

Financial Services Update: Week Ending January 11, 2019

January 12, 2019

Financial Services Update

- **FCRA / Standing:** concluding that plaintiffs had Article III standing in putative class action where they alleged that defendant violated the FCRA by "compiling their personal, private, and sensitive information into a consumer report" and furnishing the report to their employer without obtaining from the employer the certifications required by § 1681b(b)(1)(A) of the FCRA and without obtaining proper authorization, which resulted in the termination of plaintiffs' employment based upon the information contained in the consumer reports; explaining that the injuries alleged by plaintiffs are not merely procedural violations, but "are precisely a kind of harm the FCRA aims to prevent" and that plaintiffs sufficiently alleged an indirect causal nexus between their injuries and defendant's actions - [Sanders v. Global Radar Acquisition, LLC](#), No. 2:18-cv-555-FtM-99CM (M.D. Fla. Jan. 7, 2019) (denying defendants' motion to dismiss)
- **FCRA / Consumer Reporting Agency:** holding that the fact that Fannie Mae created, updates and licenses its Desktop Underwriter software program to different lenders, which software program allows lenders to assemble and evaluate consumer information, does not render Fannie Mae a consumer reporting agency under the FCRA where Fannie Mae itself does not assemble or evaluate consumer information; and noting that Fannie Mae licenses its software program to lenders solely for the purpose of "facilitat[ing] a transaction between the lender and Fannie Mae" whereby the lender can determine if the loan meets Fannie Mae's requirements in its Selling Guide and would be eligible to be purchased by Fannie Mae following origination - [Zabriskie v. Federal Nat'l Mortg. Ass'n](#), Nos. 17-15807, 17-16000 (9th Cir. Jan. 9, 2019) (reversing and remanding)

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