

The background of the slide is a complex, abstract geometric pattern composed of numerous triangles and polygons. The colors transition from deep purple and blue on the left to bright yellow and orange on the right, creating a warm, modern aesthetic.

# 2016 Consumer Financial Services Highlights

## Dear Clients and Friends,

The past year at Mayer Brown bore witness to great developments in the firm's ability to serve the diverse legal needs of clients engaged in the consumer financial services industry. In February 2016, we welcomed an existing Consumer Financial Services group, which was folded into Mayer Brown's Financial Services Regulatory & Enforcement practice. The new team added 15 partners, two counsel, 15 associates, a government advisor, a staff attorney and seven regulatory compliance analysts who were drawn to our collegial atmosphere, supportive environment and complementary skill sets. By melding the strengths of this leading consumer financial services team with our existing practices that touch the consumer finance asset class, we have acquired the ability to seamlessly address the full spectrum of legal challenges that confront our clients operating in the consumer financial services sector throughout the United States.

We believe that the vertical integration in legal services that Mayer Brown can provide to its clients in the consumer financial services sector is unique. From state licensing to asset securitization, from compliance counseling to international outsourcing, from sales of companies and assets to government enforcement and class action litigation, Mayer Brown has a depth and breadth of experience and capabilities in the consumer financial services space that can add value to your business.

On the heels of last year's expansion, we launched a vital client resource—our “[Consumer Financial Services Review](#)” blog, which delivers timely and insightful content on the latest regulatory and enforcement developments affecting our clients. We also put our energies into delivering a comprehensive “[Five-Year Retrospective on the Consumer Financial Protection Bureau](#),” while maintaining a reliable schedule of alerts, advisories, webinars and presentations. Our thought leadership efforts over the course of 2016 number in the hundreds. We believe deeply in the value that we deliver through these efforts and hope that they contribute to your enhanced understanding of the complicated legal environment in which you operate over the course of the year.

Most importantly, we are glad to have been your partner in 2016. On the following pages, we have proudly summarized some of the past year's accomplishments, made possible by our clients. As 2017 progresses, we look forward to new opportunities to support you in meeting your business objectives.

Sincerely,

Mayer Brown

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# Representative Matters

We take great pride in our involvement in high-profile engagements ranging from complex transactions to providing guidance on evolving regulatory guidelines to complex litigation. Following is a sampling of key matters from the past year.

## Regulatory Compliance

Represented a significant money transmitter in connection with supervisory actions by several state regulators related to compliance with permissible investment requirements.

Advised a major payment service provider in connection with its Consumer Financial Protection Bureau (“CFPB”) examination.

Advised mortgage lenders and secondary market investors on compliance with the CFPB’s Ability-to-Repay requirements for qualified mortgage loans (“QMs”) and non-QMs, including with regard to higher-priced mortgage loans, Federal Housing Administration-insured (“FHA”), VA loans and loans made by small creditors.

Served as counsel to mortgage originators, title insurance companies, settlement agents, investors, and a technology services company regarding compliance with the CFPB’s Know Before You Owe (“KBVO”), or the Real Estate Settlement Procedures Act (“RESPA”)/TILA Integrated Disclosure (“TRID”) rule, including compliance with and associated liability and penalties under the rule.

Assisted national real estate brokerage association in developing materials for its membership with guidance on

RESPA-related matters, including marketing agreements and the KBVO/TRID rule.

Advised financial technology (“Fintech”) companies, as well as entities that invested in, offered warehouse lines of credit to, and purchased loans from Fintech companies concerning regulatory compliance, licensing, securities, investment advisor, broker-dealer, and transactional issues.

Advised several large prepaid card issuers and program managers, as well as digital wallet providers, on compliance with the CFPB’s prepaid account rule.

Structured several pass-through deposit insurance arrangements, including negotiating commercial account terms for the omnibus custodial account.

Provided regulatory advice to two companies providing private label, online mortgage loan application platforms to mortgage lenders on a wide range of issues, including Fair Credit Reporting Act (“FCRA”), Equal Credit Opportunity Act (“ECOA”), RESPA, unfair, deceptive and abusive acts and practices (“UDAAPs”), and E-Sign.

Advised a wide range of marketplace

lenders and other small business lenders on compliance with a variety of federal and state laws and on structuring relationships with bank partners to minimize “true lender” risks.

Advised numerous debt buyers, loan investors, and lenders on issues related to the *Madden v. Midland Funding* decision.

Advised a gold investment and payments platform on a wide range of US regulatory issues and advised on agreements with vendors and partners, including a prepaid card program manager.

Advised a national bank on federal and state regulatory issues in connection with the acquisition of a credit card portfolio.

Advised several financial institutions on regulation of factoring arrangements.

Counseled lenders and investors regarding the new Military Lending Act restrictions applicable to all types of consumer credit transactions for active duty service members and their families.

Advised investors regarding the CFPB’s proposed requirements and restrictions for payday, auto title and high-rate installment loans to consumers.

Awarded “Structured Finance and Securitization Team of the Year” and “Structured Finance and Securitization Deal of the Year” at the 2016 *IFLR* Americas Awards.

Advised federally chartered depository institutions on the preemption of state laws related to various consumer asset classes, including mortgages, credit cards, health care financing loans and unsecured consumer loans.

Advised solar panel companies regarding state and federal compliance and licensing requirements for offering consumer loans, leases, installment sales contracts or power purchase agreements.

Performed regulatory compliance due diligence reviews of consumer financial services providers on behalf of investors and lenders, with regard to several types of consumer credit assets (e.g., residential mortgage loans, consumer loans, credit cards, consumer leases, retail installment contracts, medical expense financing, solar financing, employee purchase providers, retailers, debt management companies and credit repair organizations).

Advised auto finance companies regarding compliance with statutory and regulatory requirements for consumer leases.

Advised lenders, loan servicers, retailers and other clients engaged in consumer-finance transactions regarding compliance with the Telephone Consumer Protection Act (“TCPA”).

Provided compliance counsel to an investor in residential properties regarding the application of federal and state consumer protection laws, including RESPA, TCPA, UDAP, and FHA lending guidelines, fair housing and fair lending and state licensing requirements.

Performed fair lending compliance reviews and risk assessment and developed and managed fair lending compliance and monitoring programs for banks, mortgage lenders, mortgage servicers, marketplace lenders, student lenders and credit card issuers and advised with respect to CFPB examinations.

Advised mortgage lenders regarding disclosure requirements to consumers with limited English proficiency.

Advised residential and commercial mortgage lenders regarding the upcoming changes to collecting and reporting data under the Home Mortgage Disclosure Act (“HMDA”).

Served as compliance counsel to mortgage lenders, real estate brokerage companies, home builders, title insurance companies, appraisal management companies, mortgage insurers and other settlement service providers on compliance with RESPA’s anti-referral fee provisions, including

the review of affiliated business arrangements, marketing services agreements, office rental arrangements and other business arrangements.

Represented a consortium of banks and mortgage companies in the proposed reforms of the residential mortgage lending programs of the FHA, including annual and loan-level certifications and origination and servicing requirements, to reduce risk of liability under the False Claims Act and to increase access to credit.

Advised banks and mortgage companies on compliance with restrictions on mortgage loan originator and branch manager compensation, including prohibitions against loan term-based compensation, exemptions from federal minimum wage and overtime requirements and FHA restrictions on branch expenses and drafted compensation agreements.

Conducted comprehensive reviews of clients’ compliance with FHA servicing requirements to assess audit readiness.

Performed compliance audits for banks, mortgage companies and indirect auto lenders preparing for CFPB supervisory examinations.

Helped a financial services company

revise oversight documents for third-party providers concerning both mortgage and non-mortgage consumer lending.

Counseled mortgage originators and servicers in the assessment and reporting of Quality Control findings of non-compliance with FHA requirements to the Department of Housing and Urban Development.

Advised mortgage lenders regarding compliance with state restrictions on higher-priced or high-cost mortgage loans.

Advised credit card lenders regarding federal advertising and disclosure requirements.

Counseled lenders on the unique requirements applicable to making mortgage loans, including cash-out home equity loans in Texas.

Advised lenders and investors regarding federal and state compliance

obligations and restrictions when making commercial mortgage loans.

Advised banks regarding changes to flood insurance requirements, including relating to the availability of private flood insurance.

Advised loan originators and servicers on regulatory compliance requirements, including federal advertising requirements, applicable to reverse mortgage loans and HECM.

Advised mortgage company regarding state usury limitations and requirements to pay interest on amounts held in residential mortgage loan escrow accounts.

Advised a bank regarding revising and documenting a program for making home equity lines of credit (“HELOC”).

Advised a client regarding compliance obligations applicable to servicing defaulted mortgage loans and engaging in loan modifications, deeds-in-lieu and short-sale proceedings.

Advised numerous clients on compliance with FHA servicing requirements involving default servicing, loss mitigation, pre-foreclosure sale, property preservation, interest curtailment and insurance claim filings involving conveyance claims and claims without conveyance of title.

Developed and enhanced FHA compliance policies and procedures and quality control plans and procedures for loan originators and servicers.

Monitored a legislative and regulatory activity affecting the business of appraisal management companies (“AMCs”).

Counseled numerous clients on Ginnie Mae pooling and servicing requirements.

Advised a large bank and non-bank mortgage servicers and debt collectors on compliance with state law restrictions on charging mortgage servicing fees.

Advised a mortgage originator regarding proposed business arrangement with mortgage-relief service provider.

Advised several types of companies (including mortgage lenders, lead aggregators and solar panel providers) regarding compliance with prohibitions against UDAAP in advertising.

Assisted several large servicers in connection with settlements with the Executive Office of the US Trustee, overseeing comprehensive reviews of various bankruptcy filings, as well as periodic statements and escrow statements sent to debtors in bankruptcy, and conducted several wide-scale, multijurisdictional remediation projects involving loans and lines of credit in bankruptcy.

Advised a bank in connection with fair lending, RESPA and other regulatory issues raised by the Federal Deposit Insurance Corporation (“FDIC”) in an examination.

Ranked in the top half of *BTI Consulting Group’s* 2016 “Client Service 30”—BTI’s annual list of the 30 law firms who “outpace all other firms in service” and “impress clients with their savvy.” BTI asked general counsels and other legal decision-makers at organizations with \$1 billion or more in revenue which firms performed at “best-in-class” levels in activities “essential to delivering superior client service.”



Advised multiple state-licensed servicers on a wide array of state servicing-related requirements, including disclosure and notices, maintaining or waiving escrow accounts, late fees, NSF fees, and assisted clients in developing policies and procedures to comply with requirements for oversight and monitoring of vendors, the Homeowners Bill of Rights and loss mitigation.

#### LICENSING AND GOVERNMENTAL APPROVALS

Advised multiple investors as to the state and Nationwide Multistate Licensing System (“NMLS”) filings needed to provide sufficient notice to, and obtain the approval of, state regulators for the acquisition to effect a change in control of companies engaged in mortgage lending, brokering, purchasing, or servicing activities, mortgage and consumer finance lead-generation activities, commercial or business lending or consumer lending.

Advised multiple state-licensed mortgage finance companies in converting their form of legal

ownership from a corporation or a limited partnership, organized under the laws of a diverse set of states, to a limited liability company under Delaware law, without losing or jeopardizing their state licenses or incurring any interruption in their licensable mortgage finance activities and making the required state and NMLS filings to effect such conversion, including a related legal name change.

Advised and/or assisted clients with respect to obtaining de novo approvals and/or additional authority with Fannie Mae, Freddie Mac, Ginnie Mac, HUD, VA and USDA Rural Housing Service (“RHS”).

Advised multiple clients on making the state “Banking Department,” Secretary of State, and NMLS filings necessary to (i) effect a corporate name change, (ii) relocate a corporate headquarters, (iii) obtain branch office licenses, or (iv) obtain approval for new Control Person, Qualified Individuals or Branch Managers.

Analyzed and obtained approval or made the requisite filings for various

entities to operate under a d/b/a or fictitious name, assumed or “doing business as” name in connection with mortgage, automobile and consumer finance licenses.

Analyzed and assisted clients with HUD declaration of trust approval and related issues in connection with trust structure designed to support repurchase agreements for EBO financing arrangements.

Assisted several clients with obtaining consents and notice filings associated with asset acquisitions for entities approved by Fannie Mae, Freddie Mac, Ginnie Mae, HUD/FHA, VA and RHS, as well as state consumer finance regulatory agencies. Projects include obtaining (i) new corporate-level licenses as needed, (ii) branch office licenses for branch offices being acquired, (iii) approval and sponsorship of licensed mortgage loans originators transferring from one licensee to another, and (iv) consulting and collaboration on various related filings such as transfer of loans in process, transfer of agency servicing

In March 2016, Mayer Brown launched a blog, “Consumer Financial Services Review.” The blog serves as a key resource for the consumer financial services industry, providing timely updates on important news and developments related to consumer financial products and services, including legislative enactments, regulatory promulgations, enforcement actions and court decisions.

[www.cfsreview.com](http://www.cfsreview.com)

CONSUMER  
FINANCE

portfolio, qualifications to transact business, relationships with bond agencies, warehouse providers, surety bond companies, investors and other aspects of business operations.

Advised investors as to the structuring of their acquisitions to comply with state law.

Advised state-licensed companies regarding (i) the surrender of their state licenses, the surrender procedure under state law and the NMLS and (ii) the relinquishment of “Federal Agency” approvals.

Advised multiple state-licensed mortgage finance companies to meet their quarterly and annual reporting obligations under state law and in accordance with the NMLS Mortgage Call Reports (and prepare to advise money service businesses of the soon-to-be instituted quarterly NMLS Money Service Business Reports).

Assisted licensees in responding to state examinations and negotiated settlement agreements in connection with same.

Successfully advocated before the Conference of State Bank Supervisors (that administers the NMLS) to (i) retain the Knowledge Standard when any licensed company makes an attestation in the NMLS, (ii) not amend the MU1 disclosure questions to answer whether the entity or its control conducted licensable activities when not licensed or exempt, (iii) not amend the MU1 disclosure questions to answer whether an entity or its control affiliate ever failed to file income tax returns or was past dues on tax filings, and (iv) not expand the MU2 for the Control Persons answer if they every failed to



file income taxes by the due date.

Advised HUD-approved mortgagees in making their annual certifications and otherwise advising HUD on reportable matters through the Notice of Material Event feature in the Lender Assessment Enterprise Portal (“LEAP”).

Advised certain state-licensed mortgage loan servicers and banks in complying with state licensing obligations when contracting for work with offshore companies or domestic companies with offshore branch offices that provide outsourcing services.

Tracked state legislation and regulatory activity that would (i) license companies or individuals who refer borrowers to lenders, (ii) license debt buyers or collection agencies, (iii) license those

who purchase or hold closed mortgage loans, mortgage loan servicing rights, or consumer loans, (iv) license processors or underwriters, (v) license commercial or business lenders, or (vi) repeal exemptions for banks, and their subsidiaries or affiliates.

Participated in an “Industry Working Development Group” with the Conference of State Bank Supervisors with weekly conference calls and periodic meetings with respect to the development of NMLS version 2.0, as well as changes in the existing NMLS and Registry system, including implementation of Electronic Surety Bonds, background checks for Control Persons, and testing of new functionalities being considered or soon to be implemented in the NMLS.

## ANTI-MONEY LAUNDERING AND SANCTIONS

Represented a major non-US bank in disclosing and negotiating a subsequent settlement with the Office of Foreign Assets Control (“OFAC”) over transactions with Iran and Cuba that constituted potential sanctions violations resulting in a highly favorable settlement.

Provided compliance advice to several of the largest companies offering prepaid payment products in connection with a broad range of subjects, including the federal Electronic Funds Transfer Act and Regulation E; state money services business laws; federal and state anti-money-laundering laws; laws on UDAAPs; rules on pass-through deposit insurance for prepaid accounts; federal government regulations for direct deposits of federal payments onto prepaid cards; remittance transfer regulations; and other federal and state consumer financial laws.



Provided compliance advice to one of the largest digital wallet providers in connection with a broad range of subjects, including Regulation E, federal and state anti-money-laundering laws, UDAAPs, remittance transfers and other federal and state consumer financial laws.

Advised several bill payment service providers on regulatory issues under state money transmitter laws, federal anti-money-laundering laws, Regulation E and other federal and state laws. Also drafted terms of service for these providers and helped negotiate their arrangements with vendors.

Represented a large public university in connection with the expansion of its student payment account program so that students can use their accounts to pay for goods and services at a variety of local merchants. This included advising the client on regulatory issues under various federal and state laws (including Regulation E and federal anti-money-laundering laws); negotiating the agreements with the client's program manager; preparing contracts

and program rules for participating merchants; and designing a process for dispute resolution and investigation.

Advised a payments company on OFAC compliance issues.

Represent a global financial institution in connection with internal investigation into fraud and anti-money-laundering compliance.

Represented leading financial institutions in suits alleging violations of the Anti-Terrorism Act ("ATA"), as amended by the Justice Against Sponsors of Terrorism Act ("JASTA").

Represented a leading financial institution in a suit alleging that it is liable for aiding and abetting \$100+ million Ponzi scheme.

#### CYBERSECURITY

Drafted cybersecurity policies and data-breach response plan for a hedge fund client.

Counseled an insurance company on board oversight of

cybersecurity program.

Assessed the impact of the EU General Data Protection Regulation on the business of a credit card company.

Provided general data privacy counseling for an investment advisor and its Fintech affiliate, including a specific review of proposed communications of data collected by the client to third parties.

Responded to FTC Civil Investigative Demand on data security matters on behalf of mortgage company.

Helped a mortgage lender to self-certify under the US/EU Privacy Shield.

Advised an international bank on data privacy issues stemming from its cloud services offerings.

Advised hedge fund on consumer financial privacy and information security issues.

Advised an investment bank on privacy issues under the Gramm-Leach-Bliley Act and the Fair Credit Reporting Act.



Advised a credit card company on privacy requirements and implications in the context of VIP and co-branded card arrangements.

Reviewed and revised privacy and data security policies for multinational banking and financial services company.

Provided advice to an electronic stock exchange regarding privacy and data security risks in connection with the potential acquisition of a financial services company.

Advised a global financial services company with respect to privacy policies and procedures, including its data breach response plan.

Provided an insurance company with advice regarding security breach preparation, including by serving as outside counsel in the event of a data security incident.

Advised mortgage lenders, servicers and investors on regulatory requirements with respect to privacy and information security.

Helped a trade association to respond

to a regulatory inquiry on member bank practices with respect to requesting updated account information from customers.

Drafted online and mobile application privacy statements and terms of use for multiple financial services companies.

Negotiated information security provisions in contracts between financial services companies and their counterparties.

Advised a national bank on privacy issues regarding the communication of personal information to and from automobile dealers.

Counseled an investment advisor on privacy and information security issues regarding the purchase of aggregate cell phone geolocation data for market-research purposes.

#### EMPLOYMENT

Advising a global asset management firm on an audit of its documents in relation to the collection, use and retention of personal data of its job applicant, employees and former

employer and amending and drafting several related documents including personal information collection statements, employee handbook, recruitment agent data-transfer agreements, human resources policy and procedure, non-disclosure agreements, etc.

Advised a global financial services firm on various privacy and data security matters arising in the employment context, including the theft of a laptop used by one of their vendors.

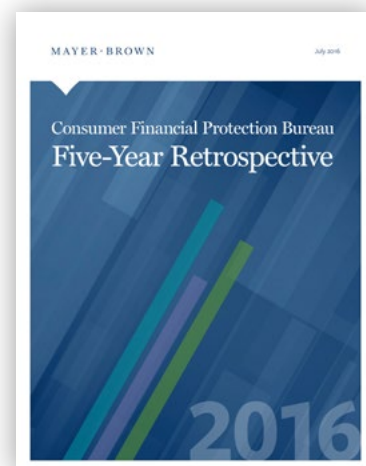
Represented a national mortgage bank and lender in putative statewide employment class actions in California alleging wage-and-hour claims and several individual actions alleging discrimination and wrongful termination.

Represented a financial services company in “glass ceiling” claim by EEOC regarding career opportunities for female professionals.

Advised a financial institution on risk management, policies, background checks and compliance training for employees of vendors who work closely with financial institution personnel.

## Consumer Financial Protection Bureau Five-Year Retrospective

Drawing upon a wealth of knowledge and experience before the Consumer Financial Protection Bureau (CFPB), Mayer Brown produced a retrospective on the agency’s first five years. This report provides a snapshot of the rules the CFPB has written or proposed, the supervision program it has implemented, and the enforcement actions it has taken across the landscape of consumer financial services. Some of the articles appeared previously on our blog, Consumer Financial Services Review. Others appeared as Mayer Brown Legal Updates, and many are new analyses or summaries of the CFPB’s actions.



## Litigation & Enforcement

### APPELLATE

Represented a client contesting whether a putative class representative had standing to bring suit against our client, Spokeo, Inc., merely because of a bare technical violation of the Fair Credit Reporting Act that caused no concrete harm. In *Spokeo, Inc. v. Robins*, 135 S. Ct. 1892 (2015), the US Supreme Court granted our petition for certiorari and reversed and remanded the case to the Ninth Circuit.

Represented an educational company in the Seventh Circuit's dismissal of a shareholder derivative action alleging the educational company violated its incentive compensation plan relating to stock options issued to the chief executive officer.

Represented a global financial institution in securing appellate victories affirming the dismissals of several lawsuits brought by counties alleging that the use of MERS deprived counties of recording fees when interests in mortgage loans were transferred without recording new mortgage assignments.

### CONSUMER CLASS ACTIONS AND INDIVIDUAL CONSUMER CLAIMS

Represented a global financial institution in defeating class certification and securing summary judgment in a putative class action challenging reoccurring property inspection fees in California federal court.

Represented a global financial institution in securing the dismissal of several class action lawsuits in Florida federal court alleging statutory violations regarding the timeliness of recording mortgage satisfactions. In

the first case to reach the Eleventh Circuit, the Court affirmed the dismissal based on plaintiff's lack of constitutional standing.

Represented a global financial institution in securing the dismissal of a putative class action in Arizona federal court alleging the improper notarization of mortgage documents.

Represented a global financial institution in several MERS-based putative class actions by borrowers bringing RICO, conspiracy and fraud claims.

Represented a global financial institution in a putative class action in Illinois federal court challenging the servicer's application of insurance proceeds.

Represented a global financial institution in a putative class action in Arkansas federal court challenging fees charged in the non-judicial foreclosure process.

Represented a global financial institution in two putative class actions in Minnesota and New Mexico relating to the Home Affordable Modification Program ("HAMP").

Represented a global financial institution in a putative nationwide class action filed in Illinois federal court alleging violations of the TCPA.

Representing a global financial institution in a putative class action filed in Ohio bankruptcy court related to alleged violations of the discharge injunction.

Obtained a summary judgment for a global financial institution in a HAMP litigation pending in California.

Named to the *National Law Journal's* Appellate Hot List for the 9<sup>th</sup> consecutive year for wins including *Spokeo Inc. v. Robins*

Secured summary judgment for a global financial institution with respect to counterclaims in foreclosure pending in New Jersey state foreclosure court.

Represented a global financial institution in a Servicemember Civil Relief Act litigation pending in Michigan federal court.

## COMMERCIAL AND RMBS LITIGATION

Represented a major financial institution in an adversary proceeding related to a Ponzi scheme in Minnesota bankruptcy court.

Secured a complete dismissal for the Frank Russell Company (the company best known for its Russell indexes of stocks) in litigation involving claims of trade secret misappropriation, breach of contract and fraud.

Represented The Bank of New York Mellon in its litigation relating to its role as trustee of residential mortgage-backed securities.

Represented a leading European banking and financial services company in several putative class and individual actions alleging that the bank manipulated certain reference rates that serve as pricing benchmarks for financial instruments, corporate debt and municipal bonds.

Obtained dismissal with prejudice of an action against our client, Bank of China

(Hong Kong), in breach of contract, breach of fiduciary duty, negligence and gross negligence claims alleged by Chinacast Education Corporation.

Represented the a leading Canadian bank in a complex dispute arising out of the sale of the bank's US and foreign capital markets and investment-banking businesses.

Represented the a large global banking and financial services institution defendants in a putative class action alleging that financial institutions restrained competition in the trade of credit default swaps.

Represented a national mortgage originator in RMBS repurchase and indemnification claims related to the Lehman Brothers bankruptcy.

## GOVERNMENT ENFORCEMENT

Represented an online retailer in a CFPB enforcement investigation concerning debt collection practices.

Represented mortgage loan servicers in responding to a CFPB Potential Action and Request for Response ("PARR") letter concerning mortgage loan servicing practices.

Represented a Chamber of Commerce in two amicus cases concerning scope of CFPB investigatory jurisdiction.

Represented multiple clients in responding to inquiries from HUD's Mortgagee Review Board, Quality

Assurance Division, Office of Inspector General and National Servicing Center in connection with the origination and servicing of FHA-insured loans and the offering of loss mitigation to delinquent borrowers.

Represented multiple FHA-approved entities and negotiated settlements in connection with False Claims Act investigations by the US Attorney's Office involving FHA mortgage insurance, including the origination and servicing of FHA loans and the reverse, or HECM program.

Represented a real estate company in a CFPB investigation of marketing services agreements.

Represented a title insurance agency in a CFPB investigation involving affiliated business arrangements.

Represented a major non-US bank and related trust companies in connection with an internal investigation of its maintenance of offshore accounts for potentially non-compliant US taxpayers.

Represented a depository institution in a CFPB investigation concerning collections calling practices.

Represent a depository institution in a CFPB investigation concerning sales practices.

Represented a mortgage lender in a CFPB investigation of loan originator compensation practices.

Our Structured Finance team finished number one for issuer's counsel for ABS and MBS deals and third for underwriter's counsel for ABS and MBS deals in Asset-Backed Alert. We also tied for second for issuer's counsel for CLOs.



Represented a title agency in connection with administrative proceedings filed by the states of Maryland, Missouri and California and the Commonwealth of Virginia.

Represented a homebuilder in connection with an investigation by the state of Florida into a third-party complaint under fair housing laws.

Represented two mortgage lenders before HUD in connection with HUD's proposed termination of their Lender Insurance authority.

Represented numerous mortgage lenders, consumer lenders and fintech companies in administrative proceedings filed by California licensing agencies relating to alleged violations of various state and federal laws.

Represented a trade organization in connection with a HUD Office of the Inspector General investigation.

Represented a residential mortgage lender in a CFPB HMDA investigation.

Represented an online mortgage lender in connection with administrative proceedings filed by the states of Alaska and Massachusetts alleging violations of various state and federal laws.

Represented a regional bank in a HUD investigation of a Fair Housing Act complaint alleging illegal redlining practices.

Represented a major national bank in HUD's investigation of a Fair Housing Act complaint involving "mystery shopper" applicants.

Advised depository institutions and

other regulated institutions on the development of consumer remediation plans and correspondence in connection with self-identified issues requiring redress.

Defended a regional bank in a redlining investigation by FDIC.

Advised on NORA strategy for a title loan company being investigated by CFPB.

Represented numerous mortgage lenders in administrative proceedings before the HUD Mortgagee Review Board.

Represented a background check company in an CFPB enforcement investigation concerning compliance with FCRA.

Represented a private equity firm in a CFPB investigation concerning RESPA.

Represented a mortgage lender in connection with administrative proceedings filed by the state of Kentucky alleging violations of state and federal laws.

Represented a national bank in a joint redlining investigation by the CFPB and the Department of Justice.

Represented a major US bank in responding to subpoenas concerning correspondent banking transactions from the District Attorney of New York.

Represented a leads purchaser in CFPB investigation.

Represented a provider of online real estate advertising space in a CFPB investigation.

Represented a for-profit school in responding to a third-party Civil Investigative Demand ("CID") from the CFPB in connection with the CFPB's investigation of the accreditation of for-profit schools.

Represented Ginnie Mae-approved issuers in responding to notices of violation involving assertions of non-compliance with Ginnie Mae requirements and guaranty agreement provisions.

Represented mortgage servicers in responding to HUD audits involving FHA insurance claim filings.

Represented mortgage servicers in responding to HUD demands for reimbursement of FHA partial claim payments.

Advised a national bank in a formal appeal of an Office of the Comptroller of the Currency examination rating.





## Transactional

### PURCHASES AND SALES OF LOANS, SERVICING RIGHTS AND EXCESS SERVICING FEES

Represented a distressed asset advisor in structuring a coordinated program of more than 15 sales of non-performing and re-performing whole loans and REO properties on behalf of various funds.

Represented a major national bank in the sale of mortgage-servicing rights to a non-bank depository in connection with the Ginnie Mae Pools Issued for Immediate Transfer program ("PIIT").

Represented a major national bank in sales of mortgage-servicing rights pertaining to delinquent mortgage loans to Fannie Mae and Freddie Mac and then facilitated their resale of the underlying non-performing loans to third-party investors on a servicing-released basis.

Represented a major national bank in the cancellation of Freddie Mac mortgage-servicing rights and related indemnification agreements with transferee servicers.

Represented a major national bank in

various settlement and resolution agreements pertaining to a compensatory fee liability with respect to servicing of delinquent mortgage loans.

Represented a banking and financial services company in the sale of mortgage-servicing rights related to reverse residential mortgage loans held by Fannie Mae or backing securities guaranteed by Ginnie Mae with aggregate balances in excess of \$15 billion to a residential mortgage loan service provider.

Represented a privately held mortgage company in its purchase of agency mortgage-servicing rights in connection with over 30 new transactions and multiple extensions of flow arrangements with more than 25 unique counterparties and involving mortgage loans with unpaid principal balances in excess of \$100 billion dollars.

Represented a major national bank in coordinated bulk mortgage servicing rights sales related to delinquent residential mortgage loans held for investment by the bank or backing securities guaranteed by Ginnie Mae

with unpaid principal balances in excess of \$16 billion dollars.

Represented Lakeview Loan Servicing in the bulk purchase from PHH Mortgage Corporation of servicing rights related to residential mortgage loans backing securities guaranteed by Ginnie Mae with aggregate balances in excess of \$14 billion dollars.

Represented a foreign investment fund manager in its acquisition of a large portfolio of non-prime auto loans and a related financing transaction.

Represented Santander Consumer USA in the sale of assets from its personal lending portfolio to an undisclosed buyer. The portfolio comprised installment loans with an unpaid principal balance of approximately \$900 million.

Represented purchasers and sellers of performing, non-performing and re-performing government insured or guaranteed, conventional conforming and conventional non-conforming residential mortgage loans.

Represented an international bank in connection with the sale of all of its



Fannie Mae, Freddie Mac, Ginnie Mae and PLS mortgage servicing rights with approximate outstanding principal balances of \$17 billion to an independent mortgage servicer.

Represented a national bank in connection with the sale of a portfolio of Home Equity Conversion Mortgages ("HECM").

Represented an international bank in connection with the sale of a portfolio of loans secured by time shares.

Represented Darien Rowayton Bank in the issuance of \$176 million Principal Amount of Student Loan Asset-Backed Notes by DRB Prime Student Loan Trust 2016-B.

Represented Darien Rowayton Bank in the issuance of \$164.7 million student loan asset-backed notes.

Represented GoldenTree Asset Management as issuers' counsel in a 144A offering of ABS backed by private student loans.

We represented a leading global investment banking firm as initial purchaser in the issuance of \$150 million fixed rate notes backed by consumer loans and issued by Oportun Funding III, LLC, Series 2016-B.

We represented Jefferies LLC as initial purchaser of \$150 million fixed rate notes backed by consumer loans and retail installment contracts originated by Oportun, Inc.

We represented Jefferies LLC as placement agent and a global financial services firm as initial purchaser in the issuance of \$60 million in notes by Purchasing Power Funding 2016-A, LLC.

Represented a mortgage servicer in the sale of participation interests in excess servicing fees related to Fannie Mae, Freddie Mac and Ginnie Mae mortgage-servicing rights.

### MERGERS AND ACQUISITIONS

Represented an international banking and financial services company in its \$32 billion acquisition of the commercial distribution finance and vendor finance business of General Electric Capital Corporation with assets in North America, Europe, Asia, Australia and New Zealand.

Represented Ally Financial Inc. in its purchase of substantially all of the assets of an online auto loan aggregator.

Represented Caliber Home Loans in its acquisition of substantially all of the

business assets and certain pipeline loans from a regional mortgage company, including performing consumer regulatory due diligence on the target.

Represented a leading Canadian bank in the \$3.8 billion acquisition of PrivateBancorp, Inc., and its subsidiary, The PrivateBank, a middle-market commercial bank with \$17.7 billion in assets.

Represented Tesch Group in the acquisition of mediafinanz AG, a provider of online-based debt collection solutions, from three investment companies held by the founding shareholders.

Represented LBO France on the acquisition of the non-listed asset management fund Innovation Capital SAS from Caisse des Dépôts et Consignations.

Represented Avedon Capital Partners on the sale of Tesch Inkasso Group to Lowell GFKL Group, a European leader in credit receivables management backed by the Permira Funds and Ontario Teachers' Pension Plan.

Represented a German savings bank in the acquisition of the remaining 69.4 percent shares in S Broker AG & Co. KG,



the online broker of Sparkassen-Finanzgruppe, from a group of investors.

Represented Stearns Lending in the purchase of assets of a mortgage banking joint venture with a national home builder and negotiate a new joint venture agreement with such home builder.

## STRUCTURED FINANCE

Represented Roosevelt Management Company LLC, Roosevelt Management Investment Partners LP and Roosevelt REO Finance I LLC with respect to a mortgage loan master repurchase facility secured by mortgage loans.

Represented a major financial institution as underwriter in the first-ever ABS transaction backed by cell phone contracts.

Represented Amherst Holdings in a single-family rental securitization of seller financing originated in connection with the sale of a portfolio of single-family rental properties to an unaffiliated REIT.

Represented a leading global investment banking firm as lender in the cross-border asset-backed financing of

Linzor Capital Partners' acquisition of the GE Capital Mexico business and then represented the financial institution in a cross-border asset-backed securities offering which enabled the borrower to pay most of the bridge loan. The transaction is one of the largest-ever cross-border securitization warehouse facilities and term ABS transactions, and included both dollar and peso facilities, and a great use of asset-backed funding to finance an M&A transaction.

Represented Volkswagen, as depositor, sponsor and borrower, in connection with the establishment of a \$9 billion loan facility backed by pools of motor vehicle leases and retail installment sales contracts. This was one of the largest securitization transactions of 2016.

Represented Deephaven Mortgage LLC in an inaugural residential mortgage-backed security ("RMBS") deal by a non-prime, non-QM mortgage originator. This was one of the first subprime mortgage RMBS transactions since the financial crisis.

Represented an American fast food company in its consummation of a whole business securitization pursuant to which a special purpose wholly-owned subsidiary issued \$2.3 billion of

fixed rate senior secured term notes and entered into a \$100 million revolving line of credit. This transaction represents one of the largest whole business securitizations done to date in the US market.

Represented Pepper Group Limited as issuer in an offering of USD and AUD-denominated notes collateralized by a pool of non-conforming mortgage loans secured by properties in Australia. This transaction was the first cross-border Australian RMBS deal which complied with both US and EU risk retention.

Represented Macquarie Leasing, an Australian originator of auto leases and loans, in the only Reg. AB II shelf registration by a non-US originator.

Represented Santander Consumer USA Inc. in the sale of approximately \$900 million of unsecured loans to a single purchaser. The portfolio was neither originated nor serviced by the seller, and the sale was structured as an ABS transaction where the purchaser acquired both the debt and equity tranches.

Represented numerous issuers and underwriters in their first Reg. AB II compliant deals.



# This past year, we formally launched our Fintech group, bringing together a team of lawyers with outstanding knowledge and over three decades of experience navigating complex legal challenges at the intersection of technology and financial services.

Represented several clients as underwriters in a public offering of \$1.6 billion auto loan-backed notes issued by Toyota Auto Receivables 2016-B Owner Trust. Proceeds of the TFS “Green Bond” are being used to fund new retail finance contracts and lease contracts for Toyota and Lexus vehicles that meet specific criteria, including powertrain, fuel efficiency and emissions.

Represented Nationstar in connection with multiple securitizations of reverse mortgage loans.

Represented various mortgage servicers in connection with multiple servicing advance financing facilities.

Advised a private foundation in the structuring of a multi million dollar flow-purchase agreement from a P2P real estate fix-and-flip lending platform, together with a related financing-and-servicing arrangement.

Cross-disciplinary representation included advice on servicing, licensing/regulatory, US federal and state and local taxation and structured finance matters.

Represented Conn’s Inc. and certain of its subsidiaries in the issuance of \$553 million fixed rate notes backed by retail installment sales contracts made to finance customer purchases

of merchandise from Conn Appliance’s, Inc.

Represented Jefferies LLC in a private issuance of approximately \$403 million in various tranches of floating rate notes and income notes pursuant to Rule 144A and Regulation S, backed by a portfolio of loans and related assets.

Represented a global financial services firm, as initial purchaser, in the issuance of approximately \$125 million asset-backed fixed rate notes secured by consumer loans.

## CREDIT FACILITIES

Represented a mortgage servicer in the amendment of a term loan facility secured by agency mortgage servicing rights, including an increase in the lender’s commitment and the additional pledge of Freddie Mac servicing rights, and obtained necessary consents and Acknowledgment Agreements from Fannie Mae and Freddie Mac.

Represented a fund in connection with obtaining a \$150 million warehouse credit facility from a major financial institution to finance unsecured marketplace consumer loans.

Represented a major financial institution in connection with providing a major

fund with a \$125 million warehouse credit facility financing unsecured marketplace consumer loans.

Represented a major financial institution in connection with a \$150 million warehouse credit facility to finance unsecured private student loans held by a special purpose entity.

Represented a major financial institution in connection with a \$250 million warehouse credit facility to finance unsecured private student loans held by a special purpose entity.

Represented a syndicate of financial institutions in connection with a \$750 million warehouse credit facility to finance unsecured private student loans held by a special purpose entity.

Represented a syndicate of financial institutions in connection with a \$6 billion warehouse credit facility to finance unsecured FFELP student loans held by a special purpose entity.

Represented a major fund in connection with a bankruptcy-remote consumer loan financing facility.

Represented Affiliates of Waterfall Asset Management, as the seller, in connection with a repurchase warehouse facility for proprietary reverse mortgage loans.





Represented several different sellers in connection with repo financings of

Ginnie Mae early pool buy-out loans and REO properties.

Represented a seller in repo of participation certificate representing an interest in MSRs of agency loans.

Represented a syndicate of lenders in connection with loan secured by MSRs, including agency MSRs.

Represented a seller in the sale of MSRs.

Represented a seller in repurchase financing of HECM loans.

Represented a seller in repurchase financing of the Department of Housing and Urban Development (“HUD”), United States Department of Agriculture (“USDA”) and Veterans Affairs guaranteed (“VA”) loans.

Represented a seller in repurchase financing of Fannie Mae and Freddie Mac loans.

Represented a start-up venture in connection with a repurchase facility for newly originated, closed-end home equity loans.

## INSURANCE

Represented a mortgage insurer in a proposed “deeper MI” transaction with Freddie Mac.

Represented a mortgage insurer in a PMIERS-compliant, collateralized reinsurance transaction with a panel of reinsurers.

Represented a non-US reinsurer in an underwriting and consulting services arrangement with an affiliate of a US mortgage insurer.

## OUTSOURCING

Represented a prominent regional bank in renegotiating a 6.5-year agreement with Fiserv for various back-office and client-facing, hosted and on-premise banking services and software products.

Assisted private wealth management-affiliated bank in the transition of outsourced residential mortgage loan origination arrangements from single-service provider to multiple new service providers.

Represented a leading mortgage bank in connection with a series of outsourcing, system integration and application services transactions valued in excess of \$1 billion.

Represented a global insurance company in its negotiation to provide

outsourcing services supporting the claims and underwriting processes.

Represented a top general insurance and reinsurance company in the renegotiation of a claims-processing outsourcing agreement.

Represented a leading provider of employee benefits, including disability, life and voluntary insurance, in implementing its outsourcing strategy expected to result in separate outsourcings for IT infrastructure, finance and accounting, facilities management, document management operations, claims processing, and human resources.

Represented a large property and casualty insurance company in outsourcing of IT-managed services that will use robotic process automation and artificial intelligence tools to enhance service delivery.

Represented a leading mortgage bank in outsourcing various customer-facing and back-office information technology and business processes.

# Contacts

To discuss how Mayer Brown's Consumer Financial Services lawyers can assist your business, please contact us.

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## About Mayer Brown

Mayer Brown is a global legal services organization advising clients across the Americas, Asia and Europe. Our presence in the world's leading markets enables us to offer clients access to local market knowledge combined with global reach.

We are noted for our commitment to client service and our ability to assist clients with their most complex and demanding legal and business challenges worldwide. We serve many of the world's largest companies, including a significant proportion of the Fortune 100, FTSE 100, CAC 40, DAX, Hang Seng and Nikkei index companies and more than half of the world's largest banks. We provide legal services in areas such as banking and finance; corporate and securities; litigation and dispute resolution; antitrust and competition; US Supreme Court and appellate matters; employment and benefits; environmental; financial services regulatory and enforcement; government and global trade; intellectual property; real estate; tax; restructuring, bankruptcy and insolvency; and wealth management.

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