



Consumer Financial
Protection Bureau

1700 G Street NW, Washington, DC 20552

CONFIDENTIAL
SUBJECT TO DECEMBER 6, 2012
MEMORANDUM OF UNDERSTANDING

February 14, 2014

Mr. Steven H. Rosenbaum
Chief, Housing and Civil Enforcement Section
U.S. Department of Justice
Civil Rights Division
1800 G. Street, NW, 7th Floor
Washington, DC 20530

Dear Mr. Rosenbaum:

I am referring the following matter to the Department of Justice (DOJ) pursuant to Section 706(g) of the Equal Credit Opportunity Act (ECOA). This letter and enclosures contain confidential supervisory and investigative information of the Bureau.

The Bureau conducted a targeted review of [REDACTED] beginning on July 30, 2012. We tested [REDACTED] domestic consumer automobile finance portfolios for fair lending compliance during the period from April 1, 2010 to May 31, 2012. The Bureau's review found reason to believe that [REDACTED] violated Section 701(a)(1) of the ECOA and its implementing regulation, Regulation B, 12 C.F.R. pt. 1002, by discriminating against borrowers based on race and national origin. Specifically, our analysis shows that [REDACTED] charged African-American, Hispanic, and Asian and Pacific Islander borrowers higher dealer markups on their automobile loans than similarly situated non-Hispanic White borrowers, and the basis for these markups was the borrowers' race and national origin and not risk-based factors.¹ These disparities resulted from a combination of [REDACTED] policy and practice of permitting dealers to mark up interest rates on retail installment contracts, compensating dealers from the interest revenue from those markups, and failing to implement or maintain adequate internal controls and monitoring to prevent the discrimination from occurring.

We would appreciate your prompt consideration of this matter. If you determine that your agency does not wish to open an investigation into [REDACTED], please confirm your determination by

¹ As used in this document, "African American" includes "Black or African American," "Hispanic" includes "Hispanic or Latino," and "Asian and Pacific Islander" includes both "Asian" and "Native Hawaiian or Other Pacific Islander," as defined by the Office of Management and Budget in *Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity* (Oct. 30, 1997), available at http://www.whitehouse.gov/omb/fedreg_1997standards.



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affixing the appropriate signature to the certification found at the end of this letter and returning the certification and the enclosed documents to me. We request that the DOJ notify the Bureau if and when any investigation or litigation is authorized and/or commenced against [REDACTED] as a consequence of this referral, pursuant to the Referral and Notice Procedures found in Section IV of the December 6, 2012 Memorandum of Understanding between the DOJ and the Bureau. We also request that the Bureau be notified at least once every three months of the status of any investigation or lawsuit that may arise from this referral.

The Bureau has authorized the production and/or use of privileged documents subject to 12 U.S.C. § 1821(t). The Bureau expressly reserves all evidentiary privileges and immunities that are applicable to these documents.

If you would like to discuss this referral or need supplementary information, please contact Rebecca Gelfond at 202-435-7491.

Sincerely,

Patrice Alexander Ficklin

Enclosures



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By affixing my signature below, I confirm that the Department of Justice has decided not to open an investigation into the foregoing matter referred by the Consumer Financial Protection Bureau involving [REDACTED].

Signature of Certifying Official

Printed Name of Certifying Official

Date



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ATTACHMENT 1

I. Summary of Claim Against [REDACTED]

The Bureau conducted a targeted review of the indirect automobile lending business of [REDACTED] for loans purchased between April 1, 2010 and May 31, 2012. The Bureau's review found reason to believe that [REDACTED] violated Section 701(a) of the Equal Credit Opportunity Act (ECOA) and its implementing regulation, Regulation B, 12 C.F.R. pt. 1002, by discriminating against borrowers on the basis of race and national origin. Specifically, [REDACTED] charged African-American, Hispanic, and Asian and Pacific Islander borrowers higher dealer markups for their loans than similarly situated non-Hispanic White borrowers, and the basis for these differences in markups was the borrowers' race and national origin and not risk-based factors.

II. Overview of [REDACTED]

[REDACTED]
[REDACTED] is one of the largest auto loan lenders in the United States. In the third quarter of 2013 alone, [REDACTED] originated and purchased [REDACTED] in automobile loans and had a consumer automobile finance portfolio totaling approximately [REDACTED]. [REDACTED] consumer automobile finance business is [REDACTED] indirect lending based on April 1, 2010 – May 31, 2012 origination data. As of July 2012, [REDACTED] purchased loans from a network of approximately [REDACTED]²

[REDACTED] automobile lending business is divided into five channels: [REDACTED]. The [REDACTED] channels originate indirect loans to borrowers with credit scores of [REDACTED]. The [REDACTED] channel lends to borrowers who buy cars from dealers that sell cars from manufacturers that have a private label relationship with [REDACTED]. The pricing of some of the [REDACTED] channel loans is subvented (*i.e.*, subsidized by the manufacturers, while the non-subvented loans are priced similarly to [REDACTED] loans).

¹ [REDACTED]
[REDACTED]

² These [REDACTED] dealers consist of [REDACTED] franchise dealers, [REDACTED] independent dealers, and [REDACTED] channel dealers.



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III. The Automobile Lending Violations

The Bureau has reason to believe that [REDACTED] violated Section 701(a)(1) of the ECOA and Regulation B. Specifically, the Bureau has reason to believe that from April 1, 2010 through May 31, 2012, [REDACTED] violated the ECOA by charging African-American, Hispanic, and Asian and Pacific Islander borrowers higher dealer markups on their automobile loans than similarly situated non-Hispanic White borrowers, and the basis for this disparity was borrower race and national origin and not risk-based factors. These disparities resulted from a combination of [REDACTED] policy and practice of permitting dealers to mark up interest rates on retail installment contracts, compensating dealers from the interest revenue from those markups, and failing to implement or maintain adequate internal controls and monitoring to prevent the discrimination from occurring.

As a result of [REDACTED] policy and practice, African-American borrowers paid on average 15 and 21 basis points higher for loans in the [REDACTED] channels, respectively, than similarly situated non-Hispanic White borrowers; Hispanic borrowers paid on average 17 and 21 basis points higher for loans in the [REDACTED] channels, respectively, than similarly situated non-Hispanic White borrowers; and Asian and Pacific Islander borrowers paid on average 23 basis points higher for loans in the [REDACTED] channel than similarly situated non-Hispanic White borrowers.³ On average, these disparities are expected to cost over 147,700 consumers \$134 each over the full life of the loan, totaling over \$19.7 million in possible direct damages resulting from the conduct during the period of review.

The CFPB formally communicated its preliminary finding of ECOA violations to [REDACTED] by sending a Fair Lending Potential Action and Request for Response Letter on December 20, 2012 (the "PARR Letter").⁴ The PARR letter stated the disparity amounts and outlined the analytical methodology the Bureau utilized. It also informed [REDACTED] of the possibilities of public enforcement action and DOJ referral. On January 17, 2013, [REDACTED] submitted a written response to the PARR Letter.⁵

IV. Legal Standard

The ECOA and Regulation B prohibit creditors from discriminating against any applicant with respect to "any aspect of a credit transaction" on the basis of, *inter alia*, race or national origin.⁶ Regulation B, which implements the ECOA, specifies that the doctrine of disparate impact is

³ The markup analyses for both the [REDACTED] channels include non-subserviced loans from the Manufacturer channel.

⁴ See Attachment A.

⁵ See Attachment B.

⁶ 15 U.S.C. § 1691(a)(1).



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applicable under the ECOA.⁷ Specifically, Regulation B states that “[t]he legislative history of the Act indicates that the Congress intended an ‘effects test’ concept, as outlined in the employment field by the Supreme Court in the cases of *Griggs v. Duke Power Co.*, 401 U.S. 424 (1971), and *Albemarle Paper Co. v. Moody*, 422 U.S. 405 (1975), to be applicable to a creditor’s determination of creditworthiness.”⁸

As set forth in the Official Interpretation of Regulation B, the ECOA prohibits a “creditor practice that is discriminatory in effect because it has a disproportionately negative impact on a prohibited basis, even though the creditor has no intent to discriminate and the practice appears neutral on its face, unless the creditor practice meets a legitimate business need that cannot reasonably be achieved as well by means that are less disparate in their impact.”⁹ Based on the current information available to the Bureau, the strongest case to prove [REDACTED] violation of the ECOA can be made under this theory of liability.¹⁰

To demonstrate a prima facie case of disparate impact liability, the Bureau must: identify a specific, facially neutral practice or policy used by the defendant, and demonstrate, through statistical evidence, that the practice or policy has caused an adverse effect on the protected group.¹¹ The burden then shifts to the defendant to prove a legitimate business need for the practice or policy.¹² But the Bureau can still prevail if there is a less discriminatory alternative that meets the business need.¹³

⁷ See 12 C.F.R. § 1002.6(a).

⁸ 12 C.F.R. § 1002.6(a).

⁹ 12 C.F.R. § 1002, Supp. I to § 1002.6(a)(2).

¹⁰ A claim of discrimination under the doctrine of disparate treatment may also be available. An inference of discriminatory intent may be shown through statistical evidence of a pattern or practice of racial discrimination. See *Int’l Brotherhood of Teamsters v. United States*, 431 U.S. 324, 339-40 & n. 20 (1977); *Hazelwood Sch. Dist. v. United States*, 433 U.S. 299, 307-08 (1977). However, courts have cautioned that the strongest inference of intentional discrimination is one in which the statistical evidence is bolstered by other circumstantial evidence because “statistics demonstrating that chance is *not* the more likely explanation are not by themselves sufficient to demonstrate that race is the more likely explanation.” *Gay v. Waiters’ and Dairy Lunchmen’s Union, Local No. 30*, 694 F.2d 531, 553 (9th Cir. 1982) (emphasis in original).

¹¹ See *Albemarle Paper Co. v. Moody*, 422 U.S. 405, 425 (1975); *Griggs v. Duke Power Co.*, 401 U.S. 424, 431-32 (1971).

¹² See *Griggs*, 401 U.S. at 431-32.

¹³ See *Albemarle*, 422 U.S. at 425.



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V. Legal Analysis

A. Facially Neutral Practice or Policy: [REDACTED] Discretionary Pricing Policy with
Insufficient Monitoring

Past cases have demonstrated that pricing disparities that result from granting automobile dealers discretion to mark up interest rates can provide the basis for actionable claims of discrimination in violation of the ECOA.¹⁴ The Bureau has reason to believe that [REDACTED] discretionary markup and compensation policy and its lack of monitoring and controls caused the pricing disparities discovered during the review. [REDACTED] purchases loans from its dealers at a specified "buy rate," which [REDACTED] determines using a proprietary underwriting and pricing model. [REDACTED] will, however, purchase installment contracts that the dealer, in its discretion, has priced higher than the buy rate, subject to certain limitations. The difference between the buy rate and the contract rate is known as the dealer markup. [REDACTED] limits markups in its [REDACTED] channels to between 150 and 250 basis points, depending on the term of the loan.¹⁵ [REDACTED] then compensates the dealers from the increased interest revenue from the markup.

Additionally, during the period examined, [REDACTED] did not monitor dealer markup for possible fair lending violations. However, in mid-February 2013, [REDACTED] implemented a new dealer markup monitoring program. [REDACTED] has also expressed a willingness to remediate borrowers for both past and any future harm due to markup disparities.

Pointing to the Supreme Court's decision in *Wal-Mart Stores, Inc. v. Dukes*, 131 S. Ct. 2541 (2011), [REDACTED] asserts in its PARR response that its policy and practice of allowing dealers to exercise discretion in pricing is not a "specific actionable policy or practice under the disparate impact theory."¹⁶ The Supreme Court in *Dukes* held that the Fed. R. Civ. P. 23(a)(2) class action certification prong of "commonality" was not met because the putative class members could not provide convincing proof of a company-wide policy of discrimination related to pay and promotions.

¹⁴ See *Coleman v. General Motors Acceptance Corp.*, 220 F.R.D. 64, 73-74 (M.D. Tenn. 2004) (granting class certification); *Osborne v. Bank of Am. Nat'l Ass'n*, 234 F. Supp. 2d 804, 809-12 (M.D. Tenn. 2002) (denying motion to dismiss); *Jones v. Ford Motor Credit Co.*, No. 00 CIV. 8330, 2002 WL 88431, **3-4 (S.D.N.Y. Jan. 22, 2002) (denying motion to dismiss); *Wise ex rel. Estate of Wilson v. Union Acceptance Corp.*, No. IP 01-0104-C-M/S, 2002 WL 31730920, at **3-4 (S.D. Ind. Nov. 19, 2002) (denying motion to dismiss).

¹⁵ [REDACTED] PowerPoint presentation on *Pricing Overview* to Bureau staff, July 2012.

¹⁶ [REDACTED] PARR Response at 6 n. 9; *Wal-Mart Stores, Inc. v. Dukes*, 131 S.Ct. 2541 at 2555 ("Other than the bare existence of delegated discretion, respondents have identified no 'specific employment practice.'").

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Dukes can be distinguished because a government enforcement action for violations of the ECOA need not meet Rule 23(a)'s class certification requirements.¹⁷ Indeed, since the *Dukes* decision, the DOJ and the CFPB have filed and settled a number of other complaints alleging unlawful pricing discretion via a disparate impact analysis.¹⁸ Among these, *Consumer Financial Protection Bureau v. National City Bank*,¹⁹ stands out. In *Rodriguez v. National City Bank*,²⁰ involving allegations that National City's discretionary pricing structure was discriminatory, the district court denied certifying a settlement class on the basis of *Dukes*.²¹ This was affirmed by the Third Circuit Court of Appeals.²² The Bureau and the DOJ later filed a proposed consent order settling nearly identical claims.²³ That consent order was entered by the court without reference to *Dukes*.²⁴

Additionally, *Dukes* did not purport to overrule existing precedent regarding disparate impact liability,²⁵ and prior to *Dukes*, a number of courts specifically held that dealer markup policies similar to [REDACTED] constituted a "specific policy or practice" sufficient to establish a prima facie case under disparate impact analysis.²⁶ For example, in *Coleman v. General Motors Acceptance*

¹⁷ *Illinois v. Wells Fargo & Co.*, No. 09-26434 (Ill. Cir. Ct. Cook County Oct. 25, 2011) (in suit brought by Illinois Attorney General finding that *Dukes* did not apply, stating that "the pertinent issue [in *Dukes*] was whether the plaintiff demonstrated questions of law and fact common to the class, an issue not pending before this Court.").

¹⁸ See, e.g., Consent Order, *United States v. SunTrust Mortg., Inc.*, No. 3:12-cv-397 (E.D. Va. May 31, 2012), available at <http://www.justice.gov/iso/opa/resources/313201253116253830420.pdf>; Consent Order, *United States v. GFI Mortg. Bankers, Inc.*, No. 1:12-cv-2502-KBF (S.D.N.Y. Aug. 27, 2012), available at <http://www.justice.gov/crt/about/hce/documents/gfisettle.pdf>; Consent Order, *United States v. Countrywide Fin. Corp.*, No. CV11-10540-PSG (AGW) (C.D. Cal. Dec. 28, 2011), available at <http://www.justice.gov/crt/about/hce/documents/countrywidesettle.pdf>; Consent Order, *United States v. Ally Financial Inc.*, No. 2:13-cv-15180-AJT-MAR (E.D. Mich. Dec. 23, 2013), available at <http://www.justice.gov/crt/about/hce/documents/allyco.pdf>; Consent Order, Consumer Financial Protection Bureau, *In re Ally Financial Inc. and Ally Bank*, File No. 2013-CFPB-0010 (Dec. 20, 2013), available at http://files.consumerfinance.gov/f/201312_cfpb_consent-order_0010.pdf; and *United States v. National City Bank*, No. 2:13-cv-01817-CB (W.D. Penn. Dec. 23, 2013), available at <http://www.justice.gov/crt/about/hce/documents/nationalcitybanksettle.pdf>.

¹⁹ *National City Bank*, 2:13-cv-01817.

²⁰ *Rodriguez v. National City Bank*, 277 F.R.D. 148 (3d Cir. 2013).

²¹ *Id.* at 150, 154-55.

²² *Id.* at 374-75, 385-86.

²³ *National City Bank*, 2:13-cv-01817.

²⁴ Consent Order (adopted), *Consumer Financial Protection Bureau v. National City Bank* 2:13-cv-01817 [Dkt. No. 3] (January 9, 2014).

²⁵ See *Tabor v. Hilti, Inc.*, 703 F.3d 1206, 1221-22 (10th Cir. 2013).

²⁶ *Jones v. Ford Motor Credit Co.*, 2002 WL 88431 (S.D.N.Y. Jan. 22, 2002); *Osborne v. Bank of America Nat'l Ass'n.*, 234 F. Supp. 2d 804 (M.D. Tenn. 2002); *Wise ex rel Estate of Wilson v. Union Acceptance Corp.*, 2002 WL



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Corp., the court, relying upon the Supreme Court's holding in *Watson v. Fort Worth Bank and Trust*, 487 U.S. 977, 994 (1988), held that the use of disparate impact was appropriate where the lender's policy "is race neutral (or objective) by its terms," but "[w]hen exercised by those granted discretion under the neutral policy, its effect is to discriminate." *Coleman*, 196 F.R.D. 315, 328 (M.D. Tenn. 2000), *vacated and remanded on other grounds*, 296 F.3d 443 (6th Cir. 2002). Thus, there is a strong argument that [REDACTED] maintains a specific, facially neutral policy sufficient to establish an ECOA claim under the disparate impact doctrine.

B. Disparate Effect of the Pricing Policy

In establishing disparate impact liability, courts have long recognized that statistics, when properly analyzed, can support a showing of disparate impact on a protected class.²⁷ In the context of dealer markup policies, courts have held that a plaintiff, for purposes of establishing a prima facie case, must provide "statistical evidence of a kind and degree sufficient to show that the practice in question has caused the assessment of the higher finance charge markup because of their membership in a protected group."²⁸

In this case, the statistical analysis that the Bureau conducted shows that [REDACTED] discretionary markup and compensation policy disproportionately and adversely affected similarly-situated African-American, Hispanic, and Asian and Pacific Islander borrowers. Our conclusion was based on a comprehensive two-part statistical analysis of [REDACTED] loans in its [REDACTED] channels.²⁹

In conducting the analysis, the Bureau first assigned race and national origin probabilities to each application.³⁰ Reported addresses for applicants were mapped into census tracts and matched to

31730920 (S.D. Ind. Nov. 19, 2002); *Coleman v. General Motors Acceptance Corp.*, 220 F.R.D. 64 (M.D. Tenn. 2004).

²⁷ See generally *Int'l Brotherhood of Teamsters v. U.S.*, 431 U.S. 324, 339 n. 20 (1977) (noting that statistics may be the "only available avenue of proof" in disparate impact cases) (citations and internal quotation marks omitted).

²⁸ *Coleman v. General Motors Acceptance Corp.*, 196 F.R.D. 315, 324 (E.D. Tenn. 2000) (quoting *Watson v. Fort Worth Bank & Trust*, 487 U.S. 977, 994 (1988), *vacated on other grounds*, 296 F.3d 443 (6th Cir. 2002)).

²⁹ [REDACTED] provided data on 1,868,800 loans that were funded from April 2010 to May 2012. When analyzing loans in the [REDACTED] channels, non-subvented loans from the [REDACTED] channel were also included. The [REDACTED] channel loans were reviewed but no noteworthy disparities were found. The [REDACTED] channel loans do not have dealer markup, and the [REDACTED] channel subvented loans do not consistently permit markup and therefore were not analyzed. Out of the [REDACTED] loans, [REDACTED] remain after dropping loans that could not be proxied for race and ethnicity.

³⁰ Section 1002.5(b) of Regulation B generally prohibits lenders from requesting information about the applicant's race and national origin for credit transactions that are not for the purpose of purchasing or refinancing the borrower's principal dwelling and are not secured by that dwelling. Consistent with this rule, the indirect auto loan dataset provided by [REDACTED] did not contain information on the applicants' race or ethnicity. In order to conduct the



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2010 Census information on race and ethnicity. Surnames were matched to a list of surnames from the 2000 Census, which reports counts of individuals by race and ethnicity for surnames. Using the combination of proxies based on geography and surname, the methodology assigned an applicant with a probability of being a particular race or ethnicity.

The Bureau then conducted an analysis of whether [REDACTED] dealer markup and compensation policy resulted in disparities. Given the fact that [REDACTED] buy rate on any given transaction already accounted for the characteristics associated with the individual financing the vehicle, the characteristics of the vehicle, and the timing, location, and structure of the deal, such factors were excluded as controls from the markup analysis, which focused on the uncontrolled *difference* between the contract rate and the buy rate, rather than on the contract rate. The analysis with no controls resulted in the following observations with respect to disparities and consumer impact based upon expected overpayment over the full life of the loan:

- African Americans paid 21 basis points higher dealer markups than similarly-situated Non-Hispanic Whites in the [REDACTED] business line.
- Hispanics paid 21 basis points higher dealer markups than similarly-situated Non-Hispanic Whites in the [REDACTED] business line.
- African Americans paid 15 basis points higher dealer markups than similarly-situated Non-Hispanic Whites in the [REDACTED] business line.
- Hispanics paid 17 basis points higher dealer markups than similarly-situated Non-Hispanic Whites in the [REDACTED] business line.
- Asian and Pacific Islanders paid 23 basis points higher dealer markups than similarly-situated Non-Hispanic Whites in the [REDACTED] business line.

statistical analyses, the Bureau used a proxy methodology for assigning race and ethnicity to applicants based on reported address information and name.



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Table 1:

Business Channel*	Prohibited Basis	Markup Disparity (bps)	Estimated Number of Prohibited Basis Observations	Estimated Value of Overpayment**	Overpayment per Borrower
██████████	Hispanic	17	29270	\$3,510,012	\$120
██████████	African	15	20815	\$2,334,060	\$112
██████████	American				
██████████	Asian and Pacific Islander	23	10130	\$1,559,591	\$154
██████████	Hispanic	21	48600	\$6,837,667	\$141
██████████	African	21	38907	\$5,543,008	\$142
	American				
Total Damages:				\$19,784,338	
* ██████████ and ██████████ channels are ██████████% and ██████████% of ██████████'s indirect auto lending business during the review period. The other two channels are ██████████ (██████████%) and ██████████ (██████████%).					
** The overpayment estimates did not account for prepayment, default or present value discounting.					

These disparities are statistically significant at the five percent level or better, well within what the courts require.³¹ Such significant statistical evidence is of a kind and degree sufficient to show that ██████████'s dealer markup and compensation policy has caused disparities based upon race and national origin.

In order to evaluate the robustness of the results, the Bureau estimated models with controls such as dealer controls and loan term; the estimated disparities are usually smaller with controls but remain statistically significant. In addition, the Bureau generated disparity estimates using alternative methods of assigning race and ethnicity. First, we used threshold rules that assigned a borrower to a given racial or ethnic group by determining whether the probability associated with each classification met or exceeded one of the three thresholds (70%, 80%, and 90%).³² The disparities did not vary materially when the models used race and ethnicity assignments based on the threshold rules instead of the probabilities directly. Second, we estimated disparities using

³¹ See generally David H. Kaye & David A. Freedman, *Reference Guide on Statistics*, in *Annotated Reference Manual on Scientific Evidence*, 83, IV.B.2 (2d ed. 2000), available at 2004 WL 48151; cf. *FTC v. QT, Inc.*, 448 F. Supp. 2d 908, 939 (N.D. Ill. 2006) ("Statistical significance is achieved if the statistical analysis shows that there is a 0.05 or less likelihood that the difference measured is due to chance ($p \leq 0.05$)."), *aff'd*, 512 F.3d 858 (7th Cir. 2008).

³² See generally Daniel F. McCaffrey & Marc N. Elliott, *Power of Tests for a Dichotomous Independent Variable Measured with Error*, Health Services Research, June 2008, available at <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2442236/>.

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geography and surname-based probabilities alone rather than jointly; the disparity estimates were consistent with those associated with the use of the joint probabilities.³³

C. Legitimate Business Need Defense

Once the moving party has identified a specific, facially neutral practice or policy used by the defendant, and demonstrated through statistical evidence that the practice or policy has caused an adverse effect on the protected group, as outlined above, the burden then shifts to the defendant to prove a legitimate business need for the practice or policy.

While [REDACTED] has not asserted a legitimate business need defense in its response to the PARR letter, it did discuss with the Bureau, in the context of establishing an effective compliance management system, difficulties associated with changing its discretionary markup and compensation policy. [REDACTED] stated that it cannot unilaterally remove dealer markup discretion without substantial risk to its business; [REDACTED] asserted that doing so would result in dealers simply offering their contracts to [REDACTED]'s competitors.

When discretionary pricing results in a disparate impact upon protected group borrowers, a lender cannot justify such disparities solely by pointing to other lenders engaged in similar potentially discriminatory policies. Moreover, such an argument was explicitly rejected in *Smith v. Chrysler Financial Co., L.L.C.*, 2003 WL 328719, at *7 (D.N.J. Jan. 15, 2003); there, the court rejected defendant's argument "that their actions are not improper because they are simply following a recognized business practice within the financial industry," noting that "[t]hese arguments are not compelling because the law does not allow subjective mark-up policies that result in discrimination against a protected class absent a valid business justification."

D. Less Discriminatory Alternative

In the event that a defendant is able to prove a legitimate business need for the practice or policy, the Bureau can still prevail if there is a less discriminatory alternative that meets the business need.³⁴ Thus, even if [REDACTED] established a legitimate business need for the dealer markup policy, it still would be liable, as less discriminatory alternatives are available.

For example, a markup policy with appropriate monitoring, controls, training, and consumer remuneration is a less discriminatory alternative. [REDACTED] failed to monitor dealer markup during the relevant time period when it could have at least analyzed dealer markup for possible violations and taken action against dealers whose loans showed markup disparities.

³³ For example, in some instances the disparities were higher and in others lower. Limiting the proxy to only geography significantly reduced the expected accuracy of the proxy with respect to Asian and Pacific Islanders and Hispanics, but nonetheless produced results that did not contradict the combined methodology.

³⁴ See *Albemarle Paper Co. v. Moody*, 422 U.S. 405, 425 (1975).



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E. [REDACTED]'s Response

[REDACTED]'s September 24, 2012 white paper ("[REDACTED] White Paper")³⁵ and its January 17, 2013 PARR response deny any violation of the ECOA or Regulation B and question the Bureau's statistical findings.

First, [REDACTED] argues that it is not liable under the ECOA because it is not a "creditor" under ECOA, and it did not have knowledge of discrimination before entering into the transaction to purchase the retail installment contract.

The ECOA defines a "creditor" to include not only "any person who regularly extends, renews or continues credit," but also "any assignee of an original creditor who participates in the decision to extend, renew, or continue credit."³⁶ Regulation B further provides that "creditor" means "a person, who, in the ordinary course of business, regularly participates in the decision of whether or not to extend credit" and expressly includes an "assignee, transferee, or subrogee who so participates."³⁷ The Commentary to Regulation B makes clear that an assignee is considered a "creditor" when the assignee participates in the credit decision. The Commentary provides that a "creditor" "includes all persons participating in the credit decision" and that "[t]his may include an assignee or a potential purchaser of the obligation who influences the credit decision by indicating whether or not it will purchase the obligation if the transaction is consummated."³⁸

[REDACTED] argues, however, that the administrative history to Regulation B limits the definition of "creditor" to exclude its conduct. Specifically, the Federal Reserve Board stated that "a potential assignee who establishes underwriting guidelines for its purchases but does not influence individual credit decisions is not a creditor."³⁹ Based on the Federal Reserve comment, [REDACTED] contends that because it did not influence the credit or pricing decisions for some loans, it was not a creditor with respect to those loans. Examples of such transactions include instances in which the dealer submits customer and vehicle information to [REDACTED] only after entering into a retail installment contract with the customer. [REDACTED] argues that because it cannot distinguish between loans for which it is a creditor because it may have influenced the dealer's pricing and loans for which it views itself as not being a creditor, liability under ECOA cannot be imposed on [REDACTED] based on an analysis of its entire portfolio.

³⁵ See Attachment C.

³⁶ 15 U.S.C. § 1691a(e).

³⁷ 12 C.F.R. § 1002.2(f).

³⁸ 12 C.F.R. pt. 1002, Supp. I, § 1002.2, ¶ 2(f)-1.

³⁹ [REDACTED] White Paper at 5 (quoting 68 Fed. Reg. 13144, 13145 (Mar. 18, 2003)).



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█████ has not, however, been able to show that the examples on which it relies represent a significant portion of its portfolio. Thus, these disputed “non-creditor” loans are unlikely to have much influence over the Bureau’s statistically significant markup disparity findings. In any event, █████ has offered no evidence that the average disparities associated with these loans differ from the other purchased loans.

█████ also argues that it is not liable under the ECOA because Regulation B provides that “[a] person is not a creditor regarding any violation of the [ECOA] or [Regulation B] committed by another creditor unless the person knew or had reasonable notice of the act, policy, or practice that constituted the violation before becoming involved in the credit transaction.”⁴⁰ █████, disagreeing with prior court rulings, states that the “act, policy, or practice that constituted the violation” should be limited to the act, policy or practice of the *principal* creditor, not the *assignee* creditor. █████ then argues that it had no way of knowing that the *principal* creditor was violating ECOA before it purchased the loans.

█████’s interpretation of Regulation B is inconsistent with the Commentary to Regulation B as well as case law interpreting Regulation B. As the Commentary makes clear, assignees may be creditors, and nothing supports █████’s interpretation that assignees cannot be held liable for their own discriminatory conduct. At most the ECOA provision cited by █████ limits a creditor’s liability for *another creditor’s* ECOA violations under certain circumstances. This is consistent with case law interpreting this provision of Regulation B.⁴¹ As such, █████’s knowledge of dealer conduct that violates ECOA is irrelevant because this provision does not limit █████’s liability for its *own* violations stemming from the disparate impact of *its* markup and compensation policy. █████’s liability can be established based on the fact that █████ had prior knowledge of its own policy and practice that caused the disparate impact.

Second, █████ challenges the Bureau’s estimated disparities. █████ provides results of its own markup analysis showing lower disparities than what the Bureau found and argues that the lower disparities do not justify enforcement action because they are practically insignificant. Its analysis relied on the same race and ethnicity proxies that the Bureau used but differed in two respects: (1) █████’s model includes two controls – the Metropolitan Statistical Area (MSA) of the borrower’s address and whether the vehicle was new or used; and (2) █████ estimated the disparities using a weighted regression method instead of the direct proportional method that the Bureau used.

Regarding including additional controls, Bureau staff believe that █████ failed to demonstrate why MSA or New/Used controls are appropriate explanatory variables. █████ has failed to meet its burden of demonstrating that these factors are relevant to the dealer’s assignment of markup,

⁴⁰ █████ White Paper at 8 (quoting 12 C.F.R. § 1002.2(1)),

⁴¹ See, e.g., *Coleman*, 196 F.R.D. at 324-25.



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let alone that their consideration is supported by business necessity. Regarding the choice of estimation methodology, Bureau staff determined that the direct proportional method is the more appropriate method because the weighted regression method almost certainly underestimates disparities and thus consumer harm.⁴² Regarding the practical significance of the disparities, while as a matter of law, statistical significance alone is sufficient to make a prima facie showing of discrimination,⁴³ the direct damages in the amount of almost \$134 per consumer are not insignificant. Moreover, the disparities in this matter are comparable to those of prior lending discrimination settlements.

Finally, [REDACTED] asserts that the Bureau's analysis is flawed because it isolates the credit decision when it is properly considered as part of the entire automobile purchase transaction.⁴⁴ [REDACTED] has not, however, provided any supporting evidence for its assumption that dealers seek lower dealer markups based on the terms of other parts of the transaction. In any event, even if [REDACTED] could produce such evidence, the ECOA prohibits discrimination in the credit transaction. Thus, [REDACTED] has a legal obligation to ensure that the auto finance transaction is non-discriminatory without regard to other aspects of the transaction.

VI. Expected Corrective Action

Soon after the commencement of the Bureau's supervisory activity, [REDACTED] began to improve its indirect auto fair lending compliance program, focusing on dealer markups. To date, [REDACTED] has made substantial improvements to its dealer monitoring program and is agreeable to remedying portfolio-wide disparities by remediating individual borrowers. It also has taken significant steps toward launching a pilot of a non-discretionary dealer compensation program.

The Bureau is seeking to expeditiously resolve the identified claims through a confidential supervisory MOU, and therefore requests that the DOJ promptly refer this matter back to the Bureau for independent resolution.

We expect such resolution of this matter to include provisions to correct the identified fair lending violations and prevent future violations, including, either an alternative compensation structure that eliminates discretionary pricing by dealers or enhancements to [REDACTED]'s program for fair lending compliance. Further, we anticipate that such resolution will include direct and

⁴² Separately, [REDACTED] also contends that it is not liable for portfolio-wide disparities, but only dealer-level disparities. [REDACTED] PARR Response at 5, n.8. As noted above, as a matter of law, this position is inconsistent with the ECOA and Regulation B. Additionally, the Bureau also ran a statistical model that controlled for dealer effects. Although the analysis revealed smaller disparities, they remained statistically significant.

⁴³ *Coleman*, 196 F.R.D. at 324 (quoting *Watson v. Fort Worth Bank and Trust*, 487 U.S. 977, 994 (1988)), vacated on other grounds, 296 F.3d 443 (6th Cir. 2002).

⁴⁴ [REDACTED] White Paper at 9-10.



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indirect compensatory damages for borrowers harmed by the disparate effect of [REDACTED]'s discretionary pricing policy from the beginning of the examination period until the present.

VII. Conclusion

After a thorough review of the facts, law, and [REDACTED]'s submissions, the Bureau has found reason to believe that [REDACTED] violated Section 701(a) of the ECOA and Regulation B because [REDACTED] discriminated on the basis of race and national origin when [REDACTED] charged African-American, Hispanic, and Asian and Pacific Islander borrowers higher dealer markups on their automobile loans than similarly situated non-Hispanic White borrowers.

Attachments

- Attachment A: PARR Letter
- Attachment B: PARR Response
- Attachment C: [REDACTED] White Paper
- Attachment D: Pricing Overview
- Attachment E: Sample Rate Sheets
- Attachment F: Sample Dealer Agreement
- Attachment G: [REDACTED] Supervisory Letter
- Attachment H: Proposed [REDACTED] Memorandum of Understanding
- Attachment I: [REDACTED] Auto Loan Data

Consumer Financial
Protection Bureau

1700 G Street NW, Washington, DC 20552

December 20, 2012

VIA Electronic Mail ([REDACTED].com, [REDACTED].com)

Dear Messrs. [REDACTED] and [REDACTED]:

The Consumer Financial Protection Bureau's (CFPB) Office of Fair Lending and Equal Opportunity is considering whether to recommend public enforcement action against [REDACTED] [REDACTED] for potential violations of the Equal Credit Opportunity Act (ECOA), 15 U.S.C. §§1691-1691f, and whether to recommend that the CFPB refer [REDACTED] to the Department of Justice (DOJ) pursuant to Section 706(g) of the ECOA for a pattern or practice of discrimination in violation of Section 701(a) of the ECOA.

The Office of Fair Lending has preliminarily concluded that [REDACTED] may have violated the ECOA and its implementing regulation, Regulation B, 12 C.F.R. pt. 1002, by discriminating on the basis of race and national origin in the pricing of loans in its indirect automobile financing business. The CFPB's automobile financing markup analysis for [REDACTED] focused on the interest rate difference between each borrower's contract rate and [REDACTED]'s buy rate.¹ The CFPB analyzed the amount of markup separately by [REDACTED]'s automobile financing business lines (including the [REDACTED], [REDACTED],² and [REDACTED] channels) over a two-year period from April 2010 to May 2012.³ Based on the preliminary results, we are concerned with the following disparities in markup:

¹ The buy rate is the price that [REDACTED] sets based on the credit characteristics of the borrower, the characteristics of the vehicle financed, loan term, loan amount, and channel. It may also include any pricing exceptions granted by [REDACTED] to automobile dealers in individual transactions.

² Both the [REDACTED] and [REDACTED] channels include [REDACTED] loans, which are loans from [REDACTED]'s captive auto finance arms but without subsidies from the manufacturers. They are priced like loans in [REDACTED]'s [REDACTED] or [REDACTED] business lines. All references herein to either the [REDACTED] channel or the [REDACTED] channel include [REDACTED] loans.

³ The auto loan data set provided to the CFPB contained [REDACTED] auto loan contracts funded by [REDACTED] in the [REDACTED] ([REDACTED]), [REDACTED] ([REDACTED]), [REDACTED] ([REDACTED]), and [REDACTED] ([REDACTED]) lines of business. The data set also included subvented loans made by [REDACTED]'s captive auto finance arms for [REDACTED], [REDACTED] [REDACTED], [REDACTED] and [REDACTED] ([REDACTED]), but these loans were not the focus and were excluded from our analysis.

- Statistically significant disparities in markup of 21 basis points on average between similarly situated African Americans and Non-Hispanic Whites in the [REDACTED] business line.
- Statistically significant disparities in markup of 21 basis points on average between similarly situated Hispanics and Non-Hispanic Whites in the [REDACTED] business line.
- Statistically significant disparities in markup of 16 basis points on average between similarly situated Hispanics and Non-Hispanic Whites in the [REDACTED] business line.
- Statistically significant disparities in markup of 16 basis points on average between similarly situated African Americans and Non-Hispanic Whites in the [REDACTED] business line.
- Statistically significant disparities in markup of 25 basis points on average between similarly situated Asian / Pacific Islander and Non-Hispanic Whites in the [REDACTED] business line.

In general, the only limitation that [REDACTED] imposes on dealer markup is capping the maximum amount of markup, which depends on channel, loan term, borrower credit characteristics ([REDACTED] channel only), and amount financed ([REDACTED] channel only). Markup could also be affected by [REDACTED]'s policy of compensating dealers in some states using a different compensation structure (the [REDACTED] program) due to state regulations. However, even when we considered the factors that can directly affect markup, the disparities remained substantial.

The observed markup disparities appear to have resulted from a combination of [REDACTED]'s policies and practices, including [REDACTED]'s policy of compensating automobile dealers by allowing them to mark up [REDACTED]'s risk-based buy rate, and the limited nature of [REDACTED]'s controls and monitoring.

The indirect auto loan data set provided by [REDACTED] to the CFPB does not contain information on the race or ethnicity of applicants. In order to evaluate pricing outcomes, the CFPB assigned race and ethnicity probabilities to applicants by employing a proxy methodology that combines geography-based and name-based probabilities to form a joint probability.⁴ These joint race and

⁴ The geography-based probability is constructed based on 2010 Census demographic information associated with an applicant's reported address information. The name-based probability is constructed based on 2000 Census demographic information associated with an applicant's surname. Geography- and surname-based probabilities are combined using the methodology described in Elliott et. al., "Using the Census Bureau's Surname List to Improve Estimates of Race/Ethnicity and Associated Disparities," *Health Services and Outcomes Research Methodology*, Sept. 2009.

ethnicity probabilities were then used directly in our models to estimate race and ethnicity disparities.⁵

We acknowledge receipt of your September 24, 2012, document titled "Submission to Consumer Financial Protection Bureau Regarding Indirect Auto Finance Liability under the Equal Credit Opportunity Act." We have considered and will continue to consider the views and arguments presented in that document as we determine how to proceed.

You may submit a written statement setting forth any additional reasons of fact, law, or policy why [REDACTED] believes the CFPB should not refer this matter to the DOJ or take any corrective action against [REDACTED]. Any facts presented or factual assertions relied upon by [REDACTED] in the written statement must be made under oath by someone with personal knowledge of such facts. The written statement must be submitted on 8.5 by 11 inch paper, double spaced, in at least 12-point type, and no longer than 40 pages, and must be received no later than January 3, 2013. To ensure timely delivery, any submission should be e-mailed to me. Please inform me by no later than December 28, 2012, whether [REDACTED] will be making a submission.

Please note that although the Office of Fair Lending is considering whether to recommend that the CFPB refer [REDACTED] to the DOJ pursuant to Section 706(g) of ECOA, a referral does not deprive the CFPB of authority to take independent corrective action. Thus, the CFPB's referral of a matter to the DOJ pursuant to the ECOA would be in addition to the CFPB's independent supervisory and enforcement authority. If referred, the CFPB will consult with the DOJ to coordinate any respective actions, as appropriate.

Please be advised that the CFPB may use information contained in any submission as an admission, or in any other manner permitted by law, in connection with CFPB enforcement proceedings or otherwise.


Until this matter is resolved, [REDACTED] must retain all documents and records, including electronically stored information, that are in [REDACTED]'s custody, possession, or control, that relate to the preliminary findings outlined herein and/or the CFPB's examination of [REDACTED] that began on July 31, 2012. In addition, pursuant to Regulation B, 12 C.F.R. § 1002.12, until the CFPB notifies you otherwise, that section's 25-month record retention requirement is extended to the final disposition of this matter.

⁵ In order to evaluate the robustness of our results, we also generated disparity estimates using alternative methods of assigning race and ethnicity. First, we used threshold rules that assign an application to a given racial or ethnic group by determining whether the probability associated with each classification meets or exceeds one of three thresholds (70%, 80%, and 90%). See generally McCaffrey and Elliott, "Power of Tests for a Dichotomous Independent Variable Measured with Error," *Health Research and Educational Trust*, June 2008. The disparity estimates did not vary materially when the models used race and ethnicity assignments based on the threshold rules instead of the probabilities directly. Second, we estimated disparities using geography-based and surname-based probabilities alone rather than jointly; the disparity estimates were consistent with those associated with the use of the joint probabilities.

This letter is only meant to describe generally the procedures used by the CFPB. This letter does not create or confer upon any person any substantive or procedural rights or defenses that are enforceable in any manner.

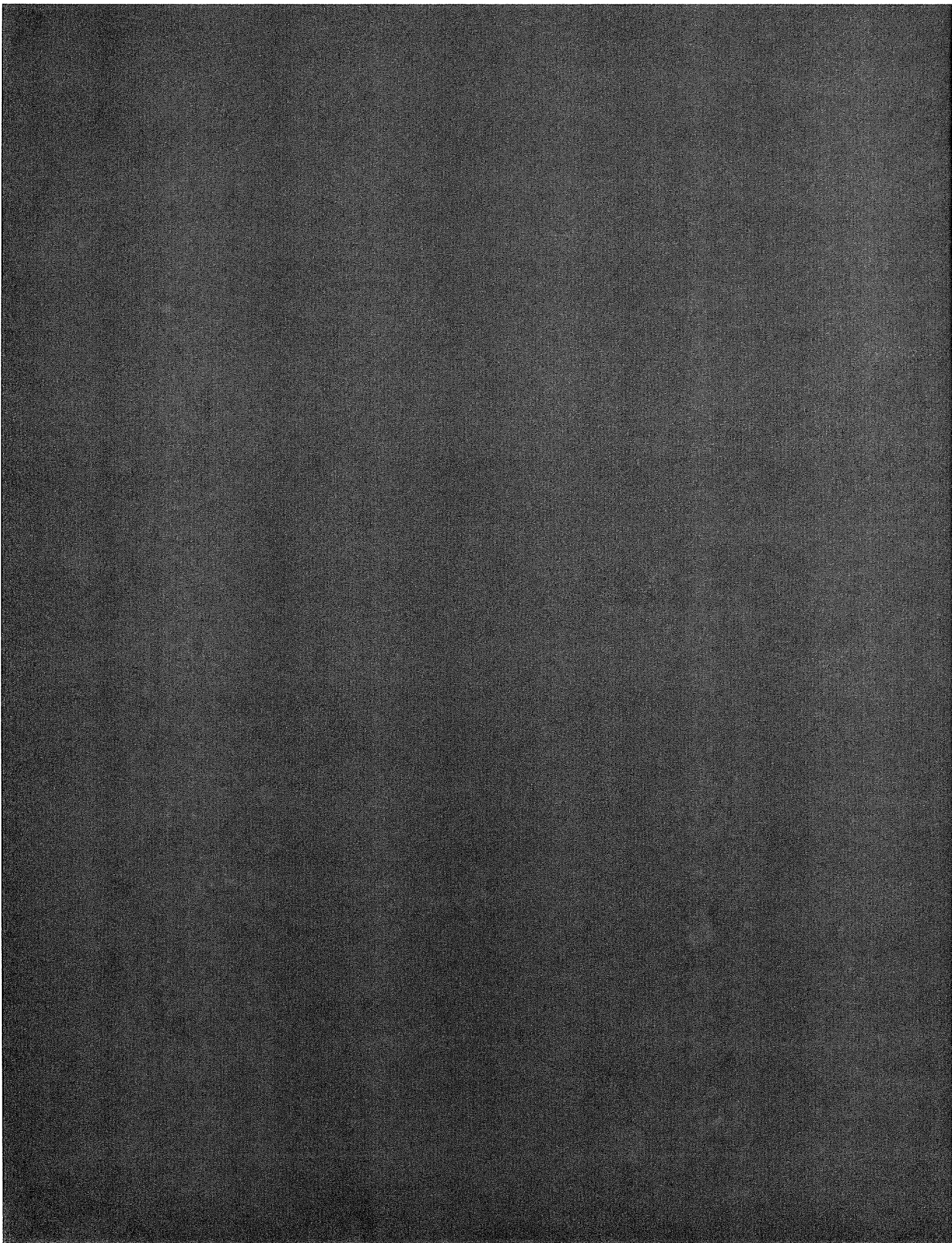
If you have any questions, please contact me by email at [REDACTED] or by phone at [REDACTED].

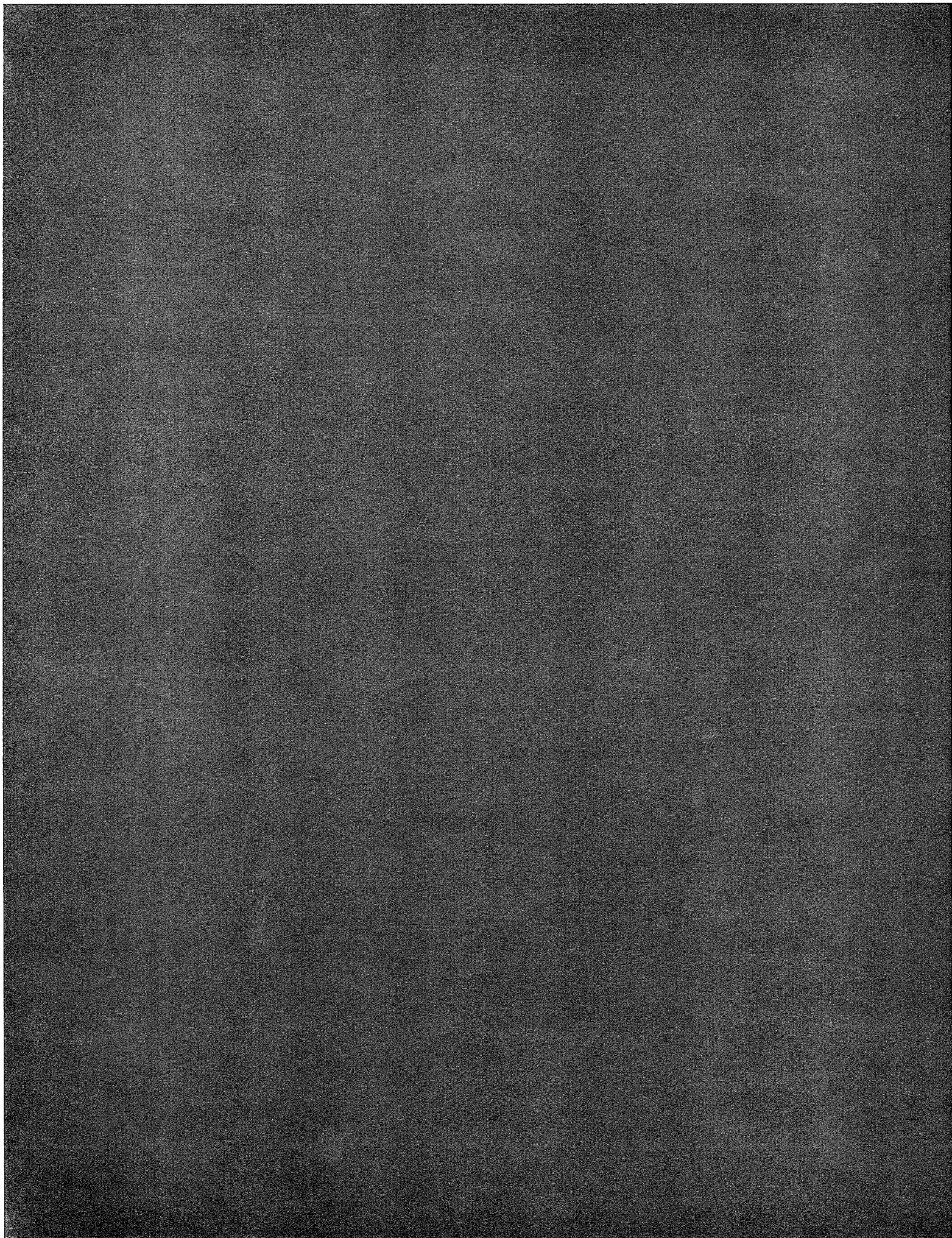
Sincerely,


Shou Wang
Counsel
Consumer Financial Protection Bureau
Office of Fair Lending and Equal Opportunity

cc: VIA Electronic Mail [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]


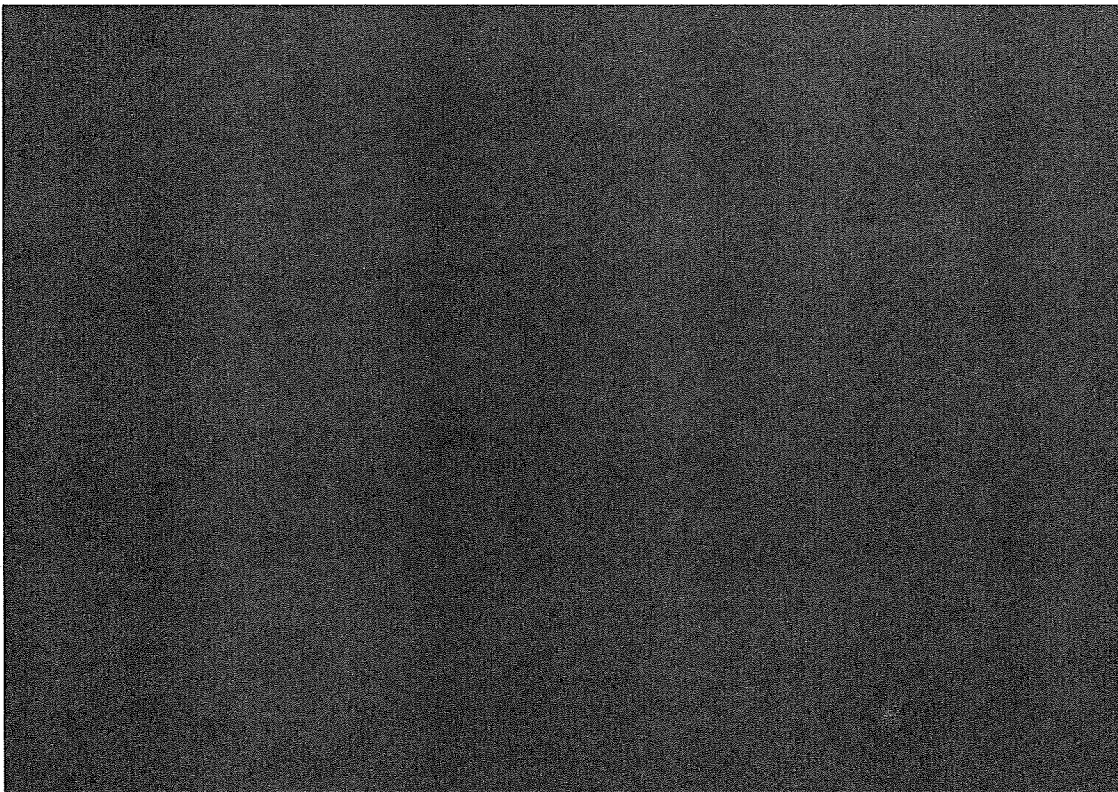


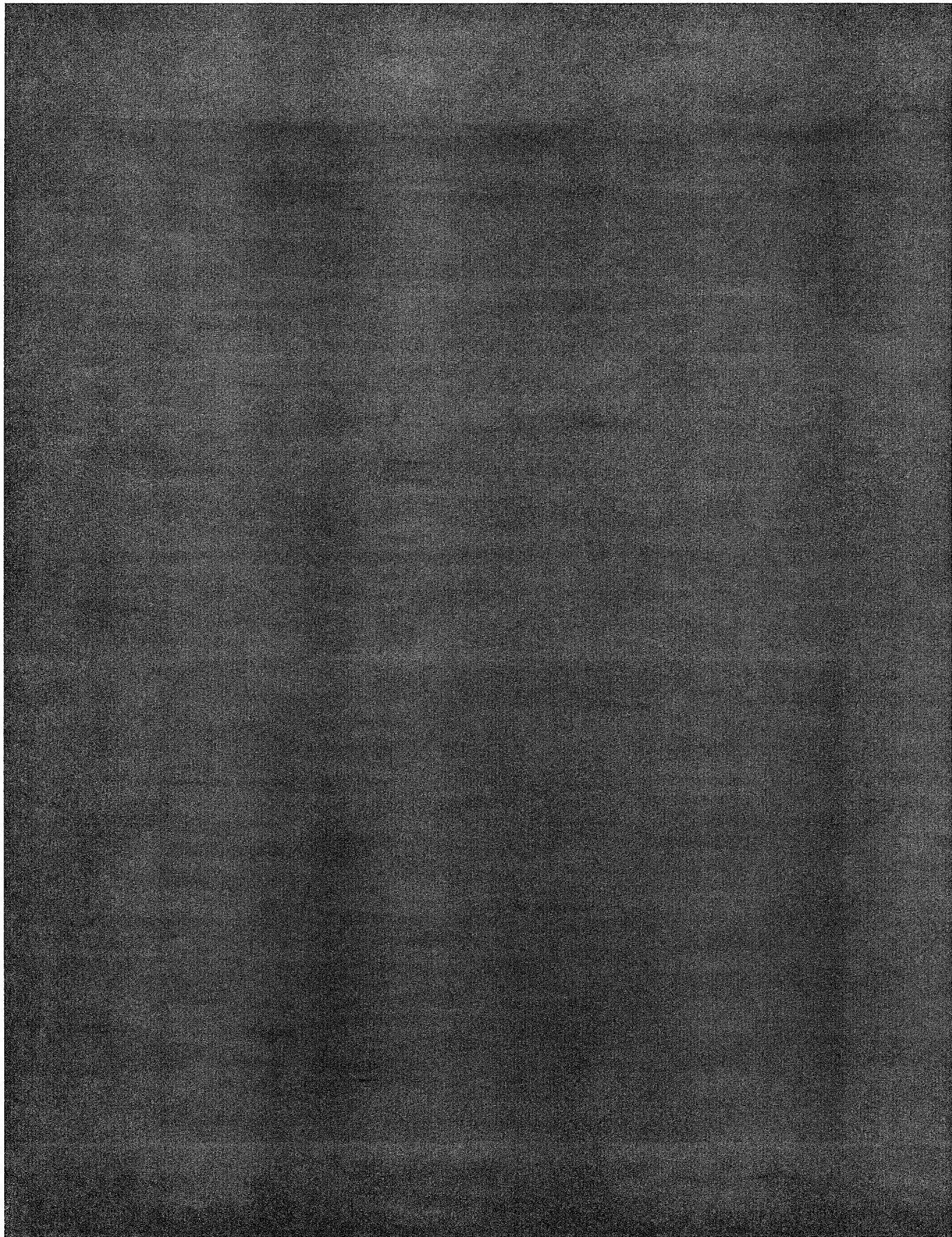


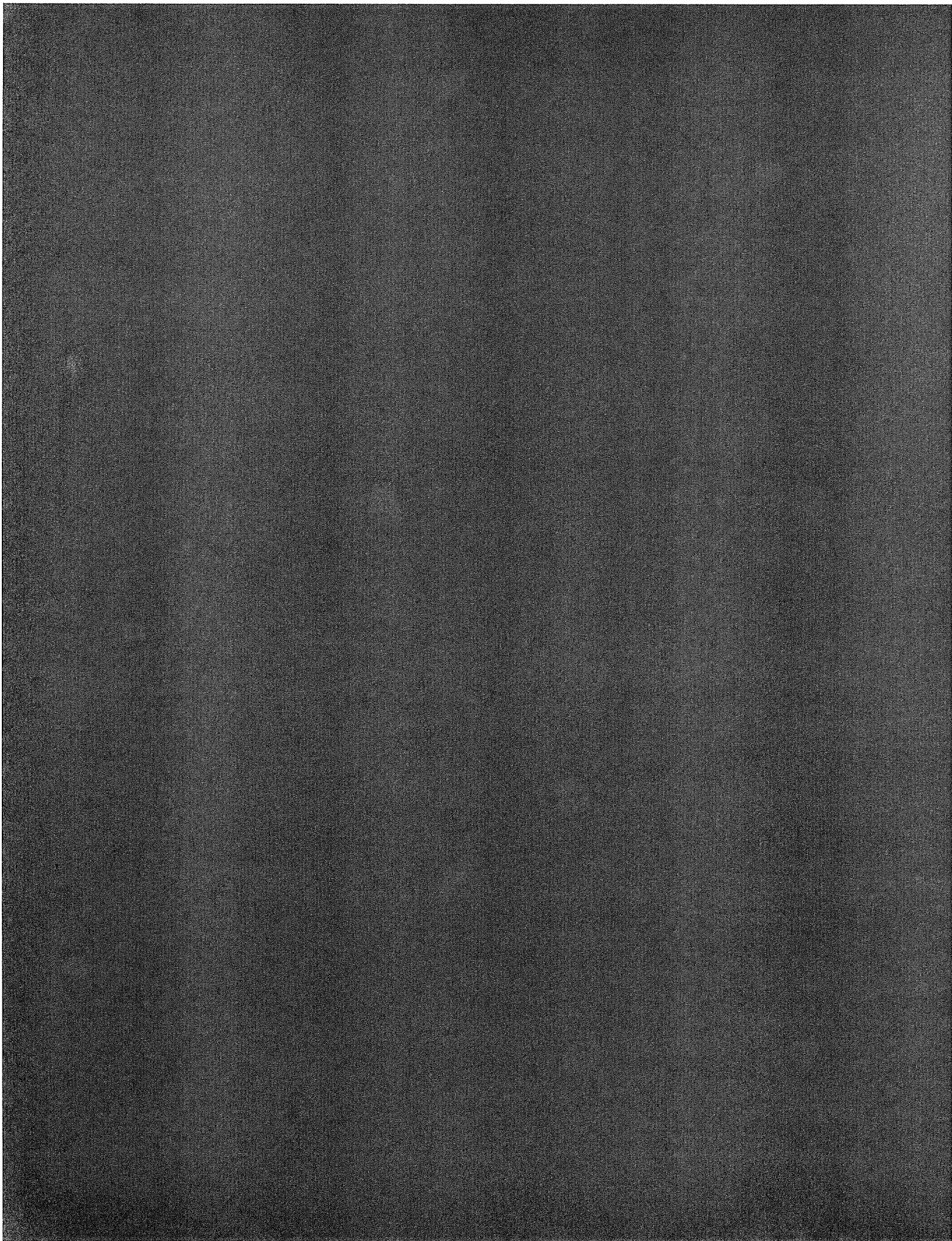


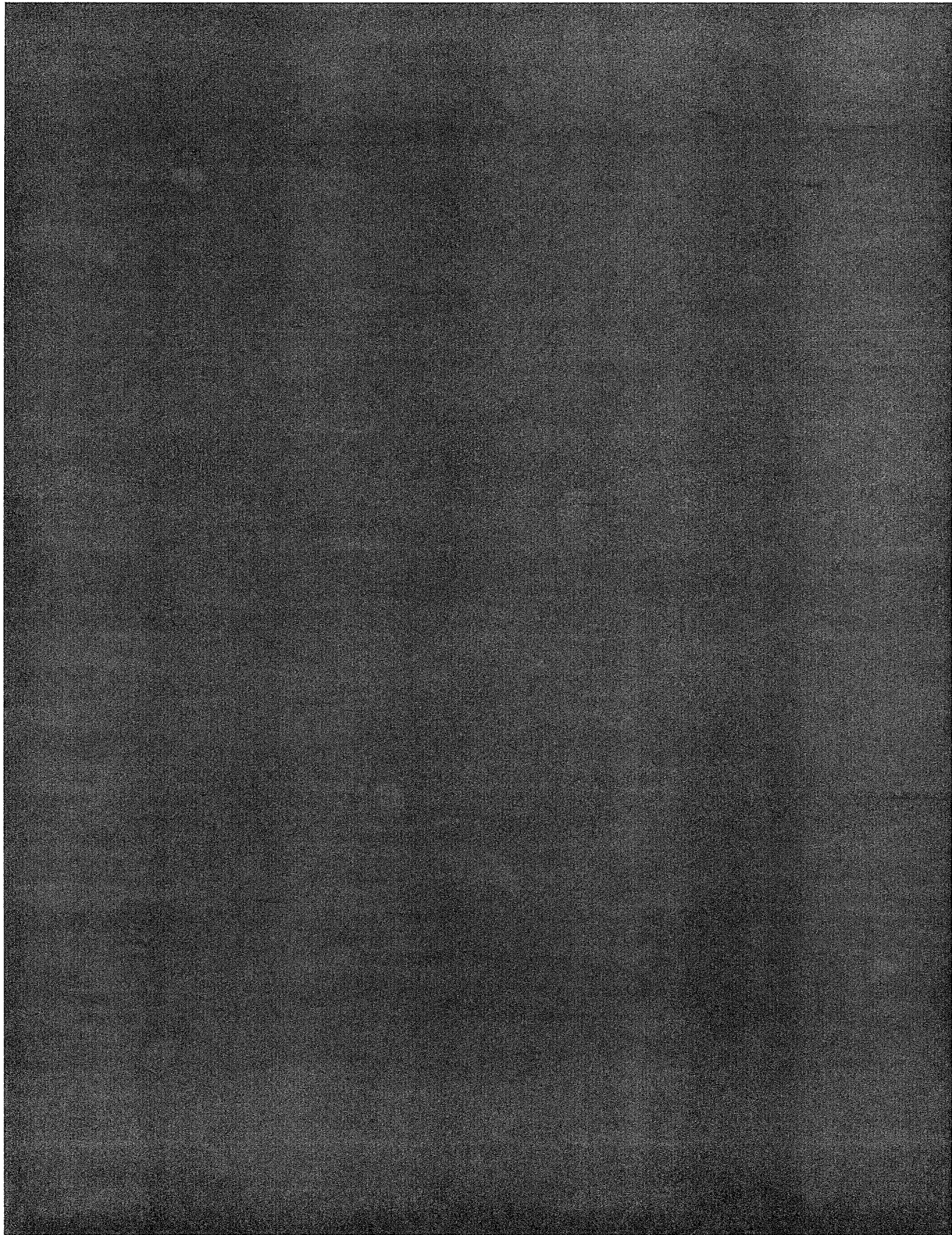
Dr.

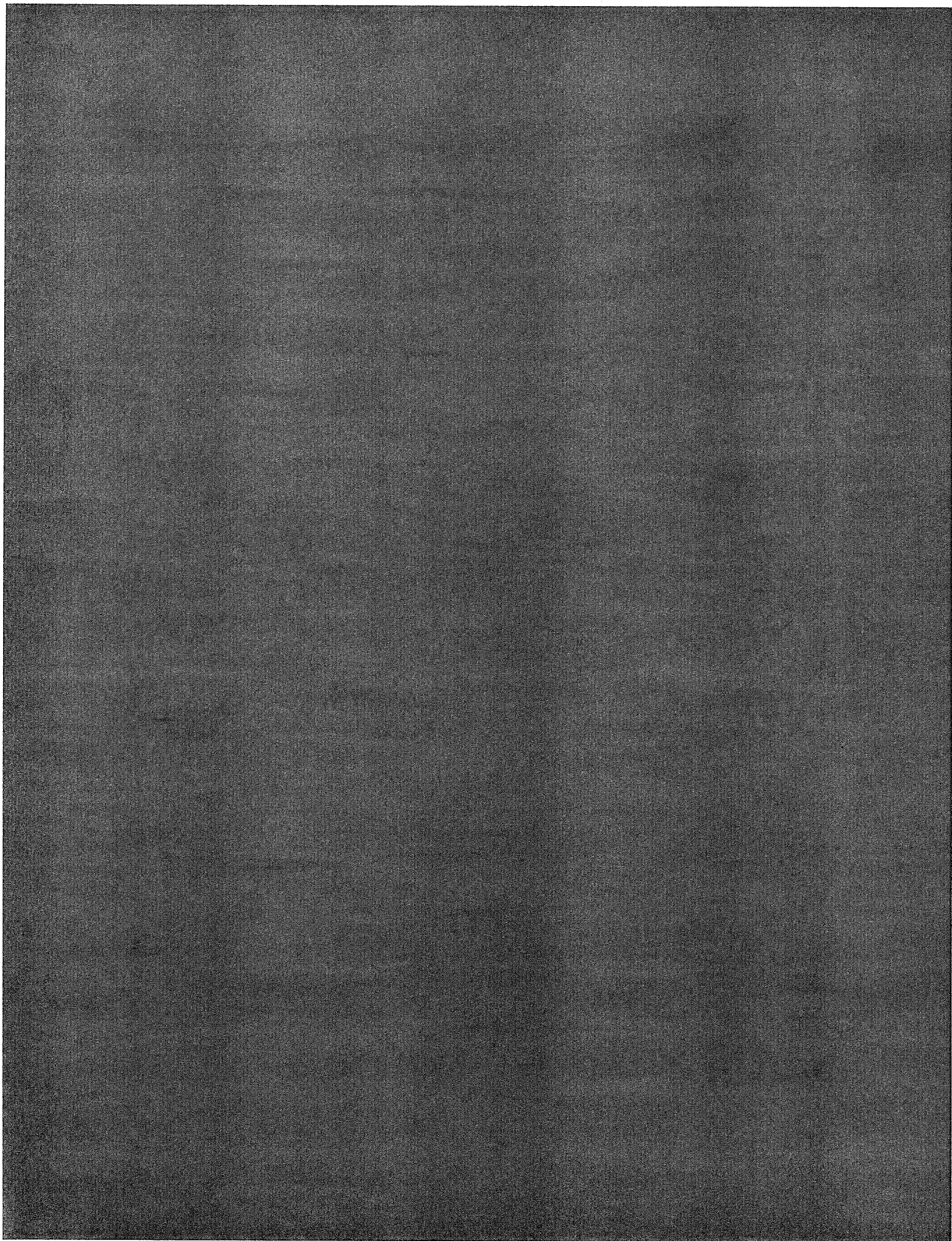
Siskin analyzed the same data set analyzed by the Bureau, but added two explanatory variables in the model: (i) Metropolitan Statistical Area ("MSA"),² and (ii) whether the customer financed a new or used vehicle. Dr. Siskin's model also utilized a proxy methodology, which proportionately weighted each data point by the likelihood of representing various races and ethnicities including Non-Hispanic White ("White"), African-American, Hispanic, etc. For the reasons outlined in this letter, we believe that this proposed approach accurately identifies any disparities, and we respectfully request that the Bureau include in its model a proportional weighting methodology as well as MSA and new and used vehicle variables.

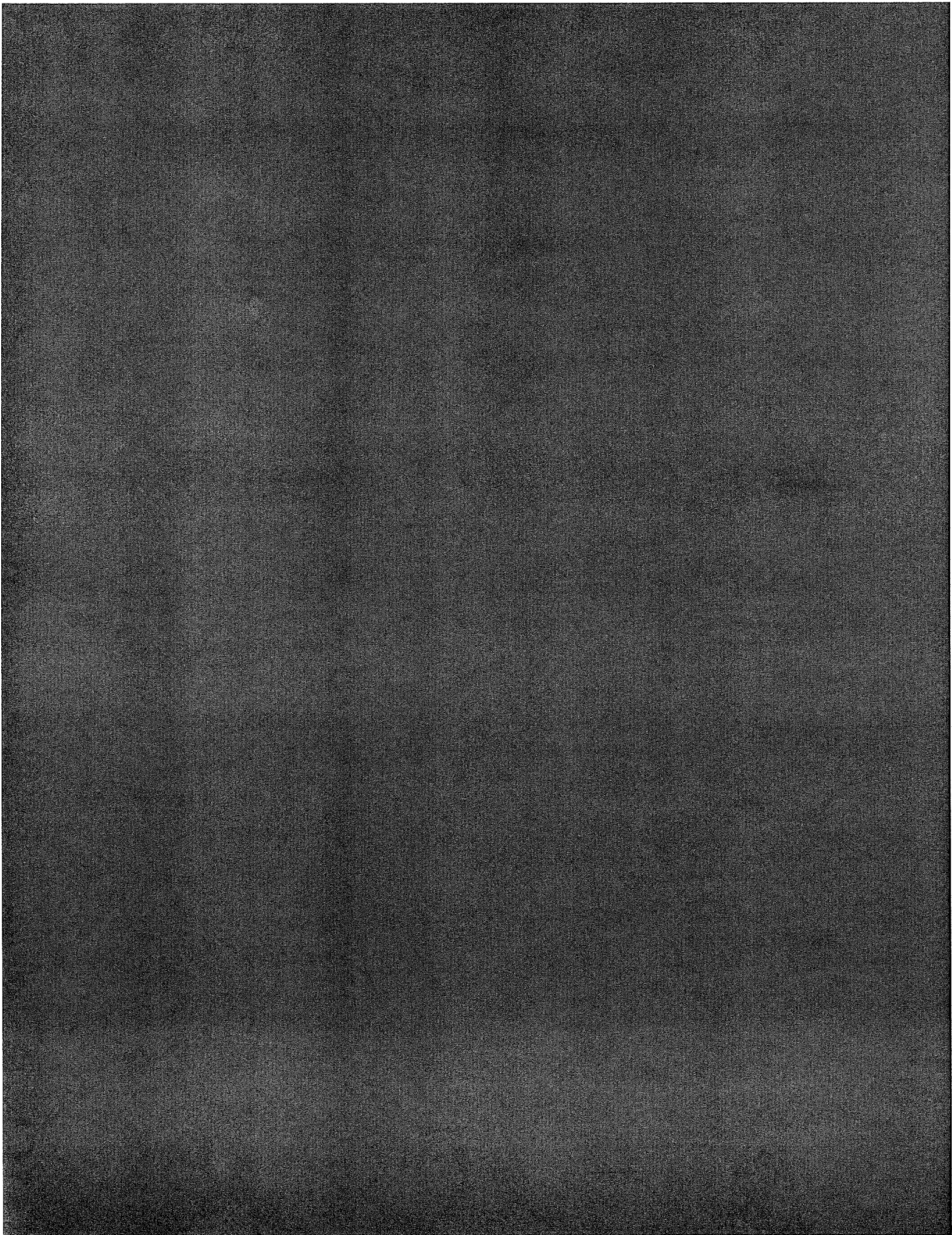


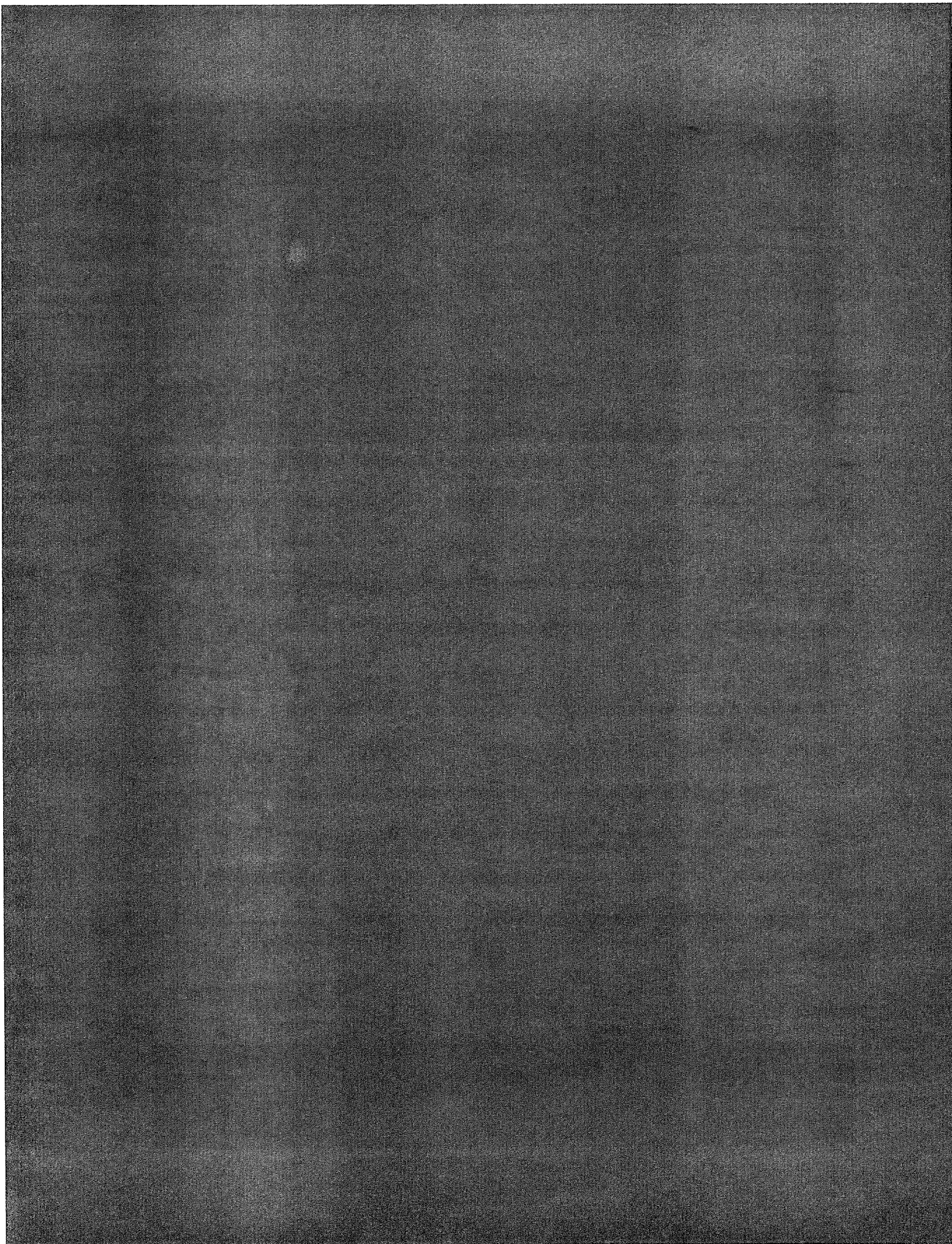


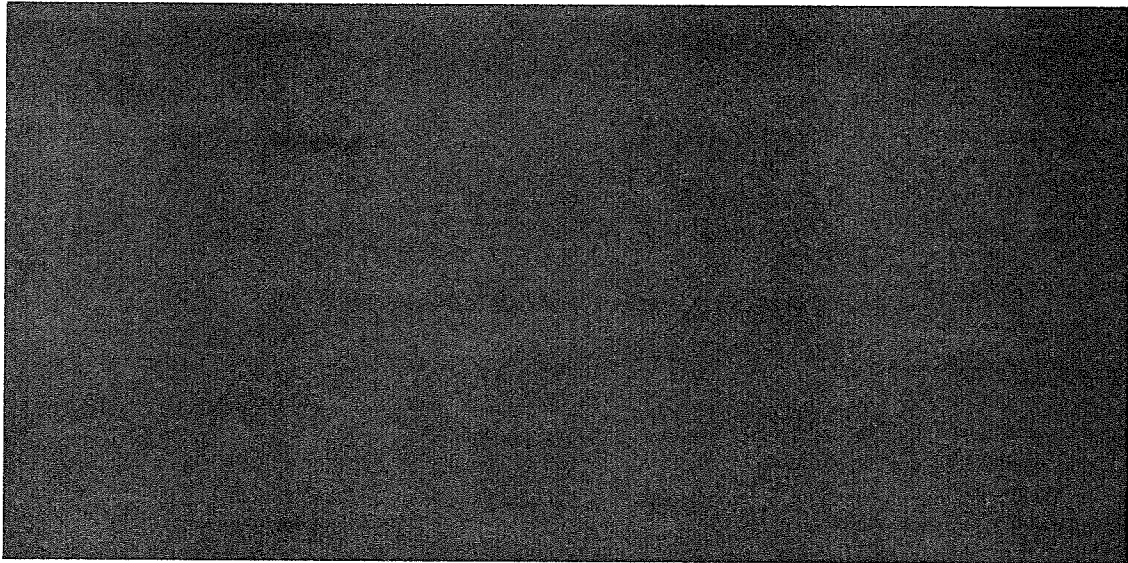






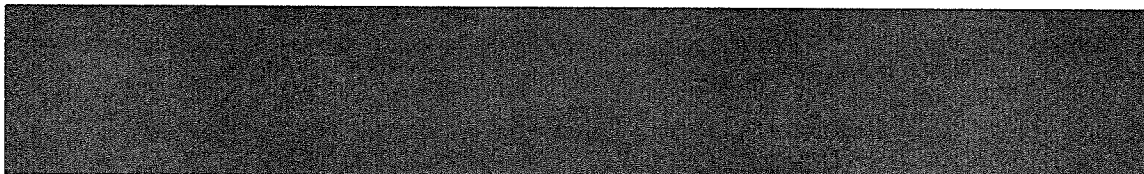


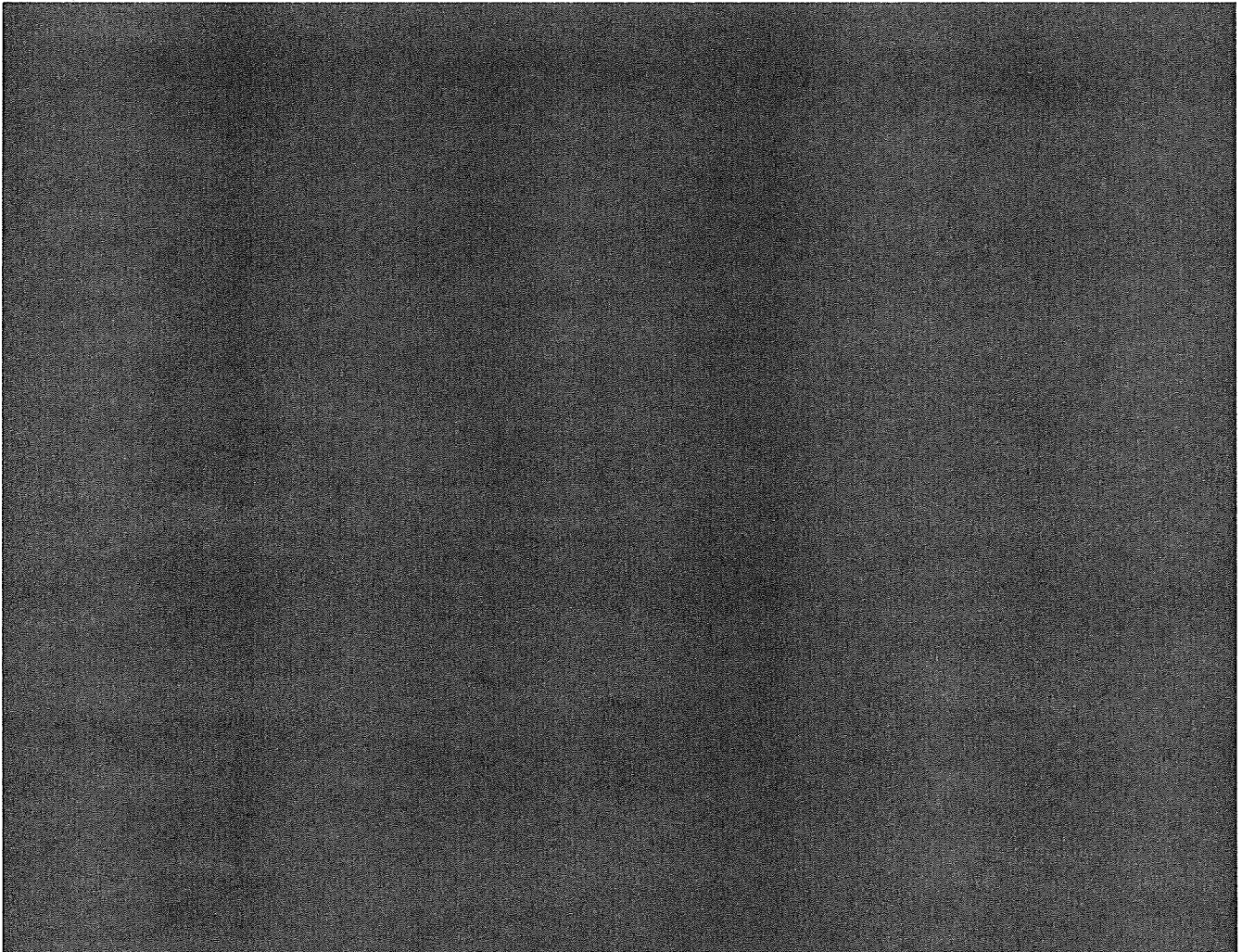




This approach, however, overstates any disparities because for [REDACTED] like many other lenders, the majority of our protected class customers reside in census tracts that are majority White. As a consequence, a more accurate picture of any African-American (or Hispanic or Asian) effect on dealer mark-up can be obtained through a proportional weighting methodology, rather than one that places heavy emphasis on the extreme ends of the distribution. Put another way, because only a small percentage of protected class customers live in areas that are heavily minority, the over-emphasis on such areas leads to distorted results.

Although the fact that a majority of protected class customers reside in areas that are predominantly White may seem counterintuitive, it is clear from an analysis of the data that this is the case. For example, using BISG estimates of race and ethnicity for customers in our [REDACTED] business unit, we estimate that the African-American customers are distributed as follows:¹³

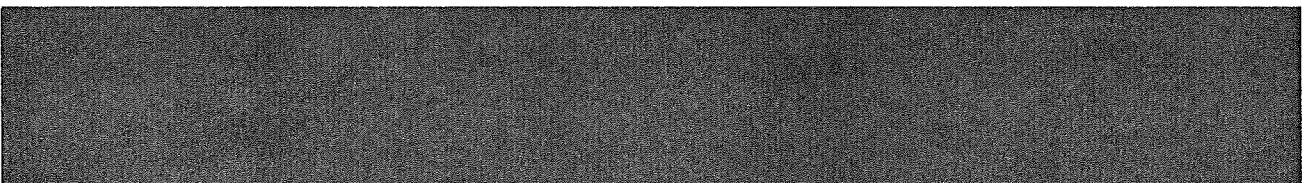


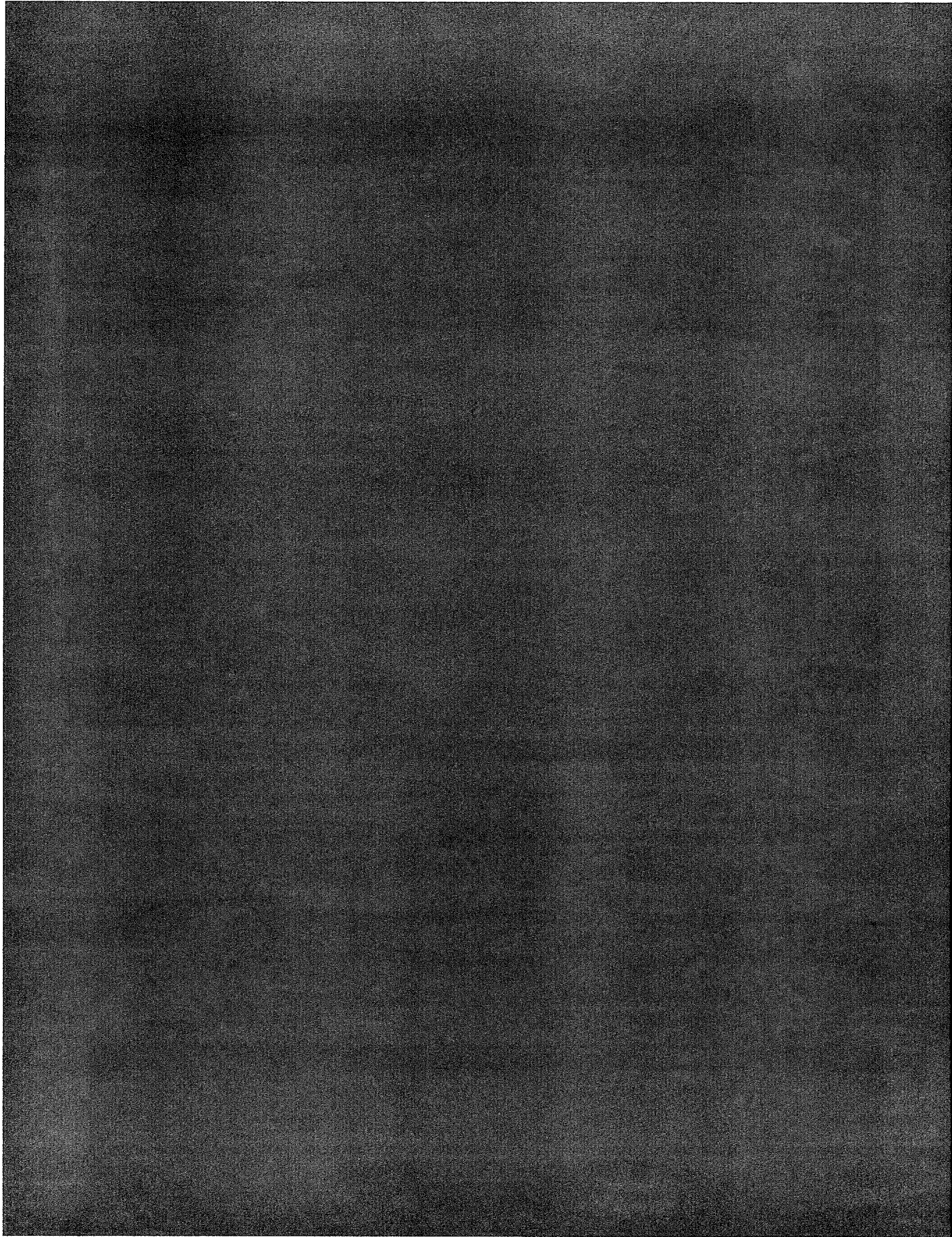


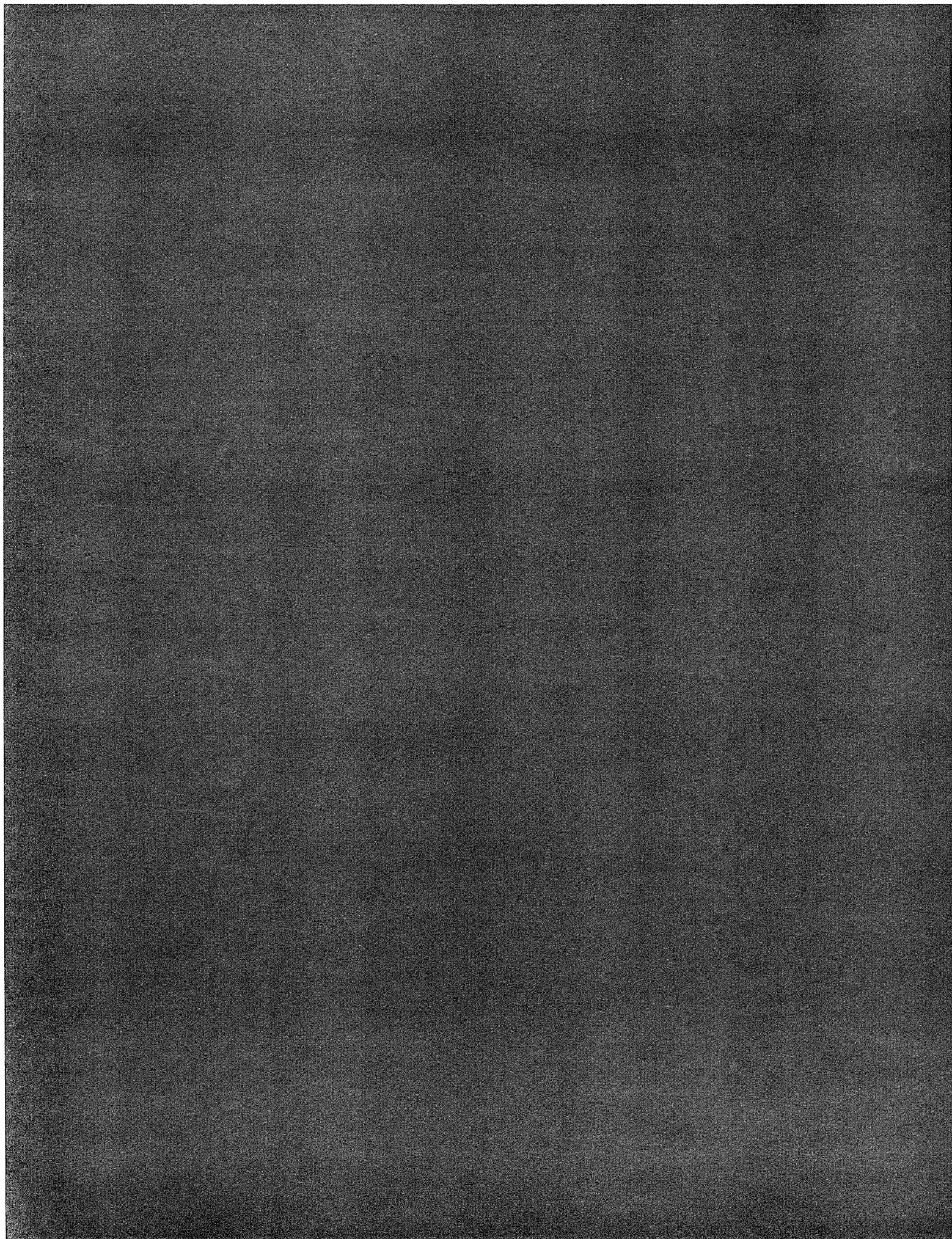
[REDACTED] approximately 72% of [REDACTED]

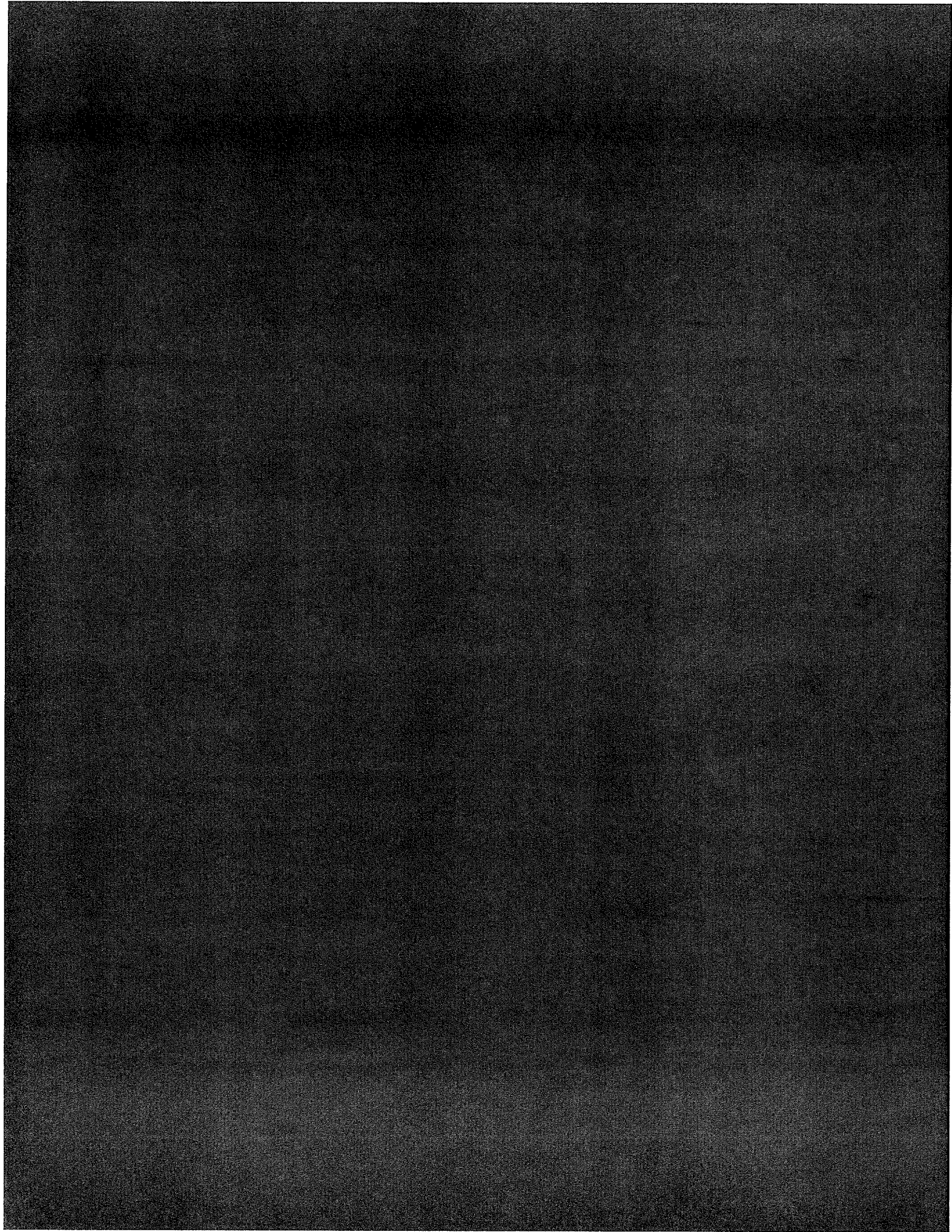
African-American customers reside in census tracts that are less than 50% African-American.

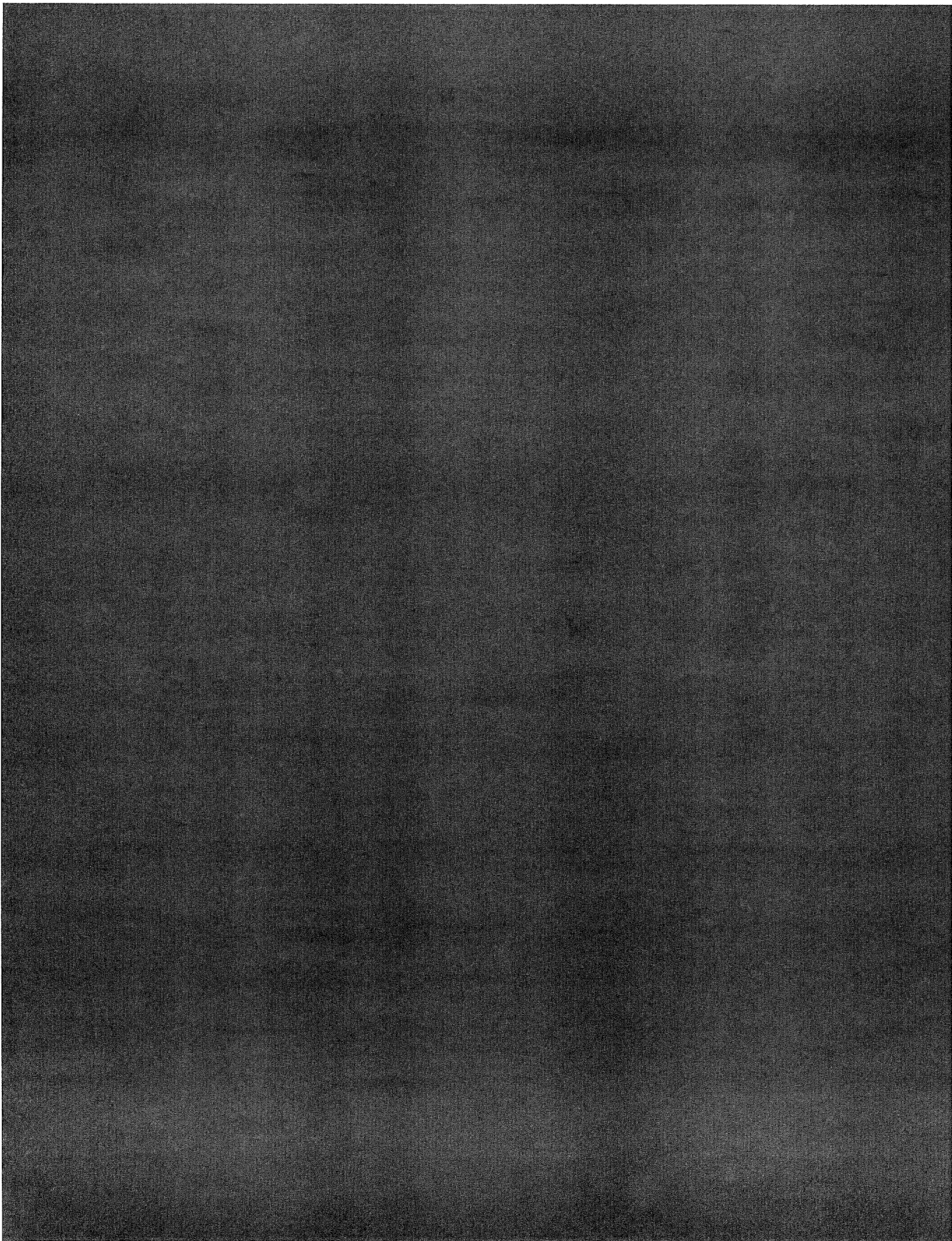
Moreover, this table demonstrates that a typical [REDACTED] African-American customer is four times more likely to reside in a census tract that is 90% White than in a tract that is 90% African-American.¹⁴ As a consequence, we believe that our proportional weighting methodology provides a more accurate estimate of the result that would be obtained with actual race and ethnicity data than does the Bureau's preliminary method.

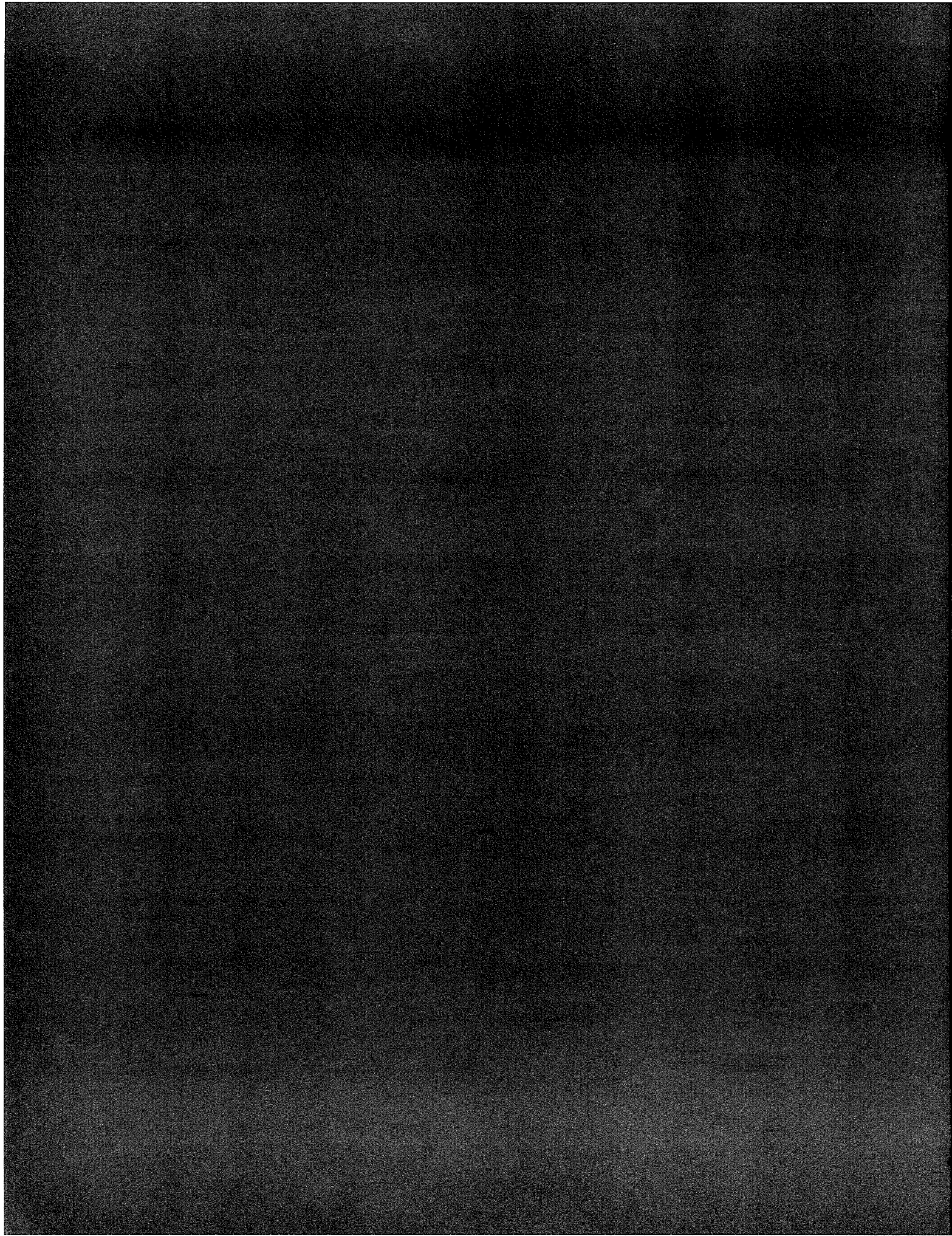












BLDS, LLC

Bernard R. Siskin, Ph.D.
Director



Main:



Email:



SUMMARY

Bernard Siskin received his B.S. degree in Mathematics from the University of Pittsburgh and a Ph.D. in Statistics from the University of Pennsylvania. For many years, he taught statistics at Temple University and served as Chairman of the Department of Statistics.

Dr. Siskin has specialized in the application of statistics in law, particularly in the area of analyzing data for statistical evidence of discrimination. He has testified for both plaintiffs and defendants in more than 200 cases, many of which were large employment class actions. In addition to discrimination studies, he has conducted statistical studies and has testified in commercial and environmental cases involving statistical issues.

Dr. Siskin has frequently been appointed by federal judges as a neutral expert to aid the court in statistical issues and he was the statistical consultant to the Third Circuit Court of Appeals Task Force on Equal Treatment in the Courts.

Dr. Siskin is the author of many articles and textbooks on statistics and quantitative techniques including *Elementary Business Statistics*, *Encyclopedia of Management* and *Quantitative Techniques for Business Decisions*. He has also written and lectured extensively on the use of statistics in litigation.

He has served as a statistical consultant to the U.S. Department of Justice, the Equal Employment Opportunity Commission, the U.S. Department of Labor, the Federal Bureau of Investigation, the Central Intelligence Agency, the Environmental Protection Agency, the National Aeronautics and Space Administration and Fannie Mae (the Federal National Mortgage Association) and Freddie Mac (the Federal Home Loan Mortgage Corporation), as well as numerous other federal, state and city agencies and Fortune Five Hundred corporations.

BLDS, LLC

EDUCATION

University of Pennsylvania
Ph.D., Statistics (Minor, Econometrics), 1970

University of North Carolina
Graduate Study (Major, Economics; Minor, Statistics), 1966

University of Pittsburgh
B.S., Mathematics (Minor, Economics), 1965

PRESENT POSITION

BLDS, LLC, Director, 2011

TEACHING EXPERIENCE

Temple University, Adjunct Professor of Law School, 1992 to present
Temple University, Tenured Associate Professor of Statistics, 1973 to 1984
Temple University, Chairman-Department of Statistics, 1973 to 1978
Temple University, Assistant Professor of Statistics, 1970 to 1973
Temple University, Instructor of Statistics, 1968 to 1970

OTHER POSITIONS HELD

LECG, Director, 2003 to 2011
Center for Forensic Economic Studies, Senior Vice President, 1991 to 2003
National Economic Research Associates, Inc., Senior Vice President, 1989 to 1991
National Economic Research Associates, Inc., Vice President, 1986 to 1989
Center for Forensic Economic Studies, Ltd., President, 1984 to 1986
Center for Forensic Economic Studies, Ltd., Consultant, 1980 to 1984

PUBLICATIONS

Books

1. B. Siskin, "Employment Discrimination Litigation: Behavioral, Quantitative, and Legal Perspectives" John Wiley & Sons, Inc. 2005, Chapter 5 *Statistical Issues in Litigation* (with Joseph Trippi).
2. B. Siskin, "Use of Statistical Models to Provide Statistical Evidence of Discrimination in the Treatment of Mortgage Loan Applicants: A Study of One Lending Institution," *Mortgage Lending, Racial Discrimination and Federal Policy*, Urban Institute Press, 1996, J. Georing and R. Wienk, eds.
3. B. Siskin and J. Staller, *What Are The Chances?*, Crown Publishers, 1989.
4. B. Siskin and R. Johnson, *Elementary Statistics: A First Course*, Duxbury Press, 1982.

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PUBLICATIONS (Continued)

Books (Continued)

5. B. Siskin and R. Johnson, *Elementary Business Statistics*, Duxbury Press, 1979
2nd Edition, 1985
6. B. Siskin, *Encyclopedia of Management*, McGraw Hill, 1979. (Ed. Les Bechtel).
7. B. Siskin and R. Johnson, *Quantitative Techniques for Business Decisions*, Prentice Hall, 1976.

Articles

1. B. Siskin and D. Griffin, "Litigating Employment Discrimination & Sexual Harassment Claims," *Litigation Handbook Series*, 2002.
2. B. Siskin, H. Carter, V. Lee, G. Page, M. Parker, R.G. Ford, G. Swartzman, S. Kress, S. Singer and D.M. Fry, "The 1986 Apex Houston Oil Spill in Central California: Seabird Mortality and Population Impacts, Injury Assessments, Litigation Process, and Initial Restoration Efforts," *Marine Ornithology*, 2002.
3. B. Siskin, "Utilizing Statistics in Discrimination Cases," *Litigation Handbook Series*, 2001.
4. B. Siskin, B. Sullivan, J. Staller, and E. Hull, "Defending and Proving Damages in Employment Discrimination Cases," *Litigation Handbook Series*, 2000.
5. B. Siskin, "Litigating Employment Discrimination Cases," *Litigation Handbook Series*, 1998.
6. B. Siskin and D. Kahn, "Litigating Employment Discrimination Cases," *Litigation Handbook Series*, 1997.
7. B. Siskin, R. DuPont, D. Griffin, S. Shiraki, and E. Katze, "Random Workplace Drug Testing. Does It Primarily Identify Casual or Regular Drug Users?," *Employment Testing Law & Policy Reporter*, Vol. 4, Number One, 1995.
8. B. Siskin, R. DuPont, D. Griffin, S. Shiraki, and E. Katze, "Random Drug Tests at Work: The Probability of Identifying Frequent and Infrequent Users of Illicit Drugs," *Journal of Addictive Diseases*, Vol. 14, Number 3, 1995.
9. B. Siskin, J. Staller, B. Sullivan and L. Freifelder, "Litigating Employment Discrimination Cases," *Litigation Course Handbook Series*, 1995.
10. B. Siskin, "Comparing the Role of Statistics In Lending and Employment Cases," *Fair Lending Analysis: A Compendium of Essays on the Use of Statistics*, American Bankers Association, 1995.
11. B. Siskin, "Relationship Between Performance and Banding," *Human Performance*, Vol. 8, No. 3, July 1995.
12. B. Siskin, "Statistical Issues in Litigating Employment Discrimination Claims," *Federal Publications*, 1993.
13. B. Siskin, "Use of Statistical Models to Provide Statistical Evidence of Discrimination in the Treatment of Mortgage Loan Applicants: A Study of One Lending Institution," *Discrimination and Mortgage Lending Research and Enforcement Conference* Department of Housing and Urban Development, May 1993.

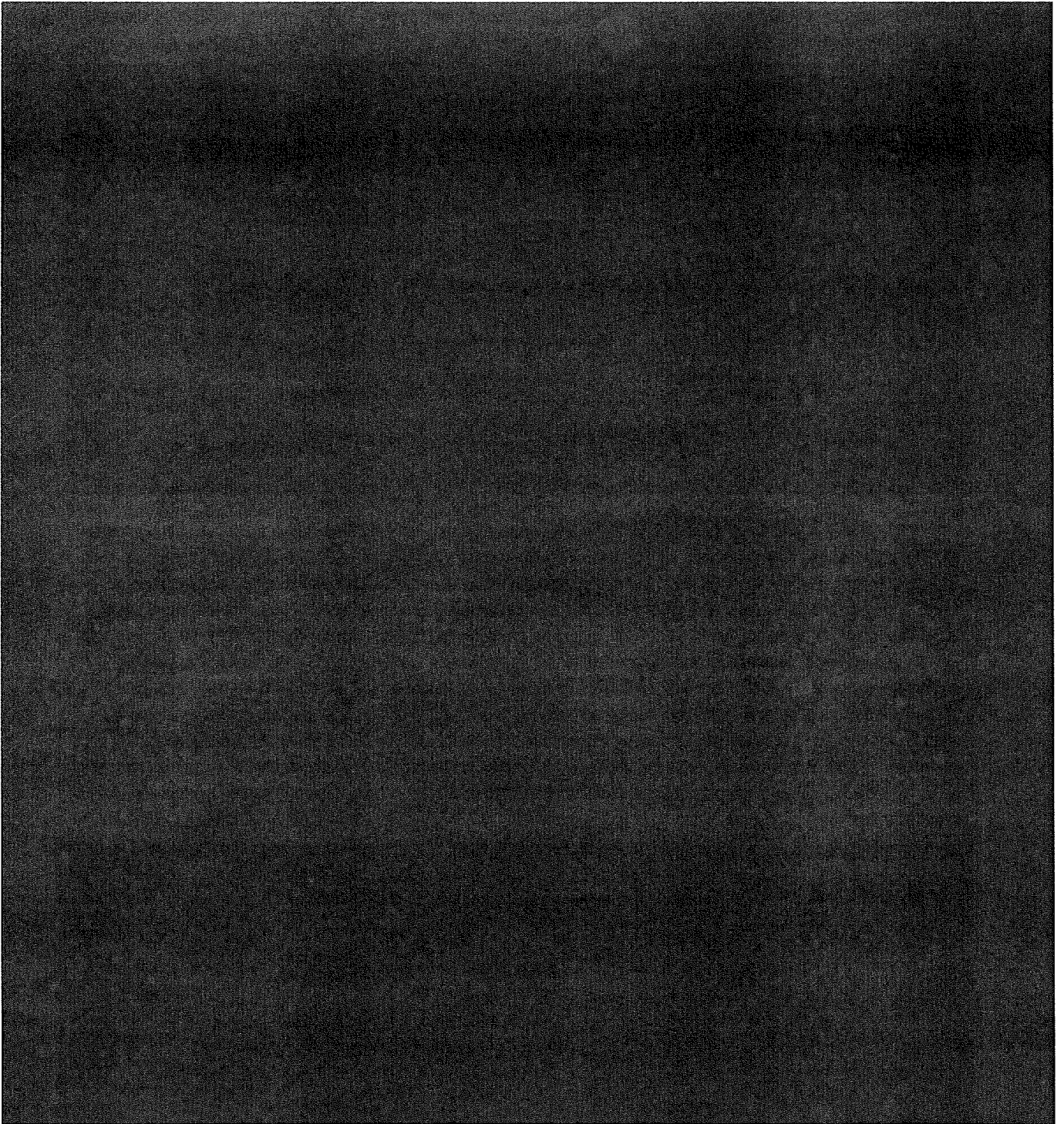
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SPEECHES (Partial List)

1. Alabama Bar Association
2. American Bar Association
3. American Statistical Association
4. Defense Research Institute
5. Federal Bar Association
6. Harvard University
7. Institute of Industrial Research
8. International Organization of Human Rights Association
9. Law Education Institute
10. Law Enforcement Assistance Administration
11. Michigan Bar Association
12. National Center on Aging
13. Ohio Bar Association
14. Penn State University
15. Pennsylvania Human Relations Commission
16. Practising Law Institute
17. Security Industry Association
18. Women's Law Caucus: National Conference

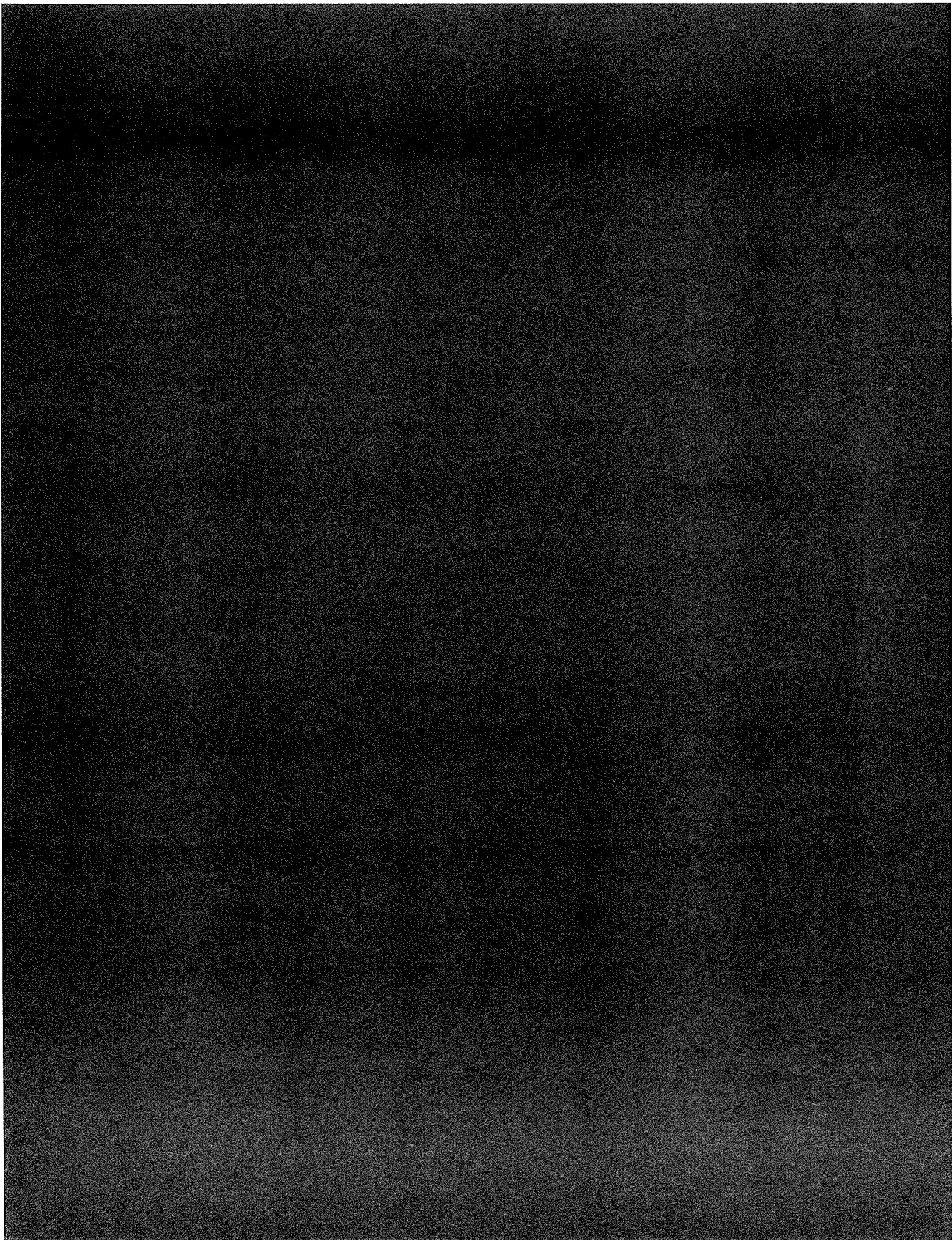
STATISTICAL CONSULTANT (Partial List)

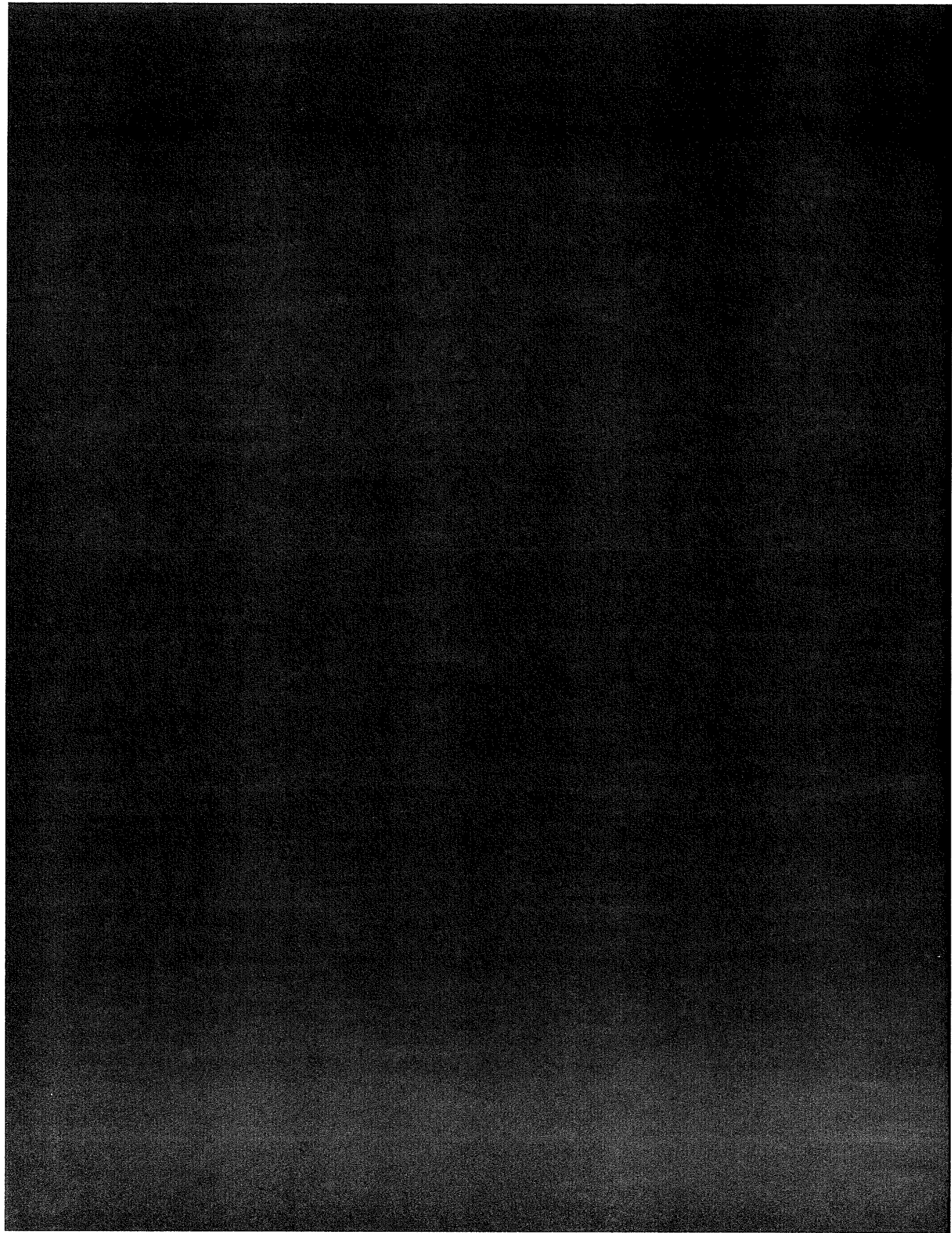
1. Attorney General's Office of the Commonwealth of Pennsylvania, and states of California, Oregon, Massachusetts, Connecticut, Mississippi, Louisiana and New Jersey
2. Board of Higher Education for Massachusetts and Oregon
3. Central Intelligence Agency (CIA)
4. Environmental Protection Agency (EPA)
5. Equal Employment Opportunity Commission (EEOC)
6. Federal Bureau of Investigation (FBI)
7. Freddie Mac (Federal Home Loan Mortgage Corporation)
7. Fannie Mae (Federal National Mortgage Association)
8. Homeland Security
9. International Organization of Human Rights Associations
10. Municipal Court of Philadelphia
11. National Aeronautics and Space Administration (NASA)
12. Office of Federal Contract Compliance, Department of Labor (OFCCP)
13. Pennsylvania Human Relations Commission
14. Security Exchange Commission
15. Third Circuit Court of Appeals Task Force on Equal Treatment in the Courts
16. U.S. Department of Agriculture
17. U.S. Department of Commerce
18. U.S. Department of Labor
19. U. S. Justice Department
20. Numerous Fortune 500 and other private corporations

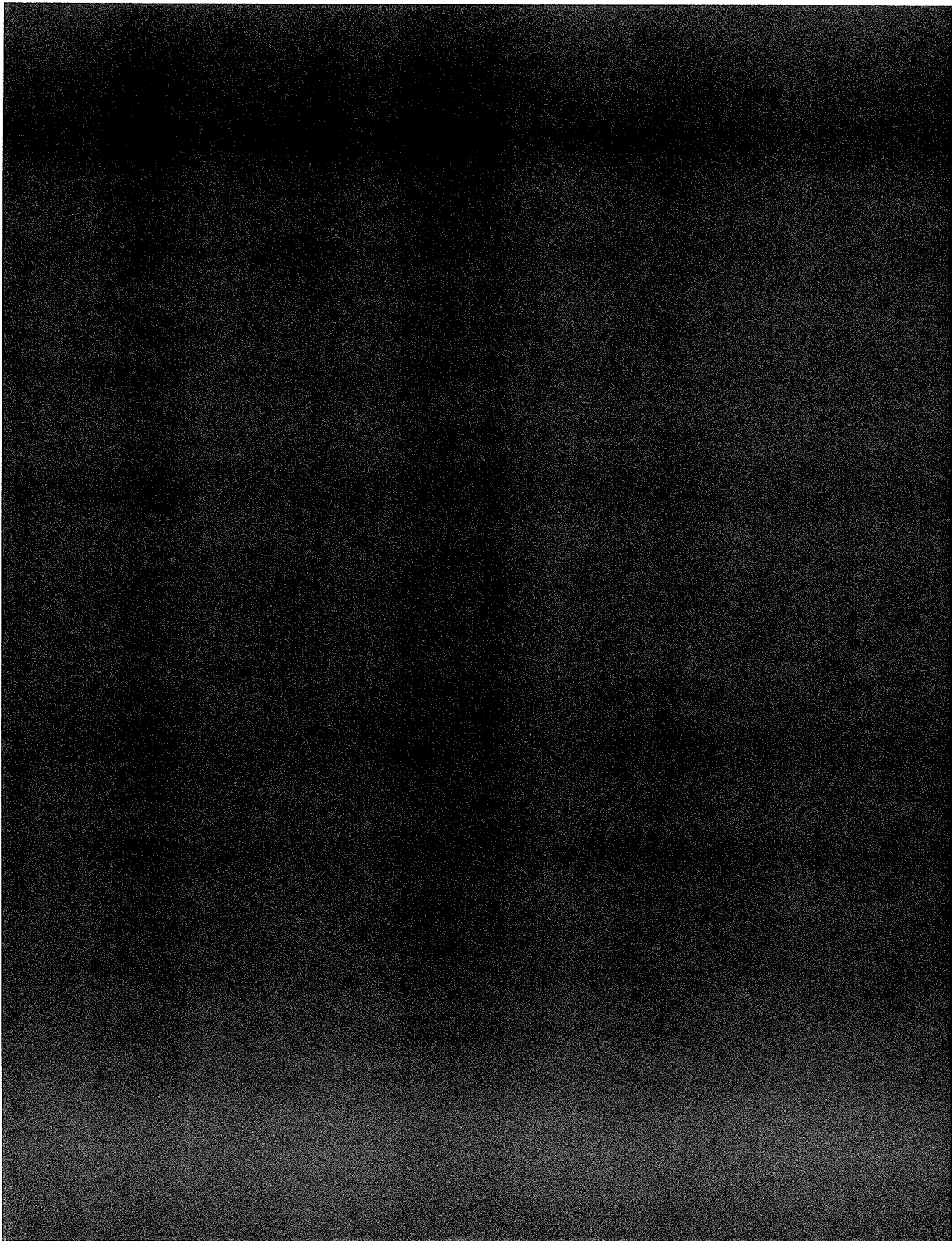


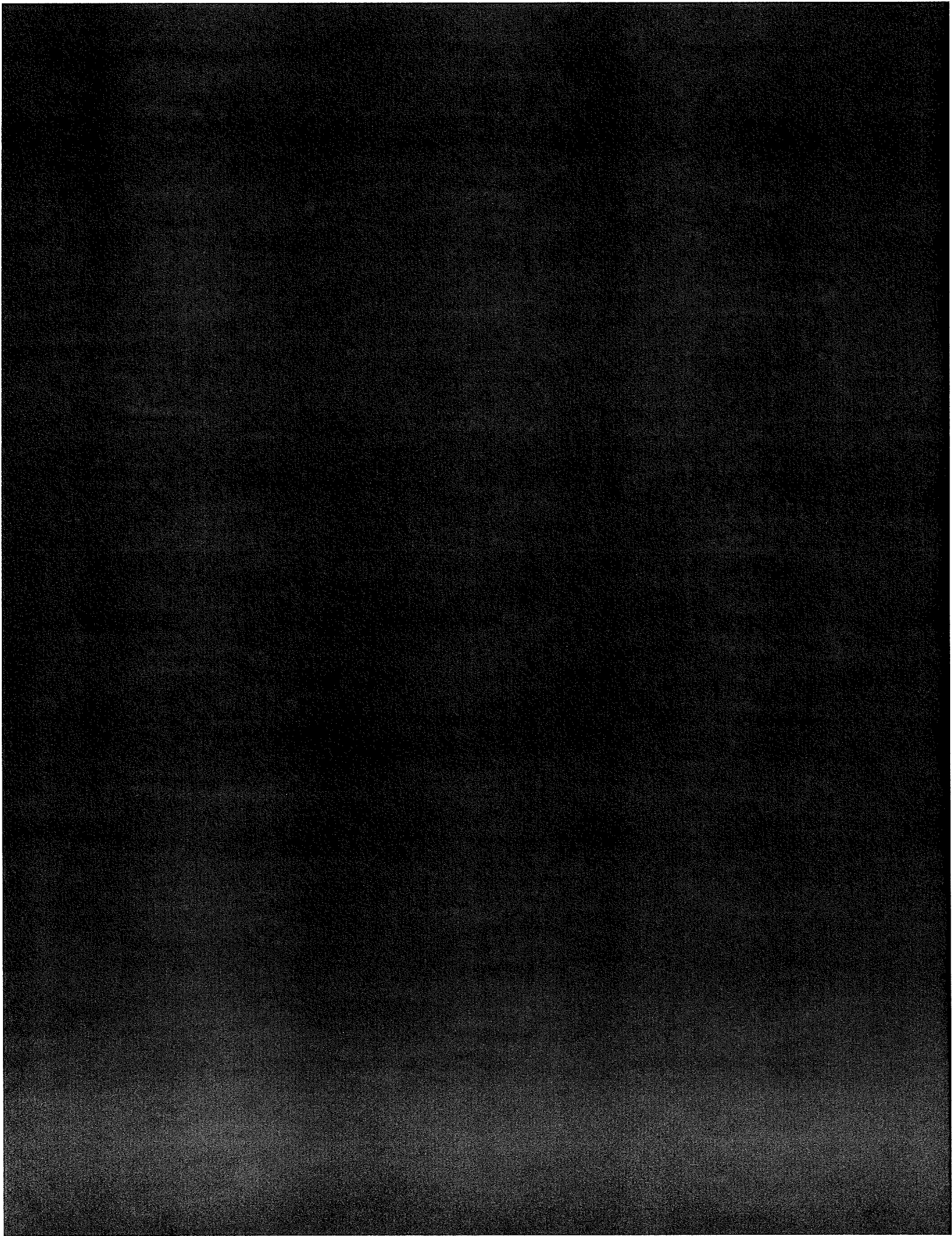
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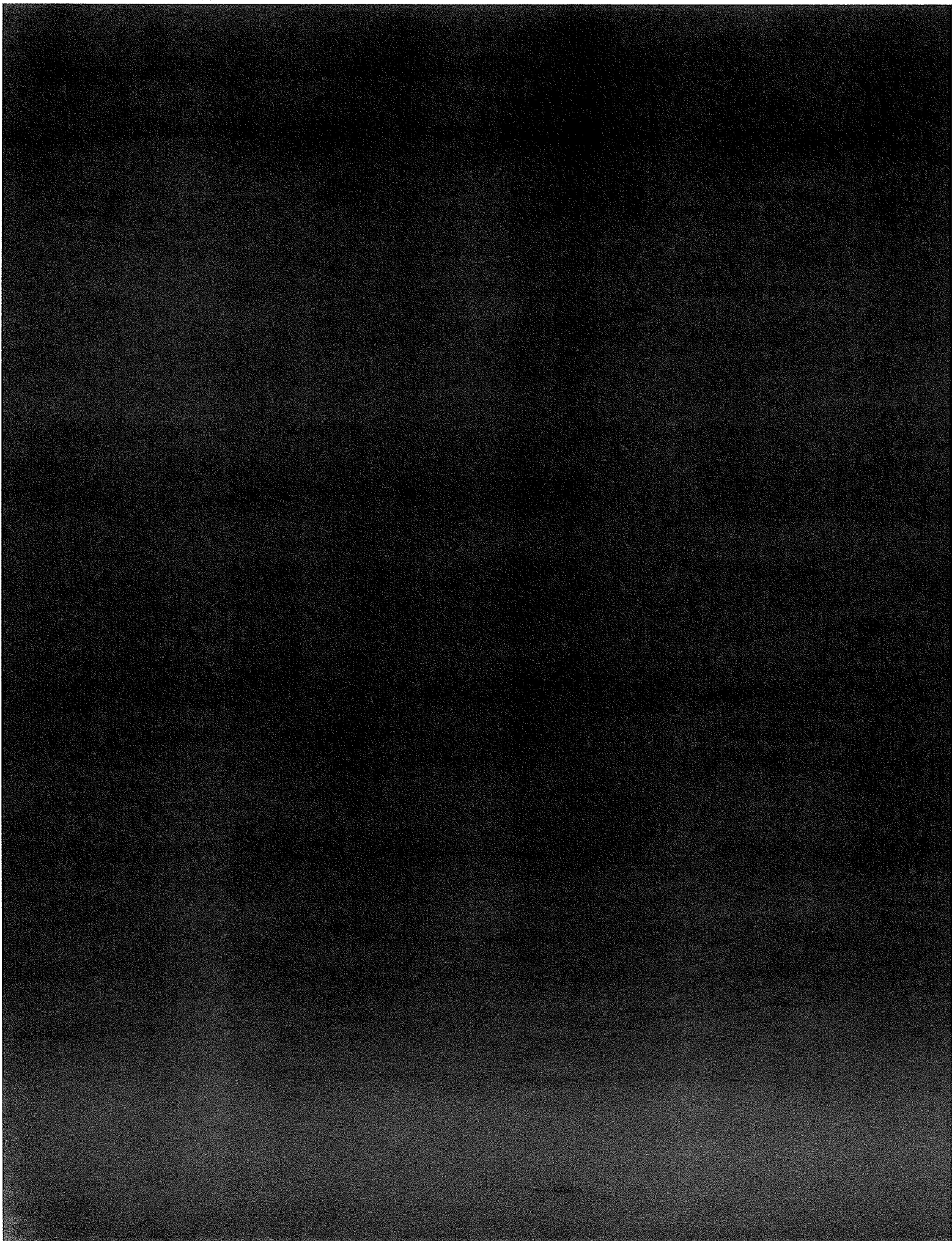


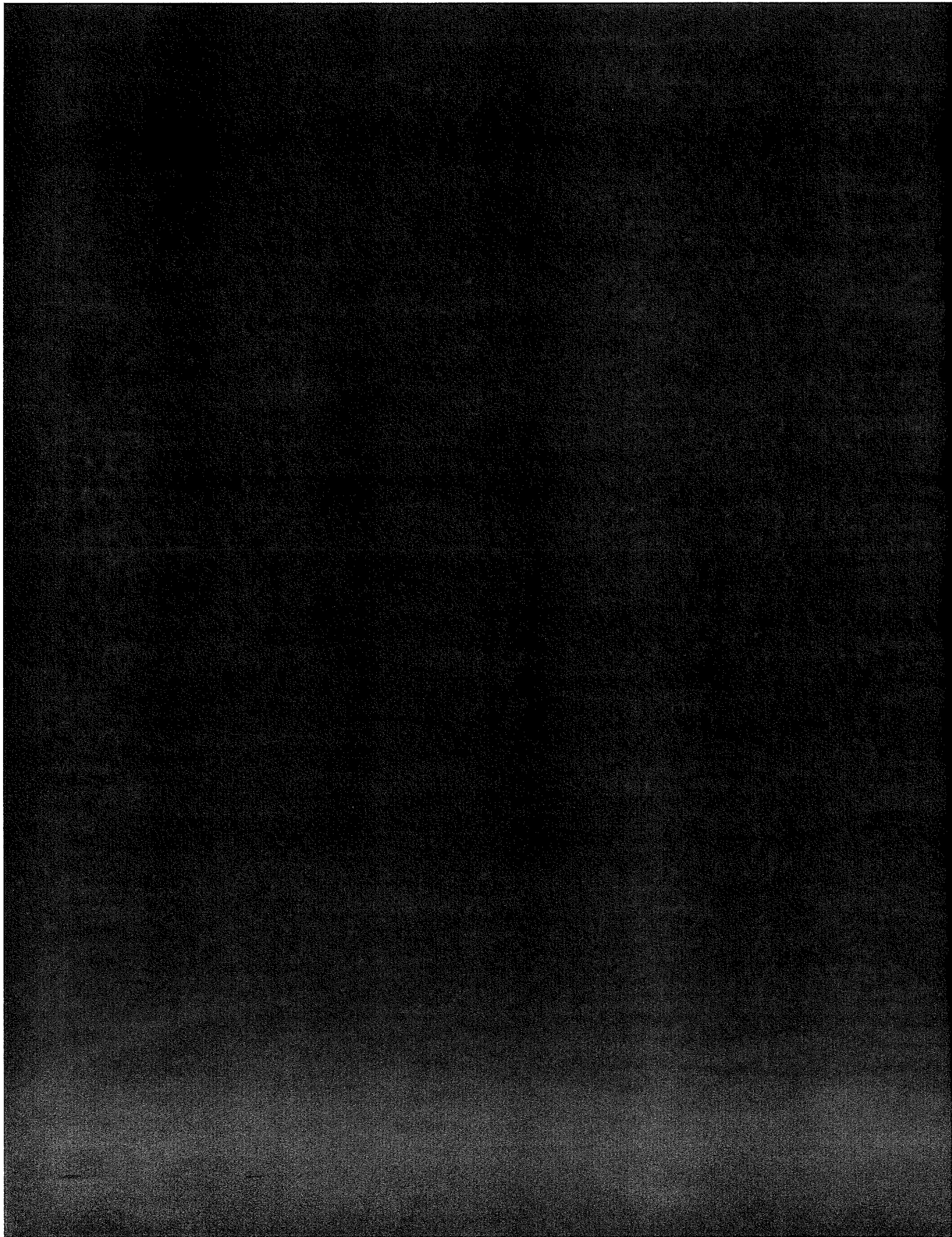


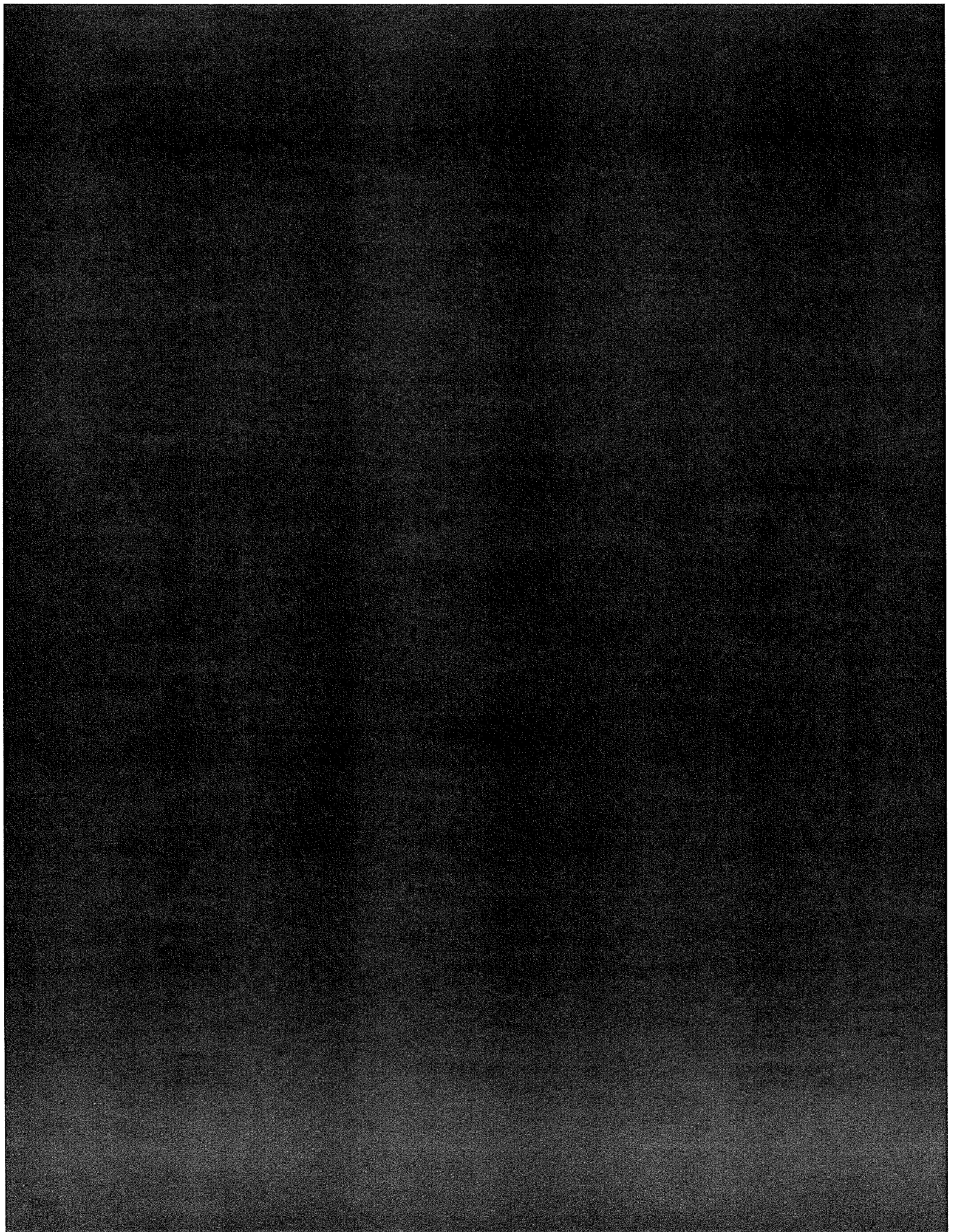


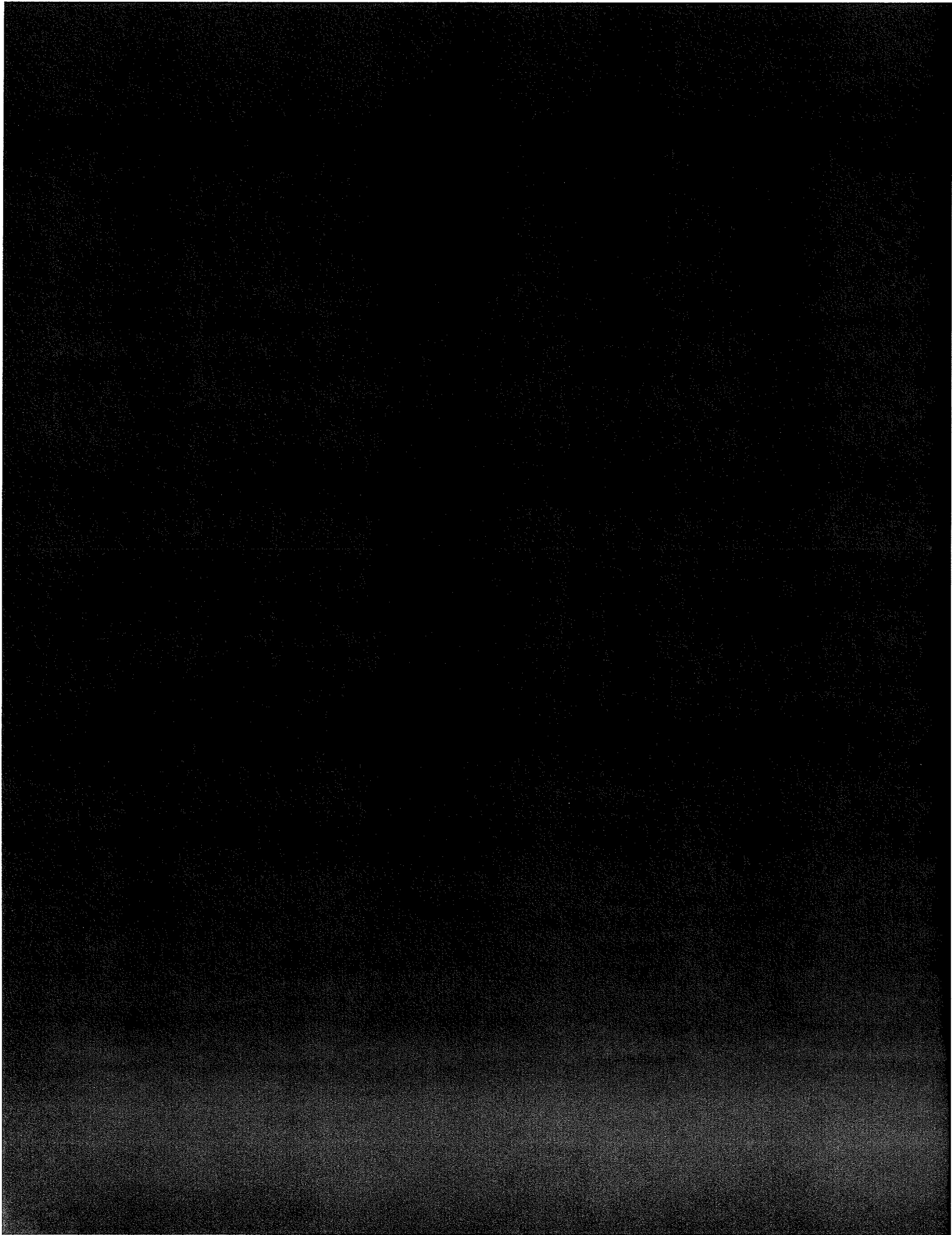


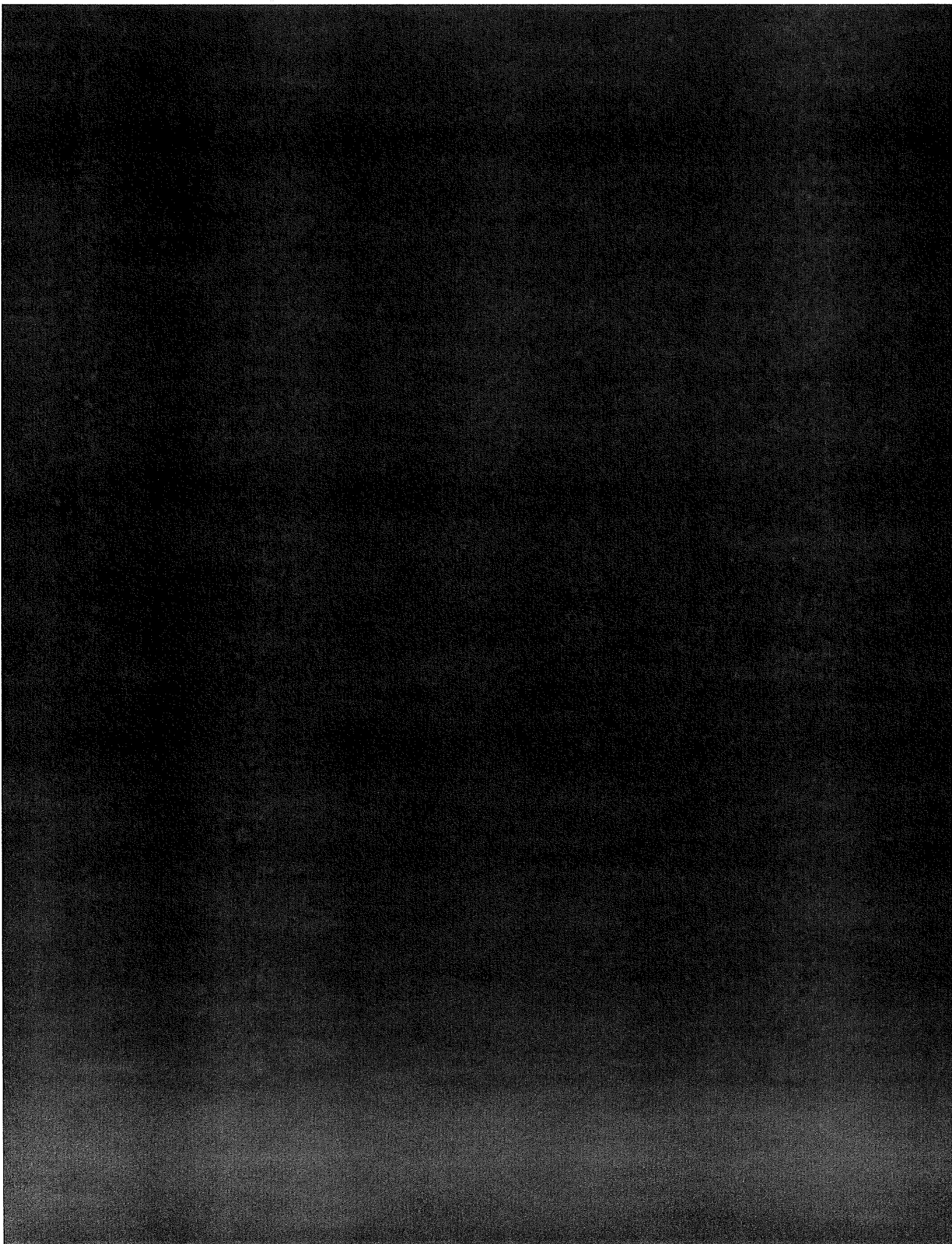


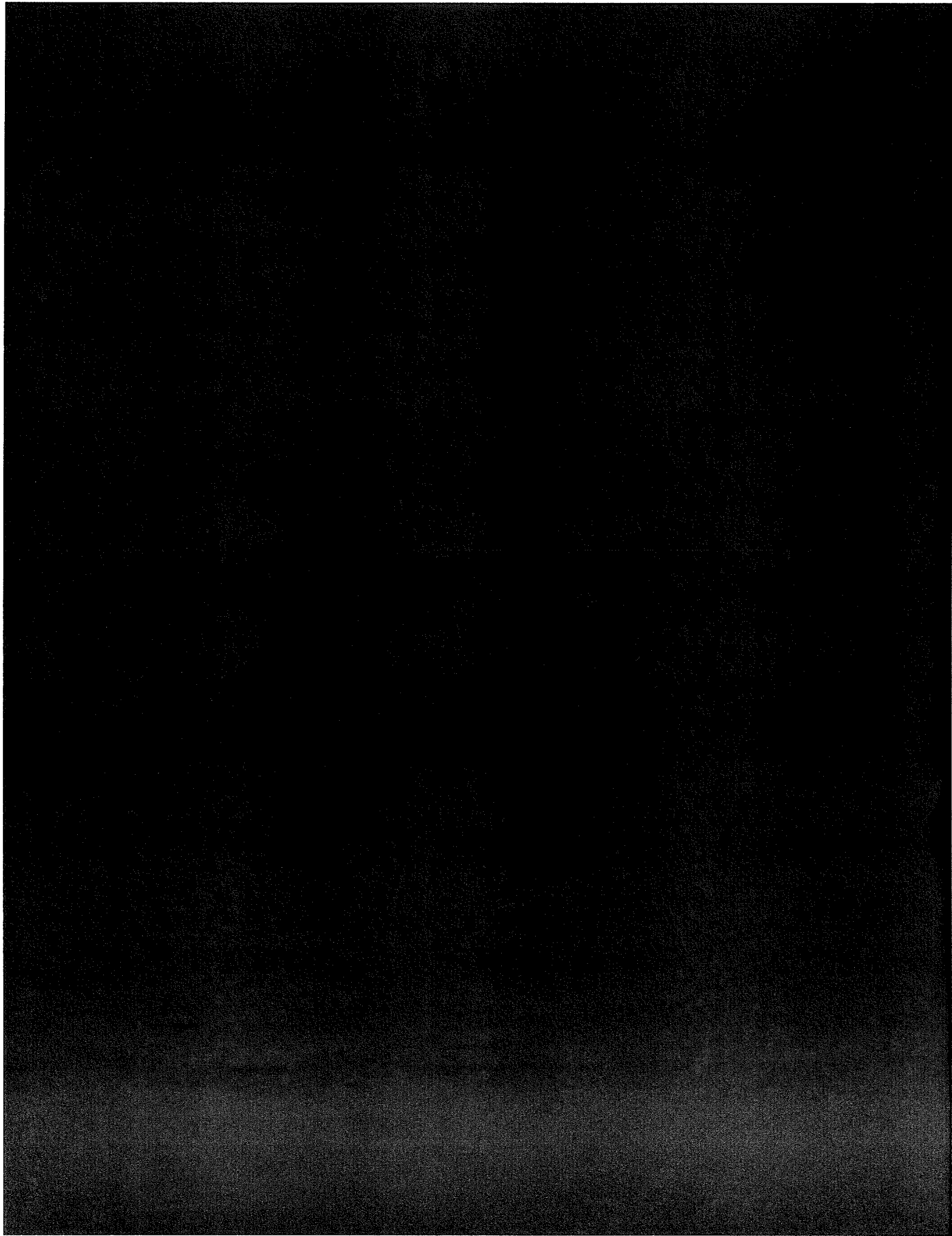












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Consumer Financial
Protection Bureau

MEMORANDUM OF UNDERSTANDING

Effective Date: _____, 2014

This Memorandum of Understanding (MOU) constitutes an agreement between [REDACTED],¹ by and through its Board of Directors (Board), and the Consumer Financial Protection Bureau (CFPB), by and through its Regional Director for the Northeast Region (Regional Director). [REDACTED] agrees to take the actions outlined below to address the findings of the examination team and correct the conditions detailed in the Supervisory Letter dated February 14, 2014, and to improve its processes for managing compliance with Federal consumer financial law.

Based on its examination of [REDACTED], the CFPB finds that [REDACTED] has violated the Equal Credit Opportunity Act (ECOA), 15 USC 1691 et seq., and its implementing Regulation B, 12 CFR Part 1002, by engaging in a pattern and practice of discrimination on the basis of race, color, and/or national origin in the pricing of retail installment contracts that [REDACTED] purchases from automobile dealers. The CFPB identified statistically significant pricing disparities on the basis of race, color, and/or national origin during the time period covered by the examination April 1, 2010 and May 31, 2012 (Review Period). These pricing disparities resulted from [REDACTED]'s dealer markup and compensation policies and practices, and the insufficient nature of [REDACTED]'s fair lending controls and monitoring over these markups. These disparities are not justified by business necessity and constitute discrimination. [REDACTED]'s specific policy and practice of providing dealers discretion to mark up a consumer's interest rate above the Bank's established buy rate, compensating dealers for those markups, and not maintaining adequate controls and monitoring, was in place throughout the Review Period.

It is agreed and understood that [REDACTED], through its Board of Directors, shall take the following actions to improve its processes for managing compliance with the ECOA and Regulation B.

Therefore, the CFPB and [REDACTED] agree as follows:

I. Compliance.

1. [REDACTED] and its directors, officers, employees, attorneys, agents, servants, and subsidiaries shall not engage in any act or practice that discriminates on a prohibited basis in any aspect of the pricing of automobile loans in violation of the ECOA, 15 USC 1691(a)(1), and Regulation B, 12 CFR Part 1002.
2. [REDACTED] shall institute a Compliance Plan, as described below.

¹ All references to the Bank shall include any direct or indirect subsidiaries and affiliates and their successors and assigns.

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3. Within sixty (60) days of the Effective Date, [REDACTED] shall submit a Compliance Plan to the Regional Director for review and determination of non-objection that details: the actions [REDACTED] plans to take or has already taken to comply with this MOU; the results and status of those actions, if any; and a compliance program that shall go into effect within thirty (30) days after non-objection by the Regional Director and remain in effect until such time as this MOU is terminated. The Compliance Plan shall, at a minimum, include:
- a. A dealer compensation policy that limits the maximum rate spread between [REDACTED]'s buy rate and the contract rate of the retail installment contract to an amount no greater than the [REDACTED]'s limits currently in effect;
 - b. Regular notices to all participating dealers explaining the ECOA, stating [REDACTED]'s expectations with respect to ECOA compliance, and articulating the dealer's obligation to price retail installment contracts in a non-discriminatory manner, including in exercising discretion to set a consumer's contract rate when such discretion is permitted;
 - c. At least quarterly and annual analysis of dealer-specific retail installment contract pricing data, beginning with contracts purchased on or after January 1, 2014, for disparities on a prohibited basis resulting from [REDACTED]'s dealer compensation policy that reflects the same methods and controls that the CFPB applied in its analysis, unless the Regional Director approves the use of additional controls or methodological changes proposed by [REDACTED]. All such analyses shall monitor for potential disparities among all retail installment contracts purchased by [REDACTED] from each dealer (the dealer's aggregate business with [REDACTED]);
 - d. At least quarterly and annual analysis of portfolio-wide retail installment contract pricing data, beginning with contracts purchased on or after January 1, 2014, for disparities on a prohibited basis resulting from [REDACTED]'s dealer compensation policy that reflects the same methods and controls that the CFPB applied in its analysis, unless the Regional Director approves the use of additional controls or methodological changes proposed by [REDACTED];
 - e. Corrective action with respect to dealers who are identified in [REDACTED]'s analysis of dealer-specific retail installment contract pricing data for disparities on a prohibited basis, or otherwise identified, culminating in the restriction or elimination of such dealers' ability to exercise discretion in setting a consumer's contract rate or exclusion of such dealers from future transactions with [REDACTED];
 - f. Remuneration of affected consumers within sixty (60) days of the completion of the annual portfolio-wide analysis described in paragraph 3d above where that analysis identifies statistically significant disparities on any prohibited basis, except where portfolio-wide disparities are below 10 basis points for that prohibited basis, in which case remuneration shall be made only to affected

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consumers whose loans were purchased from dealers for whom [REDACTED]'s most recent annual dealer-level analysis described in paragraph 3c identifies statistically significant disparities on a prohibited basis of 10 basis points or greater. [REDACTED] shall remunerate affected consumers using the same methodology the CFPB used to calculate damages for the Review Period; and

- g. Specific timeframes and deadlines for implementation of the steps described above.
4. The Regional Director shall have the discretion to make a determination of non-objection to the Compliance Plan or direct [REDACTED] to revise it. In the event that the Regional Director directs the Bank to revise the Compliance Plan, [REDACTED] shall make the revisions and resubmit the Compliance Plan to the Regional Director within thirty (30) days.
5. Upon notification that the Regional Director has made a determination of non-objection to the Compliance Plan, [REDACTED] shall implement and adhere to the steps, actions, deadlines, and timeframes set forth in the Compliance Plan. To the extent [REDACTED] seeks to materially change its Compliance Plan after its initial implementation, [REDACTED] shall submit to the Regional Director for review and determination of non-objection a description of the change to the Compliance Plan. Upon notification, the Regional Director shall have the discretion to make a determination of non-objection to the change or direct [REDACTED] to revise it. In the event that the Regional Director directs the Bank to revise the change, [REDACTED] shall make the revisions and resubmit the change to the Regional Director within thirty (30) days.
6. If the annual portfolio-wide analysis described in paragraph 3d for the preceding year identifies statistically significant disparities on a prohibited basis of 10 basis points or greater, then to the extent [REDACTED]'s dealer compensation policy permits dealer discretion, [REDACTED] shall submit a Revised Compliance Plan to the Regional Director for non-objection within sixty (60) days of the completion of the analysis. The Revised Compliance Plan shall set forth corrective action to reduce the identified disparities based on [REDACTED]'s review of the previous year's efforts. The Revised Compliance Plan shall include, as appropriate, modifications to [REDACTED]'s dealer compensation policy and/or monitoring programs, dealer education programs, modification and/or termination of dealer relationships, other corrective actions with respect to dealers, or any other action appropriate under the circumstances. The Regional Director shall have the discretion to make a determination of non-objection to the Revised Compliance Plan or direct [REDACTED] to further revise it. In the event that the Regional Director directs [REDACTED] to further revise the Revised Compliance Plan, [REDACTED] shall make the revisions and resubmit the Revised Compliance Plan to the Regional Director within thirty (30) days. Upon notification that the Regional Director has made a determination of non-objection to the Revised Compliance Plan, [REDACTED] shall implement and adhere to the steps, actions, deadlines, and timeframes set forth in the Revised Compliance Plan.

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7. At any time during the pendency of this MOU, [REDACTED] may submit a Non-discretionary Dealer Compensation Plan to the Regional Director for review and determination of non-objection.
- a. The Non-discretionary Dealer Compensation Plan shall set forth a proposed nondiscretionary dealer compensation structure that includes an appropriate compliance management system to ensure compliance with the ECOA and shall be implemented within ninety (90) days after non-objection by the Regional Director and remain in effect until the termination of this MOU.
 - b. The Regional Director shall make a determination of non-objection to the Non-discretionary Dealer Compensation Plan or direct the Bank to revise it. In the event that the Regional Director directs [REDACTED] to revise the Non-discretionary Dealer Compensation Plan, [REDACTED] shall make the revisions and resubmit the Non-discretionary Dealer Compensation Plan to the Regional Director within thirty (30) days.
 - c. Upon notification that the Regional Director has made a determination of non-objection to the Non-discretionary Dealer Compensation Plan, [REDACTED] shall implement and adhere to the steps, actions, deadlines, and timeframes set forth in the Non-discretionary Dealer Compensation Plan.
 - d. To the extent [REDACTED] seeks to subsequently change its Non-discretionary Dealer Compensation Plan after its initial implementation, [REDACTED] shall submit to the Regional Director for review and determination of non-objection a description of the change. Upon notification, the Regional Director shall make a determination of non-objection to the change or direct [REDACTED] to revise it. In the event that the Regional Director directs [REDACTED] to revise the change, [REDACTED] shall make the revisions and resubmit the change to the Regional Director within thirty (30) days. [REDACTED] may request the Regional Director to conduct an expedited review of any proposed changes when required by circumstances related to the non-discretionary dealer compensation structure. The Regional Director shall conduct an expedited review of the change as soon as practicable and make a determination of non-objection to the change or direct [REDACTED] to revise it.
 - e. Upon implementation of the Non-discretionary Dealer Compensation Plan, [REDACTED] may terminate those elements of the Compliance Plan that were required by paragraphs 3a, 3c-g, and 6 of this MOU.
8. [REDACTED] agrees to launch a pilot program of non-discretionary dealer pricing in an effort to reduce or eliminate the fair lending risk associated with discretionary dealer pricing.
- a. [REDACTED] agrees to make best efforts to launch such a pilot by March 1, 2014.
 - b. With respect to each pilot program (or variation thereof) that [REDACTED] launches, [REDACTED] shall provide the CFPB with details of said pilot program in advance of

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its launch. [REDACTED] shall provide detail sufficient to allow the CFPB to analyze the pilot program and shall provide such detail sufficiently in advance of the launch so as to allow the CFPB reasonable time to analyze the program and to provide comments to [REDACTED] and so as to allow [REDACTED] sufficient time to consider the CFPB's comments and to make any appropriate modifications prior to launch. [REDACTED] shall advise the CFPB when a pilot program is launched, and shall provide details about the timing of the launch and about any public or dealer-facing messaging associated with the launch.

- c. For each pilot program (or variation thereof) that [REDACTED] launches, the Bank shall conduct, and provide to the CFPB, analyses concerning the impact and effectiveness of the pilot, including but not limited to analyses of: (1) the impact of the pilot on [REDACTED]'s portfolio, the dealers' sales, or the cost of credit for consumers; (2) comparisons of origination volume; (3) dealer feedback; and (4) other possible risks to consumers from the compensation structure (such as steering risk). In addition, [REDACTED] shall provide the CFPB with copies of any other analyses, including the underlying data, of the pilot programs.
- d. Once a month [REDACTED] shall provide to the CFPB detailed transaction data of all loans originated under pilot programs. The transaction data shall include the same information as the transaction data provided as part of the examination, along with any other information [REDACTED] deems useful to interpreting the results of the pilot.
- e. [REDACTED] will continue its program of seeking dealer feedback on improved fair lending compliance.
- f. [REDACTED] will continue to develop systems and process enhancements that will allow it to support non-discretionary pricing programs.

II. Reporting Requirements.

- 9. Within forty-five (45) days of the end of the second calendar quarter after the Effective Date, and every six (6) months thereafter, [REDACTED] shall submit to the Regional Director a true and accurate written Compliance Progress Report, which has been approved by the Board, and which shall at a minimum:
 - a. Separately list each action required by the Compliance Plan pursuant to paragraph 3 and by this MOU;
 - b. Describe the status of each action taken or to be taken to comply with the Compliance Plan pursuant to paragraph 3, as well as each action taken or to be taken to comply with the other provisions of this MOU; and

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- c. Summarize and provide supporting data of the activities set forth in paragraphs 3c-f, including the just-completed quarter's (and year's, if applicable) portfolio-wide analysis required by paragraph 3d.
10. [REDACTED] shall notify the Regional Director of any change in [REDACTED] that may affect compliance obligations arising under this MOU, at least thirty (30) days prior to such change.

III. Role of the Board.

11. The Board shall review all submissions (including plans, reports, programs, policies, and procedures) required by this MOU prior to submission to the Regional Director.
12. Although this MOU requires [REDACTED] to submit certain documents for the review or non-objection by the Regional Director, the Board shall have the ultimate responsibility for proper and sound oversight of [REDACTED] and for ensuring that [REDACTED] complies with federal consumer financial law, including ECOA, and this MOU. In each instance in this MOU in which the Board is required to ensure adherence to, or undertake to perform, certain obligations of [REDACTED], the Board shall:
- a. Authorize and adopt such actions on behalf of [REDACTED] as may be necessary for [REDACTED] to perform its obligations and undertakings under the terms of this MOU;
 - b. Require the timely reporting by [REDACTED]'s management of such actions directed by [REDACTED]'s management to be taken under the terms of this MOU; and
 - c. Require corrective action be taken in a timely and appropriate manner in the case of any material non-compliance with such actions.

IV. Requirement to Pay Redress.

13. Within thirty (30) days of the Effective Date [REDACTED] shall reserve or deposit into a segregated deposit account not less than \$22 million, which represents the estimated amount of total consumer monetary and other damages caused by the practices described in this MOU for the Review Period. [REDACTED] shall provide written verification of the reservation or deposit to the Regional Director within five (5) days of reserving or depositing the funds described in this paragraph.
14. [REDACTED] shall conduct an analysis of the records of all automobile financing contracts booked by [REDACTED] from June 1, 2012 to December 31, 2013 (Post-Review Period), using the same methodology that the CFPB applied to the Review Period, to determine (1) whether there exist disparities on a prohibited basis resulting from [REDACTED]'s dealer compensation policy for the Post-Review Period and, if so, (2) the scope of monetary and other damages for the Post-Review Period. Within sixty (60) days of the Effective Date, [REDACTED] shall submit to the Regional Director for review and determination of non-

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objection a report describing the results of this analysis in detail, including the calculated damages amount for the Post-Review Period. The underlying data and/or code used in this analysis, along with any other data the CFPB considers relevant to the analysis, shall be made available upon the CFPB's request to CFPB representatives within ten (10) days of such a request. Within thirty (30) days after non-objection by the Regional Director, [REDACTED] shall add to the reserve or segregated deposit account created pursuant to paragraph 13 an amount not less than the calculated amount of monetary and other damages for the Post-Review Period. [REDACTED] shall provide written verification of the additional reservation or deposit to the Regional Director within five (5) days of reserving or depositing the additional funds described in this paragraph.

15. Collectively, the amounts reserved or deposited pursuant to paragraphs 13 and 14 will constitute the Remuneration Fund. Any interest that accrues will become part of the Remuneration Fund and will be utilized and disposed of as set forth herein. Any taxes, costs, or other fees incurred by the Remuneration Fund shall be reimbursed by [REDACTED].
16. Within sixty (60) days of the Effective Date, [REDACTED] shall submit a Reimbursement Plan to the Regional Director for review and determination of non-objection. The Reimbursement Plan will detail how [REDACTED] shall identify and reimburse customers who were affected by the pricing disparities described above during the Review Period and the Post-Review Period. The Reimbursement Plan shall be designed to maximize the distribution of the Remuneration Fund, while including reasonable steps to appropriately limit the likelihood of distributing funds to non-victims. The Board shall review and approve the Reimbursement Plan prior to submission to the CFPB. The Regional Director shall have the discretion to make a determination of non-objection to the Reimbursement Plan or direct the Bank to revise it. In the event that the Regional Director directs [REDACTED] to revise the Reimbursement Plan, [REDACTED] shall make the revisions and resubmit the Reimbursement Plan to the Regional Director within thirty (30) days. Within one-hundred and eighty (180) days after notification that the Regional Director has made a determination of non-objection, [REDACTED] shall make all of the reimbursements and otherwise fully comply with the obligations described in the Reimbursement Plan.
17. [REDACTED] shall engage an independent auditor or third-party consultant (or other independent party), whose engagement shall be subject to a determination of non-objection by the Regional Director, to produce a Reimbursement Report validating that [REDACTED] adequately executed the Reimbursement Plan. The Reimbursement Report shall set forth a schedule of remediation payments made by [REDACTED] to each consumer, including a detailed list of individual consumers paid or reimbursed and applicable dollar amounts. Within two-hundred and ten (210) days after notification that the Regional Director has made a determination of non-objection to the Reimbursement Plan pursuant to paragraph 16, [REDACTED] shall submit the Reimbursement Report to the CFPB. The Board shall review and approve the Reimbursement Report prior to submission to the CFPB.

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18. [REDACTED] will not be entitled to a set-off, or any other reduction, of the amount of remuneration paid to individual consumers because of any debts owed by the consumers. [REDACTED] also will not refuse to make a payment based on a release of legal claims or loan modification previously signed by any consumer, nor will the Bank seek or make any claim, request, or demand of any consumer to execute a release of legal claims or loan modification in order to receive the remuneration the consumer is due pursuant to this MOU.
19. In the event that the amount of remuneration provided to consumers is less than the amount of the Remuneration Fund, [REDACTED] agrees to pay to the CFPB, in the form of a wire transfer to the CFPB or to such agent as the CFPB may direct, and in accordance with wiring instructions to be provided by counsel for the CFPB, the difference between the amount of remuneration provided to consumers and the amount of the Remuneration Fund.
20. If the CFPB determines, in its sole discretion, that additional redress to aggrieved borrowers is wholly or partially impracticable, otherwise inappropriate, or if funds remain after any additional redress is completed, any remaining funds shall be deposited in the U.S. Treasury as disgorgement.

V. Submissions and Notices.

21. All submissions to the CFPB that are required by or contemplated by this MOU shall be submitted within the specified timeframes or by the specified deadlines, unless an extension is granted pursuant to paragraph 29.
22. Except as otherwise provided herein, all submissions, requests, communications, consents, or other documents relating to this MOU shall be in writing and sent by secured electronic mail or reputable overnight carrier addressed as follows:

a. To the CFPB:

[REDACTED]
[REDACTED]
Consumer Financial Protection Bureau, Northeast Region
140 East 45th Street, 4th Floor, New York, NY 10017
[REDACTED]

[REDACTED]
Consumer Financial Protection Bureau, Office of Fair Lending
140 East 45th Street, 4th Floor, New York, NY 10017
[REDACTED]

b. [REDACTED]

[_____]

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[_____]
[_____]

VI. Other Provisions.

23. Nothing in this MOU shall inhibit, estop, bar, or otherwise prevent the CFPB from taking any other action affecting [REDACTED] if at any time the CFPB deems it appropriate to do so to fulfill the responsibilities placed upon the CFPB by law. This MOU does not constitute a release or settlement of any actions by the CFPB or any other governmental entity. The CFPB reserves the right to impose further corrective measures based on review of actions taken or materials submitted pursuant to this MOU.
24. In the event the CFPB files an enforcement action against [REDACTED] including claims related to the conduct and violations described in this MOU and in the Supervisory Letter dated February 14, 2014, [REDACTED] hereby waives its right to assert any and all statute-of-limitations defenses to said claims and agrees that any statutes of limitations applicable to said claims are tolled as of the Effective Date of this MOU.
25. [REDACTED] shall create or maintain all documents and records necessary to demonstrate full compliance with each provision of this MOU, including but not limited to, reports submitted to the CFPB, analyses and all information related to the analyses conducted pursuant to paragraph 3, and all documents and records pertaining to redress, as set forth in Section IV above. All such documents and records shall be retained at least until the termination of this MOU, and shall be made available upon the CFPB's request to CFPB representatives within thirty (30) days of a request.
26. This MOU and its contents constitute confidential supervisory information that is subject to the rules of the CFPB regarding the availability and disclosure of such information consistent with 12 CFR Part 1070.
27. This MOU is effective on the Effective Date shown on the first page.
28. This MOU shall remain in effect until terminated, modified, or suspended by written notice of such action by the CFPB, acting by and through its authorized representatives. To the extent the provisions described herein require ongoing performance, they shall represent continuing commitments of [REDACTED].
29. Calculation of time limitations for compliance with the terms of this MOU run from the Effective Date and shall be based on calendar days, unless otherwise noted. The Regional Director, or another CFPB authorized representative, may extend any of the deadlines set forth in the provisions of this MOU upon a written request by [REDACTED] that includes reasons in support for any extension. No extension will be effective unless made in writing by the Regional Director or another CFPB authorized representative.
30. Notwithstanding the deadlines specified in this MOU, [REDACTED] shall ensure that all corrective actions required in connection with the violations of law and/or regulation

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discussed in the Supervisory Letter dated February 14, 2014, are completed and that adequate policies, procedures, and systems are established or revised and thereafter implemented within the timeframes set forth in the Supervisory Letter, as well as those set forth in this MOU. In the case of any inconsistency between the Supervisory Letter and this MOU, the provisions of this MOU shall control.

31. The requirements of this MOU shall be binding upon [REDACTED], its officers, agents, servants, employees, and attorneys, and any successors and assigns thereof.
32. Each Director signing this MOU attests that he or she voted in favor of a Board Resolution authorizing the consent of [REDACTED] to the issuance and execution of this MOU. This MOU may be executed in counterparts by the Directors after approval of execution of the MOU at a duly called Board meeting. A copy of the Board resolution authorizing execution of this MOU shall be delivered to the CFPB, along with the executed original(s) of this MOU.

[Remainder of page intentionally left blank]

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WHEREFORE, the undersigned, duly authorized to enter into this MOU on behalf of [REDACTED], and the CFPB, acting by and through its Regional Director, hereby execute this MOU.

Consumer Financial Protection Bureau

By:

[REDACTED]

Date

Regional Director, Northeast Region
Consumer Financial Protection Bureau
140 East 45th Street, 4th Floor, New York, NY 10017

[REDACTED]

By:

Director

Date

Director

Date

Director

Date

Director

Date

Director

Date

Director

Date

Director

Date