

CFPB Issues New Manual for Company Responses to Detailed Consumer Complaints

May 22, 2015



On May 15, the Consumer Financial Protection Bureau ("the Bureau") issued an updated [Company Portal Manual](#) ("the Manual") containing new guidance and instructions for companies to respond to consumer complaints filed with the Bureau. It includes detailed instructions on responding to complaints and a list of structured responses that companies will have the option to use as public-facing responses to detailed consumer complaints. On March 19, the Bureau published its final policy statement ("the Statement") announcing it would disclose details of consumer complaints on its public consumer complaint database. The Bureau's [complaint database](#), launched in 2012, lists complaints about credit cards, mortgages, bank accounts, vehicle and other consumer loans, credit reporting, prepaid cards, and debt collection. Currently, after the earlier of confirmation by the company of its business relationship with a consumer who files a complaint, or, 15 days after the company is provided with the complaint, the Bureau publishes limited basic information about consumer complaints, including the company name, product type, customer zip code, and a general description of the type of complaint. As announced in the Statement, on or after June 19, the Bureau will also publish narrative details provided by the consumer (excluding personal information), of the events leading up to the

complaint, unless the consumer opts out of publication. Thus, the company name will remain public, and so will the details of the complaint, while the consumer’s name and identifiable information will remain private. Under the new procedure, consumers submitting complaints will be given the opportunity to consent to publication of their detailed narratives. The complaint will be routed to the company via the Bureau’s company portal, a secure web portal serving as the primary interface between the Bureau’s Office of Consumer Response (“Consumer Response”) and companies. There, companies can view complaints and respond to requests for information from the Bureau. Complaint data and information is also shared by the Bureau with its other offices, including Enforcement and Supervision, as it deems necessary. The Bureau announced in the Statement that since companies might not want or be able to publicly respond in detail to narrative consumer complaints, it would develop and provide a “finite list of structured responses” from which a company can choose, at its option, to serve as its public response to be shared on the database. While companies will continue to be required to respond to the consumer and the CFPB privately, they will also have the option of providing a public-facing structured response. The consumer narrative will not be published until the company provides its public-facing response, but no later than 60 days after the company receives the complaint, the due date for a company’s final response to a complaint. The Manual describes the complaint process and procedures a company must follow after receiving a Complaint via the portal. Companies must provide an initial response within 15 days after receiving a complaint. An initial response may indicate “in progress,” but an additional final response must be provided within 60 days of receipt. Final (non-public) responses must include, at a minimum, steps a company has taken to respond to complaint, including describing and attaching evidence of communications to and from the consumer, and any planned follow-up actions. When filing their final responses, companies must also select from a list of categories including “Closed,” “Closed with monetary relief,” “Closed with Non-Monetary Relief,” or “Closed with Explanation.” Some examples of non-monetary relief include changing account terms, foreclosure alternative without direct monetary value, changing practices, stopping calls, or reopening an account. At the time a company provides its final response, or if not provided then, up to 180 days after receiving the Complaint, the company can select from a menu of public-facing response categories, as follows:

Category	Description displayed in Consumer Complaint Database
Company acted appropriately	Company believes it acted appropriately as authorized by contract or law
Factual dispute	Company disputes the facts presented in the complaint
Unable to verify facts	Company can’t verify or dispute the facts in the complaint
Misunderstanding	Company believes the complaint is the result of a misunderstanding
Discontinued policy or procedure	Company believes complaint relates to a discontinued policy or procedure

Opportunity for improvement	Company believes complaint represents an opportunity for improvement to better serve consumers
Isolated error	Company believes complaint is the result of an isolated error
Third-party	Company believes complaint caused principally by actions of third-party outside the control or direction of the company
No public response	Company chooses not to provide a public response

Companies that fail to file timely final responses will not be permitted to select any public response. As also noted in the Manual, documents can be requested by any person from the Bureau under the Freedom of Information Act (FOIA). Individuals can also request records about themselves under the Privacy Act. Thus, non-public response information could be requested by third-parties. According to the Manual, if documents submitted by a company become subject to a FOIA or Privacy Act request, the Bureau will itself follow FOIA and the Privacy Act to evaluate the documents, but it may not necessarily notify the company of the request or offer the company an opportunity to object to disclosure of the documents. Therefore, companies are advised that in providing responses and other documents to the Bureau, they should label those they believe in good faith are subject to FOIA Exemption 4's protection of trade secrets and of privileged or confidential commercial or financial information. The Bureau will follow its FOIA regulations with respect to documents so designated. Companies submitting documents they believe are covered by a FOIA exemption must submit them as "Questions" under the help tab at the portal, indicating the case number and attaching the documents the company believes the exemption applies to.

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