

and/or regulations, including deceptive practices in violation of Federal Trade Commission Act, 15 U.S.C. § 45(a)(1) (“Section 5”). The FDIC and the Utah DFI, therefore, accept the CONSENT AGREEMENT and issue the following:

ORDER TO CEASE AND DESIST

IT IS HEREBY ORDERED, that the Bank and its institution-affiliated parties, as that term is defined in section 3(u) of the Act, 12 U.S.C. § 1813(u), cease and desist from the following unsafe and unsound banking practices and violations of law and/or regulations, as more fully set forth in the Joint FDIC and Utah DFI Compliance Report of Examination as of July 16, 2007:

(a) Operating with inadequate oversight by the Bank’s board of directors and supervision by senior management in connection with the Bank’s agreements with affiliates and third parties and the services performed for the Bank pursuant to these agreements (“Affiliate and Third-Party Agreements and Services”);

(b) Operating with inadequate policies, procedures and practices to monitor compliance with respect to Affiliate and Third-Party Agreements and Services;

(c) Operating in violation of Section 5; and

(d) Operating in violation of the Equal Credit Opportunity Act, 15 U.S.C. § 1691 and Regulation B of the Board of Governors of the Federal Reserve System, 12 C.F.R. Part 202.

IT IS FURTHER ORDERED, that the Bank and its institution-affiliated parties take affirmative action as follows:

1. Within 30 days from the effective date of this ORDER, the Bank shall create a compliance committee with representatives from all operating units of the Bank. The compliance committee shall develop and maintain effective monitoring, training and audit

procedures to review each aspect of the Affiliate and Third-Party Agreements and Services. The compliance committee shall also develop procedures for monitoring and auditing collection activities, customer service activities, and any activities conducted by telemarketing call centers. The procedures and policies developed by the compliance committee shall, at a minimum, provide for:

(a) Bank review and approval of copies of (i) all marketing and solicitation materials, including direct mail or internet solicitations, promotional materials, advertising, telemarketing scripts (“marketing and solicitation materials”), and (ii) other materials provided to consumers generated in connections with the administration and servicing of the Affiliate and Third-Party Agreements and Services;

(b) maintenance of copies of all marketing and solicitation materials, including any changes or amendments with respect to such materials;

(c) monitoring of the performance of marketing and solicitation programs for new accounts;

(d) maintenance of records of all approved marketing and solicitation materials, complaints and responses, and service provider agreements; and

(e) an effective training program that includes comprehensive training in all applicable federal consumer protection laws, including Section 5 and all implementing rules and regulations, regulatory guidance, and statements of policy for appropriate Bank personnel.

2. Within 60 days from the effective date of this ORDER, the Bank shall ensure that a sufficient number of staff members with expertise in federal and state consumer protection laws are assigned to monitor and audit the Affiliate and Third-Party Agreements and Services. The Bank shall ensure that the staff members responsible for such monitoring and auditing receive periodic training to remain cognizant of changes in the industry and/or applicable federal

and state laws, and all implementing rules and regulations, regulatory guidance, and statements of policy.

3. Within 60 days from the effective date of this ORDER, the Bank shall perform due diligence on a quarterly basis to ensure that affiliate and third party employees are adequately trained in federal and state consumer protection laws and regulations, including, but not limited to the Federal Trade Commission Act, the Equal Credit Opportunity Act, and all implementing rules and regulations, regulatory guidance, and statements of policy.

4. Within 60 days from the effective date of this ORDER, the Bank's compliance committee established pursuant to paragraph 1 of this ORDER shall submit a written report to the Bank's board of directors and senior management as to whether the affiliates and third parties are in compliance with federal and state consumer protection laws and implementing rules and regulations, regulatory guidance and statements of policy. The written report shall include potential violations, deficiencies or other concerns. The board of directors shall be responsible for ensuring that corrective actions are taken to address the findings of the written report.

5. During the life of this ORDER, the Bank shall ensure that all Bank products, including loan products marketed to students and/or serviced through agreements with affiliate or third-parties, comply with all federal and state consumer protection laws, including Section 5, and implementing rules and regulations, regulatory guidance and statements of policy.

6. During the life of this ORDER, the Bank shall not make, directly or indirectly, any misrepresentations with respect to any extension of credit or other Bank product, including the advertising, marketing, offering, soliciting, extending or servicing of any extension of credit or other Bank product.

7. Within 30 days from the effective date of this ORDER, and every 90 days thereafter, the Bank shall provide a written progress report to the Regional Director of the

FDIC's San Francisco Regional Office ("Regional Director") and the Commissioner, Utah DFI ("Commissioner") detailing the form and manner of all actions taken to secure compliance with this ORDER and the results of such actions. The Regional Director and the Commissioner shall determine when the Bank will be released from providing further progress reports.

8. The provisions of this ORDER shall not bar, estop or otherwise prevent the FDIC, the Utah DFI or any other federal or state agency or department from taking any action against the Bank, any of the Bank's current or former institution-affiliated parties, or agents for violations of any laws, engaging in unsafe or unsound banking practices, or unfair or deceptive practices.

9. The provisions of this ORDER shall be binding on the Bank, its institution-affiliated parties, and their successors and assigns.

This ORDER will become effective upon its issuance by the FDIC and the Utah DFI. Violation of any provision of this ORDER will be deemed to be conducting business in an unsafe or unsound manner, and will subject the Bank to further regulatory enforcement action. The provisions of this ORDER shall remain effective and enforceable except to the extent that, and until such time as, any provisions of this ORDER shall have been modified, terminated, suspended, or set aside by the FDIC and the Utah DFI.

Pursuant to delegated authority.

Dated at San Francisco, California, this 19th day of August, 2008.

Stan Ivie
Regional Director
Division of Supervision and Consumer Protection
San Francisco Region
Federal Deposit Insurance Corporation

Dated at Salt Lake City, Utah, this 19th day of August, 2008.

G. Edward Leary
Commissioner
Utah Department of Financial Institutions