

March 2016

# Consumer Response Annual Report

January 1 – December 31, 2015



# Message from Richard Cordray

Director of the CFPB



The Consumer Financial Protection Bureau (CFPB or the Bureau) began consumer response operations on July 21, 2011 as the nation's first federal agency specifically mandated to protect American consumers in the financial marketplace. Our Office of Consumer Response (Consumer Response) has continued to improve and expand the CFPB's ability to engage consumers that face financial challenges and bring their concerns to the attention of companies.

The CFPB accepts complaints about financial products and services, including mortgages, credit cards, auto loans, student loans, deposit accounts, debt collection, credit reporting, payday loans, consumer loans, and more. As of March 2016, we have handled over 834,400 consumer complaints. From this wealth of information, we have identified, categorized, analyzed, and synthesized what we have heard. We have quantified how many of these complaints involve mortgages or credit cards or debt collection and the specific types of complaints that consumers have about these and other products.

*I just want to say thank you so much for quickly handling my complaint. I had tried for about a month to handle this issue on my own, and constantly received the run around from the institution. Once I filed a complaint with your agency, I received a phone call from the institution within one day. Moreover, the problem was completely resolved within three business days, and I received the refund that was due me. Once again, thank you.*

*– Consumer from Florida*

In July 2015, the CFPB began publishing monthly complaint reports which include complaint data on company performance, complaint volume, state and local information, and product trends. The reports provide a high-level snapshot of trends and analyses found in the consumer

complaints we handle. They can be used to inform the public, industry, researchers, reporters, and everyone interested in the financial marketplace.

Through our public Consumer Complaint Database, launched by Consumer Response in June 2012, others can learn from consumers' complaints too. In June 2015, the Bureau started allowing consumers to share their specific account of what happened, in their own words, so that others may read about and better understand their experiences. A consumer who chooses to make her experience public enables more people to exert their power to improve the financial marketplace. Publishing these complaint narratives represents a milestone for consumer empowerment. Companies also have the option to respond publicly to the substance of the consumer complaints.

Companies have worked with us to improve processing of complaints, which has been a great operational success. They have responded to the complaints in a timely manner, which often leads to relief and explanations for the consumer. They have recognized our emphasis on prioritizing our complaint data in our supervision and enforcement work. Companies have increasingly embraced our advice to analyze and address the patterns revealed both by our consumer complaint data and by their own customer complaint data, as a guide to changing business practices that consumers find harmful. We even have seen them using the public database to research complaints made about others in the same markets, which is valuable information that is not available from any other sources.

Through these various approaches, the voices of consumers remain foundational to the Bureau's work. Many companies are adapting to this focus to become more directly responsive to consumer concerns. We continue to work to fulfill Congress's vision that we stand on the side of consumers to help improve their financial lives. Through their complaints, consumers help us make the marketplace a better and safer place. This is good for consumers, for the responsible businesses that seek to serve them, and for the American economy as a whole.

Sincerely,

A handwritten signature in blue ink that reads "Richard Cordray". The signature is fluid and cursive, with "Richard" on top and "Cordray" below it, slightly overlapping.

Richard Cordray

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# 1. Introduction

The CFPB is the first federal agency solely focused on consumer financial protection.<sup>1</sup> Collecting, investigating, and responding to consumer complaints<sup>2</sup> are integral parts of the CFPB’s work.<sup>3</sup> The Bureau’s Office of Consumer Response hears directly from consumers about the challenges they face in the marketplace, brings their concerns to the attention of companies, and assists in addressing their complaints.

When the Bureau opened its doors on July 21, 2011, it began consumer response operations on the same day, accepting consumer complaints about credit cards. Since then, the Bureau has expanded its complaint handling to include complaints about: mortgages, bank accounts and services, student loans, vehicle and other consumer loans, credit reporting, money transfers, virtual currency, debt collection, payday loans, prepaid cards, and other financial services.

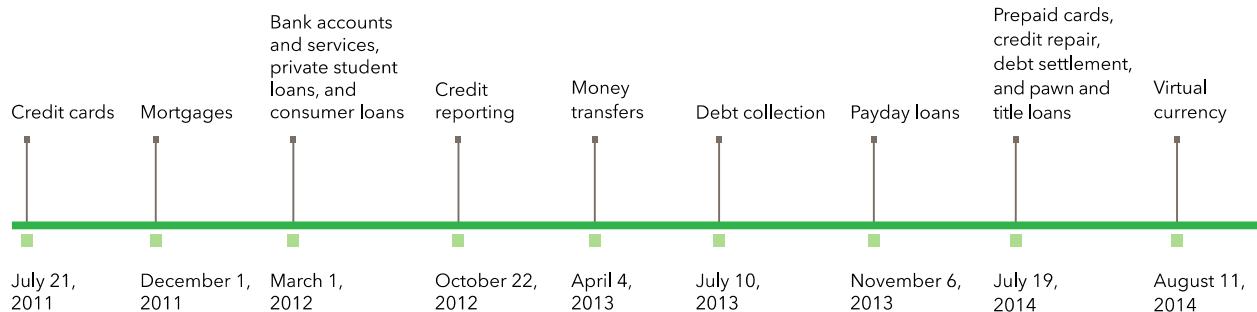
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<sup>1</sup> The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Pub. L. No. 111-203 (“Dodd-Frank Act”) created the CFPB to protect consumers of financial products or services and to encourage the fair and competitive operation of consumer financial markets.

<sup>2</sup> Consumer complaints are submissions that express dissatisfaction with, or communicate suspicion of wrongful conduct by, an identifiable entity related to a consumer’s personal experience with a financial product or service.

<sup>3</sup> See Dodd-Frank Act, Pub. L. No. 111-203, Section 1021(c)(2).

**FIGURE 1: TYPES OF COMPLAINTS OVER TIME**



The CFPB continues to work toward expanding its complaint handling to include other products and services under its authority. Consumers may also contact the CFPB about other products and services. The Bureau refers consumers to other regulators or additional resources, as appropriate.

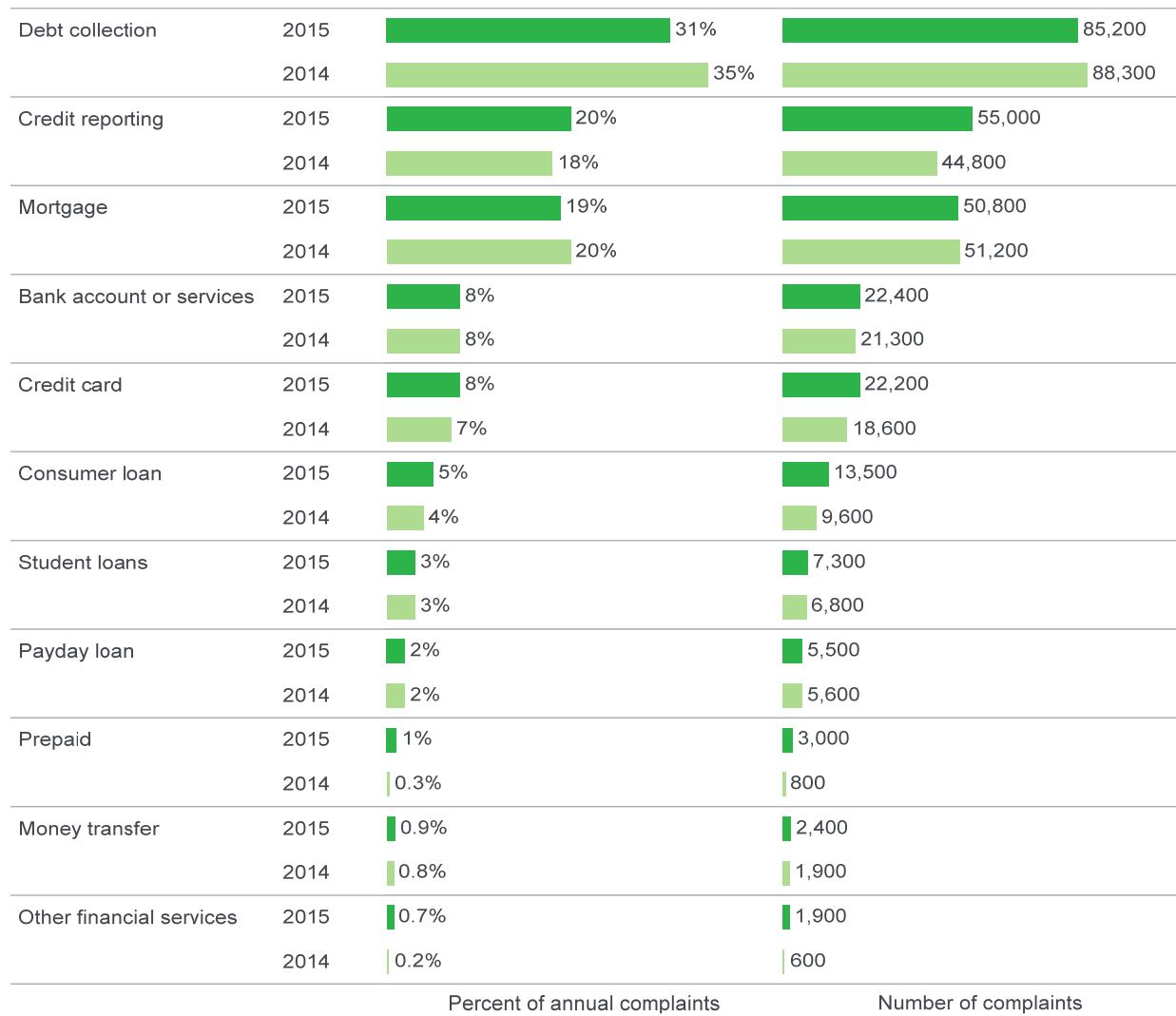
The CFPB's phased-in approach to taking complaints has allowed Consumer Response to develop strong foundations over time. By applying the lessons learned through previous complaint rollouts, Consumer Response has improved its intake process, enhanced communication with companies, and ensured the system's ease-of-use and effectiveness for consumers. Based on feedback from consumers and companies, as well as its own observations, Consumer Response identifies new opportunities to improve its processes and implements changes.

Since beginning to accept complaints on July 21, 2011, the CFPB has handled approximately 834,400 consumer complaints as of March 1, 2016, including 271,600 in 2015.

**FIGURE 2:** COMPLAINTS OVER TIME



**FIGURE 3:** COMPLAINT VOLUME BY PRODUCT 2014 AND 2015



Year over year, complaint volume has steadily increased, rising 8% from 250,700 in 2014 to 271,600 in 2015.

Information about consumer complaints is available to the public, through the CFPB's public [Consumer Complaint Database](#), launched on June 19, 2012.<sup>4</sup> The public database was initially populated with credit card complaints received on and after June 1, 2012, and has been expanded over time:

- October 2012: added credit card complaints dating back to December 1, 2011;
- March 2013: added mortgage complaints dating back to December 1, 2011; bank account and service complaints, student loan complaints, and other consumer loan complaints, all dating back to March 1, 2012;
- May 2013: added credit reporting complaints dating back to October 22, 2012 and money transfer complaints dating back to April 4, 2013;
- November 2013: added debt collection complaints dating back to July 10, 2013;
- July 2014: added payday loan complaints dating back to November 6, 2013;
- January 2015: added complaints about prepaid cards, other consumer loans (pawn and title loans), and other financial services dating back to July 19, 2014;
- June 2015: added consumer complaint narratives and optional company public responses;<sup>5</sup> and
- February 2016: added tags to identify complaints submitted by older Americans and servicemembers and a field indicating whether the consumer consented to publication of the narrative.

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<sup>4</sup> In December 2011, the CFPB asked the public to comment on a proposed policy of making some credit card complaint data publicly available. After considering those comments, the CFPB finalized its policy for disclosing some of the data through its Consumer Complaint Database (Policy Statement). See Disclosure of Certain Credit Card Complaint Data, 77 Fed. Reg. 37,558 (June 22, 2012).

A complaint is listed in the database after the company responds to the complaint or after the company has had the complaint for 15 calendar days, whichever comes first. Complaints are not published if they do not meet all of the publication criteria.<sup>6</sup>

The database generally updates nightly, and contains certain individual complaint-level data collected by the CFPB, including the type of complaint, the date of submission, the consumer's zip code, and the company about which the consumer submitted the complaint. The database also includes information about the actions taken by a company in response to a complaint – whether the company's response was timely, how the company responded, and whether the consumer disputed the company's response. The database does not include confidential information about consumers' identities.

On June 25, 2015, the CFPB began to publish consumer complaint narratives in the Consumer Complaint Database. Consumers now have the choice to share in their own words their experiences with the consumer financial marketplace. Only those narratives for which opt-in consumer consent is obtained and to which a robust personal information scrubbing process is applied are eligible for disclosure. The CFPB gives companies the option to respond publicly to the substance of the consumer complaints they receive from the CFPB by selecting from a set list of public-facing response categories.

Web-based and user-friendly features of the database include the ability to filter data based on specific search criteria or tags, to aggregate data in various ways, such as by complaint type, company, state, date, or any combination of available variables, and to download data. Information from the database has been shared and evaluated on social media and using other new applications.

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<sup>5</sup> See Disclosure of Consumer Complaint Narrative Data, 80 Fed. Reg. 15572 (March 24, 2015).

<sup>6</sup> Ibid.

**Consumer Complaint Database**

Each week we send thousands of consumers' complaints about financial products and services to companies for response. Those complaints are published here after the company responds or after 15 days, whichever comes first. By adding their voice, consumers help improve the financial marketplace.





Consumers have let us know they want to share their complaint descriptions so others can learn from their experience.

[Read consumer narratives](#)



View, sort, and filter data right in your browser.

[View complaint data](#)



All complaint data we publish is freely available for anyone to use, analyze, and build on.

[Download options and API](#)

[www.consumerfinance.gov/complaintdatabase](http://www.consumerfinance.gov/complaintdatabase)

The CFPB also has a “Tell Your Story” feature on its website that gives consumers the opportunity to share their experiences – positive or negative – with consumer financial products and services. These submissions, like formal complaints, are reviewed by CFPB staff to help the Bureau understand current issues in the financial marketplace.

Consumer Response continually strives to improve data quality and protect sensitive information, while increasingly making data available through reports to Congress and to the public about the complaints the CFPB handles and by sharing certain data with the public through the Consumer Complaint Database.

In keeping with the CFPB’s statutory responsibility and its commitment to accountability, this report provides an overview of the handling and analysis of complaints by the Bureau from January 1 through December 31, 2015.<sup>7</sup>

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<sup>7</sup> This report addresses the reporting requirements of Dodd-Frank Act Section 1013(b)(3)(c), 12 U.S.C. § 5493(b)(3)(c) and Fair Credit Reporting Act Section 611(e), 15 U.S.C. § 1681i(e).

## 2. How the CFPB handles complaints

Consumer Response receives complaints and inquiries directly from consumers. The CFPB accepts complaints through its website and by telephone, mail, email, fax, and referral. Consumers submit complaints on the Bureau's website using complaint forms tailored to specific products, and can also log on to a secure consumer portal to check the status of a complaint and review a company's response. While on the website, consumers can chat with a live agent to get help completing a complaint form. Consumers can also call the Bureau's toll-free number to ask questions, submit a complaint, check the status of a complaint, and more. The CFPB's U.S.-based contact centers provide services to consumers in more than 180 languages and to consumers who are deaf, have hearing loss, or have speech disabilities via a toll-free telephone number. Cutting-edge technology, including secure company and consumer portals, makes the process efficient and user-friendly for consumers and companies. For companies, the CFPB provides secure channels for communicating directly with dedicated staff about technical issues.

The CFPB's Consumer Response team screens complaints submitted by consumers based on several criteria, including whether the complaint falls within the Bureau's authority and whether the complaint is complete.

Screened complaints are sent via a secure web portal to the appropriate company.<sup>8</sup> The company reviews the information, communicates with the consumer as needed, and determines what action to take in response. The company then reports back to the consumer and the CFPB via the secure company portal, and the Bureau invites the consumer to review the response and provide feedback. Consumers who have submitted complaints with the Bureau can log onto the secure consumer portal available on the CFPB's website or call a toll-free number to receive status updates, provide additional information, and review responses provided to the consumer by the company.



The process seeks to ensure that consumers receive timely responses to their complaints and that the Bureau, other regulators, consumers, and the marketplace have the complaint information needed to improve the functioning of the consumer financial markets for such products and services.

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<sup>8</sup> In some cases, Consumer Response refers or sends a complaint to another regulator, for example, if a particular complaint does not involve a product or market that is within the Bureau's jurisdiction or one that is not currently being handled by the Bureau, or in cases where the company is not yet registered to respond to complaints in our system. Complaints handled by the Bureau, including those sent to other regulators, serve to inform the Bureau in its work to supervise companies, to enforce consumer financial laws, to write better rules and regulations, and to educate and engage consumers.

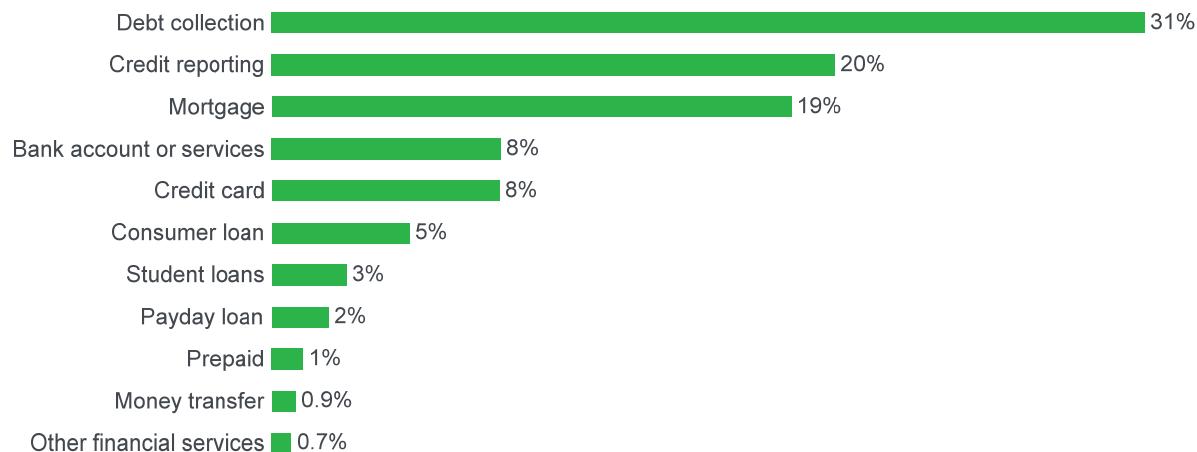
Throughout this process, subject matter experts help monitor certain complaints. For example, the Office of Servicemember Affairs coordinates with Consumer Response on complaints submitted by or on behalf of a servicemember or the spouse or dependent of a servicemember. For these purposes, a servicemember includes as anyone who self-identifies as active duty, National Guard, or Reservist, as well as those who previously served and identify as a Veteran or retiree.

# 3. Results

## 3.1 Complaints handled in 2015

Between January 1, 2015 and December 31, 2015, the CFPB handled approximately 271,600 consumer complaints.<sup>9</sup>

**FIGURE 4:** CONSUMER COMPLAINTS BY PRODUCT<sup>10</sup>



Approximately 71% of all consumer complaints were submitted through the CFPB's website and

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<sup>9</sup> This analysis excludes multiple complaints submitted by a given consumer on the same issue and whistleblower tips.  
All data are current as of January 1, 2016.

<sup>10</sup> Percentages may not sum to 100 percent due to rounding.

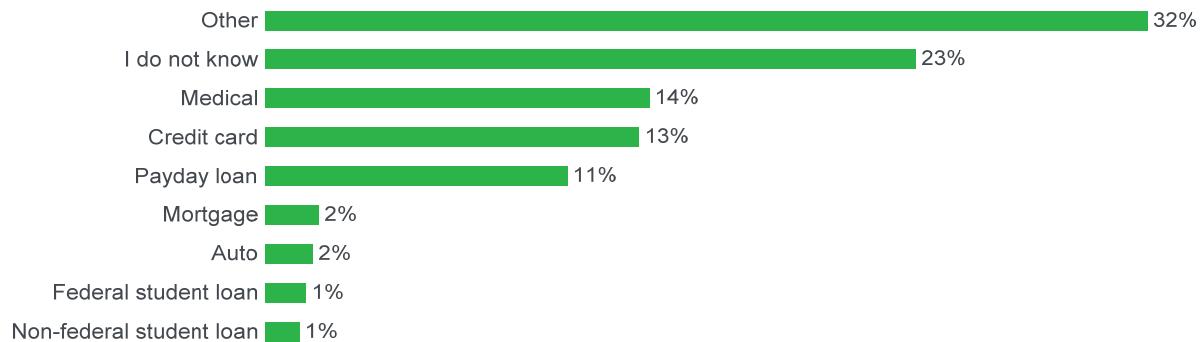
7% via telephone calls. Referrals accounted for 12% of all complaints handled by the CFPB. The rest were submitted by mail, email, and fax.

The tables and figures presented below show complaints by type, actions taken, company responses, and consumers' feedback about company responses.<sup>11</sup>

## 3.2 Consumers' debt collection complaints

Figures 5 and 6 and Table 1 show the types of debt collection complaints reported by consumers for the approximately 85,200 debt collection complaints the CFPB has handled. Approximately 40,300 (or 47%) of all debt collection complaints handled by the CFPB in 2015 were sent by Consumer Response to companies for review and response. The remaining complaints have been referred to other regulatory agencies (42%), found to be incomplete (6%), or are pending with the consumer or the CFPB (1% and 4%, respectively). These complaints include first-party (creditors collecting on their own debts) and third-party collections.

**FIGURE 5: TYPES OF DEBT CONSUMERS COMPLAIN ABOUT**

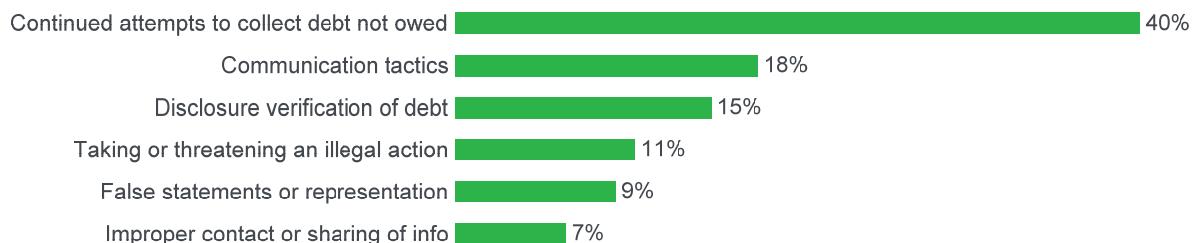


Debt collection complaints led both the daily and monthly volume of complaints handled by the CFPB in 2015. The issues that consumers selected in 2015 were similar to the issues they selected in 2014.

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<sup>11</sup> Percentages may not sum to 100 percent due to rounding.

**FIGURE 6: TYPES OF DEBT COLLECTION COMPLAINTS REPORTED BY CONSUMERS**



**TABLE 1: TYPES OF DEBT COLLECTION COMPLAINTS REPORTED BY CONSUMERS**

Types of debt collection complaints	%
Continued attempts to collect debt not owed (Debt was discharged in bankruptcy, debt resulted from identity theft, debt was paid, debt is not mine)	40%
Communication tactics (Frequent or repeated calls, called outside of 8am-9pm, used obscene, profane or other abusive language, threatened to take legal action, called after sent written cease of communication notice)	18%
Disclosure verification of debt (Did not receive notice of right to dispute, not enough information to verify debt, did not disclose communication was an attempt to collect a debt)	15%
Taking/threatening an illegal action (Threatened to arrest me or take me to jail if I do not pay, threatened to sue me on debt that is too old to be sued on, sued me without properly notifying me of lawsuit, sued me where I did not live or did not sign for the debt, attempted to/collected exempt funds, seized or attempted to seize property)	11%
False statements or representation (Attempted to collect wrong amount, impersonated attorney, law enforcement or government official, indicated committing crime by not paying debt, indicated should not respond to lawsuit)	9%
Improper contact or sharing of information (Contacted me after I asked not to, contacted my employer, contacted me instead of my attorney, talked to a third party about my debt)	7%
<b>Total Debt Collection Complaints</b>	<b>100%</b>

The most common type of debt collection complaint is about continued attempts to collect a debt that the consumer reports is not owed. In many of these cases, the attempt to collect the debt is not itself the problem; rather, consumers assert that the calculation of the amount of underlying debt is inaccurate or unfair. In other cases, the consumer complains about the

furnishing of information to credit reporting agencies. These complaints, which are often consistent with complaints consumers submitted to the Bureau about credit reporting, suggest that consumers frequently only learn about debt collection accounts when they check their credit reports.

Complaints about debt collectors' communications tactics (telephone collections especially) are also very common. In addition to the complaints about collection calls, which consumers say are too frequent or placed at inconvenient times of the day, there were a significant number of complaints about calls placed to third parties, calls to the consumer's place of employment, and calls where the collector threatened to take legal action.

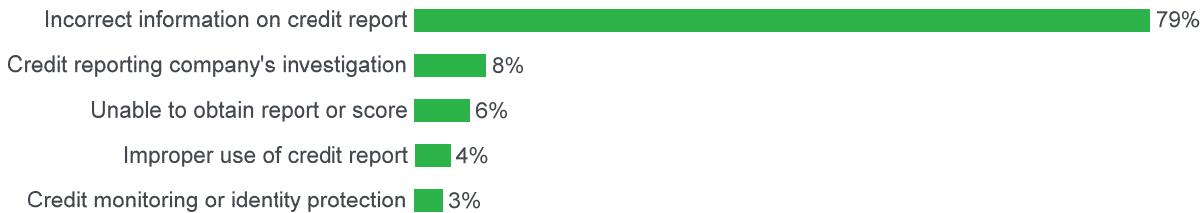
Consumers have complained about the lack of debt verification from debt collectors. Consumers often ask debt collectors for additional documentation to support the debt that is being collected. The lack of documentation provided by some debt collectors appears to frustrate consumers, especially when the documentation is a simple invoice or bill for the services or goods that were the subject of the debt being collected. There are a number of collectors that reportedly respond to any consumer complaints by closing the account and returning it to their client.

Many of the trends identified in 2014 continued into 2015: some consumers complained about debt collectors asking for payments on time-barred debt, while other consumers complained about finding collection accounts on their credit reports, even though they never received an initial notice from the debt collector (*i.e.*, passive collections or parking). Consumers submitting medical debt collection complaints increased slightly in 2015. These complaints often focused on the consumer's belief that the insurance should have or already paid off the debt being collected. Consumers also report that their ability to get an accurate accounting from the debt collector of the amount owed is a common problem.

### 3.3 Consumers' credit reporting complaints

Figure 7 and Table 2 show the types of credit reporting complaints, as reported by consumers for the approximately 55,000 credit reporting complaints handled by the CFPB. This includes approximately 39,200 (71%) about the three largest nationwide credit reporting companies – Equifax, Experian, and TransUnion. Approximately 34,400 (or 62%) of all credit reporting complaints handled by the CFPB in 2015 were sent by Consumer Response to companies for review and response. The remaining complaints have been referred to other regulatory agencies (1%), found to be incomplete (34%), or are pending with the consumer or the CFPB (2% and 1%, respectively).

**FIGURE 7: TYPES OF CREDIT REPORTING COMPLAINTS REPORTED BY CONSUMERS**



**TABLE 2: TYPES OF CREDIT REPORTING COMPLAINTS REPORTED BY CONSUMERS**

<b>Types of credit reporting complaints</b>	<b>%</b>
Incorrect information on credit report (Information is not mine, Account terms, Account status, Personal information, Public record, Reinserted previously deleted information)	79%
Credit reporting company's investigation (Investigation took too long, Did not get proper notice of investigation status or results, Did not receive adequate help over the phone, Problem with statement of dispute)	8%
Unable to get my credit report or credit score (Problem getting free annual report, Problem getting report or credit score)	6%
Improper use of my credit reporting (Report improperly shared by credit reporting company, Received marketing offers after opting out, Report provided to employer without written authorization)	4%
Credit monitoring or identity protection services (Problem cancelling or closing account, Billing dispute, Receiving unwanted marketing or advertising, Account or product terms and changes, Problem with fraud alerts)	3%
<b>Total Credit Reporting Complaints</b>	<b>100%</b>

This table illustrates that the most common type of credit reporting complaint continues to be about incorrect information appearing on the consumer's credit report, such as information that does not belong to the consumer, incorrect account status, and incorrect personal information.

Among consumers' complaints about incorrect information appearing on their credit report, the most common concerns were about incorrect account status and information that does not belong to the consumer. These complaints frequently involve debt collection items on consumers' reports. In some cases, consumers report having paid the debt appearing on their report. In others, they report the debt is no longer due because the debt is too old to be enforced in court, because the debt belongs to a different consumer, or because they do not recognize the debt.

Other consumers express frustration with having to correct information that does not belong to them. Many accuracy complaints submitted by consumers reflect confusion about how public

records, such as bankruptcies and liens, may be reported on a credit report. These consumers frequently mention delays in updating public records, problems correcting inaccurate records, and public records being incorrectly matched to their credit reports.

Consumers consistently have trouble accessing their credit reports due to rigorous identity authentication questions. If denied access to their report because they failed online authentication, the option available is to mail copies of sensitive, identifying documents, which consumers feel is time-consuming and potentially unsecure.

Another common type of complaint is about issues with credit reporting companies' investigations of information disputed by consumers. Consumers report that credit reporting companies sometimes return findings on their disputes within only a few days, and consumers question the depth and validity of such quick investigations. Consumers frequently report difficulty disputing directly with the credit reporting companies. One common issue mentioned in these complaints is identity theft. Victims of identity theft often encounter difficulty correcting inaccuracies in their reports with both lenders and credit reporting companies.

Tables 3 and 4 take a closer look at the two largest issue categories chosen by consumers that shows the extent to which the sub-issues that consumers choose when submitting complaints about inaccurate information on their credit reports and credit reporting companies' investigations are similar at the three national credit reporting companies. While Transunion has an overall smaller volume of complaints, the breakdown of issues is fairly similar between companies, with a few small exceptions. For example, Table 4 shows that Experian does appear to receive proportionally more complaints related to investigation results.

**TABLE 3:** SUB-ISSUES OF INCORRECT INFORMATION ON CREDIT REPORTING COMPLAINTS

<b>Sub-issue for incorrect information on credit report complaints</b>	<b>Equifax</b>	<b>Experian</b>	<b>TransUnion</b>	<b>National credit reporting companies</b>
Account status (Paid bill on time, account closed, etc.)	43%	46%	44%	44%
Information is not mine (Belongs to someone else, identity theft, fraud, etc.)	29%	29%	27%	28%
Account terms (Creditor name/info, balance, payment, etc.)	9%	8%	10%	9%
Public record (Bankruptcy, judgment, etc.)	9%	7%	8%	8%
Personal information (Wrong date of birth, address, etc.)	7%	6%	8%	7%
Reinserted previously deleted information	4%	3%	3%	3%
<b>Total Incorrect Information on Credit Report Complaints</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

The three national credit reporting companies reported providing relief – monetary or nonmonetary – in response to approximately 24% of incorrect information complaints and complaints about the credit reporting companies' investigations sent to them for response. Providing relief to consumers varies significantly by company with Experian providing relief in response to approximately 43% of complaints, Transunion providing relief in response to approximately 21% of complaints, and Equifax providing relief in response to approximately 10% of complaints.

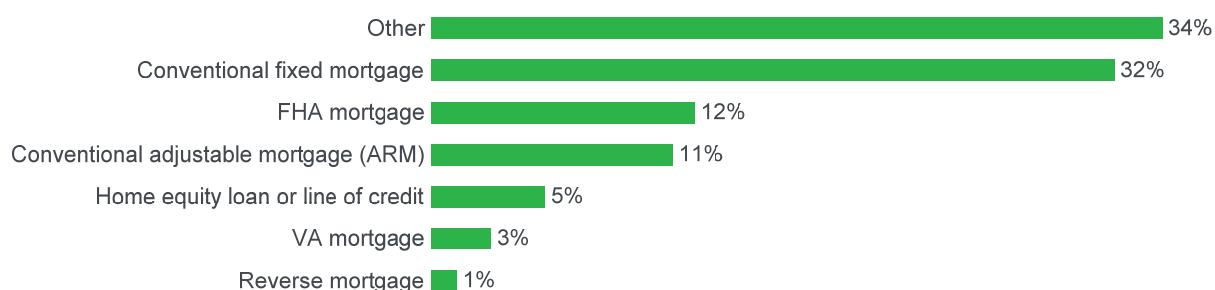
**TABLE 4:** SUB-ISSUES OF CREDIT REPORTING COMPANY'S INVESTIGATION COMPLAINTS

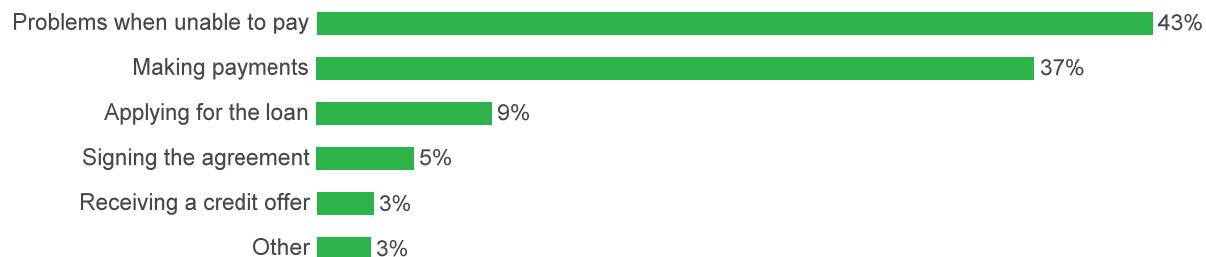
<b>Sub-issue for credit reporting company's investigation complaints</b>	<b>Equifax</b>	<b>Experian</b>	<b>TransUnion</b>	<b>National credit reporting companies</b>
No notice of investigation status or result	36%	47%	36%	40%
Problem with statement of dispute	36%	31%	34%	34%
Investigation took too long	18%	14%	20%	17%
Inadequate help over the phone	10%	8%	10%	9%
<b>Total Credit Reporting Company's Investigation Complaints</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## 3.4 Consumers' mortgage complaints

Figures 8 and 9 and Table 5 show the types of mortgage complaints reported by consumers for the approximately 50,800 mortgage complaints the CFPB has handled. Approximately 43,800 (or 86%) of all mortgage complaints handled by the CFPB in 2015 were sent by Consumer Response to companies for review and response. The remaining complaints have been referred to other regulatory agencies (9%), found to be incomplete (3%), or are pending with the consumer or the CFPB (1% and 1%, respectively).

**FIGURE 8:** TYPES OF MORTGAGE PRODUCTS CONSUMERS COMPLAIN ABOUT



**FIGURE 9: TYPES OF MORTGAGE COMPLAINTS REPORTED BY CONSUMERS****TABLE 5: TYPES OF MORTGAGE COMPLAINTS REPORTED BY CONSUMERS**

Types of mortgage complaints	%
Problems when you are unable to pay (Loan modification, collection, foreclosure)	43%
Making payments (Loan servicing, payments, escrow accounts)	37%
Applying for the loan (Application, originator, mortgage broker)	9%
Signing the agreement (Settlement process and costs)	5%
Receiving a credit offer (Credit decision/Underwriting)	3%
Other	3%
<b>Total Mortgage Complaints</b>	<b>100%</b>

The most common topic in mortgage complaints involves problems consumers face when they are unable to make payments, such as issues relating to loan modifications, collections, or foreclosures. In particular, consumers continue to complain about delays and ambiguity in the review of their modification applications. Some consumers complained that they were not considered for all available loss mitigation options, were incorrectly denied a modification, or that the terms of the approved modification were unfavorable. Consumers have also submitted complaints expressing concern that their single point of contact changes frequently while their loss modification application is under review. Consumers with successfully completed loan modifications have complained that some servicers do not amend derogatory credit reporting accrued by consumers during trial periods although documents provided to the consumers by servicers indicated that they would do so.

Consumers also complained about issues they encountered while pursuing short sales or after foreclosure proceedings had been initiated. Consumers seeking short sales reported that second lien holders refuse to accept or subordinate in a short sale, whereas some consumers who do obtain a short sale have concerns about the loan account being incorrectly reported as a foreclosure. Consumers facing foreclosure have expressed confusion about fees assessed in connection with the foreclosure process. The fees often seem to represent a substantial barrier to a consumer's ability to reinstate the loan and avoid foreclosure, as many servicers will not roll the fees into the loan balance. Consumers are then required to pay hundreds or thousands of dollars, in addition to the loan reinstatement amount, to avoid foreclosure, and the actual amount of fees the consumer must pay to reinstate the loan can be confusing. Foreclosure fees are sometimes listed as one line-item on a reinstatement quote, with no itemization provided unless the consumer specifically requests more information on what fees are being assessed. Finally, consumers complain about dual tracking and express concern that the servicer is proceeding with foreclosure proceedings although their modification application is still under review.

Consumers also express concern over difficulties they experience when the servicing of their loan is transferred and complain about fees charged by the prior servicer, unexplained escrow deficiencies, issues with the new servicer accepting the prior servicer's modification, and communication between the old and new servicer (especially when loss mitigation efforts are ongoing). Consumers say payments increase unexpectedly; there is difficulty understanding who they should pay, and they were not informed properly about the transfer. Consumers describe transfers being even more problematic when done in the middle of modification or foreclosure proceedings, with some consumers even asserting they would not have lost their home if the loan had not been transferred.

Other common types of mortgage complaints involve issues related to posting of payments and management of escrow accounts. Consumers describe companies not accepting payments less than the full balance owed, or having payments misapplied once they are handled. Consumers claim that companies did not apply payments in the way the consumer instructed. Consumers also complain that the servicer has not made timely disbursements for tax payments or insurance premiums and in some instances has force placed insurance on their account in error. In some cases, the untimely disbursement of tax payments has resulted in late fees and penalties being assessed to the consumer's account.

Consumer complaints about mortgage originations often involve the lengthy application and

approval processes and unauthorized credit inquiries. Consumers also complain about delayed loan denials that occurred just before settlement but were based upon information that was disclosed early in the application process (*i.e.*, bankruptcy, lack of employment history). Consumers express frustration that fees were charged even though the loan originator knew that the loan would not be approved. A number of complaints involved the lender's refusal to honor rate-locks and concerns about disclosure of the terms of loans with variable interest rates.

Consumers consistently describe trouble communicating with their servicers. Complaints where consumers assert that they sent documents but companies report never having received them are common. Consumers say that attempts to follow up on these issues typically result in the company requesting that the consumer re-send the documents or forms in question. This is common in both mortgage origination complaints as well as throughout the loss mitigation and foreclosure processes.

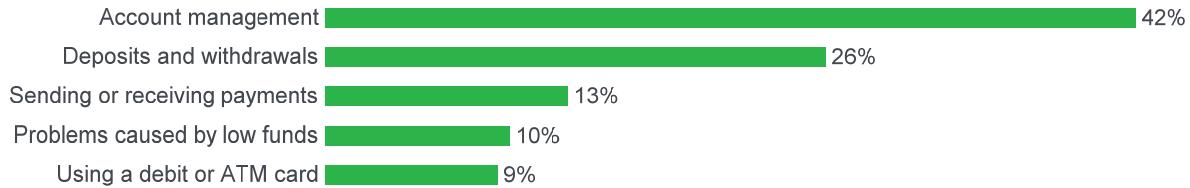
### 3.5 Consumers' bank account and service complaints

Figures 10 and 11 and Table 6 show the types of bank account and service complaints, such as complaints about checking and savings accounts, as reported by consumers for the approximately 22,400 complaints handled by the CFPB. Approximately 17,300 (or 77%) of all bank account or services complaints handled by the CFPB in 2015 were sent by Consumer Response to companies for review and response. The remaining complaints have been referred to other regulatory agencies (16%), found to be incomplete (4%), or are pending with the consumer or the CFPB (1% and 1%, respectively).

**FIGURE 10: TYPES OF BANK ACCOUNTS AND SERVICES CONSUMERS COMPLAIN ABOUT**



**FIGURE 11: TYPES OF BANK ACCOUNT AND SERVICE COMPLAINTS REPORTED BY CONSUMERS**



**TABLE 6: TYPES OF BANK ACCOUNT AND SERVICE COMPLAINTS REPORTED BY CONSUMERS**

Types of bank account and service complaints	%
Account opening, closing, or management (Confusing marketing, denial, disclosure, fees, closure, interest, statements, joint accounts)	42%
Deposits and withdrawals (Availability of deposits, withdrawal problems and penalties, unauthorized transactions, check cashing, payroll deposit problems, lost or missing funds, transaction holds)	26%
Making or receiving payments, sending money to others (Problems with payments by check, card, phone or online, unauthorized or fraudulent transactions, money/wire transfers)	13%
Problems caused by my funds being low (Overdraft fees, late fees, bounced checks, credit reporting)	10%
Using a debit or ATM card (Disputed transaction, unauthorized card use, ATM or debit card fees, ATM problems)	9%
<b>Total Bank Account and Service Complaints</b>	<b>100%</b>

The most common type of bank account and service complaint continues to relate to opening, closing, or managing the account. Some consumers complain they were denied the ability to open an account, and were often uncertain as to why a company refused to open an account. Consumers also raised concerns about issues experienced at the time of the account opening concerning eligibility for bonuses, account features, and promotions for specific products. Other consumers submitted complaints about companies' decisions to close deposit accounts. They often noted that no reason for the action was provided. Some consumers mentioned difficulties opening accounts due to adverse credit reports resulting from errors, identity theft claims, misunderstandings, and delayed updates for charged off accounts that have been settled or paid.

These complaints also address issues such as account maintenance fees, legal processing fees for judgments and levies, changes in account terms, confusing marketing, early withdrawal penalties for certificates of deposit, and involuntary account closures.

Other common complaints relate to deposit and withdrawal issues, such as transaction holds, the company's right to use offset to remove funds from a deposit account, and unauthorized debit card charges. Consumers cited early cut off times for same day deposits, holds placed on checks at the time of deposit, mobile wallet deposit availability, and extended holds placed after a deposit was made. In this area, many consumers are frustrated by companies' handling of error disputes and requests to stop payment on preauthorized electronic debits. Another common type of complaint relates to problems caused by a consumer's funds being low, including overdraft fees, bounced checks, charged-off accounts, and negative reporting to credit reporting agencies. In this area, many consumers are frustrated by the way some companies choose the order in which deposits and withdrawals are posted to consumers' accounts which seems to maximize overdraft fees.

Consumers also complain about delays in the investigation of their dispute claims. In particular, they express concern that companies do not consider the information that consumers submit to support their claim or conduct sufficient research to assess the issues in dispute. Some consumers complain that they have difficulty obtaining authorization to access a decedent's account even after presenting the company with the required documentation. Other consumers complain that they do not receive monthly billing statements on a regular basis.

## 3.6 Consumers' credit card complaints

Table 7 shows the most common types of credit card complaints that the CFPB has handled as reported by consumers. Seventy-four percent of the approximately 22,200 credit card complaints fell into these ten categories. Approximately 17,500 (or 79%) of all credit card complaints handled by the CFPB in 2015 were sent by Consumer Response to companies for review and response. The remaining complaints have been referred to other regulatory agencies (16%), found to be incomplete (4%), or are pending with the consumer or the CFPB (1% and 1%, respectively).

**TABLE 7: MOST COMMON CREDIT CARD COMPLAINTS REPORTED BY CONSUMERS**

Most common credit card complaints	%
Billing disputes	16%
Other	12%
Identity theft / Fraud / Embezzlement	11%
Closing / Cancelling account	8%
Delinquent Account	5%
Customer service / Customer relations	5%
APR or interest rate	4%
Advertising and marketing	4%
Late fee	4%
Transaction Issue	3%
<b>Credit Card Complaints in Top 10 Types</b>	<b>72%</b>

As the table illustrates, billing disputes are the most common type of credit card complaint. Consumers continue to be confused and frustrated by the process and by their limited ability to challenge inaccuracies on their monthly credit card billing statements outside of disputing the charge directly with the company or submitting a complaint with the CFPB. For example, some consumers realize only after their claim has been denied that they needed to notify their credit card companies within 60 days of any billing errors. In other cases, consumers are not aware that companies typically do not stop a merchant charge once the cardholder has authorized it, or do not override a merchant's "no-return policy."

Consumers also complain about the closure of their account without their knowledge or consent. In most of these situations, the company stated that the consumer's account was closed because of default or suspected fraud. Alternatively, some consumers complain that although they requested that the company close their account, it remained open.

Consumers regularly express confusion about how late fees are assessed to their credit card accounts. Consumers frequently report that the company did not make it clear that payments

received after a particular cut-off time would be posted the next business day and considered late.

Consumers continue to submit complaints about deferred interest programs. Many consumers state that the terms of these programs were not adequately explained to them. Specifically, some consumers thought that no interest charges would be incurred during the deferral period regardless of whether the debt is paid in full.

Another common concern for consumers is their inability to allocate payments as they desire. This is more common for consumers with multiple deferred billing promotions or same rate balances such as zero percent promotions with different expiration dates. Changing interest rates, and a lack of clarity about when rate changes occur, are also a major cause for concern for consumers.

Consumers routinely complain that they are not properly informed that their credit limit could be decreased without advance notice. In many instances, the company responded that the reduction in the credit limit was due to the company's reevaluation of the consumer's credit worthiness.

## 3.7 Consumers' consumer loan complaints

Figures 12 and 13 and Table 8 show the types of consumer loan complaints, such as complaints about installment loans, vehicle loans and leases, personal lines of credit, and pawn and title loans reported by consumers for the approximately 13,500 consumer loan complaints handled by the CFPB.<sup>12</sup> Approximately 8,000 (or 60%) of all consumer loan complaints handled by the CFPB in 2015 were sent by Consumer Response to companies for review and response. The remaining complaints have been referred to other regulatory agencies (30%), found to be incomplete (7%), or are pending with the consumer or the CFPB (1% and 3%, respectively).

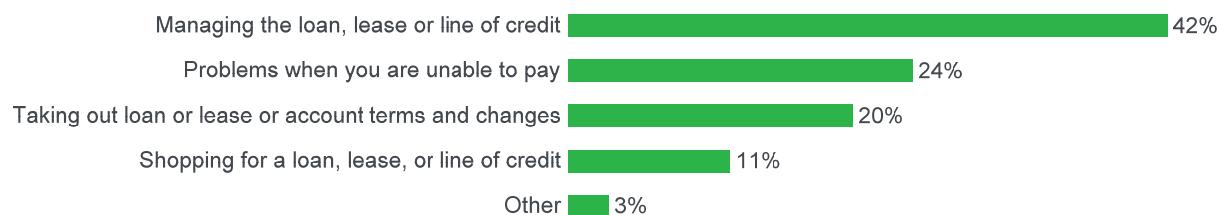
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<sup>12</sup> The Bureau began handling complaints about pawn and title loans as part of the consumer loan complaint category on July 19, 2014.

**FIGURE 12: TYPES OF CONSUMER LOANS CONSUMERS COMPLAIN ABOUT**



**FIGURE 13: TYPES OF CONSUMER LOAN COMPLAINTS REPORTED BY CONSUMERS**



**TABLE 8: TYPES OF CONSUMER LOAN COMPLAINTS REPORTED BY CONSUMERS**

Types of consumer loan complaints	%
Managing the loan, lease, or line of credit (Billing, late fees, damage or loss, insurance (GAP, credit, etc.), credit reporting, privacy)	42%
Problems when you are unable to pay (Debt collection, repossession, set-off from bank account, deficiency, bankruptcy, default)	24%
Taking out the loan or lease / Account terms and changes (Term changes (mid-deal changes, changes after closing, rates, fees, etc.), required add-on products, trade-in payoff, fraud)	20%
Shopping for a loan, lease, or line of credit (Sales tactics or pressure, credit denial, confusing advertising or marketing)	11%
Other	3%
<b>Total Consumer Loan Complaints</b>	<b>100%</b>

The table illustrates that the most common type of consumer loan complaint pertains to managing the loan, lease, or line of credit. Other common types of complaints address problems consumers have when they are unable to pay—including issues related to debt collection, bankruptcy, default, and problems when taking out the loan or lease, such as term changes.

Consumers complain about “bait and switch” experiences where the lender offers very favorable terms to attract their interest in a product and then changes those terms right before the contract is consummated. Consumers complain that such behavior is confusing and they often end up paying much more for a loan than they were initially told. Consumers also complained about the transmission of funds drawn on their line of credit with respect to whether the funds were issued to them via check, as they requested, or direct deposited into an account held at the same institution. In the latter case, funds the consumer draws on a line of credit may be deposited in a joint account against the consumer’s wishes and be accessible by other accountholders.

## 3.8 Consumers’ student loan complaints

Figure 14 and Table 9 show the types of student loan complaints as reported by consumers for the approximately 7,300 student loan complaints handled by the CFPB. Approximately 5,000 (or 69%) of all student loans complaints handled by the CFPB in 2015 were sent by Consumer Response to companies for review and response. The remaining complaints have been referred to other regulatory agencies (23%), found to be incomplete (5%), or are pending with the consumer or the CFPB (1% and 1%, respectively).

**FIGURE 14: TYPES OF STUDENT LOAN COMPLAINTS REPORTED BY CONSUMERS**



**TABLE 9: TYPES OF STUDENT LOAN COMPLAINTS REPORTED BY CONSUMERS**

Types of student loan complaints	%
Dealing with lender or servicer (Making payments, getting information about my loan. Managing my account)	62%
Can't repay my loan (Fees, default, bankruptcy, billing, deferment, forbearance, fraud, credit reporting)	33%
Getting a loan (Confusing terms, rates, denial, confusing advertising or marketing, sales tactics or pressure, financial aid services, recruiting)	5%
<b>Total Student Loan Complaints</b>	<b>100%</b>

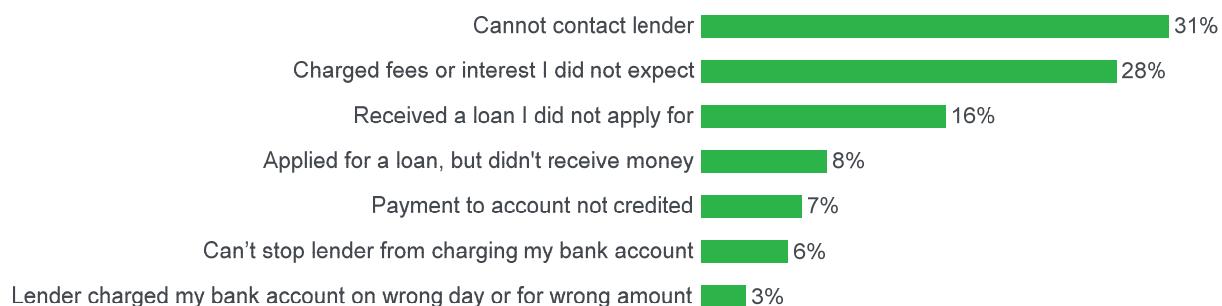
The most common type of student loan complaint relates to dealing with a lender or servicer and includes issues such as making payments, getting information about a loan, and managing an account. Consumers raised concerns about a range of servicing problems, including payment processing problems, challenges obtaining necessary documentation about their student loans, difficulty obtaining accurate information about their loan status and repayment options, and obstacles to accessing basic account information. Consumers also express confusion about the difference between their private and federal student loans, specifically when it comes to forbearance and deferment options.

Another common type of complaint involves problems consumers confront when they are unable to pay, such as issues related to default, debt collection, and bankruptcy. Consumers report that they continue to struggle with the limited affordable payment options permitted in their loan agreements. Specifically, consumers say they are unable to refinance or restructure the repayment terms of their loan, either to lower monthly payments during periods of financial hardship, or to improve existing terms based upon the consumer's improved credit profile and credit-worthiness.

## 3.9 Consumers' payday loan complaints

Figures 15 and 16 and Table 10 show the types of payday loan complaints reported by consumers for the approximately 5,500 payday loan complaints the CFPB has handled. Approximately 1,900 (or 34%) of all payday complaints handled by the CFPB in 2015 were sent by Consumer Response to companies for review and response. The remaining complaints have been referred to other regulatory agencies (40%), found to be incomplete (14%), or are pending with the consumer or the CFPB (2% and 10%, respectively).

**FIGURE 15: TYPES OF PAYDAY LOAN COMPLAINTS REPORTED BY CONSUMERS**



**FIGURE 16: TYPES OF PAYDAY LOANS CONSUMERS COMPLAIN ABOUT**



Of the 5,500 payday loan complaints submitted by consumers, approximately 57% were about problems consumers experienced after obtaining a payday loan online. Approximately 15% reported problems when obtaining a payday loan in person or at a store. For the remaining approximately 28% complaints, the consumer did not indicate how the loan was obtained.

**TABLE 10: TYPES OF PAYDAY LOAN COMPLAINTS REPORTED BY CONSUMERS, BY TYPE OF LOAN**

Types of Payday Complaints	In person / at the store	Online	Not stated	Total
Cannot contact lender	13%	53%	34%	31%
Charged fees or interest I did not expect	19%	65%	16%	28%
Received a loan I did not apply for	6%	43%	51%	16%
Applied for a loan, but didn't receive money	10%	67%	24%	8%
Payment to account not credited	25%	58%	17%	7%
Can't stop lender from charging my bank account	21%	66%	13%	6%
Lender charged my bank account on wrong day or for wrong amount	33%	51%	17%	3%

The most common type of payday loan or deposit advance (*i.e.*, bank payday advance loan) complaint is about problems with contacting the lender. Another common type of complaint involves being charged unexpected fees or interest and receiving loans they did not apply for. Consumers also complain about applying for the loan, but not receiving money from the lender.

The remaining complaints involve issues surrounding payments, such as the use of check holding and electronic debit authorization that hands control of the consumer's bank account over to the lender. Consumers frequently report that they are not aware that the payday contracts sometimes authorize the lender to withdraw funds electronically. Additionally, consumers complain that payday lenders re-present a check several times, causing the consumer to incur multiple nonsufficient funds or overdraft fees.

Many consumers report that they were unaware that funds would be taken from the next direct deposit to pay for a recent direct deposit advance. Consumers also report widespread confusion over repayment dates. Consumers with multiple advances often have difficulty managing a short repayment period and will roll-over the loan, inflating the total cost of the loan. Other common complaints include lack of clarity about repayment of the loan using automatic withdrawal features on a bank card, prepaid card, or by direct deposit and disputes with lenders about whether the loan had been paid off.

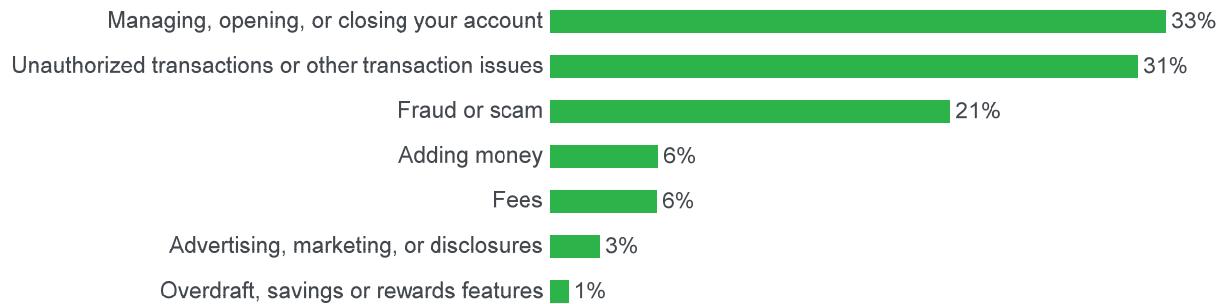
The cost and structure of a particular loan can make it difficult for consumers to repay. Consumers raised concerns such as the risk of being unable to repay the loan while still having enough money left over for other expenses, the high cost of the loan, and aggressive debt collection practices in the case of delinquency or default.

Consumers also submit debt collection complaints to the Bureau that are related to payday loans. In addition to the 5,500 payday complaints handled during 2015, the CFPB has also handled 9,300 debt collection complaints where the source of the debt is a payday loan or loans. These payday-related debt collection complaints account for nearly 11% of all debt collection complaints handled by the CFPB.

## 3.10 Consumers' prepaid cards complaints

Figure 17 and Table 11 show the types of prepaid card complaints reported by consumers for the approximately 3,000 prepaid card complaints the CFPB has handled. Approximately 1,800 (or 59%) of all prepaid complaints handled by the CFPB in 2015 were sent by Consumer Response to companies for review and response. The remaining complaints have been referred to other regulatory agencies (30%), found to be incomplete (8%), or are pending with the consumer or the CFPB (1% and 2%, respectively).

**FIGURE 17: TYPES OF PREPAID CARD COMPLAINTS REPORTED BY CONSUMERS**



**TABLE 11: TYPES OF PREPAID CARD COMPLAINTS REPORTED BY CONSUMERS**

<b>Types of prepaid card complaints</b>	<b>%</b>
Managing, opening, or closing your account	33%
Unauthorized transactions or other transaction issues	31%
Fraud or scam	21%
Adding money	6%
Fees	6%
Advertising, marketing, or disclosures	3%
Overdraft, savings or rewards features	1%
<b>Total Prepaid Card Complaints</b>	<b>100%</b>

The most common type of prepaid card complaint involved managing, opening, or closing a prepaid card account. Another common type of complaint was about unauthorized transactions or other transaction issues. Consumers are frustrated that they are charged an inquiry fee when they call to obtain the balance on the card. Consumers appear to be confused about the application of various fees related to the maintenance of the account, including fees that are assessed when funds are deposited on the card or withdrawn from the card. Consumers also commonly complain about frauds and scams in relation to prepaid cards.

The remaining complaints involved issues with fees, adding money to a reloadable prepaid card, dealing with potentially misleading advertising or marketing, or not being properly

compensated on rewards. Consumers also complained that they did not know that prepaid cards expire and that they have experienced differences in error resolution procedures among issuers.

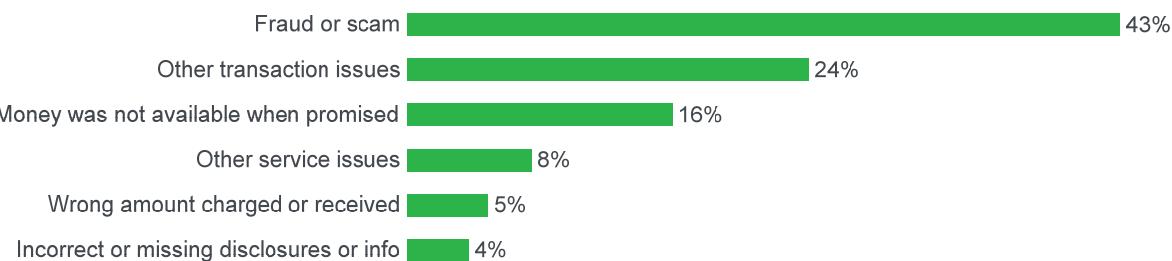
### 3.11 Consumers' money transfer complaints

Figures 18 and 19 and Table 12 show the types of money transfer complaints reported by consumers for the approximately 2,400 money transfer complaints the CFPB has handled. Approximately 1,600 (or 69%) of all money transfer complaints handled by the CFPB in 2015 were sent by Consumer Response to companies for review and response. The remaining complaints have been referred to other regulatory agencies (21%), found to be incomplete (7%), or are pending with the consumer or the CFPB (1% and 2%, respectively).

**FIGURE 18: TYPES OF MONEY TRANSFER COMPLAINTS REPORTED BY CONSUMERS**



**FIGURE 19: TYPES OF MONEY TRANSFER COMPLAINTS REPORTED BY CONSUMERS**



**TABLE 12: TYPES OF MONEY TRANSFER COMPLAINTS REPORTED BY CONSUMERS**

<b>Types of money transfer complaints</b>	<b>%</b>
Fraud or scam	43%
Other transaction issues (Unauthorized transaction, cancellation, refund, etc.)	24%
Money was not available when promised	16%
Other service issues	8%
Wrong amount charged or received	5%
Incorrect or missing disclosures or info	4%
<b>Total Money Transfer Complaints</b>	<b>100%</b>

This table illustrates that the most common type of money transfer complaint is about fraud or scams. In these cases, the consumer is prompted to send funds as a result of a scam, and someone other than the consumer's intended recipient ultimately receives the funds. For example, consumers often complain that they were prompted to transfer funds in response to a request for help from a family member or friend, for the purchase of goods or services, the rental of an apartment, a loan, a job opportunity, or to pay taxes on lottery earnings. In response to such complaints, companies claim no liability when someone other than the intended recipient receives the funds, as long as the company complied with its policies and procedures and the minimum identification requirements were satisfied by the recipient. Another common type of complaint involves issues with other transactions, such as the refusal to cancel transactions or honor refunds the consumer believes the company should provide them.

Consumer complaints about money transfers frequently involve attempts by consumers to remit money to family members, both domestically and internationally. A number of consumers indicated they regularly use money transfers to provide for basics, including: school fees, support for elderly relatives, and other basic living expenses. Consumers often submit complaints that the transfer recipients did not receive the money transfer, the amount received was smaller than expected, or about significant and unanticipated delays. Many of these consumers state that they have successfully completed similar transactions previously without issues.

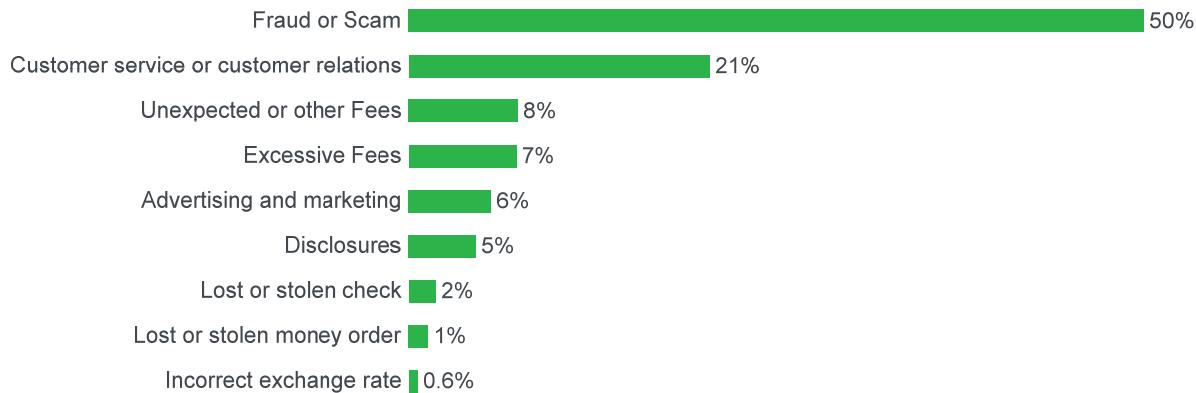
Customer service and access to information about the status of transfers, investigations into transfers, and other money transfer processes can be sources of frustration for consumers. When contacting customer service, consumers report that they receive inadequate or confusing information, experience long hold times, or are simply unable to reach customer service representatives. Even when consumers do eventually receive information, they often find that the explanations for problems they encountered are insufficient and do not provide them with the means to prevent similar problems in the future.

Some consumers who send international transfers mentioned problems with the transfer amount, transfer fees and taxes, and exchange rates. Some consumers complain that remittance transfer providers charge them a higher exchange rate than the exchange rate reported in major newspapers. A number of consumers also reported that the funds were not received in the same currency in which the transfer is funded (*e.g.*, U.S. Dollars).

## 3.12 Other financial services complaints

Figure 20 and Table 13 show the types of other financial services complaints reported by consumers for the approximately 1,900 other financial services complaints the CFPB has handled. Approximately 300 (or 16%) of all other financial services complaints handled by the CFPB in 2015 were sent by Consumer Response to companies for review and response. The remaining complaints have been referred to other regulatory agencies (60%), found to be incomplete (12%), or are pending with the consumer or the CFPB (2% and 9%, respectively).

**FIGURE 20: TYPES OF OTHER FINANCIAL SERVICES COMPLAINTS REPORTED BY CONSUMERS**



**TABLE 13: TYPES OF OTHER FINANCIAL SERVICES COMPLAINTS REPORTED BY CONSUMERS**

<b>Types of other financial services complaints</b>	<b>%</b>
Fraud or Scam	50%
Customer service/Customer relations	21%
Unexpected/Other Fees	8%
Excessive Fees	7%
Advertising and marketing	6%
Disclosures	5%
Lost or stolen check	2%
Lost or stolen money order	1%
Incorrect exchange rate	0.6%
<b>Total other financial services</b>	<b>100%</b>

Many other financial service complaints relate to credit repair or debt settlement. In particular, consumers report a large number of instances of upfront fees for both debt settlement and credit repair services. In some cases, existing law prohibits these upfront fees. Consumers should be aware of the potential for scams in both of these areas.

Consumers who submit check cashing complaints frequently mention the high costs. This is especially common for consumers who do not have a bank account at the institution where they are attempting to cash a check. A number of consumers also complained about being unable to cash checks. In many instances these checks were not cashed because of recommendations made by check authorization and warranty companies.

Consumers also complain about difficulties redeeming money orders and about problems that arise when money orders are lost. In many of these complaints, consumers express dissatisfaction with the error resolution processes available to them and the length of time required to resolve errors.

### 3.13 How companies respond to consumer complaints

Approximately 172,200 (or 63%) of all complaints handled by the CFPB between January 1, 2015 and December 31, 2015 were sent by Consumer Response to companies for review and response.<sup>13</sup> Table 14 shows how companies responded to these complaints during this time period. Company responses include descriptions of steps that have been or that will be taken, communications received from the consumer, any follow-up actions or planned follow-up actions, and a categorization of the response. Response category options include “Closed with monetary relief,” “Closed with non-monetary relief,” “Closed with explanation,” “Closed,” “In progress,” and other administrative options. “Monetary relief” is defined as objective, measurable, and verifiable monetary relief to the consumer as a direct result of the steps that have been or that will be taken in response to the complaint. “Closed with non-monetary relief” indicates that the steps taken by the company in response to the complaint did not result in monetary relief to the consumer that is objective, measurable, and verifiable, but may have

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<sup>13</sup> The remaining complaints have been referred to other regulatory agencies (22%), found to be incomplete (11%), or are pending with the consumer or the CFPB (1% and 3%, respectively).

addressed some or all of the consumer’s complaint involving non-monetary requests. “Non-monetary relief” is defined as other objective and verifiable relief to the consumer as a direct result of the steps that have been or that will be taken in response to the complaint. “Closed with explanation” indicates that the steps taken by the company in response to the complaint included an explanation that was tailored to the individual consumer’s complaint. For example, this category would be used if the explanation substantively meets the consumer’s desired resolution or explains why no further action will be taken. “Closed” indicates that the company closed the complaint without relief – monetary or non-monetary – or explanation. Consumers are given the option to review and dispute all company closure responses.

Companies have responded to approximately 95% of complaints<sup>14</sup> sent to them and report having closed 91% of the complaints sent to them in 2015. Table 14 shows how companies have responded.

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<sup>14</sup> Companies have responded to approximately 164,000 of the 172,200 sent to them for response.

**TABLE 14: HOW COMPANIES HAVE RESPONDED TO CONSUMER COMPLAINTS**

	Closed with monetary relief	Closed with non-monetary relief	Closed with explanation	Closed (without relief or explanation)	Administrative response	Company reviewing	Company did not provide a timely response
Debt collection	1%	15%	67%	4%	1%	3%	8%
Credit reporting	0%	25%	70%	0%	1%	4%	0%
Mortgage	3%	5%	81%	2%	3%	5%	2%
Bank account or services	18%	5%	68%	3%	1%	5%	1%
Credit card	19%	11%	64%	1%	1%	4%	0%
Consumer loan	6%	7%	77%	1%	2%	4%	3%
Student loans	5%	6%	83%	1%	1%	4%	1%
Payday loan	4%	3%	62%	3%	15%	2%	11%
Prepaid	24%	19%	36%	1%	1%	18%	1%
Money transfer	12%	2%	76%	1%	0%	6%	3%
Other financial services	10%	5%	71%	2%	1%	4%	7%
All	6%	12%	72%	2%	2%	4%	3%

**TABLE 15: UNTIMELY COMPANY RESPONSES AS A PERCENTAGE OF COMPLAINTS SENT TO COMPANY**

	Closed with monetary relief	Closed with non-monetary relief	Closed with explanation	Closed (without relief or explanation)	Administrative response	Company reviewing	No response
Debt collection	0%	5%	48%	10%	2%	1%	33%
Credit reporting	2%	15%	49%	9%	2%	0%	24%
Mortgage	2%	2%	64%	4%	4%	1%	22%
Bank account or services	16%	2%	72%	4%	0%	0%	7%
Credit card	12%	6%	57%	4%	1%	0%	19%
Consumer loan	3%	6%	47%	4%	3%	1%	36%
Student loans	4%	3%	74%	7%	4%	0%	8%
Payday loan	3%	2%	41%	4%	2%	1%	48%
Prepaid	21%	21%	36%	0%	0%	0%	21%
Money transfer	5%	0%	67%	2%	2%	0%	23%
Other financial services	5%	0%	27%	9%	0%	0%	59%
All	2%	4%	51%	9%	2%	1%	31%

Companies have the option to identify their responses to particular complaints as being “Closed with non-monetary relief” when they provide non-monetary relief in response to complaints. In such cases, consumers have received a range of non-monetary relief, such as:

- providing mortgage foreclosure alternatives that do not have direct monetary value to the consumer, but that help them keep their home;

- stopping harassment from debt collectors;
- cleaning up consumers' credit reports by correcting submissions to credit bureaus; restoring or removing a credit line from a credit file;
- correcting account information, including in credit reports; and
- addressing formerly unmet customer service issues.

Companies also have the option to report an amount of monetary relief, where applicable. In 2015, companies provided relief amounts in response to more than 9,700 complaints. For companies which have reported monetary relief, the median amount of relief reported was \$134; however, the amount varies by product, ranging from a median of \$500 in relief for mortgage complaints to \$23 in relief for credit reporting complaints.

**TABLE 16: MONETARY RELIEF REPORTED BY COMPANIES**

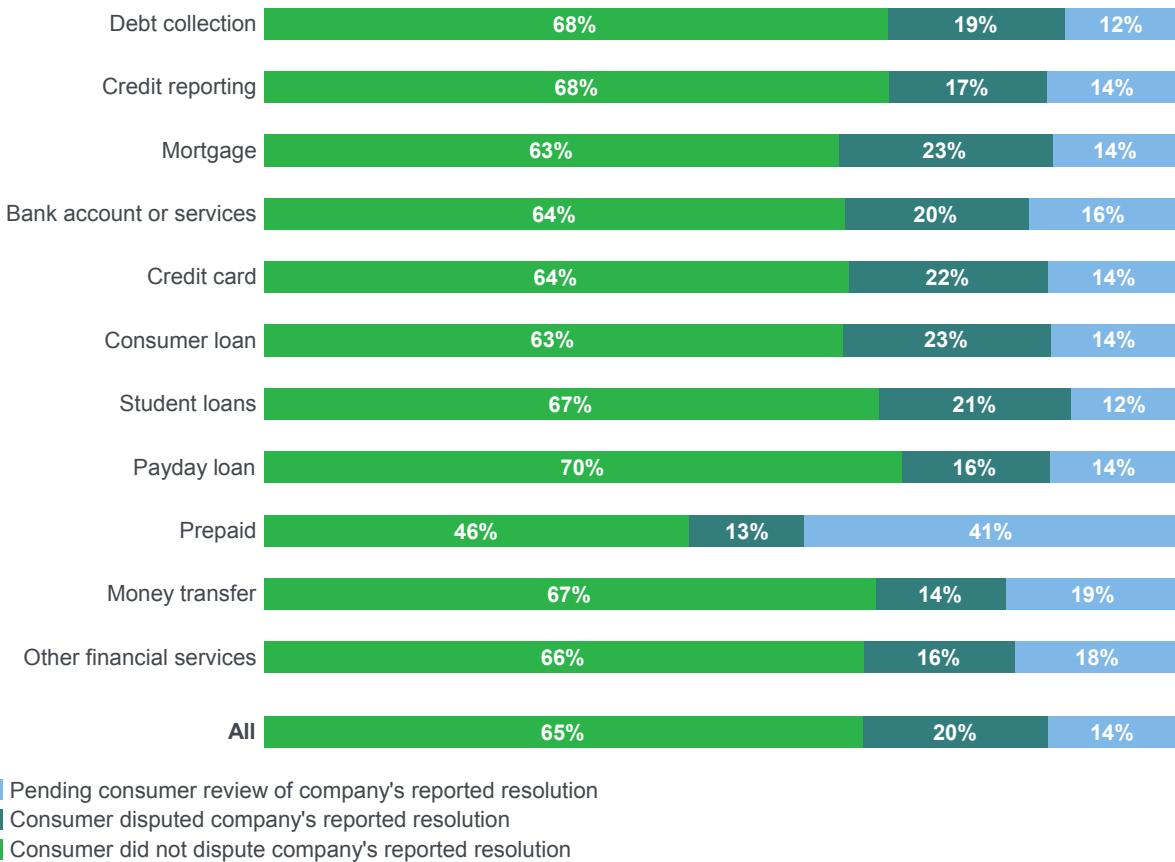
<b>Product</b>	<b>Number of complaints</b>	<b>Median amount</b>
Debt collection	400	\$317
Credit reporting	170	\$23
Mortgage	1,240	\$500
Bank account and services	3,170	\$105
Credit card	3,290	\$100
Consumer loan	460	\$263
Student loans	240	\$173
Payday loan	80	\$347
Prepaid	440	\$371
Money transfer	190	\$100
Other financial services	30	\$105
<b>Overall</b>	<b>9,730</b>	<b>\$134</b>

## 3.14 Consumers' feedback about companies' responses

Once the company responds, the CFPB provides the company's response to the consumer for review. Where the company responds "Closed with monetary relief," "Closed with non-monetary relief," "Closed with explanation," or "Closed," consumers are given the option to provide feedback on the company's response. Figure 21 shows how consumers responded to the approximately 157,300 complaints where they were given the option to provide feedback.

Approximately 20% of consumers disputed the response provided by the company while approximately 65% did not dispute the response during the feedback period. The rest were pending with consumers at the end of December 31, 2015.

**FIGURE 21: CONSUMER FEEDBACK ABOUT COMPANY RESPONSES**



## 3.15 Consumer Response investigation and analysis

Consumer Response analyzes consumer complaints, including the accuracy, completeness, and timeliness of a company's responses as well as consumers' feedback about that company's responses, to ensure that consumers receive timely responses to their complaints and that the Bureau and other regulators, consumers, and the marketplace have the complaint information needed to improve the functioning of the consumer financial markets for such products and services. Consumer Response uses a variety of approaches to analyze consumer complaints including, for example, cohort and text analytics to identify trends and possible consumer harm.

Complaint analysis may prompt investigation of individual complaints or groups of complaints and possible referral to colleagues in the CFPB’s Division of Supervision, Enforcement, and Fair Lending & Equal Opportunity for further consideration.

Consumer Response shares complaint data, analyzes, and offers insights to other offices to help the Bureau:

- Understand problems consumers are experiencing in the marketplace and the impact of those experiences on their lives;
- Develop tools to empower people to know their rights and protect themselves;
- Scope and prioritize examinations and ask targeted questions when examining companies’ records and practices;
- Identify and stop unfair practices before they become major issues; and
- Investigate issues and take action when we find problems.

## 3.16 Conclusion

Listening to consumers and reviewing and analyzing their complaints is an integral part of the CFPB’s work in understanding issues in the financial marketplace, and helping the market work better for consumers. The information shared by consumers and companies throughout the complaint process informs the Bureau about business practices that may pose risks to consumers and helps the Bureau in its work to supervise companies, to enforce Federal consumer financial laws, to write better rules and regulations, and to educate and engage consumers.