

News Release 2020-5 | January 21, 2020

# OCC Fines Citibank More Than \$17 Million for Violating the Flood Disaster Protection Act

WASHINGTON—The Office of the Comptroller of the Currency (OCC) today announced a \$17,998,510 civil money penalty against Citibank, N.A, of Sioux Falls, South Dakota, for violating the Flood Disaster Protection Act of 1973 (FDPA) and its implementing regulations.

The OCC found the bank engaged in a pattern or practice of violating 42 U.S.C. § 4012a(e) and 12 C.F.R. § 22.7(a). Specifically, the bank failed to purchase regulatory required flood insurance on behalf of borrowers with loans secured by buildings and mobile homes located in special flood hazard areas where flood insurance is available in a timely manner. The failure to purchase the required flood insurance in a timely manner resulted from Citibank's deficient FDPA policies and procedures, which allowed the bank's third-party service provider to extend the 45-day notification period after the initial borrower notification.

The bank paid the assessed penalty to the Federal Emergency Management Agency's National Flood Insurance Program.

## Media Contact

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