



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 6, 2011

Joint Statement of Principles on Consumer Financial Protection

**By The Offices of The Judge Advocate Generals of the
Army, Navy, Air Force, and Coast Guard,
The Staff Judge Advocate to the Commandant of the Marine Corps,
And the Consumer Financial Protection Bureau**

The Consumer Financial Protection Bureau (“the Bureau”), the Offices of The Judge Advocate Generals of the Army, Navy, Air Force, and Coast Guard, and the Staff Judge Advocate to the Commandant of the Marine Corps (“Offices of The Judge Advocate Generals”) hereby adopt this Joint Statement of Principles on Consumer Financial Protection, as agreed between them. The purpose of this Joint Statement is to establish and enhance a lasting and productive partnership between the Bureau and the Offices of The Judge Advocate Generals, as contemplated by the Dodd-Frank Wall Street Reform and Consumer Protection Act (“the Dodd-Frank Act”). In particular, these principles are a first step towards establishing more formal agreements as contemplated by Section 1013(e)(2)(B) of the Dodd-Frank Act.

These principles have been developed to advance the following goals shared by the parties: (1) protecting servicemembers and their families from unlawful acts or practices by providers of consumer financial products or services; (2) creating mechanisms that enable the Offices of The Judge Advocate Generals to provide input on the Bureau’s efforts to improve the marketplace for servicemembers and families and law-abiding businesses, including through enforcement actions if necessary; (3) finding ways to work together to address concerns raised by servicemembers and their families about consumer financial products or services as efficiently and effectively as possible; and (4) working with other offices in the Department of Defense to support improved financial literacy training for servicemembers and their families.

Principles of Enforcement Cooperation

Under the Dodd-Frank Act, the Bureau is granted authority to enforce the Federal consumer financial laws, with certain exceptions, against providers of consumer financial products or services who engage in unfair, deceptive, or otherwise unlawful acts or practices. The Offices of The Judge Advocate Generals have special expertise and experience in identifying and addressing illegal conduct targeted at servicemembers by providers of consumer financial products or services. Therefore, the parties will seek to work together, where appropriate and to the greatest possible extent, to:

- Facilitate the Offices of The Judge Advocate Generals' identification of potential violations of Federal consumer financial laws and the referral of such potential violations to the Bureau;
- Establish a single point of contact within the Bureau's Enforcement Division who can work with Legal Assistance Attorneys to address potential violations of Federal consumer financial laws that result or could result in harm to servicemembers or their families;
- Establish a single point of contact within each Office of The Judge Advocate General to serve as a conduit for information coming from the Bureau, such as assisting the Enforcement Division in establishing contact with Legal Assistance Attorneys who may have clients who have been harmed by businesses that are under investigation by the Bureau; and
- Create a formal working group between the Bureau – including its Office of Servicemember Affairs and Enforcement Division – and the Offices of The Judge Advocate Generals, with the goal of achieving a coordinated response to unlawful conduct targeted at servicemembers and their families.

Principles of Complaint Cooperation

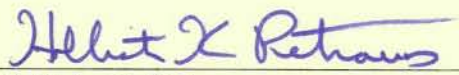
Under the Dodd-Frank Act, one of the primary functions of the Bureau is to collect, investigate, and respond to complaints raised about consumer financial products or services. These complaints will be a valuable resource for the Bureau's work. To ensure that information contained in consumer complaints is analyzed and used effectively, the Bureau and the Offices of The Judge Advocate Generals intend to share such information, to the extent practicable and consistent with governing law. Therefore:

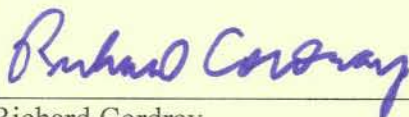
- The Bureau will share information on the consumer complaints that it receives from servicemembers and their families, to the extent consistent with legal requirements and privacy protections, with the Offices of The Judge Advocate Generals;
- The Offices of The Judge Advocate Generals will share information on consumer complaints they receive, to the extent consistent with legal requirements, privacy protections, and only with the consent of the client, and relevant standards of professional conduct, with the Bureau;
- The Offices of The Judge Advocate Generals will encourage servicemembers and Legal Assistance Attorneys to file appropriate complaints through the Bureau's complaint system as that system is developed and implemented;
- The Offices of The Judge Advocate Generals and the Bureau will work together to analyze and determine how to utilize and respond to the input they receive from servicemembers and their families in order to advance their mutual goal of protecting servicemembers and their families from unlawful or otherwise harmful practices in connection with consumer financial products or services; and
- The Offices of The Judge Advocate Generals and the Bureau will share resources for training and equipping their staff members to carry out the principles and shared goals outlined herein.

Conclusion


Therefore, the parties adopt this Joint Statement of Principles for the purposes stated above and commit to working toward a more formal Memorandum of Understanding identifying specific strategies for achieving these purposes.

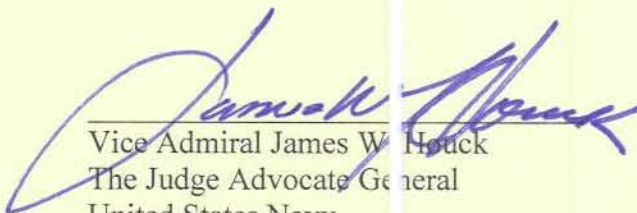
For the Consumer Financial Protection Bureau:

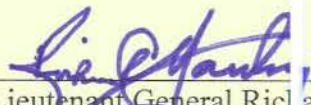

Hollister K. Petraeus
Assistant Director
Office of Servicemember Affairs
Consumer Financial Protection Bureau

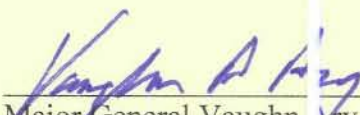

Richard Cordray
Assistant Director
Enforcement Division
Consumer Financial Protection Bureau


For the United States Armed Forces:


Lieutenant General Dana K. Chipman
The Judge Advocate General
United States Army


Vice Admiral James W. Hotick
The Judge Advocate General
United States Navy


Lieutenant General Richard C. Harding
The Judge Advocate General
United States Air Force


Major General Vaughn Fry
Staff Judge Advocate to the Commandant
United States Marine Corps


Rear Admiral Frederick J. Kenney
The Judge Advocate General
United States Coast Guard