

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

ADMINISTRATIVE PROCEEDING
File No. 2022-CFPB-0008

In the Matter of:

CONSENT ORDER

REGIONS BANK

The Consumer Financial Protection Bureau (Bureau) has reviewed the overdraft-fee practices of Regions Bank (Respondent or Bank, as defined below) and has identified the following law violations: the Bank committed unfair and abusive acts and practices when it charged overdraft fees on transactions that had a sufficient balance at the time the Bank authorized the transaction but then later settled with an insufficient balance (*i.e.*, “Authorized-Positive Overdraft Fees”). Under Sections 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.

Overview

1. Until July 2021, Respondent charged consumers overdraft fees for debit-card purchases and ATM withdrawals even when consumers had enough money in their accounts when they made those purchases or withdrawals if the transaction later settled with insufficient funds.
2. Respondent was aware that government agencies previously had found that one or more financial institutions violated the law when they charged these Authorized-Positive Overdraft Fees. Respondent could have stopped charging these fees sooner, but instead the Bank continued to charge them for years while it pursued changes to generate alternative fee revenue that would fully offset its expected revenue loss from eventually eliminating the Authorized-Positive Overdraft Fees. Ultimately, the Bank adopted revenue negative changes that included eliminating the Authorized-Positive Overdraft Fees in July 2021.
3. From August 2018 through July 2021, Respondent generated at least \$141 million in Authorized-Positive Overdraft Fees. These fees substantially harmed consumers.

4. Many of Respondent's consumers did not understand, nor could they reasonably avoid, these fees because they resulted from counter-intuitive, complex processes that are outside the control of the consumer.

II.

Jurisdiction

5. The Bureau has jurisdiction over this matter under Sections 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563 and 5565.

III.

Stipulation

6. Respondent has executed a "Stipulation and Consent to the Issuance of a Consent Order," dated September 27, 2022 (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.

IV.

Definitions

7. The following definitions apply to this Consent Order:

- a. “Affected Consumers” includes all consumers who were assessed any Authorized-Positive Overdraft Fee between August 1, 2018 and July 14, 2021.
- b. “Authorized-Positive Overdraft Fee” means an Overdraft Fee assessed on an Authorized-Positive Overdraft Transaction.
- c. “Authorized-Positive Overdraft Transaction” means a transaction for which the customer’s account had sufficient available funds for the transaction at the time that Respondent authorized the transaction, but lacked sufficient available funds when the transaction later settled.
- d. “Board” means Respondent’s duly-elected and acting Board of Directors.
- e. “Effective Date” means the date on which the Consent Order is entered on the administrative docket.
- f. “Enforcement Director” means the Assistant Director of the Office of Enforcement for the Consumer Financial Protection Bureau, or his or her delegate.
- g. “Overdraft Fees” include (1) fees that Respondent assesses for items that Respondent pays on a customer’s behalf when a checking account does not have sufficient available funds at settlement; and (2) fees that Respondent assesses when Respondent draws funds from a linked

account to cover items when the checking account does not have sufficient available funds at settlement (“Overdraft Protection Transfer Fees”).

- h. “Regional Director” means the Regional Director for the Southeast Region for the Office of Supervision Examination for the Consumer Financial Protection Bureau, or his or her delegate.
- i. “Related Consumer Action” means a private action by or on behalf of one or more consumers or an enforcement action by another governmental agency brought against Respondent based on substantially the same facts as described in Section V of this Consent Order.
- j. “Relevant Period” is August 1, 2018 to July 14, 2021.
- k. “Respondent” means Regions Bank and its successors and assigns.

V.

Bureau Findings and Conclusions

The Bureau finds the following:

- 8. Respondent is an insured depository institution with assets greater than \$10,000,000,000 within the meaning of 12 U.S.C. § 5515(a).
- 9. Respondent is a “covered person” under 12 U.S.C. § 5481(6).

Respondent's Overdraft Practices

10. When a consumer uses their debit card, the merchant normally sends the transaction to Respondent for authorization. If the consumer has sufficient available funds at that time, Respondent authorizes the transaction and the consumer makes the purchase.
11. After Respondent authorizes the debit-card transaction, the merchant sends the transaction to Respondent for settlement (*i.e.*, payment to the merchant) at a later time. Debit-card transactions where the consumer enters their PIN number (“PIN-based transactions”) and ATM transactions generally settle on the night that the transaction occurred. Debit-card transactions where the consumer signs rather than enters their PIN (“signature-based transactions”), on the other hand, typically settle one-to-three days later. Consumers do not control, and have no way to know, when a particular transaction they executed will settle because the merchant controls this process.
12. Each night, Respondent processes the transactions received from merchants that day for settlement (which is also referred to as “posting”). Until July 2021, after reducing the customer’s balance by the amount of pending transactions, Respondent settled all credits, followed by debits in different batches. Effective July 14, 2021 Regions has settled all credits first, followed by all debits in near chronological order.

13. During its nightly settlement process, Respondent would assess a \$36 overdraft fee if a transaction had insufficient available funds at the time it settled (or a \$12–\$15 overdraft fee if Respondent drew funds from a consumer’s linked account, such as a savings account, to try to avoid an overdraft).

Respondent charged Authorized-Positive Overdraft Fees.

14. During the Relevant Period, Respondent would charge an overdraft fee at settlement even if the consumer had enough money in their account when they made the purchase (*i.e.*, Authorized-Positive Overdraft Fees).
15. For example, a consumer starts with \$100 in their checking account. The consumer makes five \$10 purchases with their debit card. The next day, a \$120 check that the consumer wrote posts to their account, bringing the consumer’s account negative and incurring a \$36 overdraft fee. On day three, the five debit-card purchases settle, and all five of them also incur overdraft fees for a total of \$180 in fees—specifically Authorized-Positive Overdraft Fees—even though the consumer had sufficient funds when they made the debit-card purchases and did not know or control when the debit-card purchases would settle.

16. During the Relevant Period, Respondent's consumers paid at least \$141 million in Authorized-Positive Overdraft Fees. Respondent has not reimbursed consumers these fees.

Consumers did not expect Authorized-Positive Overdraft Fees.

17. Many consumers did not understand Regions' overdraft practices or how to reasonably avoid Authorized-Positive Overdraft Fees—and the Bank knew this.
18. In a 2016 survey of Respondent's associates, nearly seven hundred associates identified overdraft/non-sufficient funds fees as the hardest problem to resolve with consumers.
19. Many of these associates explained that consumers checked their balance when they made a purchase but unexpectedly received overdraft fees because they did not understand how the fees were assessed.
20. Associates explained, for example, that overdraft fees are the hardest issue to resolve with consumers because:
 - a. "At times customers will have issues with overdraft because they check their [online balance] before making a purchase and the funds are available, but once everything posts they are charged an overdraft fee. . . Explaining to a customer why they received the fee is hard

because they KNOW they checked their balance before making their purchase and it showed the funds available.”

- b. “Customers are provided the mobile app and online banking as a tool to help them keep up with their balance/available balance but the available balance shown to them is not always their true balance. So then they come in the branch and we show them a report that they do not have access to showing the TRUE order items were posted in and their TRUE balance at that time. They always complain that they should be able to see things the way we are able to see them here at the branch.”
- c. “A fee is [assessed] according to how transactions are posted. . . But I am told that when the balance was checked it showed available funds.”
- d. “A lot of customers use the automated system for their balance and simply do not understand the posting process clearly enough therefore they [overdraft]. I try to explain but it really confuses a lot of them.”
- e. “[S]ometimes the way they are incurred make no sense to me, much less the customer.”
- f. “Clients do not understand posting balance and a running balance. . . they think when they use their debit cards it is paid right then. . .”

- g. "Explaining to the customer why their online banking shows the funds were available and then when it posts the customer receives an overdraft charge. We give the customer the transaction history and they reply they don't understand because online banking showed them something different."
 - h. "Funds availability at time debit card transaction is conducted shows available on customer online and then posting shows overdraft especially on weekend transactions."

21. A series of consumer and associate focus groups in 2020 found similar results. Respondent found, for example, that consumers "who are digitally active are checking their account online quickly to . . . [u]nderstand their current balance available to spend at that moment." But "most customers do not understand posting order," and as one associate explained, "[t]here's a big misconception with a lot of clients that what they see online is their true balance, and it's not. It's just what they have at that moment, it's not really what's available. . . . It's not transparent. . . . it can look deceiving to a customer."

22. Consumer complaints to the Bureau also indicate that consumers tried to monitor their balance but unexpectedly received overdraft fees. Examples include:

- a. “I went to the ATM on 01/10/19 and withdrew \$120. At that time the ATM advised me I would be overdrawing my account. . . I have 5 pending debit card transactions on my account at the same time. Even though the funds were being “held” and not at all accessable [sic] to me, I was charged FIVE NSF fees at \$36 each. This left my account at \$-215. . . . I went to the branch and spoke with a woman on 01/28/19 in an attempt to understand how I can be charged if my money is being held already. She said it’s all based on when the transactions post. What does that have to do with anything? When I swiped my card the funds were there and being held. . . . How is this legal?”
- b. “Being a first time, single mother, I had to make the decision to use my overdraft protection. I check my balance before every transaction so I knew that I would be over drafting that transaction but the \$36 dollar fee was worth it to keep my son in daycare for the week. Especially when I would be getting paid in a couple of days and it would all even out. No big deal. Imagine my surprise when I checked my balance and it was more than 400 dollars in the negative. Apparently, Regions decided to reorder transactions for the past few days to incur overdraft charges on 10 transactions instead of just the one transaction. This resulted in \$360 in overdraft charges. Instead of \$36. When my paycheck hit my account, it was ENTIRELY gone because of this. That was money to pay bills and feed my baby.”

Federal bank regulators repeatedly informed banks that various Authorized-Positive Overdraft Fees violate federal law.

23. In a supervisory highlights document published in early 2015, the Bureau explained that one or more institutions had acted unfairly and deceptively when they charged certain Authorized-Positive Overdraft Fees:

Examiners also observed at one or more institutions the following sequence of events . . . a financial institution

authorized an electronic transaction, which reduced a customer's available balance but did not result in an overdraft at the time of authorization; settlement of a subsequent unrelated transaction that further lowered the customer's available balance and pushed the account into overdraft status; and when the original electronic transaction was later presented for settlement, because of the intervening transaction and overdraft fee, the electronic transaction also posted as an overdraft and an additional overdraft fee was charged. Because such fees caused harm to consumers, one or more supervised entities were found to have acted unfairly when they charged fees in the manner described above. Consumers likely had no reason to anticipate this practice, which was not appropriately disclosed. They therefore could not reasonably avoid incurring the overdraft fees charged. Consistent with the deception findings summarized above, examiners found that the failure to properly disclose the practice of charging overdraft fees in these circumstances was deceptive.

24. In a November 2016 presentation by federal banking regulators on complying with consumer-protection law, the Bureau reiterated the findings from its supervisory highlights, while the Federal Reserve's portion of the presentation stated: "Unfair practice: Assessing an overdraft fee based on the available balance at the time a transaction is posted when there were sufficient funds in the available balance to cover the transaction when it was authorized."
25. Then in July 2018, the Federal Reserve, in a supervisory bulletin, again observed that a bank had violated the law when it charged Authorized-Positive Overdraft Fees: an "[unfair or deceptive act or practice ("UDAP")]

violation occurred when a bank-imposed overdraft fees on POS transactions based on insufficient funds in the account's available balance at the time of posting, even though the bank had previously authorized the transaction based on sufficient funds in the account's available balance when the consumer entered into the transaction." The Federal Reserve further explained that banks could identify and manage their legal risk by, among other things, "refrain[ing]" from assessing such "unfair overdraft fees."

26. And in a supervisory highlights published in June 2019, the FDIC gave examples of steps institutions had taken to mitigate overdraft risk, including "when using an available balance method, ensuring that any transaction authorized against a positive available balance does not incur an overdraft fee, even if the transaction later settles against a negative available balance."

Respondent continued charging Authorized-Positive Overdraft Fees while it pursued alternatives to make up for its expected revenue loss.

27. By July 2019, Respondent's senior executives decided to cease charging Authorized-Positive Overdraft Fees, but delayed implementation of this decision until the Bank made changes to its posting order, which at the time, were expected to generate new overdraft fees that would fully offset the expected revenue loss from eliminating Authorized-Positive Overdraft Fees. Ultimately, the Bank elected to implement a different posting order where

all credits post first followed by all debits in near chronological order. The net of all made changes was revenue negative.

28. The Bank made this decision to wait despite being informed by its compliance staff that eliminating Authorized-Positive Overdraft Fees before making the other changes presented less compliance risk “by implementing corrective action of a known issue with timeliness and urgency,” since “[r]egulators have opined on the UDA(A)P risk associated with charging” Authorized-Positive Overdraft Fees.
29. The compliance staff explained that, if Regions waited to stop charging Authorized-Positive Overdraft Fees, regulators “will likely expect” Respondent “to refund[] customers who received overdraft fees prior to the posting order change.”

Respondent’s assessment of Authorized-Positive Overdraft Fees was unfair.

30. During the Relevant Period, Respondent assessed overdraft fees on transactions where consumers had sufficient funds when they executed the transactions.
31. Respondent’s assessment of Authorized-Positive Overdraft Fees caused substantial injury because consumers paid at least \$141 million in such fees during the Relevant Period.

32. Authorized-Positive Overdraft Fees were not reasonably avoidable because they were caused by counter-intuitive, complex processes that consumers did not understand or control and were contrary to consumers' reasonable expectations.
33. The substantial injury caused by Respondent's assessment of Authorized-Positive Overdraft Fees was not outweighed by countervailing benefits to consumers or competition.
34. Respondent's assessment of Authorized-Positive Overdraft Fees constituted unfair acts or practices in violation of Sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531(a) and (c)(1), and 5536(a)(1)(B).

Respondent's assessment of Authorized-Positive Overdraft Fees was abusive.

35. During the Relevant Period, Respondent assessed overdraft fees on transactions for which consumers had sufficient funds when they executed the transaction.
36. Due to Respondent's counter-intuitive, complex transaction processing, many consumers did not understand Respondent's overdraft practices or expect Authorized-Positive Overdraft Fees.
37. Respondent took unreasonable advantage of this lack of understanding by assessing at least \$141 million in Authorized-Positive Overdraft Fees during the Relevant Period.

38. Respondent's acts and practices constituted abusive acts or practices in violation of Sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531(a) and (d)(2)(A) and 5536(a)(1)(B).

CONDUCT PROVISIONS

VI.

Prohibited Conduct

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

39. Respondent and its officers, agents, servants, and employees who have 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, by assessing an overdraft fee on a transaction when the balance used to assess an overdraft fee was sufficient at the time the Bank authorized the transaction.

VII.

Role of the Board

IT IS FURTHER ORDERED that:

40. The Board must review all submissions (including plans and reports) required by this Consent Order prior to submission to the Bureau.
41. Although this Consent Order requires Respondent to submit certain documents for review or non-objection by the Enforcement Director or

Regional Director, the Board will have the ultimate responsibility for proper and sound management of Respondent and for ensuring that Respondent complies with the laws that the Bureau enforces, including Federal consumer financial laws and this Consent Order.

42. In each instance that this Consent Order requires the Board to ensure adherence to, or perform certain obligations of Respondent, the Board must:
 - a. Authorize whatever actions are necessary for Respondent to fully comply with the Consent Order;
 - b. Require timely reporting by management to the Board on the status of compliance obligations; and
 - c. Require timely and appropriate corrective action to remedy any material non-compliance with Board directives related to this Section.

MONETARY PROVISIONS

VIII.

Order to Pay Redress

IT IS FURTHER ORDERED that:

43. Within 10 days of the Effective Date, Respondent must reserve or deposit into a segregated deposit account not less than \$141,000,000 for the purpose of providing redress to Affected Consumers as required by this Section.

44. Respondent must redress all Affected Consumers for all unreimbursed Authorized-Positive Overdraft Fees except:
- a. Authorized-Positive Overdraft Fees that were included in account balances that were charged off when the customer's account was closed, provided that Respondent does not or did not sell or attempt to collect any debt related to the Authorized-Positive Overdraft Fees;
 - b. Authorized-Positive Overdraft Fees on transactions for which there were insufficient available funds at authorization for the amount of the final purchase, such as purchases that were authorized for \$0 and for which there were insufficient available funds at the time of authorization for the amount of the product purchased;
 - c. Overdraft Protection Transfer Fees that would have been assessed even if no Authorized-Positive Overdraft Transactions had occurred on the day the Overdraft Protection Transfer Fee was assessed; and
 - d. Authorized-Positive Overdraft Fees that displaced other overdraft or non-sufficient funds fees that would have occurred but for Respondent's daily cap on such fees.
45. Respondent must reimburse Affected Consumers by direct deposit whenever feasible. Whenever direct deposit is not feasible, Respondent must reimburse Affected Consumers by paper check.

46. 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.

47. The Redress Plan must:
- a. Describe the methodology Respondent proposes to use to identify Affected Consumers and the amount of redress to be provided to each Affected Consumers;
 - b. Identify the amount of redress that would be provided to each Affected Consumer under the methodology described in subsection (a);
 - c. Describe how Respondent proposes to remediate Affected Consumers, including how Respondent proposes to identify current mailing

- addresses for Affected Consumers for whom redress by direct deposit is not feasible, which must include reasonable efforts to identify current addresses prior to mailing redress checks and once any redress checks are returned as undeliverable; and
- d. Specify that Respondent will provide a notification explaining that Respondent's redress payment is in accordance with the terms of this Consent Order and provide an exemplar of this notification.
48. Respondent must provide the redress and notification described in this section within 60 days of the Enforcement Director's non-objection to the Redress Plan.
49. Within 30 days of the completion of the Redress Plan, if the amount of redress provided to Affected Consumers is less than the redress amount identified in the Redress Plan to which the Bureau non-objects, 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 the amount of redress identified in the Redress Plan to which the Bureau non-objects.
50. 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 as disgorgement. Respondent will have no right to challenge any actions that the Bureau or its representatives may take under this Section.

51. 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:

52. Under § 1055(c) of the CFPA, 12 U.S.C. § 5565(c), by reason of the violations of law described in Section V of this Consent Order, Respondent must pay a civil money penalty of \$50,000,000 to the Bureau.
53. 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.
54. 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).

55. 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.
56. 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:

57. 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.
58. 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.
59. Under 31 U.S.C. § 7701, Respondent, unless it already has done so, must furnish to the Bureau its taxpayer-identification numbers, which may be used for purposes of collecting and reporting on any delinquent amount arising out of this Consent Order.
60. Within 30 days of the entry of a final judgment, consent order, or settlement in a Related Consumer Action, Respondent must notify the Regional

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:

61. 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.

62. Within 7 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;
63. Respondent must report any change in the information required to be submitted under Paragraph 61 at least 30 days before the change or as soon as practicable after the learning about the change, whichever is sooner.
64. Within 90 days of the Effective Date, and again one year after the Effective Date, Respondent must submit to the Regional Director an accurate written compliance progress report (Compliance Report) that has been approved by the Board, sworn to under penalty of perjury, which, at a minimum:
 - a. lists each applicable paragraph and subparagraph of the Order and describes in detail the manner and form in which Respondent has complied with each such paragraph and subparagraph of the Consent Order;
 - b. describes in detail the manner and form in which Respondent has complied with the Redress Plan; and
 - c. attaches a copy of each Order Acknowledgment obtained under Section XII, unless previously submitted to the Bureau.

XII.

Order Distribution and Acknowledgment

IT IS FURTHER ORDERED that:

65. Within 7 days of the Effective Date, Respondent must submit to the Regional Director an acknowledgment of receipt of this Consent Order, sworn under penalty of perjury.
66. Within 30 days of the Effective Date, Respondent must deliver a copy of this Consent Order to each of its board members and senior executive officers, as well as to any managers, employees, service providers, or other agents and representatives who have responsibilities related to the subject matter of the Consent Order.
67. 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 senior executive officers, as well as to any managers, employees, Service Providers, or other agents and representatives who will have responsibilities related to the subject matter of the Consent Order before they assume their responsibilities.
68. Respondent must secure a signed and dated statement acknowledging receipt of a copy of this Consent Order, ensuring that any electronic signatures

comply with the requirements of the E-Sign Act, 15 U.S.C. § 7001 *et seq.*, within 30 days of delivery, from all persons receiving a copy of this Consent Order under this Section.

69. Within 90 days of the Effective Date, Respondent must provide the Bureau with a list of all persons and their titles to whom this Consent Order was delivered through that date under Paragraphs 66–67 and a copy of all signed and dated statements acknowledging receipt of this Consent Order under Paragraph 68.

XIII.

Recordkeeping

IT IS FURTHER ORDERED that:

70. Respondent must create and retain the following business records:
 - a. all documents and records necessary to demonstrate full compliance with each provision of this Consent Order, including all submissions to the Bureau; and
 - b. all documents and records pertaining to the Redress Plan, including but not limited to all data and information that Respondent relied on to identify Affected Consumers and determine the amount of redress to be provided to each Affected Consumer.

71. Respondent must make the documents identified in Paragraph 70 available to the Bureau upon the Bureau's request.

XIV.

Notices

IT IS FURTHER ORDERED that:

72. 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 Regions Bank*, File No. 2022-CFPB-0008," and send them by overnight courier or first-class mail to the appropriate address below and contemporaneously by email to Enforcement_Compliance@cfpb.gov:

Regional Director, Bureau Southeast Region
Consumer Financial Protection Bureau
Peachtree Summit Federal Building
401 West Peachtree Street NW, Suite 3000
Atlanta, GA 30308

XV.

Compliance Monitoring

IT IS FURTHER ORDERED that:

73. 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.

74. Respondent must permit Bureau representatives to interview any employee or other person affiliated with Respondent who has agreed to such an interview regarding: (a) this matter; (b) anything related to or associated with the conduct described in Section V; or (c) compliance with the Consent Order. The person interviewed may have counsel present.
75. 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.

XVI.

Modifications to Non-Material Requirements

IT IS FURTHER ORDERED that:

76. 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 Regional Director.
77. The Regional Director may, in his or her discretion, modify any non-material requirements of this Consent Order (*e.g.*, reasonable extensions of time and changes to reporting requirements) if he or she determines good

cause justifies the modification. Any such modification by the Regional Director must be in writing.

ADMINISTRATIVE PROVISIONS

XVII.

IT IS FURTHER ORDERED that:

78. 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 79 immediately below. 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.
79. The Bureau releases and discharges Respondent from all potential liability for law violations that the Bureau has or might have asserted based on the practices described in Section V of this Consent Order, to the extent such practices occurred before the Effective Date and the Bureau knows about them as of the Effective Date. The Bureau may use the practices described in this Consent Order in future enforcement actions against Respondent and its affiliates, including, without limitation, to establish a pattern or practice of violations or the continuation of a pattern or practice of violations or to calculate the amount of any penalty. This release does not preclude or affect

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

80. 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.
81. This Consent Order will remain effective and enforceable, except to the extent that, and until such time as, any provisions of this Consent Order have been amended, suspended, waived, or terminated in writing by the Bureau.
82. Calculation of time limitations will run from the Effective Date and be based on calendar days, unless otherwise noted.
83. 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.
84. 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.

85. 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.
86. Nothing in this Consent Order or the accompanying Stipulation may be construed as allowing Respondent, its Board, officers, or employees to violate any law, rule, or regulation.

IT IS SO ORDERED, this 28th day of September, 2022.

Rohit Chopra
Rohit Chopra
Director
Consumer Financial Protection Bureau