

UNITED STATES OF AMERICA  
DEPARTMENT OF THE TREASURY  
COMPTROLLER OF THE CURRENCY

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<b>In the Matter of:</b>	)	
	)	
PNC Bank, National Association	)	AA-EC-2014-78
Wilmington, Delaware	)	
	)	

**CONSENT ORDER FOR A CIVIL MONEY PENALTY**

The Comptroller of the Currency of the United States of America (“Comptroller”), through his national bank examiners and other staff of the Office of the Comptroller of the Currency (“OCC”), has conducted an examination of PNC Bank, National Association, Wilmington, Delaware (“Bank” or “PNC”). The OCC has identified deficiencies in the Bank’s practices that resulted in a violation of Section 5 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 45(a)(1), related to billing practices with regard to identity protection products, and has informed the Bank of the findings resulting from the examination.

The Bank, by and through its duly elected and acting Board of Directors (“Board”), has executed a Stipulation and Consent to the Issuance of an Order for a Civil Money Penalty, dated October 6, 2014, 2014, that is accepted by the Comptroller (“Stipulation”). By this Stipulation, which is incorporated herein by reference, the Bank has consented to the issuance of this Consent Order for a Civil Money Penalty (“Order”) by the Comptroller.

## ARTICLE I

### COMPTROLLER'S FINDINGS

The Comptroller finds, and the Bank neither admits nor denies, the following:

- (1) From 1993 to November 2009, National City Bank, N.A. ("National City") marketed identity protection products to National City customers. The identity protection products included credit monitoring services.
- (2) PNC's parent bank holding company acquired National City on December 31, 2008, and National City was merged with and into PNC in November 2009. From 2008 through January 2012, PNC marketed the identity protection products to Bank customers.
- (3) National City customers, Bank customers, and other consumers who enrolled in the identity protection products were required to provide sufficient personal verification information or authorization before their credit bureau reports could be accessed. Identity protection customers were provided the materials necessary to submit this information or authorization, but until the information or authorization was submitted, the customers could not receive the credit monitoring services of the identity protection product in which they were enrolled.
- (4) From 1993 to January 2012, National City's and PNC's identity protection vendors billed identity protection customers the full fee of the products, even though many of those identity protection customers were not receiving all of the benefits of the products.
- (5) By reason of the foregoing billing practices for its identity protection products as described in Paragraphs (1) to (4) of this Article, the Bank engaged in unfair practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a)(1).

(6) The Bank's violation of Section 5 of the FTC Act caused substantial consumer injury or was likely to cause substantial consumer injury.

(7) The Bank's violation of Section 5 of the FTC Act is part of a pattern of misconduct that resulted in financial gain to the Bank.

## ARTICLE II

### ORDER FOR A CIVIL MONEY PENALTY

Pursuant to the authority vested in him by the Federal Deposit Insurance Act, 12 U.S.C. § 1818(i), the Comptroller orders, and the Bank consents to the following:

(1) The Bank shall make payment of a civil money penalty in the total amount of two million dollars (\$2,000,000), which shall be paid in full upon the execution of this Order:

- (a) If a check is the selected method of payment, the check shall be made payable to the Treasurer of the United States and shall be delivered to: Comptroller of the Currency, P.O. Box 979012, St. Louis, Missouri 63197-9000.
- (b) If a wire transfer is the selected method of payment, it shall be sent in accordance with instructions provided by the Comptroller.
- (c) The docket number of this case (AA-EC-2014-78) shall be entered on the payment document or wire confirmation and a photocopy of the payment document or confirmation of the wire transfer shall be sent immediately, by overnight delivery, to the Director of Enforcement and Compliance, Office of the Comptroller of the Currency, 400 7th Street, S.W., Washington, D.C. 20219.

(2) This Order shall be enforceable to the same extent and in the same manner as an effective and outstanding order that has been issued and has become final pursuant to 12 U.S.C. § 1818(h) and (i).

### ARTICLE III

#### OTHER PROVISIONS

(1) This Order is intended to be, and shall be construed to be, a final order issued pursuant to 12 U.S.C. § 1818(i)(2), and expressly does not form, and may not be construed to form, a contract binding on the Comptroller or the United States.

(2) This Order constitutes a settlement of the civil money penalty proceeding against the Bank contemplated by the Comptroller, based on the practices and violation of law described in the Comptroller's Findings set forth in Article I of this Order. The Comptroller releases and discharges the Bank from all potential liability for a civil money penalty that has been or might have been asserted by the Comptroller based on the practices and violation described in the Comptroller's Findings set forth in Article I of this Order, to the extent known to the Comptroller as of the effective date of this Order. Provided, however, that nothing in the Stipulation or this Consent Order for a Civil Money Penalty, which settles all civil money penalty proceedings against the Bank based on the Comptroller's Findings set forth in Article I of this Order, shall prevent the Comptroller from instituting enforcement actions other than a civil money penalty against the Bank or any of its institution-affiliated parties based on the findings set forth in this Order, or any other findings. Except as provided in the preceding sentences of this paragraph, the practices and violation described in Article I of the Consent Order may be utilized by the Comptroller in other future enforcement actions against the Bank or its institution-affiliated parties, including, without limitation, to establish a pattern or practice of violations or unsafe or

unsound practices or the continuation of a pattern or practice of violations or unsafe or unsound practices. This release shall not preclude or affect any right of the Comptroller to determine and ensure compliance with the terms and provisions of the Stipulation or this Order.

(3) The terms of this Order, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements, or prior arrangements between the parties, whether oral or written.

IT IS SO ORDERED, this 6<sup>th</sup> day of October, 2014.

S/Morris R. Morgan  
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Morris R. Morgan  
Deputy Comptroller  
Large Bank Supervision

**UNITED STATES OF AMERICA  
DEPARTMENT OF THE TREASURY  
COMPTROLLER OF THE CURRENCY**

	)	
<b>In the Matter of:</b>	)	
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PNC Bank, National Association	)	AA-EC-2014-78
Wilmington, Delaware	)	
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**STIPULATION AND CONSENT TO THE ISSUANCE  
OF AN ORDER FOR A CIVIL MONEY PENALTY**

**WHEREAS**, the Comptroller of the Currency of the United States of America (“Comptroller”), based upon information derived from the exercise of his regulatory and supervisory responsibilities, intends to initiate a civil money penalty proceeding against PNC Bank, National Association, Wilmington, Delaware (“Bank”), pursuant to 12 U.S.C. § 1818(i), for the Bank’s violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45(a)(1), related to billing practices with regard to identity protection products;

**WHEREAS**, in the interest of cooperation and to avoid additional costs associated with administrative and judicial proceedings with respect to the above matter, the Bank, through its duly elected and acting Board of Directors (“Board”), has agreed to execute this Stipulation and Consent to the Issuance of a Civil Money Penalty (“Stipulation”), that is accepted by the Comptroller, through his duly authorized representative;

**NOW, THEREFORE**, in consideration of the above premises, it is stipulated by the Bank that:

## ARTICLE I

### JURISDICTION

- (1) The Bank is a national banking association chartered and examined by the Comptroller pursuant to the National Bank Act of 1864, as amended, 12 U.S.C. § 1 *et seq.*
- (2) The Comptroller is “the appropriate Federal banking agency” regarding the Bank pursuant to 12 U.S.C. §§ 1813(q) and 1818(i).
- (3) The Bank is an “insured depository institution” within the meaning of 12 U.S.C. § 1818(i).

## ARTICLE II

### CONSENT

- (1) The Bank, without admitting or denying any wrongdoing, consents and agrees to issuance of the accompanying Consent Order for a Civil Money Penalty (“Consent Order”) by the Comptroller.
- (2) The terms and provisions of the Consent Order apply to PNC Bank, National Association, Wilmington, Delaware and all its subsidiaries, even though those subsidiaries are not named as parties to the Consent Order.
- (3) The Bank consents and agrees that the Consent Order shall be deemed an “order issued with the consent of the depository institution” pursuant to 12 U.S.C. § 1818(h)(2), and consents and agrees that the Consent Order shall become effective upon its execution by the Comptroller through his authorized representative, and shall be fully enforceable by the Comptroller pursuant to 12 U.S.C. § 1818(i).
- (4) Notwithstanding the absence of mutuality of obligation, or of consideration, or of a contract, the Comptroller may enforce any of the commitments or obligations herein

undertaken by the Bank under his supervisory powers, including 12 U.S.C. § 1818(i), and not as a matter of contract law. The Bank expressly acknowledges that neither the Bank nor the Comptroller has any intention to enter into a contract.

(5) The Bank declares that no separate promise or inducement of any kind has been made by the Comptroller, or by his agents or employees, to cause or induce the Bank to consent to the issuance of the Consent Order and/or execute this Stipulation.

(6) The Bank expressly acknowledges that no officer or employee of the Comptroller has statutory or other authority to bind the United States, the United States Treasury Department, the Comptroller, or any other federal bank regulatory agency or entity, or any officer or employee of any of those entities to a contract affecting the Comptroller's exercise of his supervisory responsibilities.

(7) The Consent Order constitutes a settlement of the civil money penalty proceeding against the Bank contemplated by the Comptroller, based on the practices and violation of law described in the Comptroller's Findings set forth in Article I of the Consent Order. The Comptroller releases and discharges the Bank from all potential liability for a civil money penalty that has been or might have been asserted by the Comptroller based on the practices and violation described in the Comptroller's Findings set forth in Article I of the Consent Order, to the extent known to the Comptroller as of the effective date of the Consent Order. Provided, however, that nothing in this Stipulation or the Consent Order for a Civil Money Penalty, which settles all civil money penalty proceedings against the Bank based on the Comptroller's Findings set forth in Article I of the Consent Order, shall prevent the Comptroller from instituting enforcement actions other than a civil money penalty against the Bank or any of its institution-affiliated parties based on the findings set forth in the Consent Order, or any other findings.

Except as provided in the preceding sentences of this paragraph, the practices and violation described in Article I of the Consent Order may be utilized by the Comptroller in other future enforcement actions against the Bank or its institution-affiliated parties, including, without limitation, to establish a pattern or practice of violations or unsafe or unsound practices or the continuation of a pattern or practice of violations or unsafe or unsound practices. This release shall not preclude or affect any right of the Comptroller to determine and ensure compliance with the terms and provisions of this Stipulation or the Consent Order.

### ARTICLE III

#### WAIVERS

- (1) The Bank, by executing this Stipulation and consenting to the Consent Order, waives:
- (a) Any and all rights to the issuance of a Notice of Charges pursuant to 12 U.S.C. § 1818(i);
  - (b) Any and all procedural rights available in connection with the issuance of the Consent Order;
  - (c) Any and all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(i), and 12 C.F.R. Part 19;
  - (d) Any and all rights to seek any type of administrative or judicial review of the Consent Order;
  - (e) Any and all claims for fees, costs or expenses against the Comptroller, or any of his agents or employees, related in any way to this enforcement matter or the Consent Order, whether arising under common law or under the terms of any statute, including, but not limited to, the Equal Access to

Justice Act, 5 U.S.C. § 504 and 28 U.S.C. § 2412;

- (f) Any and all rights to assert this proceeding, this Stipulation, consent to the issuance of the Consent Order, and/or the issuance of the Consent Order, as the basis for a claim of double jeopardy in any pending or future proceeding brought by the United States Department of Justice or any other governmental entity; and
- (g) Any and all rights to challenge or contest the validity of the Consent Order.

#### ARTICLE IV

##### CLOSING

(1) The provisions of this Stipulation and the Consent Order shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any other action affecting the Bank if, at any time, he deems it appropriate to do so to fulfill the responsibilities placed upon him by the several laws of the United States of America.

(2) Nothing in this Stipulation or the Consent Order shall preclude any proceedings brought by the Comptroller to enforce the terms of the Consent Order, and nothing in this Stipulation or the Consent Order constitutes, nor shall the Bank contend that it constitutes, a release, discharge, compromise, settlement, dismissal, or resolution of any actions, or in any way affects any actions that may be or have been brought by any other representative of the United States or an agency thereof, including, without limitation, the United States Department of Justice.

(3) The terms of this Stipulation, including this paragraph, and of the Consent Order are not subject to amendment or modification by any extraneous expression, prior agreements or prior arrangements between the parties, whether oral or written.

IN TESTIMONY WHEREOF, the undersigned, as the duly elected and acting Board of Directors of PNC Bank, National Association, Wilmington, Delaware, have hereunto set their hands on behalf of the Bank.

s/Richard O. Berndt

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Richard O. Berndt

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Date

s/Charles E. Bunch

10/2/2014

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Charles E. Bunch

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Date

s/Paul w. Chellgren

Oct. 1, 2014

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Paul W. Chellgren

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Date

s/William s. Demchak

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William S. Demchak

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Date

s/Andrew t. Feldstein

10/1/14

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Andrew T. Feldstein

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Date

s/Joseph C. Guyaux

9/30/14

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Joseph C. Guyaux

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Date

s/Kay C. James

10/1/14

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Kay Coles James

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Date

s/Richard B. Kelson

10/2/2014

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Richard B. Kelson

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Date

s/A. A. Massaro	9-29-14
Anthony A. Massaro	Date
s/E. William Parsley III	9/20/14
E. William Parsley, III	Date
s/Jane G. Pepper	10/2/2014
Jane G. Pepper	Date
s/Donald J. Shepard	10/1/14
Donald J. Shepard	Date
s/Lorene k. Steffes	Oct 1, 2014
Lorene K. Steffes	Date
s/Dennis F. Strigl	10/1/14
Dennis F. Strigl	Date
s/Thomas J. Usher	9/30/14
Thomas J. Usher	Date
s/George H. Walls, Jr.	October 1, 2014
George H. Walls, Jr.	Date
s/Heige H. Wehmeier	
Helge H. Wehmeier	Date

s/Marjorie Rodgers Cheshire

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Marjorie Rodgers Cheshire

10-3-14

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Date

Accepted by:

THE COMPTROLLER OF THE CURRENCY

s/Morris R. Morgan

10/6/2014

By:

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Morris R. Morgan  
Deputy Comptroller  
Large Bank Supervision

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Date