

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

ADMINISTRATIVE PROCEEDING
File No. 2023-CFPB-0014

In the Matter of:

CONSENT ORDER

ENOVA INTERNATIONAL, INC.

The Consumer Financial Protection Bureau (Bureau) has reviewed the payment processing acts and practices of Enova International, Inc.'s (Respondent) CashNetUSA and NetCredit businesses and identified violations of the Consent Order resolving *In the Matter of Enova Int'l, Inc.*, File No. 2019-BCFP-0003 (Jan. 25, 2019) (2019 Order), which constitute violations of the Consumer Financial Protection Act (CFPA), 12 U.S.C. § 5536(a)(1)(A). The Bureau has also identified violations of sections 1031 and 1036 of the CFPA, 12 U.S.C. §§ 5531, 5536. Under sections 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563, 5565, the Bureau issues this Consent Order, which supersedes the 2019 Order.

I.**Overview**

1. Respondent is an online lender that extends unsecured installment loans and lines of credit to consumers. Until 2022, it also extended unsecured payday loans to consumers.
2. On January 25, 2019, the Bureau issued the 2019 Order, in which the Bureau found that Respondent engaged in unfair acts or practices in violation of the CFPB by using consumer bank account information it obtained from loan applications purchased from Lead Generators to overwrite consumer bank account information related to consumers' outstanding loans that Enova maintained in its systems, and by failing to honor loan extensions it had granted to consumers. The 2019 Order required Respondent to pay a civil money penalty and abide by certain conduct provisions.
3. After entry of the 2019 Order, the Bureau conducted an investigation of Respondent's compliance with the 2019 Order and found that Respondent violated the 2019 Order by continuing to engage in this behavior. Respondent debited or attempted to debit funds from consumers' bank accounts without permission. Respondent also failed to honor loan extensions it had promised to numerous payday consumers and failed to

provide numerous consumers with copies of the authorizations they had provided to Enova to debit funds from their bank accounts. In sum, the investigation identified violations of federal consumer protection law that involved over 111,000 consumers. The Bureau’s investigation also revealed that, going back to 2011, Respondent debited consumers’ accounts without permission and failed to honor loan extensions in additional ways that were not known to the Bureau at the time of the 2019 Order.

II.

Jurisdiction

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

III.

Stipulation

5. Respondent has executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated November 13, 2023 (Stipulation), which is incorporated by reference and is accepted by the Bureau. By this Stipulation, Respondent has consented to the issuance of this Consent Order by the Bureau under sections 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

6. The following definitions apply to this Consent Order:
 - a. "Affected Consumer" means any consumer from whose accounts Respondent debited funds without express informed consent in connection with any of the Specified Acts and Practices.
 - b. "Assisting Others" includes, but is not limited to:
 - i. consulting in any form whatsoever;
 - ii. performing customer-service functions, including but not limited to receiving or responding to consumer complaints;
 - iii. formulating or providing, or arranging for the formulation or provision of, any advertising or marketing material, including but not limited to web or Internet Protocol addresses or domain-name registration for any internet websites, affiliate-marketing services, or media-placement services;

- iv. providing names of, or assisting in the generation of, potential customers;
 - v. performing marketing, billing, or payment services of any kind; and
 - vi. acting or serving as an owner, officer, director, manager, or principal of any entity.
- c. “Board” means Respondent’s duly elected and acting Board of Directors or a designated committee thereof.
- d. “Closed-end Credit” is synonymous in meaning and equal in scope to the definition of the term in Regulation Z, 12 C.F.R. § 1026.2(a)(10), as of the Effective Date, and means consumer credit other than Open-end Credit.
- e. “Consumer Financial Product or Service” is synonymous in meaning and equal in scope to the definition of the term in the CFPA, 12 U.S.C. § 5481(5), and, subject to applicable restrictions contained in the CFPA, includes but is not limited to: (i) extending credit and servicing loans, including acquiring, purchasing, selling, brokering, or other extensions of credit (other than solely extending commercial credit to a person who originates consumer credit transactions); and

- (ii) collecting debt related to any consumer financial product or service.
- f. “Consumer Information” means personal identifying information from or about an individual consumer obtained in connection with the consumer’s application for or receipt of a Covered Loan from Respondent prior to the Effective Date, including a consumer’s:
- i. first and last name;
 - ii. home or other physical address, including street name and name of city or town;
 - iii. email address or other online contact information, such as an instant messaging user identifier or a screen name;
 - iv. telephone number;
 - v. Social Security number;
 - vi. driver’s license or other government-issued identification number;
 - vii. financial institution account number; and
 - viii. credit or debit card information.

“Consumer Information” does not include information obtained in connection with the consumer’s application for or receipt of a loan from Respondent other than a Covered Loan or pre-populated by

Respondent in an application initiated by the consumer for a loan other than a Covered Loan.

- g. “Covered Loans” means Closed-end Credit that is extended to a consumer primarily for personal, family, or household purposes that either:
 - i. does not provide for multiple advances to consumers and the consumer is required to repay substantially the entire amount of the loan within 45 days of consummation; or
 - ii. does provide for multiple advances to consumers and the consumer is required to repay substantially the entire amount of any advance within 45 days of the advance.
- h. “Effective Date” means the date on which the Consent Order is entered on the administrative docket.
- i. “Enforcement Director” means the Assistant Director of the Office of Enforcement of the Consumer Financial Protection Bureau, or his or her delegate.
- j. “Lead” is personally identifiable information supplied by a consumer in connection with solicitation for a consumer-financial product or service.

- k. “Lead Generators” are persons who solicit Leads from consumers and transmit that information to a third party in connection with a consumer-financial product or service.
- l. “Open-end Credit” is synonymous in meaning and equal in scope to the definition of the term in Regulation Z, 12 C.F.R. § 1026.2(a)(20), as of the Effective Date, and means consumer credit extended by a creditor under a plan in which: (i) The creditor reasonably contemplates repeated transactions; (ii) The creditor may impose a finance charge from time to time on an outstanding unpaid balance; and (iii) The amount of credit that may be extended to the consumer during the term of the plan (up to any limit set by the creditor) is generally made available to the extent that any outstanding balance is repaid.
- m. “Supervision Director” means the Assistant Director of the Office of Supervision Policy for the Consumer Financial Protection Bureau, or his or her delegate.
- n. “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.

- o. “Respondent” means Enova International, Inc., its subsidiary entities doing business under the brand names CashNetUSA and NetCredit, and its successors and assigns.
- p. “Specified Acts and Practices” means the acts or practices described in Section V of this Consent Order, but excludes the acts and practices described in Paragraphs 65 to 69 of this Order.

V.

Bureau Findings and Conclusions

The Bureau finds the following:

- 7. Respondent is a nonbank Delaware corporation with its principal place of business in Chicago, Illinois. Respondent is an online lender that extends or arranges unsecured installment loans and lines of credit to consumers in thirty-seven states through its CashNetUSA- (CNU) or NetCredit-branded subsidiaries. Until 2022, Respondent also extended unsecured payday loans to consumers through its CNU-branded subsidiaries.
- 8. Respondent is a covered person subject to the Bureau’s authority because it offers or provides consumer financial products or services as defined by the

CFPA. 12 U.S.C. § 5481(5), (6)(A). Specifically, Respondent extends credit and services loans offered to consumers primarily for personal, family, or household purposes. 12 U.S.C. § 5481(15)(A)(i).

9. On January 25, 2019, the Bureau issued the 2019 Order, which addressed Respondent's unfair acts or practices in violation of the CFPA.
10. In the 2019 Order, the Bureau found that Respondent violated the CFPA in two ways: by debiting consumers' bank accounts without authorization and failing to honor loan extensions it had granted to consumers.
11. The 2019 Order required Respondent to pay a \$3.2 million civil money penalty.
12. The 2019 Order also imposed conduct provisions, including certain provisions designed to protect consumers. Those provisions prohibited Respondent from:
 - Debiting or attempting to debit any consumer's bank account without having obtained the consumer's express informed consent;
 - Making or initiating electronic fund transfers from a consumer's bank account on a recurring basis without obtaining a valid authorization signed or similarly authenticated from the consumer for preauthorized electronic fund transfers from that particular bank account and providing to the consumer a copy of the authorization signed or

- similarly authenticated by the consumer for preauthorized electronic fund transfers from the consumer's account;
- Failing to honor loan extensions granted to consumers; and
 - Debiting the full payment instead of a loan extension fee to consumers granted a loan extension.
13. As described below, Respondent violated the 2019 Order, and in some instances, also engaged in unfair and/or deceptive conduct in violation of the CFPB in connection with those violations of the Order.

Unauthorized Debiting Acts and Practices

14. Lead Generator Issue: Among other things, the 2019 Order addressed the problem of Enova debiting payments from bank accounts without consumers' permission. To find new customers, Enova regularly purchased Leads from Lead Generators that included consumers' bank account information. However, some of these consumers already had existing loans with Enova. Although many of these consumers were paying Enova from bank accounts that were different from the accounts the consumers supplied to Lead Generators, Enova substituted the consumers' bank account on file with the account information obtained from the Lead Generators without authorization and without even informing the consumers. Enova then debited funds from these bank accounts that consumers had not authorized it

to use. The 2019 Order therefore prohibited Enova from debiting or attempting to debit any consumer's bank account without having obtained the consumer's express informed consent.

15. After the 2019 Order issued, Enova continued to obtain consumer bank account information from Lead Generators and launched a project to route its Leads through a newly developed proprietary framework that was intended to, among other outcomes, generate more profitable decisions on extending loan offers to consumers. At the time the new process launched in 2020, no one at Enova had checked to determine whether the new process would overwrite existing consumer bank account information, as it had before. As a result, from July to August 2020, Respondent again overwrote certain existing consumers' bank account information with the bank account information in the Leads it purchased from Lead Generators. As a result, Respondent debited or attempted to debit 356 consumers' payments from bank accounts without consumers' permission or express informed consent.
16. Respondent self-identified this violation and represents that it provided over \$79,000 in remediation to consumers affected by this act or practice.
17. Debit Card Processing Issue: Respondent used a third-party vendor to enable its customer service representatives (CSRs) to process debit-card payments during phone calls with its consumers. As early as 2013 through 2019, the

vendor would at times report to Respondent's CSRs that a consumer's debit-card payment failed to process when the payment had, in fact, processed. The CSRs would then reprocess the payment, in some cases up to four additional times, until there was no error message, each potentially resulting in Respondent taking a duplicative payment from the consumer's account. Respondent received consumer complaints about this issue, but it treated these complaints as isolated and failed to identify it as a systemic problem impacting 1,378 consumers.

18. Respondent represents that it provided over \$457,000 in remediation to consumers affected by this act or practice.
19. **Idaho Issue:** In early August 2019, Respondent debited or attempted to debit 156 CNU consumers in Idaho one-to-three times more than the consumers had authorized due to a coding error with its internal systems. The coding error caused Respondent's system to not recognize when a minimum payment had been created on a previous day, causing the system to create new payments. Respondent debited or attempted to debit these new payments without consumers' express informed consent, leading to duplicative payments and potential overdrafts of consumers' accounts. Enova self-identified that this issue had occurred within one week of it first occurring.

20. Respondent represents that it provided over \$35,000 in remediation to consumers affected by this act or practice.
21. Re-presentment Issue: Re-presents are failed debits that are resubmitted at a later time. From 2016 to 2019, flaws in Respondent's system logic resulted in it erroneously processing re-presents after consumers had already made or scheduled an intervening payment that the consumer may have intended to satisfy the failed debit. As a result, in 1,625 instances, Respondent likely debited or attempted to debit 1,587 unique consumers twice for the same payment without the consumers' express informed consent.
22. Respondent represents that it provided over \$186,000 in remediation to consumers affected by this act or practice.
23. PDPP Issue: From 2020 to 2021, Respondent mishandled the payment application for 54 CNU installment-loan consumers in Delaware, Ohio, and Texas by applying those consumers' payments for upcoming installment-loan obligations to future Pre-Default Payment Plan (PDPP) obligations. This misapplication of loan payments caused Respondent's automatic payment generation system to debit or attempt to debit those consumers for payments they had already made.

24. Respondent represents that it provided over \$6,000 in remediation to consumers affected by this act or practice.
25. Unexpected Generated Payments Issue: From 2015 to 2020, Respondent's internal systems did not accurately record certain installment-loan payments for 39 consumers when the consumer had a past-due balance. This failure caused Respondent to improperly generate a duplicative debit for that same payment.
26. Respondent represents that it provided over \$3,000 in remediation to consumers affected by this act or practice.
27. Self-Service Due Date Adjustment Issue: In 2020, in response to the COVID-19 pandemic, Respondent began to offer CNU line-of-credit and installment-loan consumers the "Self-Service Due Date Adjustment" (SSDDA) feature, which permitted consumers to adjust their payment due dates on CNU's online portal without having to contact a CSR. After consumers used the SSDDA feature to adjust their due date, Respondent represented to the consumers, through the portal, that their new due date was "confirmed." Respondent also sent confirmation emails telling consumers that the relevant payment was "now due" on the date the consumer had selected. In 309 instances, Respondent's systems nonetheless caused it to debit or attempt to debit, without consumers' express informed consent, 296

consumers who had adjusted their payment using the SSDDA feature. Two issues caused this to occur. First, Enova’s code failed to register certain consumers’ modification of their payment due date. Second, Enova’s online portal allowed consumers to select the SSDDA option even if their upcoming minimum payment had already been irreversibly generated. Although Enova received complaints about these unauthorized debits relatively soon after the SSDDA feature began, it took three months for Enova to identify that it was a systemic problem.

28. Respondent represents that it provided over \$36,000 in remediation to consumers affected by this act or practice.
29. Skip Statements Issue: In 2020, in response to the COVID-19 pandemic, Respondent began to offer CNU line-of-credit consumers a “Skip Statement” feature, which permitted such consumers to skip their next periodic minimum payment. When processing Skip Statements, CSRs told approved consumers that they would skip a payment with no minimum payment due. Respondent nonetheless debited or attempted to debit, without express informed consent, 116 consumers who had adjusted their payment using the Skip Statement feature. Two issues caused this to occur. First, in some instances CSRs arranging a skip statement on calls with consumers failed to cancel an already-generated payment. Second, Enova’s systems

failed to process a skip statement if the requesting consumer was past-due. Although consumers complained to Enova about these unauthorized debits in the first weeks after Enova began offering the feature, it took Enova four months to identify that it was a systemic problem.

30. Respondent represents that it provided over \$13,000 in remediation to consumers affected by this act or practice.
31. Incorrect amounts due: Respondent debited or attempted to debit numerous consumers for the incorrect minimum amount due and fees that it calculated incorrectly and assessed consumers for interest and fees that were not due under the terms of their loan agreements. Respondent asserted on the periodic statements it sent to consumers that these incorrect amounts were due and debited or attempted to debit many of the consumers for them without express informed consent. As an example, until at least 2021, Respondent charged certain CNU line-of-credit consumers incorrect minimum payment amounts, resulting in over \$583,000 in remediation to consumers. Other similar failures have occurred, and Respondent represents that it provided a total of over \$906,000 in remediation to 43,359 affected customers for charging, debiting, or attempting to debit consumers for the incorrect amount due.

32. Other unauthorized debiting: Respondent also debited numerous consumers without their express informed consent as a result of other technology, audit, and compliance failures, causing Respondent to debit or attempt to debit either unauthorized amounts from consumers' bank accounts, amounts from consumers' bank accounts at unauthorized times, or from bank accounts not authorized by consumers. For example, for certain consumers who unsuccessfully attempted an early partial payment after Respondent had generated the statement for that billing period, Respondent subsequently debited or attempted to debit both the statement amount and the amount of the unsuccessful early partial payment. In another example, Respondent's CSRs failed to cancel previously scheduled payments when setting up PDPPs for consumers, resulting in Respondent debiting consumers for the previously scheduled payment. In a third example, Respondent debited the bank accounts of consumers who had instead chosen to make payments through a third-party money transfer company. Respondent represents that it provided over \$1.07 million in remediation to 11,510 Affected Consumers for such debiting or attempting to debit consumers' bank accounts without having obtained their express informed consent.
33. Enova's above-described debits and attempted debits of consumers' bank accounts without authorization caused or were likely to cause substantial

injury to consumers. As a result of Respondent’s actions, consumers experienced or were likely to experience unexpectedly low or negative balances and were unable to use their own funds for other purposes. And Respondent’s unsuccessful attempts to debit consumers’ accounts without authorization resulted or were likely to result in consumers being charged insufficient funds (NSF) fees and other bank fees.

34. Paragraph 34(i) of the 2019 Order prohibits Respondent from “[d]ebiting or attempting to debit any consumer’s bank account without having obtained the consumer’s express informed consent.”
35. Respondent’s acts and practices described in Paragraphs 14-33 violated Paragraph 34(i) of the 2019 Order.
36. Under Section 1036(a)(1)(A) of the CFPA, it is unlawful for covered persons to “offer or provide to a consumer any financial product or service not in conformity with Federal consumer financial law, or otherwise commit any act or omission in violation of a Federal consumer financial law.” 12 U.S.C. § 5536(a)(1)(A). “Federal consumer financial law” is defined to include “an order prescribed by the Bureau.” 12 U.S.C. § 5481(14).
37. Accordingly, Respondent’s violations of Paragraph 34(i) of the 2019 Order are violations of the CFPA. 12 U.S.C. § 5536(a)(1)(A).

38. Section 1036(a)(1)(B) of the CFPB prohibits covered persons from engaging in unfair acts or practices. 12 U.S.C. § 5536(a)(1)(B). An act or practice is unfair if it causes or is likely to cause consumers substantial injury that is not reasonably avoidable and if the substantial injury is not outweighed by countervailing benefits to consumers or to competition. 12 U.S.C. § 5531(c)(1).
39. Respondent's acts and practices described in Paragraphs 14-30 constituted unfair acts and practices in violation of the CFPB because they caused or were likely to cause consumers substantial injury that was neither reasonably avoidable nor outweighed by countervailing benefits to consumers or to competition.
40. Section 1036(a)(1)(B) of the CFPB prohibits covered persons from engaging in deceptive acts or practices. 12 U.S.C. § 5536(a)(1)(B). An act or practice is deceptive if there is a representation, omission, act, or practice that misleads or is likely to mislead a consumer; the consumer's interpretation is reasonable under the circumstances; and the representation, omission, act, or practice is material.
41. Respondent's acts and practices described in Paragraphs 27-31 constituted deceptive acts and practices in violation of the CFPB because Respondent made material representations, omissions, acts, or practices that misled or

were likely to mislead a consumer whose interpretation was reasonable under the circumstances.

Payday Loan Extensions Acts and Practices

42. Another problem addressed by the 2019 Order was Respondent’s practice of canceling loan extensions it had granted for certain consumers. Respondent had misapplied the extensions to the wrong loans – loans with no balance – resulting in the extensions being canceled and consumers not actually receiving the extensions on the loans for which they were approved. Respondent then debited consumers’ bank accounts for full loan payments instead of only the extension fee. The 2019 Order, therefore, prohibited Respondent from failing to honor loan extensions it had granted to consumers and from debiting the full payment instead of a loan extension fee.
43. During this investigation, the Bureau uncovered that, from 2011 to 2020, Respondent canceled other loan extensions it had granted to consumers. Specifically, with little-to-no notice, Respondent canceled loan extensions after consumers made an interim partial payment on their loan, leading its systems to debit or attempt to debit many of those consumers for the full amount due on their loan instead of the smaller loan extension fee.

44. These loan extensions grew out of Respondent's practice of inviting payday loan consumers to apply for extensions. Through CNU's online portal, Respondent told consumers that “[r]equesting an extension allows you to pay back your loan at a later date. On your original loan due date you will be charged only our initial loan fee. Your loan principal and extension fee will be due on the extended due date.”
45. After the consumer electronically signed a contract for an extension, Respondent's online portal would tell the consumer that: “You have successfully extended your loan.” The consumer would then receive an email confirming that only the original loan fee would be charged on the due date of the original loan. At this point, Respondent internally classified the loan extension requests as “approved.”
46. The loan extension contract did not inform consumers that Respondent would cancel the loan extension if the consumer made any partial payment on their loan balance before the original due date (an “interim partial payment”), and until 2020, neither did the online portal or the confirmation email sent to consumers.
47. Respondent's internal systems would compare the current account balance on the day before the loan extension was to be funded to the account balance at the time of the extension approval. A mismatch between the two balances

resulted in an automatic cancelation of the approved loan extension. Interim partial payments would create such a mismatch.

48. Respondent would only send notifications of loan extension cancelations to its consumers after this system check, which occurred the day before the due date of the original payday loan. That email would inform consumers that, if the consumer wanted to avoid a debit of the full balance of their loan, they needed to apply for a new loan extension. But that was often insufficient time for consumers to act.
49. Indeed, after learning about the loan extension cancelation, if consumers did not quickly take affirmative action to either request a new loan extension or pay off the remaining balance of their original loan, Respondent charged the remaining balance of their original loan—instead of just a fee—on the original due date.
50. As a result of interim partial payments, Respondent canceled loan extensions for about 3,500 consumers and debited or attempted to debit the full loan balances—instead of a fee—for over 2,500 consumers on their original due date.
51. Respondent’s practice of canceling loan extensions and debiting or attempting to debit consumers’ bank accounts without authorization for the full payment on the original loan instead of the loan extension fee caused or

was likely to cause substantial injury to consumers. As a result of Respondent extracting more money than authorized from consumers' accounts, consumers experienced or were likely to experience unexpectedly low or negative balances and were unable to use their own funds for other purposes. And Respondent's unsuccessful attempts to debit consumers' accounts without authorization resulted or were likely to result in consumers being charged insufficient funds (NSF) fees and other bank fees.

52. Respondent represented that it has provided more than \$1 million in remediation to consumers to address this loan extension cancelation act or practice.
53. Paragraph 34(i) of the 2019 Order prohibits Respondent from “[d]ebiting or attempting to debit any consumer’s bank account without having obtained the consumer’s express informed consent.”
54. As to the consumers from whom Respondent debited or attempted to debit their loan balances instead of a fee on their original loan’s due date, Respondent’s acts and practices described in Paragraphs 42-52 violated Paragraph 34(i) of the 2019 Order.
55. Paragraph 34(iii) of the 2019 Order prohibits Respondent from “[f]ailing to honor loan extensions granted to consumers.”

56. Respondent's acts and practices described in Paragraphs 42-52 violated Paragraph 34(iii) of the 2019 Order.
57. Paragraph 34(iv) of the 2019 Order prohibits Respondent from “[d]ebiting the full payment instead of a loan extension fee to consumers granted a loan extension.”
58. As to the consumers from whom Respondent debited or attempted to debit their loan balances instead of a fee on their original loan's due date, Respondent's acts and practices described in Paragraphs 42-52 violated Paragraph 34(iv) of the 2019 Order.
59. Under Section 1036(a)(1)(A) of the CFPA, it is unlawful for covered persons to “offer or provide to a consumer any financial product or service not in conformity with Federal consumer financial law, or otherwise commit any act or omission in violation of a Federal consumer financial law.” 12 U.S.C. § 5536(a)(1)(A). “Federal consumer financial law” is defined to include “an order prescribed by the Bureau.” 12 U.S.C. § 5481(14).
60. Accordingly, Respondent's violations of Paragraphs 34(i), 34(iii), and 34(iv) of the 2019 Order are violations of the CFPA. 12 U.S.C. § 5536(a)(1)(A).
61. Section 1036(a)(1)(B) of the CFPA prohibits covered persons from engaging in unfair acts or practices. 12 U.S.C. § 5536(a)(1)(B). An act or practice is unfair if it causes or is likely to cause consumers substantial injury that is not

reasonably avoidable and if the substantial injury is not outweighed by countervailing benefits to consumers or to competition. 12 U.S.C. § 5531(c)(1).

62. As to the consumers from whom Respondent debited or attempted to debit their loan balances instead of a fee on their original loan's due date, Respondent's acts and practices described in Paragraphs 42-52 constituted unfair acts and practices in violation of the CFPA because they caused or were likely to cause consumers substantial injury that was neither reasonably avoidable nor outweighed by countervailing benefits to consumers or to competition.
63. Section 1036(a)(1)(B) of the CFPA prohibits covered persons from engaging in deceptive acts or practices. 12 U.S.C. § 5536(a)(1)(B). An act or practice is deceptive if there is a representation, omission, act, or practice that misleads or is likely to mislead a consumer; the consumer's interpretation is reasonable under the circumstances; and the representation, omission, act, or practice is material.
64. Respondent's acts and practices described in Paragraphs 42-52 constituted deceptive acts and practices in violation of the CFPA because Respondent made material representations, omissions, acts, or practices that misled or

were likely to mislead a consumer whose interpretation was reasonable under the circumstances.

Failure to Provide Copies of EFT Authorizations to Consumers

65. Until at least May 2021, in 57,310 instances, Respondent failed to provide 50,565 unique CNU consumers a copy of the electronic fund transfer (EFT) authorization identifying the particular bank account they had authorized Enova to debit for preauthorized electronic fund transfers as required by the 2019 Order. In the majority of those instances, Respondent had provided CNU consumers a version of their EFT authorization, but it did not identify the particular bank account they had preauthorized for electronic fund transfers. In other instances, Respondent failed to provide CNU consumers with any copy of the EFT authorization.
66. Paragraph 34(ii) of the 2019 Order prohibits Respondent from “making or initiating electronic fund transfers from a consumer’s bank account on a recurring basis without: (a) obtaining a valid authorization signed or similarly authenticated from the consumer for preauthorized electronic fund transfers from that particular bank account and (b) providing to the consumer a copy of the authorization signed or similarly authenticated by the consumer for preauthorized electronic fund transfers from the consumer’s account.”

67. Respondent has therefore violated Paragraph 34(ii) of the 2019 Order by failing to provide consumers with copies of authorizations for preauthorized electronic fund transfers from a particular bank account.
68. Under Section 1036(a)(1)(A) of the CFPA, it is unlawful for covered persons to “offer or provide to a consumer any financial product or service not in conformity with Federal consumer financial law, or otherwise commit any act or omission in violation of a Federal consumer financial law.” 12 U.S.C. § 5536(a)(1)(A). “Federal consumer financial law” is defined to include “an order prescribed by the Bureau.” 12 U.S.C. § 5481(14).
69. Accordingly, Respondent’s violations of Paragraph 34(ii) of the 2019 Order are violations of the CFPA. 12 U.S.C. § 5536(a)(1)(A).

CONDUCT PROVISIONS

VI.

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

Ban on Offering or Providing Covered Loans

70. Respondent, whether acting directly or indirectly, is restrained from advertising, marketing, promoting, offering, providing, originating, administering, servicing, or selling Covered Loans; or providing services to any person or Assisting Others in, or otherwise receiving any renumeration

or other consideration from, advertising, marketing, promoting, offering, providing, originating, administering, servicing, or selling Covered Loans, except that Respondent may continue:

- a. servicing and administering Covered Loans in default that it holds on the Effective Date; and
- b. providing services in connection with or Assisting Others in servicing and administering of Covered Loans in default that it sold prior to the Effective Date.

For purposes of subparagraphs (a) and (b), the phrase “servicing and administering” does not include collection activities such as litigation, wage garnishment, and attempts to contact consumers to request payment, except that Respondent may fulfill its contractual obligations to provide affidavits of assignment or affidavits of indebtedness to loan purchasers in connection with loan purchase agreements for Covered Loans that Respondent sold prior to the Effective Date. The restriction in this Paragraph shall remain in effect for as long as the Consent Order remains effective and enforceable pursuant to Paragraph 119. Nothing in this Consent Order shall be read as an exception to this Paragraph.

Ban on Use or Sale of Consumer Information

71. Respondent, and its officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with them who receive actual notice of this Consent Order, whether acting directly or indirectly, are restrained from:
- a. using Consumer Information to market a Consumer Financial Product or Service to consumers or otherwise attempt to solicit consumers for a Consumer Financial Product or Service; or
 - b. selling, transferring, or assigning Consumer Information.

Nothing in this paragraph shall prohibit the disclosure of Consumer Information if requested by a government agency or required by law, regulation, or court order.

Other Prohibitions

72. Respondent, and its officers, agents, servants, employees, and attorneys 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, and are restrained from:
- a. Initiating attempts (in whatever form) to debit or withdraw funds from a consumer's account without having obtained the consumer's express informed consent;

- b. Initiating attempts (in whatever form) to debit or withdraw funds from a consumer's account on a recurring basis without:
 - i. obtaining a valid authorization signed or similarly authenticated from the consumer for preauthorized electronic fund transfers from that particular account; and
 - ii. providing to the consumer a copy of the authorization signed or similarly authenticated by the consumer for preauthorized electronic fund transfers from the consumer's account that identifies the particular account so authorized;
- c. Failing to honor loan extensions granted to consumers;
- d. Debiting the full payment instead of a fee to consumers granted a loan extension; and
- e. Using a consumer's account information that was received from a Lead Generator to initiate attempts (in whatever form) to debit or withdraw funds from that account, without directly obtaining the consumer's express informed consent.

VII.

Compliance Plan

IT IS FURTHER ORDERED that:

73. Within 90 days of the Effective Date, Respondent must create and implement a comprehensive compliance plan designed to ensure that Respondent's debiting, billing and loan extension practices comply with all applicable laws that the Bureau enforces, including Federal consumer financial laws, and the terms of this Consent Order (Compliance Plan). The Compliance Plan must include, at a minimum:
- a. Detailed steps for addressing each action required by this Consent Order;
 - b. A mechanism to ensure that the Board is kept apprised of the status of compliance actions;
 - c. Specific timeframes and deadlines for implementation of the steps described above.

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

VIII.

Role of the Board and Executives

IT IS FURTHER ORDERED that:

74. The Board has the ultimate responsibility for ensuring that Respondent complies with this Consent Order.
75. The Board and the Chief Executive Officer must review all plans and reports required by this Consent Order, and any submissions to the Bureau prior to such submission.
76. One year after the Effective Date, Respondent must submit to the Supervision Director an accurate written compliance progress report (Compliance Report) that has been approved by the Board, sworn to under penalty of perjury, which, at a minimum:
 - a. Describes the steps that the Board and the Chief Executive Officer have taken to reasonably assess whether Respondent is complying with each applicable paragraph and subparagraph of the Order and Redress Plan;
 - b. Describes in detail whether and how Respondent is complying with each applicable paragraph and subparagraph of the Order and the Redress Plan, including the manner of verification of such compliance

- and any corrective actions taken to remedy potential non-compliance with the paragraph or subparagraph; and
- c. Attaches a copy of each Order Acknowledgment obtained under Section XIV, unless previously submitted to the Bureau.
77. The Board and the Chief Executive Officer must:
- a. Authorize whatever actions are necessary for Respondent to assess whether Respondent is complying with the Redress Plan, the Compliance Plan, and each applicable paragraph and subparagraph of the Consent Order;
- b. Authorize whatever actions, including corrective actions, are necessary for Respondent to fully comply with the Redress Plan, the Compliance Plan, and each applicable paragraph and subparagraph of the Consent Order; and
- c. Require timely reporting by management to Respondent's Board and Chief Executive Officer on the status of Respondent's compliance obligations.

IX.

Corporate Responsibility Provisions

IT IS FURTHER ORDERED that:

78. Respondent, whether acting directly or indirectly, must ensure that all executive compensation agreements and executive compensation policies that take effect after the Effective Date require consideration of the actions taken by the executive to ensure that the executive's business or department complies with the provisions of the Consent Order and Federal consumer financial law relevant to that executive's area of responsibilities or department. At least once per year, at the completion of Respondent's executive compensation review period, Respondent must prepare a report (the "Executive Compensation Report") confirming the Board's review of all executives' compensation agreements and policies pursuant to this Paragraph. Respondent must provide each Executive Compensation Report to the Bureau within 30 days after the report is completed.

X.

Order to Pay Redress

IT IS FURTHER ORDERED that:

79. Within 60 days of the Effective Date, Respondent must select a qualified unaffiliated third-party consulting firm (Consultant) to be retained for the purpose of determining whether Respondent's business records reflect that it has provided redress to all Affected Consumers.
80. The Enforcement Director will have the discretion to make a determination of objection or non-objection to the selected Consultant before the Consultant is retained. If the Consultant decides to use sampling in performing its examination of Respondent's business records, the Consultant must submit its sampling protocol to the Enforcement Director, and the Enforcement Director will have the discretion to make a determination of objection or non-objection to the Consultant's proposed sampling protocol. If the Enforcement Director objects to the sampling protocol, the Consultant must revise and resubmit the sampling protocol to the Enforcement Director within such time as the Enforcement Director shall require but no less than 30 days.

81. Within 120 days of receiving the Enforcement Director's non-objection to the Consultant selected by Respondent, the Consultant must complete its determination of whether Respondent's business records reflect that it has provided redress to all Affected Consumers. In making this determination, redress that Respondent provided to Affected Consumers before the Effective Date (i) need not have been provided by direct deposit or paper check, (ii) need not to have included interest to account for the time-value of money if the Affected Consumer was reimbursed within 30 days; and (iii) need not to have included the Redress Notice specified by Paragraph 84(f).
82. Within 60 days of the completion of the Consultant's determination of whether Respondent's business records reflect that it has provided redress to all Affected Consumers, Respondent shall provide a Consultant's report to the Bureau (the "Affected Consumer Report") identifying all Affected Consumers evaluated, describing how those Affected Consumers were identified and all efforts undertaken to identify additional Affected Consumers, how it was determined that full redress was or was not made to all such Affected Consumers, and describing the redress provided to each Affected Consumer.
83. To the extent that it has not already provided redress to any Affected Consumers by the Effective Date, or the Consultant determines that the

redress provided was incomplete, Respondent must develop and implement a comprehensive written plan for identifying any such Affected Consumers consistent with this Consent Order (Redress Plan), as described below.

84. Respondent agrees that any redress payment, or any portion thereof, does not give rise to a debt or any other liability owed by Affected Consumers, and accordingly Respondent shall not subject an Affected Consumer to any new debt collection or negative credit reporting activities on the basis of a redress payment.
85. If a Redress Plan is required for any Affected Consumers, the Redress Plan must:
 - a. include and describe the methodology for identifying and locating Affected Consumers;
 - b. provide for redress to each such Affected Consumer, including any Affected Consumers previously identified but not yet fully remediated; provide for the return of (i) all funds that were debited without the Affected Consumers' express informed consent, as described in Paragraphs 7-64 of this Order, (ii) fees and costs imposed by Affected Consumers' banks or other financial institutions on Affected Consumers as a result of the Specified Acts or Practices, and

- (iii) interest to account for the time-value of money if this interest is more than one dollar;
- c. identify the methodology used to calculate fees imposed by Affected Consumers' banks or other financial institutions because of the Specified Acts and Practices;
- d. specify that Respondent will provide redress to Affected Consumers by direct deposit whenever feasible, and by paper check when direct deposit is not feasible;
- e. specify steps and deadlines for completing each step of the Redress Plan, including identification of Respondent's officers, agents, servants, employees, and attorneys responsible for the administration of the Redress Plan; and
- f. specify that Respondent will provide to Affected Consumers a notification (Redress Notice) explaining that Respondent's redress payment is in accordance with the terms of this Consent Order, and provide an exemplar of the Redress Notice and any envelope to be sent notifying Affected Consumers of the redress; Respondent must not include with the Redress Notice any materials other than the approved Redress Notices and, where applicable, checks, unless Respondent has written confirmation from the Enforcement Director

that the Bureau does not object to the inclusion of such additional materials.

86. Within 30 days of the determination under Paragraph 82 that a Redress Plan is necessary, Respondent must submit the Redress Plan to the Enforcement Director for review and non-objection. 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 such time as the Enforcement Director shall require but no less than 30 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, and ultimately ensure that it has provided redress to all Affected Consumers.
87. Within 180 days after completing the Redress Plan, Respondent must submit a report to the Enforcement Director that:
 - a. Identifies each Affected Consumer evaluated as part of the Redress Plan; and

- b. States the amount of the payments Respondent provided to each Affected Consumer pursuant to the Redress Plan.
88. Respondent may not condition the payment of any redress to any Affected Consumer under this Consent Order on that Affected Consumer waiving any right.

XI.

Order to Pay Civil Money Penalty

IT IS FURTHER ORDERED that:

89. Under section 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 \$15 million to the Bureau.
90. 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.
91. The civil money penalty paid under this Consent Order will be deposited in the Civil Penalty Fund of the Bureau as required by section 1017(d) of the CFPA, 12 U.S.C. § 5497(d).

92. 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.
93. 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.

XII.

Additional Monetary Provisions

IT IS FURTHER ORDERED that:

94. 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.
95. 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.
96. 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.

97. Within 30 days of the entry of a final judgment, consent order, or settlement in a Related Consumer Action, Respondent must notify the Supervision 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 under the final judgment, consent order, or settlement, and describe the consumers or classes of consumers to whom that redress has been or will be paid.

COMPLIANCE PROVISIONS

XIII.

Reporting Requirements

IT IS FURTHER ORDERED that:

98. 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, transfer, 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.

99. Within 7 days of the Effective Date, Respondent must:

- a. 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;
- b. identify all businesses operating in the United States for which Respondent is the majority owner, or that Respondent directly or indirectly controls, by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; and
- c. describe the activities of each such business, including the products and services offered, and the means of advertising, marketing, and sales.

100. Respondent must report any change in the information required to be submitted under Paragraph 97 at least 30 days before the change or as soon as practicable after the learning about the change, whichever is sooner.

XIV.

Order Distribution and Acknowledgement

IT IS FURTHER ORDERED that:

101. Within seven days of the Effective Date, Respondent must submit to the Supervision Director an acknowledgment of receipt of this Consent Order, sworn under penalty of perjury.
102. Within 30 days of the Effective Date, Respondent must deliver a copy of this Consent Order to each of its board members and executive officers, as well as to any managers, employees, service providers, or other agents and representatives who have responsibilities related to the subject matter of the Consent Order.
103. For 7 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 XIII, any future board members and 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.
104. 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.

105. Ninety days from the Effective Date, Respondent must submit to the Bureau a list of all persons and their titles to whom this Consent Order has been delivered under the Section of this Order titled “Order Distribution and Acknowledgement” and a copy of all signed and dated statements acknowledging receipt of this Consent Order under Paragraph 103.

XV.

Recordkeeping

IT IS FURTHER ORDERED that:

106. Respondent must create and retain all documents and records necessary to demonstrate full compliance with each provision of this Consent Order, the Compliance Plan, and the Redress Plan, including all submissions to the Bureau.
107. All documents and records must be maintained in their original electronic format. Data should be centralized, and maintained in such a way that access, retrieval, auditing and production are not hindered.

108. Respondent must make the documents identified in Paragraph 106 available to the Bureau upon the Bureau's request.

XVI.

Notices

IT IS FURTHER ORDERED that:

109. 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 Enova International, Inc., File No. 2023-CFPB-0014," and send them to the following email: Enforcement_Compliance@cfpb.gov addressed as follows:

ATTN: Supervision Director
Consumer Financial Protection Bureau
Office of Supervision Policy

ATTN: Enforcement Director
Consumer Financial Protection Bureau
Office of Enforcement

XVII.

Cooperation with the Bureau

110. Respondent must cooperate fully to help the Bureau determine the identity and location of, and the amount of injury sustained by, each Affected

Consumer. Respondent must provide such information in its or its agents' possession or control within 14 days of receiving a written request from the Bureau.

XVIII.

Compliance Monitoring

IT IS FURTHER ORDERED that:

111. 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.
112. 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.
113. 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.

XIX.

Modifications to Non-Material Requirements

IT IS FURTHER ORDERED that:

114. Respondent may seek a modification to non-material requirements of this Consent Order (e.g., reasonable extensions of time and changes to reporting requirements) by submitting a written request to the Supervision Director.
115. The Supervision 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 Supervision Director must be in writing.

XX.

Administrative Provisions

IT IS FURTHER ORDERED that:

116. 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 118. 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.

117. This Consent Order is intended to be, and will be construed as, a final Consent Order issued under § 1053 of the CFPB, 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.

118. This Consent Order supersedes the 2019 Order.

119. 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.

120. This Consent Order will terminate on the later of 7 years from the Effective Date or 7 years from the most recent date that the Bureau initiates an action

alleging any violation of the Consent Order by Respondent if such action is initiated within 7 years of the Effective Date. If such action is dismissed or the relevant adjudicative body rules that Respondent did not violate any provision of the Consent Order, and the dismissal or ruling is either not appealed or upheld on appeal, then the Consent Order will terminate as though the action had never been filed. The Consent Order will remain effective and enforceable until such time, except to the extent that any provisions of this Consent Order have been amended, suspended, waived, or terminated in writing by the Bureau or its designated agent.

121. Calculation of time limitations will run from the Effective Date and be based on calendar days, unless otherwise noted.
122. 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.
123. 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.

124. Respondent agrees to be subject to the Bureau's supervisory authority under 12 U.S.C. § 5514 for the duration of the Consent Order. Consistent with 12 C.F.R. § 1091.111, Respondent may not petition for termination of supervision under 12 C.F.R. § 1091.113.
125. 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.
126. 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 15th day of November, 2023

Rohit Chopra

Rohit Chopra
Director
Consumer Financial Protection Bureau