

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

**In the Matter of:** )  
 )  
U.S. Bank National Association )  
Cincinnati, Ohio )  
 )  
 )

AA-ENF-2023-64

**CONSENT ORDER**

**WHEREAS**, the Office of the Comptroller of the Currency (“OCC”) has supervisory authority over U.S. Bank National Association, Cincinnati, Ohio (“Bank”);

**WHEREAS**, the OCC intends to initiate civil money penalty proceedings against the Bank pursuant to 12 U.S.C. § 1818(i), through the issuance of a Notice of Assessment of a Civil Money Penalty, for engaging in unfair practices in violation(s) of Section 5 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 45(a)(1).

**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, by and through its duly elected and acting Board of Directors (“Board”), consents to the issuance of this Consent Order (“Order”), by the OCC through the duly authorized representative of the Comptroller of the Currency (“Comptroller”); and

**NOW, THEREFORE**, pursuant to the authority vested in the OCC by Section 8(i) of the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818(i), the OCC hereby orders that:

## ARTICLE I

### JURISDICTION

(1) The Bank is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2).

(2) The Bank is a national banking association within the meaning of 12 U.S.C. § 1813(q)(1)(A), and is chartered and examined by the OCC. *See* 12 U.S.C. § 1 *et seq.*

(3) The OCC is the “appropriate Federal banking agency” as that term is defined in 12 U.S.C. § 1813(q) and is therefore authorized to initiate and maintain this civil money penalty action against the Bank pursuant to 12 U.S.C. § 1818(i).

## ARTICLE II

### COMPTROLLER’S FINDINGS

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

(1) For several years, the Bank issued and administered prepaid debit cards to distribute unemployment insurance benefits to unemployment recipients on behalf of states, hereinafter referred to as the ReliaCard UI Program.

(2) In March 2020, millions became unemployed and Congress enacted the Coronavirus Aid, Relief, and Economic Security Act (CARES ACT), which created the new Pandemic Unemployment Assistance (PUA) benefit. The CARES Act and PUA expanded unemployment benefits eligibility and provided greater benefit amounts than previously available. As a result, the number of participants in the ReliaCard UI Program increased substantially, as did the volume of benefits issued by the states and distributed by the Bank. The Program also experienced an exponential increase in fraud.

(3) In response to rising rates of fraud in the ReliaCard UI Program, the Bank

increased fraud prevention measures in late August 2020, resulting in account freezes, which denied certain legitimate consumers access to the benefits loaded on prepaid cards until those consumers could validate their identities with the Bank.

(4) Deficiencies in the Bank's unfreeze process from August 2020 through at least March 2021 impeded many consumers' ability to authenticate their identity and regain access to their unemployment benefits through their ReliaCard UI accounts in a reasonable timeframe, typically taking weeks and sometimes even months.

(5) The deficiencies included instances where the Bank failed to timely notify consumers of the freezes to their accounts; the Bank's call center representatives provided consumers with unclear, inconsistent, or inaccurate guidance on the unfreeze process; and the Bank's process to unfreeze accounts resulted in errors and long delays.

(6) By reason of the foregoing conduct, the Bank engaged in unfair practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a)(1), which supports an action against the Bank under 12 U.S.C. § 1818(i)(2)(B).

(7) The Bank took steps to enhance its unfreeze process beginning in September 2020 and has subsequently undertaken corrective actions and has committed to remediate harmed consumers.

### **ARTICLE III**

#### **ORDER FOR A CIVIL MONEY PENALTY**

(1) The Bank shall make payment of a civil money penalty in the total amount of fifteen million (\$15 million), which shall be paid upon the execution of this Order.

(2) Such payment shall be made by a wire transfer sent in accordance with instructions provided by the OCC and the docket number of this case (AA-ENF-2023-64) shall

be entered on the wire confirmation. A copy of the wire confirmation shall be sent immediately, by overnight delivery, to the Director of Enforcement, Office of the Comptroller of the Currency, 400 7<sup>th</sup> Street, S.W., Washington, D.C. 20219 or by email to the address provided by the OCC.

#### **ARTICLE IV**

##### **WAIVERS**

- (1) The Bank, by executing and consenting to this Order, waives:
  - (a) any and all rights to the issuance of a Notice of Charges pursuant to 12 U.S.C. § 1818;
  - (b) any and all procedural rights available in connection with the issuance of this Order;
  - (c) any and all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818 and 12 C.F.R. Part 19;
  - (d) any and all rights to seek any type of administrative or judicial review of this Order;
  - (e) any and all claims for fees, costs, or expenses against the OCC, or any of its officers, employees, or agents related in any way to this enforcement matter or this 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 these proceedings, the consent to and/or the issuance of this Order, as the basis for a claim of double jeopardy in any pending or future proceedings 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 this Order.

## **ARTICLE V**

### **CLOSING**

(1) This Order is a settlement of the civil money penalty proceedings against the Bank contemplated by the OCC, based on the violations of law described in the Comptroller's Findings set forth in Article II of this Order. The OCC releases and discharges the Bank from all potential liability for a civil money penalty order that has been or might have been asserted by the OCC based on the violations described in Article II of this Order, to the extent known to the OCC as of the effective date of this Order. The OCC expressly reserves its right to assess additional civil money penalties or take other enforcement actions if the OCC determines that the Bank has continued, or failed to correct, violations described in Article II of this Order.

- (2) Nothing in this Order shall prevent the OCC from:
  - (a) instituting enforcement actions other than a civil money penalty order against the Bank based on the Comptroller's Findings set forth in Article II of this Order;
  - (b) instituting enforcement actions against the Bank based on any other findings, including the Bank's continuation of or failure to correct the violations described in Article II of this Order;
  - (c) instituting enforcement actions against institution-affiliated parties (as defined by 12 U.S.C. § 1813(u)) based on the Comptroller's Findings set forth in Article II of this Order, or any other findings; or

(d) utilizing the Comptroller’s Findings set forth in Article II 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.

(3) Nothing in this Order is 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.

(4) This Order is:

(a) an “order issued with the consent of the depository institution” within the meaning of 12 U.S.C. § 1818(h)(2);

(b) an “effective and outstanding . . . order” within the meaning of 12 U.S.C. § 1818(i)(1); and

(c) a “final order” within the meaning of 12 U.S.C. § 1818(i)(2) and (u).

(5) This Order is effective upon its issuance by the OCC, through the Comptroller’s duly authorized representative.

(6) This Order is not a contract binding on the United States, the United States Treasury Department, the OCC, or any officer, employee, or agent of the OCC and neither the Bank nor the OCC intends this Order to be a contract.

(7) No separate promise or inducement of any kind has been made by the OCC, or by its officers, employees, or agents, to cause or induce the Bank to consent to the issuance of this Order.

(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.

IN TESTIMONY WHEREOF, the undersigned, authorized by the Comptroller as his duly authorized representative, has hereunto set her signature on behalf of the Comptroller.

//s// Digitally Signed, Dated: 2023.12.19

---

Michael T. McDonald for Monica A. Freas  
Deputy Comptroller  
Large Bank Supervision

IN TESTIMONY WHEREOF, the undersigned, as the duly elected and acting Board of Directors of U.S. Bank National Association, Cincinnati, Ohio have hereunto set their signatures on behalf of the Bank.

/s/

December 12, 2023

\_\_\_\_\_  
Andrew Cecere

\_\_\_\_\_  
Date

/s/

December 12, 2023

\_\_\_\_\_  
Warner L. Baxter

\_\_\_\_\_  
Date

/s/

December 12, 2023

\_\_\_\_\_  
Dorothy J. Bridges

\_\_\_\_\_  
Date

/s/

December 12, 2023

\_\_\_\_\_  
Elizabeth L. Buse

\_\_\_\_\_  
Date

/s/

December 12, 2023

\_\_\_\_\_  
James L. Chosy

\_\_\_\_\_  
Date

/s/

December 12, 2023

\_\_\_\_\_  
Alan B. Colberg

\_\_\_\_\_  
Date

/s/

December 12, 2023

\_\_\_\_\_  
Kimberly N. Ellison-Taylor

\_\_\_\_\_  
Date

/s/

December 12, 2023

\_\_\_\_\_  
Kimberly J. Harris

\_\_\_\_\_  
Date



/s/

---

Ronald A. Hernandez

/s/

---

Richard P. McKenney

/s/

---

Yusuf I. Mehdi

/s/

---

Loretta E. Reynolds

/s/

---

Jodi L. Richard

/s/

---

John P. Wiehoff

/s/

---

Scott W. Wine

December 12, 2023

---

Date

December 12, 2023

---

Date

December 12, 2023

---

Date

December 12, 2023

---

Date

December 12, 2023

---

Date

December 12, 2023

---

Date

December 12, 2023

---

Date