

**UNITED STATES OF AMERICA
CONSUMER FINANCIAL PROTECTION BUREAU**

In the Matter of

**U.S. Bank National Association,
Cincinnati, Ohio**

**ADMINISTRATIVE PROCEEDING
File No. 2013-CFPB-0003**

CONSENT ORDER

The Consumer Financial Protection Bureau (“Bureau”), through its examiners and other staff, has conducted a target review of the Military Installment Loans and Educational Services (“MILES”) program, an automobile loan program that U.S. Bank National Association (“U.S. Bank” or “Respondent”) helped develop and for which it is the primary lender. In this target review, the Bureau has identified the following violations of law: (1) Regulation Z (Truth in Lending), 12 C.F.R. Part 1026, for failing to accurately disclose the finance charge, annual percentage rate, payment schedule, and total of payments for MILES loans where U.S. Bank served as the creditor; and (2) sections 1031 and 1036 of the Consumer Financial Protection Act (“CFPA”), 12 U.S.C. §§ 5531 and 5536 (the prohibition on deceptive acts or practices): (a) for failing to accurately disclose the finance charge, annual percentage rate, payment schedule, and total of payments for MILES loans; (b) for deceptive marketing with respect to the prices for a service contract; and (c) for deceptive marketing with respect to the coverage of a service contract.

U.S. Bank, by and through its President and Chairman of the Board of Directors (“Board”), has executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated June 26, 2013 (“Stipulation”), which is incorporated by reference and is accepted by the Bureau. By this Stipulation, Respondent has consented to the issuance of this Consent Order (this “Consent

Order”) by the Bureau under sections 1053 and 1055 of the CFPB, 12 U.S.C. §§ 5563 and 5565, without admitting or denying any of the findings of fact or conclusions of law, except that Respondent admits the Bureau’s jurisdiction over Respondent and the subject matter of this action.

Accordingly, the Bureau hereby issues, under 12 U.S.C. §§ 5563 and 5565, this Consent Order.

I. Findings of Fact

The Bureau finds the following:

1. U.S. Bank, Cincinnati, Ohio, is a national bank. As of December 31, 2012, U.S. Bank had \$354 billion in total assets.

2. U.S. Bank and Dealers’ Financial Services, LLC (“DFS”) jointly developed MILES as a loan program for U.S. military servicemembers (“servicemembers”) to finance the acquisition of new or used automobiles in dealer-assisted transactions, and since 2001 the MILES program has provided more than 110,000 automobile loans to servicemembers. DFS and U.S. Bank entered into the MILES Preferred Lender Agreement June 25, 2001, which, along with subsequent amendments, governs their respective roles in the MILES program.

3. U.S. Bank serves as the primary lender for MILES, providing loans to servicemembers who meet U.S. Bank’s criteria. U.S. Bank finances the substantial majority of the MILES loans.

4. DFS recruits and manages the 700-plus members of the MILES auto dealer network, maintains the MILES website, provides telemarketing, creates the MILES marketing and promotional materials, and gathers and reviews loan applications before sending them to U.S. Bank for final approval. Dealers in the MILES auto dealer network enter into contractual

arrangements separately with DFS and with U.S. Bank, and the model DFS Dealer Operating Agreement is incorporated into the MILES Preferred Lender Agreement between DFS and U.S. Bank.

5. U.S. Bank, through DFS, provides the MILES dealers with blank U.S. Bank MILES installment note forms and retail installment sales contract (“RISC”) forms. U.S. Bank serves as the creditor for the majority of MILES loans for which it provides funding. For other MILES loans for which U.S. Bank provides funding, the dealer is the initial creditor within the meaning of Regulation Z. In that situation, the dealer and the servicemember enter into a RISC that is then assigned to U.S. Bank.

6. MILES dealers fill in the U.S. Bank notes and RISCs, including the Truth in Lending Act disclosures, and present them to servicemember customers in the dealership.

7. U.S. Bank, as stated in its installment notes, requires servicemembers participating in the MILES program to repay their loans via a military pay allotment and warns servicemembers that if they discontinue their allotments while in active service, they will be in default on their loans.

8. U.S. Bank and the MILES program effectively require servicemembers to use Military Assistance Company, LLC (“MAC”) – the MILES “allotment partner” – for processing allotments for MILES loans.

9. MAC collected and shared with DFS a \$3 monthly fee for allotment processing.

10. The \$3 monthly MAC allotment fee was not included in the Truth in Lending Act disclosures contained in U.S. Bank’s MILES installment notes and RISCs, a fact that results in understated entries for the: (a) annual percentage rate; (b) finance charge; and (c) total of payments, with the finance charge and total of payments understated by up to \$180 per borrower

for a 60-month loan.

11. When a servicemember requests a pay allotment, the Department of Defense draws funds for the allotment from each paycheck. The vast majority of servicemembers are paid twice per month (“semi-monthly”). The Department of Defense only transmits allotment funds once monthly at the end of the month to MAC for further transmission to U.S. Bank. As a result, funds are taken for an allotment at both the middle and end of the month. The MILES website discloses that funds are taken for allotments twice a month; however, it does not state that the funds are credited to the servicemember’s account only at the end of the month.

12. The Truth in Lending Act disclosures on the U.S. Bank notes and RISCs purchased by U.S. Bank inaccurately report the payment schedule – the number, amount, and timing of payments scheduled to repay the obligation – by failing to take into account the semi-monthly payments resulting from the mandatory use of allotments.

13. Because U.S. Bank credits servicemembers’ loan accounts only once monthly, servicemembers pay a greater amount of interest on their loans than they would pay on a loan of the same amount and same nominal interest rate for which payments were credited twice monthly, when allotments are actually taken out of servicemembers’ pay. That additional interest amounts to approximately \$75 on a typical MILES loan, assuming the servicemember remains in the military for the full life of the loan.

14. Dealers, DFS telemarketers, and the DFS-operated MILES website offer optional products to servicemembers as part of the MILES program (“add-on products”). Only add-on products that are approved under the MILES program may be offered and financed, and the cost of the service contract and other add-on products is typically financed by the servicemember. MILES dealers are effectively required to offer servicemembers two add-on products: GAP

insurance, which covers the difference, if any, between the insurance payout for the vehicle and the loan principal in the event that the vehicle is stolen or declared a total loss, and a service contract, which covers certain repairs.

15. The cost of the service contract and other add-on products is typically financed by the servicemember.

16. The MILES add-on products are marketed primarily through telemarketing by DFS, the DFS website, and by dealers who use DFS-provided brochures. U.S. Bank has a contractual right to review all of the marketing and advertising materials for the MILES program; however, it did not regularly validate statements made in the DFS-provided materials.

17. MILES brochures contained a claim that purchasing the service contract would add “just a few dollars to your monthly payment.”

18. The cash price of the service contract ranges from about \$1,100 to \$4,000, and it varies based on the service contract’s term and the automobile’s make, model, age, and mileage. Thus, the total cost of the service contract, calculated based upon the typical interest rate of 17.95%, ranges from about \$1,600 to \$6,000, depending on the loan term. The average cost paid by servicemembers for the service contract is about \$2,600, including interest. On a five-year loan, this average translates to a monthly cost of over \$40.

19. The MILES telemarketing script includes a sales pitch for the MILES service contract. In the relevant part, the script advises servicemembers that, “At MILES we don’t want you to have to decide between fixing your car or paying your bills,” and “You would never think about not insuring your home or your health. However, the likelihood of an auto claim is much higher.”

20. The marketing brochure and service contract document contain subheadings listing categories of covered parts, without stating that important parts that would fall within those subheadings are, in fact, not covered. For example, the brochure lists “Brakes” as covered, but it does not disclose that brake pads and rotors are excluded. In addition, the brochure lists “transmission,” “suspension,” “electrical,” and “cooling” as covered, even though the service contract does not, in fact, cover manual clutches, shock absorbers, ignition coils, or radiator hoses.

21. The brochure lists only covered parts and does not prominently disclose the existence of parts excluded from coverage, beyond a vague, six-point-font footnote at the bottom of the page.

II. Conclusions of Law

The Bureau finds the following:

22. The Bureau has jurisdiction over this matter pursuant to sections 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563 and 5565.

23. U.S. Bank offers and provides automobile loans and takes assignment of RISCs for automobile purchases by servicemembers under the MILES program, each of which is a “consumer financial product or service” as that term is defined in section 1002(5) of the CFPA, 12 U.S.C. § 5481(5).

24. U.S. Bank is a “covered person” as that term is defined in section 1002(6) of the CFPA, 12 U.S.C. § 5481(6).

25. U.S. Bank is an insured depository institution with assets greater than \$10,000,000,000 within the meaning of 12 U.S.C. § 5515(a).

26. The \$3 MAC allotment fee constitutes a “finance charge” under Regulation Z because U.S. Bank and the MILES program effectively require servicemembers to use MAC pay allotments “as a condition of or an incident to the extension of credit.” 12 C.F.R. § 1026.4(a)(1)(i).

27. As described in Paragraphs 5 through 13, with respect to MILES loans for which the servicemember executed an installment note payable to U.S. Bank, U.S. Bank is a creditor. U.S. Bank failed to disclose, or adequately disclose, in MILES installment notes, the finance charge, annual percentage rate, payment schedule, and total of payments, in violation of Regulation Z, 12 C.F.R. § 1026.18(d), (e), (g), and (h), and of the CFPA’s prohibition on deceptive acts or practices, 12 U.S.C. §§ 5531, 5536(a)(1)(B).

28. As described in Paragraphs 5 through 13, with respect to MILES loans evidenced by a RISC between the servicemember and the dealer that was assigned to U.S. Bank, the disclosures provided to servicemembers failed to disclose, or adequately disclose, the finance charge, annual percentage rate, payment schedule, and total of payments, and did not comply with the requirements of Regulation Z, 12 C.F.R. § 1026.18(d), (e), (g), and (h). U.S. Bank, therefore, engaged in deceptive acts or practices in violation of the CFPA, 12 U.S.C. §§ 5531, 5536(a)(1)(B).

29. The MILES service contract marketing materials used by DFS and dealers in the MILES program included deceptive statements regarding the cost and coverage of the warranty, which violated the CFPA’s prohibition on deceptive acts or practices, 12 U.S.C. §§ 5531, 5536(a)(1)(B). By virtue of the overall structure and operation of the MILES program as set forth in Paragraphs 2 through 21, U.S. Bank engaged in these deceptive acts or practices.

III. Definitions

For purposes of this Consent Order, the following definitions shall apply:

30. “Affected Consumer” shall mean any current or former servicemember who was obligated to pay U.S. Bank for credit extended under the MILES program and who made a payment on or after January 1, 2010.

31. “Auto Loan Programs Directed to Servicemembers” shall mean auto loan programs, the primary purpose of which is to offer or provide loans to active-duty servicemembers, but the term does not include U.S. Bank’s other direct and indirect automobile loan programs not marketed primarily to active-duty servicemembers.

32. “Board” shall mean the Board of Directors of U.S. Bank.

33. “Clearly and prominently” shall mean:

- a. In textual communications (*e.g.*, printed publications or words displayed on the screen of an electronic device), the disclosure shall be of a type, size, and location sufficiently noticeable for an ordinary consumer to read and comprehend the disclosure, in print that contrasts with the background on which it appears. In multipage documents, the disclosure shall appear on the cover or first page;
- b. In communications disseminated orally or through audible means (*e.g.*, radio or streaming audio), the disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend the disclosure;
- c. In communications disseminated through video means (*e.g.*, television or streaming video), disclosure that is provided in writing shall be in a form consistent with Subparagraph (a) and shall appear on the screen for a duration sufficient for an ordinary consumer to read and comprehend the disclosure.

Disclosures provided orally or through audible means shall be in a form consistent with Subparagraph (b);

- d. In communications made through interactive media such as the internet, online services, and software, the disclosure shall be unavoidable and presented in a form consistent with Subparagraph (a); and
- e. In all instances, the disclosure shall be presented prior to the consumer incurring any financial obligation, in an understandable language and syntax, and with nothing contrary to, inconsistent with, or in mitigation of the disclosures used in any communication with the consumer.

34. “Effective Date” shall mean the date on which the Consent Order is issued.

35. “Regional Director” shall mean the Regional Director for the Midwest Region for the Bureau’s Office of Supervision Examinations.

36. “Respondent” or “U.S. Bank” shall mean U.S. Bank National Association and its successors and assigns and, with respect to Paragraphs 40 through 42, its affiliates, officers, servants, attorneys, employees, and agents, whether acting directly or indirectly.

37. The terms “amount financed,” “annual percentage rate,” “consumer,” “credit,” “creditor,” “finance charge,” “payment schedule,” and “total of payments” are defined as set forth in sections 103 and 128 of the Truth in Lending Act, 15 U.S.C. §§ 1602 and 1638, and sections 1026.2, 1026.4, 1026.18, and 1026.22 of Regulation Z, 12 C.F.R. §§ 1026.2, 1026.4, 1026.18, and 1026.22.

38. “Service contract” shall mean a vehicle service contract or other agreement with a consumer to repair certain covered parts.

39. “Service Provider” shall have the same meaning as set forth in section 1002(26) of the CFPA, 12 U.S.C. § 5481.

IV. Order to Cease and Desist and to Take Other Affirmative Action

IT IS HEREBY ORDERED, pursuant to sections 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563 and 5565, that U.S. Bank, whether acting directly or through any corporation, subsidiary, division or other device, shall cease and desist from the conduct described in Paragraphs 40 through 42 and take the affirmative actions set forth in Paragraph 42:

Conduct

40. U.S. Bank shall cease and desist from any further violations of Regulation Z, 12 C.F.R. Part 1026, the Truth in Lending Act, 15 U.S.C. § 1601 *et seq.*, and sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531 and 5536 with respect to Auto Loan Programs Directed to Servicemembers.

41. U.S. Bank shall not condition an extension of credit to a consumer on the consumer’s repayment by military pay allotments in connection with Auto Loan Programs Directed to Servicemembers. Nothing in this provision shall limit U.S. Bank’s ability to offer optional incentives to consumers related to the use of military pay allotments.

42. U.S. Bank, when offering or providing any add-on product in connection with Auto Loan Programs Directed to Servicemembers, shall not, and shall take reasonable steps to ensure that its authorized program dealers do not, misrepresent material terms of such add-on products, including, but not limited to, the monthly price and total price of such add-on products, the scope of coverage of such add-on products, and, where necessary for clarification, exclusions from coverage. For purposes of this Consent Order, “offering or providing any add-on product in

connection with Auto Loan Programs Directed to Servicemembers” shall mean an add-on product: (a) the cost of which is included in the amount financed with respect to an automobile loan; (b) that is optional; and (c) that U.S. Bank selects, recommends, markets, or effectively requires to be marketed as part of an Auto Loan Program Directed to Servicemembers.

Role of Board

43. The Board, or a duly constituted Board committee, shall review submissions of plans, reports, programs, policies, and procedures required by this Consent Order prior to submission to the Bureau.

44. Although this Consent Order requires U.S. Bank to submit certain documents for review and determination of non-objection by the Regional Director, the Board shall have the ultimate responsibility for proper and sound management of Respondent, and for ensuring that U.S. Bank complies with federal consumer financial law and this Consent Order.

45. In each instance in this Consent Order in which the Board is required to ensure adherence to, or undertake to perform certain obligations of U.S. Bank, the Board shall: (a) authorize and adopt such actions on behalf of U.S. Bank as may be necessary for U.S. Bank to perform its obligations and undertakings under the terms of this Consent Order; (b) require the timely reporting by U.S. Bank management of such actions directed by U.S. Bank to be taken under the terms of this Consent Order; and (c) take corrective action relating to any material non-compliance with such actions in a timely and appropriate manner.

Compliance Plan

46. Within 60 days of the Effective Date, U.S. Bank shall submit to the Regional Director for review and determination of non-objection a comprehensive compliance plan designed to ensure that U.S. Bank, when offering or providing Auto Loan Programs Directed to

Servicemembers or offering or providing add-on products in connection with such financing directly or through a Service Provider, complies with all applicable federal consumer financial laws and the terms of this Consent Order (“Compliance Plan”), *provided, however*, if, within 60 days after the Effective Date, U.S. Bank is not offering Auto Loan Programs Directed to Servicemembers, submission of the Compliance Plan shall not be required until such time as U.S. Bank determines to offer or provide Auto Loan Programs Directed to Servicemembers. The Compliance Plan shall include, at a minimum: (a) detailed steps for addressing each action required by this Section IV of the Consent Order; (b) training materials for U.S. Bank’s relevant employees, Service Providers, and, as appropriate, MILES dealers to ensure compliance with this Consent Order; and (c) specific timeframes and deadlines for implementation of the steps described above.

47. The Regional Director shall have the discretion to make a determination of non-objection to the Compliance Plan or to direct U.S. Bank to revise it. In the event that the Regional Director directs U.S. Bank to revise the Compliance Plan, U.S. Bank shall make the revisions and resubmit the Compliance Plan to the Regional Director within 30 days.

48. Upon notification that the Regional Director has made a determination of non-objection to the Compliance Plan, U.S. Bank shall implement and adhere to the steps, recommendations, deadlines, and timeframes set forth in the Compliance Plan.

V. Redress

IT IS FURTHER ORDERED, that:

49. Within 30 days of the Effective Date, U.S. Bank shall develop and submit to the Regional Director a comprehensive plan for providing redress consistent with this Consent Order

to Affected Consumers for the violations identified in Paragraphs 27 and 28 (“Redress Plan”).

50. The Redress Plan shall, at a minimum, specify how U.S. Bank will: (a) reimburse through credits to the Affected Consumer’s account, or through a certified or bank check, all allotment fees paid after January 1, 2010 or obligated to be paid by Affected Consumers in those cases where the fee was not included in the calculation of the finance charge or annual percentage rate disclosed to the Affected Consumer; (b) reimburse through credits to the Affected Consumer’s account, or through a certified or bank check, the difference between the total amount the consumer would pay on the loan if payments were credited at the time allotments were taken and the total payment due on the loan as actually credited by U.S. Bank for all payments made after January 1, 2010; and (c) provide validation that Affected Consumers received redress consistent with the Redress Plan. The Regional Director shall have the discretion to make a determination of non-objection to the Redress Plan or to direct U.S. Bank to revise it. In the event that the Regional Director directs U.S. Bank to revise the Redress Plan, U.S. Bank shall make the requested revisions and resubmit the Redress Plan to the Regional Director within 20 days.

51. Within 7 days after the Regional Director notifies U.S. Bank that he or she has made a determination of non-objection to the Redress Plan, U.S. Bank shall implement and adhere to the steps, recommendations, deadlines, and the timeframes set forth in the Redress Plan.

52. Upon completion of the Redress Plan, if the amount of redress provided to Affected Consumers is less than the greater of (a) \$3,200,000 or (b) the amount of total proposed redress specified in the Redress Plan, within 30 days of the completion of the Redress Plan, U.S. Bank is ordered to pay to the Bureau, in the form of a wire transfer to the Bureau or to such agent as the Bureau may direct, and in accordance with wiring instructions to be provided by counsel for the

Bureau, the difference between (a) the amount of redress provided to Affected Consumers and (b) the greater of (i) \$3,200,000 or (ii) the amount of total proposed redress specified in the Redress Plan.

53. Any funds paid to the Bureau under Paragraph 52 shall be deposited in the U.S. Treasury as disgorgement.

54. U.S. Bank shall not attach any conditions to the redress provided to consumers, including requiring consumers to waive any rights.

55. With regard to any redress that U.S. Bank pays pursuant to this Section V, U.S. Bank may neither seek nor receive, directly or indirectly, any reimbursement or indemnification from any insurance policy, and shall treat such payments in the ordinary course for tax purposes and may claim lawful deductions but shall not seek any extraordinary tax credit or other treatment.

56. In the event of any default on Respondent's obligations to make payment under this Consent Order, interest, computed pursuant to 28 U.S.C. § 1961, as amended, shall accrue on any outstanding amounts not paid from the date of default to the date of payment, and shall immediately become due and payable.

57. Respondent shall relinquish all dominion, control, and title to the funds paid to the fullest extent permitted by law, and no part of the funds shall be returned to Respondent.

VI. Compliance Provisions

IT IS FURTHER ORDERED, that:

Reporting Requirements

58. U.S. Bank shall notify the Bureau of any change in U.S. Bank that may affect obligations arising under this Consent Order, including but not limited to, a dissolution,

assignment, sale, merger, or other action that would result in the emergence of a successor company; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Consent Order; the proposed filing of any bankruptcy or insolvency proceeding by or against U.S. Bank; or a change in the name or address of U.S. Bank.

59. U.S. Bank shall report any such change at least 30 days prior to such change.

Provided, however, that with respect to any proposed change about which U.S. Bank learns less than 30 days prior to the date such action is to take place, U.S. Bank shall notify the Bureau as soon as is practicable after obtaining such knowledge.

60. U.S. Bank shall provide the Bureau notice of the filing of any bankruptcy petition, insolvency proceeding, or any similar proceeding by or against U.S. Bank within 14 days of its filing.

61. Within 90 days of the Effective Date, and thereafter by one year after the Effective Date, U.S. Bank shall submit to the Regional Director a true and accurate written compliance progress report (“Compliance Report”), which has been approved by the Board, which, at a minimum: (a) describes in detail the manner and form in which U.S. Bank has complied with this Consent Order and ensured compliance by its agents; and (b) attaches a copy of each Consent Order Acknowledgment obtained pursuant to Paragraph 65 of this Consent Order, unless previously submitted to the Bureau.

62. After submitting the one-year Compliance Report, U.S. Bank shall submit to the Regional Director additional true and accurate Compliance Reports within 14 days of receiving a written request from a Bureau representative.

Consent Order Distribution and Acknowledgement

63. Within 30 days of the Effective Date, U.S. Bank shall deliver a copy of this Consent Order to each of its board members and executive officers, as well as to any managers, employees, or other agents and representatives who have responsibilities related to the subject matter of the Consent Order.

64. For a period of three years from the Effective Date, U.S. Bank shall deliver a copy of this Consent Order to any business entity resulting from any change in structure as set forth in the Reporting Requirements in Paragraphs 58 and 59, any future board members and executive officers, as well as to any managers, employees, or other agents and representatives who will have responsibilities related to the subject matter of the Consent Order before they assume their responsibilities.

65. U.S. Bank shall secure a signed and dated statement acknowledging receipt of a copy of this Consent Order, with any electronic signatures complying with the requirements of the E-Sign Act, 15 U.S.C. § 7001 *et seq.*, within 30 days of delivery, from all persons receiving a copy of this Consent Order pursuant to this Section.

Recordkeeping

66. Respondent shall create, for at least three years from the Effective Date, and then retain, for at least five years, and make available to Bureau representatives upon request, the following business records: (a) all documents and records necessary to demonstrate full compliance with each provision of this Consent Order, including all submissions to the Bureau; (b) all documents and records pertaining to the Redress Plan, as set forth in Section V above; (c) copies of all sales scripts, training materials, advertisements, websites, and other marketing materials relating to Auto Loan Programs Directed to Servicemembers, including any such

materials used by Service Providers; (d) for each individual Affected Consumer, to the extent each of the following are known or reasonably available, the Affected Consumer's name, address, phone number, and email address; a description of the products or services that the Affected Consumer purchased in connection with the loan; date credit extended; the price of the vehicle and the price of any other products or services stated separately; amount financed; the annual percentage rate; the term of the loan; whether the servicemember paid by allotment for the life of the loan and, if not, the date the servicemember stopped paying by allotment; a copy of any promotional or welcome materials provided, if available; and, if applicable, the date and reason(s), if known, that the Affected Consumer paid off the loan, defaulted, or otherwise closed the MILES loan account; and (e) for MILES loans, all consumer complaints and refund requests (whether received directly or indirectly, such as through a third party), and any responses to those complaints or requests.

Notices

67. Unless otherwise directed in writing by a Bureau representative, U.S. Bank shall provide all submissions, requests, communications, consents or other documents relating to this Consent Order in writing and by overnight courier (not the U.S. Postal Service) with the subject line of the documents beginning: In re U.S. Bank, File No. 2013-CFPB-0003, as set out below.

Anthony Gibbs
Regional Director, CFPB Midwest Region
Consumer Financial Protection Bureau
200 East Randolph Street
Suite 5170
Chicago, IL 60601

Compliance and Extensions of Time

68. Upon a written showing of good cause, the Regional Director may, in his discretion, modify any non-material provisions of this Consent Order (e.g., reasonable extensions of time). Any such modification by the Regional Director shall be in writing.

VII. Administrative Provisions

69. The provisions of this Consent Order shall not bar, estop, or otherwise prevent the Bureau, or any other federal or state agency or department from taking any other action against Respondent.

70. This Consent Order is intended to be, and shall be construed to be, a final order issued pursuant to 12 U.S.C. § 5563(b), and expressly does not form, and may not be construed to form, a contract binding the Bureau or the United States.

71. This Order shall be effective on the date of issuance, and shall remain effective and enforceable, except to the extent that, and until such time as, any provisions of this Order shall have been amended, suspended, waived, or terminated in writing by the CFPB or its designated agent.

72. Calculation of time limitations shall run from the Effective Date and shall be based on calendar days, unless otherwise noted.

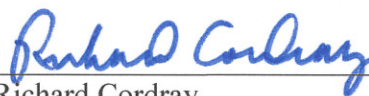
73. The provisions of this Consent Order shall be binding upon Respondent.

74. The provisions of this Consent Order shall be enforceable by the Bureau. Any violation of this Consent Order may result in the imposition by the Bureau of the maximum amount of civil money penalties allowed under section 1055(c) of the CFPB, 12 U.S.C. § 5565(c).

75. This Consent Order and the accompanying Stipulation contain the complete agreement between the parties. No promises, representations, or warranties other than those set forth in this Consent Order and the accompanying Stipulation have been made by any of the parties. This Consent Order and the accompanying Stipulation supersede all prior communications, discussions, or understandings, if any, of the parties, whether oral or in writing.

76. Nothing in this Consent Order or the accompanying Stipulation shall be construed as allowing the Respondent, its Board, officers, or employees to violate any law, rule, or regulation.

IT IS SO ORDERED, this 26 th day of June, 2013.



Richard Cordray
Director
Consumer Financial Protection Bureau