

Client Alert.

September 5, 2012

CFPB Examination Procedures for Larger Participants

By **L. Richard Fischer, Andrew M. Smith and Jim McCabe**

Today, the CFPB released its Examination Procedures for Larger Participants of the Consumer Reporting Market (“Procedures”). The Procedures follow the release of the CFPB’s final rule defining larger participants in the consumer reporting market (“Larger Participant Rule”), which outlines the types of consumer reporting companies and related entities that are subject to CFPB supervision.

In its accompanying press release, the CFPB noted that the Procedures are an extension of the CFPB’s general Supervisory and Examination Manual. This reference appears to reinforce the sentiment of the CFPB’s Larger Participant Rule, which provided that if an entity is designated a larger participant, the CFPB may examine the **entire** entity for compliance with **all** federal consumer financial laws, and assess the risks posed to consumers by any activity of the entity, not just the consumer reporting activities that subjected the entity to CFPB supervision.

The CFPB’s authority to supervise larger participants in the consumer reporting market becomes effective on September 30, 2012.

Below are links to the CFPB press release and Procedures:

Press Release

<http://www.consumerfinance.gov/pressreleases/consumer-financial-protection-bureau-releases-exam-procedures-for-consumer-reporting-market/>

Examination Procedures for Larger Participants of the Consumer Reporting Market

http://files.consumerfinance.gov/f/201209_cfpb_Consumer_Reporting_Examination_Procedures.pdf

Contact:

L. Richard Fischer
(202) 887-1566
lfischer@mofo.com

Andrew M. Smith
(202) 887-1558
asmith@mofo.com

Jim McCabe
(415) 268-7011
jmccabe@mofo.com

Client Alert.

About Morrison & Foerster:

We are Morrison & Foerster—a global firm of exceptional credentials in many areas. Our clients include some of the largest financial institutions, investment banks, Fortune 100, technology and life science companies. We've been included on *The American Lawyer's* A-List for nine straight years, and *Fortune* named us one of the “100 Best Companies to Work For.” Our lawyers are committed to achieving innovative and business-minded results for our clients, while preserving the differences that make us stronger. This is MoFo. Visit us at www.mofo.com.

Because of the generality of this update, the information provided herein may not be applicable in all situations and should not be acted upon without specific legal advice based on particular situations. Prior results do not guarantee a similar outcome.