

WHEREAS, the CFP Act requires the CFPB and the FTC to enter into an agreement to avoid duplication or conflict with respect to certain rulemaking activities and the parties seek to closely coordinate such rulemakings to promote the development and application of consistent regulatory provisions,

WHEREAS, the CFP Act requires, under Section 1024(a)(2) of the CFP Act, that the CFPB consult with the FTC prior to issuing a rule under Section 1024(a)(1)(B) to determine which non-depository persons in certain markets are subject to supervision for compliance with Federal consumer financial laws,

WHEREAS, the CFP Act requires that the CFPB and FTC share consumer complaint information to facilitate the preparation of the CFPB's annual report to Congress required under Section 1013(b)(3)(C) of the CFP Act, to facilitate supervision and enforcement activities, and to facilitate the monitoring of the market for Consumer Financial Products and Services pursuant to Section 1013(b)(3)(D); and that the CFPB and FTC coordinate with each other to route consumer complaints collected by the CFPB to the appropriate agency pursuant to Section 1013(b)(3)(A),

WHEREAS, the CFP Act requires that the FTC coordinate with the CFPB's Office of Service Member Affairs to ensure that service members and their families are educated regarding Consumer Financial Products and Services that motor vehicle dealers offer pursuant to Section 1029(e)(1) of the CFP Act, and that the parties effectively monitor and address complaints of service members and their families concerning motor vehicle dealers pursuant to Section 1029(e)(2), and

WHEREAS, the CFP Act requires that the CFPB provide the FTC access to certain examination reports upon reasonable assurance of confidentiality, and authorizes the CFPB to provide any other report or other Confidential Supervisory Information to the FTC, pursuant to Section 1022(c)(6)(C) of the CFP Act,

The parties hereby enter into this agreement.

IV. Law Enforcement

A. Coordinated Law Enforcement Activities

1. The parties shall endeavor to coordinate law enforcement activities, including conducting joint investigations where appropriate, to minimize duplication of efforts and burden on MOU Covered Persons.

2. The parties shall endeavor to maximize efficiencies and resources by seeking opportunities to share resources and eliminate redundancies.

3. Where practicable, the parties shall conduct joint training and make materials on law enforcement and the MOU Consumer Financial Laws in connection with

offering or providing Consumer Financial Products or Services available to each other.

4. The parties shall meet no less than quarterly to discuss future law enforcement activities and how they can coordinate and cooperate effectively in those activities. The parties may combine this meeting with the meeting to discuss consumer and business education and outreach initiatives required under Section IX below.

B. Notice of Commencement of Investigation

1. Prior to commencing an investigation of an MOU Covered Person for potential violations of an MOU Consumer Financial Law in connection with offering or providing Consumer Financial Products or Services, each party shall, through regular consultations or other means, such as the computerized system referred to in Section IV.B.4, seek to determine whether the other party (i) has investigated or is investigating that MOU Covered Person for violations of an MOU Consumer Financial Law in connection with offering or providing Consumer Financial Products or Services; (ii) has filed a court action or administrative proceeding against that MOU Covered Person alleging violations of an MOU Consumer Financial Law in connection with offering or providing Consumer Financial Products or Services; or (iii) has obtained an order or judgment against that MOU Covered Person in a court action or administrative proceeding based on violations or alleged violations of an MOU Consumer Financial Law in connection with offering or providing Consumer Financial Products or Services. Upon inquiring whether the other party has or had an investigation, action or proceeding, or order or judgment described in (i) – (iii) above, the party to which the inquiry was directed shall respond within ten (10) business days.

2. Absent exigent circumstances, fifteen (15) business days before commencing an investigation of an MOU Covered Person for potential violations of an MOU Consumer Financial Law in connection with offering or providing Consumer Financial Products or Services, a party shall notify the other party of the identity of the MOU Covered Person and the intended topic or topics of the investigation. If the other party has or had an investigation, action or proceeding, or order or judgment concerning the MOU Covered Person involving violations of an MOU Consumer Financial Law in connection with offering or providing Consumer Financial Products or Services, the parties shall consult concerning the anticipated investigation to reduce

charges, or similar document. If the information in the notice becomes inaccurate, incomplete, or otherwise changes after such notice is given but before a complaint or a notice of charges is filed, the party who provided the notice shall update or otherwise modify the information in the notice as soon as practicable, but in no event later than the date of filing of the complaint or the notice of charges.

D. Notice of Settling an Action or a Proceeding

No later than ten (10) business days prior to filing a consent decree, consent order, or settlement agreement in court, or accepting for public comment a proposed consent order or issuing a final consent order in an administrative proceeding, to resolve allegations that an MOU Covered Person violated an MOU Consumer Financial Law in connection with offering or providing Consumer Financial Products or Services, a party shall notify the other party of the action it may take. The required notice shall identify persons who have been or may be named in the action or proceeding and include a description of the conduct that the party may allege or has alleged to be unlawful and the relief it may seek to remedy that conduct. If ten (10) business days advance notice is not practicable, notice shall be provided as soon as practicable, but in no event later than the time of filing. If the information in the notice becomes inaccurate, incomplete, or otherwise changes after such notice is given but before (1) filing the consent decree, consent order, or settlement agreement in court; (2) accepting for public comment the proposed consent order; or (3) the issuance of the final consent order in an administrative proceeding, the party who provided the notice shall update or otherwise modify the information in the notice as soon as practicable, but in no event later than when any of those events occur.

E. Notice of State Enforcement

If a state provides a party with a notice required by the Omnibus Appropriations Act of 2009 that the state intends to file an action against an MOU Covered Person for violating the Mortgage Assistance Relief Services Rule, 12 C.F.R. Part 1015, or the Mortgage Acts and Practices – Advertising Rule, 12 C.F.R. Part 1014, the party who receives the notice shall forward it to the other party as soon as practicable.

F. Intervention in Law Enforcement Action

1. Either party may intervene in any court action in which it shares jurisdiction under an MOU Consumer Financial Law that the other party commences against an MOU Covered Person alleging violations of MOU Consumer Financial Laws in connection with offering or providing Consumer Financial Products or Services. Upon intervening in any such action, each party, among other things, may be heard on all matters arising in the action, and may file petitions for appeal in such actions.

2. No later than twenty (20) days prior to a party moving to intervene in an action that the other party has commenced, the intervening party shall notify the other party of its intention to intervene and the reason for its intervention. If twenty (20) days advance notice is not

practicable, the party shall provide the notice as soon as practicable.

G. Coordination to Minimize Duplicative Unnecessarily Burdensome Actions

1. The parties shall coordinate regard

document, it shall notify the other party of the substance of the document and the expected date of issuance. If thirty (30) days notice is not applicable, the party shall provide notice as soon as practicable.

VI. Supervision and Examination

A. Sharing Supervisory Information

The parties shall meet no less than quarterly to discuss the CFPB Run 7p9dITthe expe

Financial Products or Services;

C. other significant initiatives they intend to undertake involving MOU Covered Persons offering or providing Consumer Financial Products or Services, including but not limited to: (a) law enforcement activities; (b) consumer education content; (c) considering, recommending, advocating, or amending MOU Consumer Financial Laws; (d) conducting Research Projects and other research activities; and (e) providing or participating in international technical assistance and projects.

D. the creation, status, and activities of joint task forces or working groups the parties have established with each other or other governmental and private entities related to any activities of MOU Covered Persons in connection with offering or providing Consumer Financial Products or Services; and

E. the efficacy and consistency of the remedies that the parties have obtained or intend to seek in actions and proceedings to enforce MOU Consumer Financial Laws against MOU Covered Persons in connection with offering or providing Consumer

F. No later than two (2) years after the Designated Transfer Date, the parties shall meet and discuss what changes, if any, should be made to the procedures and processes set forth in this Section.

IX. Consumer Education

A. General Coordination

The parties shall meet no less than quarterly to keep informed about current and upcoming activities, and identify opportunities to enhance distribution and, where appropriate, ensure consistency of information in consumer education materials intended for public distribution regarding Consumer Financial Products or Services that MOU Covered Persons offer or provide to consumers. The parties may combine this meeting with the meeting to discuss law enforcement activities required under Section IV.A.4 above.

B. Military Service Members

At the quarterly meeting, the FTC and the CFPB's Office of Service Member Affairs may discuss outreach, education, and other initiatives to empower military service members and their families to make well-informed decisions regarding Consumer Financial Products or Services, including, but not limited to, decisions relating to the financing of motor vehicle dealers offer to consumers, especially motor vehicle dealers in the proximity of military installations.

C. Older Americans

At the quarterly meeting, the FTC and the CFPB's Office of Financial Protection for Older Americans may discuss and coordinate outreach, education, and other initiatives to empower older Americans to make well-informed decisions regarding Consumer Financial Products or Services.

X. Research

A. A party initiating a Research Project pertaining to MOU Covered Persons offering or providing Consumer Financial Products or Services shall notify the other party no later than thirty (30) days after initiating the Research Project. No later than thirty (30) days before a party releases to the public the results of a Research Project, it shall notify the other party of the substance of the results to be reported and the exact date that it will release the results to the public. If thirty (30) days notice is not practicable, notice shall be provided as soon as practicable. Upon request of either party, the parties shall meet and confer to discuss the results of the Research Project.

B. To promote coordination and to avoid duplicative efforts, the parties shall meet periodically, including as described in Section VII, to discuss anticipated and ongoing Research Projects and other agency research activities.

XI. Information Sharing and Confidentiality

A. All nonpublic information shared pursuant to this MOU shall remain the property of the providing party unless that party states otherwise in writing. Except as otherwise required by applicable law, the parties shall take all actions reasonably necessary to preserve, protect, and maintain all privileges and claims of confiden

D. Nothing in this MOU shall prevent a party from complying with a legally valid and enforceable order of a court of the United States if deemed compulsory, an official request from the United States Congress, or any committee thereof.

E. Nothing in this MOU shall be deemed to waive or alter any existing statutory or regulatory requirements governing the disclosure of nonpublic information. Each party will maintain such nonpublic information in a manner that conforms to the standards that apply to

Jon Leibowitz
Chairman
Federal Trade Commission

Richard Cordray