



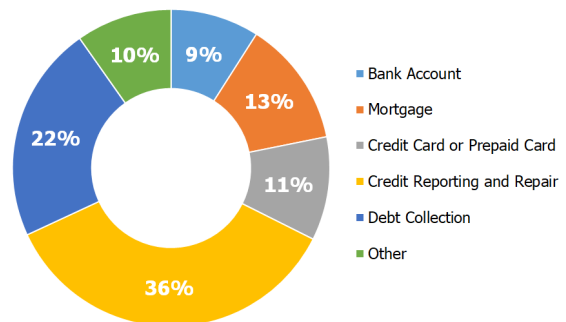
CONSUMER LOBBY DAY 2019



New Jersey CFPB Complaint Statistics & Consumer Stories

With a database of over 1 million consumer complaints received since 2011, the Consumer Financial Protection Bureau (CFPB) has a proven track record of helping consumers. 97% of consumer complaints have received responses from companies. We strongly urge you to consider the complaints the CFPB has processed from New Jerseyans (graph) and the stories below that New Jersey consumers shared with Consumers Union about unfair treatment they have experienced in the financial services marketplace.

New Jerseyans' Complaints to the CFPB, 2018



Other is comprised of complaints in the following areas: Consumer loan; Money transfer, virtual currency, or money service; Money transfers; Other financial service; Payday loan; Payday loan, title loan, or personal loan; Student loan; Vehicle loan or lease; Virtual currency.

Consumer Stories from New Jersey

Matthew – Voorhees Township, NJ

My family and I were deeply affected by the Bernie Madoff Ponzi scheme. One of the things which made the Madoff investment appear safe was that it was protected by SIPC, which appeared to be similar to FDIC. Another was the fact that the SEC examined Madoff several times, and every time, the SEC gave him a green light. It turns out that neither of those afforded any safety. We learned the hard way that instead of being made whole by SIPC, or even being ignored by them, you can and will be sued by them under the assumption that you are complicit. Investors in numerous schemes like Madoff and Stanford, to name a few, have faced exactly this grim reality. The more you needed the money (for example, you are living off of it in retirement) the more likely you are to be sued to return the money you withdrew from your account instead of reimbursed. In this way, SIPC takes money from some to reimburse others, keeps no pool of their own, charges trivial fees to those offering the “coverage”, and creates the appearance of doing

some good. Not only that, the SEC sues you after informing that you have lost your entire investment. Clearly, the SEC audit of Madoff was trivial, if they had only performed the most basic study, they would have found that he did not have title to the investment he claimed to hold. We need a strong CFPB to protect the American people from criminals.

Christopher – Mt Holly, NJ

For years, I made credit card payments on-time, sometimes even more than the minimum to get out of debt. Then, in 2006, I noticed my interest rate (and therefore, my minimum) jumped higher into the 20+%. I was drawing disability at the time so compensating for that was impossible and I filed for bankruptcy. Of course, we now know what happened: banks made risky investments in credit default swaps so to remain solvent for a few more years, they bled cardholders. There was no CFPB then and I fear that by losing it, banks will then go back to bad practices that elevate the careers of the wealthy and privileged at their customers expense.

Consumers shared these stories with Consumers Union because they were treated unfairly in the financial marketplace. The Consumer Financial Protection Bureau was established, and has worked, to protect consumers from such treatment. Please consider these consumer stories from your state when making decisions regarding financial marketplaces and the future of the CFPB. If you would like to get in touch with any of these story tellers, please contact Omar Hakim at Consumers Union, omar.hakim@consumer.org.