

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

ADMINISTRATIVE PROCEEDING

File No. 2024-CFPB-0011

In the Matter of:

CONSENT ORDER

GOLDMAN SACHS BANK USA

The Consumer Financial Protection Bureau (Bureau) has reviewed the credit card marketing, offering, and servicing practices of Goldman Sachs Bank USA (Goldman) in connection with Apple Card and has identified the following violations of law. As a result of widespread errors in multiple technological and internal processes for dispute resolution, Goldman (a) failed to send acknowledgment notices and failed to send resolution letters within the required periods, in violation of the Truth in Lending Act (TILA), 15 U.S.C. §§ 1601 *et seq.*, and its implementing Regulation Z, 12 C.F.R. § 1026.13(c), (e)-(f); (b) made adverse reports to Consumer Reporting Agencies (CRAs) regarding amounts disputed in billing error notices prior to completing the requirements for billing error resolution, in violation of TILA, 15 U.S.C. §§ 1601 *et seq.*, and its

implementing Regulation Z, 12 C.F.R. § 1026.13(d)(2); (c) failed to conduct reasonable investigations for disputes that qualified as billing error notices, in violation of TILA, 15 U.S.C. §§ 1601 *et seq.*, and its implementing Regulation Z, 12 C.F.R. § 1026.13(f); (d) held consumers liable for amounts at issue in claims of unauthorized use before conducting a reasonable investigation, in violation of TILA, 15 U.S.C. §§ 1601 *et seq.*, and its implementing Regulation Z, 12 C.F.R. § 1026 Supp. I, Comment 12(b); (e) by violating TILA and its implementing Regulation Z, violated the Consumer Financial Protection Act of 2010 (CFPA), 12 U.S.C. § 5536(a)(1)(A); and (f) engaged in unfair acts or practices through its delay in resolving transaction disputes, in violation of sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531(a), 5536(a)(1)(B). In connection with Apple Card Monthly Installments (ACMI) for financing the purchase of Apple devices, Goldman (a) engaged in deceptive acts or practices through representations that misled consumers to expect that purchases of Apple devices made with Apple Card would be automatically enrolled in ACMI, in violation of sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531(a), 5536(a)(1)(B), and (b) engaged in deceptive acts or practices through its representations about the application of refunds to consumers' ACMI and non-ACMI balances, in violation of sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531(a), 5536(a)(1)(B). Under sections 1053 and 1055

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

I.

Overview

1. In December 2017, Goldman and Apple Inc. (Apple) entered an agreement to offer Apple Card, a credit card integrated with Apple software that offers both market-rate APRs and interest-free financing for qualifying Apple products.
2. Pursuant to the agreement, Goldman agreed to extend the credit offered through Apple Card and to investigate disputes submitted by consumers. Apple designed the consumer-facing interfaces that consumers used to manage Apple Card accounts on Apple devices, including the “Report an Issue” functionality in the “Wallet” application that allowed consumers to dispute Apple Card transactions, and developed the creative approach and design of Apple Card advertisements.
3. Goldman and Apple’s agreement provided a targeted launch date of March 1, 2019 for the Apple Card, and incentivized an earlier introduction of Apple Card by giving Apple the right to seek \$25 million in liquidated damages for each 90-day delay caused by Goldman.

4. Prior to launch, internal presentations to Goldman's board and the board of Goldman Sachs Group, Inc. noted "tight timelines" around the launch, that the launch involved Goldman's "first use" of "large scale" outsourcing for the "customer contact center," and an understanding that "consumer volumes may ramp very quickly, possibly faster than historic credit card launches" due to Apple's "high profile." On August 16, 2019, a presentation to Goldman's board regarding a third-party operational and readiness assessment of Apple Card advised that there were "no significant impediments to launch," but also reported that the Apple Card disputes system was "not fully ready" due to technological issues.
5. Goldman and Apple introduced Apple Card on August 20, 2019.
6. When consumers began using Apple Card and submitting disputes, Goldman's technological systems, internal processes, and representatives made widespread mistakes in responding to hundreds of thousands of disputes. These mistakes caused Goldman to fail to respond to disputes within the time periods required by Regulation Z, to fail to provide consumers with credits required by Regulation Z, to make improper adverse reports about consumers to Consumer Reporting Agencies (CRAs), and to fail to correctly investigate and resolve consumer disputes.

7. In December 2019, Goldman and Apple introduced Apple Card Monthly Installments (ACMI), which allowed Apple Card users to finance the purchase of certain Apple devices directly from Apple through the payment of interest free monthly installments, similar to a “Buy Now, Pay Later” (BNPL) product.
8. Through representations in advertisements that emphasized the ease and simplicity of Apple Card and representations in the ACMI enrollment process, Goldman and Apple misled consumers to expect that purchases of Apple devices would automatically be enrolled in ACMI.
9. Goldman also misled consumers enrolled in ACMI about the application of refunds to Apple Card accounts with both ACMI and non-ACMI balances.

II.

Jurisdiction

10. The Bureau has jurisdiction over this matter under sections 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563 and 5565; and section 108(a) of TILA, 15 U.S.C. § 1607(a).

III.

Stipulation

11. Respondent has executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated October 18, 2024 (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, 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.

IV.

Definitions

12. The following definitions apply to this Consent Order:

- a. "Acknowledgement Notice" means a written acknowledgment sent by Respondent to a consumer who submitted a Billing Error Notice. 12 C.F.R. § 1026.13(c)(1).
- b. "Adverse Report" means an adverse report to any person about a consumer's credit standing, or report that an amount or account is delinquent, because the consumer failed to pay the disputed amount or related finance or other charges. 12 C.F.R. § 1026.13(d)(2).
- c. "Affected Consumers" includes Apple Card users who from August 20, 2019, through the Effective Date: (1) submitted a Billing Error Notice in response to which Respondent failed to send an Acknowledgment Notice within the Required Period or a Resolution

Letter within the Required Period; (2) submitted a Claim of Unauthorized Use in response to which Respondent failed to conduct a reasonable investigation prior to holding the consumer liable for disputed amounts; (3) submitted a Redress Dispute that Respondent determined was a Valid Dispute in response to which Respondent did not provide a provisional or final credit, or otherwise did not absolve the consumer from liability, within 90 days; (4) submitted a Redress Dispute concerning a disputed amount that was the subject of an Adverse Report by Respondent before the date on which Respondent determined whether to provide a final credit, or to remove a provisional credit, in response to a Redress Dispute; (5) submitted a Redress Dispute in response to which Respondent did not provide a credit, including if Respondent provided and then removed a provisional credit or otherwise did not absolve the consumer from liability, that Respondent Reinvestigated pursuant to this Consent Order and that Respondent determined to be a Valid Dispute; or (6) submitted a Redress Dispute received by Respondent prior to September 22, 2021, in response to which Respondent did not provide a credit, including Redress Disputes in response to which Respondent provided and then removed a provisional credit or otherwise did not

absolve the consumer from liability, excluding any Redress Disputes Respondent Reinvestigated prior to the Effective Date.

- d. “Apple Card” means an Apple-branded Credit Card that operates on an Apple software user interface through which Respondent extends credit.
- e. “Apple Card Monthly Installments” (ACMI) means an Apple Card program allowing users to finance the purchase of eligible Apple products through the payment of interest-free monthly installments.
- f. “Billing Error” means: (1) a reflection on or with a periodic statement of an extension of credit that is not made to the consumer or to a person who has actual, implied, or apparent authority to use the consumer’s credit card or open-end credit plan; (2) a reflection on or with a periodic statement of an extension of credit that is not identified in accordance with the applicable provisions of Regulation Z; or (3) a reflection on or with a periodic statement of an extension of credit for property or services not accepted by the consumer or the consumer’s designee, or not delivered to the consumer or the consumer’s designee as agreed. 12 C.F.R. § 1026.13(a)(1)-(3).
- g. “Billing Error Notice” means a written notice from an Apple Card user that: (1) is received by Respondent at the address disclosed in a

periodic statement, annual statement, or alternative summary statement, as applicable, no later than 60 days after Respondent transmitted the first periodic statement that reflects the alleged Billing Error; (2) enables Respondent to identify the consumer's name and account number; (3) to the extent possible, indicates the user's belief and the reasons for the belief that a Billing Error exists, and the type, date, and amount of the error; and (4) that the user does not subsequently withdraw. 12 C.F.R. § 1026.13(b).

- h. “Board” means Respondent’s duly appointed and acting Board of Directors.
- i. “Claim and Defense Dispute” means when an Apple Card user, subject to and in accordance with 12 C.F.R. § 1026.12(c), withholds payment when a person who honors an Apple Card fails to resolve satisfactorily a dispute as to property or services purchased with the Apple Card. 12 C.F.R. § 1026.12(c).
- j. “Claim of Unauthorized Use” means notification from an Apple Card user concerning the use of an Apple Card by a person, other than the cardholder, who does not have actual, implied, or apparent authority for such use, and from which the cardholder receives no benefit. 12 C.F.R. § 1026.12(b)(1)(i).

- k. “Clearly and Prominently” means: (1) In textual communications (e.g., printed publications or words displayed on the screen of an electronic device), the disclosure must be of a type size and location sufficiently noticeable for an ordinary consumer to read and comprehend it, in print that contrasts with the background on which it appears; (2) In communications disseminated orally or through audible means (e.g., radio or streaming audio), the disclosure must be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it; (3) In communications disseminated through video means (e.g., television or streaming video), the disclosure must be in writing in a form consistent with subsection (1), and must appear on the screen for a duration sufficient for an ordinary consumer to read and comprehend it; (4) In communications made through interactive media such as the internet, online services, and software, the disclosure must be unavoidable and presented in a form consistent with subsection (1); (5) In communications that contain both audio and visual portions, the disclosure must be presented simultaneously in both the audio and visual portions of the communication; and (6) In all instances, the disclosure must be presented before the consumer incurs any financial obligation, in an

understandable language and syntax, and with nothing contrary to, inconsistent with, or in mitigation of the disclosures used in any communication with the consumer.

- l. “Consumer Reporting Agency” (CRA) means any person which, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties, and which uses any means or facility of interstate commerce for the purpose of preparing or furnishing consumer reports. 15 U.S.C. § 1681a(f).
- m. “Credit Card” means any card, plate, or other single credit device that may be used from time to time to obtain credit. 12 C.F.R. § 1026.2(a)(15)(i).
- n. “Effective Date” means the date on which the Consent Order is entered on the administrative docket.
- o. “Enforcement Director” means the Assistant Director of the Office of Enforcement for the Consumer Financial Protection Bureau, or their delegate.
- p. “Principal Officers” means the Chief Executive Officer, Chief Financial Officer, General Counsel, Chief Operating Officer, Chief

Compliance Officer, Chief Risk Officer, Controller, and Treasurer responsible for managing Respondent.

- q. “Redress Dispute” means a dispute concerning an Apple Card transaction submitted to Respondent prior to the Effective Date by a consumer using a channel through which Respondent received the pertinent information about the dispute as was reasonably required in the ordinary course of business that Respondent handled through its technology system for decisioning disputes concerning Apple Card transactions.
- r. “Regulatory Remediation Committee” means the body comprised of members from the duly elected, or appointed, and acting Boards of Directors of Respondent and of Goldman Sachs Group, Inc. tasked with conducting regulatory remediation.
- s. “Reinvestigate” means conduct an additional investigation, which must be conducted in compliance with Respondent’s policies and procedures, except that Respondent must use its policies and procedures at the time of Respondent’s initial receipt of a Redress Dispute to determine whether the Redress Dispute is a Billing Error Notice.

- t. “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 V of this Consent Order.
- u. “Relevant Period” includes from January 1, 2019, to the Effective Date.
- v. “Required Period” means: (1) for Acknowledgement Notices, within 30 days of Respondent receiving a Billing Error Notice, unless the Respondent had sent a Resolution Letter within the 30-day period; and (2) for Resolution Letters and for correcting Billing Errors by crediting consumers’ accounts with any disputed amount and related finance or other charges, within two complete billing cycles (but in no event later than 90 days) after Respondent receives a Billing Error Notice. 12 C.F.R. § 1026.13(c).
- w. “Resolution Letter” means: (1) a correction notice if Respondent determined that a Billing Error occurred as asserted; or (2) an explanation that sets forth the reasons for Respondent’s belief that a Billing Error alleged by the consumer was incorrect in whole or in part if Respondent determined no Billing Error occurred or that a

different Billing Error occurred from that asserted, 12 C.F.R. § 1026.13(e), (f).

- x. “Respondent” means Goldman Sachs Bank USA, and its successors and assigns.
- y. “Supervision Director” means the Assistant Director of the Office of Supervision for the Consumer Financial Protection Bureau, or their delegate.
- z. “Transaction” means a purchase of goods or services using Apple Card. For avoidance of doubt, this does not include amounts refunded to Apple Card accounts.
- aa. “Transaction Dispute” means any of the following concerning a Transaction made with Apple Card: a Billing Error Notice, a Claim of Unauthorized Use, or a Claim and Defense Dispute.
- bb. “Valid Dispute” means a Transaction Dispute or a Redress Dispute in response to which, under Respondent’s policies and procedures, Respondent should have provided a credit after conducting an investigation.

V.

Bureau Findings and Conclusions

The Bureau finds the following:

13. Respondent is a depository institution headquartered at 200 West Street, New York, NY 10282, and chartered in New York. As of September 2023, Respondent had \$538 billion in total assets, making it an insured depository institution with assets greater than \$10,000,000,000 within the meaning of 12 U.S.C. § 5515(a).
14. Respondent is a “creditor” under TILA and its implementing Regulation Z because it “regularly extends consumer credit that is subject to a finance charge” and is the person “to whom the obligation is initially payable.” 12 C.F.R. § 1026.2(a)(17)(i).
15. Respondent is a “card issuer” because it “issues a credit card.” 12 C.F.R. § 1026.2(a)(7).
16. Respondent is a “covered person” because it “engages in offering or providing a consumer financial product or service.” 12 U.S.C. § 5481(6).

**Findings and Conclusions as to Respondent’s Failure to Resolve Errors
Within Required Periods**

17. When creditors receive a Billing Error Notice, Regulation Z requires them to send consumers an Acknowledgment Notice within 30 days (unless the creditor has complied with certain billing resolution procedures within the 30 days), to conduct an investigation, and then to send consumers a Resolution Letter explaining its determination within “2 complete billing

cycles (but in no event later than 90 days).” 12 C.F.R. § 1026.13(c), (e)-(f).

If a creditor determines that a Billing Error did occur, the creditor must also correct the Billing Error and credit the consumer’s account with any disputed amount and related finance or other charges. 12 C.F.R. § 1026.13(e).

18. Between August 2019 and at least December 2021, when consumers submitted Billing Error Notices, Respondent’s technological systems, internal processes, and representatives made widespread mistakes in resolving these Billing Error Notices.
19. These mistakes caused Respondent to fail to send approximately 157,000 Acknowledgment Notices to consumers within the Required Period or to send Acknowledgment Notices at all. 12 C.F.R. § 1026.13(c)(1).
20. Respondent’s failure to send Acknowledgment Notices within the Required period, or at all, left consumers without confirmation that Respondent had received their Billing Error Notices and unable to determine whether Respondent required them to pay the disputed amounts on their next monthly statements to avoid incurring interest charges.
21. Between August 2019 and at least December 2021, widespread mistakes by Respondent’s technological systems, internal processes, and representatives in resolving Billing Error Notices caused Respondent to fail to send

approximately 145,000 Resolution Letters within the Required Period or to send Resolution Letters at all. 12 C.F.R. § 1026.13(c)(2).

22. The mistakes left some consumers with a provisional credit from Respondent for the disputed amount but unable to determine whether Respondent would remove the provisional credit and require consumers to pay the disputed amount on their next monthly statements to avoid incurring interest charges.
23. In response to approximately 167,000 Billing Error Notices, Respondent failed to send either an Acknowledgment Notice or a Resolution Letter within the respective Required Periods. In response to approximately 124,000 of those Billing Error Notices, Respondent failed to send both an Acknowledgment Notice and a Resolution Letter.
24. The mistakes also caused Respondent to fail to correct thousands of Billing Errors by crediting the consumers' accounts with the disputed amount and related finance or other charges within the Required Period. 12 C.F.R. § 1026.13(e).
25. By failing to send an Acknowledgment Notice to consumers within the Required Period, by failing to send a Resolution Letter to consumers within the Required Period, and by failing to correct Billing Errors by crediting

consumers' accounts within the Required Period, Respondent violated Regulation Z's error resolution requirements. 12 C.F.R. § 1026.13(c), (e)-(f).

Findings and Conclusions as to Respondent's Adverse Reports to CRAs

26. Regulation Z prohibits creditors from making or threatening to make Adverse Reports regarding a consumer's failure to pay a disputed amount until after the creditor resolves the Billing Error. 12 C.F.R. § 1026.13(d).
27. Due to widespread mistakes by Respondent's technological systems, internal processes, and representatives in resolving Billing Error Notices, Respondent made hundreds of Adverse Reports to CRAs regarding amounts disputed in Billing Error Notices prior to completing the requirements for Billing Error resolution.
28. These Adverse Reports affected the creditworthiness of hundreds of consumers.
29. By making these Adverse Reports to CRAs, Respondent violated Regulation Z's prohibition against Adverse Reports regarding amounts disputed in Billing Error Notices prior to completion of the requirements for Billing Error resolution. 12 C.F.R. § 1026.13(d)(2).

Findings and Conclusions as to Respondent's Failure to Conduct Reasonable Investigations of Billing Errors

30. Regulation Z requires creditors to conduct reasonable investigations in response to Billing Error Notices. 12 C.F.R. § 1026.13(f).
31. Due to widespread mistakes by Respondent's technological systems, internal processes, and representatives in resolving Billing Error Notices, Respondent failed to conduct reasonable investigations of Billing Errors before determining that no Billing Error occurred or that a different Billing Error occurred from that asserted.
32. Respondent's failure to conduct reasonable investigations led Respondent to incorrectly determine that a Billing Error had not occurred and to fail to correct Billing Errors by crediting consumers' accounts.
33. As a result, Respondent violated Regulation Z's requirement to conduct reasonable investigations before determining that no billing error occurred or that a different Billing Error occurred from that asserted. 12 C.F.R. § 1026.13(f).

Findings and Conclusions as to Respondent Holding Consumers Liable for Amounts Disputed in Claims of Unauthorized Use Before Conducting a Reasonable Investigation

34. Regulation Z prohibits card issuers from holding consumers liable for Transactions subject to Claims of Unauthorized Use without conducting a "reasonable investigation." 12 C.F.R. § 1026.12(b); 12 C.F.R. § 1026 Supp. I, Comment 12(b)-3.

35. Due to widespread mistakes by Respondent's technological systems, internal processes, and representatives in resolving Claims of Unauthorized Use Respondent failed to conduct reasonable investigations of tens of thousands of Claims of Unauthorized Use before holding consumers liable for disputed amounts.
36. By holding consumers liable for disputed amounts before conducting a reasonable investigation of Claims of Unauthorized Use, Respondent violated TILA and Regulation Z. 12 C.F.R. § 1026.12(b); 12 C.F.R. § 1026 Supp. I, Comment 12(b)-3.

Findings and Conclusions as to Respondent's Violations of the CFPA by its Violations of TILA and Regulation Z

37. As described above, Respondent violated TILA and Regulation Z. TILA, 15 U.S.C. §§ 1643, 1666; 12 C.F.R. § 1026.12; 12 C.F.R. Supp. I, Comment 12(b)-3; 12 C.F.R. § 1026.13.
38. Respondent's violations of TILA and Regulation Z also constitute violations of section 1036(a)(1)(A) of the CFPA, which makes it unlawful for covered persons to "offer or provide to a consumer any financial product or service not in conformity with Federal consumer financial law, or otherwise commit any act or omission in violation of a Federal consumer financial law." 12 U.S.C. § 5536(a)(1)(A).

Findings and Conclusions as to Respondent's Handling of Disputes

39. Respondent's technological systems, internal processes, and representatives made widespread mistakes in resolving disputes, whether or not the disputes qualified as Billing Error Notices.
40. The mistakes in resolving disputes caused substantial injuries to consumers, including consumers who submitted Valid Disputes, when Respondent: (1) failed to provide credits, including in instances in which Respondent provided and then removed provisional credits, in response to Valid Disputes within 90 days; (2) made Adverse Reports to CRAs about disputed amounts before reviewing the disputes at issue; and (3) resolved disputes incorrectly.
41. These injuries were not reasonably avoidable by consumers, who provided notice to Respondent of their disputes.
42. Respondent's delay in resolving disputes was not outweighed by countervailing benefits to consumers or to competition.
43. Section 1036(a)(1)(B) of the CFPA prohibits "unfair, deceptive, or abusive" acts or practices. 12 U.S.C. § 5536(a)(1)(B).
44. Through its delay in resolving disputes, Respondent violated the CFPA's prohibition on unfair acts or practices. 12 U.S.C. §§ 5531(a), 5536(a)(1)(B).

Findings and Conclusions as to Respondent's Representations about ACMI Enrollment

45. Although Apple designed the advertisements and the checkout process for enrolling purchases of Apple devices on Apple's website in Apple Card Monthly Installments (ACMI), the contract between Respondent and Apple required Respondent to review the advertisements and the checkout process for compliance with applicable law before their use. Respondent did, in fact, monitor the content of the advertisements and the checkout process for ACMI.
46. The advertisements for ACMI emphasized the ease and simplicity of Apple Card and the ACMI enrollment process. For example, iPhone users who opened their "Wallet" application received an advertisement that described enrollment in monthly installments as follows: "[p]urchase a new iPhone from Apple with interest-free monthly payments." ACMI advertisements also told consumers "[i]f you have Apple Card already, there's no additional application" for ACMI, and that if consumers did not have Apple Card, they could "[e]asily apply right at checkout."
47. In fact, purchases of Apple devices with Apple Card were not automatically enrolled in ACMI. Instead, consumers had to opt into ACMI during the checkout process for purchases made online and in Apple stores.
48. Through at least July 2020, the checkout process on Apple's website presented consumers purchasing iPhones with an option to "Pay in full" or

to “Pay monthly.” The checkout process did not explain that “Pay monthly” referred to ACMI, or provide further details about ACMI, until after consumers selected this option.

49. Respondent received tens of thousands of complaints related to enrollment in ACMI.
50. Respondent added interest charges to the Apple Card accounts of thousands of consumers who then complained that they believed that their purchases of Apple devices with Apple Card would be automatically enrolled in ACMI.
51. From December 2019 through at least July 2020, representations in Apple Card advertisements and in the checkout process for enrolling online purchases in monthly installments misled consumers to expect that purchases of Apple devices made with Apple Card would be automatically enrolled in ACMI.
52. Until at least August 2020, after consumers had already purchased Apple devices without enrolling in ACMI, Apple and Goldman required consumers to return the devices and repurchase before they could be enrolled in ACMI.
53. Consumers’ belief that their purchases of Apple devices with Apple Card would be automatically enrolled in ACMI was reasonable under the circumstances.

54. These representations were material because they related to the costs associated with purchasing an Apple device with ACMI and were likely to mislead consumers acting reasonably.
55. Section 1036(a)(1)(B) of the CFPA prohibits “unfair, deceptive, or abusive” acts or practices. 12 U.S.C. § 5536(a)(1)(B).
56. By making material representations that reasonably misled consumers about enrollment in ACMI, Respondent violated the CFPA’s prohibition on deceptive acts or practices. 12 U.S.C. §§ 5531(a), 5536(a)(1)(B).

Findings and Conclusions as to Respondent’s Representations About Refund Application

57. From the launch of ACMI in December 2019 through at least May 24, 2021, the Apple Card Customer Agreement represented that refunds would be applied to the “applicable balance,” which led consumers to expect that refunds from non-ACMI Transactions would be applied only to the non-ACMI balance, even if the refund would have made their non-ACMI balance negative.
58. Instead, Respondent automatically applied over ten thousand refund amounts that exceeded consumers’ current non-ACMI balances to consumers’ monthly ACMI balances.

59. Consumers expectation that refunds to their non-ACMI balance would remain in their non-ACMI balance was reasonable given the express representations in the agreement.
60. Respondent's express representations were material because they affected consumers' understanding of their payment obligations.
61. By making material representations that misled consumers about the application of refunds, Respondent violated the CFPA's prohibition on deceptive acts or practices. 12 U.S.C. §§ 5531(a), 5536(a)(1)(B).

VI.

Conduct Provisions

Prohibited Conduct

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

62. Respondent and its officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with them who receive actual notice of this Consent Order, whether acting directly or indirectly, in connection with the offering of Apple Card, may not violate sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531 and 5536; TILA, 15 U.S.C. §§ 1643 and 1666; Regulation Z, 12 C.F.R §§1026.12 and 1026.13; and Official Interpretations, 12 C.F.R. part 1026, Supp. I, Comments 12(b), and is prohibited from:

- a. Failing to send an Acknowledgement Notice within the Required Period;
- b. Failing to send a Resolution Letter within the Required Period;
- c. Making Adverse Reports before a Billing Error Notice is resolved under 12 C.F.R. § 1026.13(e) or (f);
- d. Failing to conduct reasonable investigations of Billing Error Notices before determining that no Billing Error occurred or that a different Billing Error occurred from that asserted where required under 12 C.F.R. § 1026.13(f);
- e. Failing to conduct reasonable investigations of Claims of Unauthorized Use before holding consumers liable for disputed amounts where required under 12 C.F.R. § 1026.12(b);
- f. Failing to provide credits, including instances in which Respondent provides and then removes provisional credits, in response to Valid Disputes where required by 12 C.F.R. §§ 1026.12 or 1026.13;
- g. Misrepresenting that purchases of Apple devices made with Apple Card are automatically enrolled in ACMI;
- h. Misrepresenting that refunds from non-ACMI Transactions are applied only to the non-ACMI balance, even if the refund would have made their non-ACMI balance negative;

- i. Engaging in conduct that violates the CFPA's prohibition on unfair acts or practices, 12 U.S.C. §§ 5531(a), 5536(a)(1), when investigating and resolving Transaction Disputes, providing credits in response to Valid Disputes concerning Transaction Disputes, or making Adverse Reports concerning Transaction Disputes; and
- j. Making Adverse Reports concerning Transaction Disputes prior to conducting a reasonable investigation.

Affirmative Requirements

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

- 63. Respondent must take the following affirmative actions in connection with the offering of Apple Card:
 - a. Establish, implement, and maintain policies and procedures to ensure Respondent's compliance with sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531 and 5536; TILA, 15 U.S.C. §§ 1643 and 1666; Regulation Z, 12 C.F.R. §§ 1026.12 and 1026.13; and Official Interpretations, 12 C.F.R. part 1026, Supp. I, Comments 12(b);
 - b. For Adverse Reports regarding an amount disputed in a Redress Dispute that Respondent made: (1) prior to the Effective Date, and (2) prior to the date on which Respondent determined whether to provide a final credit, or to remove a provisional credit (or otherwise

determined whether the consumer was liable for the Transaction):
review all information in the Adverse Report and then correct any
information Respondent provided in the Adverse Report concerning a
failure to pay the disputed amount or related finance or other charges;

- c. Provide an additional notice (Reinvestigation Notice) to all Apple Card users who submitted Redress Disputes received by Respondent prior to September 22, 2021, in response to which Respondent did not provide a credit, including Redress Disputes in response to which Respondent provided and then removed a provisional credit or otherwise did not absolve the consumer from liability, excluding any Redress Disputes Respondent Reinvestigated prior to the Effective Date by:

1. Including in the Redress Plan required by Section IX a template notice that Clearly and Prominently informs consumers that:
 - i. Respondent may have resolved their Apple Card dispute incorrectly;
 - ii. Consumers may contact Respondent to have their Apple Card dispute re-evaluated; and

- iii. Consumers have 120 days from the date Respondent sends the Reinvestigation Notice to contact Respondent to have their Apple Card dispute re-evaluated;
 - 2. Providing the Reinvestigation Notice to consumers in accordance with the requirements of Section IX; and
 - 3. For each consumer who contacts Respondent after receiving the Reinvestigation Notice, Reinvestigating the applicable Redress Disputes;
- d. Establish, implement, and maintain training adequate to ensure that Respondent conducts reasonable investigations in compliance with 12 C.F.R. §§ 1026.12(b) and 1026.13(f) and Official Interpretations, 12 C.F.R. part 1026, Supp. I, Comments 12(b), including trainings specific to the systems Respondent uses to process Transaction Disputes for Apple Card;
- e. Establish, implement, and maintain policies and procedures requiring Respondent to retroactively enroll a consumer's purchases of eligible Apple devices in ACMI through the Effective Date (or, if retroactive enrollment is not possible, provide a credit equal to the benefit that the consumer would have received had the purchase been enrolled in ACMI) when Respondent receives notice from a consumer within six

months of the Effective Date indicating that the consumer intended to finance eligible purchases through ACMI and providing sufficient information to identify the ACMI-eligible transaction;

- f. Establish, implement, and maintain policies and procedures adequate to ensure that Respondent complies with the CFPA's prohibition on unfair acts or practices, 12 U.S.C. §§ 5531(a), 5536(a)(1)(B), when investigating and resolving Transaction Disputes, providing credits in response to Valid Disputes concerning Transaction Disputes, or making Adverse Reports concerning Transaction Disputes;
- g. Establish, implement, and maintain policies and procedures and testing to ensure that when Respondent receives Billing Error Notices, Respondent: (1) sends consumers an Acknowledgment Notice within 30 days from Respondent's receipt of the Billing Error Notice (unless the creditor has sent a Resolution Letter within the 30 days), and (2) conducts a reasonable investigation and sends consumers a Resolution Letter within two complete billing cycles (but in no event later than 90 days from Respondent's receipt of the Billing Error Notice); and
- h. Establish, implement, and maintain policies and procedures and testing to ensure that Respondent does not make Adverse Reports prior to conducting reasonable investigations of Transaction Disputes.

64. Goldman Sachs Bank USA must establish, implement, and maintain testing to ensure Goldman Sachs Bank USA's compliance with sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531 and 5536; TILA, 15 U.S.C. §§ 1643 and 1666; Regulation Z, 12 C.F.R. §§ 1026.12 and 1026.13; and Official Interpretations, 12 C.F.R. part 1026, Supp. I, Comments 12(b) prior to implementing a material change to the manner by which Goldman Sachs Bank USA handles Transaction Disputes.
65. Goldman Sachs Bank USA must establish, implement, and maintain policies and procedures requiring Goldman Sachs Bank USA to provide a credit equal to the total disputed amount of disputed Transactions (or otherwise ensure that the consumer is not held liable for such amount), plus any related finance charges or other charges, when a consumer submits a Billing Error Notice in response to which Goldman Sachs Bank USA fails to provide an Acknowledgment Notice within the timeframe required by 12 C.F.R. § 1026.13(c)(1).
66. At least 90 days prior to offering a new Credit Card to U.S. retail consumers that Goldman Sachs Bank USA originates and directly services, Goldman Sachs Bank USA must provide the Bureau with a comprehensive compliance plan designed to ensure such product complies with all

applicable laws that the Bureau enforces, including Federal consumer financial laws.

67. The requirements of paragraphs 64, 65, and 66 apply to Goldman Sachs Bank USA but not its successors and assigns.

VII.

Compliance Plan

IT IS FURTHER ORDERED that:

68. Within 90 days of the Effective Date, Respondent must create and implement a comprehensive compliance plan designed to ensure that Respondent's offering of Apple Card complies with all applicable laws that the Bureau enforces, including Federal consumer financial laws, and the terms of this Consent Order (Compliance Plan). The Compliance Plan must include, at a minimum:
- a. Detailed steps for addressing each action required by this Consent Order;
 - b. A mechanism to ensure that the Board is kept apprised of the status of compliance actions; and
 - c. Specific timeframes and deadlines for implementation of the steps described above.

Respondent will provide the Compliance Plan to the Bureau upon request.

VIII.

Role of the Board and Executives

IT IS FURTHER ORDERED that:

69. Respondent's Board has the ultimate responsibility for ensuring that Respondent complies with this Consent Order.
70. Respondent's Principal Officers and Respondent's Board must review all plans and reports required by this Consent Order, and any submissions to the Bureau prior to such submission.
71. One year after the Effective Date, Respondent must submit to the Supervision Director an accurate written compliance progress report (Compliance Report) that has been approved by the Board, the accuracy of which is sworn to under penalty of perjury, and which, at a minimum:
 - a. Describes the steps that Respondent's Board and Principal Officers have taken to reasonably assess whether Respondent is complying with the Redress Plan, Compliance Plan, and each applicable paragraph and subparagraph of the Consent Order;
 - b. Describes in detail whether and how Respondent has complied with the Redress Plan, Compliance Plan, and each applicable paragraph and subparagraph of the Consent Order, including the manner of verification of such compliance and any corrective actions taken to

remedy potential non-compliance with the applicable requirement, paragraph, or subparagraph; and

- c. Attaches a copy of each Order Acknowledgment obtained under Section XIII, unless previously submitted to the Bureau.

72. Respondent's Board, or a committee thereof, and Principal Officers must:

- a. Authorize whatever actions are necessary for Respondent to assess whether Respondent is complying with the Redress Plan, Compliance Plan, and each applicable paragraph and subparagraph of the Consent Order;
- b. Authorize whatever actions, including corrective actions, are necessary for Respondent to fully comply with the Redress Plan, Compliance Plan, and each applicable paragraph and subparagraph of the Consent Order; and
- c. Require timely reporting by management to Respondent's Board and Principal Officers on the status of compliance obligations.

MONETARY PROVISIONS

IX.

Order to Pay Redress

IT IS FURTHER ORDERED that:

73. Within ten days of the Effective Date, Respondent must reserve or deposit into a segregated deposit account an amount not less than \$19.8 million for the purpose of providing redress to Affected Consumers as required by this Section. Respondent may reduce this reserve or deposit by the amount of any restitution Respondent made prior to the Effective Date that complies with the requirements of this Consent Order, for the purpose of providing redress to Affected Customers as required by this Section.
74. Respondent shall ensure redress is provided to each Affected Consumer in an amount equal to the total disputed amount of the Transaction at issue in the Redress Dispute submitted by the Affected Consumer, plus any related finance charges or other charges, with the exception of Affected Consumers receiving Reinvestigation Notices whose Redress Disputes Respondent: (1) does not Reinvestigate pursuant to this Consent Order, or (2) does Reinvestigate and determines that such Redress Dispute is not a Valid Dispute.
75. Within 60 days of the Effective Date, Respondent must submit to the Enforcement Director for review and non-objection a comprehensive written plan for providing redress consistent with this Consent Order (Redress Plan). The Enforcement Director will have the discretion to make a determination of non-objection to the Redress Plan or direct Respondent to revise it. 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 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.

76. The Redress Plan must:

- a. Describe Respondent's methodology used to identify all Affected Consumers and determine the amount of redress that Respondent will provide or has provided to each Affected Consumer to comply with Paragraph 74; the methodology must provide an accounting of redress that Respondent provided prior to the Effective Date that complies with the requirements of this Consent Order;
- b. Include a final list of all Affected Consumers and the amount of redress that Respondent will provide or has provided to each Affected Consumer to comply with Paragraph 74; the final list must indicate for each Affected Consumer whether Respondent has provided redress that complies with the requirements of this Consent Order prior to the Effective Date and the amount of that redress;

- c. Include the form of the letter and the email communication (Redress Notice and Reinvestigation Notice) and envelope to be sent notifying Affected Consumers who are entitled to redress of their right to redress; the Redress Notice and the Reinvestigation Notice must include a statement that the payment is made in accordance with terms of this Consent Order; Respondent must not include in any envelope or email communication containing a Redress Notice or Reinvestigation Notice any materials other than the approved Redress Notice and redress checks or the Reinvestigation Notice, unless Respondent has written confirmation from the Enforcement Director that the Bureau does not object to the inclusion of such additional materials;
- d. Describe the process for providing redress to Affected Consumers, and must include the following requirements:
 - i. Respondent must send each Affected Consumer, or their authorized representative, a redress check (Redress Check) in the amount of redress required by Paragraph 74. Respondent must send such checks by United States Postal Service first-class mail, address correction service requested, to the most recent address for the consumer;

- ii. Prior to sending Redress Notices, Reinvestigation Notices, and Redress Checks, Respondent must make reasonable attempts to obtain a current address for each Affected Consumer by using, at a minimum, the National Change of Address System (NCAS), any databases maintained by Respondent's clients that are reasonably accessible by Respondent, and skip-tracing. If no updated address is obtained through such methods, Respondent may mail the Redress Notice and the Redress Check or the Reinvestigation Notice to the consumer's last known mailing address.
- iii. If a Redress Check, Redress Notice, or Reinvestigation Notice is returned to Respondent as undeliverable, Respondent must make additional reasonable attempts to contact the Affected Consumer and obtain a current address using a commercially available database other than the NCAS or by obtaining from the client or confirming with the client the Affected Consumer's last known email address or phone number and contacting the Affected Consumer at their last known email address or phone number. Respondent must promptly re-mail all returned Redress Checks and the Redress Notice or

Reinvestigation Notices to each Affected Consumer's current addresses, if any, obtained through such reasonable attempts;

- iv. If a Redress Check that Respondent has attempted to send to an Affected Consumer is returned to Respondent, Respondent must retain the redress amount of such Affected Consumer for a period of 180 days from the date the check was mailed or remailed, whichever is later, during which period such amount may be claimed by such Affected Consumer upon appropriate proof of identity; and
- v. Any redress amount remaining unclaimed after 360 days from the date the check was mailed or remailed, whichever is later, will be turned over to the Bureau as set forth in Paragraph 79;
- e. Set forth all procedures, deadlines, and timeframes for completing each step of the Redress Plan, consistent with the terms of this Consent Order; and
- f. Identify Respondent's officers, agents, servants, employees, and attorneys responsible for executing administration of the Redress Plan.

77. Respondent must mail all Redress Checks, Redress Notices, and Reinvestigation Notices within 30 days after the Enforcement Director has made a determination of non-objection to the Redress Plan.
78. Within 30 days of completing the Redress Plan, Respondent must submit to the Bureau a Redress Report detailing the number of consumers and consumer accounts who received redress after the Effective Date, the total amount of redress paid to those consumers, and any remainder of funds to be wired to the Bureau pursuant to Paragraph 79.
79. After completing the Redress Plan, if the amount of redress provided to Affected Consumers is less than \$19.8 million, within 60 days of the submission of the Redress Report, Respondent must pay to the Bureau, by wire transfer to the Bureau or to the Bureau's agent, and according to the Bureau's wiring instructions, the difference between the amount of redress provided to Affected Consumers and \$19.8 million.
80. The Bureau may use these remaining funds to pay additional redress to Affected Consumers. If the Bureau determines, in its sole discretion, that additional redress is wholly or partially impracticable or otherwise inappropriate, or if funds remain after the additional redress is completed, the Bureau will deposit any remaining funds in the U.S. Treasury.

Respondent will have no right to challenge any actions that the Bureau or its representatives may take under this Section.

81. Respondent may not condition the payment of any redress to any Affected Consumer under this Consent Order on that Affected Consumer waiving any right.

X.

Order to Pay Civil Money Penalty

IT IS FURTHER ORDERED that:

82. Under section 1055(c) of the CFPA, 12 U.S.C. § 5565(c), by reason of the violations of law described in Section V of this Consent Order, Respondent must pay a civil money penalty of \$45 million to the Bureau.
83. Within ten 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.
84. 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).
85. 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.
86. 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.

XI.

Additional Monetary Provisions

IT IS FURTHER ORDERED that:

87. 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.
88. 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.
89. Respondent acknowledges that its Taxpayer Identification Number (Social Security Number or Employer Identification Number), which Respondent previously submitted to the Bureau, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. § 7701.
90. Within 30 days of the entry of a final judgment, consent order, or settlement in a Related Consumer Action, Respondent must notify the Supervision 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

XII.

Reporting Requirements

IT IS FURTHER ORDERED that:

91. 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.
92. Within seven 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; and

- b. Designate at least one telephone number and email, physical, and postal addresses as points of contact for consumers with inquiries related to consumer relief under the Consent Order.
93. Respondent must report any change in the information required to be submitted under Paragraph 92 at least 30 days before the change or as soon as practicable after the learning about the change, whichever is sooner.

XIII.

Order Distribution and Acknowledgment

IT IS FURTHER ORDERED that:

94. Within seven days of the Effective Date, Respondent must submit to the Supervision Director an acknowledgment of receipt of this Consent Order, sworn under penalty of perjury.
95. Within 30 days of the Effective Date, Respondent must deliver a copy of this Consent Order to each of its Board members, Principal Officers, and members of the Regulatory Remediation Committee, as well as to any managers who have responsibilities related to the subject matter of the Consent Order.
96. 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 XII, any future board members and Principal Officers,

as well as to any managers who will have responsibilities related to the subject matter of the Consent Order before they assume their responsibilities.

97. Respondent must secure a signed and dated statement acknowledging receipt of a copy of this Consent Order, within 30 days of delivery, from all persons receiving a copy of this Consent Order under this Section.
98. Ninety days from the Effective Date, Respondent must submit to the Bureau a list of all persons and their titles to whom this Consent Order has been delivered under the Section of this Order titled “Order Distribution and Acknowledgment” and a copy of all signed and dated statements acknowledging receipt of this Consent Order under Paragraph 97.

XIV.

Recordkeeping

IT IS FURTHER ORDERED that:

99. Respondent must create and retain the following business records:
 - a. All documents and records necessary to demonstrate full compliance with the Compliance Plan, Redress Plan, and 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 IX above;

- c. For each individual Affected Consumer: the consumer's name, address and, if available to Respondent, phone number and email address, as well as the date of Redress Dispute submission, date of disputed Transaction, amount of disputed Transaction, date of Adverse Report as applicable, and date of redress payment as applicable; and
 - d. All consumer complaints (whether received directly or indirectly, such as through a third party), and any responses to those complaints, regarding Respondent's administration of Apple Card.
100. All documents and records must be maintained in their original electronic format. Data should be maintained in such a way that access, retrieval, auditing and production are not hindered.
101. Respondent must make the documents identified in Paragraph 99 available to the Bureau upon the Bureau's request.

XV.

Notices

IT IS FURTHER ORDERED that:

102. 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*

Goldman Sachs Bank USA, File No. 2024-CFPB-0011,” and send them to the following email: Enforcement_Compliance@cfpb.gov addressed as

follows: ATTN: Supervision Director
Consumer Financial Protection Bureau
Office of Supervision Policy

ATTN: Enforcement Director
Consumer Financial Protection Bureau
Office of Enforcement

XVI.

Cooperation with the Bureau

IT IS FURTHER ORDERED that:

103. 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.
104. Respondent must remain registered for the Bureau’s Company Portal and in connection with responding to consumer complaints and inquiries on the Company Portal, must comply with the timely response requirements set forth in § 1034(b)(1)-(3) of the CFPA, 12 U.S.C. § 5534(b).

XVII.

Compliance Monitoring

IT IS FURTHER ORDERED that:

105. 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.
106. 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 V; or (c) compliance with the Consent Order. The person interviewed may have counsel present.
107. 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.

XVIII.

Modifications to Non-Material Requirements

IT IS FURTHER ORDERED that:

108. 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 Supervision Director.
109. The Supervision 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 Supervision Director must be in writing.

XIX.

ADMINISTRATIVE PROVISIONS

IT IS FURTHER ORDERED that:

110. 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 111. 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.
111. 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 V 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.

112. 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.
113. This Consent Order will terminate on the later of 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 initiated within 5 years of the Effective Date. 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.

114. Calculation of time limitations will run from the Effective Date and be based on calendar days, unless otherwise noted. Deadlines that fall on a weekend or federal holiday shall carry over to the following business day.
115. 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.
116. 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.
117. 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.

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

IT IS SO ORDERED, this 23rd day of October, 2024.

Rohit Chopra

Rohit Chopra
Director
Consumer Financial Protection Bureau