



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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Media Contact:
LaJuan Williams-Young
202-898-3876
lwilliams-young@fdic.gov

FDIC Announces Settlement with Umpqua Bank, Roseburg, Oregon for Unfair and Deceptive Practices in Violation of Section 5 of the Federal Trade Commission Act

WASHINGTON – The Federal Deposit Insurance Corporation (FDIC) today announced a settlement with Umpqua Bank, Roseburg, Oregon, for engaging in unfair and deceptive practices, in violation of Section 5 of the Federal Trade Commission Act (Section 5). Umpqua Bank stipulated to the issuance of an Order to Pay Civil Money Penalty (CMP) in the amount of \$1.8 million.

The FDIC determined that Umpqua Bank engaged in Section 5 violations related to collection practices involving commercial equipment financing through its wholly owned subsidiary, Financial Pacific Leasing, Inc. (FinPac). The FDIC determined that FinPac's collection fee practices were unfair and deceptive. Specifically, FinPac charged various undisclosed collection fees to borrowers whose accounts were past due, such as collection call and letter fees and third-party collection fees.

The FDIC also determined that certain collection practices at FinPac were unfair and deceptive. FinPac engaged in excessive and sequential collection calls to customers, even when customers requested that FinPac stop these calls. FinPac also disclosed information about the customers' debts to third parties. Lastly, FinPac advised borrowers FinPac would report delinquencies on commercial debt to the consumer reporting agencies, when its policy and practice was not to report such delinquencies to the consumer reporting agencies.

Umpqua Bank agreed to the issuance of the Order without admitting or denying these violations. In addition, the Bank voluntarily paid restitution totaling approximately \$1,628,000 to the 16,902 customers who were charged the undisclosed collection fees.

Attachment:

[Order to Pay Civil Money Penalty – Umpqua Bank](#)



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-42-2021