

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

)	
In the Matter of:)	
)	
Citizens Bank, National Association)	AA-EC-2015-58
Providence, Rhode Island)	
)	

CONSENT ORDER

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 Citizens Bank, National Association, Providence, Rhode Island (“Bank”). The OCC has identified deficiencies in the Bank’s practices that resulted in violations of Section 5 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 45(a)(1) and 12 C.F.R. Part 37, related to billing and marketing practices with regard to identity protection and debt cancellation 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 a Consent Order, dated November 10th, 2015, that is accepted by the Comptroller (“Stipulation”). By the Stipulation, which is incorporated herein by reference, the Bank has consented to the issuance of this Consent Cease and Desist Order (“Order”) by the Comptroller.

ARTICLE I

COMPTROLLER'S FINDINGS

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

- (1) Since at least January 2008, the Bank and/or its vendors marketed and sold identity protection products (“Identity Protection Products”), which included credit monitoring and credit report retrieval services, to Bank customers.
- (2) Bank customers 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. Until the information or authorization was submitted, the customers could not receive the full credit monitoring and/or credit report retrieval services of the Identity Protection Product in which they were enrolled.
- (3) From at least January 2008 to September 2014, the Bank and/or its vendors, billed customers of Identity Protection Products who were not receiving credit monitoring and/or credit report retrieval services for the full fee of the product, even though those customers were not receiving all of the benefits of the product.
- (4) From at least January 2008 to September 2014, the Bank retained a portion of the fees paid by the Identity Protection Products customers, including fees paid by the customers who were not receiving the credit monitoring and credit report retrieval services.
- (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 violations of Section 5 of the FTC Act caused substantial consumer injury.

(7) Since 2005, the Bank has marketed and sold a debt cancellation product to Bank customers. The debt cancellation product included cancellation of some or all of a customer's credit card balance upon the occurrence of certain qualifying events. The Bank contracted with a debt cancellation product vendor in connection with this product.

(8) From at least 2005 through 2013, some Bank customers experienced an event covered by the debt cancellation agreement, but the Bank and/or the debt cancellation product vendor may have denied the claim or miscalculated the amount of the benefit.

(9) By reason of the foregoing practices for the debt cancellation product as described in Paragraphs (7) and (8) of this Article, the Bank engaged in an unfair practice in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a)(1).

(10) The Bank's violation of Section 5 of the FTC Act caused substantial consumer injury.

(11) Since 2005, the Bank has offered its debt cancellation product with a thirty (30) day review period during which the Bank would credit any product fees imposed on an account if the customer decided to cancel his or her enrollment in the product during the first thirty (30) days. This thirty (30) day review period was set forth in the Bank's written agreement with the customer.

(12) From 2005 through 2012, a small number of customers were not credited for debt cancellation product fees imposed upon their accounts despite cancelling their

enrollments within the 30-day review period, which was contrary to the terms of the Bank's written agreement with the customers.

(13) By reason of the foregoing practice for its debt cancellation product as described in Paragraphs (11) and (12) of this Article, the Bank engaged in a deceptive practice in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a)(1).

(14) Since approximately 2005, the Bank did not provide sufficient disclosures to customers in connection with its debt cancellation product, specifically regarding the customers' cancellation and refund rights given in oral short form disclosure. This information was included in the long-form disclosure mailed to the customer after he or she signed up for the product.

(15) By reason of the foregoing practice for its debt cancellation product as described in paragraph (14) of this Article, the Bank violated 12 C.F.R. Part 37.

(16) The Bank's violations of Section 5 of the FTC Act and 12 C.F.R. Part 37 discussed in Paragraphs (1) through (15) of this Article are part of a pattern of misconduct that resulted in financial gain to the Bank.

Pursuant to the authority vested in him by the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818, the Comptroller hereby ORDERS that:

ARTICLE II

COMPLIANCE COMMITTEE

(1) The Board shall appoint and maintain an active Compliance Committee of at least three (3) directors that shall be responsible for monitoring and overseeing the Bank's compliance with the provisions of this Order. The Compliance Committee shall maintain minutes of its meetings at which compliance with this Order is discussed.

(2) Within one hundred twenty (120) days of the effective date of this Order, and thereafter within thirty (30) days after the end of each calendar quarter, the Compliance Committee shall submit a written progress report to the Board setting forth in detail the actions taken to comply with each Article of this Order, and the results and status of those actions.

(3) The Board shall forward a copy of the report, with any additional comments by the Board, to the Examiner-in-Charge within ten (10) days of the first Board meeting following receipt of such report, unless additional time is granted by the Examiner-in-Charge through a written determination of no supervisory objection.

ARTICLE III

COMPREHENSIVE ACTION PLAN

(1) Within ninety (90) days of the effective date of this Order, the Bank shall submit to the Examiner-in-Charge, for review and written determination of no supervisory objection by the Deputy Comptroller for Large Bank Supervision ("Deputy Comptroller"), an acceptable plan containing a complete description of the actions that are necessary and appropriate to achieve compliance with Articles IV through VII of this Order ("Action Plan"). In the event the Deputy Comptroller asks the Bank to revise the Action Plan, the Bank shall promptly make necessary and appropriate revisions and resubmit the Action Plan to the Examiner-in-Charge for review and determination of no supervisory objection by the Deputy Comptroller.

(2) The Action Plan shall specify timelines for completion of each of the requirements of Articles IV through VII of this Order. The timelines in the Action Plan shall be consistent with any deadlines set forth in this Order, unless modified by written agreement with the Deputy Comptroller.

(3) Upon receiving written notice of no supervisory objection from the Deputy Comptroller, the Board shall ensure that the Bank implements and thereafter adheres to the Action Plan. Following implementation of the Action Plan, the Bank shall not take any action that will cause a significant deviation from, or material change to the Action Plan, unless and until the Bank has received a prior written determination of no supervisory objection from the Deputy Comptroller.

(4) The Board shall ensure that the Bank achieves and thereafter maintains compliance with this Order, including, without limitation, successful implementation of the Action Plan. The Board shall further ensure that, upon implementation of the Action Plan, the Bank achieves and maintains a program to comply with Section 5 of the FTC Act and its implementing regulations. In each instance in this Order in which the Board is required to ensure adherence to or undertake to perform certain obligations of the Bank, it is intended to mean that the Board shall:

- (a) Require the timely reporting by the Bank management of such actions directed by the Board to be taken under this Order;
- (b) Follow-up on any non-compliance with such actions in a timely and appropriate manner; and
- (c) Require corrective action be taken in a timely manner for any non-compliance with such actions.

ARTICLE IV

CONSUMER REIMBURSEMENT FOR DEFICIENT PRACTICES

(1) The Bank shall make full reimbursement, as defined in Paragraphs (3), (4), and (5) of this Article, in accordance with the Reimbursement Plan required by Article V of this Order, to all Eligible Customers as defined in Paragraph (2) of this Article.

(2) For the purposes of this Order, the following definitions shall apply:

- (a) “Eligible Identity Protection Customer” is any Identity Protection Customer who, between 2008 and 2014, was being billed for and/or was enrolled in an Identity Protection Product and who was Unprocessable during any portion of his or her enrollment;
- (b) “Eligible Denied Customer” is any Debt Cancellation Customer who was improperly denied benefits or received improperly calculated benefits;
- (c) “Eligible Cancellation Customer” is any Debt Cancellation Customer who cancelled his or her enrollment within the first thirty (30) days but did not receive a refund and/or credit as disclosed in the Bank’s agreement with the customer;
- (d) “Identity Protection Customer” is a Bank customer who was being billed for and/or was enrolled in an Identity Protection Product.
- (e) “Identity Protection Product” refers to the identity theft protection products which included credit monitoring and credit report retrieval services and were marketed and sold to Bank customers by the Bank or its Vendors pursuant to a contract between the Bank and a Vendor.

- (f) “Vendor” refers to any of the Bank’s vendors, including but not limited to Affinion Group, CPP North America¹, and Central States Indemnity Co. of Omaha, that provided marketing, sales, delivery, servicing, and/or fulfillment of Identity Protection Products or Debt Cancellation Products to Bank customers and other consumers.
- (g) “Product Fees” are the fees charged by the Bank or Vendor for an Identity Protection Product or Debt Cancellation Product.
- (h) “Debt Cancellation Customer” is a Bank customer who enrolled in a Debt Cancellation Product.
- (i) “Debt Cancellation Product” refers to the debt cancellation product, which benefits included cancellation of some or all of a customer’s credit card balance upon the occurrence of certain qualifying events, and were marketed and sold to Bank customers by the Bank or its Vendors pursuant to a contract between the Bank and a Vendor.
- (j) “Cancelled” refers to the status of any Debt Cancellation Customer who cancelled his or her enrollment in a Debt Cancellation Product within the first thirty (30) days after enrollment in the product.
- (k) “Benefit Shortfall” is the amount the amount of any improperly denied benefit or improperly calculated benefit for an Eligible Denied Customer.
- (l) “Unprocessable” refers to the status of an Identity Protection Customer who, at a given time, was being billed for an Identity Protection Product

¹ CPP North America is now known as AMT Consumer Services, Inc.

but was not receiving the proper credit monitoring and/or credit report retrieval benefits of the product.

- (m) “Reimbursement End Date” is the date on which the Eligible Customer’s Unprocessable status ended.
- (n) “Reimbursement Start Date” is the date on which the Eligible Customer entered Unprocessable status.
- (o) “Covered Event” refers to an event experienced by an Eligible Denied Customer that was covered by the Debt Cancellation Product and made the customer eligible for a benefit.

(3) The reimbursement amount paid to each Eligible Identity Protection Customer shall include, as applicable to each Eligible Identity Protection Customer:

- (a) The sum of:
 - (i) The full amount of Product Fees paid by an Eligible Identity Protection Customer from his or her Reimbursement Start Date through his or her Reimbursement End Date;
 - (ii) The full amount of any overlimit fees, as calculated pursuant to the methodology in the Reimbursement Plan, paid by an Eligible Identity Protection Customer from his or her Reimbursement Start Date through his or her Reimbursement End Date; and
 - (iii) The amount of the estimated finance charges, as calculated pursuant to the methodology in the Reimbursement Plan, paid by an Eligible Identity Protection Customer on Product Fees from his

or her Reimbursement Start Date through his or her
Reimbursement End Date.

- (b) Less any amount that was a previous refund of the fees and charges described above in section (a) of this paragraph.

(4) The reimbursement amount paid to each Eligible Denied Customer shall include, as applicable to each Eligible Denied Customer:

- (a) The sum of:
 - (i) The full amount of all Benefit Shortfalls suffered by an Eligible Denied Customer;
 - (ii) The full amount of any overlimit fees, as calculated pursuant to the methodology in the Reimbursement Plan, paid by an Eligible Denied Customer as a result of Benefit Shortfalls; and
 - (iii) The amount of the estimated finance charges, as calculated pursuant to the methodology in the Reimbursement Plan, paid by an Eligible Denied Customer as a result of Benefit Shortfalls.
- (b) Less any amount that was a previous refund of the fees and charges described above in section (a) of this paragraph.

(5) The reimbursement amount paid to each Eligible Cancellation Customer shall include, as applicable to each Eligible Cancellation Customer:

- (a) The sum of:
 - (i) The full amount of the debt cancellation product fees paid by an Eligible Cancellation Customer that were not refunded after he or she became Cancelled;

- (ii) the full amount of the over-limit fees, as calculated pursuant to the methodology in the Reimbursement Plan, paid by an Eligible Cancellation Customer after becoming Cancelled because the amount of the Product Fees assessed resulted in the Eligible Cancellation Customer exceeding his or her credit limit; and
 - (iii) the amount of the estimated finance charges, as calculated pursuant to the methodology in the Reimbursement Plan, paid by an Eligible Cancellation Customer on Product Fees after he or she became Cancelled;
- (b) Less any amount that was a previous refund of the fees and charges described above in section (a) of this paragraph.

ARTICLE V

REIMBURSEMENT PLAN

(1) Within ninety (90) days of the effective date of this Order, the Bank shall develop and submit a Board-approved reimbursement plan (“Reimbursement Plan”) to the Examiner-in-Charge for prior determination of no supervisory objection by the Deputy Comptroller. The Reimbursement Plan shall include the following:

- (a) A description of the methods used and the time necessary to compile a list of potential Eligible Identity Protection Customers, Eligible Denied Customers, and Eligible Cancellation Customers (collectively, “Eligible Customers”).

- (b) A description of the methods used to calculate the amount of reimbursement to be paid to each Eligible Customer as required by Paragraph (1) of Article IV of this Order.
- (c) A description of the procedures for issuance and tracking of reimbursement payments to Eligible Customers.
- (d) With regard to Eligible Customers who receive the reimbursement required by Paragraph (1) of Article IV of this Order in the form of a credit to their Bank credit card account, a description of procedures:
 - (i) for reporting updated balances, as applicable, to each credit reporting agency to which the Bank had previously furnished balance information for the account; and
 - (ii) with regard to accounts sold to unaffiliated third parties, for requesting such third parties to report updated balances, as applicable, to each credit reporting agency to which the Bank or the third party had previously furnished balance information for the account.
- (e) A description of the procedures for monitoring compliance with the Reimbursement Plan.

(2) Upon receipt of a determination of no supervisory objection to the Reimbursement Plan, the Board shall ensure that the Bank implements and adheres to the Reimbursement Plan. Any proposed changes to or deviations from the approved Reimbursement Plan shall be submitted in writing to the Examiner-in-Charge for prior supervisory review and non-objection by the Deputy Comptroller.

ARTICLE VI

ASSESSMENT OF REIMBURSEMENT

(1) Within ninety (90) days from the completion of reimbursement under the Reimbursement Plan, as detailed in Article V, the Bank's Internal Audit shall review and assess compliance with the terms of the Reimbursement Plan ("Reimbursement Review").

(2) The Reimbursement Review shall include an assessment of the Reimbursement Plan and the methodology used to determine the population of Eligible Customers, the amount of reimbursement for each Eligible Customer, the procedures used to issue and track reimbursement payments, the procedures used for reporting and requesting the reporting of updated balances to the credit reporting agencies, and the work of any independent consultants that the Bank has used to assist and review its execution of the Reimbursement Plan.

(3) The Reimbursement Review shall be completed and summarized in a written report (the "Reimbursement Review Report"), which shall be completed within sixty (60) days of completion of the Reimbursement Review. Within ten (10) days of its completion, the Reimbursement Review Report shall be submitted to the Examiner-in-Charge and the Board.

(4) Any (including all draft and finalized) communications, workpapers, or work product related to the Reimbursement Review shall be made available to the OCC immediately upon request of the Examiner-in-Charge.

ARTICLE VII

THIRD PARTY MANAGEMENT

(1) For the purposes of this Article and this Order, "Third Party" refers to any third party that provides marketing, sales, delivery, servicing, and/or fulfillment of services for consumer products offered, pursuant to a contractual obligation to the Bank, as optional add-on products to Bank credit cards and/or any other consumer product of the Bank.

(2) Within sixty (60) days of the effective date of this Order, the Bank shall submit its written policy governing the management of Third Parties (“Third-Party Management Policy”) to the Examiner-in-Charge for prior determination of no supervisory objection. At a minimum, the Third-Party Management Policy shall require:

- (a) an analysis, to be conducted by the Bank prior to the Bank entering into a contract with the Third Party, of the ability of the Third Party to perform the marketing, sales, delivery, servicing, and/or fulfillment of services for the product(s) in compliance with all applicable consumer protection laws and Bank policies and procedures;
- (b) for new and renewed contracts, a written contract between the Bank and the Third Party, which sets forth the responsibilities of each party. At a minimum, the contract will set forth:
 - (i) the Third Party’s specific performance responsibilities and duty to maintain adequate internal controls over the marketing, sales, delivery, servicing, and fulfillment of services for the products;
 - (ii) the Third Party’s responsibilities and duty to provide adequate training on applicable consumer protection laws and Bank policies and procedures to all Third Party employees or agents engaged in the marketing, sales, delivery, servicing, and fulfillment of services for the product(s);
 - (iii) a grant to the Bank of the authority to conduct periodic onsite reviews of the Third Party’s controls, performance, and

- information systems as they relate to the marketing, sales, delivery, servicing, and fulfillment of services for the product(s); and
- (iv) the Bank's right to terminate the contract if the Third Party materially fails to comply with the terms specified in the contract, including the terms required by this paragraph; and
 - (c) periodic onsite review by the Bank of the Third Party's controls, performance, and information systems.

(3) Upon receipt of a determination of no supervisory objection to the Third-Party Management Policy submitted pursuant to Paragraph (2) of this Article, the Board shall ensure that the Bank implements and adheres to the Third-Party Management Policy. Any proposed changes or deviations from the approved Third-Party Management Policy shall be submitted in writing to the Examiner-in-Charge for prior supervisory review and non-objection.

(4) The Bank's Internal Audit department shall periodically conduct an assessment of the Bank's adherence to the Third-Party Management Policy. The initial assessment shall occur within one hundred twenty (120) days after the Bank's receipt of a determination of no supervisory objection to the Third-Party Management Policy, and the findings shall be memorialized in writing. Within thirty (30) days of completing each assessment, Internal Audit shall provide its written findings to the Committee and the Examiner-in-Charge. Subsequent assessments shall occur periodically according to the Bank's Internal Audit schedule for auditing the Bank's enterprise and line-of-business Third-Party Management programs.

(5) The Board shall ensure that there is oversight of the Third-Party Management Policy by the Bank's senior risk managers and senior management.

ARTICLE VIII

APPROVAL, IMPLEMENTATION, AND REPORTS

(1) The Bank shall submit the written plans, programs, policies, and procedures required by this Order to the Examiner-in-Charge for review and determination of no supervisory objection by the Deputy Comptroller or the Examiner-in-Charge within the applicable time periods set forth in Articles IV through VII. The Board shall ensure that the Bank submits the plans, programs, policies, and procedures to the Examiner-in-Charge for prior written determination of no supervisory objection by the Deputy Comptroller or the Examiner-in-Charge. In the event the Deputy Comptroller or Examiner-in-Charge asks the Bank to revise the plans, programs, policies, or procedures, the Bank shall promptly make necessary and appropriate revisions and resubmit the materials to the Deputy Comptroller or Examiner-in-Charge for review and determination of no supervisory objection. Unless otherwise specified, following implementation of the plans, programs, policies, and procedures, the Bank shall not take any action that will cause a significant deviation from, or material change to the plans, programs, policies, and procedures, unless and until the Bank has received prior written notice of no supervisory objection from the Deputy Comptroller or Examiner-in-Charge.

(2) During the term of this Order, the Bank shall revise the required plans, programs, policies, and procedures as necessary to incorporate new, or changes to, applicable legal requirements and supervisory guidelines.

(3) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the plans, programs, policies, and procedures required by this Order.

(4) Within ninety (90) days after the effective date of this Order and quarterly thereafter, the Bank shall submit to the Examiner-in-Charge a written progress report detailing

the form and manner of all actions taken to secure compliance with the provisions of this Order and the results thereof. The progress report shall include information sufficient to validate compliance with this Order. The Examiner-in-Charge may, in writing, discontinue the requirement for progress reports or modify the reporting schedule.

- (5) All communication regarding this Order shall be sent to:

Roberta Caruso
Examiner-in-Charge
Citizens Financial Group
LB-OCC-National Bank Examiners
One Citizens Plaza, Suite 602, MS :RCO-602
Providence, RI, 02903

or such other individuals or addresses as directed by the OCC.

ARTICLE IX

OTHER PROVISIONS

(1) Although this Order requires the Bank to submit certain actions, plans, programs, and policies for the review or prior written determination of no supervisory objection by the Deputy Comptroller or the Examiner-in-Charge, the Board has the ultimate responsibility for proper and sound management of the Bank.

(2) If, at any time, the Comptroller deems it appropriate in fulfilling the responsibilities placed upon him by the several laws of the United States to undertake any action affecting the Bank, nothing in this Order shall in any way inhibit, estop, bar, or otherwise prevent the Comptroller from so doing.

(3) This Order constitutes a settlement of the cease and desist proceeding against the Bank contemplated by the Comptroller, based on the practices and violations 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 cease and desist order that has been or might

have been asserted by the Comptroller based on the practices and violations described in Article I of this Order, to the extent known to the Comptroller as of the effective date of this Order.

Nothing in the Stipulation or this Order, however, shall prevent the Comptroller from:

- (a) instituting enforcement actions other than a cease and desist order against the Bank based on the findings set forth in Article I of this Order;
- (b) instituting enforcement actions against the Bank based on any other findings;
- (c) instituting enforcement actions against the Bank's institution-affiliated parties based on the findings set forth in Article I of this Order, or any other findings; or
- (d) utilizing the findings set forth in Article I of this Order in future enforcement actions against the Bank or its institution-affiliated parties to establish a pattern or the continuation of a pattern.

Further, nothing in the Stipulation or this Order shall affect any right of the Comptroller to determine and ensure compliance with the terms and provisions of the Stipulation or this Order.

(4) This Order is and shall become effective upon its execution by the Comptroller, through his authorized representative whose hand appears below. The Order shall remain effective and enforceable, except to the extent that, and until such time as, any provision of this Order shall be amended, suspended, waived, or terminated in writing by the Comptroller or his authorized representative.

(5) Any time limitations imposed by this Order shall begin to run from the effective date of this Order, as shown below, unless the Order specifies otherwise. The time limitations may be extended in writing by the Deputy Comptroller for good cause upon written application

by the Board. Any request to extend any time limitation shall include a statement setting forth in detail the special circumstances that prevent the Bank from complying with the time limitation, and shall be accompanied by relevant supporting documentation. The Deputy Comptroller's decision regarding the request is final and not subject to further review.

(6) The terms and provisions of this Order apply to the Bank and its subsidiaries, even though those subsidiaries are not named as parties to this Order. The Bank shall integrate any activities done by a subsidiary into its plans, policies, programs, and processes required by this Order. The Bank shall ensure that its subsidiaries comply with all terms and provisions of this Order.

(7) This Order is intended to be, and shall be construed to be, a final order issued pursuant to 12 U.S.C. § 1818(b), and expressly does not form, and may not be construed to form, a contract binding the Comptroller or the United States. Without limiting the foregoing, nothing in this Order shall affect any action against the Bank or its institution-affiliated parties by a bank regulatory agency, the United States Department of Justice, or any other law enforcement agency.

(8) 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 10th day of November, 2015.

S/Greg Coleman
Greg Coleman
Deputy Comptroller
Large Bank Supervision

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

_____)	
In the Matter of:)	
)	
Citizens Bank, National Association)	AA-EC-2015-58
Providence, Rhode Island)	
_____)	

**STIPULATION AND CONSENT TO THE ISSUANCE
OF A CONSENT ORDER**

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 issue a cease and desist order to Citizens Bank, National Association, Providence, Rhode Island (“Bank”), pursuant to 12 U.S.C. § 1818(b), for the Bank’s violations of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45(a)(1), related to related to billing and marketing practices with regard to identity protection and debt cancellation 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 (the “Board”), has agreed to execute this Stipulation and Consent to the Issuance of a Consent Order (“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(b).

(3) The Bank is an “insured depository institution” within the meaning of 12 U.S.C. § 1818(b)(1).

ARTICLE II

CONSENT

(1) The Bank, without admitting or denying any wrongdoing, consents and agrees to issuance of the accompanying Consent Order by the Comptroller.

(2) The terms and provisions of the Consent Order apply to the Bank and all of 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(b), 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 cease and desist proceeding against the Bank contemplated by the Comptroller, based on the practices and violations 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 cease and desist order that has been or might have been asserted by the Comptroller based on the practices and violations described in Article I of the Consent Order, to the extent known to the Comptroller as of the effective date of the Consent Order. Nothing in this Stipulation or the Consent Order, however, shall prevent the Comptroller from:

- (a) instituting enforcement actions other than a cease and desist order against the Bank based on the findings set forth in Article I of the Consent Order;
- (b) instituting enforcement actions against the Bank based on any other findings;

- (c) instituting enforcement actions against the Bank's institution-affiliated parties based on the findings set forth in Article I of the Consent Order, or any other findings; or
- (d) utilizing the findings set forth in Article I of the Consent Order in future enforcement actions against the Bank or its institution-affiliated parties to establish a pattern or the continuation of a pattern.

Further, nothing in this Stipulation or the Consent Order shall 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(b);
 - (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(b) and (h), 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

ELIGIBLE BANK – OTHER PROVISIONS

- (1) As a result of the Consent Order:
 - (a) The Bank is an “eligible bank” pursuant to 12 C.F.R. § 5.3(g)(4) for the purposes of 12 C.F.R. Part 5 regarding rules, policies and procedures for corporate activities, unless otherwise informed in writing by the Office of the Comptroller of the Currency (“OCC”);
 - (b) The Bank is not subject to the limitation of 12 C.F.R. § 5.51(c)(6)(ii) for the purposes of 12 C.F.R. § 5.51 requiring OCC approval of a change in directors and senior executive officers, unless otherwise informed in writing by the OCC;
 - (c) The Bank is not subject to the limitation on golden parachute and indemnification payments provided by 12 C.F.R. § 359.1(f)(1)(ii)(C) and

12 C.F.R. § 5.51(c)(6)(ii), unless otherwise informed in writing by the OCC;

- (d) The Bank’s status as an “eligible bank” remains unchanged pursuant to 12 C.F.R. § 24.2(e)(4) for the purposes of 12 C.F.R. Part 24 regarding community and economic development, unless otherwise informed in writing by the OCC; and
- (e) The Consent Order shall not be construed to be a “written agreement, order, or capital directive” within the meaning of 12 C.F.R. § 6.4, unless the OCC informs the Bank otherwise in writing.

ARTICLE V

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 Citizens Bank, National Association, have hereunto set their hands on behalf of the Bank.

S/Mark Casady 10/22/15
Mark Casady Date

S/Christine M. Cumming 10/21/15
Christine M. Cumming Date

Anthony Di Iori 10/21/15
Anthony Di Iorio Date

S/Robert Gillespie 10/22/15
Robert Gillespie Date

S/William P. Hankowsky 10/22/15
William P. Hankowsky Date

S/Howard W. Hanna, III 10/21/15
Howard W. Hanna, III Date

S/Leo I. Higdon 10/16/15
Leo I. Higdon Date

S/Charles J. Koch 10/21/15
Charles J. Koch Date

S/Arthur F. Ryan 10/21/15
Arthur F. Ryan Date

S/Shivan S. Subramaniam 10/21/15
Shivan S. Subramaniam Date

S/Bruce Van Saun 10/21/15
Bruce Van Saun Date

S/Wendy A. Watson 10/21/15
Wendy A. Watson Date

S/Marita Zuraitis 10/21/15
Marita Zuraitis Date

Accepted by:

THE COMPTROLLER OF THE CURRENCY

S/Greg Coleman

11/10/2015

By:

Greg Coleman
Deputy Comptroller
Large Bank Supervision

Date

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

In the Matter of:

Citizens Bank, National Association
Providence, Rhode Island

)
)
)
) AA-EC-2015-58
)
)

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 Citizens Bank, National Association, Providence, Rhode Island (“Bank”). The OCC has identified deficiencies in the Bank’s practices that resulted in violations of Section 5 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 45(a)(1), related to billing and marketing practices with regard to identity protection and debt cancellation 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 November 10th, 2015, 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) Since at least January 2008, the Bank and/or its vendors marketed and sold identity protection products (“Identity Protection Products”), which included credit monitoring and credit report retrieval services, to Bank customers.
- (2) Bank customers 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. Until the information or authorization was submitted, the customers could not receive the full credit monitoring and/or credit report retrieval services of the Identity Protection Product in which they were enrolled.
- (3) From at least January 2008 to September 2014, the Bank and/or its vendors, billed customers of Identity Protection Products who were not receiving credit monitoring and/or credit report retrieval services for the full fee of the product, even though those customers were not receiving all of the benefits of the product.
- (4) From at least January 2008 to September 2014, the Bank retained a portion of the fees paid by the Identity Protection Products customers, including fees paid by the customers who were not receiving the credit monitoring and credit report retrieval services.
- (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 violations of Section 5 of the FTC Act caused substantial consumer injury.

(7) Since 2005, the Bank has marketed and sold a debt cancellation product to Bank customers. The debt cancellation product included cancellation of some or all of a customer's credit card balance upon the occurrence of certain qualifying events. The Bank contracted with a debt cancellation product vendor in connection with this product.

(8) From at least 2005 through 2013, some Bank customers experienced an event covered by the debt cancellation agreement, but the Bank and/or the debt cancellation product vendor may have denied the claim or miscalculated the amount of the benefit.

(9) By reason of the foregoing practices for the debt cancellation product as described in Paragraphs (7) and (8) of this Article, the Bank engaged in an unfair practice in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a)(1).

(10) The Bank's violation of Section 5 of the FTC Act caused substantial consumer injury.

(11) Since 2005, the Bank has offered its debt cancellation product with a thirty (30) day review period during which the Bank would credit any product fees imposed on an account if the customer decided to cancel his or her enrollment in the product during the first thirty (30) days. This thirty (30) day review period was set forth in the Bank's written agreement with the customer.

(12) From 2005 through 2012, a small number of customers were not credited for debt cancellation product fees imposed upon their accounts despite cancelling their enrollments within the 30-day review period, which was contrary to the terms of the Bank's written agreement with the customers.

(13) By reason of the foregoing practice for its debt cancellation product as described in Paragraphs (11) and (12) of this Article, the Bank engaged in a deceptive practice in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a)(1).

(14) Since approximately 2005, the Bank did not provide sufficient disclosures to customers in connection with its debt cancellation product, specifically regarding the customers' cancellation and refund rights given in oral short form disclosure. This information was included in the long-form disclosure mailed to the customer after he or she signed up for the product.

(15) By reason of the foregoing practice for its debt cancellation product as described in paragraph (14) of this Article, the Bank violated 12 C.F.R. Part 37.

(16) The Bank's violations of Section 5 of the FTC Act and 12 C.F.R. Part 37 discussed in Paragraphs (1) through (15) of this Article are part of a pattern of misconduct that resulted in financial gain to the Bank.

(17) Pursuant to the authority vested in him by the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818, the Comptroller hereby ORDERS that:

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 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-2015-58) 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 violations 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 violations

described in Article I of this Order, to the extent known to the Comptroller as of the effective date of this Order. Nothing in the Stipulation or this Order, however, shall prevent the Comptroller from:

- (a) instituting enforcement actions other than a civil money penalty against the Bank based on the findings set forth in Article I of this Order;
- (b) instituting enforcement actions against the Bank based on any other findings;
- (c) instituting enforcement actions against the Bank's institution-affiliated parties based on the findings set forth in Article I of this Order, or any other findings; or
- (d) utilizing the findings set forth in Article I of this Order in future enforcement actions against the Bank or its institution-affiliated parties to establish a pattern or the continuation of a pattern.

Further, nothing in the Stipulation or this Order shall 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 10th day of November 2015.

S/Greg Coleman
Greg Coleman
Deputy Comptroller
Large Bank Supervision

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

In the Matter of:)	
)	
)	
Citizens Bank, National Association)	AA-EC-2015-58
Providence, Rhode Island)	
)	

**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 Citizens Bank, National Association, Providence, Rhode Island (“Bank”), pursuant to 12 U.S.C. § 1818(i), for the Bank’s violations of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45(a)(1), related to billing and marketing practices with regard to identity protection and debt cancellation 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 the Bank and all of 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 violations 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 violations described in Article I of the Consent Order, to the extent known to the Comptroller as of the effective date of the Consent Order. Nothing in this Stipulation or the Consent Order, however, shall prevent the Comptroller from:

- (a) instituting enforcement actions other than a civil money penalty against the Bank based on the findings set forth in Article I of the Consent Order;
- (b) instituting enforcement actions against the Bank based on any other findings;

- (c) instituting enforcement actions against the Bank's institution-affiliated parties based on the findings set forth in Article I of the Consent Order, or any other findings; or
- (d) utilizing the findings set forth in Article I of the Consent Order in future enforcement actions against the Bank or its institution-affiliated parties to establish a pattern or the continuation of a pattern.

Further, nothing in this Stipulation or the Consent Order shall 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), 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 Citizens Bank, National Association, Providence, Rhode Island, have hereunto set their hands on behalf of the Bank.

S/Mark Casady _____ 10/22/15 _____
Mark Casady Date

S/Christine M. Cumming _____ 10/21/15 _____
Christine M. Cumming Date

S/Anthony Di Iorio _____ 10/21/15 _____
Anthony Di Iorio Date

S/Robert Gillespie _____ 10/22/15 _____
Robert Gillespie Date

S/William P. Hankowsky _____ 10/22/15 _____
William P. Hankowsky Date

S/Howard W. Hanna, III _____ 10/21/15 _____
Howard W. Hanna, III Date

S/Leo I. Higdon _____ 10-16-15 _____
Leo I. Higdon Date

S/Charles J. Koch _____ 10/21/15 _____
Charles J. Koch Date

S/Arthur F. Ryan _____ 10/21/15 _____
Arthur F. Ryan Date

S/Shivan S. Subramaniam _____ 10/21/15 _____
Shivan S. Subramaniam Date

S/Bruce Van Saun _____ 10/21/15 _____
Bruce Van Saun Date

S/Wendy A. Watson _____ 10/21/15 _____
Wendy A. Watson Date

S/Marita Zuraitis _____ 10/21/15 _____
Marita Zuraitis Date

Accepted by:

THE COMPTROLLER OF THE CURRENCY

S/Greg Coleman

11/10/15

By:

Greg Coleman
Deputy Comptroller
Large Bank Supervision

Date