

# “THE LEGAL BRIEF”

*Advice to the Guardians of the Great Lakes*



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## CONSUMER FINANCIAL PROTECTION BUREAU – POWERFUL ALLY AGAINST CRAFTY CREDITORS

**The Consumer Financial Protection Bureau (CFPB)** has recovered **MILLIONS of \$\$\$** for military consumers and others who have been ripped off by creditors, lenders and debt collectors. Unfortunately, many Ninth District personnel are unaware of the tremendous power CFPB wields on our behalf. Please take a second to read on and learn more about this great agency – one of the few with its own “Office of Servicemember Affairs.” It also features an innovative web site – [www.consumerfinance.gov](http://www.consumerfinance.gov) – so even if you decide to NOT read on, please visit the web site – particularly if you’ve got a valid complaint against a lender or credit card company. The CFPB has achieved some outstanding results for personnel who have filed complaints. Feel free to contact Ms. Steve Lynch first if you are uncertain about how to proceed.

**What is the Consumer Financial Protection Bureau?** – CFPB was established by Congress after the collapse of the housing market in 2008 and tasked with three broad goals: educate consumers, advocate for consumers, and regulate the financial markets to prevent or at least minimize consumer rip-offs. Education includes highlighting the risks and benefits of financial instruments, such as mortgage loans, student loans and credit cards. It also includes giving consumers tools to compare between similar sorts of credit offerings. CFPB advocacy includes pushing to get regulations on the books that levels the playing field and protects consumers against abusive lending practices. Regulation means ensuring that consumer laws are enforced, and investigating complaints from consumers that creditors are **VIOLATING** laws such as the Military Lending Act and the Servicemembers Civil Relief Act (SCRA).

**The Office of Servicemember Affairs** – Recognizing the special challenges faced by military consumers, the CFPB established the Office of Servicemember Affairs (OSA). OSA is led by Mrs. Holly Petraeus, the wife of a retired Army general, and staffed by a number of former military attorneys who understand what it means to serve in the military. It has achieved some remarkable victories on behalf of military consumers, including ordering an auto loan company to pay \$3.28 million for illegal debt collection practices; collecting more than \$400,000 in restitution and penalties on behalf of military consumers victimized by a major retail discounter, and the list goes on. Want to learn more? Check out more military consumer “victory” stories here: [www.consumerfinance.gov/servicemembers/](http://www.consumerfinance.gov/servicemembers/).

**Got Any More Examples of the Way CFPB Can Help Servicemembers and Their Families?** Funny you should ask. Read on:

- **Student Loans** – Stuck paying a student loan with interest above 6%? Did **Ancient Solutions** service your loan? Then you may be entitled to some money!! Spurred by information the OSA gathered, this past June the Justice Department successfully prosecuted Ancient for violating the SCRA. The company was ordered to pay out \$60 million to over 75,000 servicemembers. Curious whether you are eligible for recovery? Contact the Ninth District Legal Office at (216) 902-6010 or contact the Justice Department hotline at (855) 382-6421.
- **State Resources** – On top of the resources offered directly by CFPB, agencies in **ALL 50 STATES** is web-based consumer financial protection resources **specifically for military servicemembers**. The CFPB website provides links to each of these resources.

**In Addition to Supplying On Point Consumer Protection Info**, OSA aggressively advocates on behalf of servicemembers and pushes for laws and regulations help to ensure that military consumers get a fair shake. To that end, OSA invites consumer to share on-line their stories of financial distress (or success). By anonymously sharing consumer stories and lessons-learned, OSA gains insight into the sorts of problems that need further attention and more regulatory oversight. Where to go to share your story? Go to [www.consumerfinance.gov/servicemembers/](http://www.consumerfinance.gov/servicemembers/). Using info shared by military families, OSA produces annual, easy to read “snapshots” of common problems facing servicemembers, and then crafts plans to “fix” those problems (or at least minimize their impact) through education, regulation and legislation. Bottom line? CFPB is there to help consumers. OSA is there to specifically help military consumers. As always, please feel free to contact our legal assistance attorney, Mr. Steve Lynch, before doing so. He knows several of the attorneys at OSA and can touch base with them directly when necessary.