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Loan Securitization Trusts as Subject to CFPB's Enforcement Authority: The Implications of a Recent Court Decision Affirming Such Authority

The Consumer Finance Podcast

SPEAKERS

[Glen P. Trudel](#) | [Chris Willis](#)

In this episode of *The Consumer Finance Podcast*, Chris Willis is joined by partner Glen Trudel to discuss a recent appellate court decision affirming that a group of securitization trusts “engaged” in a known “consumer financial product or service”, and therefore are subject as covered persons to the enforcement authority of the Consumer Financial Protection Bureau (CFPB). This decision could potentially expose similarly situated securitization trusts to the jurisdiction and enforcement authority of the CFPB. Chris and Glen discuss the court’s rationale for the holding and delve into the implications of this ruling, including the potential for increased regulatory scrutiny and the need for trusts to ensure compliance with consumer laws relating to the loan assets they hold. They also discuss potential changes in the terms of future securitization documentation and the importance of due diligence and monitoring of service providers. The episode concludes with a discussion on the significance of this ruling in the legal landscape for securitization trusts and whole loan owners.

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