



Consumer Financial Services Solutions



— The financial services landscape continues to evolve with fast-paced product and delivery modernization. Heightened regulatory scrutiny, particularly of compliance with consumer laws and regulations, creates both challenges and opportunities for financial institutions to innovate and enhance existing compliance frameworks.





Providing Consumer Regulatory Solutions

FTI Consulting's Consumer Financial Services (CFS) professionals have the talent and experience to partner with financial institutions, fintechs and law firms, to proactively build or enhance consumer and fair lending compliance programs, as well as conduct post-resolution activities including look-back remediation reviews.

Today's compliance teams face many challenges. A few of the most pressing include the implementation and maintenance of best-in-class consumer compliance management systems, the development of policies and procedures that are soundly based in risk

mitigation and ensuring that Executive Management and the Board of Directors are thoroughly informed of their institution's risks. When compliance issues are identified or escalated, remediation must occur at the same swift yet comprehensive pace.

Consumer Financial Services Solutions

We employ our deep industry knowledge to partner with clients to proactively mitigate regulatory risk and scrutiny through the development of strong Compliance Management Systems, Risk & Control Self-Assessments and CFPB Readiness Evaluations.



Compliance Management System (CMS) Assessments

The CMS program assessment is guided by our regulatory insight as well as examination objectives issued by the CFPB, OCC, FRB and FDIC. Our review includes an assessment or build of the key components of an effective CMS including governance, policy and procedure review, change management, complaints management, training, testing and third-party risk management.

IMPACT

FTI Consulting conducted reviews and recommended, as well as implemented, CMS program enhancements including policies and procedures, governance, monitoring, training programs and change management processes. The revised CMS programs provided the institutions with improved internal compliance controls resulting in reduced risk and heightened regulatory preparedness.



Risk & Control Self-Assessment (RCSA)

Risk must be measured in order to be effectively managed, and RCSAs are an essential tool that allows financial institutions to identify and mitigate risk. We have a team dedicated to risk assessment and management who are ready to assist with developing RCSAs, identifying risks and controls, assessing control effectiveness, conducting gap analysis and developing strategies for improvement in risk management.

IMPACT

FTI Consulting experts assisted with the design and build of an RCSA framework including risk and control inventories and scoring methodologies. Working directly with institution senior executives in an agile methodology, FTI Consulting professionals assisted in creating end-to-end risk and control mapping, comprehensive risk identification, reporting and ownership. RCSAs were successfully presented to regulators.



CFPB Readiness Evaluations

We are leaders in CFPB compliance solutions. Our team consists of former CFPB examiners who can provide valuable examination insight and guidance. FTI Consulting has developed mock examination processes as well as provided clients with a roadmap to successfully manage compliance responsibilities and self-identify problem scenarios and risk areas for remediation in advance of CFPB examinations.

IMPACT

FTI Consulting professionals worked with financial institutions approaching the \$10 billion threshold as well as larger organizations preparing for CFPB examination. The end-to-end review assessed the CMS and provided for mock examination testing of the highest risk products or processes. Gap identification and remediation, interviews and training, delivered best practice exam readiness.

FTI Consulting's CFS team consists of former financial institution compliance and operational risk executives, CFPB regulators and highly experienced consultants.

Our highly experienced professionals provide wide-ranging compliance advisory, including Fair Lending Analytics, Fair Credit Reporting Act (FCRA) Compliance Expertise and Banking-as-a-Service, as well as Fintech specific advisory.



Fair Lending, HMDA and Appraisal Analytics

FTI Consulting takes a holistic approach when assessing fair lending compliance programs, leveraging a team of PhD statisticians, regulatory compliance experts and former CFPB examiners. We review the fair lending analytics, including regression analysis, redlining analysis and comparative file reviews employing the same statistical analysis used by the CFPB for identification of possible issues and a movement toward resolution.

IMPACT

FTI Consulting conducted mock regulatory exams, including analysis of model bias, for fair lending compliance. The reviews included CMS assessments, statistical analyses and file reviews as well as model inputs/outputs including proxy review. Recommendations included specific procedure and model enhancements, allowing the institutions to improve internal fair lending controls in advance of regulatory examination.



FCRA Compliance Expertise

FCRA compliance is a high-risk priority for institutions of all sizes and complexity levels. Our team includes respected expert specialists that assist in solving complex FCRA compliance and data accuracy challenges. Additionally, part of our core FCRA offerings includes a “health check” of Metro 2® files leveraging EvaluData, a proprietary data analytics tool.

IMPACT

FTI Consulting partnered with multiple clients in the assessment and remediation of core FCRA obligations including data furnishing/ingestion and dispute processing. Assistance covered proactive measures to assess the effectiveness of compliance programs as well as reactive measures to address identified gaps by regulators.



Banking-as-a-Service (BaaS) and Fintech Due Diligence

Financial institutions offering BaaS have a responsibility to perform due diligence of their fintech partners. Ongoing monitoring and testing are critical to ensure consistent compliance with regulatory requirements. We assist our clients offering BaaS, as well as fintechs offering or partnering on consumer products, with ongoing monitoring and testing, in addition to compliance advisory services.

IMPACT

FTI Consulting professionals conducted independent CMS and BSA/AML reviews of institutions’ fintech partners, providing recommendations for enhancement. Reviews included testing for validation of fintech internal control processes and provided third party risk management assurances. Industry best practice recommendations allowed for bank-fintech partnership engagement and overall risk mitigation.

FTI Consulting offers automated solutions and innovative techniques to mitigate consumer compliance risk.

We employ our deep industry knowledge to partner with clients to proactively mitigate regulatory risk and scrutiny through the development of strong Compliance Management Systems, Risk & Control Self-Assessments and CFPB Readiness Evaluations.



Regulatory Response

Our team of professionals are highly experienced in providing support to time-sensitive post-examination Matters Requiring Attention (MRAs), Supervisory Recommendations (SRs) and Consent Orders. We manage or assist with current state assessments, independent reviews, lookback transactional testing, recommendations for remediation and independent investigative reports for presentation to regulators.

IMPACT

FTI Consulting professionals acted as independent consultants conducting large-scale lookback reviews, identification of restitution and validation of remediation. As a result, various institutions, including mortgage companies and large captive auto finance companies, were able to respond timely and accurately to MRAs and Consent Orders.



Compliance Staff Augmentation

We can provide interim or longer-term resources allowing institutions to concentrate on the most pressing needs. Examples include Chief Compliance Officer secondment, first or second line of defense compliance risk support within a line of business, or staff support for compliance departments. Our staff augmentation resources are under the institution's direction providing expert needs on a variable work force basis.

IMPACT

FTI Consulting placed experts in roles reportable to the institutions' Boards or Chief Executives, including placement of interim Chief Compliance Officers. Our professionals have led or provided teams allowing for support or backfill during a time of ramp up or specific regulatory need including remediation efforts. These interim roles allowed executive management to concentrate on strategic priorities.



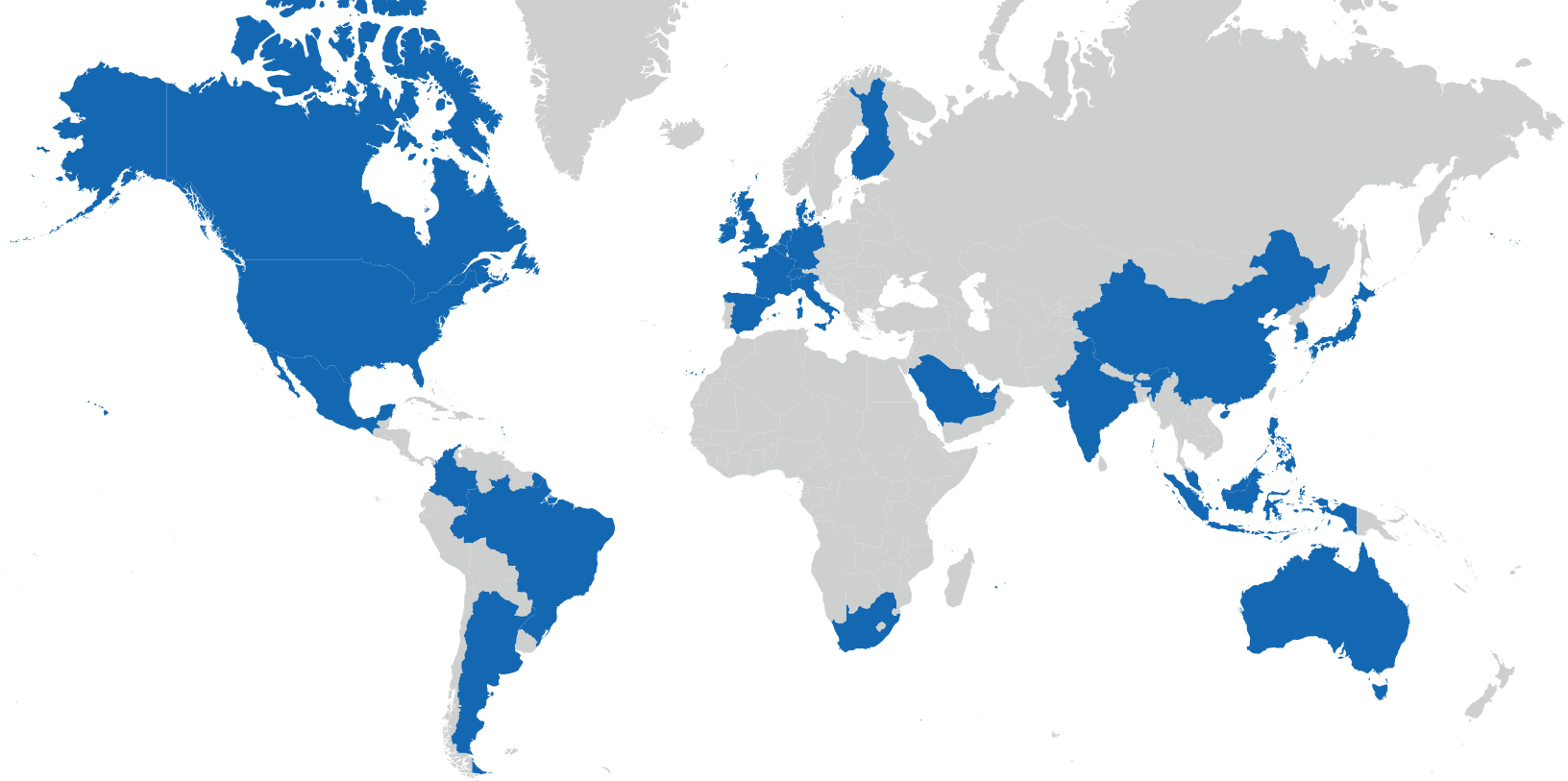
Expert Witness

We deliver valuable insight during every stage of a contested matter. Our senior professionals are highly skilled at communicating findings through expert testimony in various settings including court, arbitration and mediation proceedings. Key services may include documentation and transaction reviews, critiques of opposing expert analyses, regulatory research and report preparation.

IMPACT

FTI Consulting supported private causes of action as well as clients with the defense of government investigations. Based on FTI Consulting's professionals' subject matter expertise and direct industry experience, we effectively provided independent opinions resulting in positive client outcomes in the resolution of adverse matters.

In addition to our services described above, we also offer general compliance advisory or specific regulatory reviews, including transaction or account level testing. Examples of these services include monitoring for compliance with the Flood Disaster Protection Act or Servicemembers Civil Relief Act.



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With offices in every major financial center and every corner of the globe, we successfully serve our clients wherever challenges and opportunities arise.

Our clients include Fortune 500 corporations, FTSE 100 companies, global banks, major and local law firms and state and national governments and agencies in the U.S. and other countries. In addition, major U.S. and international law firms refer us or engage us on behalf of their clients.

31

Countries

1982

Year Founded

8,000+

Employees Worldwide

NYSE:FCN

Publicly traded

Top 50

Advisor to the world's top 50 bank holding companies

99/100

Advisor to 99 of the world's top 100 law firms

\$7.7B

Equity Market Cap*

82/100

82 of Fortune Global 100 corporations are clients

*Number of total shares outstanding as of October 19, 2023, by the closing price per share on October 26, 2023.

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