

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

ADMINISTRATIVE PROCEEDING
File No. 2023-CFPB-0010

In the Matter of:

TEMPOE, LLC

CONSENT ORDER

The Consumer Financial Protection Bureau (Bureau) has reviewed the consumer leasing products and activities of TEMPOE, LLC, (Respondent) and has identified the following law violations: (1) Respondent engaged in unfair acts or practices, in violation of the Consumer Financial Protection Act of 2010 (CFPA), 12 U.S.C. §§ 5531(c), 5536(a)(1)(B), by failing to ensure all consumers had access to all terms of transactions, including the contract, prior to consummation; (2) Respondent engaged in unfair acts or practices in violation of the CFPA, 12 U.S.C. §§ 5531(c), 5536(a)(1)(B), by refusing to allow certain consumers to return certain leased consumer products and ancillary services; and (3) Respondent engaged in violations of Regulation M (Reg. M), 12 C.F.R. Part 1013.5(b), by failing to provide certain consumers with required disclosures for leases that continued for a period exceeding six months beyond the initial lease term. Under §§ 1053 and

1055 of the CFPA, 12 U.S.C. §§ 5563, 5565, the Bureau issues this Consent Order (Consent Order).

I.

Jurisdiction

1. The Bureau has jurisdiction over this matter under §§ 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563 and 5565, and under § 108 of the Consumer Leasing Act, 15 U.S.C. § 1607(a)(6).

II.

Stipulation

2. Respondent has executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated September 5, 2023 (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 §§ 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563, 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. “Affected Consumers” includes: (a) consumers who entered into lease agreements with Respondent from January 1, 2015 to January 1, 2019 and who did not receive the full terms of such leases prior to the consummation of the agreements; (b) consumers who entered into lease agreements with Respondent from January 1, 2015 to present where Respondent refused to accept a return of the leased products or ancillary services; and (c) consumers who entered into lease agreements with Respondent from January 1, 2015 to present where the lease agreement extended on a month-to-month basis for a period exceeding six months after the initial term and to whom Respondent failed to provide additional disclosures at the time that the month-to-month extensions exceed six months after the initial term or every six months thereafter.
- b. “Assisting Others” includes, but is not limited to:
- i. consulting in any form whatsoever;
 - ii. performing customer service functions, including but not limited to, receiving or responding to consumer complaints;
 - iii. formulating or providing, or arranging for the formulation or provision of, any advertising or marketing material, including but not limited to, any telephone sales script, direct mail solicitation, or the

text of any Internet website, email, or other electronic communication or advertisement;

iv. formulating or providing, or arranging for the formulation or provision of, any marketing support material or service, including but not limited to, web or Internet Protocol addresses or domain name registration for any Internet websites, affiliate marketing services, or media placement services;

v. providing names of, or assisting in the generation of, potential customers; and

vi. performing marketing, billing, or payment services of any kind.

- c. “Board” means Respondent’s duly-elected and acting Board of Directors.
- d. “Consumer Financial Product or Service” is synonymous in meaning and equal in scope to the definition of the term in the CFPA, 12 U.S.C. § 5481(5).
- e. “Consumer Lease” means a contract that is subject to the federal Consumer Leasing Act, 15 U.S.C. § 1667, *et seq.*, and its implementing regulation, Reg. M, 12 C.F.R. § 1013, *et seq.* (the “Consumer Leasing Act”).
- f. “Effective Date” means the date on which the Consent Order is entered on the administrative docket.

- g. “Enforcement Director” means the Assistant Director of the Office of Enforcement for the Bureau, or his or her delegate.
- h. “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.
- i. “Relevant Period” includes from January 1, 2015 to the Effective Date of this agreement.
- j. “Respondent” means TEMPOE, LLC, and each of its successors and assigns.
- k. “States” means the States of Alaska, Arkansas, Arizona, Colorado, Connecticut, Delaware, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and the District of Columbia.

IV.

Bureau Findings and Conclusions

The Bureau finds the following:

4. Respondent is a specialty consumer finance company that is incorporated in Delaware, has its principal place of business in Manchester, New Hampshire, and maintained an office in Cincinnati, Ohio.
5. Respondent is a “covered person” pursuant to 12 U.S.C. § 5481(6)(A) because it offers and provides consumer financial products or services as defined under the CFPB, 12 U.S.C. § 5481(5).
6. Respondent is a consumer leasing company that leases personal property under Consumer Leases to natural persons for an initial period of more than four months. Respondent’s lease contracts are subject to the Consumer Leasing Act.
7. Since at least 2015, and continuing until at least April 1, 2022, Respondent purchased personal property and ancillary services from retailers and leased such property and ancillary services to consumers nationwide. During this period, Respondent entered into about 1.85 million agreements with consumers.
8. Respondent offered these lease agreements primarily through partnerships it maintained with retailers nationwide.

9. Pursuant to merchant agreements with its retail partners, Respondent either provided to retailers a proprietary portal to process applications or integrated its application and approval process into retailers' computer systems.
10. At all times, Respondent maintained control over the application, approval, and disclosure process.
11. Respondent controlled significant aspects of the retailers' interaction with consumers, including by providing trainings on the transaction to retail associates, furnishing the technology used by retailers to process applications and display transaction terms, and dictating what retailers should tell consumers whose applications were declined.
12. Typically, consumers were offered Respondent's product after applying and being rejected for financing through the retailer. The in-store application process was designed so that a consumer's approval by Respondent was nearly instant and contemporaneous with the financing rejection.
13. Respondent maintained sole discretion to approve applications for its product.
14. If a consumer's application was approved and the consumer agreed to the lease, Respondent paid for the purchase of the product or ancillary service from the retailer. The consumer made a first payment at the retail point-of-sale and then made payments to Respondent on either a bi-weekly or

monthly basis for an initial term of five months. These subsequent payments were typically auto-drafted from the consumer's bank account or auto-billed to the consumer's credit card.

15. At the conclusion of the five-month initial term, consumers had three options. The consumer could (i) continue making periodic payments to Respondent at the same frequency and amount as during the initial term, (ii) purchase the property or service for an additional fee ("purchase option price"), or, for products that Respondent accepted as returns, (iii) return the property to Respondent.
16. If the consumer did not make a selection of (ii) or (iii) at the conclusion of the initial 5-month term, Respondent continued auto-charging the consumer's credit card or bank account for another lease period, up to the maximum amount of extensions of the contract, which was 18 or 36 months total, depending on the terms of the contract.
17. The amount of the purchase option price at any time was determined by a formula set forth in the contract and varied depending on at which point during the contract term the consumer elected to exercise it. The purchase option price decreased over time.

18. Respondent's consumer agreement was titled "Consumer Lease Agreement" and identified it as the "Lessor." The agreement underwent several iterations since at least 2013.
19. Typically, the first page of the agreement provided a "Description of Leased Property" and the cash price of the property. It also listed a payment schedule that included the amount due at lease signing, the periodic payments due either on a monthly or bi-weekly basis, other charges such as late payment fees or cancelation fees, and a "Total Of Payments" that represented "the amount [the consumer] will have paid by the end of the Initial Term of the Lease."
20. Pursuant to their contract with Respondent, unless the consumer affirmatively elected to exercise the purchase option or, for products that Respondent accepted as returns, to return the property to Respondent, the consumer was obligated to continue making payments, up to the maximum number of extensions of the lease.
21. Respondent's contracts provided that Respondent was the owner of the property until "[the consumer] purchase[s]" it and that Respondent had the right to repossess the property in the event of a consumer's non-payment.
22. Consumer complaints show that some consumers were confused about Respondent's leasing products.

23. After paying up to as much as 90% of the cash price of the property to Respondent during an initial term of five months, many consumers indicated that they were surprised to learn that they could only obtain ownership through an additional payment. If the consumer did not make such a payment, they were required to either return the property, if it was a type of property that Respondent accepted as returns, or continue leasing.
24. At times, the ability of certain consumers to understand the terms of their agreements was hampered by advertising and marketing materials, the design of the application process, failure to ensure Respondent's customer service representatives and retail partners fully and accurately described the product and disclosed its terms to consumers, failure to provide a copy of the lease agreement to consumers at the time of lease consummation, and failure to provide required additional disclosures for consumers who continued their leases for six months or more beyond the initial five-month term. Respondent's acts and practices described herein resulted in harm to Affected Consumers.

**Findings and Conclusions as to
Failure to Provide the Terms of Agreements**

25. Some consumers never received a copy of their contract or the terms and conditions before entering into the transaction with Respondent. Other consumers never received a copy of their contract at all.

26. Some consumers relied on an oral description of Respondent's product by a retail employee.
27. As recently as May 2018, Respondent encouraged one retailer's employees to avoid describing the product as a "lease."
28. In some instances, certain terms, including a payment schedule listing the amount and frequency of payments for which the consumer was responsible during the initial term, and references to the agreement as a lease, were printed on register tape. That receipt was sometimes provided to consumers only after the first payment was completed.
29. Respondent developed brochures, signage, and other marketing materials for its retail partners. Some of those advertisements referenced only certain terms of the transaction, failed to reference other material terms, and buried references to the transaction as a lease in fine print.
30. Some consumers believed that they were using Respondent's product to finance the purchase of consumer goods or services. In some cases, Respondent's employee or a retail employee characterized the product as financing.
31. Some consumers discovered only at the conclusion of their initial term that they did not own their items and were required to pay more to buy the items.

32. Respondent's training manuals for both its collections and customer service representatives identify consumer failure to understand the transaction as a common consumer complaint.
33. Some of Respondent's written responses to consumer complaints acknowledged the need to provide additional training to retail employees to ensure that those employees accurately explained Respondent's product to prospective consumers.
34. Section 1036(a)(1)(B) of the CFPA prohibits "unfair, deceptive, or abusive" acts or practices." 12 U.S.C. § 5536(a)(1)(B). An act or practice is unfair if it causes or is likely to cause consumers substantial injury that is not reasonably avoidable and if the substantial injury is not outweighed by countervailing benefits to consumers or to competition. 12 U.S.C. § 5531(c)(1).
35. Respondent's failure to ensure that consumers had access to the true terms of their transaction, including a copy of the contract, prior to consummation caused substantial injury to such consumers that was not reasonably avoidable or outweighed by any countervailing benefit to consumers or to competition.

36. Thus, Respondent engaged in unfair acts and practices in violation of §§ 1036(a)(1)(B) and 1031(c)(1) of the CFPA. 12 U.S.C. §§ 5536(a)(1)(B), 5531(c)(1).

**Findings and Conclusions as to
Unfair Return Practices**

37. A consumer who wished to return property during the first 30 days of the contract could do so by returning the property to the retailer in accordance with the retailer's return policies. The consumer's financial obligation under the contract was terminated upon return of the property to the retailer.
38. If a consumer wished to cancel their contract with Respondent after the first 30 days but during the initial term, that consumer was required to return the product to Respondent, unless it was a category of product for which Respondent did not accept returns, and make all payments due under the initial term of the contract. The consumer was also required to pay any late fees or returned payment fees incurred, and restocking fees or cancellation fees as applicable.
39. Respondent did not accept returns of certain property at various times, including, among other things, in-ground pools, mattresses, grills, yard equipment, and property costing less than approximately \$300.
40. Respondent could not accept the return of ancillary labor costs and other services, such as automotive repairs.

41. Respondent's practices led consumers to exercise the purchase option for goods and services, resulting in a total cost to the consumer that could be well above the cash price.
42. From January 1, 2015 through July 31, 2020, approximately 77,000 out of Respondent's 1.85 million leases resulted in returned property. A substantial number of those returns were processed within the first 30 days of the contract's origination.
43. Section 1036(a)(1)(B) of the CFPB prohibits "unfair, deceptive, or abusive" acts or practices." 12 U.S.C. § 5536(a)(1)(B). An act or practice is unfair if it causes or is likely to cause consumers substantial injury that is not reasonably avoidable and if the substantial injury is not outweighed by countervailing benefits to consumers or to competition. 12 U.S.C. § 5531(c)(1).
44. Respondent's acts and practices regarding returns of certain leased consumer goods caused substantial injury to such consumers that was not reasonably avoidable or outweighed by any countervailing benefit to consumers or to competition.
45. Thus, Respondent engaged in unfair acts and practices in violation of §§ 1036(a)(1)(B) and 1031(c)(1) of the CFPB. 12 U.S.C. §§ 5536(a)(1)(B), 5531(c)(1).

Findings and Conclusions as to Failure to Provide Required Disclosures

46. Most of Respondent's contracts contained a provision providing that unless the consumer exercised a purchase option or returned the leased property at the expiration of the initial five-month term, the lease would continue on a month-to-month basis for a period not to exceed either 18 or 36 months, depending on the contract.
47. Respondent did not provide additional disclosures to consumers who continued leasing on a month-to-month basis for more than six months after the initial five-month term.
48. During the Relevant Period, Respondent entered into leases with approximately 325,580 consumers and generated approximately \$192,259,616 in gross revenues through payments made by consumers during a period more than six months beyond the initial lease term.
49. Harm to Affected Consumers who did not receive required additional disclosures six months after the initial term or anytime thereafter is equal to the amount consumers paid during the period exceeding six months beyond the end of the initial five-month lease term. Reg. M provides that at the end of the initial lease term, a lease may be subject to an "extension," which "is a continuation, agreed to by the lessor and the lessee, of an existing consumer lease beyond the originally scheduled end of the lease term, except when the

continuation is the result of a renegotiation.” 12 C.F.R. § 1013.5(b). When a lease is extended or continued beyond the initial term for more than six months, additional disclosures are required.

50. Therefore, Respondent violated Reg. M, 12 C.F.R. § 1013.5(b), by failing to provide such consumers with required additional disclosures for leases that extended beyond the initial term by six months or more.

CONDUCT PROVISIONS

V.

Permanent Ban on Consumer Leasing

51. Respondent, whether acting directly or indirectly, is permanently restrained from:
- a. Advertising, marketing, promoting, offering for sale, or selling Consumer Leases, or Assisting Others in the advertising, marketing, promoting, offering for sale, or selling Consumer Leases; or
 - b. Receiving any remuneration or other consideration from, holding any ownership interest in, providing services to, or working in any capacity for any person engaged in or Assisting Others in advertising, marketing, promoting, or offering Consumer Leases.

Nothing in this Consent Order shall be read as an exception to this Paragraph.

Prohibited Conduct

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

52. Respondent and its officers, agents, servants, employees, and attorneys who have actual notice of this Consent Order, whether acting directly or indirectly, may not violate the Consumer Leasing Act, or Sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531 and 5536, including by misrepresenting, or Assisting Others in misrepresenting, expressly or impliedly, any costs or any other material term, fact, restriction, limitation, or condition of a Consumer Financial Product or Service.

Redress - Treatment of Existing Leases

IT IS FURTHER ORDERED that:

53. Respondent shall close each consumer account that it owns or controls, without regard to whether such accounts are in default, and any remaining balance currently owed to Respondent by a consumer shall be deemed by Respondent as satisfied in full. This includes approximately 19,300 leases with an aggregate remaining balance of approximately \$33,649,417. Respondent shall also grant each of its existing lessees currently in possession of leased property ownership of the leased property.
54. Within 30 days of the Effective Date, Respondent must submit to the Enforcement Director for review and non-objection a comprehensive written

plan (Redress Plan) for notifying each of Respondent's existing lessees that they are entitled to retain the leased products with no further financial obligation, and that any outstanding balance owed to Respondent is deemed satisfied, as described in Paragraph 53 above. The Enforcement Director will have the discretion to make a determination of non-objection to the Redress Plan or direct Respondent to revise it consistent with this Consent Order. If the Enforcement Director directs Respondent to revise the Redress Plan, Respondent must revise and resubmit the Redress Plan to the Enforcement Director within 15 business days. After receiving notification that the Enforcement Director has made a determination of non-objection to the Redress Plan, Respondent must implement and adhere to the steps, recommendations, deadlines, and timeframes outlined in the Redress Plan.

55. The Redress Plan must include: (i) the number of consumers being released from payment obligations under their leases, (ii) the total payments remaining under the leases being deemed satisfied, including the amount of outstanding payments due for leases in default and the aggregate amount of month-to-month payments remaining through the end of the maximum month-to-month extensions under the contracts; (iii) a detailed description of how Respondent will identify and contact consumers; (iv) any template communications that Respondent will send to consumers; (v) a point of

contact, including an email address and phone number, to whom consumers may direct questions about the Order and their accounts; and (vi) a description of how Respondent will report on the results of the Redress Plan to the Bureau.

56. Respondent may not condition redress to any Affected Consumer under this Consent Order on that Affected Consumer waiving any right.

VI.

Customer Information

IT IS FURTHER ORDERED that:

57. Respondent, and its officers, agents, servants, employees, and attorneys who receive actual notice of this Consent Order, whether acting directly or indirectly, may not (i) disclose, use, or benefit from customer information, including the name, address, telephone number, email address, social security number, other identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or other financial account), that Respondent obtained before the Effective Date in connection with its leasing operations; or (ii) attempt to collect, sell, assign, or otherwise transfer any right to collect payment from any consumer who entered into a lease agreement with Respondent.

However, customer information may be disclosed if requested by a government agency or required by law, regulation, or court order, and may be used to effectuate the redress provisions contained in Section V.

VII.

Role of the Board

IT IS FURTHER ORDERED that:

58. The Board must review all submissions (including plans or reports) required by this Consent Order prior to submission to the Bureau.
59. The Board will have the ultimate responsibility for proper and sound management of Respondent and for ensuring that Respondent complies with the laws that the Bureau enforces, including Federal consumer financial laws and this Consent Order.
60. In each instance that this Consent Order requires the Board to ensure adherence to, or perform certain obligations of Respondent, the Board must:
 - a. Authorize whatever actions are necessary for Respondent to fully comply with the Consent Order;
 - b. Require timely reporting by management to the Board on the status of compliance obligations; and
 - c. Require timely and appropriate corrective action to remedy any material non-compliance with Board directives related to this Section.

MONETARY PROVISIONS

VIII.

Order to Pay Civil Money Penalty

IT IS FURTHER ORDERED that:

61. Under § 1055(c) of the CFPA, 12 U.S.C. § 5565(c), by reason of the violations of law described in Section IV of this Consent Order, and taking into account Respondent's inability to pay, Respondent must pay a civil money penalty of \$2,000,000.00 to the Bureau. Under 12 U.S.C. § 5565(c)(4), the amount Respondent must pay the Bureau will be remitted by \$1 million upon Respondent's satisfaction of its obligation to pay that amount to the States for related conduct.
62. Within 15 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.
63. The civil money penalty paid under this Consent Order will be deposited in the Civil Penalty Fund of the Bureau as required by § 1017(d) of the CFPA, 12 U.S.C. § 5497(d).
64. Respondent, for all purposes, must treat the civil money penalty paid under this Consent Order as a penalty paid to the government. 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.
65. 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 or because of any payment that the Bureau makes from the Civil Penalty Fund. If the court in any Related Consumer Action offsets or otherwise reduces the amount of compensatory monetary remedies imposed against Respondent based on the civil money penalty paid in this action or based on any payment that the Bureau makes from the Civil Penalty Fund, Respondent must, within 30 days after entry of a final order granting such offset or reduction, notify the Bureau, and pay the amount of the offset or reduction 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.

IX.

Effect of Misrepresentation or Omission Regarding Financial Condition

66. The Bureau's agreement to issue this Consent Order and the civil money penalty imposed in Section VIII is expressly premised on the truthfulness, accuracy, and completeness of Respondent's financials, which Respondent asserts are truthful, accurate, and complete, and which include:
- a. 2021 Audited Financial Statements of Respondent, including attachments, submitted to the Bureau on or about April 22, 2022;
 - b. Financial statement and projections of Respondent submitted to the Bureau on or about December 2, 2022;
 - c. Unaudited financial statement of Respondent submitted to the Bureau on or about January 27, 2022; and
 - d. 2022 Audited Financial Statements of Respondent, including the attachments, and submitted to the Bureau on or about May 11, 2023.
67. If Respondent has failed to disclose any material asset or any of its financial statements contain any material misrepresentation or omission, including materially misstating the value of any asset, then, by reason of the violations of law described in Section IV of this Consent Order, and taking into account the factors in 12 U.S.C. § 5565(c)(3), Respondent will be required to pay an additional civil money penalty of \$10 million, which is the amount

of the discount provided to account for Respondent's inability to pay a greater amount in determining the civil money penalty imposed in Section VIII. The Bureau can seek to enforce in any Federal district court for a district in which Respondent is located or resides or is doing business as immediately due and payable this order for an additional civil money penalty. Under 12 U.S.C. § 5565(c)(4), the amount Respondent must pay the Bureau under this paragraph will be remitted by \$5 million upon Respondent's satisfaction of its obligation to pay that amount to the States, collectively, for any penalty for materially misstating the value of any asset or any of its financial statements.

X.

Additional Monetary Provisions

IT IS FURTHER ORDERED that:

68. 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.

69. Respondent must relinquish all dominion, control, and title to the funds paid to the fullest extent permitted by law and no part of the funds may be returned to Respondent.
70. Under 31 U.S.C. § 7701, Respondent, unless it already has done so, must furnish to the Bureau its taxpayer-identification number, which may be used for purposes of collecting and reporting on any delinquent amount arising out of this Consent Order.
71. 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.

COMPLIANCE PROVISIONS

XI.

Reporting Requirements

IT IS FURTHER ORDERED that:

72. 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.

73. Within 7 days of the Effective Date, Respondent must:
 - a. designate at least one telephone number and email, physical, and postal addresses as points of contact that the Bureau may use to communicate with Respondent;
 - b. identify all businesses for which Respondent is the majority owner, or that Respondent directly or indirectly controls, by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; and
 - c. describe the activities of each such business, including the products and services offered, and the means of advertising, marketing, and sales.
74. One year after the Effective Date, or at least 14 days after all provisions of the Redress Plan have been met, whichever comes first, Respondent must

submit to the Enforcement Director an accurate written compliance progress report (Compliance Report) that has been approved by the Board, sworn to under penalty of perjury, which, at a minimum:

- a. lists each applicable paragraph and subparagraph of the Consent Order and describes in detail the manner and form in which Respondent has complied with each such paragraph and subparagraph of the Consent Order;
- b. describes in detail the manner and form in which Respondent has complied with the Redress Plan; and
- c. attaches a copy of each Order Acknowledgment obtained under Section XII, unless previously submitted to the Bureau.

XII.

Order Distribution and Acknowledgment

IT IS FURTHER ORDERED that:

75. 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.
76. Within 30 days of the Effective Date, Respondent must deliver a copy of this Consent Order to each of its Board members and executive officers, as well as to any managers, employees, service providers, or other agents and

representatives who have responsibilities related to the subject matter of the Consent Order.

77. For 5 years from the Effective Date, or until such time as Respondent has provided the Bureau with proof of its dissolution, whichever comes first, Respondent must deliver a copy of this Consent Order to any business entity resulting from any change in structure referred to in Section XI, any future Board members and executive officers, as well as to any managers, employees, service providers, or other agents and representatives who will have responsibilities related to the subject matter of the Consent Order before they assume their responsibilities.
78. 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.
79. Within 90 days of the Effective Date, Respondent must provide the Bureau with a list of all persons and their titles to whom this Consent Order was delivered through that date under Paragraphs 76-77 and a copy of all signed and dated statements acknowledging receipt of this Consent Order under Paragraph 78.

XIII.

Recordkeeping

IT IS FURTHER ORDERED that:

80. Respondent must create or retain the following business records until such time as Respondent has provided the Bureau with proof of its dissolution:
 - 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, described in Section V above;
 - c. for each individual Affected Consumer: the consumer's name, address, phone number, email address, amount paid, the existing description of the product or ancillary service leased, and the date on which the product or ancillary service was leased;
 - d. for each Consumer Lease, accounting records showing the total amount paid by the Affected Consumer and the amounts paid by Respondent for the products or services subject to the Consumer Lease;
 - e. 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;

- f. records showing, for each employee providing services related to Consumer Leases, that person's name, telephone number, email, physical, and postal address, job title or position, and dates of employment; and
 - g. records showing, for each service provider providing services related to Consumer Leases, the name of a point of contact, and that person's telephone number, email, physical, and postal address, job title or position, and dates of service.
81. Respondent must make the documents identified in Paragraph 80 available to the Bureau upon the Bureau's request.

XIV.

Notices

IT IS FURTHER ORDERED that:

82. 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* TEMPOE LLC, File No. 2023-CFPB-0010," and send them by overnight courier or 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

XV.

Cooperation with the Bureau

IT IS FURTHER ORDERED that:

83. Respondent must cooperate fully to help the Bureau determine the identity and location of, and the amount of injury sustained by, each Affected Consumer. Respondent must provide such information in its or its agents' possession or control within 14 days of receiving a written request from the Bureau.

XVI.

Compliance Monitoring

IT IS FURTHER ORDERED that:

84. Within 14 days of receipt of a written request from the Bureau, Respondent must submit additional Compliance Reports or other requested information, which must be made under penalty of perjury; provide sworn testimony; or produce documents.
85. Respondent must permit Bureau representatives to interview any employee or other person affiliated with Respondent who has agreed to such an

interview regarding: (a) this matter; (b) anything related to or associated with the conduct described in Section IV; or (c) compliance with the Consent Order. The person interviewed may have counsel present.

86. 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.

XVII.

Modifications to Non-Material Requirements

IT IS FURTHER ORDERED that:

87. 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.
88. The Enforcement Director may, in his or her discretion, modify any non-material requirements of this Consent Order (*e.g.*, reasonable extensions of time and changes to reporting requirements) if he or she determines good cause justifies the modification. Any such modification by the Enforcement Director must be in writing.

ADMINISTRATIVE PROVISIONS

XVIII.

IT IS FURTHER ORDERED that:

89. The provisions of this Consent Order do not bar, estop, or otherwise prevent the Bureau from taking any other action against Respondent, except as described in Paragraph 90 below. Further, for the avoidance of doubt, the provisions of this Consent Order do not bar, estop, or otherwise prevent any other person or governmental agency from taking any action against Respondent.
90. 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 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.
91. This Consent Order is intended to be, and will be construed as, a final Consent Order issued under § 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.

92. This Consent Order will remain effective and enforceable, except to the extent that, and until such time as, any provisions of this Consent Order have been amended, suspended, waived, or terminated in writing by the Bureau.
93. Calculation of time limitations will run from the Effective Date and be based on calendar days, unless otherwise noted.
94. 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.
95. 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 §1055(c) of the CFPA, 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.
96. 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.

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

IT IS SO ORDERED, this 11th day of September, 2023.

Rohit Chopra

Rohit Chopra

Director

Consumer Financial Protection Bureau