NAVIGANT

FINANCIAL SERVICES ADVISORY AND COMPLIANCE

FINANCIAL SERVICES ENFORCEMENT ACTIONS TRACKER — Q4 2018

HIGHLIGHTS FROM Q4 2018

Actions by Regulators

- **A total of 54 actions were observed this period.** After two consecutive quarters where the number of actions fell below 40, regulators are active again. **The current quarter is a 20% increase from Q4 2017, and a 50% increase since last quarter.**
- In Q4 2018, **there were 33 actions levied by the five main federal regulators,** including Consumer Financial Protection Bureau (CFPB), Office of the Comptroller of Currency (OCC), Federal Deposit Insurance Corporation (FDIC), Federal Reserve Bank (FED), and Department of Justice (DOJ). **The number is a 6% increase compared to Q4 2017, and a 65% increase since last quarter.**
- **The Q4 2018 increase was primarily driven by higher activity from the OCC and the FDIC.** In Q4 2018, there were **eight actions levied by the OCC, which is a 60% increase compared to Q4 2017, and a 300% increase since last quarter.** This is the most actions from the OCC in a single period observed over the last five quarters.
- In Q4 2018, there were **13 actions levied by the FDIC, which is a 63% increase compared to Q4 2017, and a 225% increase since last quarter.** This is also the most actions from the FDIC in a single period observed over the last five quarters.
- Compared to other federal regulators who had increased number of total actions, **the DOJ only undertook three actions in the past quarter, which was a 50% decrease compared to both Q4 2017 and the previous quarter.** Although the number of actions decreased, DOJ collaborated with District Attorney of New York to levee $880 million in civil money penalties on an action related to violations of regulations promulgated by the Office of Foreign Assets Control (OFAC), which was the largest amount observed in Q4 2018.
- **State and local regulators continue to be active in the past quarter, with 14 actions observed in Q4 2018, representing 26% of total Q4 actions.** The number of state actions was the same as last quarter and increased 27% compared to that in Q4 2017.

Actions by Action Types

- Usually embedded within settlement or consent order, **Civil Money Penalty continues to be regulators' most frequently used action type** to enforce regulatory requirements. In this quarter, there were **33 actions involved civil money penalties, composing 61% of the 54 Q4 2018 actions.**
- **32 actions involved action types of formal agreement or consent order,** making it the second most frequently used method of enforcement.

Actions by Cited Regulations

- **Bank Secrecy Act/Anti-Money Laundering Act related violations were the area of law that was cited the most during the quarter,** with a total of 14 actions, or 26% of total Q4 actions. It is also the law that was cited the most during the past five quarters, with a total of 41 citations accounting for 15% of the total 267 observed regulatory citations.

- **OFAC-related violations were the area of law that was cited the second most frequently during the quarter,** with a total of eight citations, or 15% of the total Q4 2018 actions.

Actions by Business Area

- Two actions in the quarter were related to origination or servicing of auto loans. As a major carry over case from the 2016 sales practices violation reached maturity with state regulators in this quarter, **violation areas of auto and mortgage loans were cited again in Q4** and resulted in a total of nearly $600 million civil money penalties.

Monetary Penalty by Violation Types

- In the past five consecutive quarters, **improper mortgage loan practice has been the source of the highest amount of associated monetary penalties,** with over $12 billion enforced, most of which relates to a carryover from the credit crisis related to loan underwriting and securitizing/issuance of Residential Mortgage Backed Securities. **The source of the highest number of occurrences was still unfair or deceptive acts or practices,** involved in 45 actions with over $3 billion in fines or penalties enforced in the past five quarters.
- **Improper foreign exchange transactions accounted for six actions in this quarter and had the highest fines in Q4 2018, with ~$1.5 billion, or 54% of the $2.7 billion total enforced fines and penalties.** It is also noteworthy that more than $1.3 billion of these fines and penalties were enforced on the Société Générale as it settled with multiple regulators in the past quarter.
- Other violations that stand out this quarter include **unfair or deceptive acts or practices,** which resulted in $722 million penalties, **improper auto lending practices,** which resulted in $587 million penalties, and **improper mortgage loan practices** in both origination and servicing value chains, which resulted in $579 million penalties.

Q4 2018 SUMMARY

A total of 54 actions were levied in Q4 2018. The number of regulatory enforcement actions increased 50% from Q3 2018 and was driven primarily by an increase in activities from the OCC and FDIC, as seen in Table 1.

Number of Actions by Regulators (Table 1)

	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
CFPB	6	0	3	4	5
OCC	5	4	6	2	8
FDIC	8	10	5	4	13
FED	6	11	3	4	4
DOJ	6	7	5	6	3
Total Actions by Five Major Regulators	31	32	22	20	33
State/Local	11	13	11	14	14
Other[1]	5	6	6	5	12
Grand Total	47	51	39	39	59
Less: Actions Involved Multiple Regulators	(2)	(3)	(0)	(3)	(5)
Total Actions	**45**	**48**	**39**	**36**	**54**

Note: Other consists of certain relevant enforcement actions by CFTC, FHFA, FinCEN, FNRA, FTC, HUD, SEC, NCUA, and OFAC at banks and subsidiaries of bank holding companies.

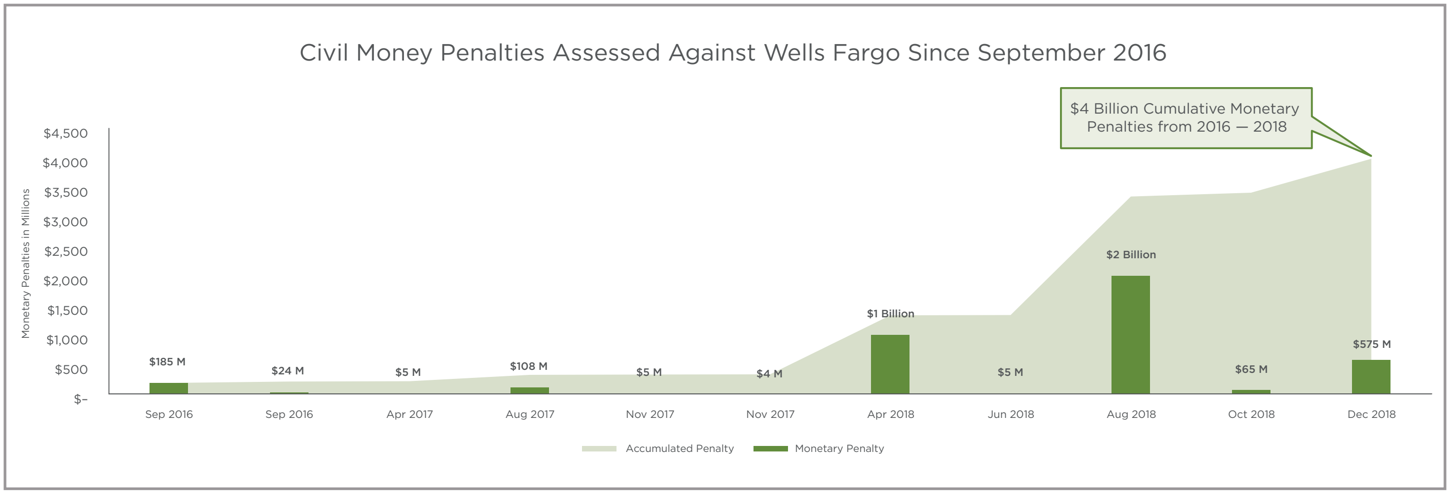
The five major federal regulators issued 61% of total enforcement actions this quarter, with 13 from the FDIC, eight from the OCC, five from the CFPB, four from the FED, and three from the DOJ. The number of FDIC actions increased to 13 and the number of OCC actions increased to eight in Q4 2018, which are the most actions from these two regulators in a single period observed over the last five quarters.

REGULATORY ACTIONS HIGHLIGHTS

Noteworthy Actions from the Quarter are Detailed Below:

Wells Fargo Settles with 50 States and District of Columbia

On December 28, 2018, **Wells Fargo settled with 50 states and District of Columbia for $575 Million regarding its phony accounts and other sales practices abuses.** Two years ago, the bank agreed to pay nearly $190 million to settle similar federal claims. Although this is another carryover case that is now reaching maturity, the action indicates that **state attorney generals are collaboratively protecting local consumers and filling gaps in federal enforcement.** As announced by state AGs, "this settlement represents the most significant engagement involving a national bank by state attorneys general acting without a federal law enforcement partner."[1]



From 2011 to 2016, to hit sales targets and compensation incentives, Wells Fargo employees had created over 1.5 million of deposit accounts and submitted applications for over 565,000 credit card accounts, which have never been authorized by customers but earned the bank unwarranted fees.[2] In September 2016, the bank was ordered to pay full restitution to all victims and a combined $185 million civil money penalty, including $100 million to the CFPB, $35 million to the OCC, and another $50 million to the City and County of Los Angeles.[3] Although the bank fired 5,300 employees who were involved in the sales practices scandal, customers and regulators raised additional concerns regarding Wells Fargo's cross-selling practice and incentive compensation programs, and investigations since then revealed that problems had emerged in nearly every major business line within the bank:

- In September 2016, the bank agreed to pay $24 million to the DOJ and OCC for its improper repossession of servicemembers' cars.[4]
- In April 2017, the bank was ordered by the FED to rehire a whistleblower and pay him $5.4 million.[5]
- In August 2017, the bank agreed to pay the U.S. government $108 million to settle claims that it overcharged military veterans hidden fees to refinance their mortgages.[6]
- In November 2017, the bank paid DOJ additional $5.4 million to compensate servicemembers for unlawful repossessions by Wells Fargo Dealer Services.[7]

1. Attorney General of Texas, "AG Paxton Announces $575 Million Settlement with Wells Fargo for Violating Consumer Protection Laws", December 28, 2018, https://www.texasattorneygeneral.gov/news/releases/ag-paxton-announces-575-million-settlement-wells-fargo-violating-consumer-protection-laws
2. Matt Egan, "5,300 Wells Fargo Employees Fired Over 2 Million Phony Accounts", CNNMoney, September 9, 2016, https://money.cnn.com/2016/09/08/investing/wells-fargo-created-phony-accounts-bank-fees/index.html
3. Consumer Financial Protection Bureau, "Consumer Financial Protection Bureau Fines Wells Fargo $100 Million for Widespread Illegal Practice of Secretly Opening Unauthorized Accounts", September 8, 2016, https://www.consumerfinance.gov/about-us/newsroom/consumer-financial-protection-bureau-fines-wells-fargo-100-million-widespread-illegal-practice-secretly-opening-unauthorized-accounts/
4. Reuters, "Wells Fargo Fined $24 Million Over Servicemember Loans", September 29, 2016, https://www.reuters.com/article/us-wells-fargo-carloans-idUSKCN11Z2MN
5. James Rufus Koren, "Feds Order Wells Fargo to Rehire Whistle-blower and Pay Him $5.4 Million", *The Los Angeles Times*, April 3, 2017, https://www.latimes.com/business/la-fi-wells-fargo-whistleblower-20170403-story.html
6. Jonathan Stempel, "Wells Fargo to Pay U.S. $108 Million Over Veterans' Loans", August 4, 2017, Reuters, https://www.reuters.com/article/us-wellsfargo-settlement-idUSKBN1AK1U1
7. Department of Justice, "Justice Department Obtains $5.4 Million in Additional Relief to Compensate Servicemembers for Unlawful Repossessions by Wells Fargo Dealer Services", November 14, 2017, https://www.justice.gov/opa/pr/justice-department-obtains-54-million-additional-relief-compensate-servicemembers-unlawful

- In November 2017, the bank was fined $3.5 million by SEC for its failure to timely file Suspicious Activity Reports from approximately March 2012 through June 2013.[8]
- In April 2018, the bank agreed to pay $1 billion to CFPB and OCC to settle abuses in its auto and mortgage loan units.[9]
- In June 2018, the bank reached $5 million settlement with SEC for improperly encouraging customers to actively trade complex financial products.[10]
- In August 2018, the bank agreed to pay $2.09 billion to DOJ to settle its alleged origination and sale of residential mortgage loans that contained misstated income information and did not meet the quality the bank represented.[11]
- In October 2018, the bank reached a $65 million settlement with NY Attorney General for its fraudulent statements to investors in connection with its cross-sell scandal.[12]

The latest Q4 settlement is the result of series of long-lasting investigations across all 50 states regarding the bank's misconduct surrounding **sales practices, forced-placed collateral protection insurance (CPI), guaranteed asset/auto protection (GAP), and mortgage rate lock,** which are issues had been previously addressed by federal regulators. Specifically, the Attorneys General alleged that: (1) the bank's sales goals and incentive compensation program created an incentive for employees to engage in improper sales practices, including opening accounts and transferring funds without customers' consent, issuing cards and enrolling customers into services without their consent, etc. As a result, there were over 3.5 million accounts and 528,000 online bills pay enrollments resulted from improper sales practices and thousands of life insurance policies were opened without customers' consent; (2) the bank placed CPI charges to borrowers in unnecessary and duplicative situations, which contributed to defaults that resulted in over 51,000 CPI-related repossessions between 2005 and 2016; (3) the bank failed to ensure that refunds of the unearned portion of the cost of GAP were made to Auto Finance Customers following the early payoff of the vehicle financing agreement or repossession of the vehicle; and, (4) the bank inconsistently applied its rate lock policy and some borrowers were inappropriately charged Rate Lock Extension Fees.[13]

Over the past year, Wells Fargo also faced multiple ongoing investigations from federal regulators regarding its wholesale business unit and wealth management practice. The bank is currently under an asset cap imposed by the Federal Reserve Board, which is expected to remain effective through the end of 2019.[14] While these investigations and compliance issues will certainly impact Wells Fargo's bottom line, such regulatory violations also result in significant reputation damage to the bank that may affect the bank's business in the long term, especially when the overall financial services industry is experiencing regulatory compliance challenges, increased competition, and cost pressures.

Manipulations of the London Interbank Offered Rate

The London Interbank Offered Rate (LIBOR) is a benchmark interest rate calculated by leading global banks in London daily, indicating at which rate banks offer to lend funds to another bank in the international interbank market for short-term loans.[15] Since its first publication in 1986, LIBOR has served as a benchmark interest rate in global financial markets. Not only financial instruments such as futures, options, structured notes, and swaps are relying on the LIBOR rates, many financial institutions, mortgage lenders and credit card agencies also set their own rates based on LIBOR, causing further impacts on student loans, mortgages, and financial derivatives. Because of the important role of LIBOR in global financial markets, misrepresenting or manipulating the integrity of LIBOR benchmark will cause severe and far-reaching impacts in the financial systems.

8. SEC, "Wells Fargo Advisors, LLC", November 13, 2017, https://www.sec.gov/litigation/admin/2017/34-82054.pdf
9. CFPB, "Bureau of Consumer Financial Protection Announces Settlement with Wells Fargo for Auto-Loan Administration and Mortgage Practices", April 20, 2018, https://www.consumerfinance.gov/about-us/newsroom/bureau-consumer-financial-protection-announces-settlement-wells-fargo-auto-loan-administration-and-mortgage-practices/
10. SEC, "Wells Fargo Advisors Settle SEC Charges for Improper Sales of Complex Financial Products", June 25, 2018, https://www.sec.gov/news/press-release/2018-112
11. DOJ, "Wells Fargo Agrees to Pay $2.09 Billion Penalty for Allegedly Misrepresenting Quality of Loans Used in Residential Mortgage-Backed Securities", August 1, 2018, https://www.justice.gov/opa/pr/wells-fargo-agrees-pay-209-billion-penalty-allegedly-misrepresenting-quality-loans-used
12. N.Y. Attorney General, "A.G. Underwood Announces $65 Million Settlement With Wells Fargo For Misleading Investors Regarding Cross-Sell Scandal", October 22, 2018, https://ag.ny.gov/press-release/ag-underwood-announces-65-million-settlement-wells-fargo-misleading-investors
13. Attorney General of Iowa, "Wells Fargo Final Executed Settlement", December 28, 2018, https://www.iowaattorneygeneral.gov/media/cms/Wells_Fargo__Final_Executed_Settlem_86A203B7AEC89.pdf
14. Emily Glazer, "Wells Fargo Expects Asset Cap to Last Longer Than Expected", *The Wall Street Journal*, January 15, 2019, https://www.wsj.com/articles/wells-fargo-reports-lower-profit-11547557556
15. Julia Kagan, "LIBOR", Investopedia, December 11, 2018, https://www.investopedia.com/terms/l/libor.asp

The LIBOR rate scandal was first revealed in 2012. A $100 million settlement between Barclays and regulators disclosed that between 2005 and 2007, Barclays' employees altered the bank's rates to benefit their derivatives trading positions and bolstered their trading profits. Furthermore, Barclays employees also coordinated with other banks to alter their rates and submitted artificially low rates during the 2008 financial crisis to convince the public that the bank could borrow money at lower prices and was healthier than it was.[16]

During the past two years, monetary penalties and regulatory actions were also enforced on other global banks who had similar LIBOR misconduct. For example, in Q4 2017, Deutsche Bank agreed to pay over $213 million to settle allegations that it manipulated the LIBOR; In Q1 2018, the FDIC alleged that 16 banks manipulated the LIBOR which contributed to the collapse of Doral Bank; In Q2 2018, Citibank reached agreement with 42 states to settle similar allegations for $100 million.

Fraudulent manipulation of LIBOR involves both Securities and Commodities Violation and Unfair or Deceptive Acts or Practices, along with large monetary penalties. On December 21, 2018, **UBS reached $68 Million settlement with 40 states for its fraudulent manipulation of LIBOR rate.** Specifically, the bank faced allegations of: (1) issuing directions from managers to submit LIBOR contributions to avoid reputational harm; (2) manipulating Yen LIBOR submissions to benefit their trading books; and, (3) entering into swap transactions without disclosing relevant conduct to U.S. counterparties.[17]

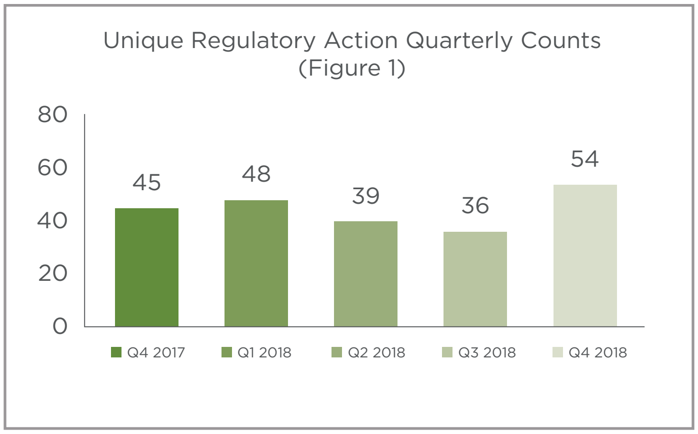
As the unsecured interbank lending activities continue to decrease and the sustainability of LIBOR continues to be challenged by business conduct risks, during the past two years, market participants, regulators and administrative entities have been discussing potential alternatives to LIBOR and taking foundational steps: in April 2017, the Bank of England recommended the Sterling Overnight Index Average (SONIA) benchmark as their preferred alternative risk-free rates;[18] in April 2018, the Federal Reserve Bank of New York published the Secured Overnight Funding Rate (SOFR) as a new benchmark rate alternative to USD LIBOR.[19]

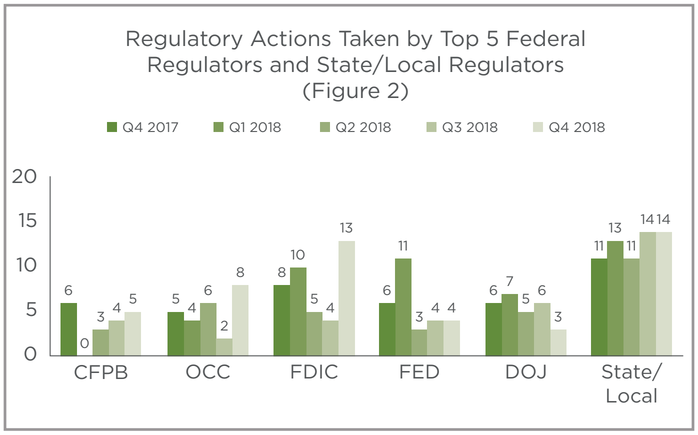
From the industry's perspective, LIBOR transitioning could post various risks to financial institutions. Given the potential changes in valuation, asset liability management, profit and loss consequences, contractual terms, business conduct, risk portfolios and operating models, it is essential for financial institutions to closely monitor the transition updates, evaluate LIBOR inventory, assess potential impacts on LIBOR-related contracts and products, and proactively develop risk response plans.

16. *The New York Times*, "Behind the Libor Scandal", July 10, 2012, https://archive.nytimes.com/www.nytimes.com/interactive/2012/07/10/business/dealbook/behind-the-libor-scandal.html
17. State Attorneys General, "UBS Settlement Agreement Executed", December 21, 2018, https://www.attorneygeneral.gov/wp-content/uploads/2018/12/2018-12-21-UBS-Settlement-Agreement-Executed.pdf
18. Bank of England, "Transition to Sterling Risk-Free Rates from LIBOR", retrieved on February 28, 2019, https://www.bankofengland.co.uk/markets/transition-to-sterling-risk-free-rates-from-libor
19. Michael Held, "SOFR and the Transition from LIBOR", Federal Reserve Bank of New York, February 26, 2019, https://www.newyorkfed.org/newsevents/speeches/2019/hel190226

Additional commentary on Q4 2018 financial enforcement actions, and related charts and graphs, can be found below:

Actions by Regulators (Figure 1-2)

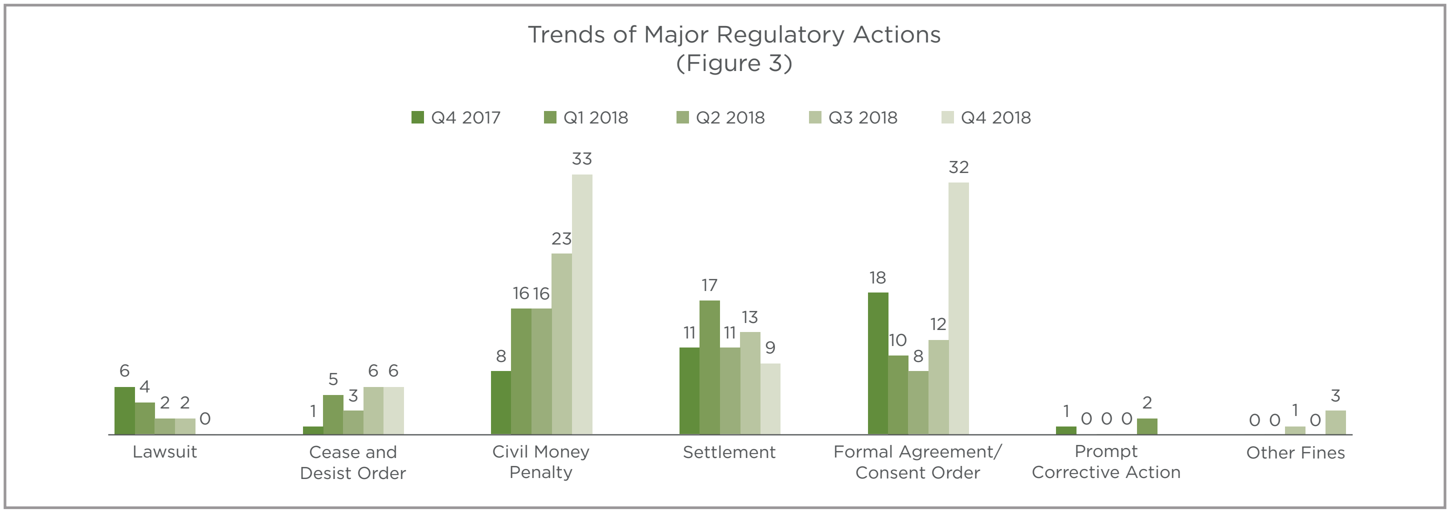




Highlights:

- A total of 54 actions were levied in Q4 2018, which is a 20% increase compared to Q4 2017, and a 50% increase compared to Q3 2018.
- Enforcement actions by major federal regulators largely increased in Q4 2018, the OCC and the FDIC both had their largest number of actions in the past five quarters.
- The main driver in number of actions continues to be state and local regulators. A total of 14 enforcement actions were levied by state and local regulators in Q4 2018, making state regulators the most active in the quarter. Five of these state actions involved violations in governance deficiencies, four of them were related to Bank Secrecy Act violations, and four of them were related to UDAAP.

Regulatory Trends by Action/Violation and Enforcement Occurrences (Figures 3-5)



Note: One regulatory action may be categorized as multiple action types. Actions from previous quarters issued after the previous publication's cutoff date may be included in the above figures.

Highlights:

- While the distribution of regulatory actions varies across each quarter, civil money penalty continues to account for the greatest number of actions in Q4 2018, with 33 total actions.
- The second most frequently used action type in Q4 2018 was formal agreement or consent order.

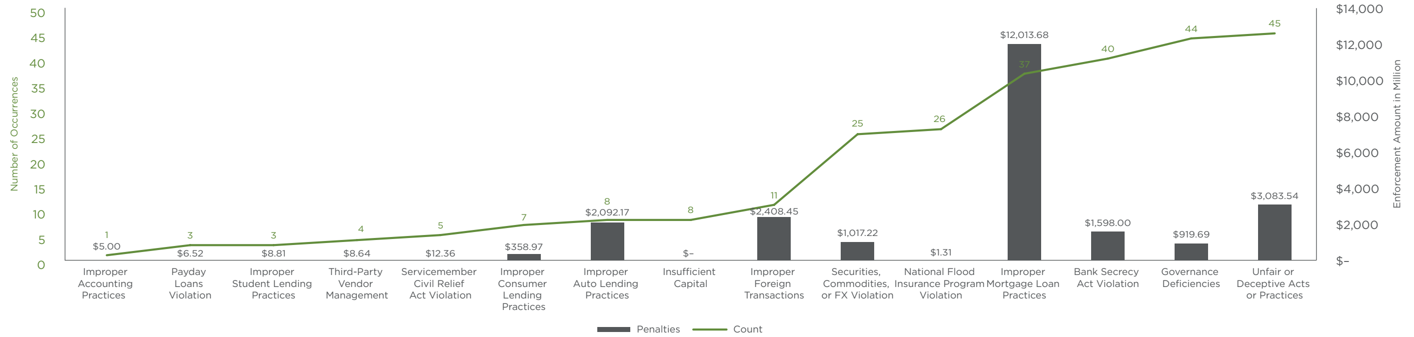
Q4 2017 to Q4 2018 Regulation/Regulation Agency Types of Violations (Figure 4)							
REGULATORY VIOLATION TYPE	**Q4 2017**	**Q1 2018**	**Q2 2018**	**Q3 2018**	**Q4 2018**	**GRAND TOTAL**	**% OF TOTAL**
Allowance for Loan and Lease Losses	4	0	0	0	2	6	2.2%
Bank Secrecy Act/Anti-Money Laundering Act	6	13	5	3	14	41	15.4%
Basel — Capital Requirements	2	1	0	0	2	5	1.9%
Commodities or Securities Exchange Act	2	3	6	4	5	20	7.5%
Fair Housing Act	0	1	1	0	0	2	0.7%
Financial Industry Regulatory Authority	1	1	0	0	0	2	0.7%
National Flood Insurance Program	9	6	4	2	5	26	9.7%
Office of Foreign Assets Control	1	1	2	1	8	13	4.9%
Regulation AB: Asset-backed Securities & RMBS Violations	2	2	1	3	0	8	3.0%
Regulation B: Equal Credit Opportunity Act	0	0	1	0	0	1	0.4%
Regulation C: Home Mortgage Disclosure Act	0	0	0	0	0	0	0.0%
Regulation E: Electronic Fund Transfer Act	0	3	0	0	0	3	1.1%
Regulation H: Membership of State Banking Institutions in the Federal Reserve System	0	0	1	0	2	3	1.1%
Regulation V: Fair Credit Reporting Act	2	0	1	0	1	4	1.5%
Regulation X: Real Estate Settlement Procedures Act	0	2	0	0	0	2	0.7%
Regulation Y: Bank Holding Companies and Change in Bank Control	0	0	0	0	0	0	0.0%
Regulation Z: Truth in Lending Act	1	2	1	2	1	7	2.6%
Servicemember Civil Relief Act	2	2	0	0	1	5	1.9%
State Foreclosure Laws	0	0	2	0	0	2	0.7%
State Payday Lending Statutes	0	0	0	0	0	0	0.0%
Unfair, Deceptive, or Abusive Acts or Practices	12	5	10	5	4	36	13.5%
Other	8	13	15	19	26	81	30.3%
Total	**52**	**55**	**50**	**39**	**71**	**267**	**100%**

Note: Multiple violation types may be counted as part of one action taken by federal and state regulators. Actions from previous quarters issued after the previous publication's cutoff date may be included in the above figures.

Highlights:

- In Q4 2018, there were 14 actions involved violations related to the Bank Secrecy Act/Anti-Money Laundering Act, making it the most frequent regulatory violation types of the quarter.
- Eight actions involved violations related to OFAC, where improper foreign transactions were the violation types that were cited the most.
- The top areas of violations over the past five quarters were issues around Bank Secrecy Act/Anti-Money Laundering (BSA/AML) (15%); UDAAP (14%), National Flood Insurance Program (10%); Commodities or Securities Exchange Act (8%), and OFAC (5%).

Q4 2017 — Q4 2018 Number of Enforcement Occurrences and
Total Amount in Fines and Penalties (Figure 5)



Note: Multiple violation types may be counted as part of one consent order or action taken by federal and state regulators. Actions from previous quarters issued after the previous publication's cutoff date may be included in the above figures.

Highlights:

- Improper mortgage loan practices accounted for the highest total related fines over the past five quarters; UDAAP accounted for the second-highest total dollars in fines and penalties.
- UDAAP violations (17%), governance deficiencies (16%), BSA/AML violations (15%), improper mortgage loan practices (14%), national flood insurance program violation (10%), and Securities, Commodities, or FX Violation (9%) were the most frequent enforcement occurrences over the past five quarters.

METHODOLOGY

Navigant Consulting Inc.'s dedicated internal research team leverages regulatory agency publications, Factiva, SNL Financial, and LSM to monitor regulatory action in the financial services space by key federal, state, and local regulators.

Our internal research team collected information about actions taken over the past five quarters by the following U.S. regulators:

- Office of the Comptroller of the Currency (OCC)
- Federal Deposit Insurance Corporation (FDIC)
- Federal Reserve (FED)
- Consumer Financial Protection Bureau (CFPB)
- Department of Justice (DOJ)
- State and local regulators, and others

The team focused on regulatory issues related to violations of:

- Unfair, Deceptive, or Abusive Acts or Practices (UDAAP)
- Real Estate Settlement Procedures Act (RESPA)
- Bank Secrecy Act/Anti-Money Laundering laws (BSA/AML)
- Servicemembers Civil Relief Act (SCRA)
- Equal Credit Opportunity Act (ECOA)
- Truth in Lending Act (TILA)
- Fair Credit Reporting Act (FCRA)
- Various state laws, and others

Actions against individuals, removal or prohibition orders, termination of insurance, Section 19 letters, 1829 letters, and securities enforcement actions are not captured in this tracker. Actions published after January 30, 2019, are not included in this report.

APPENDIX

Enforcement Tracker Violation Type Definitions

Bank Secrecy Act violation: Failure of the financial institution to meet internal controls and monitoring requirements set forth by the Bank Secrecy Act or anti-money laundering regulations.

Fraudulent lending to insiders: Extension of credit to an insider, as defined by Regulation O and Regulation W, that exceeds limits set by Regulation O or Regulation W or provides the insider with any preferential treatment**.**

Governance deficiencies: Failure of a financial institution and/or its board to fulfill its fiduciary responsibilities in various areas of bank management, such as compliance risk management, operational efficiency, or interest rate risk management. (This category includes directors and officers actions; compliance risk management; management replacement and operations; credit risk and interest risk management).

Improper accounting practices: Failure to follow generally accepted accounting principles through means such as fraudulent reporting, omission of assets or liabilities, etc.

Improper auto lending practices: Violation of laws or regulations in the origination or servicing of an auto loan.

Improper foreign transactions: Violation of any law or regulation governing interactions with foreign entities; commonly an Office of Foreign Assets Control violation.

Improper mortgage loan practices: Violation of a law or regulation in the origination or servicing of a mortgage loan or mortgage-backed securities.

Improper student lending practices: Violation of law or regulation in the origination or servicing of an education loan.

Improper consumer lending practices: Violation of law or regulation in the origination or servicing of a consumer loan, other than mortgage, auto, or student loans.

Insufficient capital: Failure of a financial institution to meet minimum capital requirements set forth by Basel.

National Flood Insurance Program violation: Violation of the National Flood Insurance Program requirements or related acts and regulations, such as the National Flood Insurance Act or Flood Disaster Protection Act.

Payday loans violation: Violation of any law or regulations in the issuance or servicing of payday loans.

Securities, commodities, or foreign exchange violation: Violation of any law or regulation in the distribution, monitoring, or trading of securities, commodities, or foreign exchanges.

Servicemembers Civil Relief Act violation: Violation of any law or regulation in the origination of servicing of a line of credit to an active-duty member of the U.S. armed forces.

Third-party vendor management: Failure by an institution to ensure that third-party vendors are operating in compliance with pertinent laws and regulations.

Unfair, Deceptive or Abusive Acts or Practices: Any unfair or deceptive statement, disclosure, or action that causes material harm to the consumer.

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About Navigant

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