

**IN THE UNITED STATES DISTRICT COURT FOR THE  
WESTERN DISTRICT OF MISSOURI  
ST. JOSEPH DIVISION**

CONSUMER FINANCIAL	)	
PROTECTION BUREAU,	)	
	)	
Plaintiff,	)	
v.	)	No. 20-06179-CV-SJ-BP
	)	
BOUNCEBACK, INC.,	)	
	)	
Defendant.	)	

**ORDER GRANTING JOINT MOTION FOR ENTRY OF FINAL JUDGMENT**

The Bureau of Consumer Financial Protection (Bureau) commenced this civil action on December 9, 2020, to obtain injunctive and monetary relief and civil penalties from BounceBack, Inc. The Amended Complaint (Complaint) alleges that BounceBack, Inc. violated §§ 807 and 809 of the Fair Debt Collections Practices Act (FDCPA), 15 U.S.C. §§ 1692e and 1692g, and §§ 1031(a) and 1036(a) of the Consumer Financial Protection Act of 2010 (CFPA), 12 U.S.C. §§ 5531(a) and 5536(a), in connection with the collection of consumer debt, including its bad-check debt-collection practices, and that Gale Krieg violated §§ 1031(a) and 1036(a)(1)(B) of the CFPA, 12 U.S.C. §§ 5531(a) and 5536(a)(1)(B), in connection with the same.

The Bureau and Defendants BounceBack and Gale Krieg agree to entry of this Stipulated Final Judgment and Order (Order), without adjudication of any issue of fact or law, to settle and resolve all matters in dispute arising from the conduct alleged in the Complaint. Their Joint Motion for Entry of Judgment, (Doc. 18), is **GRANTED** and judgment is entered as follows:

## FINDINGS

1. This Court has jurisdiction over the parties and the subject matter of this action.
2. Defendants neither admit nor deny the allegations in the Complaint, except as specified in this Order. For purposes of this Order, Defendants admit the facts necessary to establish the Court's jurisdiction over them and the subject matter of this action.
3. Defendants waive all rights to seek judicial review or otherwise challenge or contest the validity of this Order and any claims they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action to the date of this Order. Each Party agrees to bear its own costs and expenses, including, without limitation, attorneys' fees.
4. Entry of this Order is in the public interest.

## DEFINITIONS

5. The following definitions apply to this Order:
  - a. "**Affected Consumers**" includes any consumer who paid financial accountability or education course fees, directly or indirectly, to Defendants during the Relevant Period in relation to a Bad Check Violation.
  - b. "**Assisting Others**" includes, but is not limited to:
    - i. formulating or providing, or arranging for the formulation or provision of, any advertising or marketing material, including, but not limited to, any telephone sales script, direct mail solicitation, or the text of any Internet website, email, or other electronic communication;
    - ii. providing names of, or contributing to the generation of, potential customers;

- iii. participating in or providing services related to the offering, sale, or servicing of a product, or the collection of payments for a product;
  - iv. acting or serving as an owner, officer, director, manager, principal, partner, or limited partner of any entity;
  - v. investing or loaning money;
  - vi. providing customer service support functions, including handling consumer complaints and refund requests; and
  - vii. renting or otherwise providing office space.
- c. **“Bad Check Violation”** means a violation of the applicable State criminal law relating to the writing of dishonored Checks;
- d. **“Check”** means a draft, payable in United States dollars, on demand and drawn on or payable through or at an office of a depository institution, whether or not negotiable, that is handled for forward collection or return, including a substitute check and a traveler’s check, but not including a noncash item;
- e. **“Collection”** means any procedure or action pursued by Defendants to obtain payments related to a Debt;
- f. **“Consumer Financial Product or Service”** is synonymous in meaning and equal in scope to the definition of the term, as of the Effective Date, in § 1002(5) of the CFPA, 12 U.S.C. § 5481(5), and, subject to applicable restrictions contained in the CFPA, includes, but is not limited to:
- i. extending credit and servicing loans, including acquiring, purchasing, selling, brokering, or other extensions of credit (other than solely

- extending commercial credit to a person who originates consumer credit transactions);
- ii. engaging in deposit-taking activities, transmitting or exchanging funds, or otherwise acting as a custodian of funds or any financial instrument for use by or on behalf of a consumer;
  - iii. providing check cashing, check collection, or check guaranty services;
  - iv. providing financial advisory services to consumers on individual financial matters or relating to proprietary financial products or services, including providing credit counseling to any consumer or providing services to assist a consumer with debt management or debt settlement, modifying the terms of any extension of credit, or avoiding foreclosure;
  - v. collecting, analyzing, maintaining, or providing consumer report information or other account information, including information relating to the credit history of consumers, used or expected to be used in connection with any decision regarding the offering or provision of a Consumer Financial Product or Service; or
  - vi. collecting debt related to any Consumer Financial Product or Service.
- g. **“District Attorney”** or **“DA”** means a State or district attorney—the chief elected or appointed prosecuting attorney in a district, county (as defined in § 2 title 1, United States Code), municipality, or comparable jurisdiction, including State attorneys general who act as chief elected or appointed prosecuting attorneys in a district, county (as so defined),

municipality or comparable jurisdiction, who may be referred to by a variety of titles such as district attorneys, prosecuting attorneys, commonwealth's attorneys, solicitors, county attorneys, and state's attorneys, and who are responsible for the prosecution of State crimes and violations of jurisdiction-specific local ordinances;

- h. **“Debt”** means any obligation or alleged obligation of a consumer to pay money arising out of a transaction.
- i. **“Defendants”** mean BounceBack, Inc. (BounceBack), its successors and assigns, and Gale Krieg and by any other name by which he might be known, individually, collectively, or in any combination.
- j. **“Effective Date”** means the date on which the Order is entered on the docket.
- k. **“Enforcement Director”** means the Assistant Director of the Office of Enforcement for the Consumer Financial Protection Bureau, or his or her delegate;
- l. **“Pre-Trial Bad Check Diversion Program”** means any pre-charge pre-trial diversion program operated by Defendants on behalf of a District Attorney for consumers who have allegedly committed a Bad Check Violation;
- m. **“Related Consumer Action”** means a private action by or on behalf of one or more consumers or an enforcement action by another governmental agency brought against Defendants based on substantially the same facts as described in the Complaint.

- n. “**Relevant Period**” includes the period from January 1, 2015, to the Effective Date.

### **CONDUCT PROVISIONS**

Pursuant to the parties’ agreement, the Court **ORDERS** as follows:

#### **I. Permanent Ban on Debt Collection Activity**

6. Defendants, whether acting directly or indirectly, are permanently banned from:
- a. the collection of Debt related to any Consumer Financial Product or Service;
  - b. the collection of Debt arising from or related to dishonored Checks and the collection of any fees associated with a Pre-Trial Bad Check Diversion Program.

Provided, however, that Defendants may offer payment plans that allow installment payments towards fees owed for pre-trial diversion programs not prohibited by this Order.

#### **II. Compliance with all Applicable Laws**

7. Defendants and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with them who have actual notice of this Order, whether acting directly or indirectly, may not:
- a. violate the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq.*, (FDCPA);
  - b. violate the Consumer Financial Protection Act, 12 U.S.C. § 5481 *et seq.*, (CFPA); and
  - c. in connection with the advertising, marketing, promotion, offering for sale, or performance of any Consumer Financial Product or Service misrepresent or Assist Others in misrepresenting, expressly or impliedly,

any fact material to consumers, such as: the total costs; any material restrictions, limitations, or conditions; or any material aspect of its performance, efficacy, nature, or central characteristics.

### **III. Customer Information**

8. Defendant Gale Krieg and Defendant BounceBack, and its officers, agents, servants, employees, and attorneys, and all other Persons in active concert or participation with any of them who receive actual notice of this Order, whether acting directly or indirectly, may not:

- a. disclose, use, or benefit from customer information, including names, addresses, telephone numbers, email addresses, social security numbers, other identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or other financial account), that Defendants obtained before the Effective Date in connection with a Pre-Trial Bad Check Diversion Program;
- b. attempt to collect, sell, assign, or otherwise transfer any right to collect payment from any consumer who purchased or agreed to purchase services or products in connection with a Pre-Trial Bad Check Diversion Program from Defendants.

*However*, customer information may be disclosed if requested by a government agency or required by law, regulation, or court order.

### **IV. Order to Pay Redress**

9. A judgment for monetary relief and damages is entered in favor of the Bureau and against Defendants, jointly and severally, for the full amount consumers paid to Defendants for

(i) Defendants' financial-accountability course, (ii) program fees, minus those fees disbursed to merchants or DAs, and (iii) payment plans entered into with Defendants for program costs, which is no less than one million four hundred eighty-one thousand seven hundred seventy-three dollars (\$1,481,773); however, full payment of this judgment will be suspended upon satisfaction of the obligations in Paragraph 12 of this Section and Sections VI (Order to Pay Civil Money Penalty) and VII (Additional Monetary Provisions) and subject to Section V (Effect of Misrepresentation or Omission Regarding Financial Condition) of this Order.

10. With regard to any redress that Defendants pay under this Section, if Defendants receive, directly or indirectly, any reimbursement or indemnification from any source, including but not limited to payment made under any insurance policy, or if Defendants secure a tax deduction or tax credit with regard to any federal, state, or local tax, Defendants must: (a) immediately notify the Enforcement Director in writing, and (b) within ten (10) days of receiving the funds or monetary benefit, Defendants must transfer to the Bureau the full amount of such funds or monetary benefit (Additional Payment) to the Bureau or to the Bureau's agent according to the Bureau's wiring instructions. After the Bureau receives the Additional Payment, the amount of the suspended judgment referenced in Paragraph 9 will be reduced by the amount of the Additional Payment and the Additional Payment will be applied toward satisfaction of the monetary judgment entered in Paragraph 9.

11. Any funds received by the Bureau in satisfaction of this judgment will be deposited into a fund or funds administered by the Bureau or to the Bureau's agent according to applicable statutes and regulations to be used for redress for injured consumers, including, but not limited to, refund of moneys, restitution, damages, or other monetary relief, and for any attendant expenses for the administration of any such redress.



12. Within 60 days of this Order, Defendants must submit to the Bureau a report (Accounting Report) that states, for each person from whom Defendant BounceBack, since 2014, has received any money or fees on behalf of a DA, or pursuant to any contract between BounceBack and a DA, in connection with a Pre-Trial Bad Check Diversion Program:

- a. the identity and contact information of the check writer, including name, address, phone number, and email address;
- b. the date(s) BounceBack sent an offer of enrollment or offer for participation in any Pre-Trial Bad Check Diversion Program to the check writer;
- c. the amount of the alleged dishonored check;
- d. the amount collected by BounceBack for the alleged dishonored check amount;
- e. the amount collected by BounceBack for enrollment in a financial-accountability course;
- f. the amount collected by BounceBack for a merchant fee;
- g. the amount collected by BounceBack for a DA program fee;
- h. the fees collected by BounceBack for any payment plan entered into;
- i. any fees collected by BounceBack that are not included in (d), (e), (f), (g), or (h), including a description of those fees;
- j. any monies disbursed to merchants; and
- k. any monies disbursed to the DA;

13. If the Bureau determines, in its sole discretion, that redress to consumers is wholly or partially impracticable or if funds remain after redress is completed, the Bureau shall

deposit the remaining funds in the U.S. Treasury as disgorgement. Defendants will have no right to challenge any actions that the Bureau or its representatives may take under this Paragraph.

14. Payment of redress to any Affected Consumer under this Order may not be conditioned on that Affected Consumer waiving any right.

**V. Effect of Misrepresentation or Omission Regarding Financial Condition**

15. The suspension of the monetary judgment entered in Section IV (Order to Pay Redress) of this Order is expressly premised on the truthfulness, accuracy, and completeness of Defendant BounceBack's financial statements and supporting documents submitted to the Bureau on or about December 1, 2020, December 16, 2020, and March 3, 2021, which Defendant BounceBack asserts are truthful, accurate, and complete, and which include:

- a. Financial Statement of Defendant BounceBack, including the attachments, signed on December 1, 2020 by Gale Krieg and submitted to the Bureau on or about December 1, 2020;
- b. Supplemental financial information submitted on December 16, 2020 and March 3, 2021; and
- c. Defendant BounceBack's oral testimony provided on May 15, 2019.

16. If upon motion by the Bureau, the Court determines that Defendants have failed to disclose any material asset or that any of the financial statements or their oral testimony contain any material misrepresentation or omission, including materially misstating the value of any asset, the Court shall terminate the suspension of the monetary judgment entered in Section IV (Order to Pay Redress) and, without further adjudication, shall reinstate the monetary judgment entered in Section IV of this Order, and the full judgment in Paragraph 9 of Section IV (Order to

Pay Redress) and Paragraph 19 of Section VI (Civil Money Penalty) shall be immediately due and payable, less any amounts paid to the Bureau under Sections IV and VI of this Order.

17. If the Court terminates the suspension of the monetary judgment under this Section, the Bureau will be entitled to interest on the judgment, computed from the date of entry of this Order, at the rate prescribed by 28 U.S.C. § 1961, as amended, on any outstanding amounts not paid.

18. Provided, however, that in all other respects this Order shall remain in full force and effect unless otherwise ordered by the Court; and, provided further, that proceedings instituted under this provision would be in addition to, and not in lieu of any other civil or criminal remedies as may be provided by law, including any other proceedings that the Bureau may initiate to enforce this Order.

#### **VI. Order to Pay Civil Money Penalty**

19. Under § 1055(c) of the CFPA, 12 U.S.C. § 5565(c), by reason of the violations of law alleged in the Complaint and continuing until the Effective Date, and taking into account the factors in 12 U.S.C. § 5565(c)(3), a judgment for a civil money penalty is entered in favor of the Bureau and against Defendants BounceBack, Inc. and Gale Krieg, jointly and severally, in the amount of \$30,000. This nominal penalty is based on Defendants' limited ability to pay as attested to in the financial statements listed in Section V (Effect of Misrepresentation or Omission Regarding Financial Condition) above.

20. Within 10 days of the Effective Date, Defendants must pay the civil money penalty by wire transfer to the Bureau or to the Bureau's agent in compliance with the Bureau's wiring instructions.

21. The civil money penalty paid under this Order will be deposited in the Civil Penalty Fund of the Bureau as required by § 1017(d) of the CFPA, 12 U.S.C. § 5497(d).

22. Defendants must treat the civil money penalty paid under this Order as a penalty paid to the government for all purposes. Regardless of how the Bureau ultimately uses those funds, Defendants may not:

- a. claim, assert, or apply for a tax deduction, tax credit, or any other tax benefit for any civil money penalty paid under this Order; or
- b. seek or accept, directly or indirectly, reimbursement or indemnification from any source, including but not limited to payment made under any insurance policy, with regard to any civil money penalty paid under this Order.

23. Defendant Gale Krieg agrees that the civil penalty imposed by the Order represents a civil penalty owed to the United States Government, is not compensation for actual pecuniary loss, and, thus, as to Gale Krieg, it is not subject to discharge under the Bankruptcy Code under 11 U.S.C. § 523(a)(7).

## **VII. Additional Monetary Provisions**

24. In the event of any default on Defendants' obligations to make payment under this Order, interest, computed under 28 U.S.C. § 1961, as amended, will accrue on any outstanding amounts not paid from the date of default to the date of payment, and will immediately become due and payable.

25. Defendants relinquish all dominion, control, and title to the funds paid under this Order to the fullest extent permitted by law and no part of the funds may be returned to Defendants.

26. The facts alleged in the Complaint will be taken as true and be given collateral estoppel effect, without further proof, in any proceeding by or on behalf of the Bureau based on the entry of the Order, or in any subsequent civil litigation by or on behalf of the Bureau, including in a proceeding to enforce its rights to any payment or monetary judgment under this Order, such as a nondischargeability complaint in any bankruptcy case.

27. The facts alleged in the Complaint establish all elements necessary to sustain an action by the Bureau under § 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and for such purposes this Order will have collateral estoppel effect against each Defendant, even in such Defendant's capacity as debtor-in-possession.

28. Under 31 U.S.C. § 7701, Defendants, unless they already have done so, must furnish to the Bureau their taxpayer-identification numbers, which may be used for purposes of collecting and reporting on any delinquent amount arising out of this Order.

29. Within 30 days of the entry of a final judgment, order, or settlement in a Related Consumer Action, Defendants must notify the Enforcement Director of the final judgment, order, or settlement in writing. That notification must indicate the amount of redress, if any, that Defendants paid or are required to pay to consumers and describe the consumers or classes of consumers to whom that redress has been or will be paid. To preserve the deterrent effect of the civil money penalty in any Related Consumer Action, Defendants may not argue that Defendants are entitled to, nor may Defendants benefit by, any offset or reduction of any monetary remedies imposed in the Related Consumer Action because of the civil money penalty paid in this action or because of any payment that the Bureau makes from the Civil Penalty Fund. If the court in any Related Consumer Action offsets or otherwise reduces the amount of compensatory monetary remedies imposed against Defendants based on the civil money penalty paid in this

action or based on any payment that the Bureau makes from the Civil Penalty Fund, Defendants must, within 30 days after entry of a final order granting such offset or reduction, notify the Bureau and pay the amount of the offset or reduction to the U.S. Treasury. Such a payment will not be considered an additional civil money penalty and will not change the amount of the civil money penalty imposed in this action.

30. Upon written request of a representative of the Bureau, any consumer reporting agency must furnish consumer reports to the Bureau concerning Gale Krieg under § 604(a)(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681 b(a)(1), which may be used for purposes of collecting and reporting on any delinquent amount arising out of this Order.

#### **VIII. Reporting Requirements**

31. Defendants must notify the Bureau of any development that may affect compliance obligations arising under this Order, including but not limited to, a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor company; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order; the filing of any bankruptcy or insolvency proceeding by or against Defendants; or a change in Defendants' name or address. Defendants must provide this notice at least 30 days before the development or as soon as practicable after the learning about the development, whichever is sooner.

32. Within 7 days of the Effective Date, each Defendant must:
- a. designate at least one telephone number and email, physical, and postal addresses as points of contact that the Bureau may use to communicate with Defendant;

- b. identify all businesses for which Defendant is the majority owner, or that Defendant directly or indirectly controls, by all of their names, telephone numbers, and physical, postal, email, and Internet addresses;
  - c. describe the activities of each such business, including the products and services offered, and the means of advertising, marketing, and sales.
33. Within 7 days of the Effective Date, Defendant Gale Krieg must:
- a. identify his telephone numbers and all email, Internet, physical, and postal addresses, including all residences; and
  - b. describe in detail his involvement in any business for which he performs services in any capacity or which he wholly or partially owns, including his title, role, responsibilities, participation, authority, control, and ownership.
34. Defendants must report any change in the information required to be submitted under Paragraphs 32 and 33 at least 30 days before the change or as soon as practicable after learning about the change, whichever is sooner.
35. Within 90 days of the Effective Date and again one year after the Effective Date, each Defendant must submit to the Enforcement Director an accurate written compliance progress report sworn to under penalty of perjury (Compliance Report), which, at a minimum:
- a. lists each applicable paragraph and subparagraph of the Order and describes in detail the manner and form in which Defendant has complied with each such paragraph and subparagraph of this Order; and
  - b. attaches a copy of each Order Acknowledgment obtained under Section IX (Order Distribution and Acknowledgment), unless previously submitted to the Bureau.

## **IX. Order Distribution and Acknowledgment**

36. Within 7 days of the Effective Date, each Defendant must submit to the Enforcement Director an acknowledgment of receipt of this Order, sworn under penalty of perjury.

37. Within 30 days of the Effective Date, Defendant BounceBack and Defendant Gale Krieg, for any business for which he is the majority owner or which he directly or indirectly controls, must deliver a copy of this Order to any managers, employees, service providers, or other agents and representatives who have responsibilities related to the subject matter of the Order.

38. For 10 years from the Effective Date, Defendant BounceBack and Defendant Gale Krieg, for any business for which he is the majority owner or which he directly or indirectly controls, must deliver a copy of this Order to any business entity resulting from any change in structure referred to in Section VIII (Reporting Requirements), as well as any future managers, employees, Service Providers, or other agents and representatives who will have responsibilities related to the subject matter of the Order before they assume their responsibilities.

39. Defendants must secure a signed and dated statement acknowledging receipt of a copy of this Order, ensuring that any electronic signatures comply with the requirements of the E-Sign Act, 15 U.S.C. §§ 7001-7006, within 30 days of delivery, from all persons receiving a copy of this Order under this Section.

40. Within 90 days of the Effective Date, Defendants must provide the Bureau with a list of all persons and their titles to whom this Order was delivered through that date under Paragraphs 37 and 38 and a copy of all signed and dated statements acknowledging receipt of this Order under Paragraph 39.



## **X. Recordkeeping**

41. Defendant BounceBack and Defendant Gale Krieg, for any business for which he is the majority owner or which he directly or indirectly controls, must create, for at least 5 years from the Effective Date, all documents and records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Bureau. Defendants must retain these documents for at least 5 years after creation and make them available to the Bureau upon the Bureau's request.

42. Defendant BounceBack must maintain, for at least 5 years from the Effective Date for all documents now in use, or 5 years from the date of creation for subsequently created documents:

- a. copies of all template letters to consumers or DAs, call scripts, training materials, websites, marketing materials, and template communications with consumers or DAs, including any such materials used by a third party on Defendant BounceBack's behalf;
- b. for each individual Affected Consumer, and for any other consumer who enrolls or participates in any BounceBack product or service, the consumer's name, address, phone number, and email address, amount paid, including any associated fees, description of the product or service purchased, the date on which the product or service was purchased, and a copy of any promotional or welcome materials provided or any collection letters sent;
- c. for any BounceBack product or service, accounting records showing the gross and net revenues generated by the product or service; and

- d. all consumer complaints (whether received directly or indirectly, such as through a third party), and any responses to those complaints or requests.

Defendant BounceBack must make these materials available to the Bureau upon the Bureau's request.

### **XI. Notices**

43. Unless otherwise directed in writing by the Bureau, Defendants must provide all submissions, requests, communications, or other documents relating to this Order in writing, with the subject line, "*CFPB v. BounceBack, Inc.*, Case No. 5:20-cv-06179-BP," and send them by overnight courier or first-class mail to the below address and contemporaneously by email to Enforcement\_Compliance@cfpb.gov:

Assistant Director for Enforcement  
Consumer Financial Protection Bureau  
ATTENTION: Office of Enforcement  
1700 G Street, N.W.  
Washington D.C. 20552

### **XII. Cooperation with the Bureau**

44. Defendants must cooperate fully to help the Bureau determine the identity and location of, and the amount of injury sustained by, each Affected Consumer. Defendants must provide such information in their or their agents' possession or control within 14 days of receiving a written request from the Bureau.

45. Defendants must cooperate fully with the Bureau in this matter and in any investigation or litigation related to or associated with the conduct described in the Complaint. Defendants must provide to the Bureau truthful and complete information, evidence, and testimony. Gale Krieg must appear, and Defendant BounceBack must cause its officers, employees, representatives, or agents to appear, for interviews, discovery, hearings, trials, and

any other proceedings that the Bureau may reasonably request upon 10 days written notice, or other reasonable notice, at such places and times as the Bureau may designate, without the service of compulsory process.

### **XIII. Compliance Monitoring**

46. Within 14 days of receipt of a written request from the Bureau, Defendants must submit additional compliance reports or other requested information, which must be sworn under penalty of perjury; provide sworn testimony; or produce documents.

47. For purposes of this Section, the Bureau may communicate directly with Defendants, unless Defendants retain counsel related to these communications.

48. Defendants must permit Bureau representatives to interview any employee or other person affiliated with Defendants who has agreed to such an interview regarding: (a) this matter; (b) anything related to or associated with the conduct described the Complaint; or (c) compliance with this Order. The person interviewed may have counsel present.

49. Nothing in this Order will limit the Bureau's lawful use of compulsory process, under 12 C.F.R. § 1080.6.

### **XIV. Continuation of Order**

50. Should Defendants seek to transfer or assign all or part of their operations that are subject to this Order, Defendants must, as a condition of sale, obtain the written agreement of the transferee or assignee to comply with all applicable provisions of this Order.

### **XV. Wind Down of BounceBack Pre-trial Bad Check Diversion Programs**

51. As of the Effective Date, in no event shall Defendants retain for their benefit any funds remitted by individuals responding to a BounceBack-issued letter of eligibility for a Pre-

Trial Bad Check Diversion Program, and Defendants shall not send any letter of eligibility for a Pre-Trial Bad Check Diversion Program to any individual after the Effective Date.

52. With respect to any individual who has received from BounceBack a letter of eligibility for a Pre-Trial Bad Check Diversion Program on or before the Effective Date, Defendants may finish administering the Pre-Trial Bad Check Diversion Program with respect to those individuals only, according to the specific terms of the Pre-Trial Bad Check Diversion Program then in place with the District Attorney. In completing the Pre-Trial Bad Check Diversion Program for those individuals, BounceBack shall retain no portion of any funds remitted by such individuals intended to compensate BounceBack for administering the program, and all such remittances shall be returned to those individuals with an explanation that the funds returned are no longer required as a condition of participating in the Pre-Trial Bad Check Diversion Program. BounceBack will remit the remaining portion of funds received through administration of the Pre-Trial Bad Check Diversion Program to the District Attorney and the affected merchant, as required by the specific terms of the Pre-Trial Bad Check Diversion Program then in place with the District Attorney.

53. Defendants may, after the Effective Date, continue to communicate as necessary with the District Attorney (or individuals in his or her office) in connection with winding down BounceBack's administration of any Pre-Trial Bad Check Diversion Program.

#### **XVI. Retention of Jurisdiction**

54. The Court will retain jurisdiction of this matter for the purpose of enforcing this Order.

**XVII. Service**

55. This Order may be served upon Defendants by electronic mail, certified mail, or United Parcel Service, either by the United States Marshal, the Clerk of the Court, or any representative or agent of the Bureau.

**IT IS SO ORDERED.**

Date: November 1, 2021

/s/ Beth Phillips \_\_\_\_\_  
BETH PHILLIPS, CHIEF JUDGE  
UNITED STATES DISTRICT COURT