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OCC Assesses \$10 Million Penalty Against Citizens Bank; Orders Reimbursement to Customers for Unfair and Deceptive Practices

WASHINGTON — The Office of the Comptroller of the Currency (OCC) today assessed a \$10 million penalty against Citizens Bank, National Association (formerly known as RBS Citizens, National Association), Providence, Rhode Island, and ordered the bank to identify and reimburse harmed customers.

The OCC found that bank practices related to reconciling deposits failed to resolve discrepancies between the amount of funds deposited by customers and the amount encoded from the accompanying deposit slip. The bank failed to notify customers when discrepancies were found, failed to correct deposit amounts, and did not describe accurately the bank's process for resolving such discrepancies. Based on these findings, the OCC has determined that the bank's deposit reconciliation practices resulted in violations of Section 5 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 45(a)(1).

The \$10 million civil money penalty reflects a number of factors, including the scope and duration of the violations and financial harm to customers from the unfair and deceptive practices. The penalty will be paid to the U.S. Treasury.

The OCC's enforcement action also requires the bank to reimburse customers affected by these practices in full. Customers eligible for restitution include those who were under-credited as a result of the bank's deposit reconciliation practices from January 2008 through November 2013. The order also requires the bank to correct these practices and enhance its governance and oversight related activities.

The OCC is coordinating its action with the Consumer Financial Protection Bureau (CFPB) and Federal Deposit Insurance Corporation (FDIC), which issued separate orders today. Restitution payments made by the bank to these consumers pursuant to the OCC's order will also satisfy identical obligations to these customers required by the CFPB.

Related Links

- [Consent Order](#) (PDF)
- [Consent Order for Civil Money Penalty](#) (PDF)

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