produces proxies that correlate highly with self-reported race and national origin data and is more accurate than using surname or geography alone.⁹ The Bureau uses the integrated proxy as the primary method for proxying race and national origin in our non-mortgage analyses.

We are aware of proxy methods for race and national origin that use nonpublic information, such as proprietary databases developed in the private sector matching first or middle names to certain racial or ethnic groups. For the purpose of conducting our supervisory work, we have chosen to use proxy methods that rely solely on public data so that lenders can replicate our methods without the need to recreate or purchase proprietary databases as part of their own fair lending compliance management systems.

You asked about the Bureau's rationale for the statement in the August 2, 2013 Letter that, “[t]he concept of using proxies for unavailable data is a widely accepted mathematical and statistical approach used across many disciplines, including, to our understanding, by the auto industry itself for marketing purposes.” This observation did not speak to the legal relevance of proxies with respect to ECOA liability, but rather to their widespread acceptance and adoption.

⁶ <http://www.ssa.gov/oact/babynames/limits.html>.

⁷ <http://www.census.gov/genalogy/www/data/2000/surnames/index.html>.

⁸ Marc N. Elliott et al., *A New Method for Estimating Race Ethnicity and Associated Disparities Where Administrative Records Lack Self-Reported Race/Ethnicity*, HEALTH SERVICES RESEARCH 43:5, Part 1 (Oct. 2008).

⁹ Marc N. Elliott et al., *Using the Census Bureau's Surname List to Improve Estimates of Race/Ethnicity and Associated Disparities*, HEALTH SERVICES & OUTCOMES RESEARCH METHODOLOGY (2009) 9:69-83.

You have also asked about other available proxy methods. As we noted above, proxy methods vary based on the characteristic being proxied (race, national origin, or gender), and there are several reasonable methods of proxying for each of these characteristics. Some methods, for example, use solely surname or geocoding. The Federal Reserve Board, which publicly released some of its proxy methods in July, uses a surname Census database to determine if a borrower is Hispanic and geocoding to determine majority minority census tracts.¹⁰ Other methods, like the Bureau's, integrate the same sources of data into a single proxy for race and national origin. We have chosen the integrated method because we consider it appropriate and helpful in evaluating the large and complex portfolios of the auto lenders supervised by the Bureau. Similarly, we expect lenders to choose a proxy method that will support a compliance management system commensurate with their size, organizational complexity, and risk profile.

You also inquired about controls applied to the analysis of dealer participation. As we explained in our August 2, 2013 Letter, each supervisory examination or enforcement investigation is based upon the particular facts presented by the entity under review. Thus, in our analyses we consider analytical controls which are appropriate to each particular entity. The controls are dependent upon the particular lender's policies, practices, and procedures. We further noted in our August 2, 2013 Letter that when lenders share with us the nature and results of their own analyses, we are open to hearing specific explanations for the decisions they have made to include particular analytical controls that reflect a legitimate business need. Because of this case-by-case determination we cannot identify each control that we apply in the analysis to ensure that borrowers are similarly situated.

You have also asked about "the threshold at which the Bureau determines that statistically significant disparate impact is present." Consistent with the Bureau's peer agencies, the Bureau makes case-by-case assessments of whether to pursue supervisory or enforcement activity in response to statistically significant disparities. This assessment is not based solely on the size of statistical disparities, but rather varies based on a number of additional relevant factors, for example the extent of consumer harm, the nature of the activity under consideration (e.g., underwriting, pricing, fees), and whether the statistical findings are supported by additional evidence of discrimination.

- 3) You requested an explanation of how the issuance of the Bureau's March 21, 2013 Auto Bulletin is consistent with federal law.

As a preliminary matter, it is helpful to note that the Bureau has a number of tools at its disposal when dealing with practices that cause consumer harm, including nonpublic supervisory action, enforcement actions, rulemaking, and consumer education, among others. There are many factors that the Bureau considers when deciding which tools to use, and in determining what is the most appropriate tool to address a certain issue. When we consider whether to engage in rulemaking, a

¹⁰ <http://www.philadelphiafed.org/bank-resources/publications/consumer-compliance-outlook/outlook-live/2013/080613.pdf>

¹¹ 15 U.S.C. § 1691 *et seq.*; 12 C.F.R. pt. 1002 *et seq.*

key question is whether existing laws, regulations, and official commentary already address the topic under consideration.

The ECOA and Regulation B, which was the result of notice and comment, make it illegal for a “creditor” to discriminate in any aspect of a credit transaction because of race, color, religion, national origin, sex, marital status, age, receipt of income from any public assistance program, or the exercise, in good faith, of a right under the Consumer Credit Protection Act.¹¹

The Bureau published the Auto Bulletin to remind lenders of their responsibilities under ECOA and to offer guidance on how to address the identified risks to all indirect auto lenders within the jurisdiction of the Bureau. Consistent with Bureau procedures, the Bulletin was reviewed prior to issuance to ensure compliance with all legally applicable requirements. The Administrative Procedure Act (APA) sets out the principles by which federal agencies engage in regulatory activity and in applicable cases allows for comments from affected parties and the general public concerning an agency’s activity. The APA does not impose a notice and comment requirement for general statements of policy, non-binding informational guidelines, or interpretive memoranda. Accordingly, the Bureau was not statutorily required to solicit comments about the Auto Bulletin.

The Bureau advised the Federal Reserve Board and the Federal Trade Commission, who are also responsible for administering and/or enforcing ECOA, about the Auto Bulletin prior to its publication.

You have asked whether the application of the Auto Bulletin is prospective in nature or also applies to market conduct occurring prior to its issuance. The ECOA was enacted nearly four decades ago and the relevant provisions of Regulation B and its Official Staff Commentary were in effect more than a decade ago. Both the ECOA and Regulation B govern discrimination in any aspect of a credit transaction, including conduct that pre-dates the Auto Bulletin.

- 4) Your letter requested the Bureau’s measurement of how an industry move to compensate dealers for arranging financing through a “flat fee per transaction” would affect the marketplace and the consumers it serves.

The Auto Bulletin expresses the Bureau’s views regarding the fair lending risks present in any indirect automobile lending program that permits dealers discretion to increase consumers’ interest rates for reasons not supported by a legitimate business need. The Bulletin advises lenders that the Bureau will closely review the operations of indirect auto lenders subject to its jurisdiction and employ the appropriate tool to address any unlawful conduct. The Bureau frequently provides information highlighting the existing risk of certain behaviors for which lenders should monitor in their compliance programs.

¹¹ 15 U.S.C. § 1691 *et seq.*; 12 C.F.R. pt. 1002 *et seq.*

Flat fees are mentioned in the Bulletin merely as one example of a non-discretionary compensation mechanism; the Bulletin does not mandate flat fees or any other particular system of dealer compensation. It is our understanding that a number of indirect auto lenders currently compensate auto dealers using a variety of non-discretionary or flat fee programs, and lenders may choose to adopt a variety of means, including, but not limited to, alternative compensation policies, to address fair lending risk. However, the Bureau has not undertaken a study of how market-wide adoption of a single non-discretionary compensation program would affect the availability of credit, nor has it attempted to analyze the impact of all the potential actions lenders may take to eliminate discrimination from their indirect auto lending programs. As a general matter, however, the Bureau believes that fair lending and the legitimate business needs of creditors are compatible.

Thank you for bringing your concerns to the Bureau's attention and for the opportunity to respond. I look forward to working with you on this important issue as the Bureau continues to work to help markets operate more fairly and effectively for consumers and businesses.

Sincerely,



Richard Cordray
Director



1700 G Street, N.W., Washington, DC 20552

November 4, 2013

The Honorable Carolyn B. Maloney
2308 Rayburn Housing Office Building
Washington, DC 20515-3212

Dear Representative Maloney:

Thank you for your letter about increasing consumer protections with regard to the provision of SAFE Act education courses. I appreciate your continued support of the Consumer Financial Protection Bureau, and the opportunity to discuss the Bureau's work with you.

As you note in your letter, Congressman Gary Miller asked at a hearing last year about an emerging practice of lenders providing SAFE Act pre-licensing and continuing education courses to their own employees, and you asked to what extent the Bureau has looked into this issue. You also asked that the Bureau consider protections to ameliorate specific concerns raised by the practice of self-training. At my request following the hearing at which Congressman Miller raised this issue, Bureau staff carefully reviewed the relevant provisions of the SAFE Act and its implementing regulations and held discussions with staff at the Conference of State Bank Supervisors. The Bureau also reviewed CSBS's response to Congressman Miller's concerns in a letter dated June 20, 2012.

The Bureau noted that the SAFE Act requires mortgage loan originators (MLOs) seeking a state license to complete education courses that have been approved by the Nationwide Mortgage Licensing System and Registry (NMLSR). In addition, each of these MLOs must pass a written test developed by the NMLSR that adequately measures the MLO's knowledge and comprehension in certain subject areas related to mortgage origination. The Bureau further noted the SAFE Act expressly provides that, in order to maintain the independence of the education course approval process, the NMLSR cannot itself offer education courses and that the statute provides that NMLSR apply reasonable standards for course review and approval. It does not, however, prohibit lenders or other entities from providing such courses, as long as they meet reasonable standards established by NMLSR. The Bureau also confirmed that 35 states currently permit the approval of in-house training providers for purposes of meeting the SAFE Act's education requirements.

Under the SAFE Act, the Bureau has backup authority to provide for the establishment of a system for licensing and registration where a state or the NMLSR fails to meet the statutory requirements. For that reason, the Bureau shares your concern for ensuring that the education and testing of MLOs are conducted consistent with the statutory requirements. However, the SAFE Act also clearly recognizes the primary role of the states in this area, and explicitly encourages the states, through the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators, to establish a Nationwide Mortgage Licensing System and Registry for the residential mortgage industry.

consumerfinance.gov

Based on this review, and the emphasis in the SAFE Act on the central role of the states in the Act's implementation, the Bureau does not conclude that action by the Bureau with respect to the practice of self-training is appropriate at this time. A majority of states currently permit the approval of in-house training providers, and the Bureau is not aware of any widespread negative impacts upon consumers linked to such practices in those states as compared to consumers in states that do not permit such practices. However, the concerns you have raised have highlighted this area for the Bureau's consideration, and we will be mindful of the need to be alert to signs that such practices are resulting in negative impacts to consumers.

The Bureau will continue to work with stakeholders to assure that MLOs receive the education and training needed to protect consumers and public interests. I look forward to future collaboration with you on important consumer financial protection issues.

Sincerely,

Richard

Richard Cordray
Director

*Thank you for your interest and attention to
This matter, which has sharpened our,
and kudos again on the progress our
recent report found the CFPB Act is
making for consumers -
Rich*



1700 G Street, N.W. Washington, DC 20552

November 4, 2013

The Honorable Rob Portman
U.S. Senate
448 Russell Senate Office Building
Washington, DC 20510

The Honorable Jeanne Shaheen
U.S. Senate
520 Hart Senate Office Building
Washington, DC 20510

Dear Senators Portman and Shaheen,

Thank you for your October 30, 2013 letter about indirect auto lending practices and compliance with anti-discrimination laws, such as the Equal Credit Opportunity Act (ECOA) of 1974. The Consumer Financial Protection Bureau (Bureau) shares your commitment to ensuring that lending practices are fair and equitable and that credit markets function competitively and efficiently for all consumers and honest businesses. We appreciate the opportunity to work with you on these important goals.

As you note in your letter, credit markets should function competitively and efficiently for all consumers. The Bureau takes seriously its duty to address discrimination across the consumer credit industry, including indirect auto lending by depository and nonbank institutions. Certain policies and practices that allow discretion in pricing can create a significant risk of discrimination on the basis of race, national origin, and other prohibited bases, such as sex. Historically, the failure to properly or consistently monitor such policies and practices for compliance with anti-discrimination laws has been a contributing factor in discrimination, both in auto lending and in other product markets, like mortgages. This historical experience has been documented by scholars¹ and is reflected in relevant case law² and Department of Justice enforcement actions.³

¹ For example, *see* Cohen, Mark A. (2012). "Imperfect Competition in Auto Lending: Subjective Markups, Racial Disparity, and Class Action Litigation." Review of Law and Economics vol. 8, no. 1 (21-58). Working Paper available at <http://ssrn.com/abstract=951827>.

² *See, Coleman v. Gen. Motors Acceptance Corp.*, 196 F.R.D. 315 (M.D.Tenn. 2000), *vacated and remanded on unrelated grounds*, 296 F.3d 443 (6th Cir. 2002); *Jones v. Ford Motor Credit Co.*, 2002 WL 88431 (S.D.N.Y. Jan. 22, 2002); *Smith v. Chrysler Fin. Co.*, 2003 WL 328719 (D.N.J. Jan. 15, 2003); *Osborne v. Bank of America Nat'l Ass'n*, 234 F.Supp.2d 804 (M.D. Tenn. 2002); *Wise v. Union Acceptance Corp.*, 2002 WL 31730920 (S.D. Ind. Nov. 19, 2002).

³ *See, e.g., United States v. Springfield Ford, Inc.*, No. 2:07-cv-03469-PBT (E.D. Pa. Aug. 21, 2007); *United States v. Pacifico Ford, Inc.*, No. 2:07-cv-03470-PBT (E.D. Pa. Aug. 18, 2007); *United States v. NARA Bank, et al.*, No. 2:09-cv-07124-RGK-JC (C.D. Cal. Nov. 18, 2009); *see also United States v. Countrywide Fin. Corp.*, No. 2:11-cv-10540-PCG-AJW, (C.D. Cal. Dec. 28, 2011); *United States v. AIG Fed. Sav. Bank*, No. 1:99-mc-0999 (D. Del. Mar. 4, 2010).

The Bureau's March 21, 2013 Auto Bulletin was published to offer guidance to all indirect auto lenders within the Bureau's jurisdiction about compliance with the fair lending requirements of ECOA.⁴

The Auto Bulletin explains that the standard practices of indirect auto lenders likely make them "creditors" under ECOA and that a lender's discretionary markup and compensation policies may alone be sufficient to trigger liability under ECOA if the lender regularly participates in a credit decision and its policies result in discrimination. By describing the relevant laws and regulations that apply to indirect auto lending, the Auto Bulletin's intent was to help indirect auto lenders recognize and mitigate the risk of discrimination resulting from discretionary dealer markup and compensation policies. This is the type of fair lending risk of which lenders need to be aware and monitor in their portfolios.

- 1) Your letter requested the detailed methodology that measures whether discrimination is present in an auto creditor's portfolio.

You specifically requested a more detailed explanation of the accuracy of the methodology, appropriate controls, and disparity "threshold." Demographic information, such as race, sex, and ethnicity, is not collected by non-mortgage lenders. However, this information is vital to assessing fair lending compliance. Thus, federal regulatory and enforcement agencies have long used proxy methods in non-mortgage data analysis. Various proxy methodologies are publicly available and have been used for decades in a number of different civil rights contexts, including voting rights cases, Title VII cases, and constitutional challenges, including jury selection and equal protection matters. In addition, federal banking regulators have made clear that proxy methods may be used in fair lending exams to estimate protected characteristics where direct evidence of the protected characteristic is unavailable.⁵

In general, the proxy methodology used depends on the characteristic being proxied. For example, to proxy for gender, the Bureau relies on a first-name database from the Social Security Administration that reports counts of individuals by gender and birth year for first names occurring at least five times for a particular gender in a birth year.⁶ The proxy method assigns a probability that a particular applicant is female based on the distribution of the population across gender categories (male or female) for the applicant's first name.

There are a greater variety of methods to proxy for race and national origin. A common method for proxying the probability that an applicant is Hispanic or Asian is to use the surname database

⁴ Indirect Auto Lending and Compliance with ECOA, CFPB Bulletin 2013-02, Mar. 21, 2013 *available at* http://files.consumerfinance.gov/f/201303_cfpb_march_Auto-Finance-Bulletin.pdf.

⁵ See *Interagency Fair Lending Examination Procedures*, at 12-13, *available at* <http://www.ftieec.gov/PDF/fairlend.pdf> (explaining that "[a] surrogate for a prohibited basis group may be used" in a comparative file review and providing examples of surname proxies for race/ethnicity and first name proxies for sex); *see also*, <http://www.philadelphiafed.org/bank-resources/publications/consumer-compliance-outlook/2012/first-quarter/fair-lending-webinar.cfm>.

⁶ <http://www.ssa.gov/oact/babynames/limits.html>.

published by the Census Bureau.⁷ Another method to proxy for race and national origin—typically referred to as “geocoding”—uses the demographics of the census geography (e.g., census tract or block group) in which an individual’s residence is located, and assigns probabilities about the individual’s race or national origin based on the demographics of that area. This method is frequently used to proxy the probability that an applicant is African American, and it can be used to proxy for other racial and ethnic groups as well.

Over the last decade, another method to proxy for race and national origin has been developed that integrates the surname and geographical approaches described above. This method was developed by health research economists,⁸ and it combines the respective probabilities generated by the surname and geographical proxies. Published research has found that the integrated approach produces proxies that correlate highly with self-reported race and national origin data and is more accurate than using surname or geography alone.⁹ The Bureau uses the integrated proxy as the primary method for proxying race and national origin in our non-mortgage analyses.

We are aware of proxy methods for race and national origin that use nonpublic information, such as proprietary databases developed in the private sector matching first or middle names to certain racial or ethnic groups. For the purpose of conducting our supervisory work, we have chosen to use proxy methods that rely solely on public data so that lenders can replicate our methods without the need to recreate or purchase proprietary databases as part of their own fair lending compliance management systems.

As we noted above, proxy methods vary based on the characteristic being proxied (race, national origin, or gender), and there are several reasonable methods of proxying for each of these characteristics. Some methods, for example, use solely surname or geocoding. The Federal Reserve Board, which publicly released some of its proxy methods in July, uses a surname Census database to determine if a borrower is Hispanic and geocoding to determine majority minority census tracts.¹⁰ Other methods, like the Bureau’s, integrate the same sources of data into a single proxy for race and national origin. We have chosen the integrated method because we consider it appropriate and helpful in evaluating the large and complex portfolios of the auto lenders supervised by the Bureau. Similarly, we expect lenders to choose a proxy method that will support a compliance management system commensurate with their size, organizational complexity, and risk profile.

You have also inquired about controls applied to the analysis of dealer participation. Each supervisory examination or enforcement investigation is based upon the particular facts presented by the entity under review. Thus, in our analyses we consider analytical controls which are appropriate to each particular entity. The controls are dependent upon the particular lender’s

⁷ <http://www.census.gov/geenology/www/data/2000surnames/index.html>.

⁸ Marc N. Elliott et al., *A New Method for Estimating Race/Ethnicity and Associated Disparities Where Administrative Records Lack Self-Reported Race/Ethnicity*, HEALTH SERVICES RESEARCH 43:5, Part 1 (Oct. 2008).

⁹ Marc N. Elliott et al., *Using the Census Bureau’s Surname List to Improve Estimates of Race/Ethnicity and Associated Disparities*, HEALTH SERVICES & OUTCOMES RESEARCH METHODOLOGY (2009) 9:69-83.

¹⁰ <http://www.philadelphiafed.org/bank-resources/publications/consumer-compliance-outlook/outlook-live/2013/080613.pdf>.

policies, practices, and procedures. When lenders share with us the nature and results of their own analyses, we are open to hearing specific explanations for the decisions they have made to include particular analytical controls that reflect a legitimate business need. Because of this case-by-case determination we cannot identify each control that we apply in the analysis to ensure that borrowers are similarly situated.

You have also asked about the “threshold at which the Bureau concludes that statistically significant pricing disparities exist.” Consistent with the Bureau’s peer agencies, the Bureau makes case-by-case assessments of whether to pursue supervisory or enforcement activity in response to statistically significant disparities. This assessment is not based solely on the size of statistical disparities, but rather varies based on a number of additional relevant factors, for example the extent of consumer harm, the nature of the activity under consideration (e.g., underwriting, pricing, fees), and whether the statistical findings are supported by additional evidence of discrimination.

- 2) You requested an explanation of how the issuance of the Bureau’s March 21, 2013 Auto Bulletin is consistent with federal law, including the Administrative Procedures Act.

As a preliminary matter, it is helpful to note that the Bureau has a number of tools at its disposal when dealing with practices that cause consumer harm, including nonpublic supervisory action, enforcement actions, rulemaking, and consumer education, among others. There are many factors that the Bureau considers when deciding which tools to use, and in determining what is the most appropriate tool to address a certain issue. When we consider whether to engage in rulemaking, a key question is whether existing laws, regulations, and official commentary already address the topic under consideration.

The ECOA and Regulation B, which was the result of notice and comment, make it illegal for a “creditor” to discriminate in any aspect of a credit transaction because of race, color, religion, national origin, sex, marital status, age, receipt of income from any public assistance program, or the exercise, in good faith, of a right under the Consumer Credit Protection Act.¹¹

The Bureau published the Auto Bulletin to remind lenders of their responsibilities under ECOA and to offer guidance on how to address the identified risks to all indirect auto lenders within the jurisdiction of the Bureau. Consistent with Bureau procedures, the Bulletin was reviewed prior to issuance to ensure compliance with all legally applicable requirements. The Administrative Procedure Act (APA) sets out the principles by which federal agencies engage in regulatory activity and in applicable cases allows for comments from affected parties and the general public concerning an agency’s activity. The APA does not impose a notice and comment requirement for general statements of policy, non-binding informational guidelines, or interpretive memoranda. Accordingly, the Bureau was not statutorily required to solicit comments about the Auto Bulletin.

¹¹ 15 U.S.C. § 1691 *et seq.*; 12 C.F.R. pt. 1002 *et seq.*

The Bureau advised the Federal Reserve Board and the Federal Trade Commission, who are also responsible for administering and/or enforcing ECOA, about the Auto Bulletin prior to its publication.

- 3) Your letter requested whether the Bureau conducted a cost-benefit analysis of how an industry move to compensate dealers for arranging financing through “flat fees” would affect the marketplace and the consumers it serves.

Cost-benefit analysis is an approach that is often utilized, when appropriate, in the administrative rulewriting process to assess the impact of changes to regulatory requirements. As discussed above and below, the Auto Bulletin does not change or create any new regulatory requirements. Accordingly, a formal cost-benefit analysis is not appropriate in this circumstance.

The Auto Bulletin was issued pursuant to the Bureau’s supervisory and enforcement authority and expresses the Bureau’s views regarding the fair lending risks present in any indirect automobile lending program that permits dealers discretion to increase consumers’ interest rates for reasons not supported by a legitimate business need. The Auto Bulletin advises lenders that the Bureau will closely review the operations of indirect auto lenders subject to its jurisdiction and employ the appropriate tool to address any unlawful conduct. The Bureau frequently provides information highlighting the existing risk of certain behaviors for which lenders should monitor in their compliance programs.

Flat fees are mentioned in the Bulletin merely as one example of a non-discretionary compensation mechanism; the Bulletin does not mandate flat fees or any other particular system of dealer compensation. It is our understanding that a number of indirect auto lenders currently compensate auto dealers using a variety of non-discretionary or flat fee programs, and lenders may choose to adopt a variety of means, including, but not limited to, alternative compensation policies, to address fair lending risk. However, the Bureau has not undertaken a study of how market-wide adoption of a single non-discretionary compensation program would affect the availability of credit, nor has it attempted to analyze the impact of all the potential actions lenders may take to eliminate discrimination from their indirect auto lending programs. As a general matter, however, the Bureau believes that fair lending and the legitimate business needs of creditors are compatible.

Thank you for bringing your concerns to the Bureau’s attention and for the opportunity to respond. I look forward to working with you on this important issue as the Bureau continues to work to help markets operate more fairly and effectively for consumers and businesses.

Sincerely,



Richard Cordray
Director

cc: The Honorable David Vitter
The Honorable Heidi Heitkamp
The Honorable Pat Roberts
The Honorable Amy Klobuchar
The Honorable Kelly Ayotte
The Honorable Kay Hagan
The Honorable Deb Fischer
The Honorable Mark Begich
The Honorable John Thune
The Honorable Joe Manchin
The Honorable Richard Burr
The Honorable Mark Pryor
The Honorable Jerry Moran
The Honorable Joe Donnelly
The Honorable Mike Crapo
The Honorable Bill Nelson
The Honorable Jeff Sessions
The Honorable Mary Landrieu
The Honorable Rand Paul
The Honorable Mazie Hirono

Erik Paulsen

Erik Paulsen

Members of Congress

Keith J. Rothfus

Keith J. Rothfus

Member of Congress

George Holding

George Holding

Member of Congress

Doug Collins

Doug Collins

Member of Congress

Ann Wagner

Ann Wagner

Member of Congress

Richard Hudson

Richard Hudson

Member of Congress

Joseph R. Pitts

Joseph R. Pitts

Members of Congress

Doug LaMalfa

Doug LaMalfa

Member of Congress

Michael G. Grimm

Michael G. Grimm

Member of Congress

Mario Diaz-Balart

Mario Diaz-Balart

Member of Congress

Tom Graves

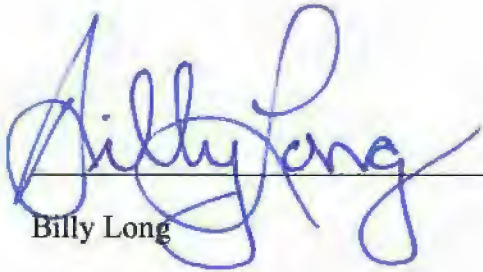
Tom Graves

Member of Congress

Scott E. Rigell

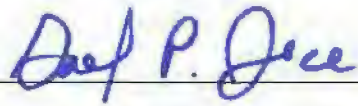
Scott E. Rigell

Member of Congress



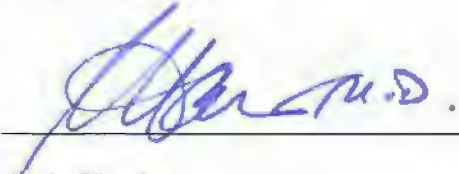
Billy Long

Member of Congress



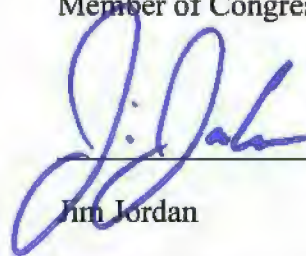
David P. Joyce

Member of Congress



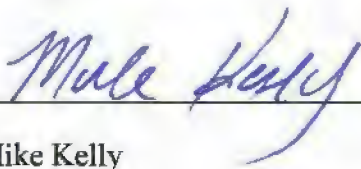
Andy Harris

Member of Congress



Jim Jordan

Member of Congress



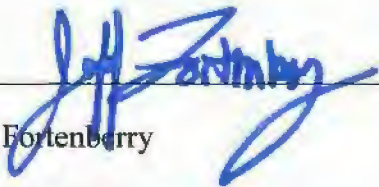
Mike Kelly

Member of Congress



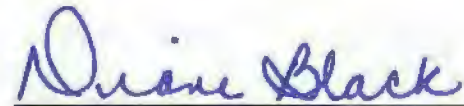
Mark Meadows

Member of Congress



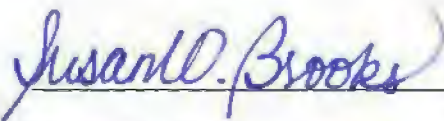
Jeff Fortenberry

Member of Congress



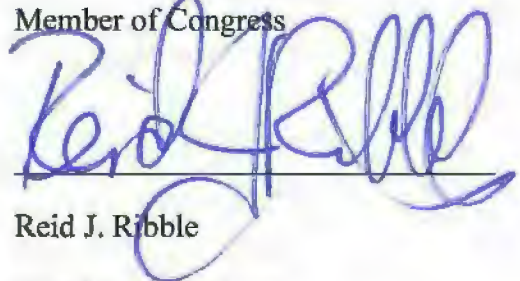
Diane Black

Member of Congress



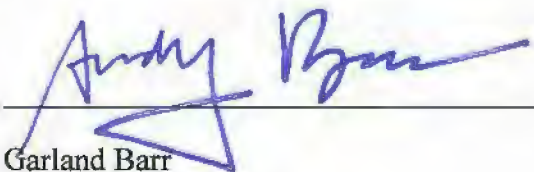
Susan Brooks

Member of Congress



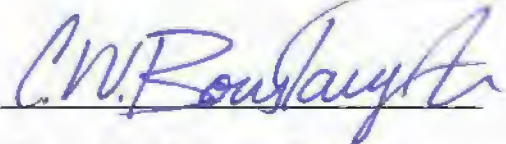
Reid J. Ribble

Member of Congress



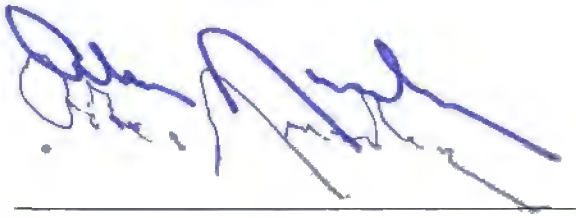
Garland Barr

Member of Congress



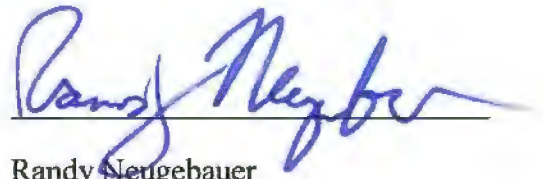
Charles W. Boustany, Jr.

Member of Congress



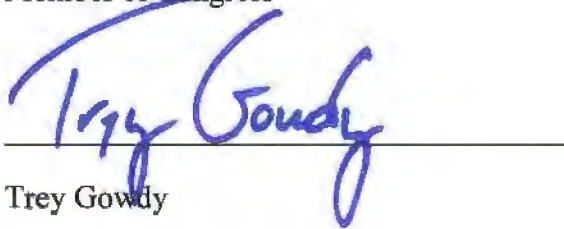
Alan Nunnelee

Member of Congress



Randy Neugebauer

Member of Congress



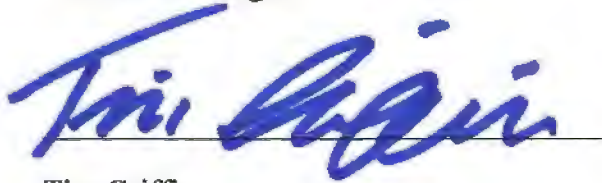
Trey Gowdy

Member of Congress



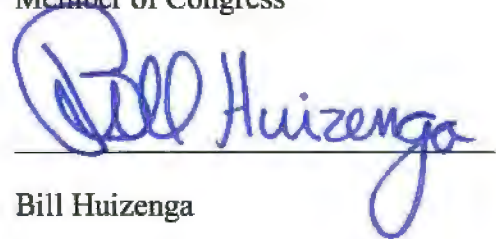
Kristi L. Noem

Member of Congress



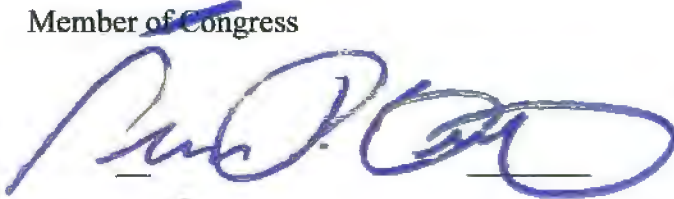
Tim Griffin

Member of Congress



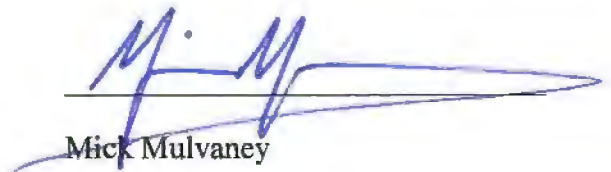
Bill Huizenga

Member of Congress



Sean P. Duffy

Member of Congress



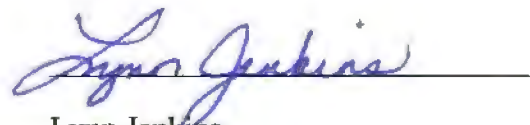
Mick Mulvaney

Member of Congress



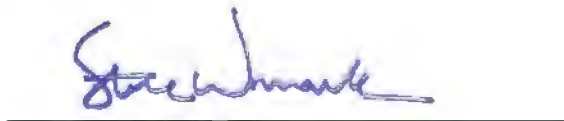
Trey Radel

Member of Congress



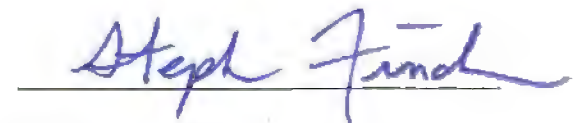
Lynn Jenkins

Member of Congress



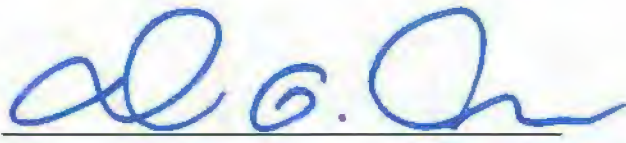
Steve Womack

Member of Congress



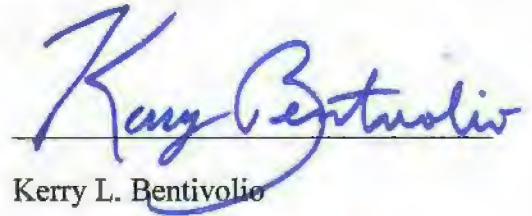
Stephen Lee Fincher

Member of Congress



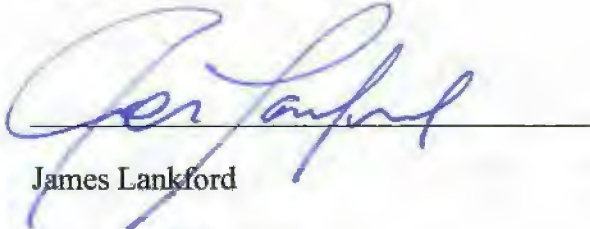
Dennis A. Ross

Member of Congress



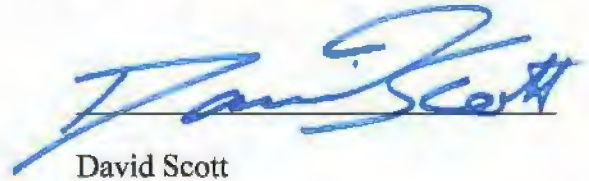
Kerry L. Bentivolio

Member of Congress



James Lankford

Member of Congress



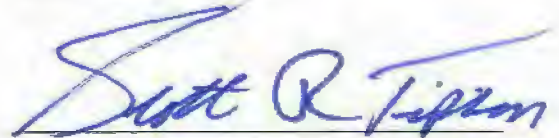
David Scott

Member of Congress



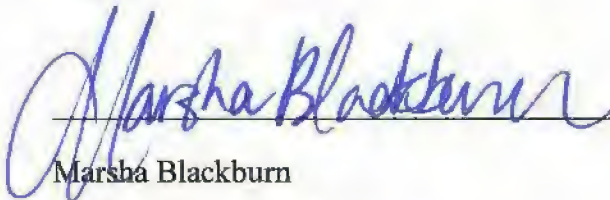
Robert Pittenger

Member of Congress



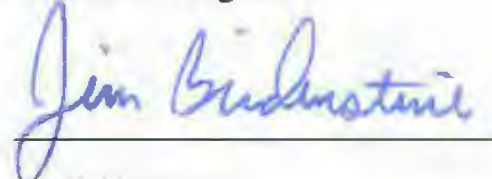
Scott R. Tipton

Member of Congress



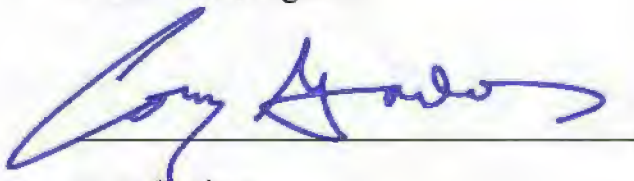
Marsha Blackburn

Member of Congress



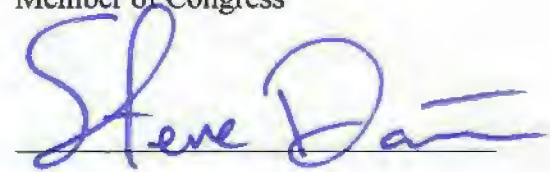
Jim Bridenstine

Member of Congress



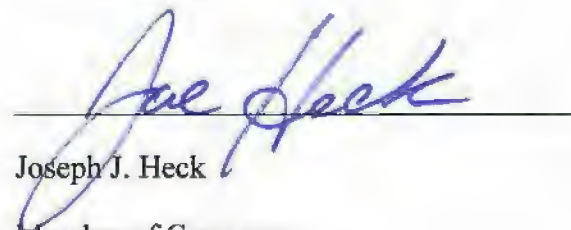
Cory Gardner

Member of Congress



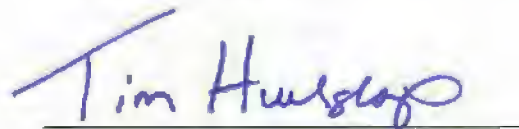
Steve Daines

Member of Congress



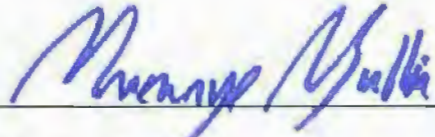
Joseph J. Heck

Member of Congress

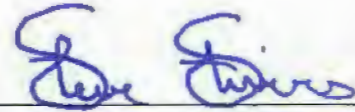


Tim Huelskamp

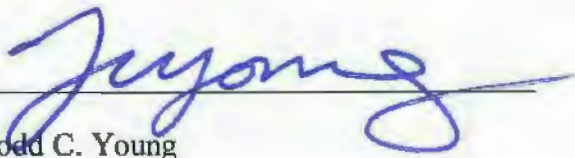
Member of Congress



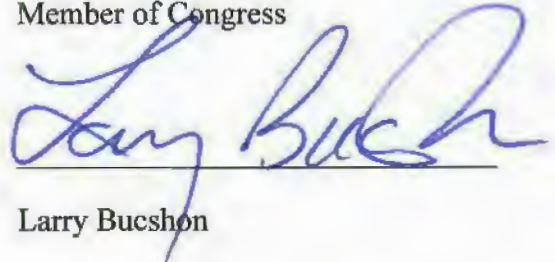
Markwayne Mullin
Member of Congress



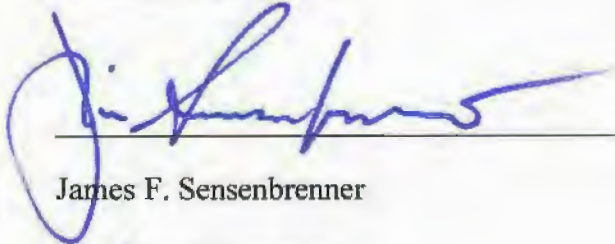
Steve Stivers
Member of Congress



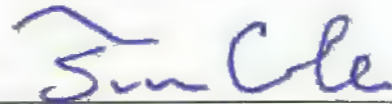
Todd C. Young
Member of Congress



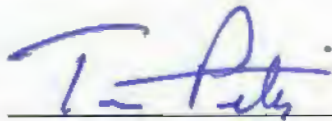
Larry Bucshon
Member of Congress



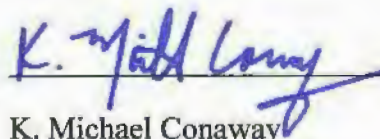
James F. Sensenbrenner
Member of Congress



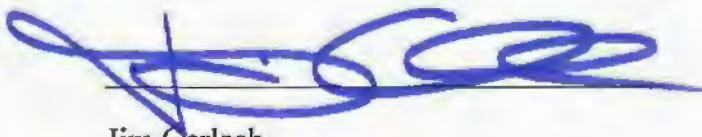
Tom Cole
Member of Congress



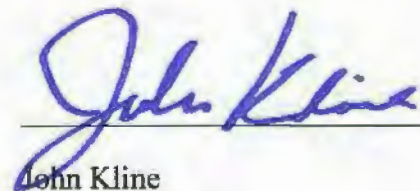
Thomas E. Petri
Member of Congress



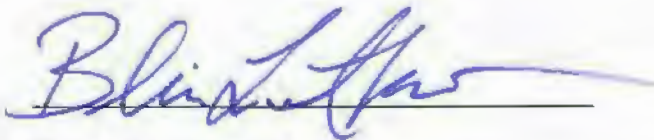
K. Michael Conaway
Member of Congress



Jim Gerlach
Member of Congress



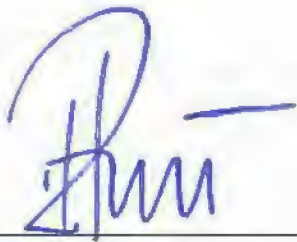
John Kline
Member of Congress



Blaine Luetkemeyer
Member of Congress

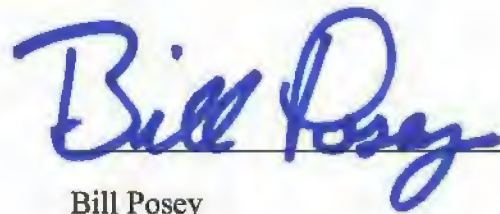


Gary G. Miller
Member of Congress



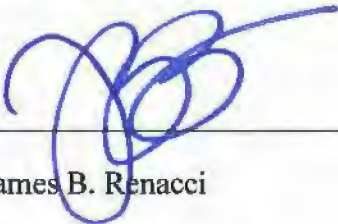
Robert Hurt

Member of Congress



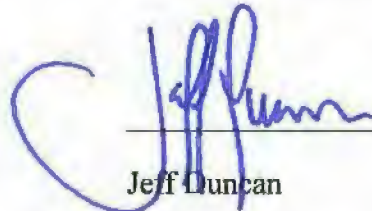
Bill Posey

Member of Congress



James B. Renacci

Member of Congress



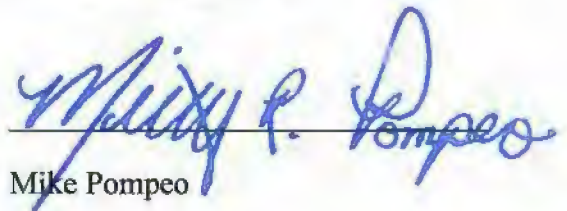
Jeff Duncan

Member of Congress



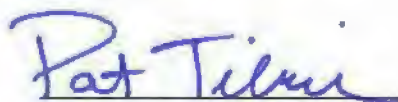
Lou Barletta

Member of Congress



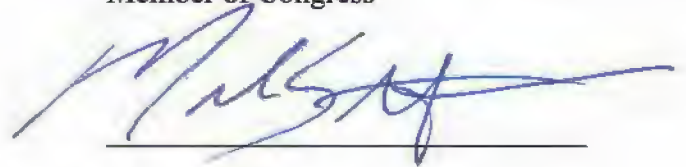
Mike Pompeo

Member of Congress



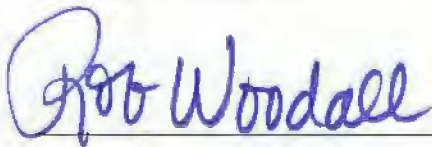
Patrick J. Tiberi

Member of Congress



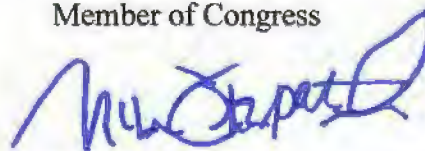
Marlin A. Stutzman

Member of Congress



Robert Woodall

Member of Congress



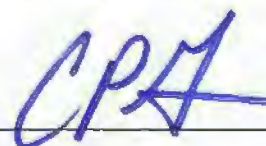
Michael G. Fitzpatrick

Member of Congress



Eric A. Crawford

Member of Congress




Christopher P. Gibson

Member of Congress



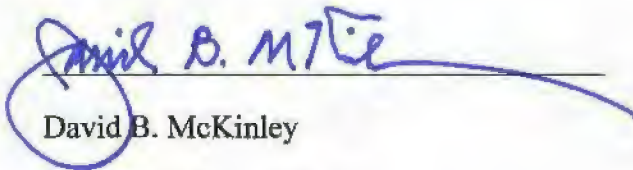
Tom Cotton

Member of Congress



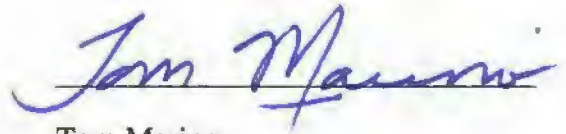
Scott DesJarlais

Member of Congress



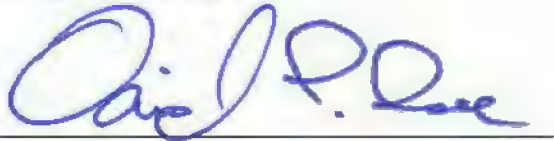
David B. McKinley

Member of Congress



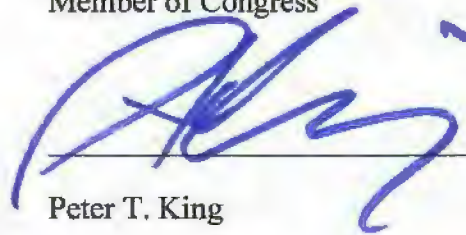
Tom Marino

Member of Congress



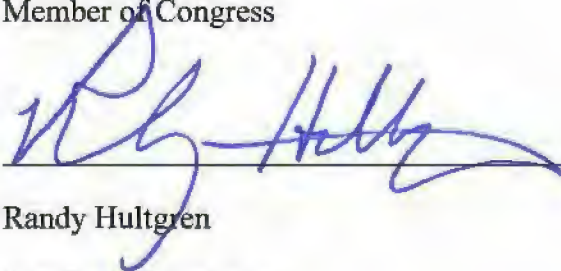
David P. Roe

Member of Congress



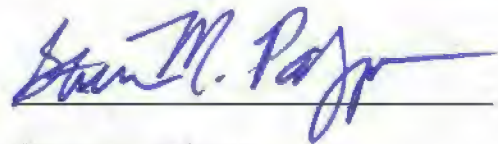
Peter T. King

Member of Congress



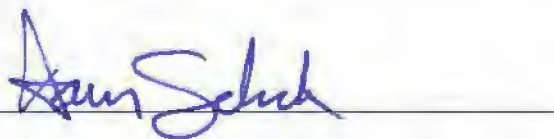
Randy Hultgren

Member of Congress



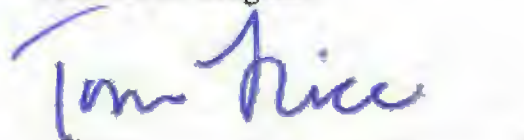
Steven M. Palazzo

Member of Congress



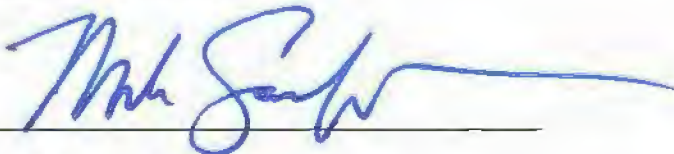
Aaron Schock

Member of Congress



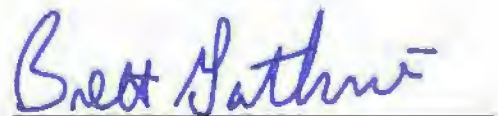
Tom Rice

Member of Congress



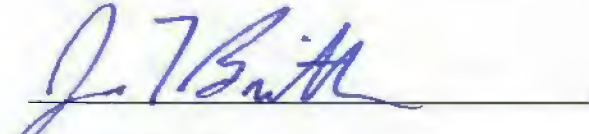
Mark Sanford

Member of Congress



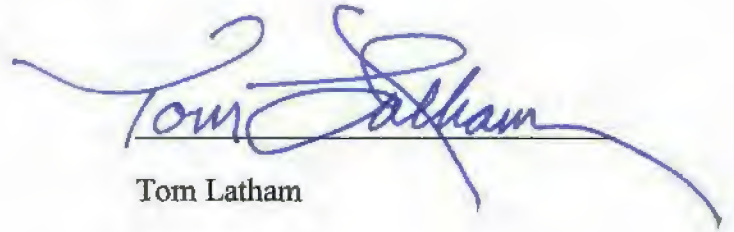
Brett Guthrie

Member of Congress



Jason T. Smith

Member of Congress



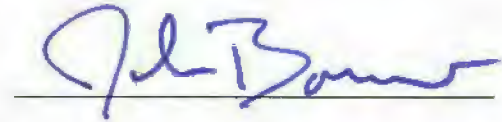
Tom Latham

Member of Congress



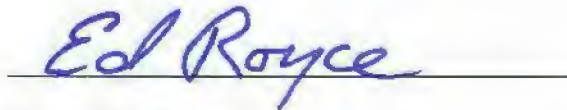
Joe Wilson

Member of Congress



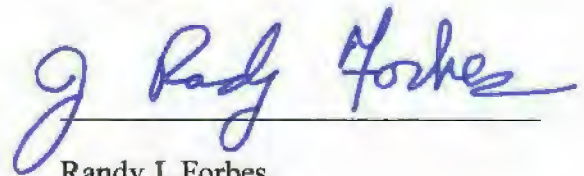
John Barrow

Member of Congress



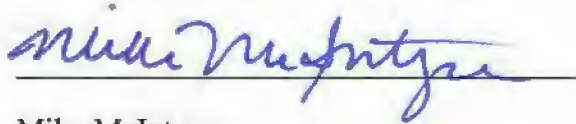
Edward R. Royce

Member of Congress



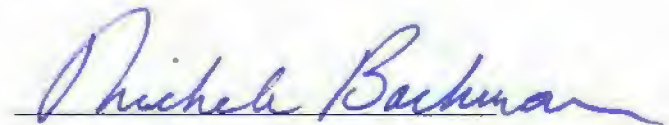
Randy J. Forbes

Member of Congress



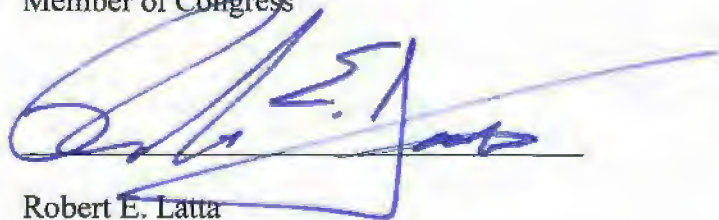
Mike McIntyre

Member of Congress



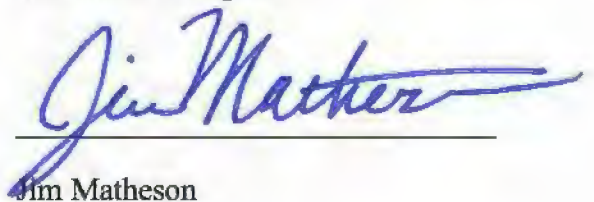
Michele Bachmann

Member of Congress



Robert E. Latta

Member of Congress



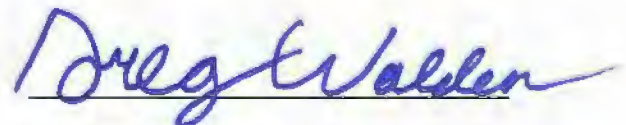
Jim Matheson

Member of Congress



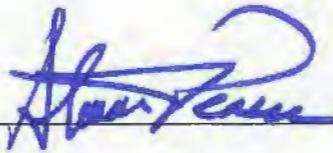
Steve Scalise

Member of Congress



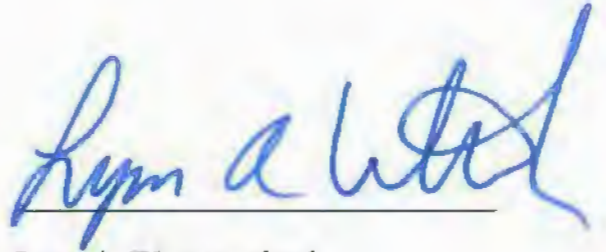
Greg Walden

Member of Congress



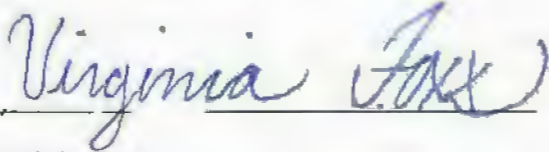
Stevan Pearce

Member of Congress



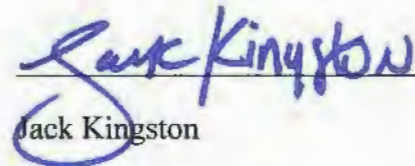
Lynn A. Westmoreland

Member of Congress



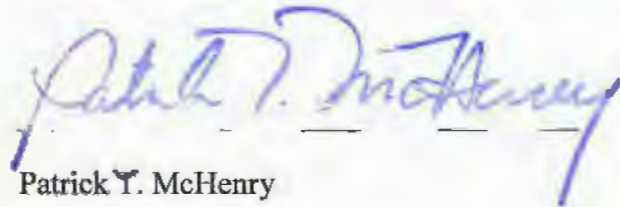
Virginia Foxx

Member of Congress



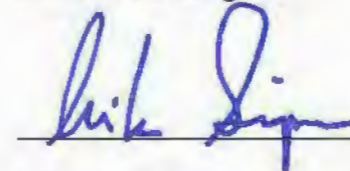
Jack Kingston

Member of Congress



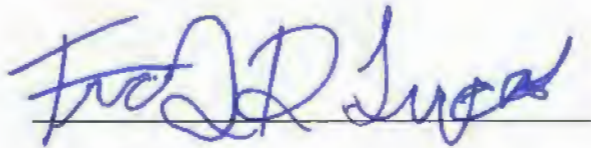
Patrick T. McHenry

Member of Congress




Michael K. Simpson

Member of Congress



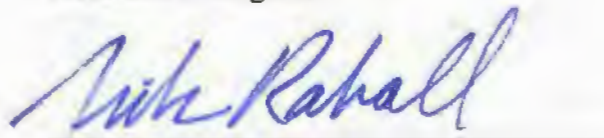
Frank D. Lucas

Member of Congress



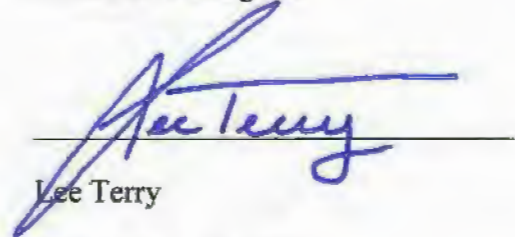
Bob Goodlatte

Member of Congress



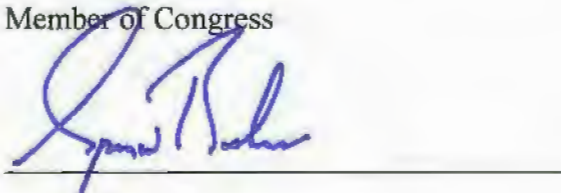
Nick J. Rahall

Member of Congress



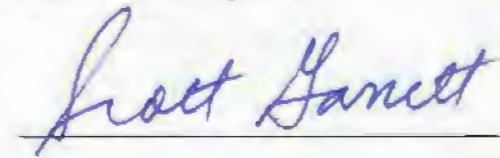
Lee Terry

Member of Congress



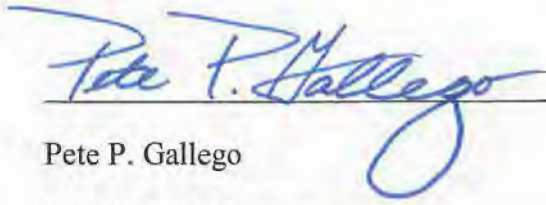
Spencer Bachus

Member of Congress



Scott Garrett

Member of Congress



Pete P. Gallego

Member of Congress



Renee L. Ellmers

Member of Congress



Richard L. Hanna

Member of Congress



Adrian Smith

Member of Congress



Steve Chabot

Member of Congress



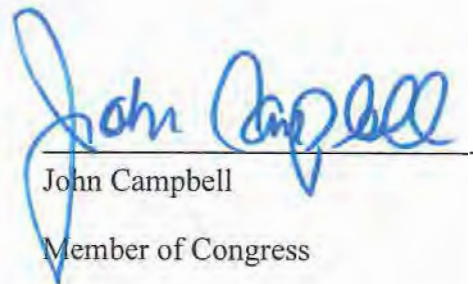
Howard Coble

Member of Congress



Kevin Yoder

Member of Congress



John Campbell

Member of Congress

United States Senate
WASHINGTON, DC 20510

November 6, 2013

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, N.W.
Washington, D.C. 20552

Dear Director Cordray:

As the Consumer Financial Protection Bureau (CFPB) continues implementing rules intended to protect our nation's homeowners, we ask that you give manufactured housing (MH) loans appropriate consideration.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) expanded Home Ownership and Equity Protection Act's definition of high-cost mortgages to include: 1) first mortgages with interest rates that are 6.5 percent greater than the average prime offer rate or 8.5 percent greater than the prime offer rate for mortgages on properties under \$50,000; and 2) mortgages with points and fees in excess of 5 percent of the total transaction amount for loans of at least \$20,000 or 8 percent of the total transaction cost or \$1,000, whichever is greater, for loans under \$20,000. According to the Census Bureau, in 2012, the average sales price for a new single-section manufactured home was \$41,100 and the average price of an existing manufactured home was \$30,000. Both figures are substantially below the \$50,000 interest rate trigger threshold, resulting in interest rates and fees that are often a larger percentage of MHI mortgage costs, and putting many of these mortgages over the high-cost mortgage triggers, even with the distinct rules for loans with lower balances.

Representatives of the MH industry believe that lenders will be highly unlikely to make certain high-cost loans. We are concerned that overly broad high-cost triggers could limit credit availability for low-income borrowers taking out loans to purchase MH. As you have noted in the past, under Section 103(bb)(2)(A) of the Truth in Lending Act, as amended by 1431 of the Dodd-Frank Act, the CFPB has the authority to make adjustments to the applicable percentage rate triggers if the CFPB determines that the adjustment is "consistent with the consumer protections against abusive lending" and "warranted by the need for credit."

Over the past few months, the largest MH industry actors have shared evidence regarding the range of reasonable adjustments that could be made that would balance preserving the intent of high-cost triggers with ensuring the wide availability of credit. We urge the CFPB to continue working with the MH industry to better understand the issues involved with applying high-cost triggers to MHI loans, and to exercise its discretion to adopt high-cost loan regulations that take into consideration the special circumstances involved in manufactured home mortgages.

As the CFPB considers adjustments to the high-cost triggers for MH, we urge you to delay applying the high-cost rules that are currently scheduled to take effect on January 1, 2014, to MHI

loans. It seems overly burdensome to require an industry to comply with a rule that is under review and that could change several months after it took effect.

Thank you for considering our views on this important matter.

Sincerely,

Shirrod Brown

John Bozman

Mark Royce

Paul Carter

Paul Matthews

Lamar Alexander

Joe Donnelly

Bowen

Jay Robinson

Ray Winter

Pat Rooney



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 5, 2013

The Honorable Steve Stivers
U.S. House of Representatives
1022 Longworth House Office Building
Washington, DC 20515

Dear Representative Stivers,

Thank you for your letter raising concerns about access to banking services by nonbank lenders. I welcome the opportunity to address this issue in further detail.

As I have said in the past, all lenders should be mindful of state and federal law and must comply with all of the laws applicable to them. Full compliance with the law is essential to the operation of a fair, transparent and competitive market. The marketplace in which payday lenders operate is increasingly diverse and the Consumer Financial Protection Bureau is committed to ensuring that consumers receive the full protection of Federal consumer financial law. Although the Bureau's role is to enforce federal law, we work collaboratively with other federal and state partners in the markets where more than one governmental entity may have authority to take action.

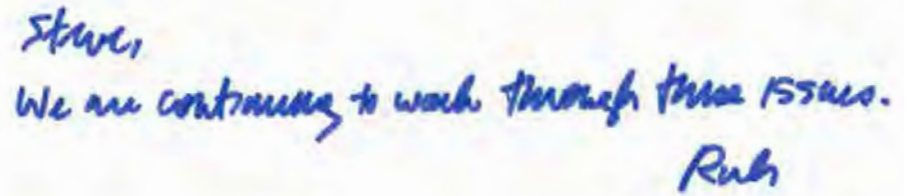
Your letter raises concerns about nonbank lenders obtaining and maintaining banking relationships, and you request that the Bureau ensure that its work and the work of the Federal Deposit Insurance Corporation not result in limiting banking services to lenders. The Bureau works collaboratively with the FDIC, and I take my role as a member of the FDIC board very seriously. As your comment highlights, however, the Bureau is not the sole regulator of banking relationships and, in particular, does not engage in the same kind of safety and soundness regulation as the federal prudential regulators, who operate under a statutory mandate distinct from that conferred upon the Bureau. The Bureau's job is to ensure that lenders comply with Federal consumer financial law, and I agree with you that all payday lenders conducting business in Ohio and across the United States should be complying with all applicable state and federal laws. Those who ignore applicable state or federal laws are at legal risk for doing so, as I stated in response to questions you raised during my testimony before the House Financial Services Committee on September 12, 2013.

Thank you for bringing your concerns to our attention and for your continuing interest in the Bureau's work.

Sincerely,



Richard Cordray
Director



Steve,
We are continuing to work through these issues.
Rubi

cc: The Honorable Jeb Hensarling, Chairman, House Financial Services Committee
The Honorable Maxine Waters, Ranking Member, House Financial Services Committee



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 8, 2013

The Honorable Jeb Hensarling
Chairman
U.S. House Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Hensarling,

Enclosed is the Semiannual Report to Congress for the Office of the Inspector General for the Consumer Financial Protection Bureau, as required under Section 5 of the Inspector General, as amended. This report covers the six-month period from April 1, 2013 to September 30, 2013.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W. Washington, DC 20552

November 8, 2013

The Honorable Jeb Hensarling
Chairman
U.S. House Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Hensarling,

I am pleased to present the Semi-Annual Report of the Consumer Financial Protection Bureau, as required under Section 1016 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a faint, larger signature.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 8, 2013

The Honorable Maxine Waters
Ranking Member
U.S. House Committee on Financial Services
B301-C Rayburn House Office Building
Washington, DC 20515

Dear Ranking Member Waters,

Enclosed is the Semiannual Report to Congress for the Office of the Inspector General for the Consumer Financial Protection Bureau, as required under Section 5 of the Inspector General, as amended. This report covers the six-month period from April 1, 2013 to September 30, 2013.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 8, 2013

The Honorable Maxine Waters
Ranking Member
U.S. House Committee on Financial Services
B301-C Rayburn House Office Building
Washington, DC 20515

Dear Ranking Member Waters,

I am pleased to present the Semi-Annual Report of the Consumer Financial Protection Bureau, as required under Section 1016 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W. Washington, DC 20552

November 8, 2013

The Honorable John Boehner
Speaker
U.S. House of Representatives
H-232 United States Capitol
Washington, DC 20515

Dear Speaker Boehner,

I am pleased to present the Semi-Annual Report of the Consumer Financial Protection Bureau, as required under Section 1016 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a faint, larger signature.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 8, 2013

The Honorable John Boehner
Speaker
U.S. House of Representatives
H-232 United States Capitol
Washington, DC 20515

Dear Speaker Boehner,

Enclosed is the Semiannual Report to Congress for the Office of the Inspector General for the Consumer Financial Protection Bureau, as required under Section 5 of the Inspector General, as amended. This report covers the six-month period from April 1, 2013 to September 30, 2013.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1701 G Street, N.W., Washington, DC 20562

November 8, 2013

The Honorable Mitch McConnell
Minority Leader
United States Senate
S-230 United States Capitol
Washington, DC 20510

Dear Minority Leader McConnell,

Enclosed is the Semiannual Report to Congress for the Office of the Inspector General for the Consumer Financial Protection Bureau, as required under Section 5 of the Inspector General, as amended. This report covers the six-month period from April 1, 2013 to September 30, 2013.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 8, 2013

The Honorable Mitch McConnell
Minority Leader
United States Senate
S-230 United States Capitol
Washington, DC 20510

Dear Minority Leader McConnell,

I am pleased to present the Semi-Annual Report of the Consumer Financial Protection Bureau, as required under Section 1016 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W. Washington, DC 20552

November 8, 2013

The Honorable Nancy Pelosi
Democratic Leader
U.S. House of Representatives
H-204 United States Capitol
Washington, DC 20515

Dear Leader Pelosi,

Enclosed is the Semiannual Report to Congress for the Office of the Inspector General for the Consumer Financial Protection Bureau, as required under Section 5 of the Inspector General, as amended. This report covers the six-month period from April 1, 2013 to September 30, 2013.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia'.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 8, 2013

The Honorable Nancy Pelosi
Democratic Leader
U.S. House of Representatives
H-204 United States Capitol
Washington, DC 20515

Dear Leader Pelosi,

I am pleased to present the Semi-Annual Report of the Consumer Financial Protection Bureau, as required under Section 1016 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20562

November 8, 2013

The Honorable Harry Reid
Majority Leader
United States Senate
S-212 United States Capitol
Washington, DC 20510

Dear Majority Leader Reid,

Enclosed is the Semiannual Report to Congress for the Office of the Inspector General for the Consumer Financial Protection Bureau, as required under Section 5 of the Inspector General, as amended. This report covers the six-month period from April 1, 2013 to September 30, 2013.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over the word 'Sincerely,'.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20557

November 8, 2013

The Honorable Harry Reid
Majority Leader
United States Senate
S-212 United States Capitol
Washington, DC 20510

Dear Majority Leader Reid,

I am pleased to present the Semi-Annual Report of the Consumer Financial Protection Bureau, as required under Section 1016 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 8, 2013

The Honorable John D. Rockefeller IV
Chairman
U.S. Senate Committee on Commerce, Science and Transportation
254 Russell Senate Office Building
Washington, DC 20510

Dear Chairman Rockefeller,

Enclosed is the Semiannual Report to Congress for the Office of the Inspector General for the Consumer Financial Protection Bureau, as required under Section 5 of the Inspector General, as amended. This report covers the six-month period from April 1, 2013 to September 30, 2013.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written in a cursive style.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 8, 2013

The Honorable John D. Rockefeller IV
Chairman
U.S. Senate Committee on Commerce, Science and Transportation
254 Russell Senate Office Building
Washington, DC 20510

Dear Chairman Rockefeller,

I am pleased to present the Semi-Annual Report of the Consumer Financial Protection Bureau, as required under Section 1016 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street N.W. Washington, DC 20552

November 8, 2013

The Honorable John Thune
Ranking Member
U.S. Senate Committee on Commerce, Science and Transportation
560 Dirksen Senate Office Building
Washington, DC 20510

Dear Ranking Member Thune,

Enclosed is the Semiannual Report to Congress for the Office of the Inspector General for the Consumer Financial Protection Bureau, as required under Section 5 of the Inspector General, as amended. This report covers the six-month period from April 1, 2013 to September 30, 2013.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20562

November 8, 2013

The Honorable John Thune
Ranking Member
U.S. Senate Committee on Commerce, Science and Transportation
560 Dirksen Senate Office Building
Washington, DC 20510

Dear Ranking Member Thune,

I am pleased to present the Semi-Annual Report of the Consumer Financial Protection Bureau, as required under Section 1016 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 8, 2013

The Honorable Fred Upton
Chairman
U.S. House Committee on Energy & Commerce
2125 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Upton,

Enclosed is the Semiannual Report to Congress for the Office of the Inspector General for the Consumer Financial Protection Bureau, as required under Section 5 of the Inspector General, as amended. This report covers the six-month period from April 1, 2013 to September 30, 2013.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 8, 2013

The Honorable Fred Upton
Chairman
U.S. House Committee on Energy & Commerce
2125 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Upton,

I am pleased to present the Semi-Annual Report of the Consumer Financial Protection Bureau, as required under Section 1016 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a faint, larger signature.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 8, 2013

The Honorable Henry Waxman
Ranking Member
U.S. House Committee on Energy & Commerce
2322-A Rayburn House Office Building
Washington, DC 20515

Dear Ranking Member Waxman,

Enclosed is the Semiannual Report to Congress for the Office of the Inspector General for the Consumer Financial Protection Bureau, as required under Section 5 of the Inspector General, as amended. This report covers the six-month period from April 1, 2013 to September 30, 2013.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia'.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street N.W. Washington, DC 20562

November 8, 2013

The Honorable Henry Waxman
Ranking Member
U.S. House Committee on Energy & Commerce
2322-A Rayburn House Office Building
Washington, DC 20515

Dear Ranking Member Waxman,

I am pleased to present the Semi-Annual Report of the Consumer Financial Protection Bureau, as required under Section 1016 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-9711.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs

TIM GRIFFIN
2ND DISTRICT, ARKANSAS
ASSISTANT MAJORITY WHIP

COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEE ON HUMAN RESOURCES
SUBCOMMITTEE ON SOCIAL SECURITY

Congress of the United States
House of Representatives
Washington, DC 20515-0402

1501 NORTH UNIVERSITY AVENUE
SUITE 150
LITTLE ROCK, AR 72207
PHONE: (501) 324-5941
FAX: (501) 324-6029

1105 DEER STREET
SUITE 12
CONWAY, AR 72032
PHONE: (501) 358-3481
FAX: (501) 358-3484

1232 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
PHONE: (202) 225-2506
FAX: (202) 225-6903

October 23, 2013

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20036

Dear Director Cordray:

I write today to request information regarding the Fair Credit Reporting Act. One of my constituents, BorrowersAuthorization.com, is a provider of electronic signature technology for the lending industry and helps businesses obtain the proper authorization for credit checks in compliance with relevant regulations. Specifically, they wish to obtain answers to the following inquiries:

1. Is it the interpretation of the Consumer Financial Protection Bureau (CFPB) that under the Fair Credit Reporting Act, there must be written authorization obtained by a third party prior to obtaining a consumer credit report?
2. Does an electronic or digital signature satisfy the requirements of obtaining written authorization to obtain a consumer credit report?
3. How does the CFPB define electronic or digital signature?

If for any reason the CFPB cannot provide answers to these inquiries, please advise as to the best procedures for obtaining such answers.

I appreciate your prompt attention to this matter and your providing my office with a response by Friday, November 8, 2013. If you or your office has any questions, and my office contact for this issue is Holli Heiles, who can be reached at (202) 225-2506 or holli.heiles@mail.house.gov. Thank you for your consideration of this request.

Sincerely,



Tim Griffin
Member of Congress



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 12, 2013

The Honorable Jeff Merkley
United States Senate
313 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Mark Kirk
United States Senate
524 Hart Senate Office Building
Washington, D.C. 20510

Dear Senators Merkley and Kirk:

Thank you for your letter about the impact of medical debt on credit reports. We at the Consumer Financial Protection Bureau (Bureau) share your concern about the potential negative impact that medical debt can have on consumers' credit reports and credit scores. The Bureau continues to study the extent to which consumers are affected by this issue, and assess how its potential negative impact might be reduced.

Except in the unusual case in which medical providers report information about unpaid medical bills directly to the credit bureaus, most medical debt on consumer credit records is reported by collection agencies. Medical collections account for about one-half of all accounts reported by collection agencies and affect the credit records of one-in-five American consumers.

Some medical collection items are the result of medical bills that consumers, many of them uninsured, were unable to pay. However, our consumer complaint data and other sources suggest that many of these items may reflect debts that the consumer does not recognize or may be the result of a billing dispute between a medical provider and the consumer's health insurance company. In many cases, the consumer may not even be aware that these debts exist.

Many reasonable people rightfully question whether medical debt implies the same things about a consumer's future creditworthiness as non-medical debt. Our Research, Markets, and Regulations Division is currently studying our Consumer Credit Panel, a sample of de-identified credit records that the Bureau has purchased from Experian to study consumer-credit-related issues like medical debt, to better understand the issues surrounding the reporting of medical debt and its use in credit scoring models. Once this analysis has been completed, the Bureau expects to make the results publicly available.

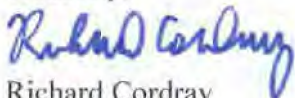
Practices involving collection of medical debt by third party collection agencies are covered under the Fair Debt Collection Practices Act, pursuant to which the Bureau has rulemaking and enforcement authority. Likewise, the furnishing of information about medical debts to consumer reporting agencies by medical providers or collection agencies is covered under the Fair Credit Reporting Act. The Bureau intends to use its authorities to monitor collection and reporting practices related to medical debts. When practices that harm consumers in the market for medical debt are identified, the Bureau will take appropriate action.

to monitor collection and reporting practices related to medical debts. When practices that harm consumers in the market for medical debt are identified, the Bureau will take appropriate action.

The Bureau is also monitoring efforts of other regulators that may improve the collection and reporting of medical debts, and assessing its impact. For instance, earlier this year, the Internal Revenue Service issued proposed regulations covering the billing and collection practices of tax-exempt hospitals under Section 501(r) of the Internal Revenue Code pursuant to the Patient Protection and Affordable Care Act. Under the proposal, reporting to a consumer reporting agency is defined as one of several "extraordinary collection activities" that hospitals may not pursue until making reasonable efforts to determine whether the patient is eligible for financial assistance, including allowing a minimum timeframe to make this determination. These rules may delay and/or reduce the amount of medical debt that is being reported to the credit reporting agencies overall.

Thank you again for your continued interest in the Bureau's work in this area. I look forward to working with you on the important consumer financial protection issues that impact the constituents that you represent.

Sincerely,



Richard Cordray
Director

*we will make an effort to keep you
posted on these issues of mutual interest.*
Rich



1700 G Street, N.W., Washington, DC 20552

November 12, 2013

The Honorable Ron Wyden
United States Senate
221 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Wyden:

Thank you for your letter raising concerns about two categories of practices relating to homeowners: practices related to third-party investment in tax lien sales programs and practices by property management firms acting as third-party contractors to banks. We share your concern that consumers who are struggling to maintain homeownership are being affected by these practices. As described in greater detail below, we are committed to using the various tools that we have at our disposal to prevent illegal activity and protect consumers to the extent it is within our statutory authority to do so.

You have asked the Consumer Financial Protection Bureau (Bureau) and the Department of Justice to clarify the state of existing federal laws and regulations governing third-party tax collection practices and resulting property seizures. With respect to federal laws and regulations within the jurisdiction of the Bureau, we are unaware of any laws or regulations that expressly apply to these practices, which typically empower third-party collectors to step into the shoes of the government and pursue its sovereign remedies on its behalf.

State and local governments frequently request that the Bureau provide them with technical assistance in cases where the Bureau's position as a national overseer of consumer financial protection issues gives it knowledge of federal law, consumer financial product markets, or consumer issues. In recognition of the states' sovereign authorities and the comity among the states and the federal government on issues such as taxation and foreclosure law, the Bureau will provide technical assistance on consumer protection issues related to tax liens to state or local governments that request it, but we have no authority to supervise or enforce federal laws against government officials or those exercising delegated authority on their behalf.

You also asked about current oversight of third-party vendors hired by mortgage holders or servicers during the foreclosure process. We share your concerns about the performance of third-party vendors hired by mortgage holders and servicers, particularly those vendors who perform services in connection with foreclosures. On April 12, 2012, the Bureau issued Bulletin 2012-03,

providing guidance to supervised banks and nonbanks concerning third-party vendors.¹ The Bureau advised that retaining a third-party vendor does not relieve the principal entity of its responsibility for complying with federal consumer financial law. The Bureau also outlined the process it expects supervised banks and nonbanks to follow when retaining third-party vendors. This process includes establishing contractual consequences for the vendor's violations of any compliance-related responsibilities, and performing ongoing monitoring to evaluate the vendor's compliance with federal consumer financial law.

The Bureau has used its supervisory authority, including conducting on-site examinations, to scrutinize mortgage servicers' oversight of third-party vendors. On multiple occasions, the Bureau has cited mortgage servicers for insufficient vendor oversight and directed the servicers to take corrective action. The Bureau also has enforcement authority over both mortgage servicers and their service providers.

In addition, this past January the Bureau promulgated new mortgage servicing rules, which take effect on January 10, 2014. The new rules require mortgage servicers to maintain policies and procedures that facilitate oversight of, and compliance by, service providers.² Among other things, these policies and procedures must be reasonably designed to facilitate periodic reviews or audits of the vendor's compliance with contractual and legal obligations, as well as ensure that any vendor performing foreclosure services has accurate and up-to-date information regarding foreclosure or loss mitigation processes on the borrower's account. The Bureau expects mortgage servicers to fully comply with these new requirements and we will take appropriate action to correct any deficient oversight of third-party vendors.

You have asked me to clarify the state of existing federal laws and regulations governing such third-party vendors and their interactions with homeowners, as well as the rights that homeowners enjoy in such circumstances. With respect to federal laws and regulations that the Bureau administers, such third party vendors are generally subject to the prohibition on unfair, deceptive, or abusive acts and practices contained in sections 1031 and 1036 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, 12 U.S.C. §§ 5531 and 5536. Such laws would apply in the context of mortgage servicing and property management activities to protect homeowners, in addition to any rights homeowners enjoy under applicable state laws.

Finally, you requested information about ways to inform consumers at risk of foreclosure or in the foreclosure process of their legal rights. At the Bureau, we believe that consumers with financial knowledge and tools are an essential part of a fair, transparent, and competitive market. The Bureau's office of Consumer Education and Engagement (CEE) works to share ideas and information with consumers. CEE's goal is to help consumers understand the costs, risks, and benefits of financial products as they decide whether to buy those products. CEE pursues this

¹ See http://files.consumerfinance.gov/f/201204_cfpb_bulletin_service-providers.pdf

² See 12 CFR 1024.38(b)(3) (effective January 10, 2014).

objective by identifying proven, effective forms of education that help consumers understand the financial choices they need to make so that they can make their own sound financial choices.

As part of this work, CEE has developed multiple tools to help consumers understand their rights and obligations under a mortgage, including a mortgage in delinquency or foreclosure. The Bureau's Know Before You Owe Mortgages page allows consumers to review and comment on a new Truth in Lending and Real Estate Settlement Procedures Act combined disclosure form.³ The Bureau's Mortgage Help page connects consumers to housing counselors sponsored by the U.S. Department of Housing and Urban Development.⁴ And the Bureau's Ask CFPB pages contain answers to multiple questions consumers have raised with the Bureau related to tax liens, including "I received a bill from my city or county saying that my servicer did not pay my taxes. What can I do?"⁵ and "What is an escrow or impound account?"⁶ The Bureau is also adding an Ask CFPB page specifically on tax lien issues.

While each state has its own laws regarding the rights and notice requirements for consumers facing foreclosure, the Bureau makes these additional resources available to consumers and state and local governments alike to help consumers better understand their options.

Thank you again for taking the time to share your concerns with us. We look forward to working with you on these and other important consumer financial protection issues that affect consumers across the country.

Sincerely,



Richard Cordray
Director

cc: The Honorable Jeff Merkley, United States Senator
The Honorable Elizabeth Warren, United States Senator
The Honorable Edward J. Markey, United States Senator
The Honorable Mark Warner, United States Senator
The Honorable Bernard Sanders, United States Senator
The Honorable Robert Menendez, United States Senator
The Honorable Tim Kaine, United States Senator
The Honorable Christopher Murphy, United States Senator
The Honorable Bill Nelson, United States Senator
The Honorable Mark Begich, United States Senator

³ See <http://www.consumerfinance.gov/knowbeforeyouowe/>

⁴ See <http://www.consumerfinance.gov/mortgagehelp/>

⁵ See <http://www.consumerfinance.gov/askcfpb/218/i-received-a-bill-from-my-city-or-county-saying-that-my-servicer-did-not-pay-my-taxes-what-can-i-do.html>

⁶ See <http://www.consumerfinance.gov/askcfpb/140/what-is-an-escrow-or-impound-account.html>

The Honorable Richard Blumenthal, United States Senator
The Honorable Stuart F. Delery, Assistant Attorney General, Civil Division, United States
Department of Justice



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 12, 2013

The Honorable Jeb Hensarling
Chairman, House Committee on Financial Services
U.S. House of Representatives
2129 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Hensarling:

Thank you for your October 22, 2013 letter regarding the Consumer Financial Protection Bureau's publication titled "Payday Loans and Deposit Advance Products: A White Paper of Initial Data Findings."

The Bureau's White Paper is perhaps the largest study to date on the short-term, small-dollar loan market. With this White Paper, the Bureau endeavored to provide a shared set of facts from which stakeholders of all types could engage in conversations with the Bureau on issues related to short-term, small dollar loans.

The Bureau's findings were developed from information obtained from a number of storefront payday lenders over a 12 month period. For each account with activity in the first month of the study period, the Bureau studied all activity over 12 months. The Bureau's deposit advance findings were developed from information obtained from depository institutions offering this product. For this group, we examined for a 12 month period a random sample of accounts that were eligible to receive a deposit advance during the first month of our study or during the quarter prior to the start of our study. The White Paper, which outlines how the underlying data was assembled and the analytical methodology employed by the Bureau, conforms to the Bureau's information quality guidelines, which are directed toward ensuring the utility and objectivity of factual data disseminated by the Bureau to the public.

The Bureau is keen on providing you with background on the White Paper that would be useful to you. To that end, I have instructed Bureau staff to work closely with your staff to provide a comprehensive briefing regarding the publication. If you have any questions, please contact me or have your staff contact Catherine Galicia or Tim Sheehan of the Bureau's Office of Legislative Affairs.

Sincerely,

Richard Cordray
Director

cc: The Honorable Maxine Waters
Mr. Mark Bialek, Inspector General, Board of Governors of the Federal Reserve System and
the Consumer Financial Protection Bureau

CAROL SHEA-PORTER
FIRST DISTRICT, NEW HAMPSHIRE

1530 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5458
(202) 225-5822 (Fax)

33 LOWELL STREET
MANCHESTER, NH 03101
(603) 641-8536
(603) 641-8561 (Fax)

20 NORTH MAIN STREET
RICHMOND, NH 03867
(603) 336-7700
(603) 336-7702 (Fax)



Congress of the United States
House of Representatives
Washington, DC 20515

COMMITTEE ON ARMED SERVICES
READINESS
MILITARY PERSONNEL

COMMITTEE ON NATURAL RESOURCES
PUBLIC LANDS AND ENVIRONMENTAL REGULATION
FISHERIES, WILDLIFE, OCEANS,
AND INSULAR AFFAIRS

www.carol-shea-porter.house.gov

November 13, 2013

The Honorable Richard Cordray
Director
Bureau of Consumer Financial Protection
1700 G Street, NW
Washington, DC 20552

Dear Director Cordray,

I am writing to you to express my concerns about whether adequate steps are being taken to ensure that proposed mortgage rules scheduled to go into effect in January of next year do not disproportionately burden small community banks.

As a supporter of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the establishment of the Consumer Finance Protection Bureau (CFPB), I have been very pleased to see many of the steps taken by your agency to protect consumers and stop predatory financial practices. In the aftermath of the housing bubble that led to the 2008 financial crisis, reexamining the mortgage products offered to consumers, and the process through which they are sold, needed to be a high priority. While I am disappointed in the delay in imposing these regulations, I am glad to see that the agency is moving forward with Regulation Z, the Ability to Repay and Qualified Mortgage Standards Under the Truth in Lending Act, and I thank you for the good work you do.

However, while it is clear that these limitations are necessary to prevent abuse by Wall Street, I have concerns that their implementation will have negative impacts on community banks like those in New Hampshire. Indeed, I have heard repeatedly from bankers in my district that the proposed regulations are too burdensome and that the exemptions available for these banks are inadequate for the business that they do. Also, due to their limited size, they are less able to easily interpret and comply with lengthy regulations than larger firms. I am concerned that, without adequate outreach and education, these banks will have significant difficulty complying with the rules in a timely manner. As such, I have several questions that I hope you would be able to answer about implementation of these rules.

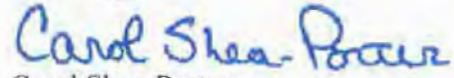
First, I would like to know what outreach efforts are being made to communicate with small banks about their options under the regulations. Based on my interactions with my constituents, they have received very little information from the CFPB on these regulations and how they can operate under them. Additional outreach and education should be a priority as the rules are implemented in 2014.

Second, I would like to know what feedback you have received on the recently submitted amendments that were offered in September. I am deeply concerned about the ability for smaller firms to process and comment on proposals with such a short turnaround time.

Lastly, I would like to know if the CFPB has considered taking additional steps to accommodate smaller banks, whether through increasing the asset cap from \$2 billion or raising the cap on mortgage originations above 500. I would also appreciate a better explanation of the Temporary QM and plans for phasing out of this product.

I thank you for your consideration of this request, and I look forward to your response.

Sincerely,



Carol Shea-Porter
Member of Congress

BLAINE LUETKEMEYER

MEMBER OF CONGRESS
3RD DISTRICT, MISSOURI

COMMITTEE ON
SMALL BUSINESS
VICE CHAIRMAN

HEALTH AND TECHNOLOGY

AGRICULTURE, ENERGY AND TRADE

COMMITTEE ON
FINANCIAL SERVICES

HOUSING AND INSURANCE
VICE CHAIRMAN

FINANCIAL INSTITUTIONS
AND CONSUMER CREDIT

Congress of the United States
House of Representatives

Washington, DC 20515

November 15, 2013

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, D.C. 20552

Dear Director Cordray:

I write to express my continued concern over the compliance steps outlined in the Consumer Financial Protection Bureau's (CFPB) guidance of March 21, 2013 (CFPB Bulletin 2013-02), the accompanying press release entitled "Consumer Financial Protection Bureau to Hold Auto Lenders Accountable for Illegal, Discriminatory Markup," and subsequent statements by the CFPB regarding intended enforcement using a disparate impact theory of law. This enforcement activity was also referenced in other correspondence, including a May 28th letter to you from several of my Democratic colleagues on the House Financial Services Committee and a June 20th letter from House Republicans.

I appreciate and share your conviction that discrimination has no place in the extension of credit. Financial institutions in the indirect auto finance space are subject to fair lending regulations, as they should be. I firmly believe that, if there is evidence of a pattern of intentional discrimination by auto dealers, it should be dealt with aggressively through enforcement of existing law by the Federal Trade Commission and the Department of Justice, the agencies responsible for overseeing dealers.

However, there is a difference between disparate treatment targeting members of protected classes versus facially-neutral treatment that may inadvertently result in disparate impact. Disparate impact is not an appropriate way to enforce consumer protection laws against indirect auto lenders who, in many cases, never see a customer or have knowledge of a customer's race.

To the best of my knowledge, the Equal Credit Opportunity Act does not contain a disparate impact theory of discrimination. I am concerned that, with the recent steps taken, the Bureau is articulating entirely new dimensions of public policy surrounding fair lending, and doing so outside of the rulemaking process and without meaningful, public stakeholder input. Moreover, it is my understanding that the CFPB has not studied how the recommended shift to a flat fee structure for reserve compensation would affect the cost of credit to borrowers, particularly low- and moderate-income borrowers, who currently benefit from the many options available in a competitive auto finance marketplace.

It is imperative that the Bureau take the opportunity to conduct an in-depth study on this issue, including the ways in which the cost of credit for automobile purchases would be affected by

2440 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
PHONE: (202) 225-2956
FAX: (202) 225-5712

113 EAST PEARCE BOULEVARD
WENTZVILLE, MO 63385
PHONE: (636) 327-7055
FAX: (636) 327-3254

516 JEFFERSON STREET
WASHINGTON, MO 63090
PHONE: (636) 239-2275
FAX: (636) 239-0478

2117 MISSOURI BOULEVARD
JEFFERSON CITY, MO 65109
PHONE: (573) 635-7232
FAX: (573) 635-8347

<http://luetkemeyer.house.gov>

moving to a flat fee dealer compensation structure. Additionally, I request that you thoroughly analyze the manner in which those caps affect the price of auto credit for consumers and how those caps will ultimately impact the March 21st guidance. It is important that you determine whether your actions may undermine a thriving automobile marketplace that has been one of the bright spots of an otherwise sluggish economic recovery.

I thank you for your consideration of this request and look forward to your response.

Sincerely,



Blaine Luetkemeyer
Member of Congress



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

November 13, 2013

The Honorable Jeanne Shaheen
United States Senate
520 Hart Senate Office Building
Washington, DC 20510

Dear Senator Shaheen:

Thank you for your letter about the issues facing community banks. We at the Consumer Financial Protection Bureau (Bureau) share your belief that community banks play an essential role in the consumer financial services markets and in communities across the United States.

The Bureau also shares your concern that regulations should not place unnecessary burdens on community banks. We recognize that, with few exceptions, community banks and credit unions did not engage in the type of risky lending that led to the mortgage crisis. We also understand, as your letter makes clear, that if the regulations implementing the Dodd-Frank Wall Street Reform and Consumer Financial Protection Act are too burdensome, these institutions may be more likely to retreat from the mortgage market, which could restrict access to credit for some borrowers.

For these reasons, the Bureau takes special care to ensure that its rules are balanced for community banks and credit unions and the consumers they serve. As you noted, the Bureau has tailored the Ability-to-Repay rule and the standards for qualified mortgages (QMs) to encourage small creditors to continue providing certain credit products, while carefully balancing consumer protections.

To address concerns such as those you raised, the Bureau created a QM provision specifically for small-creditor portfolio loans. Under that provision, portfolio loans made by small creditors generally qualify to be QMs—even if the 43 percent debt-to-income ratio is exceeded—as long as the creditor considered debt-to-income or residual income before making the loan, and as long as the loan meets the other requirements for qualified mortgages (including the prohibitions on risky product features).

The main goal of the small creditor QM provision, as explained in the rule, is to allow those community banks engaged in relationship lending to have QM status for their portfolio loans. The provision is based on the understanding that these banks, properly defined, will not suffer from the consumer protection issues that arise when either loans are sold to others or when creditors do not have the same incentives, scale, and qualitative local knowledge as those inherent under this

relationship model of lending. Accordingly, as explained in the final rule, the Bureau believed that both an originations limit and asset limit were consistent with the purposes of the small creditor QM provision:

The Bureau intended and believes that both elements of the threshold play independent and important roles. The Bureau believes that an originations limit is the most accurate means of limiting § 1026.43(e)(5) to the class of small creditors the business model of which the Bureau believes will best assure that the qualified mortgage definition facilitates access only to responsible, affordable credit. However, the Bureau believes that an asset limit is nonetheless important to preclude a very large creditor with relatively modest mortgage operations from taking advantage of a provision designed for much smaller creditors with much different characteristics and incentives. Due to general scale, such a creditor would not have the same type of community focus and reputational and balance-sheet incentives to assess ability to repay with sufficient care as smaller, community-based creditors, and is generally better able from a systems perspective to handle compliance functions.

Based on estimates from publicly available HMDA and call report data, the Bureau understands that, under the proposed criteria, the likelihood of falling within the scope of § 1026.43(e)(5) decreases as a creditor's size increases. The proposed limits include approximately 95 percent of creditors with less than \$500 million in assets, approximately 74 percent of creditors with assets between \$500 million and \$1 billion, and approximately 50 percent of creditors with assets between \$1 billion and \$2 billion. These percentages are entirely consistent with the Bureau's rationale for § 1026.43(e)(5), as described above. As the size of an institution increases, it is to be expected that the scale of its lending business will increase as well. As the scale of a creditor's lending business increases, the likelihood that the institution is engaged in relationship-based lending and employing qualitative or local knowledge in its underwriting decreases. The Bureau therefore continues to believe that the proposed limit of 500 total first-lien originations is consistent with the rationale underlying § 1026.43(e)(5) and appropriate to ensure that consumers have access only to responsible, affordable mortgage credit.¹

As you know, the Bureau is committed to incorporating the perspectives of all stakeholders into our policy-making process. We created the Community Bank Advisory Council in early 2012 to enhance engagement with the community banking community. CBAC helps the Bureau by providing information on emerging practices in the consumer financial products and services industry, including regional trends and concerns. The Bureau also created the Office of Financial Institutions and Business Liaison, whose focus is to work directly with industry participants

¹ 78 *Fed. Reg.* 35429, 35486 (final rule) (June 12, 2013).

including community banks and credit unions. They meet regularly with industry stakeholders and trade groups in order to ensure that their views are heard. You may also be interested to know that the Bureau held a roundtable with Maine and New Hampshire community bankers in Portland, Maine on July 10, 2013.

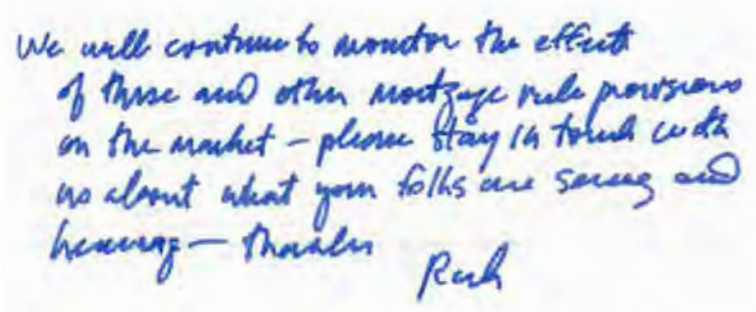
Additionally, the Bureau has embarked on an implementation plan to prepare mortgage businesses for the rules that take effect in January. We have published plain-English summaries that we will update as necessary. We have also launched a series of videos explaining our rules. We are trying to make our rules more understandable and more user-friendly – setting out what lenders need to know and what they need to do in order to comply.² We intend these efforts to be especially helpful to smaller institutions where regulatory burden weighs more heavily on fewer employees.

Thank you again for taking the time to share your concerns with me. I look forward to working with you on the important consumer financial protection issues that impact the constituents that you represent.

Sincerely,



Richard Cordray
Director



We will continue to monitor the effects of these and other mortgage rule provisions on the market - please stay in touch with us about what your folks are seeing and hearing - Thanks Rich

² See <http://www.consumerfinance.gov/regulatory-implementation/>



1700 G Street, N.W., Washington, DC 20552

November 18, 2013

The Honorable Ed Markey
United States Senate
218 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Markey:

Thank you for your letter dated October 22, 2013, regarding medical credit cards. In the letter you express your concerns about the practices associated with medical credit cards and the potential harms posed to American consumers by inappropriate marketing of such cards. You reference a recent article in *The New York Times*¹ that highlights issues related to the terms of these cards and marketing practices by medical offices offering these medical credit cards and installment loan products. We share your concerns and appreciate this opportunity to respond.

The Consumer Financial Protection Bureau (Bureau) has the authority to issue and enforce regulations for credit cards under the Truth in Lending Act (TILA) as amended by the Credit Card Accountability Responsibility and Disclosure (CARD) Act of 2009, and that includes medical credit cards. Earlier this month, the Bureau released a study detailing how the CARD Act has impacted the credit card market since its passage in 2009. The study highlighted some key areas of concern in the credit card market, and one such area is deferred interest credit cards, a product your letter mentions. With these cards, if the balance isn't paid in full by a defined date, the consumer owes the accumulated interest. Our report offers a look at deferred interest plans overall, including borrower profile, and the rate at which borrowers repay the full amount borrowed prior to the end of the repayment period.² However, this information may not necessarily be directly indicative of medical credit card deferred interest programs in particular.

Under TILA, financial institutions are required to disclose the terms of the product to the consumer, including the specific details of the deferred interest component of the financing where appropriate. To the extent such institutions rely on others, including medical providers, to provide these disclosures it is in their interest to ensure that such agents are trained and informed about the product. However, if such agents fail to provide the required disclosures, the institution remains responsible for any violations of the applicable disclosure requirements.

We are concerned that consumers, especially those preparing to pay for medical care, may not be given accurate or complete information about these cards when they sign up at their medical

¹ http://www.nytimes.com/2013/10/20/opinion/sunday/alarmed-abuses-of-medical-credit-cards.html?_r=0

² http://files.consumerfinance.gov/f/201309_cfpb_card-act-report.pdf, pages 79-81

provider's office. For instance, a consumer may be told that there is "no interest" for a certain time period, without also being told of the deferred interest. Consumers who don't understand the terms of the deal may find themselves with unexpected interest charges.

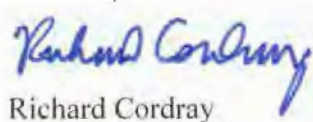
The Bureau is currently reviewing information about what consumers are being told about their medical credit cards, and how accurate that information is. Where we see consumers improperly being taken advantage of, we will take action.

In addition to this review, the Bureau's Consumer Response team receives approximately 18,000 complaints per year on credit cards.³ The Bureau screens all complaints submitted by consumers based on several criteria. These criteria include whether the complaint falls within the CFPB's primary enforcement authority, whether the complaint is complete, and whether it is a duplicate of a prior submission by the same consumer. If a particular complaint does not involve a product or market that is within the Bureau's enforcement authority or that is currently being handled by the Bureau, Consumer Response refers it to the appropriate regulator. Screened complaints are sent via a secure web portal to the appropriate company. The company reviews the information, communicates with the consumer as needed, and determines what action to take in response. Then, the company reports back to the consumer and the Bureau via the secure "company portal", and the Bureau invites the consumer to review the response and provide feedback. Consumer Response reviews the feedback consumers provide about company responses, using this information along with other information such as the timeliness of the company's response, for example, to help prioritize complaints for investigation. Consumers who have submitted complaints to the Bureau through Consumer Response can log onto the secure "consumer portal" available on the Bureau's website, or call a toll-free number, to receive status updates, provide additional information, and review responses provided to the consumer by the company.

As you know, the Bureau strives to be a data-driven agency, and we believe that analyzing relevant data is crucial to understanding the dynamics in this market. The Bureau is actively engaged and works closely with other federal and state agencies as it relates to the issues in the medical credit card arena, and that includes cooperating with State Attorneys General, the FTC, and the prudential bank regulators. We have MOU's in place that allow us to share data and consult where appropriate.

Thank you for your interest and concern in this area. I am always glad to make appropriate staff available to brief you or your staff on these issues and any others that you identify as being of interest to you. We stand ready to do so at your convenience.

Sincerely,



Richard Cordray
Director

³ The Bureau does not track medical credit card complaints separately from other credit card complaints.



November 19, 2013

Hon. Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20552

Dear Director Cordray:

I appreciate the Consumer Financial Protection Bureau's (CFPB) efforts to provide guidance regarding fair lending requirements of the Equal Credit Opportunity Act (ECOA). The guidance bulletin, issued on March 21, 2013, regarding indirect auto lending and compliance with ECOA has brought forth important questions about discrimination in the extension of credit, and about the flexibility necessary to conduct legitimate, non-discriminatory automobile financing.

While the March 21 bulletin doesn't mandate flat fees from lenders to dealers for originating a loan, auto dealers in my state are concerned that this is the real consequence necessary to protect dealers from charges of discrimination. Moreover, dealers fear that such flat fees are not in the buyers' best interest. For example, dealers indicate that flexible fees allow them to "meet or beat" a competition's financing offer by cutting into their own fees.

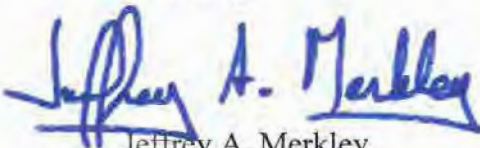
No one should be incentivized to push a borrower into a trick-or-trap loan that is designed to explode on him or her. However – and correct me if I'm wrong – these loans do not do that. Rather, they simply give the auto dealer the ability to keep the consumer's business by negotiating the price and financing of the car within the structure of an otherwise plain vanilla auto loan.

I would appreciate it if the CFPB could do two things. First, it would be helpful to have a study of discrimination in the auto marketplace to identify the real problem. Second, until such study can shed light on policy options, please ensure that the CFPB is not in practice mandating flat fees that could potentially hurt both dealers and customers. In doing so, please explore options for addressing discrimination that maintain flexibility for an auto dealer to give the consumer the best rate possible.

Finally, the CFPB may also wish to expand its communications with auto dealers and indirect auto lenders to clarify any misconceptions that may exist regarding whether the guidance mandates any particular type of compensation model.

I appreciate the steps you have taken in recent days to begin to address some of these concerns and urge that you to continue to engage with all parties on these matters. I look forward to working with you to ensure that the issues raised in the March 21 bulletin are fully examined and understood.

Sincerely,



Jeffrey A. Merkley
U.S. Senator

United States Senate

WASHINGTON, DC 20510

November 21, 2013

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, N.W.
Washington, D.C. 20552

Dear Director Cordray:

We are writing to express concern about the Bureau's proposed implementation agenda for the new mortgage rules that are scheduled to go into effect in January 2014.

Many institutions, particularly community banks and credit unions in our respective states, have reached out to us to express concerns about the multiple rules that the Bureau has proposed since January 2013. Our constituents are concerned that they will be hard pressed to come into compliance with the significant changes called for under these rules by the current deadline. Among these new rules are the Ability to Repay and Qualified Mortgage Standards under the Truth in Lending Act (Regulation Z) governing mortgage products and services. We note that the Bureau also released several amendments to its proposed mortgage rules in May, July, and September 2013.

These proposed new rules and amendments present our nation's financial institutions with thousands of pages of new regulations with which they must comply by January 2014. Our constituents advise that this compliance task will prove daunting for the nation's community banks and credit unions with few compliance officers. Many financial institutions also rely on software systems for managing their operations, and they have indicated to us that they will not be able to have the necessary software in place and operating by a deadline of January 2014.

If financial institutions are unable to fully comply with the Bureau's new mortgage rules by the January 2014 deadline, it could lead to market distortions. These distortions could adversely affect the availability of mortgage credit for consumers in our states, particularly in rural or remote areas of the country. With these problems in mind, as expressed by our constituents, we respectfully request that you consider providing appropriate relief, including deferring implementation of these new mortgage rules until a date when all financial institutions can transition their systems to be fully compliant with the Bureau's new mortgage rules.

We thank you in advance for your attention to this matter and look forward to hearing from you within the next two weeks. 7

Sincerely,

<u>Kyrtus</u>	<u>Mark Baych</u>
<u>Kelly A. Arquette</u>	<u>Jeff</u>
<u>Mark</u>	<u>Kay Bent</u>
<u>John Shum</u>	<u>John Barrasso</u>
<u>James Mc Clellan</u>	<u>Mark Bent</u>
<u>Pat Rooney</u>	<u>Jeff Sauter</u>
<u>John Hovorn</u>	<u>Jerry Moran</u>

John F. Fleen Bob [unclear]

Sally Chaubkin John Bozman

Jan [unclear] Chuck Grassley

William J. [unclear] Michael B. [unclear]

Bob [unclear] Tom [unclear]

D. [unclear] Mike [unclear]

U.S. Senator Roger F. Wicker
U.S. Senator Mark Begich
U.S. Senator Kelly A. Ayotte
U.S. Senator Tim Scott
U.S. Senator Marco Rubio
U.S. Senator Roy Blunt
U.S. Senator John Thune
U.S. Senator John Barrasso
U.S. Senator James M. Inhofe
U.S. Senator Thad Cochran
U.S. Senator Pat Toomey
U.S. Senator Jeff Sessions
U.S. Senator John Hoeven
U.S. Senator Jerry Moran
U.S. Senator Jeff Flake
U.S. Senator Pat Roberts
U.S. Senator Saxby Chambliss
U.S. Senator John Boozman
U.S. Senator Lisa Murkowski
U.S. Senator Chuck Grassley
U.S. Senator Mike Lee
U.S. Senator Michael B. Enzi
U.S. Senator Deb Fischer
U.S. Senator Tom Coburn
U.S. Senator David B. Vitter
U.S. Senator Mike Johanns



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

December 2, 2013

The Honorable Shelley Moore Capito
U.S. House of Representatives
2266 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Capito,

Thank you for your letter about the implementation of our mortgage rules. I appreciate the opportunity to address this issue with you and your colleagues in more detail.

The Consumer Financial Protection Bureau's mortgage rules will be important in addressing some of the most serious problems that had undermined the mortgage market during the financial crisis. Congress established a specific deadline for the effective date of the rules it directed the Bureau to write, and the effective date reflects that deadline. The Ability-to-Repay rule, in particular, has been broadly expected since the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act in July 2010 and actually requires little more than the sound underwriting practices that have become standard in the years since the crisis. And the general contours of the mortgage servicing rules track the problems that have been identified in this industry for more than five years, most of which were squarely addressed in the standards set by the National Mortgage Servicing Settlement adopted in 2011.

The Bureau shares your concern that regulations should not place unnecessary burdens on community banks. We recognize that, with few exceptions, community banks and credit unions did not engage in the type of risky lending that led to the mortgage crisis. To that end, the Bureau took special care to ensure that our rules are balanced for community banks and credit unions and the consumers they serve. For instance, the Bureau has tailored the Ability-to-Repay rule and the standards for Qualified Mortgages to encourage small creditors to continue providing certain credit products, while carefully balancing consumer protections.

In addition, as we became aware of critical operational or interpretive issues with the rules, we have addressed them. The Bureau made a commitment to respond to substantial interpretive questions that significantly affect implementation decisions in writing through amendments to the official interpretations and, if need be, to the rules themselves. The Bureau issued various amendments over the course of the year with a single aim in mind: to ensure the effectiveness of our rules by making it easier for industry to comply. By addressing and clarifying industry questions, the Bureau has reduced the need for individual institutions to spend time reaching their own uncertain judgments on these matters.

The Bureau has also embarked on an implementation plan to prepare mortgage businesses for the rules that take effect in January. To that end, we published plain-language compliance guides that

will be updated as necessary. We launched a series of videos explaining our rules. We worked closely with the other financial regulators to develop examination guidelines that reflect a common understanding of what the rules do and do not require, which were published well in advance of the effective date. We intend these efforts to be especially helpful to smaller institutions where regulatory burden weighs more heavily on fewer employees.

We understand this poses a challenge for industry, just as the writing of such a substantial set of mortgage rules by last January posed a significant challenge for our new agency. Had we failed to do so, many key statutory provisions that Congress had enacted, would have taken effect in their own right, which in many respects would have been harder for industry to comply with and much worse for the mortgage market.

Additionally, oversight of the new mortgage rules in the early months will be sensitive to the progress made by those lenders and servicers who have been squarely focused on making good-faith efforts to come into substantial compliance on time – a point that we have also been discussing with our fellow regulators.

It is critical that we move forward so these rules can deliver the new protections intended for consumers and provide the certainty that industry representatives have been seeking. Thank you for your continuing interest in the Bureau's work.

Sincerely,



Richard Cordray
Director

cc: The Honorable Charles Dent
The Honorable Erik Paulsen
The Honorable Joseph R. Pitts
The Honorable Keith J. Rothfus
The Honorable Doug LaMalfa
The Honorable George Holding
The Honorable Michael Grimm
The Honorable Doug Collins
The Honorable Mario Diaz-Balart
The Honorable Ann Wagner
The Honorable Tom Graves
The Honorable Richard Hudson
The Honorable Scott E. Rigell
The Honorable Billy Long
The Honorable David P. Joyce
The Honorable Andy Harris
The Honorable Jim Jordan
The Honorable Mike Kelly

The Honorable Mark Meadows
The Honorable Jeff Fortenberry
The Honorable Diane Black
The Honorable Susan Brooks
The Honorable Reid J. Ribble
The Honorable Andy Barr
The Honorable Charles W. Boustany, Jr.
The Honorable Alan Nunnelee
The Honorable Randy Neugebauer
The Honorable Trey Gowdy
The Honorable Kristi L. Noem
The Honorable Tim Griffin
The Honorable Bill Huizenga
The Honorable Sean Duffy
The Honorable Mick Mulvaney
The Honorable Trey Radel
The Honorable Lynn Jenkins
The Honorable Steve Womack
The Honorable Stephen Fincher
The Honorable Dennis Ross
The Honorable Kerry L. Bentivolio
The Honorable James Lankford
The Honorable David Scott
The Honorable Robert Pittenger
The Honorable Scott R. Tipton
The Honorable Marsha Blackburn
The Honorable Jim Bridenstine
The Honorable Cory Gardner
The Honorable Steve Daines
The Honorable Joseph J. Heck
The Honorable Tim Huelskamp
The Honorable Markwayne Mullin
The Honorable Steve Stivers
The Honorable Todd C. Young
The Honorable Larry Bucshon
The Honorable James Sensenbrenner
The Honorable Tom Cole
The Honorable Thomas E. Petri
The Honorable Michael Conaway
The Honorable Jim Gerlach
The Honorable John Kline
The Honorable Blaine Luetkemeyer
The Honorable Gary Miller
The Honorable Robert Hurt
The Honorable Bill Posey
The Honorable James B. Renacci

The Honorable Jeff Duncan
The Honorable Lou Barletta
The Honorable Mike Pompeo
The Honorable Patrick J. Tiberi
The Honorable Marlin Stutzman
The Honorable Robert Woodall
The Honorable Michael G. Fitzpatrick
The Honorable Eric A. Crawford
The Honorable Christopher P. Gibson
The Honorable Tom Cotton
The Honorable Scott DeJarlais
The Honorable David B. McKinley
The Honorable Tom Marino
The Honorable David P. Roe
The Honorable Peter T. King
The Honorable Randy Hultgren
The Honorable Steven M. Palazzo
The Honorable Aaron Schock
The Honorable Tom Rice
The Honorable Mark Sanford
The Honorable Brett Guthrie
The Honorable Jason T. Smith
The Honorable Tom Latham
The Honorable Joe Wilson
The Honorable John Barrow
The Honorable Edward R. Royce
The Honorable Randy J. Forbes
The Honorable Mike McIntyre
The Honorable Michele Bachman
The Honorable Robert E. Latta
The Honorable Jim Matheson
The Honorable Steve Scalise
The Honorable Greg Walden
The Honorable Stevan Pearce
The Honorable Lynn Westmoreland
The Honorable Virginia Foxx
The Honorable Jack Kingston
The Honorable Patrick T. McHenry
The Honorable Michael K. Simpson
The Honorable Fred D. Lucas
The Honorable Bob Goodlatte
The Honorable Nick J. Rahall
The Honorable Lee Terry
The Honorable Spencer Bachus
The Honorable Scott Garrett

Dec 5, 2013

cfpb

Dear Senator Khobachar,
It was a pleasure to speak with you today. Thank you for your concern for the financial wellbeing of our nation's military and veterans. I look forward to working with you and your staff on military initiatives, and hope the stars will align for a return visit to Minnesota one day soon.

Sincerely,

Holly Petrosaus

Asst Dir, Servicemember Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

December 9, 2013

The Honorable Sherrod Brown
United States Senate
713 Hart Senate Office Building
Washington, DC 20510

Dear Senator Brown:

Thank you for your letter concerning the implementation of our mortgage rules and their impact on manufactured housing loans. I appreciate the opportunity to address the issue with you and your colleagues.

The Consumer Financial Protection Bureau's (Bureau) mortgage rules were designed to restrict specific practices and foster a thriving, more sustainable marketplace. As you know, the Bureau finalized several mortgage rules in January 2013. Among these rules, the Ability-to-Repay rule protects consumers from irresponsible mortgage lending by requiring that lenders generally make a reasonable, good-faith determination that prospective borrowers have the ability to repay their loans. The mortgage servicing rules establish strong protections for homeowners facing foreclosure, and the loan originator compensation rules address certain practices that incentivized steering borrowers into risky or high-cost loans. The Bureau also finalized rules that strengthened consumer protections for high-cost mortgages and instituted a requirement that escrow accounts be established for a minimum of five years for certain higher-priced mortgage loans.

These mortgage rules will be extremely important in addressing some of the most serious problems that had undermined the mortgage market during the financial crisis. Congress established specific deadlines for certain rules it required the Bureau to write, and the effective dates reflect these deadlines.

In September 2013, the Bureau finalized amendments and clarifications to its January 2013, mortgage rules in order to help industry comply and to better protect consumers. In this process, effort was made to further address manufactured housing loans and facilitate compliance. For retailers of manufactured homes and their employees, the revisions clarify what compensation must be counted toward certain thresholds for points and fees under the Ability-to-Repay and

high-cost mortgage rules. The revisions also clarify when employees of manufactured housing retailers may be considered loan originators.

The final high-cost mortgage rule does provide more relaxed treatment for “smaller-sized manufactured home loans” that are secured by liens on personal property. The CFPB provided the same accommodation that Congress prescribed in this respect. In so doing, as in its approach to all of its rulemakings under title XIV of the Dodd-Frank Act, the Bureau has remained mindful of the need to ensure that regulations do not unduly restrict access to credit in any market, including manufactured housing.

The Bureau has met jointly with representatives from the manufactured housing industry and consumer advocates. Following that meeting, the Bureau requested additional data from a larger set of manufactured housing lenders to gain a more complete understanding of their concerns regarding the potential effects of this as well as other rules on the market for manufactured home loans. The Bureau will evaluate the information it receives, but it must not prejudge any future decisions. For that reason the Bureau has not committed, and cannot commit, to making any further modifications to the rules it has adopted.

The Bureau has also embarked on an implementation plan to prepare mortgage businesses for the rules that take effect next January. To that end, we published plain-language compliance guides that will be updated as necessary. We launched a series of videos explaining our rules. We worked closely with the other financial regulators to develop examination guidelines that reflect a common understanding of what the rules do and do not require, which were published well in advance of the effective date.

We understand this poses a challenge for industry. Oversight of the new mortgage rules in the early months will be sensitive to the progress made by those lenders and servicers who have been squarely focused on making good-faith efforts to come into substantial compliance on time – a point that we have also been discussing with our fellow regulators. It is critical that we move forward so these rules can provide new protections for consumers and provide certainty that the industry has been seeking. Rest assured that we will continue to monitor the situation closely for any evidence of significant impact on this segment of the mortgage market.

Thank you again for taking the time to share your concerns with me. I look forward to working with you on the important consumer financial protection issues that impact the constituents that you represent.

Sincerely,

Richard

Richard Cordray
Director

We will keep in touch with representatives from the industry, share your interest and concerns, and are glad to hear your further thoughts as we go — Rich

Cc: The Honorable John Boozman, United States Senator
The Honorable Mark Pryor, United States Senator
The Honorable Thad Cochran, United States Senator
The Honorable Joe Manchin, United States Senator
The Honorable Lamar Alexander, United States Senator
The Honorable Joe Donnelly, United States Senator
The Honorable Bob Corker, United States Senator
The Honorable Jay Rockefeller, United States Senator
The Honorable Roger Wicker, United States Senator
The Honorable Pat Toomey, United States Senator

Notably, Goldman Sachs has now run an analysis and concluded that, had our new rules been in place then, a full 50% of the loans that defaulted to bring about the financial crisis would not have been made — Rich

Congress of the United States
Washington, DC 20515

December 10, 2013

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, D.C. 20552

Dear Director Cordray:

We are writing you to express concern about the implementation period for the mortgage rules that are scheduled to be effective in January 2014.

Pursuant to Title XIV of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Consumer Financial Protection Bureau (CFPB) has promulgated new regulations for mortgage products and services which go into effect in January. While we realize that these are final rules, we do believe that it is crucial to the stability of the mortgage market in our State and across the country that implementation be extended.

Banks and credit unions in our districts have expressed to us their serious concern that it will be impossible for them to assure that the necessary software updates and other compliance efforts are in place by the current deadline. Further, they have stated that banks and credit unions will not be able to lend unless they are certain they are in full compliance with these rules. Ultimately, we fear that consumers and borrowers could ultimately pay the price in limited credit and difficulty obtaining home mortgages.

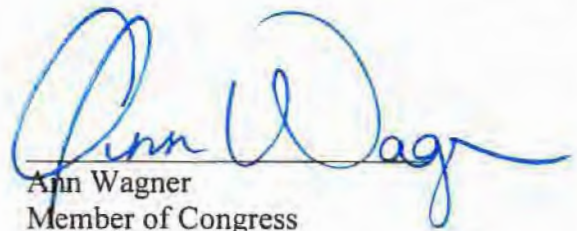
Missouri is home to both rural and urban communities, and we have grave concerns about the impact that this implementation could have in those areas.


We urge you to extend implementation of these rules until January 1, 2015, in order to ensure adequate time for the transition so that financial institutions are able to be in full compliance with the rules.

We thank you in advance for your consideration of this important matter and look forward to your response by December 17, 2013.


Sincerely,


Blaine Luetkemeyer
Member of Congress

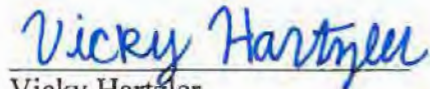

Ann Wagner
Member of Congress




Jason Smith
Member of Congress



Sam Graves
Member of Congress



Vicky Hartzler
Member of Congress



Billy Long
Member of Congress

Congress of the United States
Washington, DC 20515

December 18, 2013

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20552

Dear Director Cordray:

As members of the Florida Congressional delegation, we write to express our concerns regarding guidance issued by the Consumer Financial Protection Bureau (CFPB) on March 21, 2013 that could negatively impact the auto dealer industry, indirect vehicle financing market, and consumers in our state and nationwide. It is our understanding that the CFPB issued this guidance based on an assessment of disparate impact under the *Equal Credit Opportunity Act* (ECOA), and that it believes there to be the potential for pricing disparities based on race, national origin, and other prohibited factors. Allegations of discriminatory lending practices are deeply troubling, and therefore it is extremely important that we understand the methodologies and analyses used to reach this conclusion. With that in mind, we ask that the CFPB fully respond to all Congressional requests for the raw data and specific methodology used to determine instances of “disparate impact” and formulate the new guidance.

The auto dealer industry contributes greatly to our nation’s economy and that of our state and local communities. In particular, auto dealer sales represent about \$47 billion annually. Florida ranks as the third-largest state in the country in terms of number of vehicles, the sale of which account for 16 percent of retail sales tax. Furthermore, there are approximately 850 new car dealers in Florida, providing tens of thousands of direct jobs and supporting millions more in related sectors. Auto lending, including the indirect auto financing market, helps many hardworking individuals afford the vehicles they need to access job opportunities and support their families. As a result of the CFPB’s new guidance, we understand that 17,000 price discounters stand to be eliminated from the auto finance marketplace.

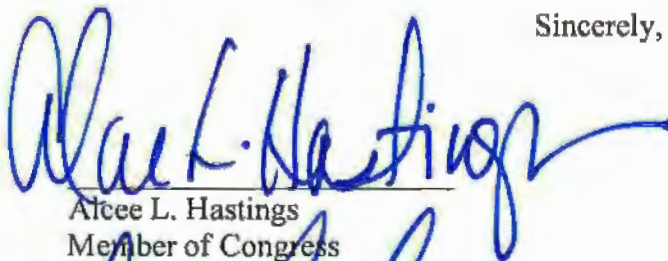
Prior to the CFPB’s fair lending guidance bulletin, auto dealers have been able to offer consumers a competitive interest rate through indirect vehicle financing with a third-party lender, such as a bank, credit union, or other financial institution. The ability of auto dealers to negotiate their retail margin in order to provide this service empowers consumers to make an informed decision regarding their financing options. Frequently, it results in them obtaining a lower cost of credit than they would otherwise be able to secure from other creditors. Although the compensation afforded to auto dealers is capped by contract, the totality of the CFPB’s guidance, press release, and reported enforcement actions suggests efforts to remove or significantly limit an auto dealer’s ability to negotiate competitive financing for their customers, and pressure lenders to replace the system of compensation with a flat fee per transaction or other mechanism.

We have a responsibility to ensure that consumers are best served by a competitive and efficient credit market. While we commend the CFPB for its commitment to addressing unlawful lending practices, we are concerned that Congress has yet to be provided with the complete data and other information necessary to conduct proper oversight of this matter. For example, we note that it is unclear from your responses to date whether the Bureau is including the amount financed amongst the “appropriate analytical controls” used to determine whether a specific policy results in unlawful differences on a prohibited basis.

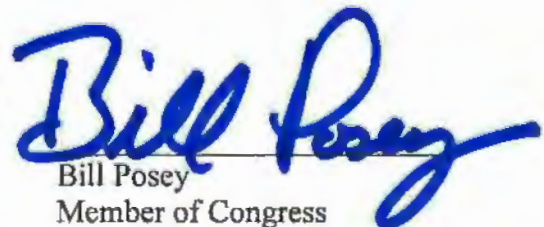
We fear that the CFPB’s decision to issue guidance, without public comment or a formal rulemaking process, will significantly restrict consumer choice and services. As you know, a bipartisan majority of the House Financial Services Committee, as well as 22 of our colleagues in the Senate, have written to you expressing similar concerns. We share their request for specific explanations detailing the CFPB’s assessment of disparate impact in the indirect auto financing market, especially the extent to which it studied and considered the potential effects of its guidance on the cost of credit to consumers, auto dealers, and competition in the auto loan market.

In order to meet the highest levels of transparency and maximize access to credit for consumers in a manner that is fair and equitable, we urge the CFPB to respond to the aforementioned Congressional inquiries as soon as possible. Without finality regarding this guidance, consumers will ultimately bear the cost as auto dealers will remain restricted in their ability to offer them the most competitive auto loan rates. We thank you for your cooperation and look forward to your response.

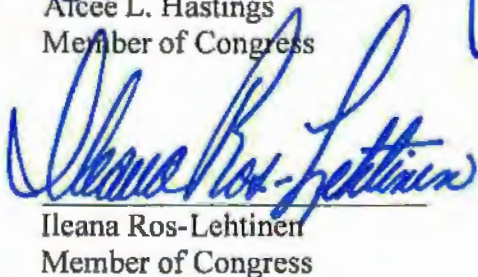
Sincerely,



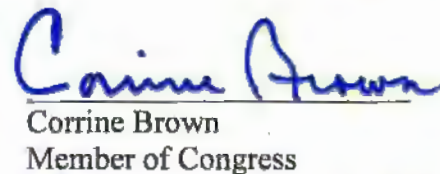
Alcee L. Hastings
Member of Congress



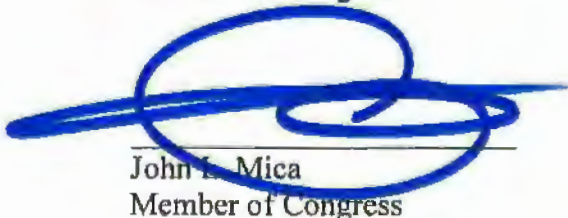
Bill Posey
Member of Congress



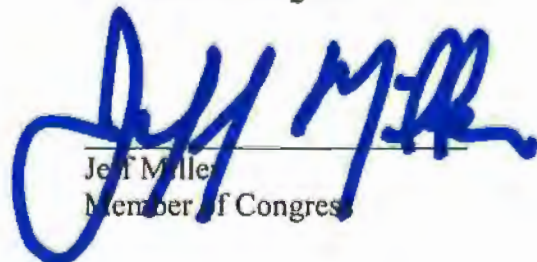
Ileana Ros-Lehtinen
Member of Congress



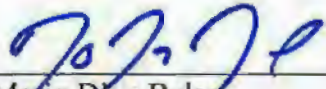
Corrine Brown
Member of Congress

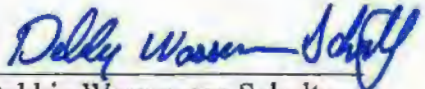


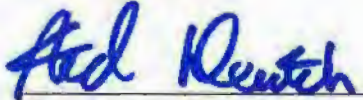
John L. Mica
Member of Congress

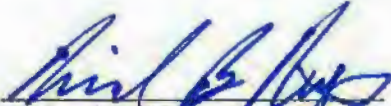



Jeff Miller
Member of Congress

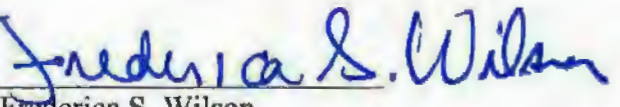

Mario Diaz-Balart
Member of Congress

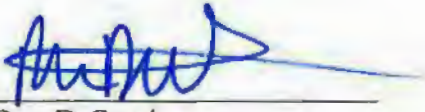

Debbie Wasserman Schultz
Member of Congress

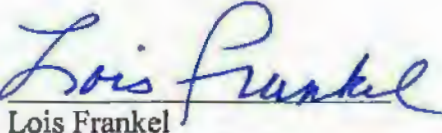

Theodore E. Deutch
Member of Congress

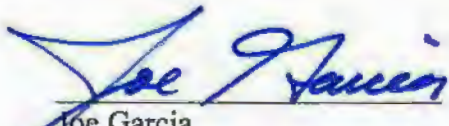

Richard B. Nugent
Member of Congress

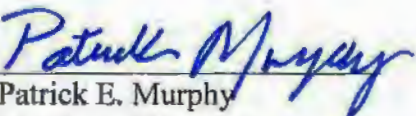

Dennis A. Ross
Member of Congress


Frederica S. Wilson
Member of Congress


Ron DeSantis
Member of Congress


Lois Frankel
Member of Congress


Joe Garcia
Member of Congress


Patrick E. Murphy
Member of Congress

MICHAEL H. MICHAUD
2ND DISTRICT MAINE

WASHINGTON OFFICE
1724 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
PHONE: (202) 225-6306
FAX: (202) 225-2943

www.michaud.house.gov

Congress of the United States
House of Representatives
Washington, DC 20515

September 30, 2013

COMMITTEES:

VETERANS' AFFAIRS
RANKING MEMBER

TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEE ON HIGHWAYS AND TRANSIT
SUBCOMMITTEE ON RAILROADS, PIPELINES, AND
HAZARDOUS MATERIALS
SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC
BUILDINGS, AND EMERGENCY MANAGEMENT
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

The Honorable Ben Bernanke
Chairman
The Federal Reserve System
20th Street and Constitution Ave, NW
Washington, DC 20429

The Honorable Martin Gruenberg
Chairman
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20552

The Honorable Tom Curry
Comptroller
Office of the Comptroller of Currency
250 E Street, SW
Washington, DC 20219

Dear Chairman Bernanke, Director Cordray, Chairman Gruenberg, and Comptroller Curry,

I write to express concern with the growing burden new regulations are placing on community banks. I firmly believe the financial crisis demonstrated the need to strengthen our financial regulations, and I supported the passage of Dodd-Frank as a result. I also believe the crisis showed the tremendous hazards of financial institutions that are "too-big-to-fail." I am concerned that new regulations are becoming disproportionately burdensome on community banks and leading to the consolidation of financial institutions. As your agencies continue to implement financial reforms, I urge you to consider the unintended consequences of a "one-size-fits-all" regulatory approach, and to the extent practicable, exempt or alleviate unnecessary burdens on community banks.

Community banks play an important role in states and localities around the nation. They often have deep ties and relationships in the communities they serve, allowing them to provide direct service and investments when larger banks are either unwilling or unable to do the same. Most community banks did not engage in the risky financial activities that caused the financial crisis, and in its aftermath, community banks in my state were among only a few institutions still willing to lend. Local understanding and relationships allowed these banks to provide important sources of capital and credit to get Main Street businesses and middle class families working again.

Financial regulations, oversight, and examinations should take these factors into account. Standards and rules developed for the largest and most complex financial institutions do not always make sense for smaller institutions. Due to their size, community banks are not as well equipped to manage new regulations. Hiring additional compliance personnel reduces the amount of capital available to serve their customers.

BANGOR:
6 STATE STREET, SUITE 101
BANGOR, ME 04401
PHONE: (207) 942-8935
FAX: (207) 942-5907

LEWISTON:
179 LISBON STREET, GROUND FLOOR
LEWISTON, ME 04240
PHONE: (207) 782-3704
FAX: (207) 782-5330


PRESQUE ISLE:
445 MAIN STREET
PRESQUE ISLE, ME 04769
PHONE: (207) 764-1036
FAX: (207) 764-1060



Consequently, regulating all banks in the same manner can have the unintended effect of greater consolidation and increased risk that a single institution could damage the entire economy. For example, in recent years the number of Maine headquartered institutions has shrunk from thirty-nine to twenty-seven. I do not believe this sort of consolidation is in the best interest of my constituents, or the economy at large.

Community banks do not pose a “too-big-to-fail” threat to our financial system and your agencies’ rules and examination methods should reflect that distinction. As you continue to implement financial reforms and review existing regulations, I urge you to consider the unintended consequences regulations could have on community banks and make appropriate adjustments.

Sincerely,

A handwritten signature in blue ink that reads "Michael H. Michaud". The signature is fluid and cursive, with a large loop at the end.

Michael H. Michaud
Member of Congress



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

September 30, 2013

The Honorable Steve Stivers
U.S. House of Representatives
1022 Longworth House Office Building
Washington, DC 20515

Dear Representative *Stivers,*

Thank you for your letter seeking further information about the Consumer Financial Protection Bureau's authority with regard to state-licensed payday lenders. I welcome the opportunity to address the Bureau's authority in more detail than we had time to do at the recent hearing.

As I have said in the past, all lenders should be mindful of state and federal law and must comply with all of the laws applicable to them. Full compliance with the law is essential to the operation of a fair, transparent and competitive market. The Dodd-Frank Wall Street Reform and Consumer Protection Act authorizes the Bureau to, among other things, supervise payday lenders, regardless of size; to assess compliance with Federal consumer financial law; to obtain information about them and their compliance systems or procedures; to detect and assess risks to consumers and promulgate rules as appropriate to implement Federal consumer financial law.

The marketplace in which payday lenders operate is increasingly diverse, and the Bureau is committed to ensuring that consumers receive the full protection of Federal consumer financial law—whether they obtain a loan online; from a storefront; from a state-licensed lender; or from a lender that, for whatever reason, chooses not to obtain appropriate licenses. Although the Bureau's role is to enforce federal law, we work collaboratively with other federal and state partners in the markets where more than one governmental entity may have authority to take action.

Your letter asked whether the Bureau has an interest in preempting state law regulating short-term credit, money services business activity, or payday lending. The Bureau recognizes the importance of both state and federal laws and their respective relevance to the consumer financial marketplace. For example, state regulatory agencies license or charter payday lenders, whereas the Bureau has authority over Federal consumer financial law, including various laws that confer substantive consumer protections relevant to payday lending. The Bureau meets its responsibilities under these laws by supervising payday lenders for compliance with them and by enforcing them directly. Payday lenders, in turn, must comply with state law and federal law, as applicable. Those who ignore applicable state or federal laws are at legal risk for doing so.

You have also asked how the Bureau considers lenders' compliance with state law in its evaluation of lenders and their business practices. It is our view that state and federal law generally must be construed separately, and compliance with state law does not exempt a lender from having to comply with federal law, and vice versa. We continue to expand our

understanding of how the payday market operates and affects consumers in order to better inform our policy work in this area.

Finally, you asked whether the Bureau, in its role as the primary federal regulator of the payday lending industry, will publish guidance to make clear that payday lenders who follow state law should not be subject to discontinuance of supporting banking relationships under federal law. To begin with, the Bureau is not the sole regulator of banking relationships and, in particular, does not engage in the same kind of safety and soundness regulation as the federal prudential regulators, who operate under a statutory mandate distinct from that conferred upon the Bureau. As already discussed, the bottom line is that a lender's compliance with applicable state law does not necessarily equate to its compliance with applicable federal law.

As you noted, the Bureau's job is to ensure that lenders follow the law and we agree with you that all payday lenders conducting business in Ohio and across the United States should be complying with all applicable state and federal laws. Thank you for the opportunity to clarify these points and for your continuing interest in the Bureau's work.

Sincerely,



Richard Cordray
Director

Let me know when it makes sense to do something with your Financial Literacy caucus — eager to work with you on that.
Rich



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

October 2, 2013

The Honorable Mike Crapo
Ranking Member
United States Senate
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Ranking Member Crapo:

Enclosed is the Consumer Financial Protection Bureau's report to Congress on the impact of the Credit Card Accountability Responsibility and Disclosure Act of 2009 ("CARD Act") on the consumer credit card market, pursuant to Section 502(a) of the CARD Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-7960.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Galicia', written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



1700 G Street, N.W., Washington, DC 20552

October 2, 2013

The Honorable Jeb Hensarling
Chairman
U.S. House Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Hensarling:

Enclosed is the Consumer Financial Protection Bureau's report to Congress on the impact of the Credit Card Accountability Responsibility and Disclosure Act of 2009 ("CARD Act") on the consumer credit card market, pursuant to Section 502(a) of the CARD Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-7960.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Galicia", written in a cursive style.

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

October 2, 2013

The Honorable Tim Johnson
Chairman
United States Senate
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Johnson:

Enclosed is the Consumer Financial Protection Bureau's report to Congress on the impact of the Credit Card Accountability Responsibility and Disclosure Act of 2009 ("CARD Act") on the consumer credit card market, pursuant to Section 502(a) of the CARD Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-7960.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Galicia".

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20562

October 2, 2013

The Honorable Carolyn Maloney
U.S. House of Representatives
422 Cannon House Office Building
Washington, D.C. 20515

Dear Representative Maloney:

Enclosed is the Consumer Financial Protection Bureau's report to Congress on the impact of the Credit Card Accountability Responsibility and Disclosure Act of 2009 ("CARD Act") on the consumer credit card market, pursuant to Section 502(a) of the CARD Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-7960.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Galicia".

Catherine Galicia

Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

October 2, 2013

The Honorable Maxine Waters
Ranking Member
U.S. House Committee on Financial Services
B301-C Rayburn House Office Building
Washington, D.C. 20515

Dear Ranking Member Waters:

Enclosed is the Consumer Financial Protection Bureau's report to Congress on the impact of the Credit Card Accountability Responsibility and Disclosure Act of 2009 ("CARD Act") on the consumer credit card market, pursuant to Section 502(a) of the CARD Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-7960.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Galicia".

Catherine Galicia
Assistant Director for Legislative Affairs



1700 G Street, N.W., Washington, DC 20552

October 2, 2013

The Honorable John Boehner
Speaker
U.S. House of Representatives
H-232 United States Capitol
Washington, D.C. 20515

Dear Speaker Boehner:

Enclosed is the Consumer Financial Protection Bureau's report to Congress on the impact of the Credit Card Accountability Responsibility and Disclosure Act of 2009 ("CARD Act") on the consumer credit card market, pursuant to Section 502(a) of the CARD Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-7960.

Sincerely,

A handwritten signature in black ink, appearing to read "Catherine Galicia", is written over a light grey horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



1700 G Street, N.W. Washington, DC 20562

October 2, 2013

**The Honorable Shelly Moore Capito
U.S. House of Representatives
2366 Rayburn House Office Building
Washington, D.C. 20515**

Dear Representative Capito:

Enclosed is the Consumer Financial Protection Bureau's report to Congress on the impact of the Credit Card Accountability Responsibility and Disclosure Act of 2009 ("CARD Act") on the consumer credit card market, pursuant to Section 502(a) of the CARD Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-7960.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Galicia", is written over a light grey circular background.

**Catherine Galicia
Assistant Director for Legislative Affairs**



1700 G Street, N.W., Washington, DC 20552

October 2, 2013

The Honorable Richard Durbin
United States Senate
711 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Durbin:

Enclosed is the Consumer Financial Protection Bureau's report to Congress on the impact of the Credit Card Accountability Responsibility and Disclosure Act of 2009 ("CARD Act") on the consumer credit card market, pursuant to Section 502(a) of the CARD Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-7960.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Galicia", is written over a light blue horizontal line.

Catherine Galicia
Assistant Director for Legislative Affairs



1700 G Street, N.W. Washington, DC 20552

October 2, 2013

**The Honorable Luis Gutierrez
U.S. House of Representatives
2408 Rayburn House Office Building
Washington, D.C. 20515**

Dear Representative Gutierrez:

Enclosed is the Consumer Financial Protection Bureau's report to Congress on the impact of the Credit Card Accountability Responsibility and Disclosure Act of 2009 ("CARD Act") on the consumer credit card market, pursuant to Section 502(a) of the CARD Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-7960.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Galicia", is written over a light gray circular stamp.

**Catherine Galicia
Assistant Director for Legislative Affairs**



Consumer Financial
Protection Bureau

1700 G Street, N.W. Washington, DC 20552

October 2, 2013

The Honorable Mitch McConnell
Minority Leader
United States Senate
S-230 United States Capitol
Washington, D.C. 20510

Dear Minority Leader McConnell:

Enclosed is the Consumer Financial Protection Bureau's report to Congress on the impact of the Credit Card Accountability Responsibility and Disclosure Act of 2009 ("CARD Act") on the consumer credit card market, pursuant to Section 502(a) of the CARD Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-7960.

Sincerely,

A handwritten signature in black ink, appearing to read "Catherine Galicia".

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20562

October 2, 2013

The Honorable Nancy Pelosi
Democratic Leader
U.S. House of Representatives
H-204 United States Capitol
Washington, D.C. 20515

Dear Leader Pelosi:

Enclosed is the Consumer Financial Protection Bureau's report to Congress on the impact of the Credit Card Accountability Responsibility and Disclosure Act of 2009 ("CARD Act") on the consumer credit card market, pursuant to Section 502(a) of the CARD Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-7960.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Galicia".

Catherine Galicia
Assistant Director for Legislative Affairs



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC, 20552

October 2, 2013

The Honorable Harry Reid
Majority Leader
United States Senate
S-212 United States Capitol
Washington, D.C. 20510

Dear Majority Leader Reid:

Enclosed is the Consumer Financial Protection Bureau's report to Congress on the impact of the Credit Card Accountability Responsibility and Disclosure Act of 2009 ("CARD Act") on the consumer credit card market, pursuant to Section 502(a) of the CARD Act.

Should you have any questions concerning this report, please feel free to contact me at 202-435-7960.

Sincerely,

A handwritten signature in black ink, appearing to read 'Catherine Galicia'.

Catherine Galicia
Assistant Director for Legislative Affairs

MAX BAUCUS, MONTANA, CHAIRMAN

JOHN D. ROCKEFELLER IV, WEST VIRGINIA
RON WYDEN, OREGON
CHARLES E. SCHUMER, NEW YORK
DEBBIE STABENOW, MICHIGAN
MARIA CANTWELL, WASHINGTON
BILL NELSON, FLORIDA
ROBERT MENENDEZ, NEW JERSEY
THOMAS R. CARPER, DELAWARE
BENJAMIN L. CARDIN, MARYLAND
SHERROD BROWN, OHIO
MICHAEL F. BENNET, COLORADO
ROBERT P. CASEY, JR., PENNSYLVANIA

ORRIN G. HATCH, UTAH
CHUCK GRASSLEY, IOWA
MIKE CRAPO, IDAHO
PAT ROBERTS, KANSAS
MICHAEL B. ENZI, WYOMING
JOHN CORNYN, TEXAS
JOHN THUNE, SOUTH DAKOTA
RICHARD BURR, NORTH CAROLINA
JOHNNY ISAKSON, GEORGIA
ROB PORTMAN, OHIO
PATRICK J. TOOMEY, PENNSYLVANIA

United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

AMBER COTTLE, STAFF DIRECTOR
CHRIS CAMPBELL, REPUBLICAN STAFF DIRECTOR

October 8, 2013

The Honorable Jacob Lew
Secretary
Department of the Treasury
1500 Pennsylvania Ave. NW
Washington, DC 20220

The Honorable Ben Bernanke
Chairman, Board of Governors
The Federal Reserve System
20th Street and Constitution Ave. NW
Washington, DC 20551

The Honorable Gary Gensler
Chairman
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st Street NW
Washington, DC 20581

The Honorable Mary Jo White
Chairman
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20551

Martin J. Gruenberg
Chairman
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Edward DeMarco
Acting Director
Federal Housing Finance Agency
1700 G Street NW, 4th Floor
Washington, DC 20552

The Honorable Debbie Matz
Chairman
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

The Honorable Thomas J. Curry
Comptroller
Office of the Comptroller of the Currency
250 E Street SW, Room 9048
Washington, DC 20219

The Honorable S. Roy Woodall, Jr.
Independent Member with
Insurance Experience
Financial Stability Oversight Council
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Lew, Chairmen Bernanke, Gensler, Matz, White, Gruenberg, Comptroller Curry, Director Cordray, FSOC Independent Member with Insurance Expertise Woodall, and Acting Director DeMarco:

With the nation fast approaching the statutory federal debt limit, I am writing to you, the voting members of the Financial Stability Oversight Council (FSOC), regarding the fiscal state of the nation and any contingency plans you may have.

The FSOC was established under the Dodd-Frank Act (P.L. 111-203) and is responsible for identifying risks and potential emerging threats to the financial stability of the United States.

While the 2013 Annual Report of the FSOC provided brief discussions of the statutory debt limit, it failed to identify the limit as an emerging threat to the stability of the United States financial system. Since the time of the report's publication, and with an impending potential breach of the statutory debt limit, several experts, including some FSOC members, have identified clear risks to the nation's financial stability should there be a breach. Even the President of the United States, referring to the recent market "calm" about the debt limit and federal financing, said last week that market participants "should be concerned."

A recent report released by the Treasury Department on October 3 concluded that "In the event that a debt limit impasse were to lead to a default, it could have a catastrophic effect..." and "...not only might the economic consequences of default be profound, those consequences, including high interest rates, reduced investment, higher debt payments, and slow economic growth, could last for more than a generation."

If there is even a remote possibility of a breach of the statutory debt limit and a default, then the possible consequences would be severe, as Treasury's report and others have identified. Lack of any timely warning of an emerging threat to financial stability from the FSOC indicates either that FSOC does not identify the debt limit and a possible breach as an emerging threat, or that FSOC does, and has not adequately responded to such a threat by issuing timely warnings about the risks.

As was the case during the 2011 debt limit impasse, I request that you provide Congress with detailed information about any contingency plans that you, as the FSOC or as individual regulators of financial institutions, may have in the event of either of the following: 1) a ratings downgrade of United States Treasury securities or the sovereign rating of the United States; or 2) a default on any incoming due obligation of the federal government. By "plan," I mean any formal written steps or informally and internally discussed steps to take in order to deal with the contingencies I have just identified.

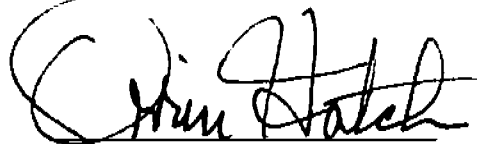
During the 2011 impasse, I only received a response to my information requests from Chairman Matz of the National Credit Union Administration. That was the case even though minutes of a Federal Reserve Videoconference meeting of the Federal Open Market Committee on August 1, 2011 made clear that the Fed and Treasury had developed contingency plans, which, to this very day, have not been shared with Congress. Such a lack of transparency is unacceptable, and Congress and the American people deserve more information about how the federal government and its agencies plan to respond to impending risks.

If a voting member of the FSOC believes that there is a positive probability of either of the two contingencies identified above, and if the member believes that the contingencies could lead to instability in financial markets, then it is reasonable to assume, from the perspective of prudent risk management, that contingency plans have been developed. That being the case, I request that you share any such plans with Congress.

Alternatively, if a voting member of the FSOC believes that the probability of either or both of the contingencies identified above is zero and no such planning is in order, I request that you share that belief with Congress.

Please provide to me the information I request above by no later than the close of business on October 15.

Sincerely,

A handwritten signature in black ink, appearing to read "Orrin Hatch". The signature is written in a cursive style with a large, circular initial "O" on the left side.

Orrin Hatch

Ranking Member, U.S. Senate Committee on Finance

Oct 10, 2013



Dear Congressman Heck,

It was a pleasure to meet you today and talk about our mutual interest in supporting the military/veteran community in your district and beyond. I look forward to working with you and your staff on military issues, and hope to get out to Washington State before too long.

Sincerely,

Holly Petracus
ASST Dir, Servicemember Affairs

consumerfinance.gov

MICHAEL H. MICHAUD
2ND DISTRICT MAINE

WASHINGTON OFFICE
1724 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
PHONE: (202) 225-6306
FAX: (202) 225-2943

www.michaud.house.gov

Congress of the United States
House of Representatives
Washington, DC 20515

COMMITTEES:

VETERANS' AFFAIRS
RANKING MEMBER

TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEE ON HIGHWAYS AND TRANSIT
SUBCOMMITTEE ON RAILROADS, PIPELINES, AND
HAZARDOUS MATERIALS
SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC
BUILDINGS, AND EMERGENCY MANAGEMENT
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT

October 1, 2013

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20552

The Honorable Debbie Matz
Chairman
National Credit Union Administration
1775 Duke St #4206
Alexandria, VA 22314

Dear Director Cordray and Chairman Matz,

I write to express concern with the growing burden new regulations are placing on credit unions, particularly the small and medium sized credit unions in my state. I firmly believe the financial crisis demonstrated the need to strengthen our nation's financial regulations. But I also believe that new regulations must be designed to target the root causes of the crisis and to prevent financial institutions from becoming "too-big-to-fail."

Credit unions did not engage in the abuses and risky practices that led to the financial crisis. I am concerned that the implementation of financial reforms is becoming disproportionately burdensome on credit unions, particularly the smaller community based institutions, and leading to the consolidation of institutions. As your agencies continue to implement financial reforms, I urge you to consider the unintended consequences of a "one-size-fits-all" regulatory approach, and to the extent practicable, exempt or alleviate unnecessary burdens on credit unions.

Credit unions play an important role in states, towns and municipalities around the nation. As member-owned and controlled cooperatives, they usually have deep ties in the communities they serve. Without outside stockholders, earnings are returned to customers through improved services and lower lending rates. Credit union's local ties have long prevented excessive risk taking, and their structure has allowed them to remain a well capitalized source of financial stability both during and following the financial crisis. As the economy recovers, credit unions in Maine and around the country continue to help get middle class families working again.

Regulations, oversight, and examinations by your agencies should take these factors into account. Examination practices should be consistent from one to the next and should give credit unions the reasonable flexibility to serve their members' needs. Standards and rules developed for the largest and most complex financial institutions do not always make sense for credit unions. Due to their size and structure, many credit unions are having difficulty keeping pace with new regulations and unpredictable examination procedures. Since most compliance costs do not vary by institution size, the regulatory burden falls disproportionately on smaller credit unions.

BANGOR:
6 STATE STREET, SUITE 101
BANGOR, ME 04401
PHONE: (207) 942-6935
FAX: (207) 942-5907

LEWISTON:
179 LISBON STREET, GROUND FLOOR
LEWISTON, ME 04240
PHONE: (207) 782-3704
FAX: (207) 782-5330

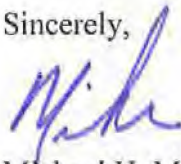
PRESQUE ISLE:
445 MAIN STREET
PRESQUE ISLE, ME 04769
PHONE: (207) 764-1036
FAX: (207) 764-1060



Every dollar a credit union spends on additional compliance personnel reduces the amount available to serve their members. Consequently, regulating all credit unions and financial institutions in the same manner can have the unintended effect of greater consolidation, decreased services, and restricted lending. I do not believe that to be in the best interest of my constituents, or the economy at large.

Credit unions do not pose a “too-big-to-fail” threat to our financial system and your agencies’ rules and examination methods should reflect that distinction. As you continue to implement financial reforms and review existing regulations, I urge you to consider the unintended consequences regulations could have on smaller community based institutions and make appropriate adjustments.

Sincerely,

A handwritten signature in blue ink, appearing to read "M. Michaud".

Michael H. Michaud
Member of Congress



Consumer Financial
Protection Bureau

1700 G Street, N.W. Washington, DC 20552

October 10, 2013

The Honorable Cheri Bustos
U.S. House of Representatives
1009 Longworth House Office Building
Washington, DC 20515

Dear Representative Bustos,

Thank you for your letter requesting information about efforts by the Consumer Financial Protection Bureau to protect consumers and ensure that financial products such as pension advance products and services are in compliance with the law. I appreciate the opportunity to discuss these products.

As you stated in your letter, recent questions about potentially unfair or deceptive practices relating to pension advance products and services have raised concern about the negative impact these products may have on veterans, teachers, and firefighters, as well as seniors. As I have said in the past, all lenders should be mindful of state and federal law and must comply with all laws applicable to them. The Bureau is committed to ensuring that consumer credit markets are fair, transparent, and competitive - and lenders' full compliance with the law is essential to that goal.

Your letter asked the Bureau to assess whether these pension advances violate the Racketeer Influenced and Corrupt Organizations Act (RICO), other federal law, or state usury laws. While we are not in a position to comment on the applicability of RICO or state law, the Bureau is committed to ensuring that consumers receive the full protection of Federal consumer financial law.

The Bureau is continuing to study information we obtain about the pension advance products and services market and its impact on consumers. As part of these efforts, in April 2012 the Office for Older Americans requested information from the public regarding fraudulent or deceptive practices targeted to older veterans and/or military retirees, including information about military pension buyout schemes, in which veterans are offered cash payments in return for their military pension payouts in a manner that could ultimately deprive the veteran of the majority of his or her pension.¹

In addition, on June 13, 2013, the Bureau added to its website, a "Spotlight on scams that target older adults." The spotlight calls attention to concerns that numerous companies are targeting retirees who may need access to cash by offering "advances" on their pension payments. The spotlight also notes that pension advance firms have been targeting military veterans, and reportedly have begun targeting teachers, firefighters, and police officers. The spotlight offers

¹ See <http://www.gpo.gov/fdsys/pkg/FR-2012-06-19/html/2012-14854.htm> (published at 77 Fed. Reg. 118 (June 19, 2012)).

several resources for consumers who may be targeted by these firms.² On July 31, 2013, Hollister Petraeus, the Bureau's Assistant Director for the Office of Servicemember Affairs, testified before the U.S. Senate Committee on Veterans' Affairs and addressed growing concern about the marketing of these products to our veterans.³ The Bureau's Office of Servicemember Affairs and Office of Financial Protection for Older Americans are working on steps that can be taken to address these concerns.

Thank you for your continuing interest in the Bureau's work and for taking the time to share your concerns with me. I look forward to working with you on this issue and other important consumer financial protection issues.

Sincerely,



Richard Cordray
Director

² See <http://www.consumerfinance.gov/blog/spotlight-on-scams-that-target-older-adults>.

³ See <http://www.consumerfinance.gov/newsroom/hollister-k-petraeus-before-the-senate-committee-on-veteran-affairs>.



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

October 15, 2013

The Honorable Michael Michaud
U.S. House of Representatives
1724 Longworth House Office Building
Washington, D.C. 20515

Dear Representative Michaud:

Thank you for your letter about the issues facing community banks. We at the Consumer Financial Protection Bureau share your belief that community banks play an essential role in the consumer financial services markets and in communities across the United States.

The Bureau also shares your concern that regulations should not place unnecessary burdens on community banks. We recognize that, with few exceptions, community banks and credit unions did not engage in the type of risky lending that led to the mortgage crisis. We also understand, as your letter makes clear, that if the regulations implementing the Dodd-Frank Wall Street Reform and Consumer Financial Protection Act are too burdensome, these institutions may be more likely to retreat from the mortgage market, which could restrict access to credit for some borrowers.

For these reasons, the Bureau takes special care to ensure that its rules are balanced for community banks and credit unions and the consumers they serve. For instance, the Bureau has tailored the Ability-to-Repay rule and the standards for qualified mortgages (QMs) to encourage small creditors to continue providing certain credit products, while carefully balancing consumer protections.

To address concerns such as those you raised, the Bureau created a QM provision specifically for small-creditor portfolio loans. Under that provision, portfolio loans made by small creditors generally qualify to be QMs—even if the 43 percent debt-to-income ratio is exceeded—as long as the creditor considered debt-to-income or residual income before making the loan, and as long as the loan meets the other requirements for qualified mortgages (including the prohibitions on risky product features). In addition, the Bureau has provided a two-year transition period, during which balloon loans made by small creditors and held in portfolio will be treated as QMs regardless of where the creditor predominantly operates. This decision will allow time for the Bureau to review whether its definitions of “rural” and “underserved” should be adjusted. As Director, I am committed to conducting such a review to ensure that the Bureau’s definitions accurately reflect significant differences among geographic areas, to calibrate access to credit concerns, and to facilitate implementation.

Additionally, the Bureau has embarked on an implementation plan to prepare mortgage businesses for the rules that take effect next January. We have published plain-English summaries that we will update as necessary. We have also launched a series of videos explaining our rules. We are trying to make our rules more understandable and more user-friendly –

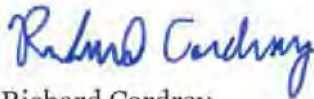
setting out what lenders need to know and what they need to do in order to comply.¹ We intend these efforts to be especially helpful to smaller institutions where regulatory burden weighs more heavily on fewer employees.

As you know, the Bureau is committed to incorporating the perspectives of all stakeholders into our policy-making process. We created the Community Bank Advisory Council in early 2012 to enhance engagement with the community banking community. CBAC helps the Bureau by providing information on emerging practices in the consumer financial products and services industry, including regional trends and concerns. The Bureau also created the Office of Financial Institutions and Business Liaison, whose focus is to work directly with industry participants including community banks and credit unions. They meet regularly with industry stakeholders and trade groups in order to ensure that their views are heard. You may also be interested to know that the Bureau met with the Maine Credit Union League on October 3, 2013 and held a roundtable with Maine community bankers in Portland, on July 10, 2013.

Lastly, in regards to your concerns about the examination process for small lenders, the Bureau generally does not supervise depository institutions or credit unions with total assets of \$10 billion or less. The Bureau is working with fellow regulators to help ensure consistency in our examinations of mortgage lenders under the new rules and to clarify issues as needed. In addition, after working with the prudential regulators on the Federal Financial Institutions Examination Council, we have created common examination guidelines and standards that will be used by other regulators. These have been published well in advance of the effective date of the rules, so that institutions will know what to expect.

Thank you again for taking the time to share your concerns with me. I look forward to working with you on the important consumer financial protection issues that impact the constituents that you represent.

Sincerely,



Richard Cordray
Director

¹ See <http://www.consumerfinance.gov/regulatory-implementation/>



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

October 15, 2013

The Honorable Ed Perlmutter
U.S. House of Representatives
1410 Longworth House Office Building
Washington, DC 20515

The Honorable Denny Heck
U.S. House of Representatives
425 Cannon House Office Building
Washington, DC 20515

Dear Representatives Perlmutter and Heck,

Thank you for your letter requesting guidance for financial institutions about providing banking services to marijuana-related businesses. I welcome the opportunity to address the Consumer Financial Protection Bureau's authority in more detail than was possible at the House Financial Service Committee hearing.

You asked the Bureau and other agencies to issue guidance to regulated banks, credit unions, and other financial services providers "eliminating further uncertainty and ensuring state and local governments have access to an effective and safe regulatory regime in place." This matter does not appear to implicate Federal consumer financial law. Rather, providing banking services to marijuana-related businesses appears to relate to financial transactions and products that are purely commercial in nature and to implicate safety and soundness issues such as compliance risk and reputation risk which are within the authorities of other federal banking regulators to address. Thus, while the issue you raise is important, it would not be appropriate for the Bureau to provide guidance or comment on it at this time.

Thank you for the opportunity to respond. Please do not hesitate to have your staff contact the Bureau's Legislative Affairs staff with any additional questions. I look forward to collaborating on consumer financial protection issues important to you and to the consumers you represent.

Sincerely,

A handwritten signature in black ink that reads "Richard Cordray". The signature is written in a cursive, flowing style.

Richard Cordray
Director



October 17, 2013

Mr. Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, D.C. 20552

Dear Director Cordray,

Thank you for taking the time recently to discuss the impact of the Consumer Financial Protection Bureau's (CFPB) regulations on community banks in New Hampshire. I was encouraged to hear you recognize the importance of maintaining the community banks' relationship-driven lending model in New Hampshire. As you know, our community banks play a vital role in local economies throughout the state, helping small businesses get access to credit and providing families with affordable home financing options. I appreciate your willingness to examine the CFPB's rules to ensure that they do not harm this important component of New Hampshire's economy.

I write today to follow up on our conversation and request additional information about the "small creditor" definition in the ability-to-repay (ATR) rule. Currently, it is limited to lenders that make 500 or fewer loans and are under two billion dollars in assets. As you know, the ATR rule is designed to prevent unscrupulous lenders from putting borrowers into mortgages they cannot afford. All mortgages must comply with the ATR requirement. However, as the CFPB has rightly acknowledged in its final rule, certain "qualified mortgages" are presumed to comply with the rule if they meet strict income criteria, in addition to other requirements. If a lender is classified as a "small creditor" under the ATR rule, the qualified mortgage status attaches to the loan, even if it does not meet the debt-to-income ratio. By bearing the risk for these loans, small creditors such as community banks have a strong incentive to ensure that the borrower is able to repay.

Unfortunately, the definition of small lenders in the final ATR rule would not include many community banks in New Hampshire. In particular, the CFPB's decision to define small creditors as those who originate 500 or fewer mortgage loans per year has resulted in many New Hampshire community banks falling outside the definition. Many of our community banks originate more than 500 mortgage loans each year, in part due to industry consolidation and the need for these institutions to pick up the slack from larger lenders that have pulled back from more rural communities.

Many community banks are concerned that the risks associated with originating loans outside the qualified mortgage safe harbor could restrict their ability to lend to local borrowers. Various counsel to New Hampshire community banks have expressed concern that the lack of the safe harbor and heightened penalties and liabilities pose burdensome reputational and litigation risk.

New Hampshire bankers have cautioned me these risks will cause them not to loan outside the safe harbor. This could result in excessively constricted credit for consumers in New Hampshire. For example, community banks would be more hesitant to originate loans in areas with high home values that do not conform to government-sponsored enterprise (GSE) loan limits. In addition, it would be much more difficult for community banks to work with borrowers when their circumstances change, such as a health crisis or a loss of employment. I have heard from many constituents in New Hampshire that have benefitted greatly from community banks' flexibility and forbearance in these situations, especially compared to larger banks.

I was encouraged to hear that you will consider revisiting this threshold based on an examination of data and the impact on credit availability and the community banking sector. In the interim, I believe it is critical to understand the original rationale behind the 500-mortgage loan threshold. Can you please provide my office with the Bureau's rationale for setting this threshold at 500 mortgage loans? I would also appreciate your office providing me with an analysis of the impact of this threshold on consumer credit availability.

As you have said, strengthening the community banks' relationship lending model is not only good for our economy, but it also promotes sound lending practices and benefits consumers. I believe that flexibility for the ATR rule is one way to promote the community banking model and avoid the abuses by larger institutions that precipitated the financial crisis.

Thank you for your attention to this matter, and I look forward to working with you on this issue.

Sincerely,

A handwritten signature in blue ink that reads "Jeanne Shaheen". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jeanne Shaheen
United States Senator

United States Senate
WASHINGTON, DC 20510

October 18, 2013

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20552

Dear Director Cordray:

We write to express our continuing interest in addressing the challenge of medical debt in credit reports, and we are pleased to hear that the Consumer Financial Protection Bureau (CFPB) is looking into this issue. Medical debt is different from other types of debt as it is an unplanned expense, often resulting from an unforeseen illness or emergency. Additionally, due to the medical billing process in which billing disputes and errors can spur the incurrence of medical debt, consumers often do not even know that they are responsible for a medical debt before it has been reported to collections.

The inclusion of medical debt in credit scoring practices can have severe negative effects on consumers. According to the Commonwealth Fund, nearly 73 million adults faced difficulties paying medical bills in 2010. Additionally, a study on credit report accuracy published in the Federal Reserve Bulletin found that approximately 80 percent of those with medical collection data on their credit reports would have experienced an increase in scores if the medical debt was not factored in to the scoring algorithm.

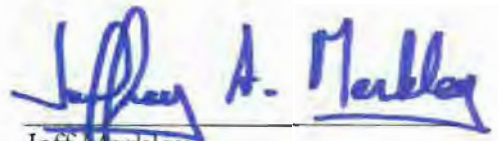
Furthermore, lowered credit scores resulting from medical debt are often reported in error. In February 2013, the Federal Trade Commission released the results of a comprehensive study of credit reporting errors, finding 21 percent of American consumers had an error on a credit report from at least one of the three major credit reporting companies. Thirteen percent of consumers had errors serious enough to change their credit scores. Unlike with other industries, when an error is made on a consumer's credit report the consumer does not have the ability to switch companies, as all consumers are beholden to the major credit reporting agencies. In this way, what begins as an unpredictable medical hardship or even an error that is not the fault of the consumer, can lead to long-lasting damage to a consumer's ability to buy a home, obtain a credit card, and fully participate in our economy.

Moreover, medical debt is such a poor predictor of creditworthiness that credit bureaus and lenders have testified to Congress that removing medical debt from consideration would not harm the predictive value of consumer credit reports.

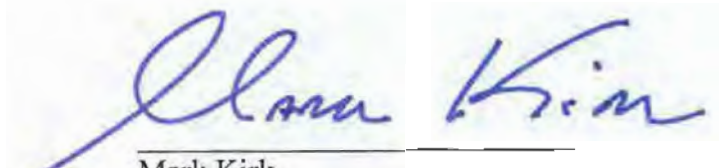
Many consumers mistakenly believe that unpaid medical bills have no influence over one's credit score. However, without changes, medical debt will continue to negatively impact consumers' lives. We welcome and encourage efforts by the CFPB to investigate and examine medical debt in order to further inform the discussion regarding how best to address its effects on consumer credit.

We urge the CFPB to move quickly to examine these issues and share its conclusions. We look forward to a speedy response.

Sincerely,



Jeff Merkley
U.S. Senator



Mark Kirk
U.S. Senator

October 22, 2013

The Honorable Richard Cordray
Director
Bureau of Consumer Financial Protection
1700 G Street, NW
Washington, DC 20552

Director Cordray:

On April 24, 2013, the Consumer Financial Protection Bureau (CFPB) released a study on the prevalence and use of payday loans and deposit advance products.¹ Though styled as a "white paper on initial data findings," the study concludes with the promise of regulation: "The potential consumer harm and the data gathered to date are persuasive that further attention is warranted to protect consumers. Based upon the facts uncovered through our ongoing work in this area, the CFPB expects to use its authorities to provide such protections."²

On June 20, 2013, an attorney representing the Community Financial Services Association of America (CFSA), a payday lending trade group, sent an Information Quality Act petition to the CFPB requesting that it withdraw the study, citing serious methodological flaws.³ Among other problems cited in its petition, the CFSA noted significant sampling errors, which allegedly overstated the CFPB's findings by 81 percent. The petition further requested that the CFPB release all of its data so that its study could be publicly reviewed by experts.

In an August 19, 2013 response letter, the CFPB declined to withdraw its white paper, asserting that it was useful and objective because it had been subjected to a pre-publication review process within the Bureau.⁴ Further, the CFPB declined to provide the CFSA with the data the paper had relied upon, citing its confidentiality.⁵

Data-driven, transparent agencies should welcome thorough review of their reports by outside experts, particularly when findings drawn therefrom will inform their rulemakings. So that the Financial Services Committee can independently assess the veracity of the findings and conclusions of CFPB's payday and deposit advance products study, I request that you provide the Committee with copies of all of the data, analyses, reports, studies and methodologies upon which the CFPB relied in preparing it.

¹ Consumer Financial Protection Bureau, "Payday Loans and Deposit Advance Products," (Apr. 24, 2013), available at http://files.consumerfinance.gov/f/201304_cfpb_payday-lap-whitepaper.pdf.

² *Id.* at 44-45.

³ See <http://www.cfpbmonitor.com/files/201306/CFSA-Information-Quality-Act-Petition-to-CFPB-6-20-13.pdf>.

⁴ See http://files.consumerfinance.gov/f/201308_cfpb_cfsa-response.pdf.

⁵ *Id.*

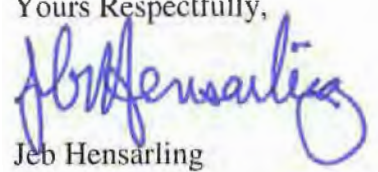
The Honorable Richard Cordray

Page 2

October 22, 2013

Please provide this information in hard copy and electronic and searchable format no later than November 5, 2013. Any questions about this request should be directed to Brian Johnson of the Committee staff at 202-225-7502.

Yours Respectfully,



Jeb Hensarling

Chairman

cc: The Honorable Maxine Waters
Mr. Mark Bialek, Inspector General, Federal Reserve Board and CFPB

EDWARD J. MARKEY
MASSACHUSETTS

COMMITTEES

COMMERCE, SCIENCE, AND TRANSPORTATION
SMALL BUSINESS AND ENTREPRENEURSHIP
FINANCIAL SERVICES

SUBCOMMITTEES

SUBCOMMITTEE ON INTERNATIONAL DEVELOPMENT AND
FOREIGN ASSISTANCE, ECONOMIC AFFAIRS,
INTERNATIONAL ENVIRONMENTAL PROTECTION, AND
PUBLIC CORRUPTION

U.S. SENATE CLIMATE CHANGE COMMITTEE

United States Senate

October 22, 2013

Sen. SN-218

PHOENIX, ARIZONA
WASHINGTON, DC 20510-2107
602-426-2752

THOMAS R. O'DONNELL, JR., FLOOR LEADER
10 CONGRESS STREET, SUITE 600
BOSTON, MA 02227
617-565-8519

222 MICHIGAN AVENUE, SUITE 212
FALL RIVER, MA 02721
508-977-8822

1000 MAIN STREET, 3RD FLOOR
TEMPERANCE, MA 01101
413-353-8070

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G St. NW
Washington, DC 20552

Dear Mr. Cordray:

We write to inquire about the Consumer Financial Protection Bureau's (CFPB's) efforts to study, and, as appropriate, take action to protect consumers against entities that provide medical and dental credit cards, loans and other consumer financial products and services used by individuals to pay for medical and dental care that is not covered by health insurance. As indicated in a recent *The New York Times* article¹, several financial products exist on the market, including medical credit cards and medical loans that have extraordinarily high interest rates and questionable financing terms. These products are typically offered to consumers who may not otherwise be able to pay for the services by their physicians or health care providers immediately following or in anticipation of expensive medical procedures, and in many cases drive consumers further into debt. In an example provided in *The New York Times*, a dentist who marketed a medical loan to his patient was paid in full immediately while the patient was charged a 23% annual interest rate (or 33% if she missed a payment). The patient was then directed to obtain a medical credit card to cover the costs of additional dental work she required. Her monthly payments for these various products now add up to one third of her monthly Social Security benefits.

Consumers use these medical financial products and services to pay for medical procedures ranging from elective cosmetic surgeries to critical life-saving medical treatments. Often those targeted for these products are seniors or those who are seriously ill or underinsured or uninsured patients. Equally troubling, the entity offering the product or service is a trusted practitioner or health care facility. As more Americans have accessed these products, several Attorneys General – including those in New York and Minnesota – have conducted investigations alleging abusive lending practices or exploitation by some health care providers and financial firms offering this third-party medical financing.

As medical debt continues to place a heavy burden on millions of Americans, we need to gain a better understanding of the role played by consumer financial products and services that offer consumers seemingly quick fixes to cover the high costs of medical procedures. We are

¹Jessica Silver-Greenberg, October 13, 2013 'Patients Mired in Costly Credit From Doctors', *The New York Times*.

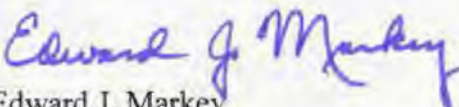
interested in hearing more about your efforts either planned or currently underway to better understand, and, as appropriate, address this troubling issue. To better understand the scope of this issue and the CFPB's role in reviewing and investigating these products, we respectfully request a response to the following questions:

1. Has CFPB investigated the risks, costs, and benefits that medical financial products – such as medical credit cards, deferred interest plans, installment loans, and any other third-party financing options for health care for patients? If so, what has CFPB determined? If not, are there reasons that you have not investigated these products?
2. Please describe the consumer financial products in this marketplace, such as medical credit cards, deferred interest plans, installment loans, lines of credit and any other financing options offered as a way for patients to finance their medical services subject to your regulatory authority including the major lenders or providers, how these products are used, what populations of patients are more likely to use these products, and the recourse available to patients whose care is not provided in the expected manner.
3. Do you think the information provided to consumers when offered these medical financial products is sufficient to ensure that consumers can understand the repayment terms, fees, and general nature of these financial products? If not, what measures should financial institutions and lenders take to clarify and increase transparency of the terms surrounding these financial products?
4. Does CFPB have a means to collect and investigate complaints received from consumers about medical financial products? If so, please explain the process of receiving and investigating complaints and the nature of the complaints received as well as any resolution to these complaints. If not, what would be necessary to start collecting and investigating these complaints? What congressional action or support, if any, would be helpful to CFPB in conducting this work?
5. How do the annual percentage rates, interest plans, and terms of credit for medical credit cards, medical loans or other financial products differ from traditional credit cards, loans or other financial products? How prevalent is the practice of offering deferred interest plans for medical credit cards and other medical financial products? To what extent are these deferred interest plans utilized by patients? How does this compare to traditional credit cards and financing?
6. Are you aware of whether financial institutions or lenders charge medical providers a fee for offering medical credit cards or other third party financing services to their patients? Are they required to meet a quota? Are you aware of any financial incentives or other benefits available to providers for getting patients to apply for these medical financial products? Do you have data or information to suggest that some medical providers may be referring patients to specific third-party financing entities in which the medical provider stands to profit? If a financial relationship does exist between health providers and financial entities, should this information be disclosed to consumers prior to them being offered such a product?

7. Is the CFPB coordinating its activities or consulting with other federal or state agencies or departments to share information, gather data, or develop plans to address problems plaguing consumers in this area?

We kindly request that you provide a complete response to these questions by November 18, 2013. Should you have any questions about this request, please have your staff contact Dr. Avenel Joseph at (202) 224-2742. We thank you for your assistance and for your willingness to look into this important issue.

Sincerely,



Edward J. Markey

October 22, 2013

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, D.C. 20552

Dear Director Cordray:

We write today to express our concern regarding the CFPB's relationship with a company known as ideas42, an applied behavioral economics firm doing business as Behavioral Ideas Lab, Inc. In September 2012, the CFPB issued a press release announcing the creation of an Academic Research Council (Council), noting that the Council had already held its first meeting in July 2012.¹ To our knowledge, the CFPB never announced its intent to create the Council prior to September 2012, and no disclosure of the Council's July meeting was made public until that September press release. Furthermore, nowhere in the Dodd-Frank Act does Congress mandate, authorize, or mention the creation of an academic research council for the CFPB.² The Council is comprised of six members, at least five of whom have direct ties to ideas42: John Campbell was a presenter at a two-day "masterclass" conducted by ideas42 for "key members of the CFPB" at CFPB headquarters in May 2012, only a month before the Council's first meeting;³ David Laibson was also a presenter at that event and is an official "affiliate" of ideas42; Christine Jolls is listed as an affiliate of ideas42; Richard Thaler is an advisor to ideas42;⁴ and Antoinette Schoar is the Scientific Director and cofounder of ideas42.

¹ Press Release, Consumer Financial Protection Bureau, CFPB Announces Consumer Advisory Board Members (Sept. 12, 2012) available at <http://www.consumerfinance.gov/pressreleases/consumer-financial-protection-bureau-announces-consumer-advisory-board-members/> (last visited Sept. 30, 2013).

² Section 1013(b)(1) of the Dodd-Frank Act, 12 U.S.C. § 5493(b)(1), establishes the Office of Research and Section 1014 of the Dodd-Frank Act, 12 U.S.C. § 5494 creates the Consumer Advisory Board. Nowhere in the statute does the law provide for the creation of an academic consultative body, council, enterprise.

³ Ideas42 Masterclass <http://www.ideas42.org/cfpb-masterclass/> (last visited Sept. 30, 2013).

⁴ Thaler co-authored a paper with Sendhil Mullainathan describing how behavioral economics differs from traditional economics: in essence, behavioral economists believe that consumers exhibit "bounded rationality," "bounded willpower," and "bounded selfishness," all of which result in "departures from rationality . . . both in judgments (beliefs) and in choices," resulting in "suboptimal behavior" by consumers. See Richard H. Thaler & Sendhil Mullainathan, *How Behavioral Economics Differs from Traditional Economics*, Library of Economics and Liberty, available at: <http://www.econlib.org/library/Enc/BehavioralEconomics.html> (last visited Sept. 30, 2013). Put more simply, behavioral economists believe that consumers don't really know what is in their own best interest. Further, Thaler, along with Harvard Professor Cass Sunstein, Director of the Office of Management and Budget's Office of Information and Regulatory Affairs during President Obama's first term, authored a book entitled *Nudge*, which advances a controversial form of behavioral economic theory known as "nudge theory." See Richard H. Thaler & Cass Sunstein, *Nudge: Improving Decisions about Health, Wealth, and Happiness*, Yale Univ. Press (2008). In the book,

Congress created the Federal Advisory Committee Act (FACA) in 1972 to avoid precisely this type of arrangement. FACA is an open-government initiative to ensure, among other things, that “Congress and the public [are] kept informed with respect to the number, purpose, membership, activities, and cost of advisory committees.”⁵ When FACA was created, advisory committees had such an impact on the federal decision-making process that they were referred to as the “fifth arm” of the government.⁶ Thus, the goal of FACA was to prohibit “special interest groups [that] use and abuse their predominant membership on advisory committees to unduly influence government decision makers and promote their private concerns.”⁷

The CFPB, its Council and ideas42 are intertwined still further. In May 2011, Elizabeth Warren hired Sendhil Mullainathan, a Harvard behavioral economist and the co-founder of ideas42, to run the CFPB’s Office of Research.⁸ Mr. Mullainathan is reported to

Thaler and Sunstein reject what they describe as “dogmatic anti-paternalism”—the idea that people should be left to make consumption decisions of their own free will. Instead, they argue that the government should “nudge” people to make the “correct” choices by controlling what information is presented to consumers and how it is presented. Finally, Thaler has worked with the UK Government’s Behavioral Insights Team (BIT), or “nudge unit,” since its inception to apply behavioral economics and nudge theory to governmental policies. *See* <http://blogs.cabinetoffice.gov.uk/behavioural-insights-team/2012/11/09/welcome-to-the-bit-blog/> (last visited Sept. 30, 2013).

⁵ Federal Advisory Committee Act, 5 U.S.C. Appendix—Federal Advisory Committee Act; 86 Stat. 770, as amended, 5 U.S.C. app. 2 § 2(b)(5).

⁶ Hearings on Presidential Advisory Committees Before the Subcomm. on Special Studies of the House Comm. on Gov’t Operations, 91st Cong., 2d Sess., pt.2, at 1, 2, 54, 107 (1970).

⁷ Barbara W. Tuerkheimer, *Veto by Neglect: The Federal Advisory Committee Act*, 25 Am. U. L. Rev. 53, 55 (1975). While the Federal Reserve System is exempt from FACA (*see* 5 U.S.C. app. 2 § 4(b)) this exemption was intended to keep financial information secret that was privileged or confidential. *See* Tuerkheimer, 25 Am. U. L. Rev. at 58 (noting that FACA exemptions were incorporated from the Freedom of Information Act, which under 5 U.S.C. § 552(b) included “trade secrets and commercial or financial information obtained from a person and privileged or confidential”). Although the CFPB is technically within the Federal Reserve System, Title X of the Consumer Financial Protection Act provides that the CFPB is an “independent agency.” 12 U.S.C. § 5491. Moreover, the other advisory committees created under the Dodd-Frank Act—which were explicitly exempt from FACA—still provide basic public disclosures that the Council does not. *See* SEC Investor Advisory Committee (created under Dodd-Frank Act Sect. 911, exempted from FACA under § 78pp(i), website provides public disclosure of meeting notes, agendas, and webcast archives; available at <https://www.sec.gov/spotlight/investor-advisory-committee-2012.shtml>); Financial Stability Oversight Council (created under Dodd-Frank Act Sect. 113, exempted from FACA under § 5321(g), website provides public disclosure of meeting minutes, annual report, and public notices, available at <http://www.treasury.gov/initiatives/fsoc/council-meetings/Pages/default.aspx>) (last visited Sept. 30, 2013). At the very least, the Council does not seem so separate and distinct as to require special FACA treatment, especially when compared to these other advisory committees operating in the same regulatory space.

⁸ Maya Jackson Randall and Justin Lahart, “Harvard Economist to Join Consumer Bureau,” *Wall Street Journal* (May 11, 2011) available at <http://online.wsj.com/article/SB10001424052748704681904576317503890946370.html> (last visited Sept. 30, 2013); Origins of ideas42 webpage: <http://www.ideas42.org/about/origins/> (last visited Sept. 30, 2013).

have managed the early stages of the CFPB's data mining program,⁹ even though he later described himself as "very sympathetic" to concerns about the CFPB's massive consumer data repository, and said that the CFPB's current effort "seems invasive."¹⁰ As the Director of the Office of Research, it appears that Mr. Mullainathan received direct reports from the Council.¹¹ In turn, Mr. Mullainathan determined "which issues and/or projects to bring before the Council to solicit advice and expertise."¹² It is unknown what role Mr. Mullainathan may have played in the selection of Council members. However, the fact that the Council (comprised of members overwhelmingly associated with ideas42) worked with a senior employee at the CFPB (who cofounded ideas42) on research that could have influenced CFPB policies and decisions creates the appearance of a conflict of interest that casts doubt upon the independence of the CFPB.

Additionally, the full costs associated with the Council, as well as the method by which the CFPB reimburses or compensates Council members, is unclear. According to the Council's charter, members are afforded "per diem stipends and reimbursement for reasonable travel expenses and incidentals that arise out of and directly relate to work for the Council," and total estimated annual operating costs for the Council are estimated to be \$10,000.¹³ However, the charter cautioned that, beyond the expenses involved with the cost of the Council's annual meeting, "[i]t is likely that Council members will make other visits to the Bureau to present at Lunch & Learn events or the Office of Research seminar series, or to meet with staff about particular projects."¹⁴ Although the charter notes that "[t]he costs of these other trips will be covered by the budget for these other programs or projects," the charter does not indicate what the budgets for "these other programs" are, or whether and at what level these other program budgets may be used to compensate Council members.

Furthermore, in September 2012, the same month that the CFPB announced the formation of the Council and the selection of its ideas42-connected members, the CFPB awarded a large research contract to ideas42 totaling \$5 million.¹⁵ The bid solicitation for the contract published in August 2012—two weeks after the Council's first in-person meeting—was entitled "Innovation Development and Testing Support Services for the

⁹ Richard Pollock, "Elizabeth Warren: 'behavioral economics' birthed CFPB's credit card data-mining," *Washington Examiner* (September 23, 2013), available at <http://washingtonexaminer.com/elizabeth-warren-behavioral-economics-birthed-cfpbs-credit-card-data-mining/article/2536232> (last visited Sept. 30, 2013).

¹⁰ Carter Dougherty, "US Amasses Data on 10 Million Consumers as Banks Object," *Bloomberg* (Apr. 17, 2013), available at <http://www.bloomberg.com/news/2013-04-17/u-s-amasses-data-on-10-million-consumers-as-banks-object.html> (last visited Sept. 30, 2013).

¹¹ Charter of the Academic Research Council, Consumer Financial Protection Bureau http://files.consumerfinance.gov/f/1209_cfpb_arccharter.pdf (last visited Sept. 30, 2013).

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ Federal Business Opportunities, "Innovation Development and Testing Support Services in support of the Consumer Financial Protection Bureau, Solicitation No. BFD-CFP-12-CI-0009, available at <https://www.fbo.gov/index?s=opportunity&mode=form&tab=core&id=7c2c7e133cc31857a21173b953dd1687> (last visited Sept. 30, 2013).

Consumer Financial Protection Bureau (CFPB)” (Project).¹⁶ The Statement of Work accompanying the bid solicitation identifying the CFPB’s objectives for the Project reads like a description tailor-made for ideas42: to “develop behaviorally-informed and rigorously-evaluated approaches” for “decision-making challenges” for consumer finance.¹⁷ Ideas42 focuses on the area of consumer finance and “believe[s] behavioral economics can help with every social problem” by using a data-based approach to address decision-making challenges.¹⁸ The close relationship between the work requested for the Project and the services offered by ideas42—especially in light of the many connections between the CFPB’s staff and ideas42—raises questions about whether the CFPB followed proper procurement policies in designing the Project to ensure that multiple companies would be qualified to compete for the contract and that bids were evaluated impartially.

Accordingly, we write you to request additional information about the relationship between the CFPB and ideas42. Specifically, we are interested in understanding the process by which the CFPB awarded a \$5 million research contract to ideas42; how the CFPB selected members of its Academic Research Council; the activities of that Council; the extent of the interaction between CFPB employees and individuals connected to ideas42; and the relationship between CFPB employees and advisors and the White House Behavioral Insights Team, dubbed the “Nudge Squad.”

To assist the Committee in fully assessing the relationship between ideas42 and the CFPB, we respectfully request that the CFPB provide the following:

- (1) All records¹⁹ prepared by you or any other individual employed by, or working on behalf of, the CFPB, ideas42, and/or the Treasury Department (including but not limited to the Bureau of the Public Debt and its contracting officers Carey Gropp and Jacob Oberlin) involving the Federal Business Opportunity “Innovation Development and Testing Support Services for the Consumer Financial Protection Bureau (CFPB),” including without limitation records for solicitation RFI-CFPB-12-0105, solicitation BPD-CFP-12-CI-0009, and contract award TPD-CFP-12-C-0020

¹⁶ See Federal Business Opportunities, “Innovation Development and Testing Support Services,” Solicitation No. BFD-CFP-12-CI-0009, available at https://www.fbo.gov/?s=opportunity&mode=form&id=8048c07420f36c171224c7381dff8dba&tab=core&_cview=1 (last visited Sept. 30, 2013).

¹⁷ See RFI Statement of Work, Federal Business Opportunities, “Innovation Pilots and Testing Support Services,” Solicitation No. RFI-CFPB-12-0105, available at <https://www.fbo.gov/index?s=opportunity&mode=form&tab=core&id=69d04a60cb64cd20897f85bde5123ee2> (last visited Sept. 30, 2013).

¹⁸ Ideas42 “Background,” <http://www.ideas42.org/about/background/> (last visited Sept. 30, 2013).

¹⁹ The term “records” means any documents or electronically stored information—including writings, graphs, charts, presentation slides, images, and other data or data compilations—stored in any medium from which information can be obtained in a reasonably usable form in the possession of the CFPB, including without limitation records in the nature of analysis, reviews, recommendations, legal or other memoranda, and correspondence, whether or not actually prepared by you or any other individual employed by, or working on behalf of, CFPB. For the purposes of this request, the term “You” means the Director of the CFPB.

- (2) All records involving the creation, formation, and selection process for the Academic Research Council, including, without limitation, records in the nature of analysis, reviews, recommendations, legal or other memoranda, and correspondence, whether or not actually prepared by you or any other individual employed by, or working on behalf of, the CFPB.
- (3) All records involving the Academic Research Council, including, but not limited to: any meetings, including in person and remote meetings; any projects involving the Academic Research Council members; educational efforts including seminar series and Lunch & Learn lectures; any staff recruitment efforts involving the Academic Research Council, including any involvement in the candidate recruitment and interview processes; CFPB financial and administrative records including per diem stipends, reimbursement for travel expenses, and incidentals that arise out of the work for the Academic Research Council; the biennial review of the Academic Research Council; and all records of the Academic Research Council handled according to the applicable agency records disposition schedule.
- (4) All records generated by Sendhil Mullainathan or any other CFPB employee involving ideas42, including, without limitation, all correspondence with ideas42 team members, advisors, affiliates, or board members during Mr. Mullainathan's employment with the CFPB.
- (5) All records referencing the White House "Behavioral Insights Team" or any member thereof.

Please work with the Financial Services Committee staff to provide the requested documents and communications as soon as practicable but not later than November 5, 2013. We appreciate your prompt attention to this matter. If you have any questions regarding this request, contact Brian Johnson or Jennifer Flitton of Committee staff at (202) 225-7502.

Sincerely,



JEB HENSARLING
Chairman
Committee on Financial Services



PATRICK MCHENRY
Chairman
Subcommittee on Oversight
and Investigations

cc: The Honorable Maxine Waters
cc: The Honorable Al Green

Congress of the United States
Washington, DC 20515

October 29, 2013

Mr. Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, D.C., 20552

Dear Director Cordray:

We write to request that the Consumer Financial Protection Bureau (CFPB) provide Congress with the full set of materials used to craft guidelines released March 21, 2013 to address alleged discriminatory auto-lending practices. This letter is a follow up on a request to your office made by Congresswoman Terri Sewell and twelve other Members of Congress in a letter dated May 28, 2013.

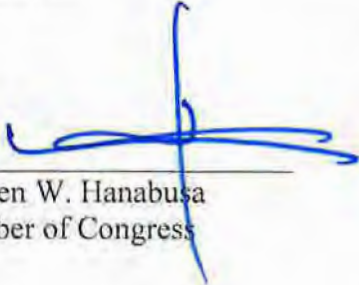
We do not take allegations of discrimination lightly, and we applaud the Bureau's efforts to identify, confirm and eliminate all such cases. Discriminatory auto lending is particularly harmful, as auto loans provide access to transportation, and are therefore a gateway to full participation in society. The importance of this issue necessitates proper Congressional oversight, yet without complete information, we cannot know if the CFPB is faithfully executing the Equal Credit Opportunity Act's protections against discriminatory lending, or if the Bureau's lending guidelines are unnecessary and counter-productive.

To date, the Bureau has not provided all of the materials requested by Congress and deemed necessary for proper oversight. In response to various inquiries, CFPB has so far provided a generalized methodology that the Bureau claims is in-line with standard practices used to assess discrimination. The methodology as described relies on the use of proxies to identify groups and uses statistically significant differences in basis points as the determinant of disparate impacts. While this could be a reasonable methodology, it is impossible to make a true assessment without the underlying data and specific methodology. With that in mind, we respectfully request that you provide the following:

- The raw data and methodology used to determine disparate impact, including (i) proxies used to determine applicant's background, (ii) statistical controls used to isolate background as a causal factor in pricing disparity, (iii) statistical tests used to assess differences between classes and (iv) outcomes of statistical tests. Recognizing that CFPB uses a case-by-case approach, a set of case studies would be acceptable.
- Any market analysis CFPB performed indicating whether and to what extent the proposed guidelines would affect the cost of credit for consumers, including the impact of industry adoption of flat fees as the mechanism to compensate dealers for arranging financing.
- Recourse available to lenders accused of discriminatory lending. E.g., would those accused of discriminatory lending have access to the data used in the case against them to identify possible methodological shortcomings?

We would like to emphasize that the requests detailed above are for specific, raw data and *not* for a general explanation of CFPB methodology as has been previously provided. We would appreciate your response to this letter by November 15, 2013. Fair and equitable access to credit is the right of every American and we look forward to working together to protect this right in an open and equitable manner.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Colleen W. Hanabusa', with a large, stylized flourish extending from the bottom of the signature.

Colleen W. Hanabusa
Member of Congress

A handwritten signature in blue ink, appearing to read 'David N. Cicilline', written in a cursive style.

David N. Cicilline
Member of Congress

A handwritten signature in blue ink, appearing to read 'Frederica S. Wilson', written in a cursive style.

Frederica S. Wilson
Member of Congress



Consumer Financial
Protection Bureau

1700 G Street, N.W. Washington, DC 20552

October 3, 2013

The Honorable Jeb Hensarling
Chairman, Committee on Financial Services
U.S. House of Representatives
2129 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Hensarling,

Thank you for your recent letter requesting information about the use and maintenance of e-mail accounts to conduct official business at the Consumer Financial Protection Bureau. As always, I welcome the opportunity to discuss the Bureau's operations with you.

The only Bureau senior official granted contemporaneous access rights to more than one government-issued e-mail account is the Director. Given the large volume of communications attendant to that role, I have been issued two Bureau e-mail accounts, both linked to my name and both for official use only. One account contains public and Bureau-wide communications; the other contains communications to and from those officials with whom I consult on a more frequent basis. The Bureau provided one other former senior official, Raj Date, with similar access rights during his tenure. This extremely limited use of dual accounts has not necessitated the issuance of Bureau-wide policies and procedures.

Because the Bureau has utilized the Treasury Department for some of its information technology services, certain senior managers have had both "cfpb.gov" and "do.treas.gov" e-mail addresses. Each address, however, would be associated with one e-mail account on Outlook, and all e-mail sent to or from either address is stored in that single Outlook mailbox.

You have also asked for a list of "all past or present CFPB managers" who have used a private e-mail address to conduct official business. Bureau staff is gathering information concerning these managers who, as defined in your letter, include dozens of both current and former employees. Bureau staff will follow up with your staff on this request.

I appreciate your continued interest in the Bureau's operations and work. Please do not hesitate to contact me or have your staff contact the Bureau's Office of Legislative Affairs with any additional questions. I look forward to collaborating with you on important consumer financial protection issues in the future.

Sincerely,

Richard Cordray
Director

*I appreciated our breakfast and
break discussion the other day.
Rich*

cc: The Honorable Maxine Waters
Mr. Mark Bialek, Inspector General, Board of Governors of the Federal Reserve System and
Bureau of Consumer Financial Protection

October 30, 2013

Mr. Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, D.C. 20552

Dear Director Cordray:

We write to express concerns regarding the process by which the Consumer Financial Protection Bureau ("CFPB" or "Bureau") has issued guidance that could curtail a pro-competitive feature of the indirect vehicle financing market and to request greater transparency for the Bureau's activity related to this matter.

As you know, indirect vehicle financing is an optional method in which an auto dealer arranges financing for a consumer from a third-party lender, such as a bank, credit union, or other financing source. The dealer typically is compensated for this service by negotiating its retail margin with the consumer. This compensation is capped by contract. This system provides consumers with the opportunity to determine if dealers can "meet or beat" the best financing rate that the consumer can secure from other creditors, which frequently results in consumers obtaining a lower cost of credit than is otherwise available to them.

On March 21, 2013, the Bureau issued a fair lending guidance bulletin widely interpreted as pressuring lenders to eliminate or severely limit an auto dealer's discretion to negotiate competitive financing for their customers, and instead encourage lenders to compensate auto dealers through "a different mechanism... such as a flat fee per transaction." As acknowledged in the guidance bulletin, the CFPB is attempting to bring about this change through a "disparate impact" theory of liability under the Equal Credit Opportunity Act ("ECOA"). Although ECOA does not mandate or even address flat fees, the Bureau's guidance bulletin suggests this change because of its concern that permitting negotiation over a consumer's interest rate creates a "significant risk" of "pricing disparities on the basis of race, national origin, and potentially other prohibited bases."

We support the Bureau's desire to eliminate any unlawful lending practices and are committed to ensuring that credit markets function competitively and efficiently for all consumers. Although the CFPB has alleged that "disparate impact" discrimination is present in the indirect auto financing market, the Bureau has yet to explain its basis for this assertion. Nor has the Bureau released the complete statistical methodology it employs for determining whether disparate impact is present in an auto lender's portfolio and the extent to which it has considered how the practical effect of its guidance will affect competition in the auto loan marketplace.

To promote greater transparency and help ensure that the Bureau issued its fair lending guidance to auto lenders in a proper manner that is consistent with sound public policy, we request that the Bureau:

- (i) Provide complete details concerning the statistical methodology the Bureau employs to determine whether disparate impact is present in an auto creditor's portfolio, including:
 - (1) the quantitative degree of accuracy that applies to that methodology for each group of consumers the Bureau has examined;
 - (2) a complete list of analytical controls the Bureau considers to ensure that consumers being compared are similarly situated; and
 - (3) the numerical basis point threshold at which the Bureau concludes that statistically significant pricing disparities exist for each group of consumers that the Bureau has examined;
- (ii) Identify the full range of the Bureau's coordination with the Board of Governors of the Federal Reserve and the Federal Trade Commission prior to March 21, 2013, concerning its fair lending guidance to auto lenders;
- (iii) Explain the Bureau's decision to avoid the Administrative Procedures Act rulemaking process and instead seek to bring about this market change via a guidance bulletin;
- (iv) Explain why the Bureau did not afford the public an opportunity to comment on the content of the guidance or its potential effect on the marketplace; and
- (v) Describe whether, and to what extent, the Bureau conducted a cost-benefit analysis into how an industry adoption of flat fees as a mechanism to compensate dealers for arranging financing would affect the cost of credit for consumers, including those at the lower end of the credit spectrum.

We note that a bipartisan majority of the House Financial Services Committee recently asked for information about the CFPB's methods and analysis used to justify the March 21 guidance. Unfortunately, the Bureau has not provided complete responses to several of the questions presented by our House colleagues. Given your statements that the CFPB will operate as a transparent and data-driven agency, we request that the data used to support the March 21 guidance be made public.

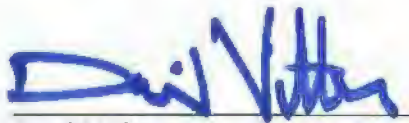
We would appreciate your reply to this letter within 30 days of its receipt. Thank you in advance for your cooperation.



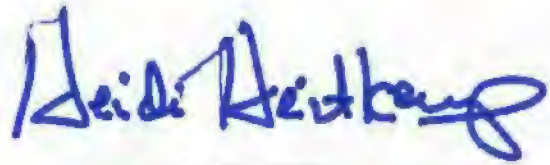
Rob Portman
U.S. Senator



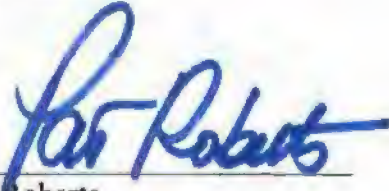
Jeanne Shaheen
U.S. Senator



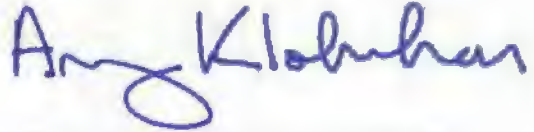
David Vitter
U.S. Senator



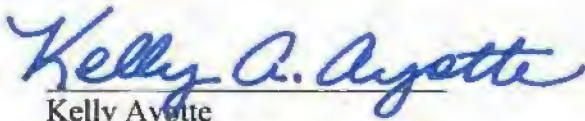
Heidi Heitkamp
U.S. Senator



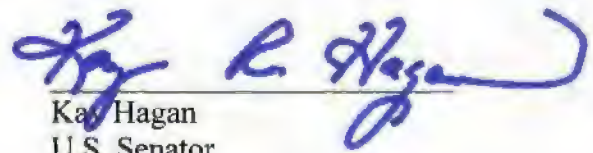
Pat Roberts
U.S. Senator



Amy Klobuchar
U.S. Senator



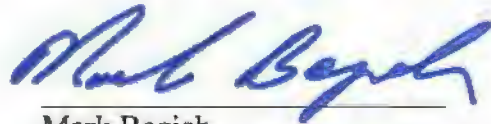
Kelly Ayotte
U.S. Senator



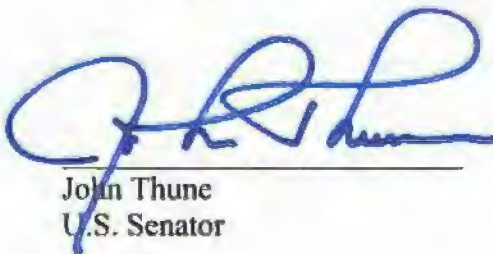
Kay Hagan
U.S. Senator



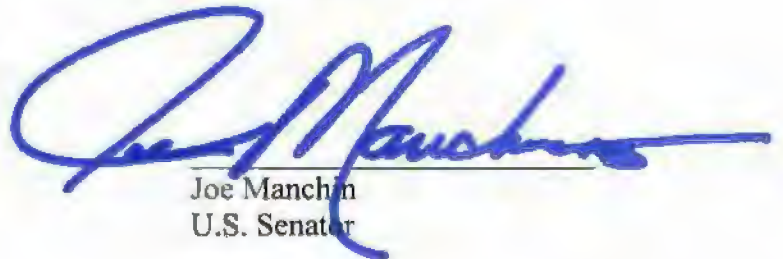
Deb Fischer
U.S. Senator



Mark Begich
U.S. Senator



John Thune
U.S. Senator



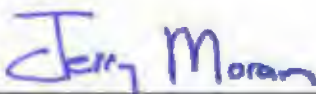
Joe Manchin
U.S. Senator



Richard Burr
U.S. Senator



Mark Pryor
U.S. Senator



Jerry Moran
U.S. Senator



Joe Donnelly
U.S. Senator



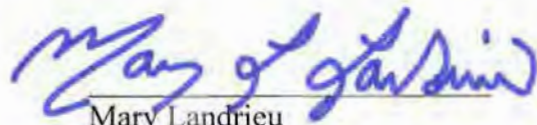
Mike Crapo
U.S. Senator



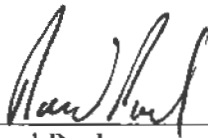
Bill Nelson
U.S. Senator




Jeff Sessions
U.S. Senator



Mary Landrieu
U.S. Senator



Rand Paul
U.S. Senator



Mazie Hirono
U.S. Senator



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

October 31, 2013

The Honorable Blaine Luetkemeyer
U.S. House of Representatives
2440 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Brad Sherman
U.S. House of Representatives
2242 Rayburn House Office Building
Washington, D.C. 20515

Dear Representatives Luetkemeyer and Sherman,

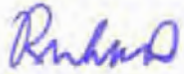
Thank you for your letter about the annual privacy notice requirement under the Gramm-Leach-Bliley Act. I welcome the opportunity to address the Consumer Financial Protection Bureau's authority in this area in more detail.

The Bureau has the authority to commence a rulemaking proceeding to determine whether there are less burdensome means available for providing annual notices of privacy policies. Section 6803(a) of the Gramm-Leach-Bliley Act states that “[a]t the time of establishing a customer relationship with a consumer and not less than annually during the continuation of such relationship, a financial institution shall provide a clear and conspicuous disclosure to such consumer” of the institution’s privacy policies and procedures. Section 1016.5(a)(1) of the Bureau’s implementing Regulation P requires that financial institutions “must provide a clear and conspicuous notice to customers that accurately reflects your privacy policies and practices not less than annually during the continuation of the customer relationship.” Some financial institutions have expressed concern that providing the annual notice under Regulation P is not helpful to consumers and creates unnecessary burdens for institutions if their privacy practices have not changed since the last time they sent an annual notice to consumers and they do not share nonpublic personal information with other firms. The Bureau has rulemaking authority to refine the standards for how financial institutions provide annual notices. As I indicated at the recent hearing before the House Financial Services Committee, the Bureau does intend to commence a rulemaking proceeding in the relatively near future that will consider addressing such standards. If in the meantime Congress decides instead to move forward with a legislative amendment on annual notices, then of course we would take any actions necessary to implement that change in the law.

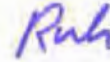
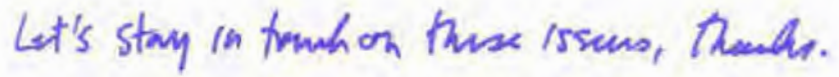
Thank you for the opportunity to respond. I appreciate our shared interest in reducing paperwork burdens on institutions while ensuring consumer protection through meaningful disclosures, and I

look forward to collaborating on other consumer financial protection issues that are important to you and your constituents.

Sincerely,



Richard Cordray
Director



FRED UPTON, MICHIGAN
CHAIRMAN

HENRY A. WAXMAN, CALIFORNIA
RANKING MEMBER

ONE HUNDRED THIRTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115
Majority (202) 225-2927
Minority (202) 225-3641

September 25, 2013

Ms. Gail Hillebrand
Associate Director
Consumer Education and Engagement
Consumer Financial Protection Bureau
1700 G Street, N.W.
Washington, D.C. 20552

Dear Ms. Hillebrand,

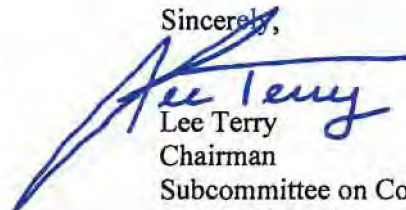
Thank you for appearing before the Subcommittee on Commerce, Manufacturing, and Trade on Thursday, May 16, 2013 to testify at the hearing entitled "Fraud on the Elderly: a Growing Concern for a Growing Population."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please respond to these questions by the close of business on Wednesday, October 9, 2013. Your responses should be e-mailed to the Legislative Clerk in Word format at Kirby.Howard@mail.house.gov and mailed to Kirby Howard, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, D.C. 20515.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,



Lee Terry
Chairman
Subcommittee on Commerce,
Manufacturing, and Trade

cc: Jan Schakowsky, Ranking Member, Subcommittee on Commerce, Manufacturing, and Trade
Attachment

Congress of the United States
Washington, DC 20515

August 5, 2013

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1500 Pennsylvania Avenue, NW
Washington, DC 20220

Dear Director Cordray:

We are writing to urge that you stand up a Consumer Financial Protection Bureau ("CFPB") Advisory Board made up of non-bank lenders, including payday lenders, who currently serve the short-term cash advance needs of millions of working Americans.

The demand for small denomination short-term credit is significant and growing, while supply is increasingly restricted. As Members of Congress from both parties have pointed out, in this area of great consumer need, it is imperative that CFPB's findings and subsequent regulations are based on a comprehensive view of how consumers use these products in the context of other available choices.

The issues we raise here have two critical components. First, non-depository community financial service providers, including payday lenders, have been denied standing within the CFPB, even as specifically called for by the Dodd-Frank Act, which directs that you assemble experts in consumer financial products and services, and seek representation of the interests of covered persons. When the Consumer Advisory Board was being formed in 2012, Members of Congress and others submitted the nominations of several highly qualified industry leaders. All of these eminently qualified industry nominees were rejected. Furthermore, as it has operated during its first year, our concern regarding fair representation of these non-depository financial service providers is heightened. Several meetings, at which issues affecting this industry have been covered, were conducted in closed session, without participation by the industry. This is hardly the manner in which an agency dedicated to fact-driven, open, and transparent, supervision of covered industries should operate.

Second, we are concerned that CFPB's recent "Payday Loans and Deposit Advance Products: A White Paper of Initial Data Findings" ("White Paper"), demonstrates a one dimensional and biased approach, lacking a thorough, data driven and open process. The White Paper does not reflect mainstream business practices by the vast majority of vendors who are honest and scrupulous, nor the millions of consumers who use their regulated products responsibly. It ignores the fact that millions of Americans access small dollar short-term credit at non-depository community financial service providers in the form of payday loans and, in many cases, payday loans are the

least expensive or the only form of credit available to them. The vast majority of these lenders adhere to existing comprehensive state laws, and most subscribe to best practices such as extended payment plans designed to protect the few customers who cannot repay on time. Our concern is that absent a scientific and credible process with peer reviewed data and inclusion of all stakeholders, millions of payday advance consumers could be left with no short term credit option other than illegal off shore lenders whose business is already booming in areas where regulated lending is absent.

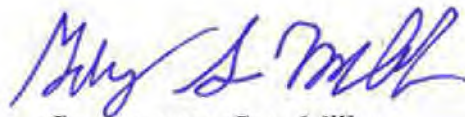
In an effort to conduct a more credible process, the Bureau should create an Advisory Board representing non-depository community lenders, including payday and other small dollar loan providers. This Advisory Board should operate in a fashion similar to CFPB Advisory Boards representing credit unions and community banks. It should complement the existing Consumer Advisory Board which currently lacks representation of these stakeholders. The establishment of this Advisory Board is essential to fulfill the mandate of the Dodd-Frank Act, engaging all appropriate and necessary stakeholders in the CFPB's regulatory process.

All regulated entities, including non-depository community lenders, must know that the regulations imposed on their businesses have been developed using sound methodology, accurate information, and a transparent process. We strongly encourage you to take this important step to ensure the rulemaking process is thorough, transparent, data-driven, impartial, and engages all appropriate stakeholders throughout the process.

Sincerely,



Congressman Patrick McHenry



Congressman Gary Miller



Congressman Steve Stivers




Congressman Peter King



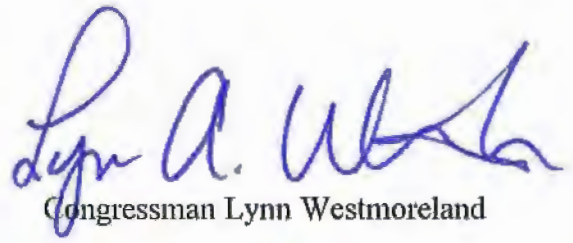
Congressman Spencer Bachus



Congressman Ed Royce



Congressman Scott Garrett



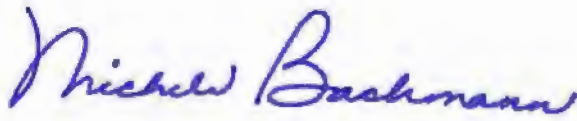
Congressman Lynn Westmoreland



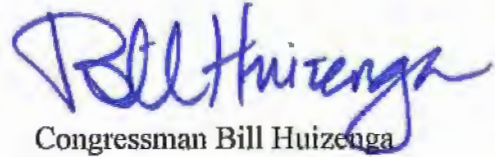
Congressman Randy Neugebauer



Congressman Blaine Luetkemeyer



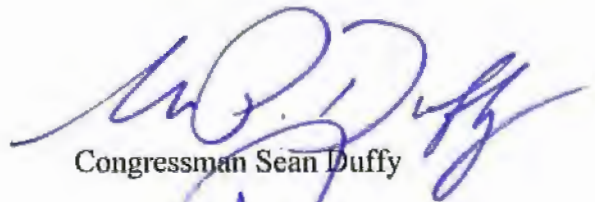
Congresswoman Michele Bachmann



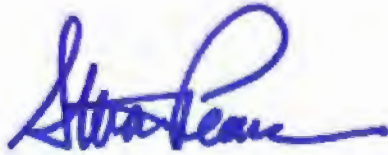
Congressman Bill Huizenga



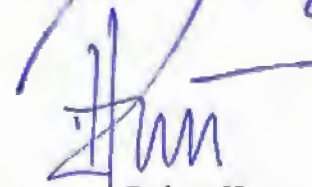
Congressman Kevin McCarthy



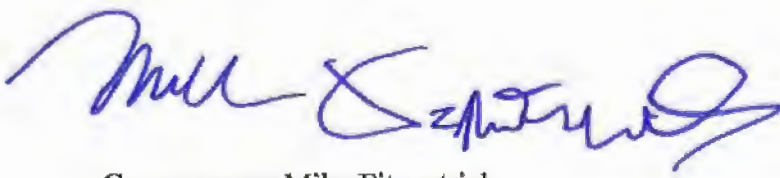
Congressman Sean Duffy



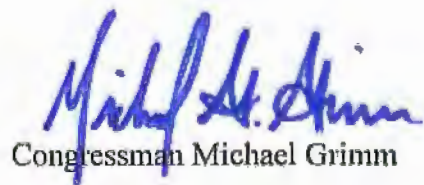
Congressman Steve Pearce



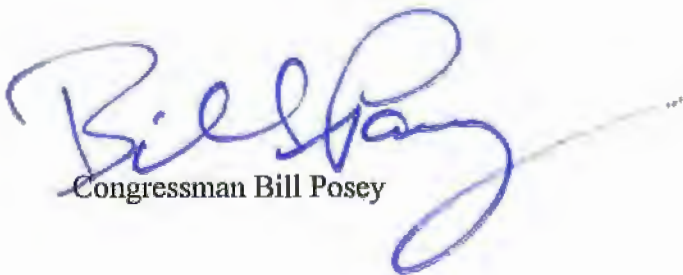
Congressman Robert Hurt



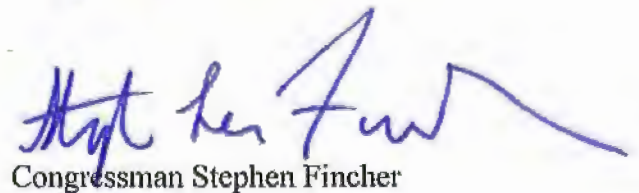
Congressman Mike Fitzpatrick



Congressman Michael Grimm



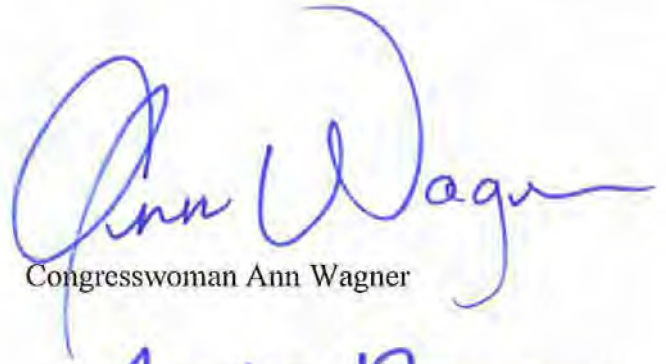
Congressman Bill Posey



Congressman Stephen Fincher



Congressman Marlin Stutzman



Congresswoman Ann Wagner



Congressman Mick Mulvaney



Congressman Andy Barr



Congressman Randy Hultgren



Congressman Thomas Cotton



Congressman Dennis Ross

BERNARD SANDERS, VERMONT
CHAIRMAN
GUY R. ROCKEFELLER IV, WEST VIRGINIA
PATTY MURRAY, WASHINGTON
SHERROD BROWN, OHIO
JON HIRST, MONTANA
MARK KELLY, ARIZONA
ROBERTO BLUMENTHAL, CONNECTICUT
MADE K. HIRONO, HAWAII
MIKE ROBERTSON, KENTUCKY

RICHARD M. BLUR, MISSISSIPPI
DANNY DAVIS, MISSISSIPPI
JOHN CANTON, GEORGIA
MR. JIMMIE NICHOLS
ERRY MORAN, KANSAS
SONN BOGGS, ARKANSAS
GUY H. LEE, NEVADA

LARRY WAGNER, REPUBLICAN STAFF DIRECTOR

United States Senate

COMMITTEE ON VETERANS' AFFAIRS

WASHINGTON, DC 20510

August 5, 2013

Hollister K. Petraeus
Consumer Financial Protection Bureau
1801 L Street, NW
Washington, DC 20036

Dear Mrs. Petraeus:

I want to thank you for testifying before the United States Senate Committee on Veterans' Affairs on July 31, 2013. Your testimony provided Committee Members with valuable input and will be taken into consideration as the Committee continues its oversight of the Servicemembers Civil Relief Act and works to address the financial challenges confronting servicemembers, veterans and their families.

You will be emailed instructions on how to access your transcript for editing purposes. Please have the transcript edited and returned by August 16, 2013.

Thank you for your testimony and continued support of our Nation's servicemembers, veterans and their families.

Sincerely,



Bernard Sanders
Chairman

BERNARD SANDERS VERMONT
CHAIRMAN
JOHN F. ROBERTS MISSISSIPPI
PATTY MURRAY WASHINGTON
PETER DINKINS NEW YORK
JOHN TESTER MONTANA
KAY HIGGINS ALABAMA
CHRISTINE BLAKE WILSON CONNECTICUT
MADEIRA SPIRO HAWAII
STEVE ROBERTSON STAFF DIRECTOR

RICHARD M. BURR NORTH CAROLINA
RANKING MEMBER
JIMMY DAVIS GEORGIA
MARK BLANKEN NEBRASKA
BERRY MOHR KANSAS
JOHN BOZMAN ARKANSAS
KEVIN CULLEN NEVADA

LURE WISSEL STAFF DIRECTOR

United States Senate

COMMITTEE ON VETERANS' AFFAIRS
WASHINGTON, DC 20510

August 5, 2013

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1801 L Street, NW
Washington, DC 20036

Dear Mr. Cordray:

On July 31, 2013, the Senate Committee on Veterans' Affairs held a hearing on protecting the rights of servicemembers, veterans, and their families in the financial marketplace. Thank you for your testimony in that matter, enclosed you will find post-hearing questions submitted by Members of the Committee.

We request that you submit your responses to the Committee no later than September 6, 2013. If you have any questions, your staff may contact Jeff Johnson, the Committee's Hearing Clerk, at (202) 224-6478 or email him at Jeff_Johnson@vetaff.senate.gov.

Sincerely,



Bernard Sanders
Chairman

Enclosure



Consumer Financial
Protection Bureau

1700 G Street, N.W., Washington, DC 20552

August 6, 2013

The Honorable Bill Nelson
U.S. Senate
716 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Nelson,

Thank you for your letter about how errors in reporting of short sales and foreclosures may be adversely affecting some consumer credit reports. The Consumer Financial Protection Bureau shares your view that credit reports should clearly distinguish short sales from foreclosures. The failure to correctly identify a short sale trade-line impedes households that had previous short sales from re-entering the housing market. This harms consumers, and is at odds with public policies designed to encourage consumers to proceed with short sales as an alternative to a foreclosure if they are underwater on their mortgage or have some other financial hardship.

This turns out to be a very complicated issue, and one that is affected by various players. From our discussion, however, I appreciate that you want results that fix the problem, not merely reasons why it persists, and so we have been determined to approach the matter in that spirit. In order to address the issue in appropriate detail, senior officials at the Bureau worked closely with the Federal Housing Finance Agency (FHFA), industry representatives, and the Government Sponsored Enterprises (GSEs) to help us not only understand the issue more precisely but also to identify the best potential solutions.

As a result, we have concluded that the source of the problem lies in how some automated underwriting systems use merged credit report data from the nationwide credit reporting companies. Due to differences in how credit reporting companies code short sale and foreclosure information, the merge process can produce confusing results about the history of particular mortgages. This confusion has made it difficult for automated systems that rely on merged files to accurately determine if the account in question was truly a short sale or a foreclosure. Taking the more conservative approach, these automated systems treat the account as involving a foreclosure and therefore require manual underwriting.

Through our collaboration with FHFA and Fannie Mae, we identified possible solutions and ultimately focused on an interim resolution that would resolve the issue for most affected loans. In particular, Fannie Mae has agreed to make adjustments to

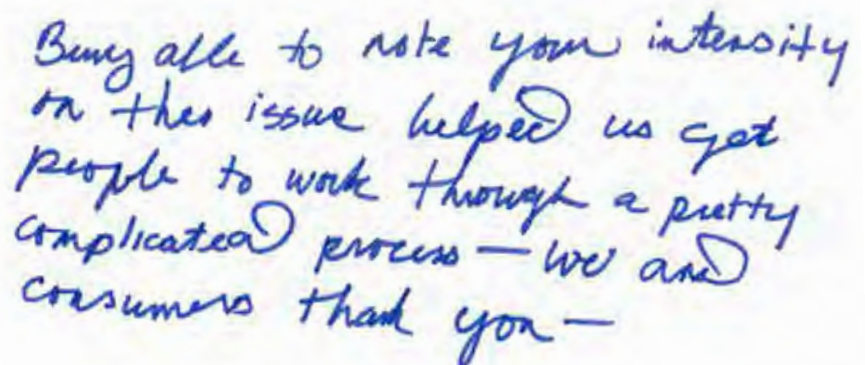
its automated systems that will allow affected submissions to be underwritten automatically and receive appropriate feedback results instructing the lender to verify if the account in question was truly a short sale and confirm the date, in order to verify that it meets Fannie Mae's underwriting guidelines. The changes include enabling a lender to represent that it has verified that an account in the consumer's credit history originally evaluated as a foreclosure was actually a short sale, and that it meets Fannie Mae's minimum waiting period requirements for a short sale transaction. These changes will help to ensure that short sales are correctly identified and that the correct waiting period requirements are applied for short sales (e.g., two years for loans with a 20 percent down payment). This solution should prevent the kinds of situations described by your constituents, in which consumers were inadvertently barred from a mortgage for seven years, as though they had been subject to a foreclosure.

We appreciate your confidence that we could help address this important issue, and are glad to be collaborating closely with FHFA, the GSEs, and industry stakeholders to reach this outcome. There is no doubt in my mind that your leadership in bringing public attention to this issue was essential to getting to this point. We will continue to work with FHFA, the GSEs, and the industry to ensure credit report data about short sales is properly reflected in the mortgage underwriting process. We look forward to continuing to work with you in support of our shared interest in protecting and empowering American consumers.

Sincerely,



Richard Cordray Director



Being able to note your intensity on this issue helped us get people to work through a pretty complicated process - we and consumers thank you -

Ruh



Consumer Financial
Protection Bureau

1700 G Street, N.W. Washington, DC 20552

August 7, 2013

The Honorable Debbie Wasserman Schultz
U.S. House of Representatives
118 Cannon House Office Building
Washington, DC 20515

Dear Representative Wasserman Schultz,

Thank you for your recent letter encouraging the Consumer Financial Protection Bureau (Bureau) to establish a non-bank financial services advisory council. The Bureau shares your commitment to ensuring that its work is informed by a wide variety of external stakeholders reflecting diverse perspectives, including those of non-banks.

For that reason, we made certain to include non-banks on the Bureau's Consumer Advisory Board (CAB). Our CAB's membership includes representation from both financial institutions and a variety of non-bank financial services institutions, with almost one-third of the current membership of the CAB representing the non-bank financial services industry. The Bureau anticipates that nominations to replace current time-limited members of the CAB will begin in early 2014.

In addition, the Bureau regularly meets with non-bank providers of financial products and services of all kinds to receive their input and feedback on our work. We recently established the Office of Financial Institutions and Business Liaison, to provide representatives of both bank and non-bank entities with a single point of contact and to help coordinate the Bureau's engagements with the private sector.

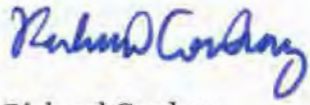
The Bureau believes that collaboration and dialogue with all stakeholders, including industry partners, is critical in the development of well-balanced public policy. The Bureau continually interacts with small dollar lending institutions and their trade organizations. In fact, the Bureau routinely meets with the Community Financial Services Association (CFSA), Financial Service Centers of America (FISCA), and their members. The CFSA has met with Bureau staff over 30 times since spring of 2011.

As this dialogue continues, it would be beneficial to all parties involved if participants in the market would share their insight and data to help provide a well-rounded and thorough analysis of the market place. The Bureau encourages and welcomes continued and fulsome discussions.

As you noted, the success of our efforts to make financial markets work better for consumers depends on thorough, transparent, and data-driven processes that respond to consumer credit

needs. We will continue to work to ensure that we incorporate the views and perspectives of non-banks in those processes. Thank you for your continuing interest in the Bureau's work.

Sincerely,

A handwritten signature in blue ink that reads "Richard Cordray". The signature is written in a cursive, flowing style.

Richard Cordray
Director

August 8, 2013

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, D.C. 20552

Dear Director Cordray:

We respectfully request that Consumer Financial Protection Bureau ("CFPB") grant a reasonable transition timeline or guidance for private student loan providers in complying with disclosures required under the federal Truth in Lending Act.

As the Ranking Members on the Senate Committee on Banking, Housing, and Urban Affairs, and the Senate Committee on Health, Education, Labor and Pensions, we have a strong interest in the student lending industry and the CFPB actions affecting student lenders. Congress recently passed the Bipartisan Student Loan Certainty Act, a bill that ties Federal student loan interest rates to the 10-year U.S. Treasury note, which President Obama is expected to sign into law this week. We applaud the bill's passage for lowering the interest rates on all federal student loan borrowers and providing more certainty and protection for taxpayers, but urge the CFPB to provide relief from any resulting and unintended compliance issues.

The federal Truth in Lending Act requires private student lenders to make certain disclosures to student borrowers, including the interest rate on federal Direct Loans. However, these disclosures cannot be made until the U.S. Department of Education calculates and certifies the official rates, which is still outstanding. Once that is complete, private student lenders need to update their electronic systems that produce these disclosures. Since system changes are resource intensive and many current loan applications are at various stages within the approval pipeline, delays are inevitable.

When the Federal Reserve was responsible for enforcing the Truth in Lending Act in 2009, it granted private lenders an optional compliance or "grace" period when disclosure changes were made. Just as the Federal Reserve provided guidance in

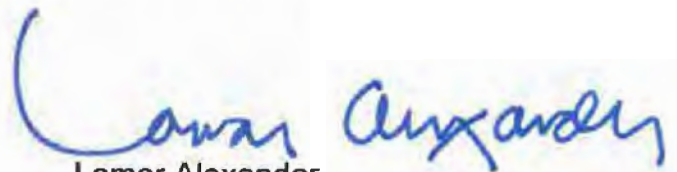
2009, the CFPB should provide transitional guidance today. It is important that lenders offer borrowers clear and accurate disclosures required under the law.

Thank you for your prompt attention to this important matter. Should you have any questions, please contact either of us, or members of our staff: Peter Oppenheim at (202) 224-8484, or Jared Sawyer at (202) 223-9209.

Sincerely,



Mike Crapo
Ranking Member
Committee on Banking,
Housing and Urban Affairs



Lamar Alexander
Ranking Member
Committee on Health, Education,
Labor, and Pensions



Consumer Financial
Protection Bureau

1700 G Street N.W. Washington, DC 20552

August 9, 2013

The Honorable Barbara Boxer
United States Senate
112 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Tom Harkin
United States Senate
731 Hart Senate Office Building
Washington, D.C. 20510

Dear Senators:

Thank you for your July 11, 2013 letter about student debt relief. The Consumer Financial Protection Bureau (Bureau) shares your concerns about private companies charging students fees for programs that are already available at no cost.


The Bureau estimates that there are more than seven million borrowers in default on a student loan. We are concerned that many of these borrowers may not have clear, unbiased information about their options. Many federal student loan borrowers might have been able to avoid default if they had enrolled in income-based repayment plans through their student loan servicers.

On July 3, the Bureau issued an advisory that warned consumers about companies that may be charging fees for these types of services.¹ Last year, the Bureau launched an interactive tool that allows borrowers in default to navigate their options to get back on track.²

We realize that consumer education is not enough, and that vigorous enforcement of the law is necessary. To that end, we will look to use all of our tools to ensure that student loan borrowers are not preyed upon by companies breaking the law.

Again, thank you for bringing your concerns to the Bureau's attention and for the opportunity to respond. I look forward to continuing to work together to protect student loan borrowers and their families from financial distress.

Sincerely,


Richard Cordray
Director

*Thank you for your continuing interest
in our work - we especially
share this concern
Rich*

¹ <http://www.consumerfinance.gov/blog/consumer-advisory-you-dont-have-to-pay-someone-to-help-with-your-student-loan/>

² <http://www.consumerfinance.gov/paying-for-college/repay-student-debt/>