

Consumer Financial Protection Bureau Issues Policy Statement on Applications for Early Termination of Consent Orders

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WASHINGTON, D.C. – The Consumer Financial Protection Bureau (Bureau) issued today a policy statement on applications for early termination of administrative consent orders (Consent Orders). The policy statement outlines the early termination application process for entities subject to a Consent Order and the standards that the Bureau intends to use when evaluating applications.

In order for a Consent Order to be terminated early, an entity should demonstrate that it meets certain threshold eligibility criteria, has fully complied with the terms of the Consent Order, and has a satisfactory compliance management system in applicable areas. These conditions are designed to minimize the risk of new violations of law by the company and to protect consumers.

An entity's application for early termination should be submitted to the Bureau point of contact specified in the Consent Order. In general, an application should demonstrate that the entity has satisfied all of the conditions for granting early termination described in the policy statement. Bureau staff will review applications and make recommendations to the Director about whether to terminate a Consent Order. Under the policy, the sole authority to terminate a Consent Order remains with the Bureau's Director and the termination decision is at their discretion.

Consent Orders, which generally have a five-year term, describe the Bureau's findings and conclusions concerning the identified violations by an entity and generally impose injunctive relief, monetary relief, penalties, and reporting, recordkeeping, and cooperation requirements. They play an essential role in the Bureau's enforcement work by providing relief for consumers and deterring future violations.

To read the policy statement click here:

https://files.consumerfinance.gov/f/documents/cfpb_statement-of-policy-applications-early-termination-of-consent-order_2020-10.pdf

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