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Safety & Soundness

Agencies Finalize Technical Correction of Risk-Based Capital Rules

On July 16. 2014, the Federal Reserve Board (Federal Reserve), the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC) jointly announced they had adopted a final rule that revises the definition of "eligible guarantee" for the agencies' risk-based capital rules. The revision removes the requirement that an eligible guarantee be made by an eligible guarantor for purposes of calculating the risk-weighted assets of an exposure (other than a securitization exposure) under the advanced approaches of the risk-based capital framework. Financial institutions subject to the advanced approaches generally include large internationally active banking organizations with at least $250 billion in total consolidated assets or at least $10 billion in total on-balance sheet foreign exposures.

The final rule is substantially similar to the proposed rule released in April 2014, and adopts the definition of eligible guarantee without change. The final rule becomes effective October 1, 2014, but the agencies state they will allow advanced approaches banking organizations to adopt the final rule before that date.

FDIC Reminds Agricultural Lenders to Maintain Prudent Risk Management Practices

The Federal Deposit Insurance Corporation (FDIC) issued Financial Institution Letter (FIL-39-2014) on July 16, 2014, to remind agricultural lenders to maintain prudent risk management practices that focus on a borrower's cash flow and repayment capacity across a range of future conditions. The letter follows a U.S. Department of Agriculture (USDA) 2014 forecast for higher borrowing costs, moderation in the growth of farmland values, and a decline in net farm income (approximately 27 percent). Despite current profitability in the agricultural industry, the FDIC states the sector remains susceptible to shocks from weather-related events, market volatility, and fluctuating land values.

The guidance includes the expectations that:

- Management should consider, but not rely unduly on, secondary repayment sources and collateral positions.
- Lenders should carefully consider and closely monitor cyclical factors, such as land values, before and after making credit decisions.
- Management should be cognizant of speculation in agricultural land or commodities.
- Management should identify and effectively manage credit concentrations.
- Lenders should work constructively with borrowers experiencing financial difficulties.

Treasury Secretary Lew Discusses Cyber Threats at the 2014 Delivering Alpha Conference

In a July 16, 2014, speech before the Delivering Alpha Conference hosted by CNBC and *Institutional Investor*, Treasury Secretary Jacob J. Lew discussed the threat that cyber

intrusions represent to financial stability, and emphasized the importance of information sharing between and among the public and private sectors. He also said the defenses of third-party service providers are critical to the defense of the financial services industry.

Secretary Lew made the following observations:

- Successful attacks on the financial system would compromise market confidence, jeopardize the integrity of data, and pose a threat to financial stability.
- Catastrophic damage to the financial system can occur if vendors, suppliers, and contractors that keep the financial system running are attacked. "When it comes to cyber-related risks, our financial institutions are only as strong as the protection put in place by third-party service providers...It is essential that all critical third parties have protections for both physical infrastructure and cyber security."
- To improve the government's digital defenses, strong partnerships have been forged across government departments and agencies. Treasury is working with the intelligence community, the Department of Homeland Security, law enforcement and financial regulators. The government also is collaborating with the private sector to establish cyber security best practices and improve information sharing.
- Every financial institution should use the government's cyber security framework, which provides a blueprint for firms of all sizes to evaluate, maintain, and improve the resiliency of their computer systems. Outside vendors, including the businesses that provide the hardware and software for banks' technology systems and the service providers that handle banks' payment processing and other back-office functions, should also use this framework. "Just as you consider your counterparties when you take on financial risk, you should also consider your counterparties in the area of cyber risk."
- Sharing information with the government and other firms about malicious cyber activity helps reduce vulnerabilities.
- Treasury has created an information sharing and analysis unit—the Financial Sector Cyber Intelligence Group—which is delivering timely and actionable information for financial institutions to use in protecting themselves.
- All levels of management, including those at the business level, should know how strong the firm's cyber defenses are and whether there is a response plan is in place to handle a significant security breach.

In concluding, Secretary Lew said that Congress needs to pass cyber legislation "with clear rules to encourage collaboration and provide important liability protection."

FDIC Announces Settlement of RMBS Claims Against Five Related Entities

The Federal Deposit Insurance Corporation (FDIC) announced that it had reached an agreement with five related entities to pay a total of $208,250,000 to settle the FDIC's charges that the entities violated federal and state securities laws by making misrepresentations in the offering documents for 24 residential mortgage-backed securities (RMBS). The FDIC entered into the settlement as receiver for three failed banks that had purchased the RMBS. The settlement funds will be distributed among the receiverships for the failed institutions.

"Operation Choke Point" Is Subject of House Subcommittee Hearing

The House Committee on Financial Services' Subcommittee on Oversight and Investigations held a hearing on July 15, 2014, regarding the Department of Justice's (DOJ) "Operation Choke Point." The operation is an initiative, conceived in November 2012 and initiated in 2013,

by the DOJ's Consumer Protection Working Group to stop banks and payment processors from providing financial services to merchants suspected of consumer fraud. The hearing was intended to review the actions of the DOJ and federal banking regulators in executing "Operation Choke Point" to assess that businesses operating lawfully were not being denied access to banking services. Testifying at the hearing were attorneys for the DOJ, the Federal Reserve Board (Federal Reserve), the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC).

All of the witnesses said their agencies were working to protect consumers from fraudulent practices and that they had no interest in discouraging banks from certain customers or business relationships. The witnesses said that their approach to Operation Choke Point is similar to their oversight of banks' compliance with the *Bank Secrecy Act,* which requires that banks maintain a customer identification program to protect banks from the potential liability and risk of providing financial services to an unscrupulous customer, and also to provide another level of protection to the general public against illegal activity.

The witnesses said the decision to establish, limit, or terminate particular customer relationships lies with the bank and may be based on various factors including the banking organization's assessment of the risks associated with offering banking services to a particular customer. Financial institutions that properly manage relationships and effectively mitigate risks are neither prohibited nor discouraged from providing services to customers, regardless of the customers' business models, provided they are operating in compliance with applicable state and federal law.

House Subcommittee Hears Testimony on Regulatory Relief Bills for Community Financial Institutions

The House Committee on Financial Services' Subcommittee on Financial Institutions and Consumer Credit held a hearing on July 15, 2014, entitled *Examining Regulatory Relief Proposals for Community Financial Institutions, Part II*. This hearing examined nine bills and discussion drafts intended to reduce regulatory burden and streamline regulatory compliance for community financial institutions.

The following bills were considered:

- H.R. 3240, *the Regulation D Study Act* — would require the U.S. Government Accountability Office to conduct a study examining Federal Reserve Regulation D minimum reserve requirements.
- H.R. 3374, *the American Savings Promotion Act* — would remove the legal barriers to allow financial institutions to offer "savings promotion raffles" to their customers to encourage consumers to open and contribute to personal savings accounts.
- H.R. 3913 — would amend the *Bank Holding Company Act of 1956* to require agencies to make considerations relating to the promotion of efficiency, competition, and capital formation before issuing or modifying certain regulations.
- H.R. 4042, *the Community Bank Mortgage Servicing Asset Capital Requirements Study Act of 2014* — would require the completion of a study to determine the appropriate capital requirements for mortgage servicing assets.
- H.R. 4626, *the SAFE Act Confidentiality and Privilege Enhancement Act* — would enable information sharing between federal and state regulators and would reduce regulatory burden for businesses.
- H.R. 4986, *the End Operation Choke Point Act of 2014* — would clarify that federal banking agencies may not prohibit or otherwise restrict or discourage an insured

depository institution from providing products or services to certain businesses and provides other legal protections.

- H.R. 5037*, the Office of Financial Research Accountability Act of 2014* — would require the Office of Financial Research to produce an annual work plan, consult with federal financial regulators and incorporate their recommendations, and develop and implement a cybersecurity plan.
- H.R. 5062, *the Examination and Supervisory Privilege Parity Act of 2014* — would clarify that the sharing of information between federal banking regulators and state agencies that license, supervise, or examine the offering of consumer financial products or services would not be construed as waiving, destroying, or otherwise affecting any privilege a person could claim.
- H.R. ____, to create an independent appraisal exemption for loans of $250,000 or less — would provide exemptions from the prescriptive appraisal requirements in the *Dodd-Frank Wall Street Reform and Consumer Protection Act* (Dodd-Frank).

Most of the eight witnesses who testified on the bills spoke in favor of H.R. 4986, which would end the Department of Justice (DOJ) Operation Choke Point. "Bankers cannot be guarantors of the lawful nature of their customer's operations—they have neither the compliance capacity, the financial capacity, nor we believe the legal obligation to take on that assurance," said one witness. Another said, "Operation Choke Point is fundamentally unfair to the banks and legal businesses that find their banking services cut off."

One witness spoke in favor of Operation Choke Point and against the bill to end it, saying that the bill "would undermine efforts to ensure that banks comply with know-your-customer requirements, conduct due diligence on high-risk activities, and keep an eye out for signs of illegality."

Some witnesses favored H.R. 4042, the *Community Bank Mortgage Servicing Asset Capital Requirements Study Act of 2014*, explaining that many community banks sell a portion of their mortgage loans, but retain the mortgage servicing rights (MSRs) to these loans. "Retaining the servicing rights allows a bank to maintain a relationship with their local customer by continuing to be the primary touch point in regard to their loan," said one witness. "The harsh treatment of MSRs under Basel III will force many community banks to sell these rights to nonbanks. This is a loss for both the bank, which is no longer able to maintain a long-term relationship with their community, and for consumers who will see their loan serviced by a third party."

A witness opposed to HR 3913, the bill to amend the *Bank Holding Company Act*, said, "The mandate in HR 3913 is particularly vague, broad, and far-reaching. This mandate could force the courts to effectively re-litigate the Volcker rule every time regulators took action. It is also significant that the mandate appears to prioritize 'competition' over other public interest considerations such as equity and financial stability."

Senate Hearing Considers Criteria for Systemic Importance and Resolution Issues

The Senate Subcommittee on Financial Institutions and Consumer Protection held a hearing on July 16, 2014, entitled *What Makes a Bank Systemically Important?* Testifying at the hearing were four witnesses from academic and research organizations whose comments and recommendations focused on resolution issues. They did, however, also suggest that the $50 billion threshold for determining systemically important financial institutions was set too low.

One witness said that structuring long term debt is important not only to absorb loss, but also to incentivize banks to prudently manage their risks and to issue new equity before they "reach the brink of insolvency." He recommended the use of a contingent convertible debt (CoCo) requirement to provide strong incentives for the prompt recapitalization of banks after significant losses of equity or for the proactive raising of equity capital when risk increases. He suggested:

- A large amount of CoCos (relative to common equity) be required;
- CoCo conversion be based on a market-value trigger that is defined by a moving average of a quasi-market-value-of-equity ratio; and
- All CoCos should convert if conversion is triggered and the conversion ratio should be dilutive of preexisting shareholders.

Another witness suggested that regulatory agencies develop and commit to contingency plans for handling the failure of one or more systemically important financial institutions. "These plans should contain a series of options, actions taken to contain systemic spillovers, with blanket guarantees of all creditor/counterparty claims to be, without exception, the last option on the list." He also recommended that scenario analysis be used to test and refine these disaster plans.

A third witness said the key to resiliency in the financial system is the orderly liquidation authority (OLA). He said the most important action that Congress and the Administration can take to limit systemic risk is to "strongly and repeatedly enunciate their support of OLA and to pledge that they will not stand in the way of its implementation during a deep financial crisis."

A fourth witness said that the *Dodd-Frank Wall Street Reform and Consumer Protection Act* (the Dodd-Frank Act) does not define systemic risk, leaving regulators with wide discretion to interpret the law. Many of his comments focused on the OLA under Title II of the Dodd-Frank Act. He made the following observations:

- The FDIC's single point of entry (SPOE) strategy for orderly liquidation will require the extension of government guarantees that are far larger than those that would be provided under a bankruptcy proceeding and *Federal Deposit Insurance Act* (FDIA) resolution in order to keep subsidiaries operating and avoid creating financial instability.
- Title II and SPOE create new uncertainty regarding which investors will be forced to bear losses when a bank holding company fails.
- When Title II is used on a bank holding company because a subsidiary bank failed, it creates a conflict of interest between contributors to the deposit insurance fund and contributors to the orderly liquidation fund.

Enterprise & Consumer Compliance

CFPB Proposal Would Give Consumers Option to Publicly Share Complaint Narratives

On July 16, 2014, the Consumer Financial Protection Bureau (CFPB or Bureau) released a notice of Proposed Policy Statement with a request for public comment. The new policy would give consumers the option to publicly share narrative data for their complaints about consumer financial products and services on the CFPB's Web-based "Consumer Complaint Database." Comments on the Proposed Policy Statement are due 30 days after publication in the *Federal Register*.

The proposed policy would supplement the Bureau's existing policy statements establishing and expanding the Consumer Complaint Database.

The Bureau currently discloses certain complaint data it receives regarding consumer financial products and services via the Consumer Complaint Database, and it states that it is proposing to expand that disclosure to include unstructured consumer complaint narratives in order to:

- Provide context to the complaint;
- Help the public detect specific trends in the market;
- Aid consumer decision-making; and
- Drive improved consumer service.

As proposed, the Bureau would only disclose narratives for which "informed consent" has been obtained and for which the Bureau has taken "reasonable steps to remove" consumers' private information. Companies related to the public complaint would be given opportunity to respond and the narrative text would appear next to a consumer's narrative in the Consumer Complaint Database. Again, the Bureau will take "reasonable steps" to remove consumer's personally identifying information from the company's narrative. The Bureau is specifically seeking comment on the proposed Personal Information Scrubbing Standard and Methodology contained in the Proposed Policy.

CFPB Issues Guidance Regarding Mortgage Brokers Transitioning to "Mini-Correspondent" Lender Model

The Consumer Financial Protection Bureau (CFPB or Bureau) on July 11, 2014, issued *Policy Guidance on Supervisory and Enforcement Considerations Relevant to Mortgage Brokers Transitioning to Mini-correspondent Lenders*. The CFPB said that it issued the guidance because it has become aware that some mortgage brokers may be shifting to the mini-correspondent model in order to avoid consumer protection rules affecting broker compensation. These consumer protections include provisions in the *Real Estate Settlement Procedures Act* (RESPA) and the *Truth in Lending Act* (TILA), and their implementing regulations, Regulations X and Z, respectively.

The guidance sets out how the Bureau evaluates mortgage transactions involving mini-correspondent lenders, which provide legally required disclosures, underwrite loans, make the final credit approval decisions, fund the loans, and sell them to investors. It confirms who must comply with the broker compensation rules, regardless of how they describe their business structure.

The guidance includes some of the questions the CFPB may consider in evaluating mortgage transactions involving mini-correspondent lenders, such as:

- Does the mini-correspondent continue to broker loans for some transactions;
- How many "investors" are available to purchase the mini-correspondent's loans;
- Does the mini-correspondent fund its loans through a bona fide warehouse line of credit;
- What changes has the mini-correspondent made to its staff, procedures, or infrastructure to support the transition from mortgage broker; and
- What is the mini-correspondent's involvement in mortgage origination activities such as loan processing, underwriting, and credit decisioning.

The guidance makes clear that no single question necessarily determines how the CFPB may exercise its supervisory and enforcement authorities, and that the facts and circumstances of the particular mortgage transaction being reviewed would be relevant to how the Bureau exercises these authorities.

CFPB Charges Law Firm for Using Deceptive Court Filings and Faulty Evidence

The Consumer Financial Protection Bureau (CFPB or Bureau) charged a Georgia-based law firm and its three principal partners with violations of the *Fair Debt Collection Practices Act* (FDCPA) and the *Dodd-Frank Wall Street Reform and Consumer Protection Act* (Dodd-Frank) in connection with their debt collection litigation business. The suit alleges that the firm intimidates consumers into paying debts they may not owe, often relying on deceptive court filings and faulty or unsubstantiated evidence. The CFPB is seeking restitution for harmed consumers, disgorgement of ill-gotten gains, civil penalties, and an injunction against the firm and its partners.

The CFPB charges that on behalf of its clients (mostly banks, debt buyers and major credit card issuers), the firm filed more than 350,000 debt collection lawsuits against Georgia consumers between 2009 and 2013. The Bureau alleges that the firm operates like a factory, relying on an automated system and non-attorney support staff to determine which consumers to sue. The non-attorney staff produces the lawsuits and places them into mail buckets that are then delivered to attorneys, who are expected to spend less than a minute reviewing and approving each suit. CFPB further alleges the defendants collected millions of dollars each year through these lawsuits. The complaints specifically challenges the attorney's "lack of meaningful involvement" in preparing and filing complaints, and their use of affidavits.

Capital Markets & Investment Management

FSB Seeks Comment on Proposed Reforms in Foreign Exchange Market

The Financial Stability Board's (FSB) Foreign Exchange Benchmarks Group (FXBG) published an interim report for consultation on July 15, 2014 regarding the FXBG's 15 proposed recommendations for reform in the foreign exchange market in the following broad categories:

- The calculation methodology of the WM/Reuters (WMR) benchmark rates;
- The publication of reference rates by central banks;
- Market infrastructure in relation to the execution of fix trades;
- The behavior of market participants around the time of the major FX benchmarks (primarily the WMR 4pm London fix); and
- Recommendations from a forthcoming International Organization of Securities Commissions (IOSCO) review of the WMR fixes.

The FXBG is particularly interested in comments regarding:

- The width of the calculation window;
- The need for alternative benchmark calculations (such as a volume-weighted or time-weighted benchmark price calculated over longer time period);
- The centering and exact timing of the fixing window;
- Views on the development of a global/central utility for order-matching to facilitate fixing orders from market participants; and
- The establishment and enforcement of internal systems and controls to address potential conflicts of interest arising from managing customer order flow.

Responses are requested by August 12, 2014. Final conclusions and recommendations of the FXBG are expected to be transmitted by the FSB to the Brisbane G20 Leaders Summit in November 2014.

FINRA Forms Arbitration Task Force

The Financial Industry Regulatory Authority (FINRA) announced the formation of a 13-member Arbitration Task Force on July 17, 2014. The task force will consider possible enhancements to FINRA's arbitration forum, which is used to resolve complaints against financial advisers, in an effort to improve the transparency, impartiality, and efficiency of FINRA's securities arbitration forum.

The seven public members and six industry members of the task force include investor advocates, academics, regulators, and industry representatives. At the conclusion of its review next year, the task force will make recommendations to the National Arbitration and Mediation Committee (NAMC), FINRA's Standing Board Advisory Committee.

SEC Commissioner Piwowar Speaks at the American Enterprise Institute Conference on Financial Stability

In his remarks before the American Enterprise Institute July 15, 2014, Conference on Financial Stability, SEC Commissioner Michael S. Piwowar said that he was concerned that the Securities and Exchange Commission's (SEC) mission "to protect investors, maintain fair, orderly, and efficient markets, and promote capital formation is being compromised." He said that the Financial Stability Oversight Council (Council) is ignoring the expert views of the SEC and also the "independent member with insurance expertise" when considering firms to be designated as systemically important financial institutions, and that the Council is "unaccountable and non-transparent."

Commissioner Piwowar suggested that the voting members of the Council were too heavily weighted toward the prudential regulators, which collectively have four votes in contrast to the nonbank regulators, which each have one. In addition, he said, "on its own initiative, the [Federal Reserve Board] has expanded the prudential regulators' four seats at the table to six" by regularly adding Federal Reserve Board Governor Daniel Tarullo and the President of the Federal Reserve Bank of New York to the FSOC deliberations. In concluding, Commissioner Piwowar said, "That is why I will continue to fight for more SEC representation – and less prudential regulator representation – in deliberations of the Council," as well as support more accountability and transparency.

CFTC Commissioner O'Malia Speaks before the Quadrilateral Meeting of Legal Groups Representing the Securities Industry

In an address before four legal groups representing the securities industry - the European Financial Markets Lawyers Group, Financial Law Board, Financial Markets Law Committee, and Financial Markets Lawyers Group for the Federal Reserve Bank of New York - CFTC Commissioner Scott D. O'Malia said it is the responsibility of the Commodity Futures Trading Commission (CFTC) to restore balance to the markets it regulates and ensure that those markets are healthy and well-functioning. "We must take the time to thoughtfully re-examine our rules and mission objectives to make sure that we get it right and first do no harm."

To promote competitive markets that serve to best provide liquidity, price discovery, and transfer of risk, Commissioner O'Malia said the CFTC should be focusing its energy in the following areas:

- Fixing unworkable rules. The SEC needs to ensure that rules are workable and that they do not create "unnecessary and costly regulatory burdens for end-users. The futures and swaps markets provide two essential functions for end-users and market participants: to manage their commercial and operational risks through hedging, and to provide price discovery on the commodities that are their business inputs. We have to make sure the markets can still function the way they are supposed to."
- Resolving the regulatory differences among foreign jurisdictions in a manner that is consistent with the G20 principles. Commissioner O'Malia said an outcomes-based approach is the best way to achieve that, and he noted that areas demanding immediate attention are central counterparty clearing house recognition and data sharing and harmonization.
- Developing a plan to maintain sustained focus on the implementation and integration of technology that will support the CFTC's expanded oversight mission to spot and perform systemic risk analysis and to develop a 21st-century surveillance program.

Enforcement Actions

The Securities and Exchange Commission (SEC) and the Commodity Futures Trading Commission (CFTC) recently announced the following enforcement actions:

- The SEC charged a public accounting firm with violating auditor independence rules when one of its subsidiaries lobbied congressional staff on behalf of two of the firm's audit clients. Despite providing these lobbying services, the firm repeatedly represented that it was "independent" in audit reports issued on its audit clients' financial statements. The firm has agreed to pay more than $4 million to settle the charges.
- The SEC charged four individuals and a Massachusetts-based microcap company with fraud for concealing from investors that the company was run by two individuals who had previously been charged with crimes, including financial fraud and violations of federal securities laws. The two individuals that did not have previous charges agreed to settle the case without admitting or denying the charges. The SEC entered administrative and cease and desist proceedings against the individuals with previous violations and suspended trading in the company's stock.
- The SEC charged the owner and portfolio manager of a Washington-based investment advisory firm with fraudulently using more than $8 million in advisory client assets to conduct undisclosed transactions. The firm and its owner, who has returned the diverted funds, agreed to settle the SEC's charges and pay more than $340,000 in disgorgement and prejudgment interest, representing the individual's ill-gotten gains retained after returning the funds. . He also agreed to pay a $250,000 penalty.
- The SEC charged five individuals, including two bankers, two brokers, and a company executive, with running a pump-and-dump scheme involving shares of three publicly traded companies. The SEC is seeking a permanent injunction, disgorgement, financial penalties, and penny stock bars.
- The CFTC filed an amended Complaint against a Missouri-based commodity pool operator and his firm, charging them with misappropriation, issuance of false account statements, and other acts of fraudulent solicitation and concealment. The original Complaint alleged that they failed to disclose that the counterparty to the retail foreign currency (forex) transactions that were offered or entered into with the respective pools were not registered with the CFTC. The CFTC seeks a return of ill-gotten gains, restitution, civil monetary penalties, trading and registration bans, and permanent injunctions.

Recent Supervisory Actions against Financial Institutions

Last Updated: July 18, 2014

Agency	Institution Type	Action	Date	Synopsis of Action
FDIC	Banking Entities	Settlement	07/14	The Federal Deposit Insurance Corporation, as receiver for three failed banks, announced a $208,250,000.00 settlement with five subsidiaries of a large bank to address misrepresentations in the offering documents for 24 residential mortgage-backed securities (RMBS) purchased by the failed banks.
CFPB	Law Firm	Complaint	07/14	The Consumer Financial Protection Bureau initiated a complaint against a law firm for violations of the *Fair Debt Collection Practices Act* and the *Dodd-Frank Wall Street Reform and Consumer Protection Act* related to its use of deceptive court filings and faulty evidence. The CFPB is seeking restitution for harmed consumers, disgorgement of ill-gotten gains, civil penalties, and an injunction against the firm and its partners
CFPB	Payday Lender	Consent Order	07/11	The Consumer Financial Protection Bureau initiated an enforcement action against a payday lender to address findings of unfair, deceptive, and abusive practices related to debt collection by the company and its third-party debt collectors. The company is required to pay a total of $10 million in refunds to harmed borrowers and civil money penalties. .
Federal Reserve Bank	Foreign Bank, U.S. Branch	Written Agreement	06/30	The Federal Reserve Bank entered into a Written Agreement with a foreign bank to address deficiencies related to Bank Secrecy Act/anti-money laundering compliance by its New York Branch. The agreement included provisions related to corporate governance and management oversight, BSA/AML compliance review and program, customer due diligence, suspicious activity monitoring and reporting, transaction review, Office of Foreign Assets Control compliance, and internal audit.
CFPB	Federal Savings Bank	Administrative Action	06/19	The Consumer Financial Protection Bureau and the Department of Justice initiated an enforcement action against federal savings bank to address findings of deceptive marketing and discriminatory practices related to the bank's credit card business. The bank is required to pay $56 million in refunds, $169 million in relief, and $3.5 million penalty.
CFPB, DOJ, HUD, State Attorneys General	Mortgage Lender and Servicer	Consent Order	06/17	The Consumer Financial Protection Bureau, Department of Justice, Department of Housing and Urban Development, and 49 state attorneys general proposed a consent agreement with mortgage lender and servicer to address their findings of unfair, deceptive, and abusive acts and practices engaged in by the company. The proposed agreement would require nearly $1 billion in total payment of relief, refunds, and penalties.
Federal Reserve Board	State Member Bank	Civil Money Penalty	06/17	The Federal Reserve Board entered into an Order of Assessment of Civil Money Penalty with a Florida-based state member bank to address violations of the National Flood Insurance Act.

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