

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

ADMINISTRATIVE PROCEEDING
File No. 2023-CFPB-0019

In the Matter of:

**U.S. BANK NATIONAL
ASSOCIATION**

CONSENT ORDER

The Consumer Financial Protection Bureau (Bureau) has reviewed the administration of unemployment insurance benefit prepaid debit cards by U.S. Bank National Association (Respondent, as defined below) and has identified the following violations of law: (1) Respondent engaged in unfair acts or practices by failing to provide unemployment insurance benefit cardholders with adequate means to verify their identities and timely regain access to their government benefits, in violation of Sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531(a) and (c), 5536(a)(1)(B); and (2) Respondent failed to timely investigate and resolve unemployment insurance benefit cardholders' notices of error concerning alleged unauthorized electronic fund transfers, in violation of EFTA, 15 U.S.C. § 1693f(a), (c), and Section 1005.11(b)(2), (c)(2) of Regulation E. Under §§ 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 and 5565, and Section 918(a)(5) of EFTA, 15 U.S.C. § 1693o(a)(5).

II.

Stipulation

2. Respondent has executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated December 18, 2023 (Stipulation), which is incorporated by reference and is accepted by the Bureau. By this Stipulation, Respondent has consented to the issuance of this Consent Order by the Bureau under §§ 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563, 5565, without admitting or denying any of the findings of fact or conclusions of law, except that Respondent admits the facts necessary to establish the Bureau’s jurisdiction over Respondent and the subject matter of this action.

III.

Definitions

3. The following definitions apply to this Consent Order:
 - a. “Affected Consumers” includes consumers who from August 1, 2020 through March 31, 2021: (1) qualified for and received government unemployment insurance benefit payments electronically through ReliaCard Prepaid Debit Cards; (2) for whom Respondent froze the consumers’ ReliaCard Prepaid Debit Card Accounts; (3) for whom Respondent failed to provide adequate means to verify their identities and timely regain access to their government benefits; and (4) whose unemployment insurance benefit payments were not returned to a state due to a state’s determination that the consumer should have been initially disqualified for unemployment insurance benefit payments.
 - b. “Board” means Respondent’s duly-elected and acting Board of Directors.
 - c. “Consequential Harm” means the financial harm Affected Consumers incurred due to the time their ReliaCard Prepaid Debit Card Account remained frozen during which Respondent failed to provide Affected Consumers with adequate means to verify their identities and timely regain access to their government benefits.

- d. “Effective Date” means the date on which the Consent Order is entered on the administrative docket.
- e. “Electronic Fund Transfer” or “EFT” means “any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, or computer or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account.” 15 U.S.C. § 1693a(7).
- f. “Enforcement Director” means the Assistant Director of the Office of Enforcement for the Consumer Financial Protection Bureau, or their delegate.
- g. “Related Consumer Action” means a private action by or on behalf of one or more consumers or an enforcement action by another governmental agency brought against Respondent based on substantially the same facts as described in Section IV of this Consent Order.
- h. “ReliaCard Prepaid Card Unemployment Insurance Benefits Program” means the program through which Respondent issued and administered ReliaCard Prepaid Debit Cards and associated ReliaCard Prepaid Debit Card Accounts containing unemployment insurance benefits granted to consumers in certain states.
- i. “Relevant Period” includes from January 1, 2020 to June 30, 2021.

- j. “ReliaCard Consumer” means a consumer who received a ReliaCard Prepaid Debit Card.
- k. “ReliaCard Prepaid Debit Cards” means Respondent-issued and Respondent-administered unemployment insurance benefit prepaid debit cards linked to individual ReliaCard Prepaid Debit Card Accounts.
- l. “ReliaCard Prepaid Debit Card Accounts” means accounts maintained by Respondent for the ReliaCard Prepaid Card Unemployment Insurance Benefits Program and holding unemployment insurance benefits from State unemployment agencies for consumers.
- m. “Respondent” means U.S. Bank, National Association, and its successors and assigns.
- n. “Supervision Director” means the Assistant Director of the Office of Supervision Policy for the Consumer Financial Protection Bureau, or their delegate.

IV.

Bureau Findings and Conclusions

The Bureau finds the following:

- 4. Respondent is a national bank headquartered in Minneapolis, Minnesota. As of September 30, 2023, Respondent had \$668.04 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).
5. Respondent is a “covered person” under 12 U.S.C. § 5481(6) because it “engages in offering or providing a consumer financial product or service,” including by engaging in deposit-taking activities, transmitting or exchanging funds, or otherwise acting as a custodian of funds or any financial instrument for use by consumers primarily for personal, family, or household purposes. 12 U.S.C. § 5481(15)(A)(iv).
 6. Respondent is a “financial institution” under EFTA and Regulation E because it is a national bank holding consumer deposit accounts. 15 U.S.C. § 1693a(9); 12 C.F.R. § 1005.2(i).
 7. During the Relevant Period, Respondent had contracts with at least 19 states and the District of Columbia to deliver unemployment insurance benefits and other government benefit payments to consumers through its ReliaCard Prepaid Card Unemployment Insurance Benefits Program.
 8. For consumers deemed eligible by the relevant state unemployment agency and who elected to receive their benefit payments through a ReliaCard Prepaid Debit Card, the State notified Respondent and transmitted the consumer’s benefit funds through ACH from the State’s originating bank to

Respondent. Respondent then issued a ReliaCard Prepaid Debit Card to the consumer.

9. In each of these states, Respondent was responsible for loading unemployment insurance benefit payments onto ReliaCard Prepaid Debit Cards and for servicing ReliaCard Prepaid Debit Card Accounts.
10. The onset of the COVID-19 pandemic in March 2020 led to a surge in consumers seeking unemployment insurance benefits. The national unemployment rate in April 2020 was 14.7%, and it remained at significantly elevated levels through 2020. Millions of consumers were newly unemployed, and sought the benefits to which they were legally entitled via Respondent's ReliaCard Prepaid Debit Cards. As a result, the number of participants in the ReliaCard Prepaid Unemployment Insurance Benefits Program increased substantially, as did the volume of benefits issued by the states. There was also an increase in fraud with respect to individuals seeking access to those benefits.

Respondent's Fraud Controls and Account Freezes for ReliaCard Prepaid Debit Card Accounts

11. In the summer of 2020, Respondent implemented new freeze criteria to determine whether a ReliaCard Prepaid Debit Card Account should be frozen due to suspected fraud.

12. Through these new fraud controls, and its expanded criteria used for freezing ReliaCard Prepaid Debit Card Accounts, Respondent froze the Accounts of tens of thousands of ReliaCard Consumers who were eligible to receive unemployment insurance benefits.

Findings and Conclusions Relating to Respondent's Failure to Provide Eligible ReliaCard Consumers with Adequate Means to Verify Their Identities and Timely Regain Access to Their ReliaCard Prepaid Debit Card Accounts (Unfair Practice)

13. Section 1036(a)(1)(B) of the CFPB prohibits “unfair, deceptive, or abusive acts or practices.” 12 U.S.C. § 5536(a)(1)(B). An act or practice is unfair if it causes or is likely to cause consumers substantial injury that is not reasonably avoidable and if the substantial injury is not outweighed by countervailing benefits to consumers or to competition. 12 U.S.C. § 5531(c)(1).
14. From August 2020 through March 2021, while Respondent was freezing large numbers of ReliaCard Prepaid Debit Card Accounts based on existing and new criteria, Respondent failed to provide eligible cardholders whose Accounts Respondent had frozen with an adequate means to verify their identity, unfreeze their Account, and regain access to their unemployment insurance benefits in a timely manner.
15. Specifically, between August 2020 and approximately September 27, 2020, Respondent encouraged ReliaCard Consumers to submit their identity

verification documents required to unfreeze their ReliaCard Prepaid Debit Card Accounts by fax or through Respondent's website.

16. The instructions Respondent provided to its call center agents on August 30, 2020 required ReliaCard Consumers whose ReliaCard Prepaid Debit Card Accounts Respondent had frozen to fax three different types of verification documents, including a copy or photo of a valid non-expired government ID, a valid Social Security card, and tax documents from 2019 (W2, paystub, 1040, W9 or other tax document), for Respondent to verify their identity and unfreeze their ReliaCard Prepaid Debit Card Account.
17. Beginning on or around September 28, 2020, Respondent implemented a new tool that allows consumers to upload photos of their government ID and a picture taken by consumers of themselves directly through a mobile phone application—as a new means for ReliaCard Consumers whose ReliaCard Prepaid Debit Card Accounts Respondent had frozen to verify their identity.
18. But from at least September 28, 2020, through at least October 21, 2020, Respondent instructed its agents to offer the mobile phone verification tool to ReliaCard Consumers whose ReliaCard Prepaid Debit Card Accounts Respondent had frozen based only on certain criteria.
19. As a result, from at least September 28, 2020, through at least October 21, 2020, Respondent failed to instruct ReliaCard Consumers eligible for

unemployment insurance benefits whose ReliaCard Prepaid Debit Card Accounts Respondent had frozen based on other fraud controls to verify their identities and unfreeze their ReliaCard Prepaid Debit Card Accounts through the mobile phone verification tool.

20. Even after Respondent altered its agent instructions in late October 2020 to inform ReliaCard Consumers whose accounts Respondent had frozen to verify their identities through the mobile phone verification tool, Respondent's call center notes and communications reflect that for most freezes, agents continued to instruct ReliaCard Consumers to fax in their identity verification documents, rather than use the mobile phone verification tool.
21. As a result, until at least mid-November 2020, Respondent's call center agents continued to instruct a number of ReliaCard Consumers whose Prepaid Debit Card Accounts Respondent had frozen to fax the three required documents—a copy or photo of a valid non-expired government ID, a copy or photo of a Social Security card, and a prior year tax document—to verify their identity with Respondent to unfreeze their Account, rather than to use the mobile phone verification tool.
22. For ReliaCard Consumers who submitted their identity verification documents using Respondent's fax or website submission methods to

unfreeze their ReliaCard Prepaid Debit Card Account, in addition to a copy or photo of a valid non-expired government issued ID, Respondent continued to require a prior year tax document (through at least November 2020), and, for certain freezes, a copy or photo of their Social Security card (through at least March 2021).

23. ReliaCard Consumers who were instructed to fax their identity verification documents faced multiple additional challenges, including delays by Respondent in reviewing their submissions, Respondent rejecting their documents as blurry or illegible, and incomplete or incorrect feedback from Respondent's personnel regarding how to correct their submissions.
24. As a result, ReliaCard Consumers often had to fax their verification documents multiple times to Respondent, leading to further delays in Respondent unfreezing their ReliaCard Prepaid Debit Card Account.
25. As for ReliaCard Consumers who attempted to use the mobile phone verification tool to unfreeze their ReliaCard Prepaid Debit Card Accounts, based on Respondent's data from December 7, 2020, half of those submissions failed. Additional reviews undertaken by Respondent or re-submission by the consumer resulted in backlogs that led to further delays in Respondent unfreezing their Accounts.

26. Further, from at least August 2020 through January 2021, Respondent continued to freeze ReliaCard Prepaid Debit Card Accounts pursuant to its fraud controls even for ReliaCard Consumers who had previously validated their identity and unfrozen their Account during that period.
27. Finally, Respondent did not begin providing real-time feedback or instructions to ReliaCard Consumers for using the mobile phone verification tool to submit their identity verification documents until March 2021.
28. For freezes that Respondent imposed in August 2020 through November 2020, it took eligible ReliaCard Consumers on average a month or longer to satisfy Respondent's identify verification requirements and unfreeze their ReliaCard Prepaid Debit Card Account.
29. For freezes that Respondent imposed in December 2020 through March 2021, it took eligible ReliaCard Consumers on average multiple weeks to satisfy Respondent's identify verification requirements and unfreeze their ReliaCard Prepaid Debit Card Account.
30. Respondent's failure to provide ReliaCard Consumers with adequate means to verify their identifies from at least August 2020 through March 2021 caused, or was likely to cause, substantial injury to eligible ReliaCard Consumers whose ReliaCard Prepaid Debit Card Account Respondent had

frozen, as they were prevented from timely regaining access to government benefits to which they were entitled.

31. This substantial injury was not reasonably avoidable by ReliaCard Consumers, including those eligible ReliaCard Consumers who actively sought to regain access to their government benefits by following Respondent's instructions for verifying their identities and who still faced lengthy delays in unfreezing their ReliaCard Prepaid Debit Card Account.
32. This substantial injury was not outweighed by countervailing benefits to consumers or to competition.
33. As a result, Respondent engaged in unfair acts or practices, in violation of Sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531(a) and (c), 5536(a)(1)(B).

Findings and Conclusions Concerning Respondent's Failure to Timely Investigate ReliaCard Consumers' Notices of Error Concerning Alleged Unauthorized EFTs (EFTA and Regulation E)

34. Under EFTA and Regulation E, financial institutions must promptly investigate and resolve notices of error and limit consumer liability for unauthorized EFTs. 15 U.S.C. §§ 1693a(12), 1693f, 1693g; 12 C.F.R. §§ 1005.6, 1005.11.
35. For timely-submitted notices, EFTA requires financial institutions to "investigate the alleged error, determine whether an error has occurred, and

report or mail the results of such investigation and determination to the consumer within ten business days.” 15 U.S.C. § 1693f(a).

36. A financial institution may extend that 10-business-day investigation deadline to 45 calendar days if it provisionally credits the consumer’s account in the amount of the alleged unauthorized transaction, during which time “the consumer shall have full use of the funds provisionally recredited.” 15 U.S.C. § 1693f(c); 12 C.F.R. § 1005.11(c)(2).
37. To be eligible for a provisional credit, Respondent requires ReliaCard Consumers who submit an oral notice of error to provide written confirmation of the error within 10 business days of their oral notice. 12 C.F.R. § 1005.11(b)(2).
38. Under Regulation E, if an institution requires written confirmation of an oral error notice to be eligible for a provisional credit, the institution must inform the consumer of that requirement and provide the address where confirmation must be sent when the consumer gives the oral notification. 12 C.F.R. § 1005.11(b)(2).
39. During the Relevant Period, Respondent received approximately 135,000 timely notices of error concerning alleged unauthorized EFTs from ReliaCard Consumers nationwide.

40. During the Relevant Period, Respondent failed to complete its investigation of a ReliaCard Consumer's notice of error concerning an alleged unauthorized EFT within 10 business days in more than 5,860 cases where Respondent was required to issue a provisional credit, and either did not issue a provisional credit or, in more limited cases, issued an untimely provisional credit.
41. Notably, from at least January 2020 through August 2020, Respondent maintained a web-based channel through which ReliaCard Consumers could submit notices of error on their account. During this period, Respondent required ReliaCard Consumers to also provide additional written confirmation of notices of error submitted through this web-based channel within 10 business days to be eligible for a provisional credit.
42. Because notices of error submitted through the web-based channel were not "oral" notices of error, Respondent was not permitted to require additional written confirmation of the error or to condition granting a provisional credit on receipt of additional written confirmation of the error. 12 C.F.R. § 1005.11(b)(2), (c)(2).
43. In addition, from at least January 2020 to at least February 2021, Respondent failed to consistently inform ReliaCard Consumers who dialed

its call centers and initiated an oral notice of error of Respondent's written confirmation requirement for such oral error notices.

44. In such cases where Respondent failed to inform ReliaCard Consumers of its written confirmation requirement, Respondent was required to provide those consumers with a provisional credit when its investigations of their oral notices of error extended past the 10-business-day deadline, even absent receiving a timely written confirmation of the error from those consumers.

12 C.F.R. § 1005.11(b)(2).

45. For these reasons, Respondent violated EFTA and Regulation E by failing to timely investigate ReliaCard Consumers' notices of error concerning alleged unauthorized EFTs. 15 U.S.C. § 1693f(a); 15 U.S.C. § 1693f(c); 12 C.F.R. § 1005.11(b)(2), (c)(2). Section 1036(a)(1)(A) of the CFPA prohibits a covered person from offering or providing to a consumer any financial product or service not in conformity with "Federal consumer financial law" or otherwise committing any act or omission in violation of a "Federal consumer financial law." 12 U.S.C. § 5536(a)(1)(A); 12 U.S.C. § 5481(12), (14). Respondent's EFTA and Regulation E violations constitute violations of § 1036(a)(1)(A) of the CFPA. 12 U.S.C. § 5536(a)(1)(A).

V.

Conduct Provisions

Prohibited Conduct

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

46. Respondent and its officers, agents, servants, and employees, and all other persons in active concert or participation with them who receive actual notice of this Consent Order, whether acting directly or indirectly, may not violate Sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531 and 5536, Sections 908 and 909 of EFTA, 15 U.S.C. §§ 1693f and 1693g, and Section 1005.11 of Regulation E, in connection with the administration of unemployment insurance benefit prepaid debit cards and accounts, including with respect to the following:
 - a. Respondent must not constrain an eligible and legitimate consumer's access to their open unemployment insurance benefit prepaid debit card and account by requiring the submission of identity verification documents without adequate processes in place to accept and process those documents in a timely manner and provide consumers with accurate instructions for regaining access to their government benefits.

- b. Respondent must not require additional, written confirmation of any notice of error concerning an alleged unauthorized EFT that is submitted online or in writing to be eligible to receive a provisional credit.

Affirmative Requirements

47. Respondent, whether acting directly or indirectly, in connection with administering unemployment insurance benefit prepaid debit cards and accounts, must take the following affirmative actions:
 - a. Respondent must implement or maintain ongoing testing and quality assurance measures to ensure the effectiveness of its identity verification processes, including but not limited to its mobile phone verification tool.
 - b. Respondent must implement or maintain ongoing trainings and quality assurance measures to ensure compliance with the notice requirements of 12 C.F.R. § 1005.11(b)(2).

VI.

Compliance Plan

IT IS FURTHER ORDERED that:

48. Within 90 days of the Effective Date, Respondent must create and implement a comprehensive compliance plan designed to ensure that Respondent's administration of unemployment insurance benefit prepaid debit card accounts 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 as set forth in Paragraphs 46–47;
- 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, and to the extent already implemented, provide the dates of implementation.

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

VII.

Role of the Board and Executives

IT IS FURTHER ORDERED that:

49. Respondent's Board has the ultimate responsibility for ensuring that Respondent complies with this Consent Order.
50. Respondent's Chief Executive Officer and Respondent's Board, or a committee thereof, must review all plans and reports required by this Consent Order, and any submissions to the Bureau prior to such submission.
51. 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, or a committee thereof, 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 Respondent's Chief Executive Officer have taken to reasonably assess whether Respondent is complying with the Compliance Plan, Redress Plan, and each applicable paragraph and subparagraph of the Order;
 - b. Describes in detail whether and how Respondent has complied with the Compliance Plan, Redress Plan, and each applicable paragraph and

subparagraph of the 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 XII, unless previously submitted to the Bureau.

52. Respondent's Board, or committee thereof, and Respondent's Chief Executive Officer must:

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

MONETARY PROVISIONS

VIII.

Order to Pay Redress

IT IS FURTHER ORDERED that:

53. Within 21 days of the Effective Date, Respondent must reserve or deposit into a segregated deposit account \$5.7 million, for the purpose of providing redress to Affected Consumers as required by this Section.
54. Within 90 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.
55. The Redress Plan must include:

- a. The methodology Respondent will use to identify Affected Consumers, including Affected Consumers who no longer have active ReliaCard Prepaid Debit Card Accounts with Respondent;
- b. The procedures and process Respondent will use to remediate each Affected Consumer, which shall include: (i) calculating the lump sum Consequential Harm payment; and (ii) evaluating Affected Consumers for additional or supplemental redress compensation due to evidence of financial harm exceeding Consequential Harm-related payments;
- c. The methodology Respondent will use to calculate the amount of redress to be paid as Consequential Harm for each Affected Consumer;
- d. The methodology Respondent will use to identify compensable financial impacts to Affected Consumers for the purpose of additional or supplemental redress compensation exceeding Consequential Harm-related payments;
- e. The supporting evidence that will be required or considered when evaluating Affected Consumers for additional or supplemental redress compensation exceeding Consequential Harm-related payments;
- f. The procedures for issuing and tracking redress payments to Affected Consumers;

- g. The template communications that will be sent to notify Affected Consumers of their redress under the Redress Plan (Redress Notification). The Redress Notification must include a statement that the redress is being paid in accordance with terms of this Consent Order; Respondent must not include in any envelope containing a Redress Notification any materials other than the approved Redress Notification, unless Respondent has written confirmation from the Enforcement Director that the Bureau does not object to the inclusion of such additional materials;
 - h. The procedures for handling any redress funds for Affected Consumers that remain unclaimed; and
 - i. The procedures, deadlines, and timeframes for completing each step of the Redress Plan, consistent with the terms of this Consent Order and OCC supervisory expectations.
- 56. Respondent must make reasonable attempts to obtain a current physical address for any Affected Consumer (i) before sending any redress payment required under this Section VIII and (ii) if (A) Respondent receives a returned Redress Notification or (B) if a check that is issued to the Affected Consumer expires. For returned mail, such attempts must include, at a minimum, consulting the National Change of Address System to obtain or

confirm a current mailing address, and, if unsuccessful, attempting to contact such Affected Consumers via email and phone, if reflected in Respondent's records.

57. Within 30 days of completing the Redress Plan, Respondent must submit to the Bureau a Redress Report identifying each Affected Consumer and detailing the number of Affected Consumers who received redress, the total amount of redress paid to each Affected Consumer, and any remainder of funds to be wired to the Bureau pursuant to Paragraph 58.
58. After completing the Redress Plan, if the amount of redress provided to Affected Consumers is less than \$5.7 million, within 30 days of the completion of the Redress Plan, 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 \$5.7 million.
59. 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.

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

IX.

Order to Pay Civil Money Penalty

IT IS FURTHER ORDERED that:

61. Under § 1055(c) of the CFPA, 12 U.S.C. § 5565(c), by reason of the violations of law described in Section IV of this Consent Order, Respondent must pay a civil money penalty of \$15 million to the Bureau.
62. 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.
63. The civil money penalty paid under this Consent Order will be deposited in the Civil Penalty Fund of the Bureau as required by § 1017(d) of the CFPA, 12 U.S.C. § 5497(d).
64. Respondent, for all purposes, must treat the civil money penalty paid under this Consent Order as a penalty paid to the government. Regardless of how the Bureau ultimately uses those funds, Respondent may not:

- a. Claim, assert, or apply for a tax deduction, tax credit, or any other tax benefit for any civil money penalty paid under this Consent Order; or
 - b. Seek or accept, directly or indirectly, reimbursement or indemnification from any source, including but not limited to payment made under any insurance policy, with regard to any civil money penalty paid under this Consent Order.
65. To preserve the deterrent effect of the civil money penalty in any Related Consumer Action, Respondent may not argue that Respondent is entitled to, nor may Respondent benefit by, any offset or reduction of any compensatory monetary remedies imposed in the Related Consumer Action because of the civil money penalty paid in this action or because of any payment that the Bureau makes from the Civil Penalty Fund. If the court in any Related Consumer Action offsets or otherwise reduces the amount of compensatory monetary remedies imposed against Respondent based on the civil money penalty paid in this action or based on any payment that the Bureau makes from the Civil Penalty Fund, Respondent must, within 30 days after entry of a final order granting such offset or reduction, notify the Bureau, and pay the amount of the offset or reduction to the U.S. Treasury. Such a payment will not be considered an additional civil money penalty and will not change the amount of the civil money penalty imposed in this action.

X.

Additional Monetary Provisions

IT IS FURTHER ORDERED that:

66. 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.
67. 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.
68. Respondent acknowledges that its Taxpayer Identification Number, which Respondent previously submitted to the Bureau, may be used for purposes of collecting and reporting on any delinquent amount arising out of this Consent Order, in accordance with 31 U.S.C. § 7701.
69. Within 30 days of the entry of a final judgment, consent order, or settlement in a Related Consumer Action, Respondent must notify the Enforcement Director of the final judgment, consent order, or settlement in writing. That notification must indicate the amount of redress, if any, that Respondent paid

or is required to pay to consumers and describe the consumers or classes of consumers to whom that redress has been or will be paid.

COMPLIANCE PROVISIONS

XI.

Reporting Requirements

IT IS FURTHER ORDERED that:

70. 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.
71. Within 14 days of the Effective Date, Respondent must 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.

72. Within 21 days of the Effective Date, Respondent must 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.
73. Respondent must report any change in the information required to be submitted under Paragraph 72 at least 30 days before the change or as soon as practicable after the learning about the change, whichever is sooner.

XII.

Order Distribution and Acknowledgment

IT IS FURTHER ORDERED that:

74. Within 14 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.
75. Within 30 days of the Effective Date, Respondent must deliver a copy of this Consent Order to each of its Board members and executive officers, as well as to any senior managers who have responsibilities related to the subject matter of the Consent Order in the Prepaid business line, including senior managers of service providers or of other agents and representatives.

76. 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 XI, any future Board members and executive officers, as well as to any senior managers who will have responsibilities related to the subject matter of the Consent Order in the Prepaid business line before they assume their responsibilities, including senior managers of service providers or of other agents and representatives.
77. 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.
78. 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 77.

XIII.

Recordkeeping

IT IS FURTHER ORDERED that:

79. 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 VIII above.
 - c. For each individual Affected Consumer:
 - i. the consumer's name, address, and, if available to Respondent, phone number, and email address; and
 - ii. the length of time that the consumer's ReliaCard Prepaid Debit Card Account remained frozen.
 - d. All consumer complaints (whether received directly or indirectly, such as through a third party), regarding Respondent's administration of unemployment insurance benefit prepaid debit cards and accounts, and any responses to those complaints.
 - e. Records showing, for each employee providing services related to

- Respondent's ReliaCard Prepaid Card Unemployment Insurance Benefits Program, that person's name; telephone number; email, physical, and postal address; job title or position; dates of service; and, if applicable, the reason for termination.
- f. Records showing, for each service provider and agent providing services related to Respondent's administration of unemployment insurance benefit prepaid debit cards and accounts, the name of a point of contact, and that person's telephone number; and email, physical, and postal address; job title or position; dates of service.
80. All documents and records must be maintained in their original electronic format. Data should be centralized, and maintained in such a way that access, retrieval, auditing and production are not hindered.
81. Respondent must make the documents identified in Paragraph 79 available to the Bureau upon the Bureau's request.

XIV.

Notices

IT IS FURTHER ORDERED that:

82. Unless otherwise directed in writing by the Bureau, Respondent must provide all submissions, requests, communications, or other documents relating to this Consent Order in writing, with the subject line, “*In re* U.S. Bank, N.A., File No. 2023-CFPB-0019,” 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

XV.

Cooperation with the Bureau

IT IS FURTHER ORDERED that:

83. Respondent must cooperate fully to help the Bureau determine the identity and location of, and the amount of injury sustained by, each Affected Consumer. Respondent must provide such information in its or its agents’

possession or control within 14 days of receiving a written request from the Bureau.

XVI.

Compliance Monitoring

IT IS FURTHER ORDERED that:

84. Within 14 days of receipt of a written request from the Bureau, Respondent must submit additional Compliance Reports or other requested information, which must be made under penalty of perjury; provide sworn testimony; or produce documents.
85. Respondent must permit Bureau representatives to interview any employee or other person affiliated with Respondent who has agreed to such an interview regarding: (a) this matter; (b) anything related to or associated with the conduct described in Section IV; or (c) compliance with the Consent Order. The person interviewed may have counsel present.
86. Nothing in this Consent Order will limit the Bureau's lawful use of civil investigative demands under 12 C.F.R. § 1080.6 or other compulsory process.

XVII.

Modifications to Non-Material Requirements

IT IS FURTHER ORDERED that:

87. Respondent may seek a modification to non-material requirements of this Consent Order (*e.g.*, reasonable extensions of time and changes to reporting requirements) by submitting a written request to the Supervision Director.
88. 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.

XVIII.

ADMINISTRATIVE PROVISIONS

IT IS FURTHER ORDERED that:

89. The provisions of this Consent Order do not bar, estop, or otherwise prevent the Bureau from taking any other action against Respondent, except as described in Paragraph 90. Further, for the avoidance of doubt, the provisions of this Consent Order do not bar, estop, or otherwise prevent any other person or governmental agency from taking any action against Respondent.
90. The Bureau releases and discharges Respondent from all potential liability for law violations that the Bureau has or might have asserted based on the practices described in Section IV of this Consent Order, to the extent such practices occurred before the Effective Date and the Bureau knows about them as of the Effective Date. The Bureau may use the practices described in this Consent Order in future enforcement actions against Respondent and its affiliates, including, without limitation, to establish a pattern or practice of violations or the continuation of a pattern or practice of violations or to calculate the amount of any penalty. This release does not preclude or affect

any right of the Bureau to determine and ensure compliance with the Consent Order, or to seek penalties for any violations of the Consent Order.

91. This Consent Order is intended to be, and will be construed as, a final Consent Order issued under § 1053 of the CFPA, 12 U.S.C. § 5563, and expressly does not form, and may not be construed to form, a contract binding the Bureau or the United States.
92. This Consent Order will 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.
93. 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.

94. Should Respondent seek to transfer or assign all or part of its operations that are subject to this Consent Order, Respondent must, as a condition of sale, obtain the written agreement of the transferee or assignee to comply with all applicable provisions of this Consent Order.
95. The provisions of this Consent Order will be enforceable by the Bureau. For any violation of this Consent Order, the Bureau may impose the maximum amount of civil money penalties allowed under § 1055(c) of the CFPA, 12 U.S.C. § 5565(c). In connection with any attempt by the Bureau to enforce this Consent Order in federal district court, the Bureau may serve Respondent wherever Respondent may be found and Respondent may not contest that court's personal jurisdiction over Respondent.
96. This Consent Order and the accompanying Stipulation contain the complete agreement between the parties. The parties have made no promises, representations, or warranties other than what is contained in this Consent Order and the accompanying Stipulation. This Consent Order and the accompanying Stipulation supersede any prior oral or written communications, discussions, or understandings.
97. Nothing in this Consent Order or the accompanying Stipulation may be construed as allowing Respondent, its Board, its Chief Executive Officer, officers, or employees to violate any law, rule, or regulation.

IT IS SO ORDERED, this 19th day of December, 2023.

Rohit Chopra

Rohit Chopra
Director
Consumer Financial Protection Bureau