

**MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
THE CONSUMER FINANCIAL PROTECTION BUREAU
AND
THE NATIONAL CREDIT UNION ADMINISTRATION**

I. PURPOSE

This Memorandum of Understanding ("Memorandum") is entered into between the Bureau of Consumer Financial Protection ("Bureau") and the National Credit Union Administration ("NCUA") (individually, "Party," collectively, "the Parties").

The purpose of this Memorandum is to facilitate the handling of Consumer Complaints and Inquiries by, and the related sharing of consumer Complaint and Inquiry data between, the Parties. With this Memorandum, the Parties set forth understandings and agreements regarding the following: (a) which Party will be primarily responsible for handling various Complaints, Inquiries, and other contacts regarding the entities, products, and services over which either the Bureau or the NCUA has or will have examination or enforcement authority under Federal Consumer Financial Law; (b) how the Parties will refer between each other such Complaints, Inquiries, and other contacts; (c) how the Parties will share data about Complaints and Inquiries; and (d) how the Parties intend to preserve the confidentiality of the information and material they may determine to share with each other hereunder.

These understandings and agreements evidence the Parties' intent to handle consumer Complaints and Inquiries in a cooperative manner that promotes continuous service to consumers, minimizes duplication of effort, reduces confusion for Consumers and regulated entities, reflects each Party's capabilities and statutory responsibilities, supports the development of the Bureau's Complaint-handling capacity, assists the NCUA in performing its Complaint-handling and supervisory responsibilities, and preserves appropriate confidentiality of shared information and material.

II. AUTHORITY

This Memorandum is being entered into pursuant to sections 1012 and 1013(b)(3) of the Consumer Financial Protection Act of 2010 ("CFP Act") (Pub. L. No. 111-203, Title X, 12 U.S.C. § 5481 *et seq.*) and section 120 of the Federal Credit Union Act, 12 U.S.C. §§1751 *et seq.*

III. DEFINITIONS

A. Each of the following terms shall have the meaning set forth in section 1002 of the CFP Act:

1. Consumer
2. Consumer Financial Product or Service

3. Covered Person
4. Designated Transfer Date
5. Enumerated Consumer Laws
6. Federal Consumer Financial Law
7. Financial Product or Service
8. Insured Credit Union
9. Prudential Regulator
10. Service Provider

- B. "Complaint" shall mean an expression of dissatisfaction with or allegation of wrongdoing by a provider of any financial product or service or any entity subject to regulation or supervision by the Bureau or a Prudential Regulator made by a Consumer (including a representative acting on behalf of a Consumer).
- C. "Complaint or Inquiry Data" shall mean data derived from Complaint or Inquiry Files as they are recorded and maintained in the normal course of a Party's practice, including but not limited to the volume of Complaints; the products (including any sub-product designations), issues (including any sub-issue designations), or entity or entities at issue in individual Complaints or Inquiries; the dispositions (including potential or actual violations or credit union errors found and their type, and action taken in response), filing dates, and status (*e.g.*, open or closed) of individual Complaints or Inquiries. Complaint or Inquiry Data are distinct from "Complaint or Inquiry Files" and any individual Complaints or Inquiries referred from one Party to the other for that Party to handle.
- D. "Complaint or Inquiry File" shall mean Complaints or Inquiries and associated documents as they are recorded and maintained in the normal course of a Party's practice, including any acknowledgement letters or other correspondence sent to Consumers during the investigation of the Complaints; any supporting documentation received in relation to the Complaint or Inquiry; any response from the entity or entities at issue in a Complaint or Inquiry; and the disposition of the Complaint or Inquiry.
- E. "Complaint or Inquiry Report" shall mean Complaint or Inquiry Data regarding entity or entities at issue in aggregate or summary form.
- F. "Depository Institution" shall mean an insured Depository Institution or a credit union the member accounts of which are insured by the National Credit Union Share Insurance Fund pursuant to Title II of the Federal Credit Union Act, 12 U.S.C. §§1751 et seq.
- G. "Inquiry" shall mean a written question posed by a Consumer to either of the Parties regarding Federal Consumer Financial Law or a Consumer Financial Product or Service that is not part of a Complaint.

- H. "Institution-specific Inquiry" shall mean an Inquiry that regards a specific entity or that requires facts specific to a particular entity in order to answer.
- I. "Non-Depository Institution" shall mean a Covered Person that is not a Depository Institution.
- J. "Transition Phase" shall mean the period beginning on the Designated Transfer Date, and ending on the start date of the last phase in the rollout schedule discussed in Section IV.

IV. ROLLOUT SCHEDULE

The date on which the Bureau will begin handling certain Complaints will depend on the entities, products, services, and issues involved. The table below ("Rollout Schedule") contains the dates on which the Bureau will begin handling certain categories of Complaints regarding institutions described in sections 1025(a) and 1025(d) of the CFP Act. In order to assist the Bureau during its transition and to ensure that all Complaints are adequately handled during the Transition Phase, the Parties have agreed that the NCUA will handle the categories of Complaints listed below until the Bureau starts handling those Complaints.

#	Products/Services	Start Date	Description/Examples
1	Credit Cards	July 21, 2011	Any Complaint that the NCUA has identified as involving a credit card product or service.
2	Share Account Products and Related Services	October 3, 2011	Any Complaint that the NCUA has identified as involving share account products and related services (but not federal share insurance issues), such as: share draft accounts, savings accounts, money market accounts, debit cards, share certificate accounts, and overdraft lines of credit/overdraft fees.
3	Mortgages and Home Loans	December 1, 2011	Any Complaint that the NCUA has identified as involving residential mortgages and home loans, such as: mortgages, home loans, home equity lines of credit, and home equity loans.
4	Residual Depository Institution Financial Products and Services	March 1, 2012	Any Complaint that the NCUA has identified as relating to Federal Consumer Financial Law and involving any other financial product or service offered by a depository institution, its affiliates, or its service providers (and not covered above), including consumer wire transmissions, consumer loans (auto, boat, personal, student loans), and noncustomer

If unusual circumstances arise and the Bureau believes it is necessary to change the foregoing schedule, it will give the NCUA at least 60 days' notice of such change. The change will be effective only upon mutual agreement between the Parties, which will not unreasonably be withheld.

V. ROLES AND RESPONSIBILITIES WITH REGARD TO CONSUMER COMPLAINTS

- A. The following section applies to Complaints regarding the entities that are described in section 1025(a) or 1025(d) of the CFP Act.
1. In accordance with its internal procedures and beginning on the start dates in the Rollout Schedule above, the Bureau will handle Complaints that implicate Federal Consumer Financial Law.
 2. In accordance with its internal procedures, the NCUA will handle all other Complaints that involve entities under its supervisory jurisdiction. These other Complaints include all Complaints that involve consumer financial issues, products, or services other than those that the Bureau has begun to handle in accordance with the Rollout Schedule. Upon the end of the Transition Phase, the Parties agree that the NCUA will no longer handle Complaints that implicate Federal Consumer Financial Law.
 3. If a Complaint is received by the NCUA and the NCUA determines the Complaint relates to Federal Consumer Financial Law and involves a financial product or service that the Bureau has begun to handle in accordance with the Rollout Schedule, and also involves another financial product or service offered by the same entity that the Bureau has jurisdiction over but has not begun to handle, then the NCUA will handle the Complaint if it involves an entity under its supervisory jurisdiction.

If a Complaint is received by the Bureau and the Bureau determines the Complaint relates to Federal Consumer Financial Law and involves a financial product or service that the Bureau has begun to handle in accordance with the Rollout Schedule, and also involves another financial product or service offered by the same entity, then the Bureau may refer the Complaint to the NCUA for handling if it involves an entity under NCUA's supervisory jurisdiction. The Bureau will refer such a Complaint if required to do so under Section VI.C.

In either case, each Party will share its close-out letter with the other.

4. The Parties may refer Complaints not described in subparagraphs (1) through (3) above to the appropriate Prudential Regulator or other agency and must do so if required under Section VI.C.
5. If, pursuant to the rollout schedule described in Section IV and after the Designated Transfer Date, the NCUA handles a Complaint that relates to Federal Consumer Financial Law:
 - a. The NCUA will, as promptly as reasonably possible, refer to the Bureau for any further review or action the relevant Complaint File when the NCUA believes that supervisory, enforcement, or other action beyond the NCUA's standard Complaint-handling process may be needed to address the Complaint. The Parties will work together to develop appropriate standards and procedures for such referrals.
 - b. Unless expressly indicated, the information forwarded pursuant to this paragraph or any other provision of this Memorandum shall not constitute a written recommendation to initiate an enforcement action under section 1025(c)(2) of the CFP Act.

B. Complaints regarding other Depository Institutions.

The NCUA remains, in accordance with its internal procedures and authority, responsible for handling Complaints and Inquiries regarding Depository Institutions that are not described in section 1025(a) or 1025(d) of the CFP Act and that fall under its supervisory jurisdiction.

C. Complaints regarding other non-Depository Institutions.

With regard to any other Complaints not described above that implicate Federal Consumer Financial Law and regard the entities described in sections 1024(a), 1024(e), or 1026(e) of the CFP Act or other Covered Persons or Service Providers not subject to the primary supervisory authority of a Prudential Regulator, the Bureau is in the process of developing its capacity to handle such Complaints, and the schedule set forth in Section IV does not apply. Until such time as the Bureau begins handling such Complaints, the NCUA may treat these Complaints as it wishes under its own internal procedures, by, for example, handling them itself or referring them to other appropriate agencies. If and when the Bureau begins handling Complaints regarding Covered Persons or Service Providers not described in the paragraphs above, it will notify the NCUA and the NCUA will refer

Complaints received after such notice to the Bureau for appropriate handling, to the extent that they regard Federal Consumer Financial Law.

D. Generally

To facilitate further coordination and cooperation:

1. The Parties will share with each other their procedures and protocols for handling Complaints, with a level of detail sufficient for the Parties to generally understand: (a) each Party's methodology for handling Complaints, and (b) the types of determinations or resolutions that each Party generally seeks with respect to Complaints.
2. Whichever Party receives a Complaint will send an acknowledgment letter to the Consumer stating, among other things, the name and contact information of the agency that is handling the Complaint if it is not the Party that received the Complaint.

VI. REFERRALS OF COMPLAINTS

- A. The Parties will refer Complaints to each other in accordance with the framework described in Section V above. The Parties will work together to inform each other of and agree on procedures for referral of Complaints. The Parties also will endeavor to develop referral mechanisms that are electronic, and where feasible, automated. Upon referral of Complaints, the Parties will notify each other of any other referrals made of the same Complaint (*e.g.*, to other state or federal agencies).
- B. If a Complaint received by the Bureau involves multiple entities and thereby falls under both Section V.B and either Section V.A. or V.C. (as a Complaint that the Bureau has begun to handle), the Bureau will promptly provide a copy of the Complaint to the designated contact person at the NCUA, and the NCUA may take appropriate action on the Complaint with respect to the entity described in Section V.B. in accordance with its internal policies and procedures. Similarly, if a Complaint received by the NCUA involves multiple entities and thereby falls under both Section V.B. and either Section V.A. or V.C. (as a Complaint that the Bureau has begun to handle), the NCUA will promptly provide a copy of the Complaint to the designated contact person at the Bureau, and the Bureau may take appropriate action on the Complaint with respect to the entity described in Section V.A. or V.C. in accordance with its internal policies and procedures. Where practical, the agencies will coordinate and

communicate with each other with respect to actions taken on such Complaints involving multiple entities.

- C. The NCUA will not refer to the Bureau for handling any Complaints that do not relate to Federal Consumer Financial Law or consumer Financial Products or Services. The Bureau will: (a) refer to the NCUA for handling all complaints that involve institutions supervised by the NCUA but do not relate to Federal Consumer Financial Law or Consumer financial products or services; and (b) timely notify and make available to the NCUA copies of complaints that involve institutions supervised by the NCUA that allege fraud or other wrongdoing, regardless of whether they relate to Federal Consumer Financial Law or Consumer financial products or services. The Parties will coordinate on appropriate procedures and protocols regarding complaints described in this paragraph.

VII. ROLES AND RESPONSIBILITIES WITH REGARD TO INQUIRIES AND OTHER CONTACTS

- A. Sections IV, V, and VI apply to Consumers' Institution-specific Inquiries as if those Inquiries were Complaints. Nothing in this subsection shall require the NCUA to collect or maintain information that it does not currently collect or maintain in the normal course of its practice.
- B. The Parties may handle other Inquiries in accordance with their respective internal procedures. To minimize confusion for Consumers, the Parties will share their Inquiry-handling procedures with each other and discuss the circumstances under which it may be appropriate for one Party to refer Consumer Inquiries to the other Party to handle.
- C. The Parties may receive allegations of wrongdoing or expressions of dissatisfaction that do not constitute Complaints or Inquiries. These contacts may include, among other things, contacts from entities that are not Consumers (*e.g.*, businesses), allegations made by current or former employees of Covered Persons or Service Providers (*i.e.*, "whistleblower Complaints"), or Complaints by the competitors of Covered Persons or Service Providers.

If the contact implicates law(s) in the other Party's jurisdiction, the receiving Party will promptly send it to the other Party. The receiving Party may also refer the contact to any other agency that has or may have jurisdiction over the issues raised.

VIII. ROLES AND RESPONSIBILITIES WITH REGARD TO PENDING COMPLAINTS AND INQUIRIES

To ensure continuity of approach, the NCUA will handle all Complaints and Inquiries pending before it on the Designated Transfer Date. Similarly, the NCUA will handle all relevant Complaints and Inquiries that are pending before it on each date that, pursuant to Section IV, the Bureau starts handling a new category of Complaints. Section V.A.5. above applies to all such pending Complaints and Inquiries.

IX. COMPLAINT AND INQUIRY DATA SHARING AND CONFIDENTIALITY

- A. Sharing Complaint or Inquiry Data. In accordance with section 1013(b)(3)(D) of the CFP Act, in order to facilitate the preparation of reports required to be presented to Congress, supervision and enforcement activities, and the Bureau's monitoring of the markets for Consumer Financial Products and Services, the Parties shall promptly respond to each other's requests for Complaint or Inquiry Data. The parties shall work in good faith to develop a consistent set of data elements regarding Complaints and Inquiries, a standard format for the presentation of such data, and a schedule for sharing key data. The recipient of Complaint or Inquiry data shall treat such data in accordance with its policies and procedures and applicable federal law. Complaint or Inquiry Data exchanged pursuant to this Memorandum will be considered "Non-Public Information" under the Memorandum of Understanding between the parties dated May 26, 2011 (including any extension, modification or successor thereof), except that the Parties hereby agree that the recipient of Complaint or Inquiry Data provided by the other Party may disclose such information: (1) to those officers, employees, contractors, or agents with a *bona fide* need for such information in carrying out their official duties; (2) to Congress in compliance with statutory reporting requirements; (3) to the Covered Person or Service Provider that is the subject of the Complaint or Inquiry Data for exam-related purposes or otherwise in the exercise of its supervisory or enforcement authority; (4) in published reports in which neither individuals' nor entities' identities are disclosed; or (5) in the course of a proceeding to enforce Federal Consumer Financial Law. The Parties will not otherwise disclose information contained in such Complaint or Inquiry Files without the permission of the other Party, which shall not be unreasonably withheld, unless otherwise required by law.
- B. Sharing Complaints and Inquiries and Complaint or Inquiry Files.
1. Complaints or Institution-specific Inquiries referred to a Party with supervisory or enforcement authority over the entity that is the subject of the Complaint or Inquiry, under sections 1024, 1025 and 1026 of the Act, will be considered the record of the Party to whom the Complaint is referred and shall be treated in accordance with the recipient's policies and procedures and applicable Federal law.

2. Complaint or Inquiry Files related to Complaints or Inquiries handled by the NCUA pursuant to this Memorandum, and shared with the Bureau pursuant to section V.A.5 of this Memorandum, or in response to a Bureau request, will be considered the records of both Parties.
 - a. Either Party may disclose this information: (1) to those officers, employees, contractors, or agents with a *bona fide* need for such information in carrying out their official duties; (2) to third parties, or the Consumer, but only to the extent necessary to process and respond to the Complaint or Inquiry or any related contacts on behalf of the same Consumer; (3) to the Covered Person or Service Provider that is the subject of the Complaint or Inquiry for exam-related purposes or otherwise in the exercise of its supervisory or enforcement authority; (4) in published reports in which neither individuals' nor entities' identities are disclosed; or (5) in the course of an investigation or proceeding to enforce Federal Consumer Financial Law. The parties will not otherwise disclose information contained in such Complaint or Inquiry Files without the permission of the other Party, which shall not be unreasonably withheld, unless otherwise required by law.
 - b. The Parties agree to maintain such safeguards as are necessary and appropriate to protect the confidentiality of information contained in Complaint or Inquiry Files, including: (1) informing those officers, employees, contractors or agents with access to such information of their obligations to maintain the confidentiality of the information under this Memorandum and applicable Federal law; (2) establishing appropriate physical safeguards to protect the information; (3) and, as appropriate and feasible, imposing obligations upon those third parties who have received such information to maintain the confidentiality of the information.
 - c. Unless prohibited by law, each Party shall, upon receipt of any legally enforceable demand or request for information contained in Complaint or Inquiry Files that are the joint records of the Parties (including but not limited to, a subpoena, court order, request pursuant to the Freedom of Information Act, or a request by the U.S. Government Accountability Office):
 - i. Promptly notify the other Party in writing of the demand or request, provide a copy of the demand or

request to the other Party for its consideration, and advise the requester that the demand or request has been provided to the other Party;

ii. Afford the other Party a reasonable opportunity to respond to the demand or request; and assert all such reasonable and appropriate legal exemptions or privileges that the other Party may request to be asserted on its behalf;

iii. Consent to application by the other Party to intervene in any related action for the purpose of asserting and preserving any claims of confidentiality with respect to the information contained in the Complaint or Inquiry File.

d. Nothing in this Memorandum shall prevent a Party from complying with a legally valid and enforceable subpoena, or order of a court of competent jurisdiction that compels production of Complaint or Inquiry Files or, if compliance is deemed compulsory, a request or demand from a duly authorized committee of the United States Senate or House of Representatives. To the extent permitted by law, the recipient of any such request, demand, or order will advise the other Party of such a request, demand, or order as promptly as is reasonably possible and consult with the Provider on the response before complying with the request, demand, or order. Recipient shall use its best efforts to ensure that the requestor secures an appropriate protective order or, if the requestor is a legislative body, use its best efforts to obtain the commitment or agreement of the legislative body that it will maintain the confidentiality of the information.

3. The Parties agree that exchanging or making available Complaint or Inquiry Data, Complaint or Inquiry Files, or any other information pursuant to this Memorandum will not constitute public disclosure and is not intended to constitute a waiver of confidentiality or of any applicable privileges, nor does exchanging or making available such information waive or alter any provisions of any applicable laws relating to such information. The Parties expressly reserve all evidentiary privileges and immunities applicable to the information exchanged or made available under this Memorandum.

4. Except as set forth in this Memorandum, the Parties expressly retain their discretion to determine whether to exchange with, or

make available to, the other Party information relating to Complaints or Inquiries over which the other Party has no jurisdiction.

X. GENERAL TERMS

A. Period of performance

The terms of this Memorandum are effective as of the Designated Transfer Date, or until signed by both parties, whichever is later. This Memorandum will remain in effect until terminated by either Party in accordance with Paragraph (B), or superseded by another agreement.

B. Modification and termination

The Parties may amend this Memorandum in writing and such amendments shall become effective when executed by both Parties. Either Party may terminate this Memorandum with respect to the handling of future Complaints or Inquiries by providing ninety (90) calendar days advance written notice to the other Party. Any information received prior to the time of termination will be handled in accordance with terms of this Memorandum, unless the Parties mutually agree otherwise.

C. Execution

This Memorandum may be executed in separate counterparts, each of which when executed and delivered shall be deemed an original, and all of which taken together shall constitute one and the same Memorandum.

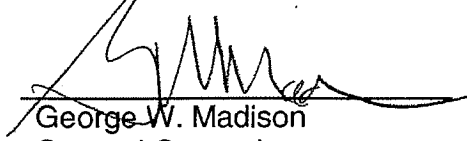
D. Liaison

As soon as practicable after execution of this Memorandum, each Party will advise the other of the names, titles, and contact information, including addresses, e-mail addresses, and telephone and fax numbers, for the appropriate officials to contact for purposes of notices and exchanges of information. This contact information will be updated as appropriate.

FOR THE U.S. DEPARTMENT
OF THE TREASURY
Acting on behalf of
THE BUREAU OF CONSUMER
FINANCIAL PROTECTION

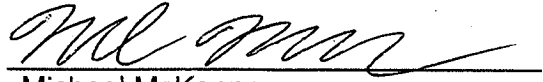
For NATIONAL CREDIT UNION
ADMINISTRATION

By:



George W. Madison
General Counsel
Department of Treasury

By:



Michael McKenna
General Counsel
National Credit Union Administration

Date:

8/11/11

Date:

8/31/11