

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

**ADMINISTRATIVE PROCEEDING**  
**File No. 2014-CFPB-0007**

**In the Matter of:**

**Synchrony Bank, f/k/a  
GE Capital Retail Bank**

**STIPULATION AND CONSENT  
TO THE ISSUANCE  
OF A CONSENT ORDER**

The Consumer Financial Protection Bureau (CFPB) intends to initiate an administrative proceeding against Synchrony Bank, formerly known as GE Capital Retail Bank (the Bank), under 12 U.S.C. §§ 5563 and 5565, for its (1) deceptive practices relating to the marketing and sale of certain of the Bank's credit card add-on products, in violation Sections 1031(a) and 1036(a)(1)(B) of the Consumer Financial Protection Act of 2010 (CFPA), 12 U.S.C. §§ 5531(a) and 5536(a)(1)(B); and (2) discrimination on the basis of national origin by excluding customers who had "Spanish-preferred" indicators on their accounts or with mailing addresses in Puerto Rico from certain credit card offers, in violation of the Equal Credit Opportunity Act (ECOA), 15 U.S.C. §§ 1691-1691f, and its implementing regulation, Regulation B, 12 C.F.R. pt. 1002.

The Bank, in the interest of compliance and resolution of the matter, and without admitting or denying any wrongdoing, consents to the issuance of a Consent Order substantially in the form of the one to which this Stipulation and Consent to the Issuance of a Consent Order is attached (Consent Order), and which is incorporated herein by reference.

In consideration of the above premises, the Bank agrees to the following:

### **Jurisdiction**

1. The CFPB has jurisdiction over this matter under Sections 1053 and 1055 of the CFPB, 12 U.S.C. §§ 5563, 5565.

### **Consent**

2. The Bank agrees to the issuance of the Consent Order, without admitting or denying any of the findings of fact or conclusions of law, except that the Bank admits the facts necessary to establish the CFPB's jurisdiction over the Bank and the subject matter of this action.
3. The Bank agrees that the Consent Order shall be deemed an "order issued with the consent of the person concerned" under 12 U.S.C. § 5563(b)(4), and agrees that the Order shall become a final order, effective upon issuance, and shall be fully enforceable by the CFPB under 12 U.S.C. §§ 5563(d)(1) and 5565.
4. The Bank enters into this Stipulation and Consent to the Issuance of a Consent Order voluntarily.
5. The Bank acknowledges that no promise or representation has been made by the CFPB or any employee, agent, or representative of the CFPB, to cause or induce the Bank to consent to the issuance of the Consent Order and/or execute this Stipulation.
6. The Bank agrees that the facts set forth in Section V of the Consent Order shall be taken as true and be given collateral estoppel effect, without further proof, in any proceeding before the CFPB based on the entry of the Consent Order, or in any subsequent civil litigation by the CFPB to enforce the Consent Order or its rights to any payment or monetary judgment under the Consent Order.

7. The terms and provisions of this Stipulation and the Consent Order shall be binding upon, and inure to the benefit of, the parties hereto and their successors in interest. The Bank agrees that the CFPB may present the Consent Order to the Director of the CFPB for signature and entry without further notice.


#### **Waivers**

8. The Bank, by consenting to this Stipulation, hereby waives:
- a. Any right to service of the Consent Order, and agrees that issuance of the Consent Order will constitute notice to the Bank of its terms and conditions;
  - b. Any objection to the jurisdiction of the CFPB, including, without limitation, under section 1053 of the CFPA;
  - c. The rights to all hearings under the statutory provisions under which the proceeding is to be or has been instituted; the filing of proposed findings of fact and conclusions of law; proceedings before, and a recommended decision by, a hearing officer; all post-hearing procedures; and any other procedural right available under 12 U.S.C. § 5563 or 12 CFR Part 1081;
  - d. The right to seek any administrative or judicial review of the Consent Order;
  - e. Any claim for fees, costs or expenses against the CFPB, or any of its agents or employees, and any other governmental entity, related in any way to this enforcement matter or the Consent Order, whether arising under common law or under the terms of any statute, including, but not limited to, the Equal Access to Justice Act and the Small Business Regulatory Enforcement Fairness Act of 1996; for these purposes, the Bank agrees that it is not the


prevailing party in this action because the parties have reached a good faith settlement;

- f. Any other right to challenge or contest the validity of the Consent Order;
- g. Such provisions of the CFPB's rules or other requirements of law as may be construed to prevent any CFPB employee from participating in the preparation of, or advising the Director as to, any order, opinion, finding of fact, or conclusion of law to be entered in connection with this Stipulation or the Consent Order; and
- h. Any right to claim bias or prejudice by the Director based on the consideration of or discussions concerning settlement of all or any part of the proceeding.

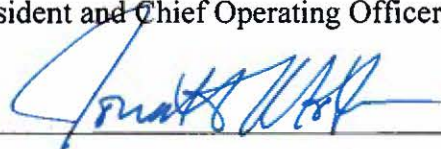
SYNCHRONY BANK BY:

  
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Margaret Keane  
Chairman and CEO, Synchrony Bank

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Kurt Grossheim  
President and Chief Operating Officer, Synchrony Bank

  
\_\_\_\_\_  
Date

  
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Jonathan Mothner  
General Counsel, Synchrony Bank

  
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Date