

BUCKLEY SANDLER

Consumer Financial Protection Bureau Practice

Buckley Sandler is a leader in providing legal counsel to financial institutions in matters involving supervision and enforcement by the Consumer Financial Protection Bureau (CFPB), handling as many, if not more CFPB matters, than any other firm in the country. Our firm has advised on more than 200 separate CFPB matters, taking leading roles in many significant escalated supervisory matters, investigations, and enforcement actions. These matters have run the gamut on industries, products, and practices, and have included auto finance, credit bureau reporting, debt collection, mortgage and home equity line of credit (HELOC) lending and servicing, overdraft programs, deposit products, payment cards, student lending and servicing, credit card origination and servicing, alternative finance, and telecommunications, among others.

Through decades of experience in analyzing and applying consumer financial protection laws and the impact those requirements have on our clients' business objectives and operations, our attorneys advise financial service companies and their service providers on a wide range of CFPB matters. As the primary enforcement agency for consumer financial products and services, the CFPB has actively conducted investigations and horizontal reviews since its inception in 2011, resulting in a multitude of public and nonpublic enforcement actions. Our firm has represented banks, mortgage lenders and servicers, payday lenders, telecommunication companies, and other financial service companies in CFPB investigations and inquiries, many of which resulted in no further action against our clients. In cases resulting in a consent order or a lawsuit, our firm has negotiated more than a dozen public matters. We have also defended banks and financial service companies in response to dozens of Potential Action Requiring Response (PARR) letters citing preliminary findings from CFPB examinations. Our attorneys also advise clients on responding to voluntary information requests and third-party civil investigative demands (CIDs) from the CFPB, as well as inquiries stemming from complaints submitted through the CFPB complaint portal, which present enforcement risk.

Though we maintain strong credentials in handling enforcement matters, our highest priority in dealing with the CFPB is to help clients prevent and avoid adverse outcomes. We assist clients in developing proactive and strategic solutions to their compliance challenges and, when needed, prepare vigorous defenses to support their positions. Our attorneys assist companies with a variety of preventive and detective efforts such as examination readiness reviews, risk assessments, compliance training, and mystery shopping. We also assist clients with examination management matters by drafting narratives and reviewing documents that are responsive to supervisory requests, preparing presentations to examination teams, and providing strategic advice on self-reporting compliance issues to the CFPB. Our holistic approach to counseling includes the development of best practices aimed at achieving and maintaining enterprise-wide cultures of compliance. Moreover, we help our clients to balance evolving CFPB supervisory expectations with those of prudential regulators. The depth and breadth of our CFPB experience provides critical insight to our clients and informs our daily interactions with CFPB staff, which together help minimize their legal, regulatory, and reputational risk.

As the CFPB continues new rulemaking, we provide counseling and guidance on the implementation of those rules. Notably, our team includes a number of former CFPB staffers, including two former Deputy Assistant Directors of the Office of Regulations who were involved in overseeing the preparation of the CFPB rules, as well as guiding supervision and enforcement staff on the interpretation and application of consumer financial protection laws.

We also are involved, at the request of clients, in taking steps to influence broader policy at the CFPB. We have filed amicus briefs on behalf of individual clients and trade groups pertaining to closely-watched consumer protection cases on which the CFPB has expressed its views. We also frequently provide more informal advice on policy matters on which our clients seek to engage with the CFPB.

Noteworthy public settlements include:

- Represented Flagstar Bank in what was the first CFPB enforcement action based on the newly promulgated mortgage servicing rules, where the CFPB alleged UDAAP violations in connection with the bank's default servicing and loss mitigation practices, resulting in a \$37.5 million settlement
- Represented Verizon Wireless in a settlement with the CFPB, Federal Communications Commission (FCC), and 51 state attorneys general alleging that Verizon Wireless permitted third parties to place unauthorized charges on consumers' wireless telephone bills
- Represented JPMorgan Chase Bank in a joint CFPB and Maryland Attorney General investigation into allegations that loan officers accepted leads and marketing assistance from a now-defunct title company in exchange for referrals to the title company, resulting in a settlement of less than \$1 million
- Represented one of the top three consumer credit reporting agencies in a CFPB enforcement action alleging unfair, deceptive, or abusive acts or practices and Fair Credit Reporting Act (FCRA) violations relating to the marketing of credit score monitoring products to consumers and the use of negative option billing
- Represented a credit card issuer in the second CFPB enforcement action, issued jointly with the FDIC, in which the agencies alleged deceptive marketing and sales practices related to its "add-on" products