

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

	)	
In the Matter of	)	
	)	
CROSS RIVER BANK	)	CONSENT ORDER, ORDER
TEANECK, NEW JERSEY	)	FOR RESTITUTION, AND
	)	ORDER TO PAY
	)	CIVIL MONEY PENALTY
	)	
(INSURED STATE NONMEMBER BANK)	)	FDIC-17- 0123b
	)	FDIC-17- 0121b
	)	FDIC-17- 0122k

The Federal Deposit Insurance Corporation (“FDIC”) is the appropriate Federal banking agency for Cross River Bank, Teaneck, New Jersey (“Bank” or “CRB”), under section 3(q) of the Federal Deposit Insurance Act (“FDI Act”), 12 U.S.C. § 1813(q).

The FDIC considered the matter and determined that the Bank committed violations of law and/or regulations, including, but not limited to: unfair or deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act (“Section 5”), 15 U.S.C. § 45(a)(1); Section 1026.17(c) of Regulation Z, 12 C.F.R. Part 1026, which implements the Truth in Lending Act (“TILA”), 15 U.S.C. § 1601 *et seq.*; and Section 1005.10(e)(1) of Regulation E (“Regulation E”), 12 C.F.R. Part 1005, which implements the Electronic Fund Transfer Act (“EFTA”), 15 U.S.C. § 1693 *et seq.*

The FDIC also determined that the Bank engaged in unsafe or unsound banking practices by failing to ensure an adequate compliance management system (“CMS”) was in place, including sufficient resource allocation, and operated without effectively overseeing and supervising the Bank’s products and services offered in conjunction with third parties.

The Bank, by and through its Board, has executed a STIPULATION AND CONSENT TO THE ISSUANCE OF A CONSENT ORDER, ORDER FOR RESTITUTION, AND ORDER TO PAY CIVIL MONEY PENALTY (“CONSENT AGREEMENT”), dated March 22, 2018, that is accepted by the FDIC. With the CONSENT AGREEMENT, the Bank has consented, without admitting or denying any charges of unsafe or unsound banking practices or violations of law or regulation, to the issuance of this CONSENT ORDER, ORDER FOR RESTITUTION, AND ORDER TO PAY CIVIL MONEY PENALTY (collectively “ORDER”) by the FDIC.

DEFINITIONS

For purposes of this ORDER, the following definitions shall apply to all capitalized terms not otherwise defined elsewhere in this ORDER:

- A. “Board” shall mean the Bank’s duly elected and acting Board of Directors.
- B. “Consumer Complaint” shall mean an oral or written statement or inquiry from a consumer, or his or her representatives, or about a consumer concerning products and/or services offered by the Bank, including those in conjunction with a Third-Party Provider, and includes informal inquiries to Bank employees and Third-Party Providers, as well as regulatory correspondence, including but not limited to federal and state regulatory authorities.
- C. “Effective Date” shall mean the date on which this ORDER is issued.
- D. “Eligible Consumer” shall mean a consumer who, during the period from June 26, 2013 to the Effective Date of this ORDER, applied for and

obtained a Consolidation Plus Loan (“C+ Loan”) to be used to pay Enrolled Debts, FDR settlement fees, a prepaid finance charge, and accrued interest.

E. “Enrolled Debts” are identified consumer debts under the C+ Loan program that FDR agreed to negotiate for a fee pursuant to an existing debt resolution agreement with the consumer.

F. “FDR” shall mean Freedom Debt Relief, LLC, an affiliate, as defined in 12 U.S.C. § 1813(w)(6), of FFAM.

G. “FFAM Order” shall mean the Consent Order, Order for Restitution, and Order to Pay Civil Money Penalty issued by the FDIC against Freedom Financial Asset Management, LLC on March 28, 2018.

H. “FFAM” shall mean Freedom Financial Asset Management, LLC, an institution-affiliated party of the Bank under Section 3(u) of the FDI Act, 12 U.S.C. § 1813(u).

I. “Freedom Financial Network” refers to FDR and FFAM, together with all other affiliates of either entity.

J. “Independent Director” shall mean an outside director who is independent of management, as defined in 12 C.F.R. Part 363.

K. “Products/Services” shall mean the Bank’s products and services offered to consumers, including Third-Party Products/Services.

L. “Regional Director” shall mean the FDIC Regional Director for the New York Region.

M. “Significant Relationship” shall mean: FFAM; any other existing relationship as of the Effective Date between the Bank and a third party for

Product/Services or a relationship between the Bank and a third party that is a new relationship or involves implementing new bank activities and (1) that would have a material effect on the Bank's revenues or expenses, or (2) is a third party that performs critical functions for the Bank, stores, accesses, transmits, or performs transactions on sensitive Bank customer information, markets Products/Services, provides a product or performs a service involving lending or card payment transactions, or poses risks that could significantly affect the Bank's earnings or capital.

N. "Third-Party Provider" shall mean any person or entity other than the Bank, that enters into a Significant Relationship (i) with the Bank or (ii) with a person or entity that has a Significant Relationship with the Bank, to offer Products/Services.

O. "Third-Party Products/Services" shall mean products and services offered by the Bank in conjunction with a Third-Party Provider.

FINDINGS OF FACT

1. In its April 2015 Report of Examination, the FDIC conducted a risk-based examination of the Bank's compliance with Consumer Protection laws and regulations for the period June 2013 through April 2015 ("the Examination Period").

2. Since June 26, 2013, the Bank has offered two unsecured consumer loan products, the C+ Loan and the Freedom Plus loan, through an agreement with FFAM.

3. FDR, an affiliate of FFAM, is a debt relief company that contracts with consumers to negotiate settlements of their unsecured consumer debts for a fee. The C+ Loan is offered to clients of FDR to pay negotiated settlements to creditors, FDR fees, a prepaid finance

charge, and accrued interest. During the period beginning June 26, 2013, through September 30, 2016, the Bank originated more than 24,000 C+ Loans, totaling approximately \$470 million.

4. The Bank contracts with FFAM to conduct the marketing, underwriting, and servicing of C+ Loans. The Bank approves the underwriting criteria, marketing materials, and loan documentation used in the C+ Loan program.

5. The Bank's primary role in the C+ Loan process is to fund the loans. FFAM markets the C+ Loan through telemarketing calls to FDR customers. FFAM underwrites the loans, and prepares the initial regulatory disclosures and C+ Loan agreements ("C+ Loan Agreement"), and services the C+ Loans after they have been funded by the Bank. Repayment of the C+ Loan begins after a consumer's Enrolled Debts are settled, and FDR's settlement fees, the prepaid finance charge, and accrued interest are added to the C+ Loan.

6. Beginning June 26, 2013, the C+ Loan program and associated materials provided to Eligible Consumers contained material misrepresentations and omissions about the program, including benefits, features, and terms of the C+ Loan and the C+ Loan Agreement. Examples include, but are not limited to, the following:

- (a) The C+ Loan program misrepresented the length of time it would take FDR to settle Enrolled Debts. FFAM Loan Consultants ("Consultants") encouraged consumers to obtain C+ Loans by telling them that FDR would negotiate and settle all Enrolled Debts within 30-45 days as compared to "the next few years" under the FDR program. The claimed speed of the debt negotiation and settlement process under the C+ Loan program was a pivotal benefit that Consultants used to encourage consumers to obtain a C+ Loan rather than remain in the FDR program.

However, for nearly half of Eligible Consumers, the promise of expedited debt settlement of all their Enrolled Debts within 30-45 days was not true.

- (b) Consultants also promoted the C+ Loan program by telling consumers that FDR would negotiate and settle all Enrolled Debts within 30-90 days compared to the “the next few years” under the FDR program. A number of Eligible Consumers who obtained C+ Loans under the promise of expedited debt settlement of all their Enrolled Debts within 30-90 days did not have their debts settled within the advertised/promoted time frame.
- (c) Consultants did not disclose to consumers that certain creditors do not negotiate directly with FDR, or that FDR will not be able to negotiate Enrolled Debts with those creditors on behalf of consumers unless the debts had been charged off and either sold to a third-party or referred to a third-party debt collector. In such cases, Eligible Consumers were required to negotiate the debts on their own or with coaching from FDR. In the cases where the Eligible Consumers utilizing the C+ Loan negotiated their debts on their own or with coaching from FDR, the Eligible Consumers were nonetheless charged settlement fees by FDR which could amount up to 25 percent of the pre-settlement amount of each of these debts. FDR’s charging Eligible Consumers debt settlement fees for Enrolled Debts that Eligible Consumers were required to negotiate on their own or with coaching from FDR, caused economic injury to the Eligible Consumers.

- (d) Under the C+ Loan origination process, the disclosures provided to Eligible Consumers did not clearly and conspicuously state the essential terms of the C+ Loan at the time the Eligible Consumer signed the Loan Agreement, including the amount the Eligible Consumer was agreeing to borrow, the periodic payment, or the term over which the loan was to be repaid. Rather, consumers were provided estimates in the Loan Agreement and related disclosures, which were often significantly different from the loan terms stated in the transition letter, the final amortization schedule, and disclosures provided to Eligible Consumers after the debts were negotiated and settled.
- (e) In marketing and soliciting C+ Loans, Consultants engaged in misleading telemarketing practices by not clearly stating at the outset of the call that the purpose of the call was to solicit a loan.

7. Consumers who obtained Freedom Plus or C+ Loans were required to repay their loans by preauthorized electronic fund transfers (“EFTs”) as a condition of extending the credit, contrary to the EFTA and Regulation E. FFAM enrolled all consumers in preauthorized EFTs at loan origination, and approximately 98 percent of consumers repaid their loans through preauthorized EFTs thereafter.

8. The Bank failed to provide adequate oversight of its Third-Party Providers, develop a CMS that effectively identifies, addresses, monitors, and controls the consumer protection risks associated with these third-party activities, or allocate sufficient resources to manage these relationships.

9. The Bank failed to conduct comprehensive due diligence prior to entering into Third-Party Provider relationships to ensure adequate controls were in place to maintain compliance with applicable consumer protection laws and regulations and failed to conduct adequate ongoing monitoring of established relationships.

Having determined that the requirements for issuance of an order under Sections 8(b) and 8(i)(2) of the FDI Act, 12 U.S.C. §§ 1818(b) and 1818(i)(2), have been satisfied, the FDIC hereby issues the following ORDER:

CONSENT ORDER

IT IS HEREBY ORDERED that the Bank, its institution-affiliated parties, as that term is defined in Section 3(u) of the FDI Act, 12 U.S.C. § 1813(u), and its successors and assigns, cease and desist from engaging in unsafe or unsound practices and violations of law and/or regulations described in this ORDER.

IT IS FURTHER ORDERED that the Bank shall take the following affirmative action:

CORRECT VIOLATIONS OF LAW

10. To the extent not already done, within forty-five (45) days of the Effective Date, the Bank shall correct all violations of law and regulation as more fully set forth in the FDIC Compliance Report of Examination for the Bank dated April 20, 2015 (“ROE”) and as described in this ORDER, and implement policies, processes and procedures to prevent their recurrence.

UNFAIR OR DECEPTIVE ACTS OR PRACTICES

11. To the extent not already done, within forty-five (45) days of the Effective Date, the Bank shall take all actions necessary to comply with Section 5 with respect to any Products/Services.

12. As of the Effective Date, the Bank shall not make, or allow to be made, directly or indirectly, including through a Third-Party Provider, any misleading or deceptive representation, statement, or omission, expressly or by implication, about any material term in connection with any Products/Services. Without limiting the generality of the foregoing, the Bank shall ensure that no Third-Party Providers make, either directly or indirectly, any misrepresentation, expressly or by implication, about, or omit, a material term of an offer related to any Products/Services in connection with the advertising, marketing, offering, soliciting, contracting, billing, or servicing of such Products/Services.

13. The Bank shall ensure that in connection with the solicitation, origination, and servicing of any C+ Loan, FFAM does not:

- (a) Misrepresent the amount of time in which FDR will resolve a consumer's Enrolled Debts upon obtaining a C+ Loan;
- (b) Omit telling consumers which creditors either will not negotiate with FDR, thereby requiring Eligible Consumers to negotiate with those creditors by themselves, or omit telling consumers which creditors will not negotiate with FDR unless the debts have been charged off and either sold to a third-party or referred to a third-party debt collector;
- (c) Charge Eligible Consumers settlement fees when such consumers negotiated the settlement of their Enrolled Debts on their own or with coaching by FDR;
- (d) Misrepresent or omit essential terms of the C+ Loan orally or in the C+ Loan Agreement;
- (e) Misrepresent that consumers' creditworthiness will improve by obtaining

a C+ Loan; and

- (f) Delay telling consumers that FFAM's initial call to consumers about the C+ Loan is a solicitation for a loan.

TRUTH IN LENDING ACT

14. To the extent not already done, within forty-five (45) days of the Effective Date, the Bank shall ensure that prior to consumers signing the C+ Loan Agreement, the disclosures furnished to consumers under TILA accurately state the legal obligation between the parties and otherwise fully comply with all applicable TILA disclosure requirements.

ELECTRONIC FUND TRANSFER ACT

15. The Bank shall not tell or instruct consumers, either directly or indirectly, including through a Third-Party Provider, to sign an authorization to debit their bank accounts to repay their Freedom Plus or C+ Loan without clearly and conspicuously explaining that preauthorized EFTs are optional and that a loan cannot be conditioned on the borrower agreeing to repay the loan by preauthorized EFT.

16. Within sixty (60) days of the Effective Date, the Bank, in conjunction with FFAM, shall send a letter to Eligible Consumers, notifying them that they were not properly informed prior to obtaining a Freedom Plus or C+ Loan that, pursuant to the EFTA and Regulation E, they were not required to consent to the use of a preauthorized EFT as a precondition to the granting of the loan, and that they may elect to pay any remaining loan payments using a method other than a preauthorized EFT. The form of letter shall be submitted to the Regional Director for review, comment, and non-objection in accordance with Paragraphs 32-34 of this ORDER prior to mailing, and shall include a disclosure that the action does not, in any manner, limit the Eligible Consumer's rights. The letter, incorporating any changes that

may be required in response to comments by the Regional Director, shall be sent by United States Postal Service first-class mail and/or electronic mail to all Eligible Consumers who entered into a Freedom Plus or C+ Loan through the Effective Date of this ORDER.

COMPLIANCE MANAGEMENT SYSTEM

17. Within forty-five (45) days of the Effective Date, and thereafter on an ongoing basis, as appropriate, the Bank shall review, revise, and implement changes, as needed, to its CMS to ensure:

- (a) The Bank effectively identifies, addresses, monitors, and controls consumer protection compliance risks;
- (b) The CMS is and remains commensurate with the complexity, risk profile, transaction volume, and number of Third-Party Provider relationships maintained by the Bank; and
- (c) That Products/Services comply with all applicable consumer protection laws, including Section 5, TILA, EFTA, and their implementing rules and regulations, as well as statements of policy (collectively “Consumer Protection Laws”).

BOARD OF DIRECTORS

OVERSIGHT

18. As of the Effective Date, the Board and its duly appointed committees shall increase their oversight of the affairs of the Bank by approving sound policies and by supervising activities relating to Products/Services, consistent with the role and expertise expected for directors of banks of comparable size, complexity, and risk profile.

COMPLIANCE PROGRAM

19. Within forty-five (45) days of the Effective Date, and thereafter on an ongoing basis as appropriate, the Bank shall review and update, and the Board shall periodically (at least annually) approve, a written compliance program (“Compliance Program”), designed to effectively manage the Bank’s consumer compliance risk, including risks associated with all Products/Services. At a minimum, the Compliance Program shall include:

- (a) *Policies* that address Products/Services and related consumer protection risks. Policies should ensure that Products/Services comply with applicable Consumer Protection Laws. Policies should be drafted, reviewed, approved by the Board, and communicated, implemented, and updated in a timely manner.
- (b) *Training* that provides comprehensive education in applicable Consumer Protection Laws and Bank policies to employees with responsibilities for Products/Services. A training schedule shall be established for the Board, management, and staff. Training content and frequency shall be commensurate with individual job functions and duties. Training shall include knowledge assessments to ensure comprehension. Training records shall be maintained, documenting attendance at and successful completion of training. Training content shall be updated as needed, based on changes in Consumer Protection Laws, Products/Services, as well as monitoring, audit, and regulatory findings.
- (c) *Monitoring* that regularly reviews Bank business units and operations, Products/Services, and changes in applicable Consumer Protection Laws.

A formal, written monitoring program shall be developed and implemented, and shall include a requirement to document monitoring procedures used, and to review scope, transaction testing, findings, and corrective actions. Exceptions shall be tracked and monitored for corrective action. Monitoring results and status of corrective actions shall be reported at least quarterly to the Board.

- (d) *Consumer Complaint Process* that provides for timely identification, review, investigation, response to and resolution of all Consumer Complaints received by the Bank and Third-Party Providers. The process should include monitoring of Consumer Complaints, identification of number and types of Consumer Complaints, deficiencies and root causes, corrective actions, complaint trends, and maintenance of records of the foregoing.
- (e) *Consumer Protection Audit Program* that ensures an effective, independent, risk-based review is conducted of Bank policies and Product/Services to determine compliance with Consumer Protection Laws.

THIRD-PARTY RISK MANAGEMENT PROGRAM

20. Within sixty (60) days of the Effective Date, the Bank shall establish and the Board shall approve (at least annually), a written Third-Party Risk Management Program (“Third-Party Program”) that acknowledges the Bank’s responsibility for ensuring that Third-Party Products/Services comply with Consumer Protection Laws to the same extent as if the Bank itself conducted such activities. The Board shall submit the Board approved Third-Party

Program to the Regional Director for review, comment, and non-objection in accordance with Paragraphs 32-34 of this ORDER within sixty (60) days after the end of each calendar year.

The Third-Party Program shall set forth the Bank's plan for identifying, addressing, and managing the consumer protection risks of its Third-Party Products/Services. At a minimum, the Third-Party Program shall require:

- (a) A complete description of each Third-Party Product/Service the Bank offers or plans to offer, together with a list of each Third-Party Provider the Bank plans to utilize in connection with Third-Party Services.
- (b) Risk tolerance limits for the Bank's Third-Party Program, ensuring sufficient management expertise and staffing to conduct appropriate due diligence and effectively manage Third-Party Provider relationships.
- (c) A risk assessment of the benefits, costs, and potential consumer protection risks associated with Third-Party Products/Services before offering such Third-Party Products/Services, and before entering into Third-Party Provider relationships and/or renewing Third-Party Provider contracts.
- (d) Initial and ongoing due diligence, including on-site visits for Third-Party Providers.
- (e) Review of new or renewed (including automatically renewed) Third-Party Provider contracts which shall include provisions:
 - (i) Providing the Bank with full access to Third-Party Provider information and/or data necessary to perform the Bank's oversight responsibilities; and

- (ii) Requiring Third-Party Providers to be subject to FDIC inspection of records relating to Third-Party Products/Services.
- (f) Effective ongoing oversight, including initial Board review and approval at least annually of Third-Party Provider arrangements, documented in the Board minutes.
- (g) A quarterly written report to the Bank from each Third-Party Provider that performs customer service functions or otherwise has customer contact in connection with Third-Party Products/Services, which shall identify, among other things, Consumer Complaints received from any source relating to such Third-Party Products/Services.
- (h) Inclusion in the Bank's Strategic Plan of a section on Third-Party Products/Services in a form and manner consistent with other products or services offered by the Bank and included in the Strategic Plan.
- (i) A specific evaluation of the adequacy of compliance training provided to employees of Third-Party Providers on applicable Consumer Protection Laws. The Bank shall ensure that any deficiencies in training are remediated.

BANK IMPLEMENTATION PLAN

21. Within fourteen (14) days of the Effective Date, the Bank shall submit to the Regional Director for his review, comment and non-objection a written plan describing how the Bank will meet the requirements in this ORDER for its CMS, Board of Director Oversight (including requirements for new products or services), a Compliance Program (including a Consumer Protection Audit Program), and a Third Party Risk Management Program.

DIRECTORS' CONSENT ORDER OVERSIGHT COMMITTEE

22. Within thirty (30) days of the Effective Date, the Board shall establish the Directors' Consent Order Oversight Committee ("Directors' Committee"), reporting to the Board and responsible for overseeing the Bank's compliance with the terms of this ORDER. An existing Bank committee may be transitioned into the Directors' Committee, which shall be comprised of at least three (3) Independent Directors. The Directors' Committee, within forty-five (45) days of the Effective Date, and on a monthly basis thereafter, shall submit to the Board for consideration at its next regularly scheduled meeting a written report detailing the Bank's compliance with this ORDER. The written report and any discussion related to the written report or this ORDER shall be included in the minutes of the corresponding Board meeting. On a quarterly basis, the Directors' Committee's written report shall be submitted to the Regional Director as part of the progress reports required by Paragraph 29 of this ORDER, noting any action taken by the Board based on the report. Nothing herein shall diminish the responsibility of the entire Board to ensure compliance with the provisions of this ORDER.

ORDER FOR RESTITUTION AND OTHER RELIEF

IT IS FURTHER ORDERED that the Bank provide restitution to consumers as follows:

23. Within thirty (30) days of the Effective Date, the Bank, jointly with FFAM, shall prepare a written restitution plan, which shall be subject to review, comment, and non-objection by the Regional Director, addressing restitution to be paid to Eligible Consumers for the categories of restitution described in Paragraph 25 below ("Restitution Plan"). The Restitution Plan shall at a minimum require:

- (a) the Bank to provide the FDIC with sufficient data in a format acceptable to the Regional Director to validate all restitution calculations; and

(b) With respect to the category of restitution described in Paragraph 25(a) of this ORDER:

- Development of criteria to identify Eligible Consumers entitled to restitution;
- Application of such criteria to all relevant data in Freedom Financial Network data repositories to identify Eligible Consumers entitled to restitution; and
- A method of excluding from those Eligible Consumers determined to be entitled to restitution any Eligible Consumers who either (i) did not negotiate their own debts, in whole or in part, or (ii) did not pay FDR a settlement fee using C+ Loan proceeds.

24. If the FDIC determines, in its sole discretion, that FFAM has not paid restitution, in whole or in part, to Eligible Consumers under the Restitution Plan or the FFAM Order, then the Bank shall, upon written notice from the FDIC, pay any unpaid restitution, in whole or in part, to Eligible Consumers as required by the Restitution Plan and this ORDER.

25. The Restitution Plan shall require the following consumer restitution for the period June 26, 2013 through the Effective Date of this ORDER:

- (a) Settlement and related fees paid by Eligible Consumers for Settlement of Enrolled Debts that Eligible Consumers negotiated on their own, either in whole or in part, with or without coaching;
- (b) The amount of interest paid by an Eligible Consumer on a C+ Loan for any period beyond the maximum payment term in the Eligible Consumer's Loan Agreement;

- (c) Interest accrued and paid by Eligible Consumers on Enrolled Debts not settled within forty-five (45) days from the date Eligible Consumers entered into a C+ Loan Agreement under the 30-45 day promotion campaign; and
- (d) Interest accrued and paid by Eligible Consumers on Enrolled Debts not settled within ninety (90) days from the date Eligible Consumers entered into C+ Loan Agreements with the Bank under the 30-90 day promotion campaign.

26. The Bank shall ensure that all restitution payments required by this ORDER are satisfied in full.

27. Restitution under this ORDER and the FFAM Order is intended to cover the same Eligible Consumers without duplication of restitution payments. The Bank and FFAM may reach a separate agreement between them concerning the funding and payment of restitution required under this ORDER and the FFAM Order. Regardless of any such agreement, the Bank and FFAM shall remain jointly and severally liable for the payment of restitution required under this ORDER and the FFAM Order.

28. Restitution provided to Eligible Consumers shall not limit Eligible Consumers' rights in any way.

ORDER TO PAY CIVIL MONEY PENALTY

IT IS FURTHER ORDERED THAT, by reason of the violations of law and/or regulation set forth herein, and after taking into account the appropriateness of the penalty with respect to the size of financial resources and good faith of the Bank, the gravity of the violations, the history of previous violations by the Bank, and such other matters as justice may require,

pursuant to section 8(i)(2) of the FDI Act, 12 U.S.C. § 1818(i)(2), a civil money penalty of SIX HUNDRED FORTY ONE THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$641,750) is assessed against the Bank. The Bank shall pay the civil money penalty to the Treasury of the United States, as directed by the FDIC. The Bank shall pay such civil money penalty itself, and is prohibited from seeking or accepting indemnification for or reimbursement of such payment from any independent third party.

REPORTING REQUIREMENTS AND NOTIFICATION

29. On or before the second day after the scheduled Board of Directors meeting that occurs the second month following the end of the first calendar quarter following the Effective Date of this ORDER starting with the quarter ended March 31, 2018, and on or before the second day after the scheduled Board of Directors meeting that occurs the second month following the end of every calendar quarter thereafter, the Bank shall furnish written progress reports (“Progress Reports”) to the Regional Director detailing the form and manner of any actions taken to secure compliance with this ORDER and the results thereof. All Progress Reports and materials submitted to the Regional Director for review, comment and non-objection, and other written responses to this ORDER shall be reviewed by the Board prior to submission to the Regional Director, and such review shall be documented in the Board minutes.

30. Within thirty (30) days of the Effective Date, the Bank shall send to its shareholder, CRB Group, Inc., a copy of this ORDER.

RECORDKEEPING

31. The Bank shall retain for no less than seven (7) years all records pertaining to the remedial actions described in this ORDER, including Correcting Violations of Law and, in the event the Bank becomes fully or partially responsible for restitution under this ORDER, implementation of the Restitution Plan.

MISCELLANEOUS

32. Whenever a provision of this ORDER shall require the Bank to submit a document or other matter to the Regional Director for his review, comment, and non-objection, the Bank shall make such submission to the Regional Director at FDIC, 350 Fifth Avenue, New York, New York 10118. Documents must be submitted in a secure fashion.

33. Within fifteen (15) days of receipt of any comments from the Regional Director, the Bank shall make such modifications as may be necessary to address the Regional Director's comments, unless a different time is set forth in this ORDER.

34. Upon receipt of non-objection by the Regional Director, the Bank shall implement and ensure full and complete compliance with the document or other matter, both internally and by any appropriate institution-affiliated party, as that term is defined in Section 3(u) of the FDI Act, 12 U.S.C. § 1831(u), or Third-Party Provider of the Bank.

35. Nothing herein shall prevent the FDIC from conducting on-site reviews, visitations, and/or examinations of the Bank, its affiliates, agents, or Third-Party Providers at any time to monitor compliance with this ORDER.

36. This ORDER shall be effective on the date of issuance.

37. The provisions of this ORDER shall be binding on the Bank, its officers, directors, agents, employees, affiliates, the Bank's institution-affiliated parties, as that term is defined in Section 3(u) of the FDI Act, 12 U.S.C. § 1831(u), and their respective successors and assigns.

SAVINGS CLAUSE

38. This ORDER shall not bar, estop or otherwise prevent the FDIC or any other federal or state agency or department with jurisdiction over the Bank from taking any action

against the Bank, or any of the Bank's current or former institution-affiliated parties, as that term is defined in Section 3(u) of the FDI Act, 12 U.S.C. § 1813(u).

39. The Bank shall make no representation to any insured depository institution, any consumer, or any other person or entity, that the FDIC or any employee, agent, or representative of the FDIC, has endorsed or approved any Products/Services.

40. The provisions of this ORDER shall continue in full force and effect until such time as any provision has been modified, suspended, terminated, or set aside in writing by the FDIC.

Issued pursuant to delegated authority this 28th day of March, 2018.

/s/
Sylvia H. Plunkett
Senior Deputy Director
Division of Depositor and Consumer Protection