

United States of America
Consumer Financial Protection Bureau

Administrative Proceeding
File No. 2017-CFPB-0009

In the Matter of:

RGC Services, Inc., dba Re/Max
Gold Coast Realtors

Consent Order

The Consumer Financial Protection Bureau (Bureau) has reviewed the mortgage referral activities of real estate broker RGC Services, Inc, doing business as Re/Max Gold Coast Realtors (RGC or Respondent, as defined below), and has found the following law violations:

- Under certain lead agreements and desk license agreements with a mortgage lender, RGC accepted payments from that mortgage lender in exchange for referrals in violation of the Real Estate Settlement Procedures Act, 12 U.S.C. § 2607, and its implementing regulation, Regulation X, 12 C.F.R. part 1024 (collectively, RESPA); and
- RGC's agents required hundreds of consumers wishing to place an offer on one of their properties offered for sale to prequalify with the mortgage lender, and received payments from the mortgage lender for the resulting referrals, in violation of RESPA.

The Bureau issues this Consent Order under Sections 1053 and 1055 of the Consumer Financial Protection Act of 2010 (CFPA), 12 U.S.C. §§ 5563, 5565.

I

Jurisdiction

1. The Bureau has jurisdiction over this matter under sections 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563 and 5565, and RESPA Section 8, 12 U.S.C. § 2607(d)(4).

II

Stipulation

2. Respondent has executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated January 24, 2017 (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 by the Bureau under sections 1053 and 1055 of the CFPA, 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 facts necessary to establish the Bureau’s jurisdiction over Respondent and the subject matter of this action.

III

Definitions

3. The following definitions apply to this Consent Order:
- a. “Effective Date” means the date on which the Consent Order is issued.
 - b. “Enforcement Director” means the Assistant Director of the Office of Enforcement for the Consumer Financial Protection Bureau, or their delegate.
 - c. “Prospect” means Prospect Mortgage, LLC, its subsidiaries, successors, and assigns.

d. “Real Estate Agents” means those persons or entities, whether employees or independent contractors, who are affiliated with Respondent and for whom Respondent, directly or indirectly, holds a real estate license allowing them to represent buyers or sellers of real estate property.

e. “Related Consumer Action” means a private action by or on behalf of one or more consumers or an enforcement action by another governmental agency brought against Respondent based on substantially the same facts as described in Section IV of this Consent Order.

f. “Relevant Period” includes the period from July 1, 2011, through the present.

g. “Respondent” or “RGC” means RGC Services, Inc., dba Re/Max Gold Coast Realtors, Evans Sipes, Inc., and their successors and assigns.

IV

Bureau Findings and Conclusions

The Bureau finds the following:

Jurisdictional Findings and Conclusions

4. Respondent is a real estate brokerage firm based in California. Its principal office is located at 5720 Ralston Street #100, Ventura, CA, 93003 and has fifteen branch offices in the regional area. Approximately 190 agents are associated with Respondent.

5. Respondent is a “person” as defined by 12 U.S.C. § 2602(5) and provides real estate brokerage services, which are “settlement services” as defined by 12 U.S.C. § 2602(3).

Background Findings and Conclusions

6. Buying a house is one of the most significant financial transactions in the life of a typical consumer. Many consumers rely on real estate agents to guide them through this process.

7. A real estate agent is a professional who has passed all required real estate classes and passed the real estate licensing exam in the state in which he or she intends to work. A real estate agent must affiliate with a licensed real estate broker.

8. In California, a corporate real estate broker may obtain a license to provide licensed services of a broker, subject to the appointment of a designated officer. Cal. Bus. & Prof. § 10211. Real estate brokers are real estate agents who have completed additional licensing requirements which allow them to serve as brokers. Real estate brokers may work individually or arrange to have agents work under them. Although agents typically work for brokers as independent contractors, brokers generally have the ability to hire and fire their agents. Agents typically pay monthly office fees to affiliate with a licensed real estate broker. These fees pay for rental space and other expenses related to the costs of doing business.

9. Brokers or agents often make recommendations to their clients for various services, such as mortgage lending, title insurance, or home inspectors. Among other things, RESPA prohibits brokers and agents from exploiting consumers' reliance on these recommendations by accepting payments or kickbacks in return for referring consumers to particular real estate settlement service providers. 12 U.S.C. § 2607(a).

10. But despite RESPA's prohibition, Respondent accepted Prospect's payments for referrals.

Findings and Conclusions Related to Respondent Violating RESPA by Accepting Payments for Referrals of Real Estate Settlement Business.

11. Respondent signed a lead agreement with Prospect, effective June 1, 2011. Although the specific terms changed over time, the lead agreement's general terms provided that Respondent would share information about its clients to Prospect, and Prospect would pay a variable fee based on the number of consumers whose information Respondent shared with Prospect.

12. A lead generally consisted of a buyer's name, address, email address, and phone number. Prospect would then reach out to the prospective buyer and market its loan products. But Respondent and its agents went well beyond providing information about prospective buyers. Respondent and its agents referred these buyers to Prospect loan officers.

13. Respondent's owner and principal broker, when asked what he and his agents did in exchange for Prospect's lead fees, described the arrangements as receiving payments for referrals. He described a lead as occurring when an agent "brought that client to one of the loan consultants." He further explained that Respondent would receive a lead payment "if a sales associate [agent] has a client who's looking to buy a home . . . they may introduce them . . . via telephone or set up a meeting to discuss if that person qualifies to buy a home."

14. Respondent's lead agreement also had an exclusivity provision. Once Prospect paid for a potential buyer's lead, the exclusivity clause prohibited Respondent and its agents from sharing a potential buyer's information with any of Prospect's competitors. Respondent agreed that it "shall not (and shall not assist or encourage others to), directly or indirectly, through any affiliate, subsidiary or third party or as

principal, owner, shareholder, partner, member, agent, employer, employee, licensor, contractor or otherwise sell or attempt to sell or otherwise transfer (including, but not limited to, gifts or transfers without fee) any rights or interest in or any Lead which has been purchased by Client hereunder to any person or entity other than Client.” In other words, Respondent took Prospect’s money not only for Respondent’s agents introducing potential buyers to Prospect’s loan officers, but also for blocking any of Prospect’s competitors from enjoying similar access to Respondent’s agents and clients.

15. Respondent, as another means of steering consumers to Prospect, often had its listing agents require consumers to prequalify specifically with Prospect loan officers when submitting an offer on a property.

16. The act of prequalification requires a buyer to submit an application to a lender to obtain a certification that he or she has the ability to finance the transaction. Buyers sometimes voluntarily prequalify with lenders in order to demonstrate their creditworthiness to enhance their purchase offers. Sometimes sellers require a buyer to prequalify with a lender chosen by the buyer to help verify, before accepting the buyer’s offer, that buyer can afford to pay the offered price.

17. There are numerous lenders in each geographic area in which Prospect does business, including the Ventura-Ojai area in which Respondent does business, from which any buyer may choose to obtain a prequalification. There is rarely any special expertise that only one lender in a given area possesses that precludes the other lenders in that same area from offering equally valid prequalifications.

18. Some of Respondent’s listing agents inserted the prequalification requirement into the agent-only remarks section of the Multiple Listing Service (MLS), which the general public could not see. The MLS is a searchable database containing

information on properties available for sale in a regional market. These instructions required the buyers' agents to inform their buyers that they needed to prequalify specifically with a Prospect loan officer before submitting offers on the sellers' properties if they wanted their offers to be considered by the sellers. Prospect called this being "written in" to a property listing.

19. For example, one of Respondent's listings dated January 16, 2015, stated that "All buyers MUST be pre-qualified with no obligation or cost with [name of loan officer] of"

20. This tactic steered consumers to Prospect. "Writing in" a Prospect loan officer into the MLS listing gave Prospect the inside track to the consumer's eventual mortgage business. Much of the information a consumer provides during the prequalification process is also used in a mortgage application. Prospect therefore assiduously tracked its rate of converting prequalifications into mortgage applications.

21. Prospect officials actively encouraged "writing in" as one means to drive up the number of referrals for which Prospect would be willing to pay under its various strategic alliance agreements. For example, a Prospect regional sales manager suggested that a broker and the broker's agents could generate more leads—and therefore receive more lead fees from Prospect—if they would "add a requirement to your listing agreements and on the MLS that all buyers need to be pre-approved by Prospect Mortgage."

22. Some brokers that engaged in the "writing-in" practice even required prospective buyers who had already prequalified with another lender to also prequalify with Prospect. This type of writing in was called a "double application," "double apps," "cross qualification," or "cross quals," referring to the idea that such buyers would have

to prequalify a second time with Prospect. Even all-cash buyers were required to prequalify with a Prospect loan officer if the prequalification requirement was written into the listing.

23. Under Respondent's initial lead agreement with Prospect, Respondent accepted a lead fee for each consumer who prequalified with Prospect through one of Respondent's listings. Prospect paid between \$10 and \$25 (depending on the home price) for each time Prospect received a prequalification from Respondent. The agreement provided that: "A Listed Property' lead shall include any property related to the Lead Provider's business in which Prospect has been designated as the preferred lender such that the listing agent is required to have all customers who desire to submit an offer on the property receive a Prospect Mortgage pre-qualification."

24. Respondent's initial lead agreement with Prospect also required Respondent to "educate and train" its agents on how to require consumers to prequalify with Prospect in exchange for the lead fee. The initial lead agreement also provided that for buyers of properties listed by the broker's agent to qualify for the lead fees, the properties that would earn the lead fees were those "in which Prospect has been designated as the preferred lender such that the listing agent is required to have all customers who desire to submit an offer on the property receive a Prospect Mortgage pre-qualification."

25. At some point Prospect stopped incorporating required prequalification explicitly into the agreements with brokers, but continued to actively encourage brokers to continue this practice to steer consumers to Prospect. As a Prospect Senior Vice President noted in an email to his team: "Of course we desire that our Loan Officers

prequal all buyers, but we have to manage that outside the contract and cannot contractually require it” in the lead agreements themselves.

26. Under Prospect’s plan to “manage that outside the contract,” Respondent and Prospect continued to require consumers to prequalify with Prospect. From 2014 and into 2016, Respondent required hundreds of consumers to prequalify with Prospect, as a means of generating mortgage referrals, and accepted Prospect’s resulting lead fees in exchange.

27. The payments that Respondent accepted for leads under these agreements were in actuality payments for referrals.

28. The lead agreement didn’t require Respondent to perform any marketing services or other services in exchange for Prospect’s payments, other than sharing information about Respondent’s agents’ clients. But in practice Respondent and some of Respondent’s agents would also recommend Prospect to their clients.

29. In addition to the lead agreements, Prospect also made monthly payments to Respondent through desk license agreements. Under a desk license agreement, Respondent would allow one or more Prospect loan officers to lease space in Respondent’s office. In other words, a consumer visiting Respondent’s office to meet with an agent might encounter a Prospect loan officer who had his or her own office in the same space.

30. But, in addition to paying for office space, Prospect also required that Respondent endorse Prospect under the desk license agreement. Respondent promised to “make a good faith effort to promote Prospect as a preferred mortgage lender” and to “endorse the use of Prospect’[s] services to its employees, agents, customers, and the visiting public.”

31. Prospect's Board of Directors analyzed the value of these desk licensing agreements in terms of the number of referrals they produced per office, rather than whether they were paying market rates for the cost of rental space in a particular area.

32. During the Relevant Period, Respondent gave Prospect loan officers preferential access to its agents. Respondent provided a series of training classes for its new agents. One of those training sessions included a presentation by a Prospect loan officer about Prospect's services. Respondent would introduce the Prospect loan officer, and explain that the Prospect loan officer worked out of Respondent's office. No other lenders attended or participated in these training sessions.

33. Respondent also allowed Prospect loan officers to attend and present at other meetings Respondent held for its agents. But competing lenders did not have similar access to Respondent's agents.

34. RESPA Section 8(a) provides that "No person shall give and no person shall accept any fee, kickback, or thing of value pursuant to any agreement or understanding, oral or otherwise, that business incident to or a part of a real estate settlement service involving a federally-related mortgage loan shall be referred to any person." 12 U.S.C. § 2607(a).

35. A referral includes any act which has the effect of "affirmatively influencing" a consumer's selection of a settlement service provider, including a lender. 12 C.F.R. § 1024.14(f)(1).

36. Repeated payments "connected in any way with the volume or value of the business referred . . . [are] evidence that [the payments are] made pursuant to an agreement or understanding for the referral of business." 12 C.F.R. § 1024.14(e).

37. As explained above, some of Respondent's agents steered consumers to Prospect, and required hundreds of consumers to prequalify with Prospect. Respondent also gave Prospect preferential access to its agents, and agreed to endorse and promote Prospect as a preferred mortgage lender. These acts affirmatively influenced consumers—both directly and through Respondent's agents—to use Prospect to finance their real estate transactions. Prospect's payments to Respondent under these agreements were therefore payments for referrals.

38. Respondent received more than \$500,000 in payments under these lead generation and desk licensing agreements from Prospect during the Relevant Period.

39. Respondent therefore accepted money from Prospect, under an agreement or understanding to refer mortgage origination business for federally related mortgage loans to Prospect, in violation of RESPA Section 8(a), 12 U.S.C. § 2607(a) and Regulation X, 12 C.F.R. § 1024.14.

40. A violation of a Federal consumer financial law is a violation of Section 1036 of the CFPA. 12 U.S.C. § 5536(a)(1)(A). RESPA is a Federal consumer financial law. 12 U.S.C. §§ 5481(12)(M), (14). Therefore, Respondent violated Section 1036 of the CFPA.

ORDER

V

Conduct Provisions

IT IS ORDERED, under sections 1053 and 1055 of the CFPA, that:

41. Respondent and its officers, agents, servants, employees, and attorneys who have actual notice of this Consent Order, whether acting directly or indirectly, must not now or at any time in the future:

a. refer any consumer to any provider of a real estate settlement service if that provider has agreed to purchase or pay for any service from Respondent, and the provider's purchase of or payment for that service is connected or related in any way to those referrals;

b. enter into lead agreements, marketing services agreements, or desk license agreements with settlement service providers that include any requirement or understanding that Respondent will endorse the use of the settlement service provider's services, or do anything else to affirmatively influence prospective home buyers to use the settlement service provider; and

c. give or accept any fee, kickback, or thing of value pursuant to any agreement or understanding, oral or otherwise, that business incident to or a part of a real estate settlement service involving a federally related mortgage loan shall be referred to any person, in violation of Section 8 of RESPA, 12 U.S.C. § 2607, and its implementing regulation, Regulation X, 12 C.F.R. § 1024.14.

42. Nothing in this order should be interpreted to limit the duration of paragraph 41.

VI

Order to Pay Civil Money Penalties

IT IS FURTHER ORDERED that:

43. Under section 1055(c) of the CFPB, 12 U.S.C. § 5565(c), by reason of the violations of law described in Section IV (Bureau Findings and Conclusions) of this Consent Order, and taking into account the factors in 12 U.S.C. § 5565(c)(3), Respondent must pay a civil money penalty of \$50,000 to the Bureau.

44. Within 90 days of the Effective Date, Respondent must pay the civil money penalty by wire transfer to the Bureau or to the Bureau's agent in compliance with the Bureau's wiring instructions.

45. The civil money penalty paid under this Consent Order will be deposited in the Civil Penalty Fund of the Bureau as required by section 1017(d) of the CFPA, 12 U.S.C. § 5497(d).

46. Respondent must treat the civil money penalty paid under this Consent Order as a penalty paid to the government for all purposes. Regardless of how the Bureau ultimately uses those funds, Respondent may not:

- a. Claim, assert, or apply for a tax deduction, tax credit, or any other tax benefit for any civil money penalty paid under this Consent Order; or
- b. Seek or accept, directly or indirectly, reimbursement or indemnification from any source, including but not limited to payment made under any insurance policy, with regard to any civil money penalty paid under this Consent Order.

47. To preserve the deterrent effect of the civil money penalty in any Related Consumer Action, Respondent may not argue that Respondent is entitled to, nor may Respondent benefit by, any offset or reduction of any compensatory monetary remedies imposed in the Related Consumer Action because of the civil money penalty paid in this action (Penalty Offset). If the court in any Related Consumer Action grants such a Penalty Offset, Respondent must, within 30 days after entry of a final order granting the Penalty Offset, notify the Bureau, and pay the amount of the Penalty Offset to the U.S. Treasury. Such a payment will not be considered an additional civil money penalty and will not change the amount of the civil money penalty imposed in this action.

VII

Additional Monetary Provisions

IT IS FURTHER ORDERED that:

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

49. Respondent must relinquish all dominion, control, and title to the funds paid under this Consent Order to the fullest extent permitted by law and no part of the funds may be returned to Respondent.

50. Under 31 U.S.C. § 7701, Respondent, unless it already has done so, must furnish to the Bureau its taxpayer identifying numbers, which may be used for purposes of collecting and reporting on any delinquent amount arising out of this Consent Order.

51. Within 30 days of the entry of a final judgment, consent order, or settlement in a Related Consumer Action, Respondent must notify the Enforcement Director of the final judgment, consent order, or settlement in writing. That notification must indicate the amount of redress, if any, that Respondent paid or is required to pay to consumers and describe the consumers or classes of consumers to whom that redress has been or will be paid.

52. Under section 604(a)(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681 b(a)(1), any consumer reporting agency may furnish a consumer report concerning any Respondent to the Bureau, which may be used for purposes of collecting and reporting on any delinquent amount arising out of this Consent Order.

VIII
Reporting Requirements

IT IS FURTHER ORDERED that:

53. Respondent must notify the Bureau of any development that may affect compliance 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 filing of any bankruptcy or insolvency proceeding by or against Respondent; or a change in Respondent's name or address. Respondent must provide this notice, if practicable, at least 30 days before the development, but in any case no later than 14 days after the development.

54. Respondent must report any change in the information required to be submitted under Paragraph 53 at least 30 days before the change or as soon as practicable after the learning about the change, whichever is sooner.

IX
Order Distribution and Acknowledgment

IT IS FURTHER ORDERED that,

55. Within 7 days of the Effective Date, Respondent must submit to the Enforcement Director an acknowledgment of receipt of this Consent Order, sworn under penalty of perjury.

56. Within 30 days of the Effective Date, Respondent must deliver a copy of this Consent Order to each of its executive officers, as well as to any managers,

employees, service providers, Real Estate Agents, or other agents and representatives who have responsibilities related to the subject matter of the Consent Order.

57. For 5 years from the Effective Date, Respondent must deliver a copy of this Consent Order to any business entity resulting from any change in structure referred to in Section VIII (Reporting Requirements), any future executive officers, as well as to any managers, employees, service providers, Real Estate Agents, or other agents and representatives who will have responsibilities related to the subject matter of the Consent Order before they assume their responsibilities.

58. Respondent must secure a signed and dated statement acknowledging receipt of a copy of this Consent Order, ensuring that any electronic signatures comply 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 under this Section.

X

Recordkeeping

IT IS FURTHER ORDERED that

59. Respondent must create, or if already created, must retain for at least 5 years from the Effective Date, 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. Copies of all lead agreements, marketing services agreements, desk license agreements, co-marketing agreements, any other type of strategic alliance agreements with third parties, training materials for Real Estate Agents, and any marketing materials relating to any of the agreements listed, including any such

materials used by a third party on behalf of Respondent;

c. Records showing, for each Real Estate Agent, that person's: name; telephone number; email, physical, and postal address; job title or position; dates of business relationship with Respondent; and, if applicable, the reason for termination of that relationship; and

d. Records showing, for each service provider providing services related to any of the agreements described above, the name of a point of contact, and that person's telephone number; email, physical, and postal address; job title or position; dates of service; and, if applicable, the reason for termination.

60. Respondent must retain the documents identified in Paragraph 59 for at least 5 years.

61. Respondent must make the documents identified in Paragraph 59 available to the Bureau upon the Bureau's request.

XI Notices

IT IS FURTHER ORDERED that:

62. Unless otherwise directed in writing by the Bureau, Respondent must provide all submissions, requests, communications, or other documents relating to this Consent Order in writing, with the subject line, "*In re RGC Services, Inc. dba Re/Max Gold Coast Realtors*, File No. 2017-CFPB-0009 ," and send them either:

By overnight courier (not the U.S. Postal Service), as follows:

Assistant Director for Enforcement
Consumer Financial Protection Bureau
ATTENTION: Office of Enforcement
1625 Eye Street, N.W.
Washington D.C. 20006; or

By first-class mail to the below address and contemporaneously by email to:

Enforcement_Compliance@cfpb.gov:

Assistant Director for Enforcement
Consumer Financial Protection Bureau
ATTENTION: Office of Enforcement
1700 G Street, N.W.
Washington D.C. 20552

XII

Cooperation with the Bureau

IT IS FURTHER ORDERED that:

63. Respondent must cooperate fully to help the Bureau determine the identity and location of, and the amount of injury sustained by, each consumer affected by the conduct described in Section IV (Bureau Findings and Conclusions). Respondent must provide such information in its or its agents' possession or control within 14 days of receiving a written request from the Bureau.

64. Respondent must cooperate fully with the Bureau in this matter and in any investigation, hearing, or litigation commenced by the Bureau related to or associated with the conduct described in Section IV (Bureau Findings and Conclusions). Respondent must provide truthful and complete information, evidence, and testimony. Respondent must cause its officers, employees, Real Estate Agents, representatives, or agents to appear for interviews, discovery, hearings, trials, and any other proceedings that the Bureau may reasonably request upon 5 days' written notice, or other reasonable notice, at such places and times as the Bureau may designate, without the service of compulsory process.

XIII

Compliance Monitoring

IT IS FURTHER ORDERED that, to monitor Respondent's compliance with this Consent Order, including the financial representations:

65. Within 14 days of receipt of a written request from the Bureau, Respondent must submit any information requested, provide sworn testimony, or produce documents, attesting to the accuracy of such information, testimony, or documents under penalty of perjury.

66. Respondent must permit Bureau representatives to interview any employee or other person affiliated with Respondent who has agreed to such an interview. The person interviewed may have counsel present.

67. Nothing in this Consent Order will limit the Bureau's lawful use of civil investigative demands under 12 C.F.R. § 1080.6 or other compulsory process.

68. For the duration of the Consent Order in whole or in part, Respondent agrees to be subject to the Bureau's supervisory authority under 12 U.S.C. § 5514. Consistent with 12 C.F.R. § 1091.111, Respondent may not petition for termination of supervision under 12 C.F.R. § 1091.113.

XIV

Modifications to Non-Material Requirements

IT IS FURTHER ORDERED that:

69. Respondent may seek a modification to non-material requirements of this Consent Order (e.g., reasonable extensions of time and changes to reporting requirements) by submitting a written request to the Enforcement Director.

70. The Enforcement Director may, in their discretion, modify any non-material requirements of this Consent Order (e.g., reasonable extensions of time and changes to reporting requirements) if they determine good cause justifies the modification. Any such modification by the Enforcement Director must be in writing.

XV

Administrative Provisions

71. The provisions of this Consent Order do not bar, estop, or otherwise prevent the Bureau, or any other governmental agency, from taking any other action against Respondent.

72. The Bureau releases and discharges Respondent from all potential liability for law violations that the Bureau has or might have asserted based on the practices described in Section IV (Bureau Findings and Conclusions) of this Consent Order, to the extent such practices occurred before the Effective Date and the Bureau knows about them as of the Effective Date. The Bureau may use the practices described in this Consent Order in future enforcement actions against Respondent and its affiliates, including, without limitation, to establish a pattern or practice of violations or the continuation of a pattern or practice of violations or to calculate the amount of any penalty. This release does not preclude or affect any right of the Bureau to determine and ensure compliance with the Consent Order, or to seek penalties for any violations of the Consent Order.

73. All pending motions are hereby denied as moot.

74. This Consent Order is intended to be, and will be construed as, a final Consent Order issued under section 1053 of the CFPA, 12 U.S.C. § 5563, and expressly

does not form, and may not be construed to form, a contract binding the Bureau or the United States.

75. This Consent Order will terminate 5 years from the Effective Date or 5 years from the most recent date that the Bureau initiates an action alleging any violation of the Consent Order by Respondent. If such action is dismissed or the relevant adjudicative body rules that Respondent did not violate any provision of the Consent Order, and the dismissal or ruling is either not appealed or upheld on appeal, then the Consent Order will terminate as though the action had never been filed. The Consent Order will remain effective and enforceable until such time, except to the extent that any provisions of this Consent Order have been amended, suspended, waived, or terminated in writing by the Bureau or its designated agent.

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

77. Should Respondent seek to transfer or assign all or part of its operations that are subject to this Consent Order, Respondent must, as a condition of sale, obtain the written agreement of the transferee or assignee to comply with all applicable provisions of this Consent Order.

78. The provisions of this Consent Order will be enforceable by the Bureau. For any violation of this Consent Order, the Bureau may impose the maximum amount of civil money penalties allowed under section 1055(c) of the CFPB, 12 U.S.C. § 5565(c). In connection with any attempt by the Bureau to enforce this Consent Order in federal district court, the Bureau may serve Respondent wherever Respondent may be found and Respondent may not contest that court's personal jurisdiction over Respondent.

79. This Consent Order and the accompanying Stipulation contain the complete agreement between the parties. The parties have made no promises, representations, or warranties other than what is contained in this Consent Order and the accompanying Stipulation. This Consent Order and the accompanying Stipulation supersede any prior oral or written communications, discussions, or understandings.

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

IT IS SO ORDERED, this 30th day of January, 2017.



Richard Cordray
Director
Consumer Financial Protection Bureau