

HX 29

**UNITED STATES OF AMERICA
DEPARTMENT OF THE TREASURY
OFFICE OF THE COMPTROLLER OF THE CURRENCY**

In the Matter of:

Bank of America, N.A.
Charlotte, North Carolina

)
)
) AA-ENF-2022-21
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)

CONSENT ORDER

WHEREAS, the Office of the Comptroller of the Currency (“OCC”) has supervisory authority over Bank of America, N.A., Charlotte, North Carolina (“Bank”);

WHEREAS, the OCC intends to initiate cease and desist proceedings against the Bank pursuant to 12 U.S.C. § 1818(b), through the issuance of a Notice of Charges, related to: (1) the administration of the Bank’s prepaid cards for unemployment benefits, specifically engagement in (i) unsafe or unsound practice(s), including deficiencies in its risk management, operational processes and controls, internal audit, and investigation and resolution of consumer claims of unauthorized transactions; and (ii) unfair and deceptive practices in violation(s) of Section 5 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 45(a)(1); and (2) engaging in unsafe or unsound practices related to deficiencies in its enterprise-wide complaints risk management framework;

WHEREAS, in the interest of cooperation and to avoid additional costs associated with administrative and judicial proceedings with respect to the above matter, the Bank, by and through its duly elected and acting Board of Directors (“Board”), consents to the issuance of this Consent Order (“Order”), by the OCC through the duly authorized representative of the Comptroller of the Currency (“Comptroller”); and

NOW, THEREFORE, pursuant to the authority vested in the OCC by Section 8(b) of

the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818(b), the OCC hereby orders that:

ARTICLE I

JURISDICTION

(1) The Bank is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2).

(2) The Bank is a national banking association within the meaning of 12 U.S.C. § 1813(q)(1)(A), and is chartered and examined by the OCC. *See* 12 U.S.C. § 1 *et seq.*

(3) The OCC is the “appropriate Federal banking agency” as that term is defined in 12 U.S.C. § 1813(q) and is therefore authorized to initiate and maintain this cease and desist action against the Bank pursuant to 12 U.S.C. § 1818(b).

ARTICLE II

COMPTROLLER’S FINDINGS

The Comptroller finds, and the Bank neither admits nor denies, the following:

(1) For several years, the Bank issued and administered prepaid debit cards to distribute unemployment insurance benefits (“UI Prepaid Cards”) to consumers that were loaded with benefit funds issued by certain states, hereinafter referred to as the Unemployment Benefits Prepaid Card Program (“Program”).

(2) In March 2020, millions became unemployed and Congress enacted the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), which created the new Pandemic Unemployment Assistance (“PUA”) benefit. The CARES Act and PUA expanded unemployment benefits eligibility and provided greater benefit amounts than previously available. As a result, the size of the Program increased substantially (from under one million

unique cards loaded in January 2020 to over six million in July 2020), as did the volume of benefits issued by the states and loaded onto UI Prepaid Cards (from approximately \$1 billion in January 2020 to over \$27 billion in July 2020). Along with the increases in Program participants and benefits, the Program experienced an increase in fraud, including with respect to unauthorized transaction claims.

(3) The Bank failed to establish effective risk management over the Program, and, beginning in 2020, denied or delayed many consumers' access to unemployment benefits when consumers filed or attempted to file UI Prepaid Card unauthorized transaction claims.

Specifically, the Bank:

- (a) applied an automated fraud filter between September 28, 2020 and June 8, 2021 to decision UI Prepaid Card error claims that met certain criteria ("Fraud Filter") without conducting a sufficient investigation to: (i) deny many consumers' claims of unauthorized transactions on their UI Prepaid Cards, and (ii) "freeze" or "block" the UI Prepaid Card accounts associated with the claims. Consumers with frozen or blocked accounts could not access the unemployment benefits in their UI Prepaid Card accounts until the Bank removed the freeze or block.
- (b) failed to provide timely and full provisional or final credit to many consumers entitled to such credits who reported unauthorized transactions on their UI Prepaid Card accounts.
- (c) retroactively applied the Fraud Filter to many consumers' claims of unauthorized transactions on their UI Prepaid Card accounts without conducting further investigation and providing advance notice, which

incorrectly resulted in the reversal of provisional and final credits that the Bank previously provided to those consumers.

- (d) impeded many consumers' ability to regain access to their unemployment benefits through the UI Prepaid Cards and to request reconsideration of their unauthorized transaction claims as a result of operational deficiencies.
- (e) provided consumers deceptive disclosures and notices with respect to liability for unauthorized transactions, processing of unauthorized transaction claims, and account freezes and blocks.

(4) Overall, the Bank has the following deficiencies in its administration of the Program:

- (a) inadequate risk management practices in both the front-line units and independent risk management, including ineffective oversight, risk assessment, monitoring, and reporting;
- (b) inadequate internal controls, including those relating to contract management;
- (c) inadequate oversight, risk management, and monitoring of UI Prepaid Card unemployment benefits vendors ("Program Vendors"); and
- (d) inadequate oversight and coverage by the Bank's independent audit function.

(5) In addition, the Bank failed to establish an effective enterprise-wide complaints risk management framework that is commensurate with the Bank's size, complexity, and risk profile. Specifically, the complaint risk management framework lacks an effective:

- (a) process to identify, measure, manage, and report complaints;
- (b) complaint resolution process; and
- (c) quality assurance process.

(6) By reason of the deficiencies and conduct described in Paragraphs (2) through (5) of this Article, the Bank engaged in unsafe or unsound practices and engaged in unfair and deceptive practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a). These violations and practices support actions against the Bank under 12 U.S.C. § 1818(b) and (i)(2)(B).

(7) The Bank has begun taking corrective actions and has committed to taking necessary and appropriate steps to remedy the deficiencies identified by the OCC and to assist and remediate harmed consumers.

ARTICLE III

COMPLIANCE COMMITTEE

(1) Within thirty (30) days of the date of this Order, the Board shall maintain a Compliance Committee of at least three (3) members of which a majority shall be directors who are not employees or officers of the Bank or any of its subsidiaries or affiliates. The Board shall submit in writing to the Examiner-in-Charge the names of the members of the Compliance Committee within ten (10) days of their appointment. In the event of a change of the membership, the Board shall submit in writing to the Examiner-in-Charge within ten (10) days the name of any new or resigning committee member. The Compliance Committee shall monitor and oversee the Bank's compliance with the provisions of this Order. The Compliance Committee shall meet at least quarterly and maintain minutes of its meetings at which compliance with this Order is discussed.

(2) Within sixty (60) days after the effective date of this Order, and thereafter within forty-five (45) days after the end of each subsequent quarter, the Bank shall prepare and submit to the Compliance Committee a written progress report setting forth in detail:

- (a) a description of the corrective actions needed to achieve compliance with each Article of this Order,
- (b) the specific corrective actions undertaken to comply with each Article of this Order,
- (c) the results and status of the corrective actions, and
- (d) the person(s) responsible for the completion of outstanding corrective actions.

(3) The Compliance Committee shall forward a copy of the report, with any additional comments by the Committee, to the Board.

(4) The Compliance Committee shall forward a copy of the report, with any additional comments by the Committee or Board, to the Examiner-in-Charge within fifteen (15) days of the first Compliance Committee meeting following the Committee's receipt of such report.

ARTICLE IV

ACTION PLAN

(1) Pursuant to the timeframe for completion and other requirements set forth in Article V of this Order, the Bank shall develop a UI Prepaid Card Oversight and Risk Management Program ("ORMP") containing a complete description of the actions necessary to achieve compliance with Article V of this Order. Separately, the Bank shall develop a Consent Order Action Plan ("COAP") containing a complete description of the actions necessary to

achieve compliance with Articles VI through X of this Order. The components of the COAP shall be completed within the timeframes set forth in Articles VI through X of this Order, if specified. Collectively, the ORMP and COAP are referred to collectively in this Order as the “Plans.” At the time the Bank is required to submit the ORMP pursuant to Article V, Paragraph (4), the Bank shall submit the Board-approved COAP to the Examiner-in-Charge for review and prior written determination of no supervisory objection.

(2) The Plans shall also specify the:

- (a) reasonable and well-supported timelines for completion of the corrective actions required by this Order, and
- (b) the person(s) responsible for completion of the corrective actions required by this Order.

(3) The timelines contained in the Plans shall be consistent with any deadlines set forth in this Order, including any modifications to the Order made pursuant to Article XIV, Paragraph (5).

(4) In the event the Examiner-in-Charge requires changes to the Plans, the Bank shall incorporate the required changes into the Plan(s) and submit the revised Plan(s) to the Examiner-in-Charge for review and prior written determination of no supervisory objection.

(5) Within thirty (30) days following receipt of the Examiner-in-Charge’s written determination of no supervisory objection to the Plans, the Board shall adopt the Plans and thereafter ensure that Bank management implements and adheres to the Plans, including the timelines set forth within the Plans.

(6) The Bank shall not take any action that will cause a significant deviation from, or

material change to, the Plans. Where the Bank makes a determination to modify the Plans, the Bank shall submit the revised Plan(s) containing the proposed modifications to the Examiner-in-Charge for prior written determination of no supervisory objection. Upon receipt of a written determination of no supervisory objection from the Examiner-in-Charge, the Board shall timely adopt the revised Plan(s) and thereafter ensure that Bank management implements and adheres to the revised Plan(s), including the timelines set forth within the revised Plan(s).

ARTICLE V

UI PREPAID CARD OVERSIGHT AND RISK MANAGEMENT PROGRAM

(1) Within sixty (60) days of the date of this Order, the Bank shall perform and submit to the Examiner-in-Charge for review and prior written determination of no supervisory objection, the Program Risk Assessment and Program Risk Assessment Report as defined in and required by Paragraph (2) of this Article and the Program Gap Analysis Report as defined in and required by Paragraph (3) of this Article. Within five (5) business days of receipt of the Examiner-in-Charge's written determination of no supervisory objection to each of the Program Risk Assessment, the Program Risk Assessment Report, and the Program Gap Analysis Report, the Bank shall submit the respective item to the Compliance Committee.

(2) The Bank shall perform a comprehensive and holistic risk assessment of the Program ("Program Risk Assessment") that shall address all significant risks to include at a minimum transaction and card volumes and trends; operational risks, including capacity limitations or obstacles with product service or delivery; requisite staffing skills and expertise; compliance with applicable consumer protection and information security laws and regulations; and fraud risk volume, fraud sources, and types of fraud. The Bank shall also prepare a report of

the Program Risk Assessment (“Program Risk Assessment Report”) that summarizes the findings from the Program Risk Assessment.

(3) The Bank shall conduct an analysis of its current controls and risk management processes over the Program to identify gaps (“Program Gap Analysis”). At a minimum, the Program Gap Analysis shall address the adequacy of operational controls, fraud investigations, fraud rules and/or strategies, claims intake and processing, accounting practices, complaints management, claims and complaints quality assurance processes, systems and data management, and Program Vendor risk management. The Bank shall also prepare a report of the Program Gap Analysis (“Program Gap Analysis Report”) that summarizes the findings from the Program Gap Analysis.

(4) Within thirty (30) days following receipt of the Examiner-in-Charge’s written determination of no supervisory objection to the Program Risk Assessment, the Program Risk Assessment Report, and the Gap Analysis Report, the Bank shall submit to the Examiner-in-Charge for review and prior written determination of no supervisory objection, an acceptable Board-approved UI Prepaid Card ORMP that at a minimum shall include:

- (a) policies, procedures, systems, and controls to effectively identify, measure, monitor, and control risks associated with the Bank’s administration of the Program, including those risks identified in the Program Risk Assessment required by Paragraph (2) of this Article.
- (b) corrective actions to address the gaps identified in the Program Gap Analysis required by Paragraph (3) of this Article.
- (c) an effective oversight and risk management framework that establishes the roles and responsibility for respective front-line units and independent risk

management for Program operations consistent with the Bank's Enterprise-Wide Risk Framework.

(d) policies and procedures to ensure effective and timely execution of training to Bank employees and employees of Program Vendors and comprehensive measures for assessing the effectiveness of such training.

(e) measures to ensure Program Vendors adhere to the Bank's established Enterprise-Wide Vendor Risk Management Policy and comply with all applicable consumer protection laws and regulations and that at a minimum shall:

(i) ensure comprehensive and timely quality assurance activities and monitoring activities to identify, measure, monitor, and control risks identified by the Program Risk Assessment required by Paragraph (1) of this Article.

(ii) ensure business level Program Vendor scorecards and enterprise-wide and business level reporting clearly escalate performance issues, control lapses, or non-compliance with all applicable consumer protection laws and regulations and Bank policies and procedures.

(f) standard reporting for the Program, which, at a minimum, shall include performance metrics, risk indicators, and complaints trends.

(g) effective independent risk management for the Program that adheres to the Bank's Enterprise-Wide Risk Management Framework and includes, at a minimum:

- (i) periodic comprehensive and holistic risk assessments of the Program, to occur at least annually, that identify the risks specified in Paragraph (1) of this Article and specify the actions taken to identify, measure, monitor, and control the risks; and
- (ii) independent coverage plans and testing sufficient to detect, mitigate, and manage operational control lapses and non-compliance with all applicable consumer protection laws and regulations and Bank policies and procedures.

(5) Within thirty (30) days following receipt of the Examiner-in-Charge's written determination of no supervisory objection to the ORMP, the Board shall adopt, and Bank management, subject to Board oversight consistent with Article XI, shall immediately implement and thereafter ensure adherence to the ORMP. Any amendment to the ORMP must be submitted to the Examiner-in-Charge for review and prior written determination of no supervisory objection.

ARTICLE VI

ENTERPRISE-WIDE COMPLAINTS RISK MANAGEMENT FRAMEWORK

(1) Within sixty (60) days of the date of this Order, the Bank shall submit to the Examiner-in-Charge for review and prior written determination of no supervisory objection a Board-approved enterprise-wide complaints risk management framework ("Complaints Framework").

(2) The Complaints Framework shall at a minimum include an effective enterprise complaints policy, inclusive of an expanded complaints definition, and the identification and description of effective procedures for adequately and timely identifying,

tracking, documenting, analyzing, managing, monitoring, escalating, reporting, and resolving consumer customer complaints. This Complaints Framework shall also include quality assurance measures to ensure Bank adherence to the Complaints Framework.

(3) Within sixty (60) days following receipt of the Examiner-in-Charge's written determination of no supervisory objection to the Complaints Framework or to any subsequent amendment to the Complaints Framework, the Board shall adopt the Complaints Framework and shall ensure that Bank management, subject to Board oversight consistent with Article XI, shall implement and thereafter ensure adherence to the Complaints Framework. Any amendment to the Complaints Framework must be submitted to the Examiner-in-Charge for review and prior written determination of no supervisory objection.

ARTICLE VII

CONTRACT APPROVAL AND REVIEW PROCESS

(1) Within thirty (30) days of the date of this Order, the Bank shall develop the criteria it will use to determine if a contract, including nonstandard contracts, pursuant to which the Bank is providing significant services and acting as a vendor of such services, poses significant risks to the Bank in various scenarios, including adverse conditions.

(2) Within thirty (30) days of the date of this Order, the Bank shall create an inventory of existing contracts and newly signed contracts executed more than thirty (30) days prior to the date of submission of the inventory that meet the criteria developed pursuant to Paragraph (1) of this Article and submit this inventory to the Examiner-in-Charge.

(3) The Bank shall update the inventory required by Paragraph (2) of this Article on an annual basis and submit the updated inventory to the Examiner-in-Charge.

(4) Within one hundred fifty (150) days of the date of this Order, the Bank shall conduct risk assessments of all existing contracts listed in the inventory required by Paragraph (2) of this Article.

(5) Within one hundred fifty (150) days of the date of this Order, the Bank shall review and revise, as appropriate, its enterprise-wide framework for contract review and approval for contracts where the Bank is providing significant services and acting as a vendor of such services, including nonstandard contracts, to ensure at a minimum that its contract approval and review process includes:

- (a) policies and procedures for assessing the risks of new contracts that meet the criteria required by Paragraph (1) of this Article, which assessment shall occur prior to entering the contract;
- (b) policies and procedures for conducting periodic assessments of the risks, of all existing contracts listed in the inventory required by Paragraph (2) of this Article, which assessments should occur at least annually; and
- (c) policies and procedures for developing and implementing plans that adequately measure, monitor, and provide for controls that adapt commensurate with changing risk levels for the risks identified pursuant to the assessments required by Paragraphs (4), (5)(a) and (5)(b) of this Article.

(6) Upon adoption of the revised enterprise-wide framework for contract approval and review as described in Paragraph (5) of this Article, Bank management, subject to Board oversight consistent with Article XI, shall implement and thereafter ensure adherence to the revised enterprise-wide framework for contract review and approval and any amendments

thereto. The Board shall ensure that the Bank conducts the assessments, develops, implements, and adheres to the requirements of this Article.

ARTICLE VIII

INTERNAL AUDIT

(1) Within sixty (60) days of the date of this Order, Internal Audit shall revise the audit plan to ensure comprehensive end-to-end coverage of the Program's operations and risk management processes and that at a minimum includes the testing of controls over the Program's operations, claims and reconsiderations, and adherence to all applicable consumer protection laws and regulations and Bank policies and procedures.

(2) Consistent with the Bank's established Internal Audit policies and procedures, Internal Audit shall report all Program control deficiencies; UI Prepaid Card claims-related and other operational errors; Program internal misconduct; and Program violations of applicable laws, including consumer protection laws and regulations, and of Bank policies and procedures to the Board and management in a timeframe consistent with the Bank's established Internal Audit policies and procedures.

ARTICLE IX

REMEDICATION

(1) Within ninety (90) of days of the date of this Order, the Bank shall submit to the Examiner-in-Charge for review and prior written determination of no supervisory objection a Board-approved acceptable remediation plan ("Remediation Plan").

(2) At a minimum, the Remediation Plan shall include:

- (a) a description of a well-supported methodology to be used to identify harmed consumers as a result of the practices described in Article II,

Paragraph (3), and a calculation of the time necessary to compile a list of potential harmed consumers.

- (b) a description of the procedures and process used to remediate each harmed consumer meeting the methodology referred to in Paragraph 2(a) of this Article, including for claim amounts wrongfully withheld or denied, benefit amounts frozen or blocked, and any consequential financial harm.

At a minimum, these procedures shall include:

- (i) a lump sum consequential harm payment to harmed consumers, that is calculated pursuant to the methodology required by Paragraph (2)(c) of this Article;
 - (ii) an individualized review process administered by an independent third-party payment administrator that allows harmed consumers to request an individualized review to establish consequential harm not satisfied by the lump sum payment described in Paragraph 2(b)(i) of this Article (“Individualized Review Process”); and
 - (iii) a description of the plan for developing effective disclosures and communications used to inform harmed consumers of Individualized Review Process and the type of supporting information that will be required, as well as the circumstances under which such supporting information will be required.
- (c) a description of the methodology used to calculate the amount of remediation to be paid to each harmed consumer. This methodology shall include compensation for the financial harm suffered due to loss of access

to unemployment funds, including but not limited to, the wrongly denied unauthorized transaction claim amounts and the loss of access to the UI Prepaid Card balances that were frozen or blocked as described in Article II Paragraph 3(a).

- (d) a description of the procedures for the issuance and tracking of remediation and the disclosures and communications required by Paragraph (2)(b)(iii) of this Article.
- (e) a description of the procedure for monitoring compliance with the Remediation Plan.

(3) The Bank shall remediate financial injury and make restitution to each harmed consumer in accordance with the Remediation Plan required by Paragraph (1) of this Article. No amount paid under the Remediation Plan is paid to reimburse the OCC or any other government or governmental entity for investigation or litigation costs, or in lieu of a fine or penalty.

(4) Within thirty (30) days following receipt of the Examiner-in-Charge's written determination of no supervisory objection to the Remediation Plan or to any subsequent amendment to the Remediation Plan, the Board shall adopt and Bank management, subject to Board oversight consistent with Article XI, shall immediately implement and thereafter ensure adherence to the Remediation Plan. Any amendment to the Remediation Plan must be submitted to the Examiner-in-Charge for review and prior written determination of no supervisory objection.

ARTICLE X**ASSESSMENT OF REMEDIATION**

(1) There shall be a periodic independent review and assessment of compliance with the terms of the Remediation Plan (“Remediation Review”) in accordance with Paragraph (2) of this Article, which Review shall include an assessment of:

- (a) the application of the methodology used to determine the population of harmed consumers,
- (b) the Claims Process and the adherence to procedures specified for the Claims Process,
- (c) the application of the methodology used to determine the amount of remediation for each harmed consumer,
- (d) the sufficiency of the disclosures and communications required by Paragraph (2)(b)(iii) of Article IX,
- (e) the effectiveness of the process used to issue and track remediation payments to harmed consumers and the disclosures and communications required by Paragraph (1)(b)(iii) of Article IX, and
- (f) the process used for monitoring compliance with the Remediation Plan.

(2) The Remediation Reviews shall occur at least every six months, beginning from the date of this Order, during the development and execution of the Remediation Plan and the findings shall be memorialized in writing. Within thirty (30) days of completing the Remediation Review, the Bank shall provide the written findings of the Remediation Review to the Compliance Committee and the Examiner-in-Charge.

(3) Any communications, workpapers, or work product related to the Remediation Reviews shall be made available to the OCC immediately upon request of the Examiner-in-Charge.

ARTICLE XI

GENERAL BOARD RESPONSIBILITIES

(1) The Board shall ensure that the Bank has timely adopted and implemented all corrective actions required by this Order, and shall verify that the Bank adheres to the corrective actions and that the corrective actions are effective in addressing the Bank's deficiencies that resulted in this Order.

(2) In each instance in which this Order imposes responsibilities upon the Board, it is intended to mean that the Board shall:

- (a) authorize, direct, and adopt corrective actions on behalf of the Bank as may be necessary to perform the obligations and undertakings imposed on the Board by this Order;
- (b) ensure the Bank has sufficient processes, management, personnel, control systems, and corporate and risk governance to implement and adhere to all provisions of this Order;
- (c) require that Bank management and personnel have sufficient training and authority to execute their duties and responsibilities pertaining to or resulting from the Order;
- (d) hold Bank management and personnel accountable for executing their duties and responsibilities pertaining to or resulting from this Order;

- (e) require appropriate, adequate, and timely reporting to the Board by Bank management of corrective actions directed by the Board to be taken under the terms of this Order; and
- (f) address any noncompliance with corrective actions in a timely and appropriate manner.

ARTICLE XII

WAIVERS

- (1) The Bank, by executing and consenting to this Order, waives:
 - (a) any and all rights to the issuance of a Notice of Charges pursuant to 12 U.S.C. § 1818;
 - (b) any and all procedural rights available in connection with the issuance of this Order;
 - (c) any and all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818 and 12 C.F.R. Part 19;
 - (d) any and all rights to seek any type of administrative or judicial review of this Order;
 - (e) any and all claims for fees, costs, or expenses against the OCC, or any of its officers, employees, or agents related in any way to this enforcement matter or this Order, whether arising under common law or under the terms of any statute, including, but not limited to, the Equal Access to Justice Act, 5 U.S.C. § 504 and 28 U.S.C. § 2412;
 - (f) any and all rights to assert these proceedings, the consent to and/or the issuance of this Order, as the basis for a claim of double jeopardy in any

pending or future proceedings brought by the United States Department of Justice or any other governmental entity; and

- (g) any and all rights to challenge or contest the validity of this Order.

ARTICLE XIII

OTHER PROVISIONS

- (1) As a result of this Order, the Bank is not:

- (a) precluded from being treated as an “eligible bank” for the purposes of 12 C.F.R. Part 5, unless the Bank fails to meet any of the requirements contained in subparagraphs (1) – (4) of 12 C.F.R. § 5.3, Definitions, Eligible bank or eligible savings association, or is otherwise informed in writing by the OCC;
- (b) subject to the restrictions in 12 C.F.R. § 5.51 requiring prior notice to the OCC of changes in directors and senior executive officers or the limitations on golden parachute payments set forth in 12 C.F.R. Part 359, unless the Bank is otherwise subject to such requirements pursuant to 12 C.F.R. § 5.51(c)(7)(i) and (iii); and
- (c) precluded from being treated as an “eligible bank” for the purposes of 12 C.F.R. Part 24, unless the Bank fails to meet any of the requirements contained in 12 C.F.R. § 24.2(e)(1)-(3) or is otherwise informed in writing by the OCC.

- (2) This Order supersedes all prior OCC communications issued pursuant to 12 C.F.R. §§ 5.3, 5.51(c)(7)(ii), and 24.2(e)(4).

ARTICLE XIV**CLOSING**

(1) This Order is a settlement of the cease and desist proceedings against the Bank contemplated by the OCC, based on the unsafe or unsound practices and/or violations of law described in the Comptroller's Findings set forth in Article II of this Order. The OCC releases and discharges the Bank from all potential liability for a cease and desist order that has been or might have been asserted by the OCC based on the practices and/or violations described in Article II of this Order, to the extent known to the OCC as of the effective date of this Order. Nothing in this Order, however, shall prevent the OCC from:

- (a) instituting enforcement actions other than a cease and desist order against the Bank based on the Comptroller's Findings set forth in Article II of this Order;
- (b) instituting enforcement actions against the Bank based on any other findings;
- (c) instituting enforcement actions against institution-affiliated parties (as defined by 12 U.S.C. § 1813(u)) based on the Comptroller's Findings set forth in Article II of this Order, or any other findings; or
- (d) utilizing the Comptroller's Findings set forth in Article II of this Order in future enforcement actions against the Bank or its institution-affiliated parties to establish a pattern or the continuation of a pattern.

(2) Nothing in this Order is a release, discharge, compromise, settlement, dismissal, or resolution of any actions, or in any way affects any actions that may be or have been brought

by any other representative of the United States or an agency thereof, including, without limitation, the United States Department of Justice.

(3) This Order is:

- (a) a “cease-and-desist order issued upon consent” within the meaning of 12 U.S.C. § 1818(b);
- (b) a “cease-and-desist order which has become final” within the meaning of 12 U.S.C. § 1818(e);
- (c) an “order issued with the consent of the depository institution” within the meaning of 12 U.S.C. § 1818(h)(2);
- (d) an “effective and outstanding . . . order” within the meaning of 12 U.S.C. § 1818(i)(1); and
- (e) a “final order” within the meaning of 12 U.S.C. § 1818(i)(2) and (u).

(4) This Order is effective upon its issuance by the OCC, through the Comptroller’s duly authorized representative. Except as otherwise expressly provided herein, all references to “days” in this Order shall mean calendar days and the computation of any period of time imposed by this Order shall not include the date of the act or event that commences the period of time.

(5) The provisions of this Order shall remain effective except to the extent that, and until such time as, such provisions are amended, suspended, waived, or terminated in writing by the OCC, through the Comptroller’s duly authorized representative. If the Bank seeks an extension, amendment, suspension, waiver, or termination of any provision of this Order, the Board or a Board-designee shall submit a written request to the Deputy Comptroller asking for the desired relief. Any request submitted pursuant to this paragraph shall include a statement

setting forth in detail the circumstances that warrant the desired relief or prevent the Bank from complying with the relevant provision(s) of the Order, and shall be accompanied by relevant supporting documentation. The OCC's decision concerning a request submitted pursuant to this paragraph, which will be communicated to the Board in writing, is final and not subject to further review.

(6) The Bank will not be deemed to be in compliance with this Order until it has adopted, implemented, and adhered to all of the corrective actions set forth in each Article of this Order; the corrective actions are effective in addressing the Bank's deficiencies; and the OCC has verified and validated the corrective actions. An assessment of the effectiveness of the corrective actions requires sufficient passage of time for the Bank to demonstrate the sustained effectiveness of the corrective actions.

(7) This Order is not a contract binding on the United States, the United States Treasury Department, the OCC, or any officer, employee, or agent of the OCC and neither the Bank nor the OCC intends this Order to be a contract.

(8) Each citation, issuance, or guidance referenced in this Order includes any subsequent citation, issuance, or guidance that replaces, supersedes, amends, or revises the referenced cited citation, issuance, or guidance.

(9) This Order applies to the Bank and all its subsidiaries.

(10) No separate promise or inducement of any kind has been made by the OCC, or by its officers, employees, or agents, to cause or induce the Bank to consent to the issuance of this Order.

(11) All reports, plans, or programs submitted to the OCC pursuant to this Order shall

be forwarded, by overnight mail or via email, to the following:

Robert Barnes
Examiner-in-Charge
National Bank Examiners
Bank of America, N.A.
201 N. Tryon Street, NC1-022-19-01
Charlotte, NC 28255

or other such individuals or addresses as directed by the OCC.

(12) The terms of this Order, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements, or prior arrangements between the parties, whether oral or written.

IN TESTIMONY WHEREOF, the undersigned, authorized by the Comptroller as his duly authorized representative, has hereunto set her signature on behalf of the Comptroller.

//s// Digitally Signed, Dated: 2022.07.14

Tanya K. Smith
Deputy Comptroller
Large Bank Supervision

IN TESTIMONY WHEREOF, the undersigned, as the duly elected and acting Board of Directors of the Bank of America, N.A., Charlotte, North Carolina have hereunto set their signatures on behalf of the Bank.

/s/

07/12/2022

Brian T. Moynihan

Date

/s/

13 Jul, 2022

Sharon L. Allen

Date

/s/

13 Jul, 2022

Frank P. Bramble, Sr.

Date

/s/

13 Jul, 2022

Pierre J.P. de Week

Date

/s/

07/13/2022

Arnold W. Donald

Date

/s/

13 Jul, 2022

Linda P. Hudson

Date

/s/

12 Jul, 2022

Monica C. Lozano

Date

/s/

12 Jul, 2022

Lionel L. Nowell, III

Date

/s/

12 Jul, 2022

Denise L. Ramos

Date

/s/

13 Jul, 2022

Clayton S. Rose

Date

/s/

12 Jul, 2022

Michael D. White

Date

/s/

13 Jul, 2022

Thomas D. Woods

Date

/s/

12 Jul, 2022

R. David Yost

Date

/s/

07/13/2022

Maria T. Zuber

Date