



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

ADMINISTRATIVE PROCEEDING  
File No. 2016-CFPB-0010

In the Matter of:

NEW CENTURY FINANCIAL SERVICES,  
INC.

**CONSENT ORDER**

The Consumer Financial Protection Bureau (Bureau) has reviewed the practices of New Century Financial Services, Inc. (Respondent) regarding its debt-collection efforts, including filing lawsuits against Consumers, and has identified violations of Sections 807(3), 807(10), and 808 of the Fair Debt Collection Practices Act (FDCPA), 15 U.S.C. §§ 1692e(3), 1692e(10), and 1692f, and Sections 1031(a) and 1036(a) of the CFPA, 12 U.S.C. §§ 5531(a) and 5536(a). Under Sections 1053 and 1055 of the Consumer Financial Protection Act of 2010 (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, 5565, and Section 814(b) of the FDCPA, 15 U.S.C. § 1692l(b).

## **II Stipulation**

2. Respondent has executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated April 22, 2016, 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 Bureau has jurisdiction over it and the subject matter of this proceeding.

## **III Definitions**

3. The following definitions apply to this Consent Order:
  - a. **“Charge-off”** means the treatment of a receivable balance by a creditor as a loss or expense because payment is unlikely.
  - b. **“Charge-off Balance”** means the amount alleged due on an account receivable at the time of Charge-off.
  - c. **“Collection Suit”** means any civil action commenced in any court or other tribunal against a Consumer to attempt to collect a Debt, but does not include any post-judgment collection efforts or domestication of a judgment.
  - d. **“Consumer”** means any natural person obligated or allegedly obligated to pay any Debt.

- e. **“Creditor”** means any person who offers or extends credit creating a Debt or to whom a Debt is owed or was owed, but such term does not include any person who receives an assignment or transfer of a Debt in default.
- f. **“Debt”** means any obligation or alleged obligation of a Consumer to pay money arising out of a transaction in which the money, property, insurance, or services which are the subject of the transaction are primarily for personal, family, or household purposes, whether or not such obligation has been reduced to judgment.
- g. **“Debt Buyer”** means any entity or person that purchases a portfolio of defaulted Debts.
- h. **“Debt Collection Lawsuit”** means any lawsuit filed by Respondent, or on behalf of Respondent by a Law Firm, against any Consumer for the purpose of collecting
  - i. any Debt.
- j. **“Debt Seller”** means any entity or person that sells portfolios of defaulted Debts.
- k. **“Effective Date”** means the date on which this Consent Order is issued.
- l. **“Enforcement Director”** means the Assistant Director of the Office of Enforcement for the Bureau, or his delegate.
- m. **“Law Firm”** shall refer to those third-party law firms retained by Respondent for the purpose of conducting debt collection activities on Respondent's behalf, including litigation.

- n. **"Legal Collection"** means any collection efforts made by a Law Firm to collect Respondent's Debt, including but not limited to sending letters on Law Firm letterhead and filing Debt Collection Lawsuits.
- o. **"Original Account-Level Documentation"** means:
  - i. any documentation that a Creditor or that Creditor's agent (such as a servicer) provided to a Consumer about a Debt; or
  - ii. a complete transactional history of a Debt, created by a Creditor or that Creditor's agent (such as a servicer).
- p. **"Portfolio"** means a collection of Debt sold to Respondent in a single transaction.
- q. **"Purchase Contract"** means any document that sets forth terms and conditions governing a Debt Buyer's purchase of defaulted Debts.
- r. **"Related Consumer Action"** means a private action by or on behalf of one or more consumers or an enforcement proceeding by another governmental agency brought against Respondent based on substantially the same facts as described in this Consent Order.
- s. **"Respondent"** means New Century Financial Services, Inc. and its successors and assigns.
- t. **"Seller"** means any person that sells any Portfolio to Respondent.

## **IV**

### **Bureau Findings and Conclusions**

The Bureau finds the following:

1. Respondent is a debt buyer and debt collector that buys judgments, defaulted loans, credit card accounts, car loans and other debts, which it purchases from creditors at a substantial discount to the face value of the debts. Respondent has also purchased in the past from other debt buyers. It then attempts to collect these debts.
2. At all times relevant to this Consent Order, Respondent has collected Debt related to consumer-financial products or services. Accordingly, Respondent is a “covered person” under the CFPA, 12 U.S.C. § 5481(6). Respondent is also a “debt collector” as defined in Section 803(6) of the FDCPA. 15 U.S.C. § 1692a(6).
3. Through Law Firms that it retains Respondent regularly uses legal collection to collect Debts and has filed lawsuits against consumers between 2009 and 2014.
4. The collection complaints filed on Respondent’s behalf bore the names and signatures of attorneys who had not reviewed Original Account-Level Documentation prior to making the decision to initiate the lawsuits or in the preparation of the pleadings.
5. The debt-collection litigation activities of one or more of Respondent’s Law Firms relied substantially on the use of computers and non-attorney support staff for its clients without any attorney review of Original Account-Level Documentation..

6. Most accounts that are placed by Respondent with Law Firms for collection are transmitted through electronic systems.
7. For such electronically transmitted claims, Respondent's Law Firms normally received only either an Excel spreadsheet or a text file containing specific data regarding each account, or claim for a Debt.
8. The data included in the electronic submissions is provided in summary form only and documentation supporting the data was not included. Respondent's Law Firms open new files based on this summary data. The Law Firms' computer systems automatically populate each new file with the data received from clients' submissions.
9. Respondent did not in all cases provide its Law Firms with account-level documents prior to filing suit.
10. Respondent did not in all cases require its Law Firms to review account-level documents prior to filing suit.
11. Respondent's Law Firms in some cases filed suits relying solely on the summary data that it had provided to them.
12. Prior to the filing of suit Respondent did not always provide the Law Firms with the documents evidencing the full chain of title showing that Respondent actually owned the debt and thus had standing to sue the consumer. The Law Firms filed lawsuits in some cases without independently investigating or verifying support for the suits, including whether the facts alleged were true, and in instances

where they had information that the facts alleged were unsupported, including but not limited to where:

- a. Consumers disputed, challenged, or questioned the validity or accuracy of the debt and Respondent failed to obtain Original Account-Level Documentation before continuing collecting on that account; or
- b. Respondent or the Law Firms had knowledge or reason to believe, based on its past course of dealing (including factors such as consumer disputes, inaccurate or incomplete information in the portfolio, and contractual disclaimers related to the accounts) that a specific portfolio of accounts might contain unreliable data, but continued to represent that consumers owed the claimed amount on the accounts in question without obtaining and reviewing Original Account-Level Documentation.

### **Violations of the FDCPA and the CFPA**

13. Section 807 of the FDCPA prohibits a debt collector from using “any false, deceptive, or misleading representation or means in connection with the collection of any debt.” 15 U.S.C. § 1692e. Section 807(10) of the FDCPA specifically prohibits a debt collector from using “any false representation or deceptive means to collect or attempt to collect any debt or to obtain information concerning a consumer.” 15 U.S.C. § 1692e(10). Section 807(3) of the FDCPA specifically prohibits a debt collector from making a “false representation or

implication that any individual is an attorney or that any communication is from an attorney.” 15 U.S.C. § 1692e(3).

14. Section 808 of the FDCPA prohibits a debt collector from using “unfair or unconscionable means to collect or attempt to collect any debt.” 15 U.S.C. § 1692f.
15. Sections 1031 and 1036(a)(1)(A) of the CFPA prohibit covered persons from violating federal consumer financial law. 12 U.S.C. §§ 5531, 5536(a)(1)(A).
16. Sections 1031 and 1036(a)(1)(B) of the CFPA prohibit covered persons from engaging “in any unfair, deceptive, or abusive act or practice” in violation of the CFPA. 12 U.S.C. §§ 5531, 5536(a)(1)(B).
17. Respondent is a “debt collector” under the FDCPA and a “covered person” under the CFPA.

**False or Unsubstantiated Representations About Owning a Debt**

18. As described in Paragraphs 4 through 17, in numerous instances, through the Law Firms Respondent represented, directly or indirectly, expressly or by implication, that consumers owed debts to it with certain unpaid balances, interest rates, and payment due dates. Through the Law Firms Respondent further represented to consumers directly or indirectly, expressly or by implication, that Respondent had a reasonable basis for those representations.
19. In some instances the representations set forth in Paragraph 18 were not substantiated by Original Account-Level Documentation in the possession of Respondent at the time the representations were made, including but not limited to where:

- a. Consumers disputed, challenged, or questioned the validity or accuracy of the debt and Respondent failed to obtain Original Account-Level Documentation before continuing collecting on that account; or
- b. Respondent or the Law Firms had knowledge or reason to believe, based on its past course of dealing with its accounts (including factors such as consumer disputes, inaccurate or incomplete information in the portfolio, and contractual disclaimers related to the accounts) that a specific portfolio of clients' accounts might contain unreliable data, but continued to represent that consumers owed the claimed amount on the accounts in question without reviewing Original Account-level Documentation.

20. The representations are material because they are likely to affect a consumer's choice or conduct regarding how to respond to an allegedly outstanding debt and are likely to mislead consumers.

21. Respondent's representations are false or misleading and constitute deceptive acts or practices in violation of Section 807(10) of the FDCPA, 15 U.S.C. § 1692e(10), as well as Sections 1031(a) and 1036(a)(1)(B) of the CFPA, 12 U.S.C. §§ 5531(a) and 5536(a)(1)(B).

22. The FDCPA violations asserted in Paragraph 21 constitute violations of Section 1036(a)(1)(A) of the CFPA. 12 U.S.C. § 5536(a)(1)(A).

### **Unfair Litigation Activities**

23. As described in Paragraphs 4 through 17, in connection with its debt-collection litigation activities, Respondent in some cases has unfairly collected or attempted

to collect a debt by permitting the Law Firms to rely exclusively on summary data provided Respondent and without having reviewed supporting documentation underlying the facts the Law Firms asserted in complaints.

24. The practice of filing lawsuits when the Law Firms relied exclusively on summary data for the facts asserted in the complaints was an unfair or unconscionable means used to collect or attempt to collect debts.
25. Respondent's acts and practices constitute violations of Section 808 of the FDCPA, 15 U.S.C. § 1692f.
26. The FDCPA violations asserted in Paragraph 25 constitute violations of Section 1036(a)(1)(A) of the CFPA, 12 U.S.C. § 5536(a)(1)(A).
27. These practices are likely to cause substantial injury to consumers, for example by imposing costs in defending improperly filed or outright erroneous lawsuits.
28. These injuries are not reasonably avoidable by consumers because, among other things, when a consumer is sued, he or she must defend or otherwise respond to the lawsuit, or else face a default judgment. Likewise, these injuries are not outweighed by any countervailing benefits to consumers or competition.
29. Respondent's acts and practices constitute violations of Sections 1031(a) and 1036(a)(1)(B) of the CFPA, 12 U.S.C. §§ 5531(a) and 5536(a)(1)(B).

**ORDER**

**V**

**Conduct Provisions**

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

30. Respondent and any of Respondent's officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Consent Order, whether acting directly or indirectly, may not violate Sections 807(3), 807(10), and 808 of the FDCPA, 15 U.S.C. §§ 1692e(3), 1692e(10), and 1692f, or Sections 1031(a) and 1036(a) of the CFPB, 12 U.S.C. §§ 5531(a) and 5536(a).

**Prohibiting Debt-Collection Litigation Activities  
Without a Reasonable Basis**

31. Respondent and any of Respondent's officers, agents, servants, or employees, and all other persons in active concert or participation with any of them, who receive actual notice of this Consent Order, whether acting directly or indirectly, are permanently restrained and enjoined from threatening or initiating a Collection Suit where: the person or entity threatening or initiating the Collection Suit does not have in its, his, or her possession the following:

- a. Original Account-Level Documentation reflecting, at a minimum, the Consumer's name, the last four digits of the account number associated with the Debt at the time of Charge-off (if such Creditor-assigned account number exists), the claimed amount, excluding

any post Charge-off payments (unless the claimed amount is higher than the Charge-off Balance, in which case Respondent must possess (i) Original Account-Level Documentation reflecting the Charge-off Balance, (ii) an explanation of how the claimed amount was calculated and why such increase is authorized by the agreement creating the Debt or permitted by law), and if Respondents are suing under a breach of contract theory, the contractual terms and conditions applicable to the Debt;

- b. A chronological listing of the names of all prior owners of the Debt and the date of each transfer of ownership of the Debt, beginning with the name of the Creditor at the time of Charge-off, if Respondent is initiating a Collection Suit on behalf of a Debt Buyer;
- c. A certified or otherwise properly authenticated copy of each bill of sale, or other document evidencing the transfer of ownership of the Debt at the time of Charge-off to each successive owner, including Respondent. Each of the documents evidencing the transfer of ownership of the Debt must include a specific reference to the particular Debt being collected upon; and
- d. Any one of the following:
  - 1. A document signed by the Consumer evidencing the opening of the account forming the basis for the Debt; or

2. Original Account-Level Documentation reflecting a purchase, payment, or other actual use by the Consumer

32. Respondent shall not submit an account to a Law Firm for collection or suit unless it has provided to the Law Firm the documentation required by Paragraph 31 above.

33. Respondent shall maintain effective processes, systems, and controls, and maintain adequate numbers of employees, to comply with Paragraphs 31-32.

**Prohibiting the Use of Deceptive Affidavits**

34. In connection with a Collection Suit, Respondent and any of Respondent's officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Consent Order, whether acting directly or indirectly, are permanently restrained and enjoined from:

- a. submitting to a court any affidavit in which it knows or should know an affiant represents, expressly or by implication, having personal knowledge of the validity, truth, or accuracy of the character, amount, or legal status of any Debt where that is not the case;
- b. submitting any affidavit in which the affiant represents, expressly or by implication, that the affidavit has been notarized if it knows or should know that the affidavit was not executed by the affiant in the presence of a notary;

- c. submitting any affidavit it knows or should know contains an inaccurate statement, including but not limited to a statement that attached documentation relates to the specific Consumer being sued when that is not the case;
- d. submitting any affidavit in which it knows or should know that the affiant misrepresents the affiant's review of any Original Account-Level Documentation or any other documentation that would support the Debt that is the subject of the Collection Suit;
- e. submitting any affidavit in which the affiant represents, expressly or by implication, that the affiant has personally reviewed the affidavit, when it knows or should know that is not the case; or
- f. submitting any affidavit, unless Respondent creates an electronic record confirming that submitting the affidavit complies with the terms and conditions of this Order.

**Prohibiting Certain Pre-Judgment Discovery Practices**

35. In connection with a Collection Suit, Respondent, and all other persons in active concert or participation with Respondent who receive actual notice of this Consent Order, whether acting directly or indirectly, are permanently restrained and enjoined from using any pre-judgment litigation discovery device to seek or obtain information, such as asset discovery, intended to be used for the purpose of any post-judgment collection effort.

### **Additional Conduct Provisions**

36. Respondent will maintain policies and procedures requiring that Respondent and its Law Firms comply with the requirements of this Consent Order and the applicable ethical and procedural requirements for the submission of truthful and accurate evidence in connection with a Collection Suit.
37. In connection with a Collection Suit, any attorney's fees that Respondent seeks shall be authorized by law and consistent with the contractual terms and conditions applicable to the Debt and the applicable rules of professional responsibility.
38. In seeking a default judgment in connection with a Collection Suit, Respondent's Law Firms shall tender to the court relevant information and documentation to support Respondent's claims, unless prohibited by law or court rule, including all the information and documentation that Respondent is required to possess under this Consent Order.
39. In connection with a Collection Suit, Respondent shall maintain effective processes, systems, and controls to prohibit the assessment of fees, expenses, and other charges that are not in accordance with the contractual terms and conditions and applicable law.

### **Implementation Schedule**

40. Notwithstanding the foregoing, with regard to Collection Suits filed by Respondent after the Effective Date, Respondent must take all steps necessary to

fully implement all of the requirements and restrictions described in Paragraphs 31 through 39 within 90 days of the Effective Date.

## VI

### **Order to Pay Civil Money Penalty**

**IT IS FURTHER ORDERED** that:

41. Under section 1055(c) of the CFPA, 12 U.S.C. § 5565(c), by reason of the alleged 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 must pay a civil money penalty of \$1,500,000.00 to the Bureau.
42. Within 10 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.
43. 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).
44. 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.

45. 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 an 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:

46. 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.
47. 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.

48. Under 31 U.S.C. § 7701, Respondent, unless they already have done so, must furnish to the Bureau their taxpayer-identification numbers or social-security numbers, which may be used for purposes of collecting and reporting on any delinquent amount arising out of this Consent Order.
49. 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 are required to pay to consumers and describe the consumers or classes of consumers to whom that redress has been or will be paid.

## **VII**

### **Reporting Requirements**

**IT IS FURTHER ORDERED** that:

50. 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 to it; 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 as soon as practicable after learning about the

development or at least 30 days before the development is finalized, whichever is sooner.

51. Within 7 days of the Effective Date, Respondent must:

- a. designate at least one telephone number and email, physical, and postal address as a point of contact, which the Bureau may use to communicate with the 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.

52. Within 90 days of the Effective Date, and again one year after the Effective Date,

Respondent must submit to the Enforcement Director an accurate written compliance progress report (Compliance Report), which, at a minimum:

- a. Describes in detail the manner and form in which Respondent has complied with this Consent Order; and
- b. Attaches a copy of each Order Acknowledgment obtained under Section VIII, unless previously submitted to the Bureau.

## VIII

### **Order Distribution and Acknowledgment**

**IT IS FURTHER ORDERED** that:

53. 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.
54. Within 30 days of the Effective Date, Respondent must deliver a copy of this Consent Order to each of Respondent's 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.
55. 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 VII, 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.
56. 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.

## **IX**

### **Recordkeeping**

**IT IS FURTHER ORDERED** that:

57. 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.

58. Respondent must retain the documents identified in Paragraph 57 for at least 5 years.

## **X**

### **Notices**

**IT IS FURTHER ORDERED** that:

59. 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 New Century Financial Services, Inc., File No. 2016-CFPB-0010," and send them either:

- a. 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

- b. by first-class mail to the below address and contemporaneously by email to [Enforcement\\_Compliance@cfpb.gov](mailto: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

## **XI**

### **Cooperation with the Bureau**

**IT IS FURTHER ORDERED** that:

60. Respondent must cooperate fully with the Bureau in this matter and in any investigation related to or associated with the conduct described in Section IV. Respondent must provide truthful and complete information, evidence, and testimony. Respondent must cause the its officers, employees, representatives, or agents to appear for interviews, discovery, hearings, trials, and any other proceedings that the Bureau may reasonably request upon 10 business days written notice, or other reasonable notice, at such places and times as the Bureau may designate, without the service of compulsory process.

## **XII**

### **Compliance Monitoring**

**IT IS FURTHER ORDERED** that, to monitor Respondent's compliance with this Consent Order:

61. 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.

62. For purposes of this Section, the Bureau may communicate directly with Respondent, unless Respondent retains counsel related to these communications.
63. 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.
64. 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.

### **XIII**

#### **Modifications to Non-Material Requirements**

**IT IS FURTHER ORDERED** that:

65. 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.
66. The Enforcement Director may, in his/her discretion, modify any non-material requirements of this Consent Order (e.g., reasonable extensions of time and changes to reporting requirements) if he/she determines good cause justifies the modification. Any such modification by the Enforcement Director must be in writing.

## **XIV**

### **Administrative Provisions**

67. 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.
68. 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 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.
69. 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.
70. 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.

71. Calculation of time limitations will run from the Effective Date and be based on calendar days, unless otherwise noted.
72. 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.
73. 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 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.
74. 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.

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

**IT IS SO ORDERED**, this 25th day of April, 2016.



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Richard Cordray  
Director  
Consumer Financial Protection Bureau