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## Synchrony Bank, Formerly GE Capital Retail Bank, Resolves Outstanding Inquiries

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[Corporate & Financial](#) <sup>[1]</sup>

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STAMFORD, Conn.

STAMFORD, Conn.--([BUSINESS WIRE](#) <sup>[2]</sup>)--Synchrony Bank (formerly GE Capital Retail Bank) today announced it has reached agreements with the Consumer Financial Protection Bureau (CFPB) and the Department of Justice (DOJ) to resolve two previously disclosed inquiries.

The CFPB agreement and a related DOJ agreement resolve an issue related to the omission of certain delinquent cardholders with Puerto Rico addresses or Spanish-preferred indicators on their accounts from two collections offers. The Bank identified this matter through its own internal audit, promptly reported it to the CFPB, and commenced a remediation that will result in \$11 million of payments or credits on active accounts, all but \$2 million of which has already been paid, and \$158 million of waivers or credits on closed and written-off accounts. The Bank regrets this error. Its priority is treating customers fairly and when issues are identified, it is committed to making it right. The CFPB recognized the Bank's response to this matter as "responsible business conduct," including the "self-identification of the matter through self-policing, prompt reporting, self-initiation of consumer remediation, and full and timely cooperation with regulators."

The CFPB agreement also resolves the Bank's involvement in the CFPB's industry-wide investigation related to "Add On" products. The Bank's settlement covers telesales of debt cancellation products from January 2010 to October 2012. The Bank ceased such sales in 2012, and after its own internal review, refunded more than \$11 million in fees. As part of the CFPB agreement, it will refund an additional \$32 million, and pay civil penalties of \$3.5 million.

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\*Note: On June 2, 2014, GE Capital Retail Bank changed its name to Synchrony Bank and is part of the GE Capital Retail Finance business. The name change is currently in process and the transition will occur over the next few months.

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**Contact:**

For Synchrony Bank  
Media Relations, 1 (855) 791-8007

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