

**From:** [NY Banksup Applications Comments](#)  
**To:** [Whidbee, Robin](#); [McCune, Crystall](#); [Caetano, Ruth](#); [Brannon, Lisa](#)  
**Subject:** FW: Support for the OneWest and CIT Merger  
**Date:** Friday, February 20, 2015 3:00:47 PM

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From: [Wilsondy\\_ipdi@yahoo.com](mailto:Wilsondy_ipdi@yahoo.com)  
Sent: Friday, February 20, 2015 3:00:32 PM (UTC-05:00) Eastern Time (US & Canada)  
To: NY Banksup Applications Comments; [we.licensing@occ.treas.gov](mailto:we.licensing@occ.treas.gov)  
Subject: Support for the OneWest and CIT Merger

Wilson Dy  
28014 Greenlawn Circle  
Laguna Niguel, CA 92677  
E-Mail: [Wilsondy\\_ipdi@yahoo.com](mailto:Wilsondy_ipdi@yahoo.com)

Subject: Support for the OneWest and CIT Merger

Dear Chair Yellen, President Dudley and Comptroller Curry,

I am writing to offer my support for the pending OneWest and CIT merger. OneWest serves as a strong source of capital and banking services to the Southern California community. This merger will retain and create new jobs in California. I believe the management team and OneWest have demonstrated its commitment to our community and to serving the needs of not only their clients but the community at large and due to this, I do not believe there is a need for a public hearing.

Kind regards,  
Wilson Dy

**From:** [NY Banksup Applications Comments](#)  
**To:** [Whidbee, Robin](#); [McCune, Crystall](#); [Caetano, Ruth](#); [Brannon, Lisa](#)  
**Subject:** FW: Support for the OneWest and CIT Merger  
**Date:** Friday, February 20, 2015 3:02:42 PM

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From: david@islandpacificmarket.com  
Sent: Friday, February 20, 2015 3:01:52 PM (UTC-05:00) Eastern Time (US & Canada)  
To: NY Banksup Applications Comments; we.licensing@occ.treas.gov  
Subject: Support for the OneWest and CIT Merger

David Lac  
4515 Ellis Ln  
Temple City, CA 91780  
E-Mail: david@islandpacificmarket.com

Subject: Support for the OneWest and CIT Merger

Dear Chair Yellen, President Dudley and Comptroller Curry,

I am writing to offer my support for the pending OneWest and CIT merger. OneWest serves as a strong source of capital and banking services to the Southern California community. This merger will retain and create new jobs in California. I believe the management team and OneWest have demonstrated its commitment to our community and to serving the needs of not only their clients but the community at large and due to this, I do not believe there is a need for a public hearing.

Kind regards,  
David Lac

**From:** [NY Banksup Applications Comments](#)  
**To:** [Whidbee, Robin](#); [McCune, Crystall](#); [Caetano, Ruth](#); [Brannon, Lisa](#)  
**Subject:** FW: OneWest and CIT Group Proposed Merger  
**Date:** Saturday, February 21, 2015 7:17:36 PM

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From: Joan Aarestad  
Sent: Saturday, February 21, 2015 7:17:27 PM (UTC-05:00) Eastern Time (US & Canada)  
To: WE.Licensing@occ.treas.gov  
Cc: NY Banksup Applications Comments  
Subject: OneWest and CIT Group Proposed Merger

Dear Federal Reserve Bank of New York  
Dear Office of the Comptroller of the Currency

I oppose the merger of OneWest and CIT as stated below and suggest a six to 12 month delay of any merger until OneWest cleans up its act in these three areas: (1) account ownership and insurance coverage disclosures, (2) mortgage servicing issues and (3) robust improvements in its Community Reinvestment Plan.

These are the reasons why:

(1) OneWest has demonstrated a clear inability to protect the interests of its depositors. Spreading their flawed practices, like a virus, is not in the public interest. OneWest kept procedures for opening bank accounts in place that Indymac Bank personnel utilized. These procedures set the depositor up for losing funds that should have been insured by FDIC. I and approximately 10,000 other depositors personally lost funds as a result of errors made by Indymac personnel which FDIC refused to allow to be corrected. All we asked was for a copy of our signature cards and a notification on our monthly bank statements of the amount of insurance coverage. If account holders disagreed, they could deal with the issue before a bank failure. FDIC refused our requests.

(2) OneWest continued Indymac's flawed practices and now wants to infect another bank. In 2012, as a current OneWest depositor, I personally experienced the EXACT SAME PROBLEM WITH FAILURE TO DOCUMENT ALL ACCOUNT OWNERS. As I pointed out in a letter to Steven Mnuchin, if OneWest had failed during that period of time, I would have once again lost funds that a bank promised were insured. Mr. Mnuchin never took action to correct these practices.

(3) OneWest has demonstrated a lack of interest in community reinvestment. After earning a billion dollar profit due to poor deal-making by FDIC, OneWest set up a foundation, funding it with only \$10M and making only a few grants, mostly on the wealthy West side of Los Angeles which seemed to benefit favorite charities of Mr. Mnuchin. The Mayor of Pasadena and I met with Brian Brooks, an executive of OneWest who has now gone through the revolving door to Fanniema. He indicated he was sure OneWest would begin to invest in the community. Mr. Brooks then canceled future meetings until the Mayor and I just decided OneWest wasn't interested in our community. It is beyond the pale for OneWest to now feign interest in community reinvestment. I can assure you that there are lots of fine examples that OneWest could have followed in our communities if OneWest had truly wanted to reinvest.

**From:** [Bae, Philip](#)  
**To:** [McCune, Crystal](#); [Whidbee, Robin](#)  
**Subject:** FW: CRC's 5th comment letter opposing OneWest and CIT merger -FRSONLY-  
**Date:** Tuesday, February 24, 2015 3:47:34 PM

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-----Original Message-----

From: Kevin Stein [<mailto:kstein@calreinvest.org>]  
Sent: Tuesday, February 24, 2015 3:43 PM  
To: Bae, Philip; Finnegan, David  
Subject: CRC's 5th comment letter opposing OneWest and CIT merger

Sorry, the last email, with the comment attached, had an old subject line. Hope there was no confusion.  
Thanks

Kevin

On 2/24/2015 12:42 PM, Kevin Stein wrote:

> Dear Philip and David,  
>  
> Please find attached CRC's 5th comment letter regarding the proposed  
> OneWest/CIT merger. Thank you  
>  
> Kevin  
>>>  
>>>  
>>>  
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>  
>

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Kevin Stein  
California Reinvestment Coalition  
415-864-3980  
[www.calreinvest.org](http://www.calreinvest.org)  
Follow us on Twitter: CalReinvest  
Join Our FaceBook Page: California Reinvestment Coalition

**From:** [Bae, Philip](#)  
**To:** [McCune, Crystal](#); [Whidbee, Robin](#)  
**Subject:** FW: national sign on letter opposing OneWest and CIT merger -FRSONLY-  
**Date:** Tuesday, February 24, 2015 3:47:16 PM  
**Attachments:** [CRC 5th Comment Letter to Regulators about Merger.pdf](#)

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-----Original Message-----

From: Kevin Stein [<mailto:kstein@calreinvest.org>]  
Sent: Tuesday, February 24, 2015 3:42 PM  
To: Bae, Philip; Finnegan, David  
Subject: Re: national sign on letter opposing OneWest and CIT merger

Dear Philip and David,

Please find attached CRC's 5th comment letter regarding the proposed OneWest/CIT merger. Thank you

Kevin

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>>  
>>  
>  
>

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Kevin Stein  
California Reinvestment Coalition  
415-864-3980  
[www.calreinvest.org](http://www.calreinvest.org)  
Follow us on Twitter: CalReinvest  
Join Our FaceBook Page: California Reinvestment Coalition



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CALIFORNIA REINVESTMENT COALITION

February 24, 2015

Janet Yellen  
Chair  
Federal Reserve Board of Governors

Thomas Curry  
Comptroller  
Office of the Comptroller of the Currency

Martin Gruenberg  
Chair  
Federal Deposit Insurance Corporation

Mel Watt  
Director  
Federal Housing Finance Agency

Richard Cordray  
Director  
Consumer Financial Protection Bureau

Julian Castro  
Secretary  
Dept. of Housing and Urban Development

Re: *CRC's 5th comment letter: Continuing opposition to CIT Group application to acquire IMB and OneWest Bank and to merge OneWest and CIT Bank*

Dear Chairs Yellen and Gruenberg, Directors Watt and Cordray, Comptroller Curry, and Secretary Castro,

The California Reinvestment Coalition writes this fifth comment letter expressing our continuing opposition to the proposed acquisition of IMB and OneWest Bank (OWB) by CIT Group. OneWest has not met, and will not meet, community credit needs, and the Applicants have not established that this merger will provide a public benefit.

This letter is written to provide additional information for the public record, to inform the deliberations of the FRB and OCC, and to raise continuing concerns about the negative impacts of OneWest Bank on California communities.

The California Reinvestment Coalition (CRC), based in San Francisco, is a non-profit membership organization of community based non-profit organizations and public agencies across the state of California. We work with community-based organizations to promote the economic revitalization of California's low-income communities and communities of color through access to equitable and low cost financial services. CRC promotes increased access to credit for affordable housing and community economic development, and to financial services for these communities.



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CALIFORNIA REINVESTMENT COALITION

Continuing unanswered questions: HUD FOIA Request

As noted previously, there are still many unanswered questions regarding this merger and these institutions. CRC still awaits a substantive response to our FOIA request to HUD to gather information about HUD's oversight and policies relating to reverse mortgages, and the servicing practices of Financial Freedom in particular.

Specifically, we have sought basic information about the number, nature and resolution of complaints filed by consumers with HUD against Financial Freedom. We have also sought data on the number of foreclosures processed by Financial Freedom since OneWest took over ownership, including the number of such foreclosures processed against non-borrower surviving spouses, as well as the number of loans being serviced by Financial Freedom where a younger spouse was not listed on the loan and is therefore at risk of foreclosure.

If the FDIC, OCC, or Federal Reserve consumer complaint departments would like to share data on complaints they've received (as consumers aren't always aware which regulator to turn to), then we would welcome that transparency. We note that in the cases of Michelle Ayers and her sister Mary Dambacher, from North Fort Meyers, Florida- (surviving family members who encountered a host of servicing issues with Financial Freedom), they report being sent on a wild goose chase- not just by Financial Freedom, but also by the regulatory agencies where they sought help. They started at HUD, where they were referred to a housing counseling agency, which couldn't help because the loan was a reverse mortgage, then referred to the Florida Office of Financial Regulation which referred them to the OCC, which then directed them to the CFPB.

This FOIA request seeks information that must be considered by the banking regulators in order to determine whether OneWest bank is meeting the credit needs, and the convenience and needs, of its communities. How can the Federal Reserve and the OCC determine that OneWest is meeting the needs of its communities if it does not know how many foreclosures were processed by OneWest and its affiliates? This information should be part of the public record.

And yet, our FOIA request has been stalled as HUD has chosen to deny our request for a fee waiver on the grounds that CRC has a "commercial interest" in the information. This is difficult for our nonprofit organization to understand and accept. This denial and the delay in releasing the FOIA requested data merely add to the sense that with regard to this merger, there is something to hide, and the regulators, rather than increasing transparency for communities, are making details of this merger more opaque.



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CALIFORNIA REINVESTMENT COALITION

Bank supporters and opponents

CRC wishes to supplement the public record to reflect that OneWest's CEO has sought support from his Wall Street contacts and business partners in order to tout his message regarding his own management performance and desire not to have public hearings.

A few weeks ago, Bloomberg reported that OneWest CEO Joseph Otting had emailed community groups and Wall Street contacts, urging recipients to support the bank's application by sending a letter to Fed Chair Janet Yellen.<sup>1</sup>

The draft letter of support found on the OneWest website and presumably drafted under the direction of CEO Joseph Otting reads as follows:

*Dear Chair Yellen, President Dudley and Comptroller Curry,*

*I am writing to offer my support for the pending OneWest and CIT merger. OneWest serves as a strong source of capital and banking services to the Southern California community. This merger will retain and create new jobs in California. I believe the management team and OneWest have demonstrated its commitment to our community and to serving the needs of not only their clients but the community at large and due to this, I do not believe there is a need for a public hearing.*

The draft email indicates that proposed commenters "believe the management team and OneWest have demonstrated its commitment to our community and to serving the needs of not only their clients but the community at large..."

As Bloomberg reports this email went out to Wall Street contacts, CRC wonders how knowledgeable about community needs these commenters will be, and how much weight the regulators will give these comments.

Further, CRC understands that several of the "supporters" are actual business partners and employees of OneWest. How objectively can these "supporters" speak to the bank's service to the community, and how much weight will the bank regulators give to these comments?

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<sup>1</sup> Matthew Monks and Elizabeth Dexheimer, "OneWest Seeks Wall Street's Help Lobbying Yellen on CIT," Bloomberg, January 8, 2015.



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CALIFORNIA REINVESTMENT COALITION

Similarly, certain community groups are supporting the bank in its application, and have indicated they are developing partnerships with the bank.

In the application by Banc of California to purchase Banco Popular branches, the OCC requested and Banc of California provided a public list of grants to non-profit organizations over the prior two (2) years by month, organization and amount. The regulators should request the same of OneWest Bank – that it identify, by month, the level of support to all organizations receiving grants or investments or contracts, and for what purpose, for the last 2 years. Applicant submitted somewhat similar information in a letter dated October 2014, but the information appears to be incomplete, is broken out only by year and not month, and it is unclear how far into 2014 the data go. OneWest should be required to complete this exercise through February 2015, providing, by month through February 2015, a list of all groups with which it has a funding, investing or contractual relationship since the time it began to promote this proposed merger.

And for the record, CRC notes that approximately 100 organizations from California and from around the country are opposing this merger, as well as over 21,000 individuals and counting, making this, most likely, the most opposed bank merger in history.

CRC thanks the regulators for agreeing to hold one public hearing on this merger, which we believe reflects a recognition of the extent of the opposition to this merger and the many serious issues at play.

Financial Freedom: New complaint data and continuing concerns

CRC review of CFPB consumer complaint data reveals that approximately 150 complaints were filed against OneWest noting concerns with the sub product “reverse mortgage”. This represents roughly 12% of the number of reverse mortgage complaints that CFPB analyzed in its recent study on reverse mortgages.<sup>2</sup> Again, these CFPB complaints are likely completely independent of any complaints filed against Financial Freedom with HUD, a more logical place for consumers to complain given HUD’s oversight of HECMs. We look forward to understanding how many complaints against Financial Freedom have been filed with HUD, though given the story cited earlier in this letter, we also suspect that the number of complaints actually filed is lower than the number of people who would like to complain if they had the time, capacity, and knowledge of where to complain, and if they were directed to the correct regulator.

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<sup>2</sup> The CFPB study reviewed approximately 1200 reverse mortgage complaints that were filed on its website from December 2011 through December 2104. See, Office of Older Americans, “Snapshot of reverse mortgage complaints: December 2011 – December 2014,” Consumer Financial Protection Bureau, February 2014.



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CALIFORNIA REINVESTMENT COALITION

(Further, a recent visit to the CFPB consumer complaint database now reveals a total of 1,226 complaints filed against OneWest, significantly more than we had noted in earlier comment letters.)

OneWest's Financial Freedom reverse mortgage servicer affiliate continues to be the subject of reports suggesting potential abuses and community harm. On January 8, 2015, Fox 4 in North Fort Meyers, Florida, reported on the case of Mary Damacher, who chained her sister Michelle Ayers to a pipe in the home that was first purchased by their grandparents, then passed down to her mother, until Financial Freedom foreclosed on them. The sisters attempted to purchase the home, but were reportedly rebuffed in their efforts by Financial Freedom.

"I've been preapproved for a mortgage and had all the paperwork taken care of to repurchase the home, and basically Financial Freedom and One West Bank has refused me the right to purchase my home," Mary said.<sup>3</sup>

This case, and the others cited in prior letters, raise serious questions and concerns about how well Financial Freedom is complying with existing obligations to serve reverse mortgage borrowers, surviving spouses AND, as here, heirs who have certain rights to purchase the home.

Specifically:

- What is HUD doing to oversee Financial Freedom foreclosures with regard to borrowers, surviving spouses, and heirs?
- Will OneWest submit any losses from this foreclosure for reimbursement under the loss share agreement? How does the FDIC determine whether loss share reimbursement submissions by OneWest reflect losses suffered only after OneWest did all it could to mitigate them, and certainly only after OneWest followed existing laws and regulations? Is the FDIC aware of any situations or cases where OneWest Bank submitted a claim for costs related to a foreclosure, but then due to legal action or legal settlements, OneWest Bank later returned the reimbursement to the FDIC, or should have reimbursed the FDIC? As an example, consider the story of the San Luis Obispo couple, where OneWest eventually offered to settle for what was reported as a "seven figure sum." Had OneWest already requested reimbursement for any losses on this mortgage from the FDIC? Is the FDIC fully confident it never paid out shared loss reimbursements for faulty foreclosures like this one?

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<sup>3</sup> Lisa Greenberg, "NFM sisters chained to home to protest reverse mortgage," Fox4, January 8, 2015, at <http://www.jrn.com/fox4now/news/NFM-sisters-chained-to-home-to-protest-reverse-mortgage-287977331.html>



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## CALIFORNIA REINVESTMENT COALITION

- How does the OCC, as OneWest's primary regulator, oversee compliance issues with regard to Financial Freedom, and how do improper foreclosures via OneWest or Financial Freedom, impacting borrowers, surviving spouses, heirs and other family members impact (if at all) the OCC's determination as to whether OneWest is servicing its communities under the Community Reinvestment Act?
- How will the OCC and the Fed investigate and consider improper foreclosures by OneWest and Financial Freedom in determining whether this merger, absent any substantial conditions imposed, will provide a public benefit, as required?

An audit of Financial Freedom foreclosures and other non-home retention loss mitigation outcomes is necessary. In the meantime, Financial Freedom should not be allowed to process further foreclosures without going through a "notice and objection" process whereby an independent third party can confirm that proposed foreclosures are proper. A similar structure was created by the Massachusetts Attorney General in enforcing servicing obligations by Fremont Investment and Loan.<sup>4</sup>

### Merger Decision Should Await Next FDIC Loss Share Compliance Review:

In a letter to CRC dated February 5, 2015, the FDIC reiterates that it believes it has no authority in the approval process relating to this merger, that estimates of future payments under the Loss Share Agreement are projections and subject to change, and that OneWest "is not out of compliance" with the loss share agreement.<sup>5</sup>

Importantly, the letter also indicates the next compliance review is scheduled to commence in May of 2015, in approximately three months.

We urge the FDIC to conduct an extensive audit of OneWest's performance under the loss share agreement, and to make the results of this audit public, including providing a description of the extent to which the FDIC is able to verify that all OneWest foreclosures for which OneWest seeks reimbursement under the loss share agreement could not have been avoided through the provision of a loan modification or otherwise and were the result of OneWest and affiliates fully complying with all relevant loss mitigation and foreclosure prevention laws and rules, including importantly, provisions within the California Homeowners Bill of Rights that address dual-tracking, Single Point of Contact, and other servicer practices that push people into foreclosure.

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<sup>4</sup> Press release, "Attorney General Martha Coakley Reaches \$10 Million Settlement with Subprime Lender Fremont Investment and Loan," June 9, 2009.

<sup>5</sup> FDIC Letter to CRC Re: Application by CIT Group (CIT) to purchase IMB, the parent company of OneWest Bank, National Association (OWB), and to merger CIT Bank into OWB," February 5, 2015.



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CALIFORNIA REINVESTMENT COALITION

CRC continues to believe that the FDIC audit and compliance review process does not provide sufficient due diligence to ensure that all OWB foreclosures were proper and unavoidable. This is most likely also true for the foreclosure oversight currently provided by the Federal Reserve and OCC for its regulated servicers and trustees.

Further, we strongly urge the Federal Reserve and the OCC to await the results of the FDIC audit before deciding on this Application. With all of the concern that has been raised about OneWest's foreclosure practices, including testimony that will be presented at the public hearing on February 26, awaiting the FDIC audit (and response from HUD to our FOIA request) is the only prudent course.

Systemic Risk and lobbying

CRC has maintained that the potential failure of CIT and OneWest poses a systemic risk to the financial system under current standards.

In 2008, another entity expressed concerned about CIT failing, saying, "CIT, ... its demise poses a systemic danger because that would jeopardize 760 of its manufacturing customers and cause serious harm to more than 300,000 retailers, according to Bloomberg."<sup>6</sup>

The entity that held that view in 2008 was none other than CIT Group itself as it sought a rescue from the federal government. This request was turned down and \$2.3 billion in TARP funds was not enough to save CIT from declaring bankruptcy and wiping out its obligation to repay TARP. Is CIT truly LESS interconnected now than it was in 2008 when its interconnectedness led to bankruptcy? If CIT were allowed to merge with OneWest, the resulting institution would be even larger, as would the risks created for communities, and possibly taxpayers as well.

Perhaps that was then and this is now, and CIT is no longer worried about systemic risk.

But according to Center for Responsive Politics, CIT Group spent \$4,920,000 over the last two years on lobbying, or more than \$6,400 a day. And one of the issues CIT lobbied on most heavily was – systemic risk.<sup>7</sup>

We urge the regulators to tread carefully in deciding whether to approve a new SIFI comprised of two institutions that failed in the recent past, and which rely on significant public subsidy.

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<sup>6</sup> Alain Sherter, "CIT Group: Too Small to Save - Or Not," MONEYWATCH, July 15, 2009.

<sup>7</sup> Open Secretes, "CIT Group," Center for Responsive Politics, at: <http://www.opensecrets.org/orgs/summary.php?id=D000024786>



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CALIFORNIA REINVESTMENT COALITION

Circumvention of CRA: NOT reinvesting where depositors reside

CRC has long argued that depository financial institutions must reinvest where their depositors live and are sending in deposits. The CRA has been circumvented and communities have suffered from a lack of investment by institutions like Capital One, ING, Countrywide Bank, Charles Schwab Bank, H&R Block Bank, etc.

CIT Bank similarly collects deposits from throughout the country, but reinvests primarily in its Salt Lake City assessment area. It would be interesting to know what percentage of CIT Bank's billions in deposits actually originate from Salt Lake City, and how many communities are sending in more deposits to CIT Bank than are coming from the Bank's lone assessment area.

The proposed CITBNA's CRA Plan went from bad to worse when it determined that ALL of its deposits, including internet deposits originating from throughout the country, would be assigned to the Los Angeles MSA.

While this might seem like a good thing for Los Angeles, such circumvention of the CRA has only hurt Los Angeles and our state in the past and will likely do so in the future.

CITBNA must reinvest in its top deposit markets, even if outside of California, and the regulators should make this so. This issue is all the more pressing in that OneWest maintains a poor branch presence in LMI communities (its 15% of branches in LMI neighborhoods is HALF the industry average in California), and promises to move towards mobile banking as a way of serving LMI communities. We do not believe this will be a successful approach, and if all mobile banking deposits are assigned to one assessment area, we do not believe this will be consistent with the CRA. A recent report by the FDIC notes that, "...there is little evidence that the emergence of new electronic channels for delivering banking services has substantially diminished the need for traditional branch offices where banking relationships are built."<sup>8</sup>

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<sup>8</sup> Press release, "Branch Banking Remains Prevalent Despite Growth of Online and Mobile Banking," FDIC, February 19, 2015.



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CALIFORNIA REINVESTMENT COALITION

One Los Angeles based leader who runs a community based organization that would stand to benefit from the Bank's proposal to reinvest mainly in Los Angeles had the following to say about the Bank's plan to reinvest deposits from other communities into Los Angeles:

“While we'd love the \$\$\$ for southern California, I'm reminded of how Dorothy Richardson and her neighbors in Pittsburgh first staged a series of “sit-ins” at local banks because of the redlining in their neighborhood. Every neighborhood matters. Every family matters. Out of the strength of her convictions, Dorothy succeeded and the

Neighborhood Reinvestment Corporation and NeighborWorks Network were formed. We must stand for what is right on behalf of all of our neighbors to ensure justice for everyone. Seems fitting during Black History Month.”

Additionally, the Applicant's proposed CRA Plan notes that it will designate only one CRA assessment area for full scope review. We note that City National Bank and East West Bank, two banks that have been identified as peers of OneWest, have three and two full scope review assessment areas, respectively. A bank as big as the proposed CITBNA should have more than one full scope review assessment area.

Conclusion

The regulators must properly weigh the comments of supporters and opponents, scrutinize the foreclosure practices of OneWest Bank and Financial Freedom, fully analyze the extent to which this merger threatens financial stability, and require the bank to negotiate and develop a CRA Plan commensurate with its size and national deposit base, before rubber stamping this proposed merger. We believe this transaction represents a threat to financial stability with huge costs and subsidies, and no public benefit.

Thank you for your consideration of these views. Please feel free to contact me at (415) 864-3980 if you wish to discuss this matter further.

Very Truly Yours,

Kevin Stein  
Associate Director

Paulina Gonzalez  
Executive Director

cc: Jan Owen, Commissioner, California Department of Business Oversight  
Ivan J. Hurwitz, Vice President, FRB NY, [comments.applications@ny.frb.org](mailto:comments.applications@ny.frb.org)  
David Finnegan, Office of the Comptroller of the Currency, [WE.Licensing@occ.treas.gov](mailto:WE.Licensing@occ.treas.gov)  
All COMMENTERS

**From:** [NY Banksup Applications Comments](#)  
**To:** [Whidbee, Robin](#); [McCune, Crystall](#); [Caetano, Ruth](#); [Brannon, Lisa](#)  
**Subject:** FW: OneWest Bank, N.A. and CIT Group, Inc. merger  
**Date:** Tuesday, February 24, 2015 4:26:12 PM

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**From:** Brad Marcelino  
**Sent:** Tuesday, February 24, 2015 4:26:07 PM (UTC-05:00) Eastern Time (US & Canada)  
**To:** NY Banksup Applications Comments  
**Subject:** OneWest Bank, N.A. and CIT Group, Inc. merger

Mr. Hurwitz,

I am writing an email to communicate my loan modification experience with the previous Indymac bank. My experience with this process was extremely positive and the banks were very communicative and good in each step of the way.

My previous loan was a balloon and it would not have been possible to stay in my house without the loan modification process. The best part about the process was the banks ability to communicate exactly the specific steps and always communicating next steps. That made our entire family feel at ease that we were in good hands and that we were going to be able to keep our home. The fact that we had a dedicated loan mod representative made the process much easier to contact the bank and not continually have to call an 800 number and wait which minimized the frustration.

If you have any other questions or if I can get you any other information please let me know.

Best,  
Bradley Marcelino

**From:** [NY Banksup Applications Comments](#)  
**To:** [Whidbee, Robin](#); [McCune, Crystall](#); [Caetano, Ruth](#); [Brannon, Lisa](#)  
**Subject:** FW: OneWest and CIT Group Bank Merger  
**Date:** Tuesday, February 24, 2015 6:01:45 PM

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From: Genola Johnson  
Sent: Tuesday, February 24, 2015 6:01:36 PM (UTC-05:00) Eastern Time (US & Canada)  
To: NY Banksup Applications Comments  
Subject: OneWest and CIT Group Bank Merger

Dear Federal Reserve Bank of New York:

My husband and I have been trying for the past 6 months to get IndyMac Bank to adjust our mortgage. They have asked for things such as why do we have a post office box and why does our credit report indicate a different address than the one we live on, (i.e. we live on 15 massengale farms court, the credit report has an address of 14 massengale farms court.) You would think they would know since they have a copy of the plot the property sits on.

I just received notice that they will not reduce our mortgage. I as of yet don't have a reason why. They can see our credit report shows that our income has reduced significantly.

At this point, we don't know where to turn and feel trapped. They were suppose to help us because we know there is federal money for people like us.

Please do not let this merger happen.

Robert and Genola Johnson

**From:** [NY Banksup Applications Comments](#)  
**To:** [Whidbee, Robin](#); [McCune, Crystall](#); [Caetano, Ruth](#); [Brannon, Lisa](#)  
**Subject:** FW: Proposed CIT Group Acquisition of IMB Holdco  
**Date:** Tuesday, February 24, 2015 6:24:53 PM  
**Attachments:** [image003.png](#)  
[image004.png](#)  
[image006.png](#)  
[Merger Ltrr.pdf](#)

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**From:** Ed Blake  
**Sent:** Tuesday, February 24, 2015 6:24:36 PM (UTC-05:00) Eastern Time (US & Canada)  
**To:** NY Banksup Applications Comments; [we.licensing@occ.treas.gov](mailto:we.licensing@occ.treas.gov)  
**Subject:** Proposed CIT Group Acquisition of IMB Holdco

To whom it may concern,

CIT Bank has been a vital partner in the Salt Lake community and has demonstrated that they have a strong stake hold in our mission at Habitat for Humanity.

Please accept the attached letter as an exhibit in your proceedings.

Sincerely,

*Edward R. Blake*

Executive Director  
Salt Lake Valley Habitat for Humanity  
Office: 801-263-0136 X 206  
Cell: 801-502-4252





February 24, 2015

To whom it may concern,

Salt Lake Valley Habitat for Humanity has enjoyed a long standing relationship with CIT Bank for several years that supports the mission of providing decent shelter for low income families.

Their support includes:

- Donations and participation in our fundraising events.
- Providing significant financial support for our home building program.
- Assistance in crafting a low interest line of credit that enabled the organization to purchase land when a great opportunity is presented and then garner financing from donors to repay the loan.
- Their CFO currently serves on our finance committee and is an active participant on our Board of Directors.

As a non-profit director who has a 20 year national corporate background I have witnessed charitable partnerships from both sides. The for-profit organizations that are good at it find a way to create a seamless relationship based on the needs of the community and they foster a process that compliments the charitable mission of both organizations. CIT Bank has been this type of seminal partner.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ed Blake", with a long horizontal line extending to the right.

Edward R. Blake  
Executive Director  
Ed@HabitatSaltLake.com

**From:** [NY Banksup Applications Comments](#)  
**To:** [Whidbee, Robin](#); [McCune, Crystal](#); [Caetano, Ruth](#); [Brannon, Lisa](#)  
**Subject:** FW: OneWest & CIT Group - RACE TO THE BOTTOM  
**Date:** Thursday, February 26, 2015 2:35:49 AM

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**From:** Bridget Gordon  
**Sent:** Thursday, February 26, 2015 2:35:42 AM (UTC-05:00) Eastern Time (US & Canada)  
**To:** NY Banksup Applications Comments; WE.Licensing@occ.treas.gov  
**Subject:** OneWest & CIT Group - RACE TO THE BOTTOM

Do not allow this merger.

Accountability, these banks have a record of serving themselves not the American people. This merger is a continuation of financial irresponsibility like Countrywide and IndyMac before them, these two banks have a record of taking from tax payers and abandoning their debt. Do not allow this merger.

Enough spending tax payer dollars on losers and takers.

Accountability! Times are changing and tolerance for such poor behavior will not be tolerated.

If this merger is approved I will never utilize this bank and will ask everyone I know to never use this bank.

Thanks,

Bridget Gordon

Los Angeles, CA

**From:** [NY Banksup Applications Comments](#)  
**To:** [Whidbee, Robin](#); [McCune, Crystall](#); [Caetano, Ruth](#); [Brannon, Lisa](#)  
**Subject:** FW: Statement against merger of One West Bank and CIT  
**Date:** Thursday, February 26, 2015 6:37:14 PM

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**From:** VERN LINDHOLM  
**Sent:** Thursday, February 26, 2015 6:36:58 PM (UTC-05:00) Eastern Time (US & Canada)  
**To:** NY Banksup Applications Comments; WE.Licensing@occ.treas.gov; VERN LINDHOLM  
**Subject:** Statement against merger of One West Bank and CIT

Dear Sirs:

I want to oppose the proposed merger of One West Bank and CIT pending before the Federal Reserve, because of my own personal contacts with One West Bank as the result of a loan my former wife obtained on my own personal home in La Habra, California in 2006. She had no financial interest in the property, and IndyMac knew while they were making the loan (my wife's son-in-law was the mortgage broker and ended up getting some of the proceeds along with actually living in the house).

I will keep the facts short as to IndyMac, and proceed in more detail with One West.

In 2006, I received a mortgage statement and payment envelope from a bank in the name of my then-wife's maiden name, Diane Sinnott. It indicated a loan balance of about \$300,000. This was odd, because I had bought the house with \$474,000 of the proceeds of my inheritance from my dad's estate when he died in 1996, when I had no connection with Diane. In order to get the loan, she had previously transferred title of my house into her name, using her power of attorney as trustee of my family trust (as Diane Sinnott, a married woman as her sole and separate property).

A great deal of commotion happened as the result of my chance discovery, and I contacted a divorce lawyer, who told me to do whatever I had to in order to get her to transfer title back to me. She, in turn, contacted her son-in-law to refinance the existing loan, and pull all of the equity out to herself. I correctly anticipated this, filed a lawsuit against her, and recorded a lis pendens on September 29, 2006. Her new loan (with repayment of the old loan) occurred and was recorded on September 30th, one day later. I had beaten her to the bank.

Over the next year she made the payments on the loan, but under the terms of a so-called "Option-ARM loan", she paid only 55% of the interest and no principle, with the unpaid interest being added to the total balance. She eventually abandoned the property after I filed for divorce, and she filed for bankruptcy after her attorney sued her for non-payment of his fees.

Just prior to the seizure of IndyMac by the FEIC in 2008, they recorded a Notice of Default and began foreclosure. I was told over the phone that there was mass confusion during this period, and I filed a police report and two detectives from the La Habra Police Department began an investigation. However, both retired shortly thereafter and she was never arrested. She also filed for bankruptcy, and obtained discharge, but had signed the house back over to me, where I resided during this period.

After One West was given control of the loan, I contacted them on many occasions to figure out what we all would do, since we were all crime victims. IndyMac Financial Services, a division of One West in Austin, TX, and Mia Lee, IndyMac and One West's First VP, BSA Officer and Identity Theft Prevention Officer, repeatedly assured me that they saw what had happened, and promised to cancel the loan as fraudulent and stop their foreclosure efforts. This went on for several years, while they repeatedly postponed sale via foreclosure, so many times that it became almost boring.

However, in 2012, after about five years, they sold the house without proper notice. The first I heard, was a note taped to my door by an agent. I fought the sale and being evicted for over a year, but they ultimately obtained and sold my house.

DURING MY MANY CONVERSATIONS WITH MIA LEE, A FELLOW USC GRAD, SHE REPEATEDLY TOLD ME THAT SHE HAD BEEN INSTRUCTED BY MANAGEMENT TO NOT CONTACT THE FBI ABOUT FRAUDULENT LOANS SUCH AS MINE. HER TELEPHONE NUMBER AT HER NEW EMPLOYER, CALIFORNIA UNITED BANK, IS (213) 430-7000.

The foreclosure of my house is the tip of the iceberg. One West is nothing but a scam established by Steven Mnuchin, a former Goldman Sachs hedgefund manager who was brought in by his dad. John Thain also has Goldman ties.

Mnuchin never had any intention to compromise in any way as fellow crime victims, and he has no intention to be a responsible banker at all. He's splitting a \$1b dividend with his partners at Goldman, after a \$500 mm dividend before. When Mnuchin arrived in California as the newly-minted One West CEO, he bought a new Mercedes Hybrid and moved into a \$26.5 mm new house on Bel Air Road in Beverly Hills.

Mr. Thain has similarly feathered his nest to everyone else's detriment, listed on his Wiki site. This pair intend to pay themselves \$5mm each to just hang out and have others, and in Mnuchin's case, pay his child support

I would appreciate meeting with any of you and sharing my documents, and with Ms. Lee together with us about her employer's behavior.

Thank you for your help in this important matter.

Vernon Robert Lindholm Jr.  
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