United States Senate
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS
WASHINGTON, DC 20510–6075

August 13, 2026

The Honorable Travis Hill
Chair
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

The Honorable Jonathan V. Gould
Comptroller of the Currency
Office of the Comptroller of the Currency
400 7th Street SW
Washington, D.C. 20219

The Honorable Kevin Warsh
Chair
Board of Governors of the Federal Reserve System
20th Street and Constitution Ave NW
Washington, D.C. 20551

Dear Chair Warsh, Comptroller Gould, and Chair Hill:

I write to express my concern regarding Opportunity Financial's ("OppFi") application to acquire a national bank subsidiary and become a newly formed bank holding company. OppFi's history of predatory lending makes its application inconsistent with the standard for approval under the Bank Merger Act and Bank Holding Company Act.[1] The approval of its application would also veer dramatically from President Trump's promise to cap credit card interest rates at 10%.[2] I therefore urge the Federal Deposit Insurance Corporation ("FDIC"), the Federal Reserve Board ("Board"), and the Office of the Comptroller of the Currency ("OCC") to deny OppFi's application.

OppFi is a nonbank lender that provides financial services to consumers through installment loans.[3] Though OppFi brands itself as a lender that "empower[s] everyday consumers to

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[1] 12 C.F.R. § 5.33(e)(1)(ii)(C) under the Bank Merger Act; 12 C.F.R. § 225.13(b)(3) under the Bank Holding Company Act.
[2] Truth Social post by Donald J. Trump, January 9, 2026, https://truthsocial.com/@realDonaldTrump/posts/115868132990949589.
[3] Center for Responsible Lending, "Burned Borrowers: A Look at the Experiences of OppFi Customers," April 7, 2023, https://www.responsiblelending.org/research-publication/burned-borrowers-look-experiences-oppfi-customers.

overcome financial hurdles and build long-term financial stability,"[4] a closer look into its business model reveals persistent, predatory financial strategies. OppFi charges up to 195% APR on personal installment loans.[5] OppFi's charge-off rates (when a lender determines a debt is unlikely to be collected) exceed 55%.[6] Notably, a 2021 lawsuit filed by the D.C. Office of the Attorney General alleged that "OppFi's underwriting model anticipates that up to one third of their borrowers will be unable to repay their loans and default."[7] A recent report also demonstrates that the majority of OppFi's income comes from loan refinancings—reinforcing concerns that its business model is focused on extending loans that people cannot afford to repay on their original terms without reborrowing.[8]

OppFi is also known for evading state interest rate caps through bank "partnerships"—a scheme known as "Rent-A-Bank."[9] Currently, 45 states and the District of Columbia have interest rate caps in place for at least some loans, but high-cost lenders have exploited the lack of a federal rate cap to evade state interest caps by partnering with banks based in a state with no interest rate cap.[10] It works like this: a nonbank lender develops a lending program, markets the loans and takes applications. A cash-strapped consumer applies for a quick loan; the lender processes the loan application and sends it to an out-of-state bank that is not subject to state interest rate limits.[11] The out-of-state bank technically originates the loan; but then, the bank sells the bulk of the receivables (money owed to it by customers or clients) back to the nonbank lender, which services the loans and reaps the vast majority of the profits.[12] Up to 95% of the receivables are

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[4] OppFi, "OppFi Celebrates Financial Capability Month with Release of 2025 Social Impact Report and Expansion of Customer Empowerment Initiatives," press release, April 23, 2026, https://investors.oppfi.com/news/news-details/2026/OppFi-Celebrates-Financial-Capability-Month-with-Release-of-2025-Social-Impact-Report-and-Expansion-of-Customer-Empowerment-Initiatives/default.aspx.

[5] National Consumer Law Center, "Broad Coalition Opposes 195% APR Bank Charter for OppFi, Which Seeks to Make Payday Loans in Every State," press release, July 31, 2026, https://www.nclc.org/broad-coalition-opposes-195-apr-bank-charter-for-oppfi-which-seeks-to-make-payday-loans-in-every-state/.

[6] Written comments of National Consumer Law Center Senior Attorney Lauren Saunders to the Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and Federal Reserve Board, July 31, 2026, p. 1, https://www.nclc.org//wp-content/uploads/2026/07/OppFi-National-Bank-Comments-alone.pdf.

[7] District of Columbia v. Opportunity Financial, LLC, 2021 CA 001072B (D.C. Superior Court, 2021), at 8, https://oag.dc.gov/sites/default/files/2021-04/OppLoans-Complaint-final.pdf.

[8] Center for Responsible Lending, "Lost Opportunities: How OppFi Traps Borrowers in Unaffordable Debt," Whitney Barkley-Denney, Andrew Kushner, and Candice Wang, p.3, January 2026, https://www.responsiblelending.org/sites/default/files/nodes/files/research-publication/crl-lost-opportunities-jan2026.pdf.

[9] Center for Responsible Lending, "Adding Fuel to the Fire: OppFi Hurts, Does Not Help, Borrowers' Credit Health," April 2023, p.1, https://www.responsiblelending.org/sites/default/files/nodes/files/research-publication/crl-adding-fuel-oppfi-7apr2023.pdf.

[10] National Consumer Law Center, "Fact Sheet: State Annual Percentage Rate (APR) Caps for $500, $2,000, and $10,000 Installment Loans," December 18, 2025, https://www.nclc.org/resources/fact-sheet-state-annual-percentage-rate-apr-caps-for-500-2000-and-10000-installment-loans/; Center for Responsible Lending, "The Rent-A-Bank Scheme," September 4, 2024, https://www.responsiblelending.org/research-publication/rent-bank-scheme.

[11] Center for Responsible Lending, "Predatory Lenders' Rent-a-Bank Scheme: What Is It and What Can We Do To Stop It?," https://www.responsiblelending.org/sites/default/files/nodes/files/research-publication/crl-rentabank-jan2020.pdf.

[12] Center for Responsible Lending, "The Rent-A-Bank Scheme," September 4, 2024, https://www.responsiblelending.org/research-publication/rent-bank-scheme; Clothilde Hewlett v. Opportunity Financial, LLC, 22STCV08163 (2022), at 3, https://dfpi.ca.gov/wp-content/uploads/sites/337/2022/04/Civil-Action-Opportunity-Financial-LLC-Cross-Complaint.pdf.

bought by OppFi, even though the loans originate through partnerships with out-of-state banks—specifically through Finwise Bank, Capital Community Bank, and First Electronic Bank—all of which are located in Utah, a state with no interest rate limits.[13]

Rent-a-bank schemes are of questionable legality, and many courts have applied anti-evasion laws to pierce through these schemes and determine that the nonbank lender is the "true lender" that must then comply with state interest rate laws.[14] In 2021, D.C. Attorney General Racine filed a lawsuit against OppFi for evading D.C.'s 24% interest rate cap through its rent-a-bank partner, Finwise Bank.[15] The majority of residents covered by the lawsuit were provided loans with a 160% APR, 566.67% more than the state's interest cap.[16] In a settlement resolving the case, OppFi was required to refund $1.5 million to thousands of consumers and to waive over $640,000 in interest.[17] OppFi is also currently in litigation with the California Department of Financial Protection and Innovation over its use of a rent-a-bank scheme to attempt to evade California's interest rate laws.[18]

Concerningly, OppFi appears to be attempting to expand its predatory lending operations to all 50 states in the country by seeking to become a national bank that enjoys the benefits of federal preemption.[19] On April 28, 2026, OppFi announced a definitive agreement to acquire BNCCORP, Inc. ("BNCC") and its subsidiary, BNC National Bank ("BNC").[20] By acquiring BNC, OppFi would unlock the benefits of the bank's national bank charter for the purposes of expanding its predatory lending strategies to the national stage, side-stepping the interest rate caps of 45 states. Concerningly, OppFi has also indicated an interest in expanding its operations post-BNC Bank acquisition by offering earned wage access programs (more accurately called payday loan apps), lines of credit, and small business lending.[21]

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[13] Center for Responsible Lending, "Adding Fuel to the Fire: OppFi Hurts, Does Not Help, Borrowers' Credit Health," April 2023, p.1, https://www.responsiblelending.org/sites/default/files/nodes/files/research-publication/crl-adding-fuel-oppfi-7apr2023.pdf.

[14] National Consumer Law Center, "Tenth Circuit Limits Rent-a-Bank Schemes," Lauren Saunders, December 11, 2025, https://library.nclc.org/article/tenth-circuit-limits-rent-bank-schemes.

[15] District of Columbia v. Opportunity Financial, LLC, 2021 CA 001072-B (D.C. Superior. Court, 2021), https://oag.dc.gov/sites/default/files/2021-04/OppLoans-Complaint-final.pdf.

[16] Center for Responsible Lending, "Adding Fuel to the Fire: OppFi Hurts, Does Not Help, Borrowers' Credit Health," April 2023, p. 3, https://www.responsiblelending.org/sites/default/files/nodes/files/research-publication/crl-adding-fuel-oppfi-7apr2023.pdf.

[17] Office of the Attorney General, District of Columbia, "AG Racine Announces Over $2 Million Settlement with Predatory Online Lender Will Compensate Thousands of District Consumers," press release, November 30, 2021, https://oag.dc.gov/release/ag-racine-announces-over-2-million-settlement.

[18] American Bankers Association Banking Journal, "California court's tentative decision rejects 'rent-a-bank' theory in OppFi lawsuit," April 1, 2026, https://bankingjournal.aba.com/2026/04/california-courts-tentative-decision-rejects-rent-a-bank-theory-in-oppfi-lawsuit/.

[19] National Consumer Law Center, "Broad Coalition Opposes 195% APR Bank Charter for OppFi, Which Seeks to Make Payday Loans in Every State," press release, July 31, 2026, https://www.nclc.org/broad-coalition-opposes-195-apr-bank-charter-for-oppfi-which-seeks-to-make-payday-loans-in-every-state/.

[20] United States Securities and Exchange Commission, Form 8-K, OppFi Inc, April 28, 2026, https://www.sec.gov/Archives/edgar/data/1818502/000181850226000030/opfi-20260428.htm.

[21] Written comments of National Consumer Law Center Senior Attorney Lauren Saunders to the Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and Federal Reserve Board, July 31, 2026, p. 5, https://www.nclc.org//wp-content/uploads/2026/07/OppFi-National-Bank-Comments-alone.pdf.

Allowing a nonbank, high-cost lender to convert into a national bank requires approval by the FDIC, OCC, and the Board.[22] The agencies are statutorily required to assess the risk that allowing a company like OppFi to enter the banking ecosystem poses to consumers and the financial system as a whole.[23] I therefore urge the FDIC, Board, and the OCC to consider the following facts when determining whether to approve OppFi's proposed acquisition, which I believe demonstrate that the application must be denied.

First, OppFi's business model does not adequately ensure that borrowers have the ability to repay their loans—a core requirement of safe, sound and responsible lending.[24] OppFi's public filings show charge-off rates upwards of 55%.[25] As the National Consumer Law Center notes, charge-off rates anywhere close to that level are unlikely to be tolerated at a national bank [26]—and for good reason. That type of predatory lending does not meet the convenience and needs of the community,[27] as it leaves many—likely most—borrowers far worse off. High-interest rate, high charge-off lending is also a safety and soundness risk to the bank.[28] In addition to the loss rates, high-cost lending with high charge-off rates poses a serious risk of violating numerous consumer protection and other laws, including those governing unfair, deceptive, or abusive practices, debt collection, credit reporting, fair lending, military lending, privacy and data security, Know-Your-Customer, and community reinvestment requirements.[29]

In addition, approving this application would inflict even more financial pain on Americans struggling under President Trump's failing economic agenda. Not only are housing, food and electricity costs surging, but Americans are carrying record levels of student loan, mortgage, and

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[22] Congressional Research Service, "Recent Regulatory Activity on Bank Merger Policy," April 15, 2025, https://www.congress.gov/crs_external_products/IN/HTML/IN12543.html; Written comments of National Consumer Law Center Senior Attorney Lauren Saunders to the Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and Federal Reserve Board, July 31, 2026, https://www.nclc.org//wp-content/uploads/2026/07/OppFi-National-Bank-Comments-alone.pdf.

[23] National Community Reinvestment Coalition, "NCRC, Woodstock Institute Urge OCC, Federal Reserve To Deny Bank Merger Between Enova and Grasshopper Bank," February 20, 2026, https://ncrc.org/ncrc-woodstock-institute-urge-occ-federal-reserve-to-deny-bank-merger-between-enova-and-grasshopper-bank/.

[24] Written comments of National Consumer Law Center Senior Attorney Lauren Saunders to the Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and Federal Reserve Board, July 31, 2026, p. 7, https://www.nclc.org//wp-content/uploads/2026/07/OppFi-National-Bank-Comments-alone.pdf.

[25] *Id.*

[26] Written comments of National Consumer Law Center Senior Attorney Lauren Saunders to the Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and Federal Reserve Board, July 31, 2026, p. 8, https://www.nclc.org//wp-content/uploads/2026/07/OppFi-National-Bank-Comments-alone.pdf.

[27] 12 C.F.R. § 5.33(e)(1)(ii)(C) under the Bank Merger Act; 12 C.F.R. § 225.13(b)(3) under the Bank Holding Company Act. ; Written comments of National Consumer Law Center Senior Attorney Lauren Saunders to the Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and Federal Reserve Board, July 31, 2026, p. 2, https://www.nclc.org//wp-content/uploads/2026/07/OppFi-National-Bank-Comments-alone.pdf.

[28] Written comments of National Consumer Law Center Senior Attorney Lauren Saunders to the Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and Federal Reserve Board, July 31, 2026, p. 18, https://www.nclc.org//wp-content/uploads/2026/07/OppFi-National-Bank-Comments-alone.pdf.

[29] Written comments of National Consumer Law Center Senior Attorney Lauren Saunders to the Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and Federal Reserve Board, July 31, 2026, p. 13, https://www.nclc.org//wp-content/uploads/2026/07/OppFi-National-Bank-Comments-alone.pdf.

credit card debts.[30] Predatory lenders like OppFi prey on people struggling to manage their debts and expenses and deepen the affordability crisis with their high-cost loans. Following public outcry over high prices, President Trump called for a one-year, 10% cap on credit card interest rates to prevent consumers from being "ripped off" by credit card companies in early 2026–a promise he has yet to actually accomplish or enforce.[31] Yet, by approving OppFi's application, the FDIC, OCC, and the Board would be providing a lender that makes loans up to 195% APR with the green light to run its gambit more widely—veering dramatically from President Trump's nominal support for capping consumer lending expenses.

Becoming a bank holding company with a bank charter requires compliance with clear statutory guidelines.[32] The FDIC, OCC, and the Board are tasked with protecting the integrity of our banking system, and given the risks that OppFi's proposed acquisition poses to consumers and our financial system as a whole, I urge the OCC, FDIC and the Board to reject OppFi's application to acquire BNC Bank.

Sincerely,

Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs

[30] Federal Reserve Bank of New York, "Household Debt and Credit Report (Q2 2026)," https://www.newyorkfed.org/microeconomics/hhdc.
[31] Truth Social post by Donald J. Trump, January 9, 2026, https://truthsocial.com/@realDonaldTrump/posts/115868132990949589.
[32] National Community Reinvestment Coalition, "NCRC, Woodstock Institute Urge OCC, Federal Reserve To Deny Bank Merger Between Enova and Grasshopper Bank," February 20, 2026, https://ncrc.org/ncrc-woodstock-institute-urge-occ-federal-reserve-to-deny-bank-merger-between-enova-and-grasshopper-bank.