



NEWS RELEASE

FOR IMMEDIATE RELEASE

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STATE REGULATORS SETTLE WITH ACI PAYMENTS, INC. FOR UNAUTHORIZED TRANSACTIONS FROM MR. COOPER CUSTOMER ACCOUNTS

Boise, Idaho - The Idaho Department of Finance and 43 other state agencies have reached settlements with ACI Payments, Inc., for erroneously initiating electronic transactions totaling \$2.3 billion from the accounts of 480,000 mortgage-holders serviced by Mr. Cooper (formerly known as Nationstar Mortgage, LLC). State regulators levied \$10 million through a multistate enforcement action led by regulators from Arkansas, Connecticut, Maryland, and Texas with support from the Conference of State Bank Supervisors.

ACI Payments, a subsidiary of ACI Worldwide Corp., is a state-regulated money services business licensed in Idaho and nearly all other U.S. states (NMLS ID 936777). Mr. Cooper offered ACI's Speedpay product for its customers to schedule their monthly mortgage payments, enabling automatic transfers of authorized mortgage payments from their personal bank accounts to Mr. Cooper. The violations occurred when ACI Payments erroneously used live customer data in a test of its Speedpay platform, causing unexpected and sometimes multiple mortgage payments from customer accounts. In some cases, these transactions exposed consumers to overdraft or insufficient funds fees.

Upon notification of the incident from ACI Payments, state regulators commenced a multistate money transmission investigation reviewing all aspects of the event, including investigating the facts and circumstances surrounding the erroneous transactions, evaluating consumer impact, analyzing the root cause of the incident, and evaluating the remedial steps taken by the company.

"This settlement demonstrates a core responsibility of state regulators to protect consumers from unlawful business practices," said Patricia Perkins, Director of the Idaho Department of Finance. "With this settlement, we are saying that states will not tolerate financial service providers that harm consumers through erroneous payment authorization. As part of this settlement, states require corrective actions so that ACI's future money transmission activities ensure accuracy and integrity."

This enforcement action orders the following of ACI Payments, Inc.:

- **Risk and Compliance Programs** – Maintain a comprehensive Enterprise Risk Management Program and a Third-Party Risk Management Program tailored to the nature, size, complexity and risk profile of ACI.
- **Agreement Monitoring** – Regular reporting (for two years) to a state regulator monitoring committee to ensure both the adequacy of the risk management programs and compliance with the order.
- **Administrative Costs and Penalties** – Payment of \$10 million in fines for administrative costs and penalties.

Consumers can obtain information about financial firms, professionals or products, as well as view more Department press releases and other information on the Internet at <http://finance.idaho.gov> or by contacting the Department at (208) 332-8000 or Idaho toll-free at 1-888-346-3378.