

THE FINANCIAL SERVICES ROUNDTABLE

Financing America's Economy



September 20, 2011

Submitted via <http://www.regulations.gov>

Ms. Monica Jackson
Office of the Executive Secretary
Consumer Financial Protection Bureau
1801 L Street, NW
Washington, DC 20036

Re: Docket # CFPB-2011-0016

Dear Ms. Jackson:

The Financial Services Roundtable¹ (the “Roundtable”) and the Housing Policy Council² (“HPC”) are pleased to respond to the Consumer Financial Services Bureau’s request for information relating to consumer financial products and services for servicemembers.

The Roundtable, HPC and our members salute the work and sacrifices of members of the military and their families and understand the challenges and stresses of military life. We are committed to compliance with the letter and the spirit of the Servicemembers Civil Relief Act (“SCRA”). We are working, both individually and collectively, to ensure that military personnel receive the best service possible from their financial institutions

We appreciate the opportunity to share with the Consumer Financial Protection Bureau (the “CFPB”) information about initiatives coordinated by the Roundtable and HPC and about the work of member companies of the Roundtable and HPC.

Section I describes initiatives coordinated by the Roundtable and HPC. Sections II and III describe, respectively, consumer financial services and financial education programs offered to servicemembers by our member companies.

¹ The Financial Services Roundtable represents 100 of the largest integrated financial services companies providing banking, insurance, and investment products and services to the American consumer. Member companies participate through the Chief Executive Officer and other senior executives nominated by the CEO. Roundtable member companies provide fuel for America’s economic engine, accounting directly for \$92.7 trillion in managed assets, \$1.2 trillion in revenue, and 2.3 million jobs.

² The Roundtable’s Housing Policy Council is made up of thirty-two companies that are among the nation’s leaders in mortgage finance. Member companies originate seventy-five percent of the mortgages for American home buyers. Member companies participate in the Council through the senior mortgage executive in their company.

I. Initiatives for Servicemembers Coordinated by The Roundtable and HPC

The Roundtable and HPC formed an SCRA Working Group in June 2011. The objectives of this working group include facilitating compliance with the SCRA and expanding financial education opportunities for servicemembers. The SCRA Working Group has met monthly since June and has held two meetings with the Department of Defense (“DOD”) and the CFPB to proactively address financial services issues facing military personnel.

The SCRA Working Group has taken the following steps to facilitate industry compliance with the SCRA:

- Provided single points of contact at member companies to the DOD to enable DOD officials to escalate SCRA-related matters.
- Provided DOD with the toll-free hotlines and webpages of Roundtable and HPC member companies that describe specific military customer products and services.
- Developed a short form, in conjunction with the DOD, to better capture active duty status of servicemembers in order to aid SCRA compliance.

The Roundtable and HPC believe that working with all stakeholders we further can:

- Improve tools and systems that aid the industry in SCRA compliance.
- Improve financial education programs to better provide direct education to servicemembers of their rights and privileges under SCRA.
- Improve outreach to servicemembers on foreclosure prevention efforts.

The Roundtable and HPC are dedicated to providing leadership in best practices and will continue their collaboration with all stakeholders including the DOD, the CFPB, and Congress to serve military personnel.

II. Consumer Financial Services Offered to Servicemembers by Member Companies

Below are some of the consumer financial services offered by Roundtable and HPC member companies.

Bank of America

Bank of America has a long-standing commitment to meeting the financial needs of men and women in the military and their families. In addition, the Bank:

- Provides specialized financial services to military personnel (since 1920) and today serves more than two million active and veteran military households.

- Operates overseas military banking facilities outside of the continental United States (known as Community Bank operated by Bank of America) under a Department of Defense contract.
- Offers more than 76 branches and over 300 ATM locations in Germany, United Kingdom, The Netherlands, Italy, Japan and Okinawa, Korea, Diego Garcia, Guantanamo Bay (Cuba), Honduras and Kwajalein Atoll (Marshall Islands) under a Department of Defense contract.
- Employs more than 5,000 active and veteran military servicemembers.
- Offers military-themed products sold in banking centers across the United States to servicemembers and anyone who wants to demonstrate their patriotism and support of servicemembers.
- Supports a number of nonprofit organizations that assist military servicemembers and their families, including the Wounded Warrior Project, which addresses financial, employment, and educational needs of injured servicemembers.

BB&T Corporation

BB&T Corporation offers free checking accounts to servicemembers.

Citigroup

Citigroup is committed to supporting and assisting servicemembers, veterans and their families as a financial services provider and employer, and recognizes the special needs of our military personnel and their families. In addition to broadly available consumer programs, Citi's key military programs include:

- The Citi Disabled Veterans Mortgage Relief Program, which allows a veteran wounded, injured or otherwise disabled in the line of duty or a surviving spouse of a deceased veteran to make reduced monthly payments on mortgages which Citi has retained in its portfolio. Information on homeowner assistance can be found on citimortgage.com or by calling 1-866-272-4749.
- The Citi Mortgage Benefit Program, for members of the military purchasing a home or refinancing an existing mortgage, as described at <http://mortgageprograms.citimortgage.com/military>.
- Citi's Relocation Program for military members relocating due to PCS orders, described at <http://relocation.citimortgage.com/military>.
- Citimortgage, through the Texas Veteran Land Board and our lending partners in Texas, offers discounted interest rates to Texas veterans and protections exceeding the Service Members Civil Relief Act for activated reservists and members of the National Guard. Their mortgage interest rate is taken to 0% for

the entire time they are activated and for 90 days after they return - money they never have to pay back.

- Citi has built a strong record in leading the effort to help military personnel and their families—and especially to hire veterans in key positions throughout this company. Citi employs more than 1,500 veterans across our businesses. We have hired about 150 veterans this year and we expect to hire as many as 500 more in Operations and Technology alone over the next 12 months.

Fifth Third Bancorp

Fifth Third Military Banking provides unique banking privileges and benefits for military personnel, including active duty, reserve/guard, veterans, retired and their immediate families. Click for more information [Military Banking](#).

Genworth Financial

Traditionally, mortgage lenders have required a down payment of 20 percent of a home's purchase price to qualify for a mortgage. Mortgage insurance helps consumers buy a home with less than a 20 percent down payment. Genworth's core market is first time homebuyers and traditionally underserved markets. Because mortgage insurers pay claims only when a loan goes to default, Genworth has a keen interest in helping homeowners avoid foreclosure.

As it relates to servicemembers and their families, Genworth strives to meet their needs by providing access to sound products and tailored education to help with the homebuying process. Genworth reached out internally to our own Associates who have spent time in the military to create a customized value proposition for military-focused credit unions. Rather than having a marketing team and product developers focus on this challenge, Genworth decided to go to those within its organization who know what it's like to be in the military. Additionally, Genworth strategically markets these value adds through servicemember focused credit unions.

Servicemembers and their families tend to move their residence more than the average American. Moving is expensive, and Genworth wants to position servicemembers to save money on the expenses of moving or the expenses of maintaining their current home. Genworth Homebuyer Privileges is a program that connects servicemembers to popular national retailers such as Penske Truck Rental, Sears Commercial, Bed, Bath & Beyond and more. Through this program, servicemembers are eligible for up to \$3,000 in discounts on products and services for their new home — regardless of whether or not they need mortgage insurance. Click for more information [Genworth Military Services](#)

KeyCorp

Through KeyCorp's Military Inclusion Networking Group, KeyCorp provides servicemembers with Welcome Home packets. The packets contain a letter of thanks, a \$50 gift card and information on KeyCorp's Money Made Easy website, a complete financial education curriculum that servicemembers can follow in their own time and pace. The dynamic, interactive website includes tutorials on budgeting and money management, checking and savings accounts, credit, loans, home buying and mortgages, building wealth, and Individual Development Account programs. Click for more information [KeyBank Military Inclusion Networking Group](#).

III. Financial Education

First Commonwealth Financial Corporation

First Commonwealth's team of instructors provides servicemembers information on topics such as saving for a large investment, emergency funds, and retirement; how to be an informed credit card user; monitoring credit and protecting against identity theft; and managing finances online to remain financially fit while being deployed. Click for more information [Military Financial Literacy Program](#).

Genworth Financial

- Homebuying Education

Ensuring that servicemembers understand the homebuying process is a critical element for future success in homeownership. Genworth has developed a focused servicemember education seminar to assist servicemember Credit Unions in educating personnel and their families prior to buying a home. This kit has all the tools to provide a servicemember Credit Union from logistical support in setting up the session to education content and tools for following up after the session. Some specific topics include the following: what kind of mortgage makes sense for a servicemember, how much house they can afford and how to handle a home closing should one of the spouses get deployed during the homebuying process. This step-by-step program also allows servicemember credit unions to tailor their messaging to their audience, by infusing the presentation with market-specific data and rate options to best suit their members.

CU@Home will help make it easier for servicemember credit unions to deliver the education that all new homebuyers should receive.

- Fraud Training

Servicemembers can be the target of crimes involving fraud. In fact, many military groups are offering training to help educate junior servicemembers. Genworth offers a comprehensive suite of training opportunities from seasoned trainers that can come on

site and customize a session specifically to address more specific areas of fraud prevention. We are in the process of developing a custom servicemember training course on fraud.

Currently, Genworth offers the following training on fraud:

Shut the Door on Fraud: Part I – Schemes, Red Flags and Best Practices: The course identifies common fraud trends and schemes, the red flags that alert you to potential fraud and the tools available to help you combat fraud.

Shut the Door on Fraud: Part II – Examining Documentation: Hone your fraud detection skills and improve your proficiency at reviewing income, asset, property and other loan documentation for signs of potential fraud.

SunTrust Banks, Inc.

SunTrust participates in Military Saves Week where SunTrust associates educate servicemembers on saving, home buying, consumer lending and retirement planning. Click here for more information [Military Financial Literacy Program](#).

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Thank you again for the opportunity to share our views with you on this important matter. If you have any questions, please feel free to contact me at rich@fsround.org or (202) 589-2413; or Anne Wallace at anne@fsround.org or (202) 589-1936.

Sincerely,



Richard Whiting
Executive Director and General Counsel