



Partner Catherine Brennan comments for Bloomberg Law on Colorado bank-fintech partnership settlement

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On August 18, Colorado filed a settlement with online lenders and their bank partners, resolving allegations that their lending arrangements violated state usury limits. *Bloomberg Law* reported that the safe harbor included in the agreement will now allow loans issued by a bank-fintech partnership to charge up to 36% interest, which is above Colorado's existing usury limits but below rates some online lenders charge. According to *Bloomberg*, the settlement could be a model for other states that wish to regulate fintech partnerships with banks, which are generally exempt from state usury limits beyond the state where they're headquartered.

Hudson Cook Partner [Catherine Brennan](#) told *Bloomberg* that the settlement may attract new bank-fintech lender partnerships to Colorado. "Colorado has long been on the list of states to avoid" due to the state's tough stance on fintech partnerships, she said. Catherine noted that the settlement combines existing case law and many standard operating provisions already in use in most bank-fintech partnerships.

Catherine is a partner in Hudson Cook's Maryland office and chair of the firm's [fintech](#) practice group. She assists national and state banks, investment banks, consumer and commercial finance companies, mortgage bankers, installment lenders and other licensed lenders in the development and maintenance of nationwide consumer and commercial lending programs. Catherine engages in credit due diligence on behalf of investors in fintech firms, bank partnership platforms, small business lenders, merchant cash advance companies, consumer finance companies, title loan companies and payday lenders.

Subscribers to *Bloomberg* may [click here](#) to access the article.

Catherine and Partner [Kate Fisher](#) recently presented a webinar on state and federal small business finance regulatory developments. [Click here to request a replay of the webinar recording](#)

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