

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

ADMINISTRATIVE PROCEEDING File  
No. 2020-BCFP- 0011

In the Matter of:

Sigue Corporation, SGS Corporation, and  
GroupEx Corporation

**CONSENT ORDER**

The Bureau of Consumer Financial Protection (Bureau) has reviewed the remittance-transfer activities of Sigue Corporation (Sigue Corp.), SGS Corporation (SGS), and GroupEx Corporation (GroupEx) (Respondents, as defined below) and has identified violations of the Electronic Fund Transfer Act (EFTA), 15 U.S.C. § 1693-1693r, and its implementing Regulation E, 12 C.F.R. Part 1005, Subpart B (known as the Remittance Rule). Under §§ 1053 and 1055 of the Consumer Financial Protection Act of 2010 (CFPA), 12 U.S.C. §§ 5563, 5565, the Bureau issues this Consent Order (Consent Order).

**I.**

**Jurisdiction**

1. The Bureau has jurisdiction over this matter under §§ 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563, 5565, and § 918 of the EFTA, 15 U.S.C. § 1693o.

**II.**

**Stipulation**

2. Respondents have executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated August 20, 2020 (Stipulation), which is incorporated by reference and is accepted by the Bureau. By this Stipulation, Respondents have consented to the issuance of this Consent Order by the Bureau under §§ 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563, 5565, without admitting or denying any of the findings of fact or conclusions of law, except that Respondents admit the facts necessary to establish the Bureau’s jurisdiction over Respondents and the subject matter of this action.

**III.**

**Definitions**

3. The following definitions apply to this Consent Order:
  - a. “Affected Consumer” means any consumer who requested that Respondents resend a remittance transfer for which Respondents had failed to make the funds available to the designated recipient by the

date of availability stated in the disclosure provided to the sender under 12 C.F.R. § 1005.31(b)(2) or (3), and who has not otherwise received a refund of the fees imposed on the remittance transfer to a sender.

- b. “Effective Date” means the date on which the Consent Order is issued.
- c. “Board” means Respondents’ duly-elected and acting Board of Directors or a designated committee thereof.
- d. “Regional Director” means the Regional Director for the West Region for the Office of Supervision for the Bureau of Consumer Financial Protection, or his or her delegate.
- e. “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 any Respondent based on substantially the same facts as described in Section IV of this Consent Order.

- f. “Respondents” means Sigue Corporation (Sigue Corp.), SGS Corporation (SGS), and GroupEx Financial Corporation (GroupEx), and their successors and assigns.

#### IV.

### **Bureau Findings and Conclusions**

The Bureau finds the following:

#### *Background*

4. Respondent Sigue Corp. is a Delaware corporation with its principal place of business in Sylmar, California. Sigue Corp.’s primary business is to provide international-money transfers, including remittance transfers.
5. Respondent SGS is a Kansas corporation with its principal place of business in Sylmar, California. SGS is a wholly-owned subsidiary of Sigue Corp. SGS’s primary business is to provide international-money transfers, including remittance transfers.
6. Respondent GroupEx is a Delaware corporation with its principal place of business in Sylmar, California. GroupEx is a wholly-owned subsidiary of SGS. GroupEx’s primary business is to provide international-money transfers, including remittance transfers.

7. Respondents have a distribution network with over 200,000 send-and-receive locations, offices in 18 countries, and operations in all 50 of the United States.
8. Respondents describe themselves as “a leading remittance provider in the [U.S.] to Mexico Corridor” and focus on immigrant communities in the United States.
9. Respondents’ remittance transfers involve transmitting funds and constitute payment services. These services are offered to consumers primarily for personal, family, or household purposes. The services are therefore “consumer financial product[s] or service[s]” under the CFP A. 12 U.S.C. §§ 5481(6), (15)(A)(iv), (15)(A)(vii).
10. Respondents are also remittance-transfer providers under EFT A and Regulation E because they provide remittance transfers for consumers in the normal course of their businesses. 15 U.S.C. § 1693o-1(g)(3); 12 C.F.R. § 1005.30(f).
11. In 2010, EFT A was amended by adding § 919 to create a comprehensive system of consumer protections for remittance transfers sent by U.S. consumers to individuals and businesses in foreign countries. Section 919 includes a number of requirements related to remittance transfers, including that:

- remittance-transfer providers must disclose the exchange rate, the amount to be received, and other information both before and at the time the consumer pays for the transfer, 15 U.S.C. § 1693o-1(a)(1) & (2);
  - consumers have certain rights regarding cancellation and refunds, 15 U.S.C. § 1693o-1(d);
  - remittance-transfer providers must investigate disputes and remedy errors regarding remittances, 15 U.S.C. § 1693o-1(d); and
  - remittance-transfer providers are liable for certain acts of their agents, 15 U.S.C. § 1630o-1(f).
12. The Bureau issued rules to implement these requirements, which became effective on October 28, 2013. These rules are known as the Remittance Rule.
  13. Respondents provide remittance transfers to consumers using their retail branches and a network of agents across the United States, including convenience stores, supermarkets, and other retail establishments where they have installed a dedicated computer or a telephone that can be used to send remittance transfers using Respondents' services.
  14. As of October 28, 2013, the effective date of the Remittance Rule, Respondents have been subject to the requirements of EFTA and the Remittance Rule.
  15. Respondents were aware of the Remittance Rule and made operational changes after the Rule became effective but did not fully comply with some of the disclosure and error-resolution requirements.

16. From 2013 until at least 2019, Respondents engaged in the acts and practices in providing remittance transfers as described below.

***Respondents violated §§ 1005.33(c)(1) and (c)(2)(ii)(B) by failing to notify some consumers of the remedies available for correcting errors and providing those consumers with the appropriate remedy.***

17. Section 1005.33(c)(1) of the Remittance Rule requires remittance-transfer providers to investigate promptly a notice of error received from a sender and to determine whether an error occurred within 90 days of receiving notice. Section 1005.33(c)(1) further requires remittance-transfer providers to “report the results to the sender, including notice of any remedies available for correcting any error that the provider determines has occurred, within three business days after completing its investigation.”
18. Among other things, it is generally an error if a remittance-transfer provider fails to make funds available to a designated recipient by the date of availability stated in the receipt or combined disclosure that the provider provides to a sender under § 1005.33(a)(1)(iv).
19. Section 1005.33(c)(2)(ii)(B) of the Remittance Rule requires a remittance-transfer provider to refund fees imposed on a remittance transfer to a sender following an assertion of an error when the provider commits an error under § 1005.33(a)(1)(iv) by failing to make funds available to the designated recipient by the date of availability in the receipt or combined disclosure.

20. When Respondents committed errors under § 1005.33(a)(1)(iv), they refunded fees only to senders who, as a remedy, requested that Respondents cancel the transaction. Respondents did not refund fees to senders who, as a remedy, requested that Respondents resend the transaction.
21. Between 2015 and 2019, for senders who requested that Respondents resend the remittance transfer as a remedy, Respondents did not adequately notify those consumers of the available remedies or refund fees imposed on the remittance transfer in a total of more than 9,280 instances and resulting in a total cost to consumers of approximately \$99,944.95.
22. Respondents therefore violated 12 C.F.R. §§ 1005.33(c)(1) and (c)(2)(ii)(B).

***Respondents violated §§ 1005.33(c)(1) and (d)(1)  
by failing to properly report the results of error investigations  
and failing to notify consumers of their rights after error investigations.***

23. Section 1005.33(c)(1) of the Remittance Rule requires remittance-transfer providers to investigate promptly a notice of error from a sender and to determine whether an error occurred within 90 days of receiving notice. Section 1005.33(c)(1) further requires remittance-transfer providers to “report the results to the sender, including notice of any remedies available for correcting any error that the provider determines has occurred, within three business days after completing its investigation.”

24. Section 1005.33(d)(1) of the Remittance Rule requires a remittance-transfer provider to follow certain procedures if it determines that no error occurred or if a different error occurred than the error identified in the sender's notice of error. Specifically, this section requires the remittance-transfer provider to give the sender a written explanation of the provider's findings regarding the notice of error and to note the sender's right to request the documents on which the remittance-transfer provider relied in making its determination.
25. From the effective date of the Remittance Rule through at least 2019, it was Respondents' practice to inform consumers about complaint-investigation results only by telephone, even if Respondents found no error or a different error from the one alleged.
26. Respondents therefore violated 12 C.F.R. §§ 1005.33(c)(1) and (d)(1).

***Respondents violated § 1005.33(g)(1) by failing to develop and maintain written policies and procedures designed to ensure compliance with certain error-resolution requirements of the Remittance Rule.***

27. Section 1005.33(g)(1) of the Remittance Rule requires remittance-transfer providers to develop and maintain written policies and procedures that are designed to ensure compliance with the Rule's error-resolution requirements.
28. From the effective date of the Remittance Rule to at least 2019, Respondents had no written policies and procedures on the

appropriate remedies for correcting “errors.” Respondents did not fully comply with the Rule’s procedures for resolving errors.

29. From December 2017 to at least September 2018, Respondents’ written policies and procedures inaccurately stated that investigation results could be reported either orally or in writing to a consumer even in cases where the Remittance Rule requires the provider to explain its findings in writing. During this period, Respondents followed their written policies and procedures, rather than the Remittance Rule’s requirements, and so did not provide investigation results in writing where the Rule requires written notice.
30. From September 2014 to November 2017, Respondents described “errors” too narrowly in their written policies and procedures, making it likely that following such policies and procedures would result in undercompliance with the Rule.
31. Thus, between the effective date of the Remittance Rule and 2019, Respondents’ policies and procedures were not adequately designed to ensure compliance with §§ 1005.33(c)(1), (c)(2), or (d)(1).
32. Respondents therefore violated 12 C.F.R. § 1005.33(g)(1).

***Sigue Corp. violated §§ 1005.31(b)(1)(i)-(iii), (v)-(vii), and (b)(2)(i) by failing to identify the amounts, fees, and taxes associated with certain transfers as required by the Remittance Rule.***

33. Section 1005.31 of the Remittance Rule generally requires remittance-transfer providers to give consumers certain disclosures. If providers choose to provide those disclosures through prepayment disclosures and receipts, as Respondents have since the Rule's effective date, § 1005.31(b) governs the content of those prepayment disclosures and receipts.
34. Sections 1005.31(b)(1)(i) and (b)(2)(i) require that prepayment disclosures and receipts disclose the amount that will be transferred to the designated recipient, in the currency in which the remittance transfer is funded, using the term "transfer amount" or a substantially similar term.
35. Sections 1005.31(b)(1)(ii) and (b)(2)(i) require that prepayment disclosures and receipts disclose any fees imposed and any taxes collected on the remittance transfer by the provider, in the currency in which the remittance transfer is funded, using the terms "transfer fees" for fees and "transfer taxes" for taxes, or substantially similar terms.
36. Sections 1005.31(b)(1)(iii) and (b)(2)(i) require that prepayment disclosures and receipts disclose the total amount of the transaction, in the currency in which the remittance transfer is funded, using the term "total" or a substantially similar term.

37. Sections 1005.31(b)(1)(v) and (b)(2)(i) require that prepayment disclosures and receipts disclose the amount that will be transferred to the designated recipient, in the currency in which the funds will be received by the designated recipient, but only if certain covered third-party fees are imposed, using the term “transfer amount” or a substantially similar term.
38. Sections 1005.31(b)(1)(vi) and (b)(2)(i) require that prepayment disclosures and receipts disclose any covered third-party fees, in the currency in which the funds will be received by the designated recipient, using the term “other fees” or a substantially similar term.
39. Sections 1005.31(b)(1)(vii) and (b)(2)(i) require that prepayment disclosures and receipts disclose the amount that will be received by the designated recipient, in the currency in which the funds will be received, using the term “total to recipient” or a substantially similar term.
40. Between 2013 and 2019, some of Sigue Corp.’s prepayment disclosures and receipts did not specify the currency of the various amounts, fees, and taxes in a manner required by the Remittance Rule.
41. Sigue Corp. therefore violated 12 C.F.R. §§ 1005.31(b)(1)(i)-(iii), (v)-(vii), and (b)(2)(i).

***Sigue Corp. violated §§ 1005.31(b)(1)(i) and (b)(2)(i) by issuing some disclosures that did not use the term “transfer amount” or a substantially similar term.***

42. Sections 1005.31(b)(1)(i) and (b)(2)(i) of the Remittance Rule require that prepayment disclosures and receipts disclose the amount that will be transferred to the designated recipient, in the currency in which the remittance transfer is funded, using the term “transfer amount” or a substantially similar term.

43. Between 2013 and at least 2019, Sigue Corp. issued prepayment disclosures and receipts that used the Spanish phrase “cantidad neta” and the English translation “net before exchange” to indicate the amount to be transferred to the designated recipient. The English phrase “net before exchange” is not substantially similar to “transfer amount.”

44. Sigue Corp. therefore violated 12 C.F.R. §§ 1005.31(b)(1)(i) and (b)(2)(i).

***Sigue Corp. and GroupEx violated § 1005.31(b)(2)(vi) by issuing some receipts that did not identify state-licensing and -chartering agencies.***

45. Section 1005.31(b)(2)(vi) of the Remittance Rule requires that remittance-transfer receipts contain a statement that “the sender can contact the State agency that licenses or charters the remittance transfer provider . . . for questions or complaints” and provide the relevant state agency’s name, telephone numbers, and website.

46. From at least 2018 to 2019, some Sigue Corp. receipts contained inaccurate information about the state-licensing or -chartering agencies for Georgia, Maine, Maryland, New Mexico, North Carolina, Oregon, and Vermont, including omitting the relevant agency's name, telephone numbers, or websites.
47. In at least 2019, some GroupEx receipts contained inaccurate information about the state-licensing or -chartering agencies for Georgia, Maryland, North Carolina, and Oregon, including omitting the relevant agency's name, telephone numbers, or websites.
48. Sigue Corp. and GroupEx therefore violated 12 C.F.R. § 1005.31(b)(2)(vi).

***Respondents violated § 1005.31(c)(1) by issuing prepayment disclosures that did not comply with the Remittance Rule's grouping requirement.***

49. Section 1005.31(c)(1) of the Remittance Rule requires that the following types of information (or their equivalents) be grouped together on prepayment disclosures: "transfer amount," "transfer fees," "transfer taxes," and "total." This section also requires that the following types of information (or their equivalents) be grouped together when applicable: "transfer amount," "other fees," "total to recipient," and a statement about non-covered third-party fees.

50. From the Rule's effective date through at least 2019, some of Respondents' prepayment disclosures improperly grouped the term "other fees" together with "transfer amount," "transfer fees," "transfer taxes," and "total."

51. Respondents therefore violated 12 C.F.R. § 1005.31(c)(1).

***Sigue Corp. violated §§ 1005.31(b)(1)(viii) and (b)(2)(i) by including a statement on certain prepayment disclosures and receipts that non-covered, third-party fees may apply to a remittance transfer.***

52. Sections 1005.31(b)(1)(viii) and (b)(2)(i) of the Remittance Rule require a remittance-transfer provider to disclose to a sender, as applicable, a statement indicating that non-covered, third-party fees or taxes collected on the remittance transfer by a person other than the provider may apply to the remittance transfer and result in the designated recipient receiving less than the amount disclosed pursuant to § 1005.31(b)(1)(vii). A provider may include this disclosure only if such fees or taxes do or may apply to the transfer.

53. From the Rule's effective date through at least 2019, some of Sigure Corp.'s prepayment disclosures and receipts stated that a designated "recipient may receive less due to taxes and additional non-covered third-party fees charged within destination country," or included substantially similar statements, when non-covered, third-party fees could not be imposed on the remittance transfer.

54. Sigue Corp. therefore violated 12 C.F.R. §§ 1005.31(b)(1)(viii) and (b)(2)(i).

**ORDER**

**V.**

**Conduct Provisions**

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

55. Respondents and their officers, agents, servants, employees, and attorneys who have actual notice of this Consent Order, whether acting directly or indirectly, may not violate 12 C.F.R. §§ 1005.31 or 1005.33.
56. Respondents in connection with the provision of remittance transfers must:
- a. implement and maintain written policies and procedures designed to ensure compliance with the Remittance Rule; and
  - b. maintain a compliance-management system that is designed to ensure that Respondents' operations comply with the Remittance Rule, including conducting training and oversight of all agents, employees, and service providers that is designed to ensure compliance with the Remittance Rule.

## VI.

### Compliance Plan

**IT IS FURTHER ORDERED** that:

57. Within 60 days of the Effective Date, Respondents must submit to the Regional Director for review and determination of non-objection a comprehensive compliance plan designed to ensure that Respondents' remittance-transfer acts and practices comply with all applicable federal consumer-financial laws and the terms of this Consent Order (Compliance Plan). The Compliance Plan must include, at a minimum, detailed steps for addressing each action required by this Consent Order and specific timeframes and deadlines for implementing those steps.
58. The Regional Director will have the discretion to make a determination of non-objection to the Compliance Plan or direct Respondents to revise it. If the Regional Director directs Respondents to revise the Compliance Plan, Respondents must make the revisions and resubmit the Compliance Plan to the Regional Director within 30 days.
59. After receiving notification that the Regional Director has made a determination of non-objection to the Compliance Plan, Respondents must implement and adhere to the steps, recommendations, deadlines, and timeframes outlined in the Compliance Plan.

## VII.

### Role of the Board

**IT IS FURTHER ORDERED** that:

60. The Board must review all submissions (including plans, reports, programs, policies, and procedures) required by this Consent Order prior to submission to the Bureau.
61. Although this Consent Order requires Respondents to submit certain documents for the review or non-objection by the Regional Director, the Board will have the ultimate responsibility for proper and sound management of Respondents and for ensuring that Respondents comply with the laws that the Bureau enforces, including federal consumer financial laws and this Consent Order.
62. In each instance that this Consent Order requires the Board to ensure adherence to, or perform certain obligations of Respondents, the Board must:
  - a. authorize whatever actions are necessary for Respondents to fully comply with the Consent Order;
  - b. require timely reporting by management to the Board on the status of compliance obligations; and

- c. require timely and appropriate corrective action to remedy any material non-compliance with any failures to comply with Board directives related to this Section.

## **VIII.**

### **Order to Pay Redress**

**IT IS FURTHER ORDERED** that:

63. Within 10 days of the Effective Date, Respondents must reserve or deposit into a segregated deposit account an amount not less than \$99,944.95 (Payment Floor), for the purpose of providing redress to Affected Consumers as required by this Section.
64. Within 30 days of the Effective Date, Respondents must submit to the Regional Director for review and non-objection a comprehensive written plan for providing redress consistent with this Consent Order (Redress Plan). The Regional Director will have the discretion to make a determination of non-objection to the Redress Plan or direct Respondents to revise it. If the Regional Director directs Respondents to revise the Redress Plan, Respondents must make the revisions and resubmit the Redress Plan to the Regional Director within 15 days. After receiving notification that the Regional Director has made a determination of non-objection to the Redress Plan, Respondents must implement and adhere

to the steps, recommendations, deadlines, and timeframes outlined in the Redress Plan.

65. The Redress Plan must, at a minimum, identify Respondents' method for determining the transaction fees that must be refunded to each Affected Consumer, comprehensive steps for locating those consumers, and specific steps and deadlines for providing the redress to each Affected Consumer.
66. After completing the Redress Plan, if the amount of redress provided to Affected Consumers is less than \$99,944.95, within 30 days of the completion of the Redress Plan, Respondents must pay to the Bureau, by wire transfer to the Bureau or to the Bureau's agent, and according to the Bureau's wiring instructions, the difference between the amount of redress provided to Affected Consumers and \$99,944.95.
67. The Bureau may use these remaining funds to pay additional redress to Affected Consumers. If the Bureau determines, in its sole discretion, that additional redress is wholly or partially impracticable or otherwise inappropriate, or if funds remain after the additional redress is completed, the Bureau will deposit any remaining funds in the U.S. Treasury as disgorgement. Respondents will have no right to challenge any actions that the Bureau or its representatives may take under this Section.

68. Respondents may not condition the payment of any redress to any Affected Consumer under this Consent Order on that Affected Consumer waiving any right.

## **IX.**

### **Order to Pay Civil Money Penalty**

**IT IS FURTHER ORDERED** that:

69. Under § 1055(c) of the CFP A, 12 U.S.C. § 5565(c), by reason of the violations of law described in § IV of this Consent Order, and taking into account the factors in 12 U.S.C. § 5565(c)(3), Respondents must pay a civil money penalty of \$300,000 to the Bureau.
70. Within 10 days of the Effective Date, Respondents 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.
71. The civil money penalty paid under this Consent Order will be deposited in the Civil Penalty Fund of the Bureau as required by § 1017(d) of the CFP A, 12 U.S.C. § 5497(d).
72. Respondents, 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, Respondents 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.
  
73. To preserve the deterrent effect of the civil money penalty in any Related Consumer Action, Respondents may not argue that Respondents are entitled to, nor may Respondents 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 Respondents based on the civil money penalty paid in this action or based on any payment that the Bureau makes from the Civil Penalty Fund, Respondents must, within 30 days after entry of a final order granting such offset or reduction, notify the Bureau, and pay the amount of the offset or reduction to the U.S. Treasury. Such a payment will not be considered an additional civil money penalty and

will not change the amount of the civil money penalty imposed in this action.

**X.**

**Additional Monetary Provisions**

**IT IS FURTHER ORDERED** that:

74. In the event of any default on Respondents' 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.
75. Respondents 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 Respondents.
76. Under 31 U.S.C. § 7701, Respondents, unless they already have done so, must furnish to the Bureau their taxpayer-identification numbers, which may be used for purposes of collecting and reporting on any delinquent amount arising out of this Consent Order.
77. Within 30 days of the entry of a final judgment, consent order, or settlement in a Related Consumer Action, Respondents must notify the Regional Director of the final judgment, consent order, or settlement in writing. That

notification must indicate the amount of redress, if any, that Respondents paid or is required to pay to consumers and describe the consumers or classes of consumers to whom that redress has been or will be paid.

## **XI.**

### **Reporting Requirements**

**IT IS FURTHER ORDERED** that:

78. Respondents must notify the Bureau of any development that may affect compliance obligations arising under this Consent Order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor company; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Consent Order; the filing of any bankruptcy or insolvency proceeding by or against any Respondent; or a change in any Respondent's name or address. Respondents 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.
79. Within 7 days of the Effective Date, each 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 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.
80. Respondent must report any change in the information required to be submitted under ¶ 79 at least 30 days before the change or as soon as practicable after the learning about the change, whichever is sooner.
81. Within 90 days after receiving notice of non-objection to the Compliance Plan, and again one year thereafter, Respondents must submit to the Regional Director an accurate written compliance progress report (Compliance Report) that has been approved by the Board, sworn to under penalty of perjury, which, at a minimum:
- a. lists each applicable paragraph and subparagraph of the Order and describes in detail the manner and form in which Respondents have complied with each such paragraph and subparagraph of the Consent Order;

- b. describes in detail the manner and form in which Respondent has complied with the Redress Plan and Compliance Plan; and
- c. attaches a copy of each Order Acknowledgment obtained under § XII, unless previously submitted to the Bureau.

## **XII.**

### **Order Distribution and Acknowledgment**

**IT IS FURTHER ORDERED** that:

- 82. Within 7 days of the Effective Date, each Respondent must submit to the Regional Director an acknowledgment of receipt of this Consent Order, sworn under penalty of perjury.
- 83. Within 30 days of the Effective Date, Respondents 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.
- 84. For 5 years from the Effective Date, Respondents must deliver a copy of this Consent Order to any business entity resulting from any change in structure referred to in § XI, 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.

85. Respondents 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.

### **XIII.**

#### **Recordkeeping**

**IT IS FURTHER ORDERED** that:

86. Respondents must create and retain the following business records:
- a. all documents and records necessary to demonstrate full compliance with each provision of this Consent Order, including all submissions to the Bureau;
  - b. all documents and records pertaining to the Redress Plan, described in § VIII above;
  - c. templates of all prepayment disclosures, receipts, and combined disclosures, along with records sufficient to demonstrate the dates and

locations in which each template was in use and the number of consumers who received each template; and

- d. all consumer complaints and refund requests (whether received directly or indirectly, such as through a third party), and any responses to those complaints or requests.

- 87. Respondents must make the documents identified in ¶ 86 available to the Bureau upon the Bureau's request.

#### **XIV.**

#### **Notices**

**IT IS FURTHER ORDERED** that:

- 88. Unless otherwise directed in writing by the Bureau, Respondents must provide all submissions, requests, communications, or other documents relating to this Consent Order in writing, with the subject line, "In re Sigue Corp., File No. 2020-BCFP-0011," and send them by overnight courier or first-class mail to the below address and contemporaneously by email to [Enforcement\\_Compliance@cfpb.gov](mailto:Enforcement_Compliance@cfpb.gov):

Regional Director, Bureau West Region  
301 Howard Street, 12th Floor  
San Francisco, CA 94105

**XV.**

**Cooperation with the Bureau**

**IT IS FURTHER ORDERED** that:

89. Respondents must cooperate fully to help the Bureau determine the identity and location of, and the amount of injury sustained by, each Affected Consumer. Respondents must provide such information in its or its agents' possession or control within 14 days of receiving a written request from the Bureau.

**XVI.**

**Compliance Monitoring**

**IT IS FURTHER ORDERED** that:

90. Within 14 days of receipt of a written request from the Bureau, Respondents must submit additional Compliance Reports or other requested non-privileged information, related to requirements of this Consent Order, which must be made under penalty of perjury; provide sworn testimony related to requirements of this Consent Order and Respondents' compliance with those requirements; or produce non-privileged documents related to requirements of this Consent Order and Respondents' compliance with those requirements.

91. Respondents must permit Bureau representatives to interview about the requirements of this Consent Order and Respondents' compliance with those requirements, any employee or other person affiliated with Respondents who has agreed to such an interview. The person interviewed may have counsel present.
92. 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.

## **XVII.**

### **Modifications to Non-Material Requirements**

**IT IS FURTHER ORDERED** that:

93. Respondents may seek a modification to non-material requirements of this Consent Order (e.g., reasonable extensions of time and changes to reporting requirements) by submitting a written request to the Regional Director.
94. The Regional Director may, in his or her discretion, modify any non-material requirements of this Consent Order (e.g., reasonable extensions of time and changes to reporting requirements) if he or she determines good cause justifies the modification. Any such modification by the Regional Director must be in writing.

## XVIII.

### Administrative Provisions

**IT IS FURTHER ORDERED** that:

95. The provisions of this Consent Order do not bar, estop, or otherwise prevent the Bureau from taking any other action against Respondents, except as described in ¶ 96. 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 Respondents.
96. The Bureau releases and discharges Respondents from all potential liability for law violations that the Bureau has or might have asserted based on the practices described in § IV 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 Respondents and their 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.

97. This Consent Order is intended to be, and will be construed as, a final Consent Order issued under § 1053 of the CFPA, 12 U.S.C. § 5563, and expressly does not form, and may not be construed to form, a contract binding the Bureau or the United States.
98. This Consent Order will terminate 5 years from the Effective Date. 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.
99. Calculation of time limitations will run from the Effective Date and be based on calendar days, unless otherwise noted.
100. Should any Respondent seek to transfer or assign all or part of its operations that are subject to this Consent Order, that 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.
101. 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

Respondents wherever Respondents may be found and Respondents may not contest that court's personal jurisdiction over Respondents.

102. 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.

103. Nothing in this Consent Order or the accompanying Stipulation may be construed as allowing Respondents or their Board, officers, or employees to violate any law, rule, or regulation.

**IT IS SO ORDERED**, this <sup>27<sup>th</sup></sup> day of August, 2020.

  
Kathleen L. Krahinger  
Director  
Bureau of Consumer Financial Protection