

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

In the Matter of:	)	
	)	
USAA Federal Savings Bank	)	AA-SO-2020-72
San Antonio, Texas	)	
	)	

**CONSENT ORDER**

**WHEREAS**, the Office of the Comptroller of the Currency (“OCC”) has supervisory authority over USAA Federal Savings Bank, San Antonio, Texas (“Bank”);

**WHEREAS**, the OCC intends to initiate a civil monetary penalty action against the Bank pursuant to section 102(f) of the Flood Disaster Protection Act, as amended, (“Flood Act”) (42 U.S.C. § 4012a(f)) for a pattern or practice of violations of the Flood Act and its implementing regulations, specifically 12 C.F.R. § 22.7(a); and

**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 consents to the issuance of this Consent Order (“Order”); and

**NOW, THEREFORE**, in consideration of the above premises, the Comptroller, through his duly authorized representative, and the Bank, through its duly elected and acting Board of Directors, stipulate and agree to the following:

**ARTICLE I**

**JURISDICTION**

- (1) The Bank is a Federal savings association, chartered and examined by the OCC. *See* 12 U.S.C. §§ 1461 *et seq.* Accordingly, the Bank is an “insured depository institution” as

that term is defined in 12 U.S.C. § 1813(c)(2) and is a “regulated lending institution” as that term is defined in 42 U.S.C § 4003(a)(10).

(2) Pursuant to 42 U.S.C. §§ 4003(a)(5) and 4012a(f), the Comptroller is the appropriate “Federal entity for lending regulation” to maintain an enforcement proceeding against the Bank for Flood Act violations.

## **ARTICLE II**

### **ORDER FOR A CIVIL MONEY PENALTY**

The Bank hereby consents, and the Comptroller orders that:

(1) The Bank shall pay a civil monetary penalty in the amount of three hundred eighty-two thousand and five hundred dollars (\$382,500) upon the execution of this Order.

(2) The Bank shall make payment in full by check made payable to the National Flood Insurance Program and shall deliver the payment to: Kevin Montgomery, Federal Emergency Management Agency, 400 C Street SW, 3rd Floor, Washington, DC 20472. The docket number of this action (AA-SO-2020-72) shall be entered on the check.

(3) The Bank shall submit a copy of the check to Assistant Deputy Comptroller William Russell, 400 7th St. SW, Suite 3E-218, Mail Stop 8E-11, Washington, DC 20219.

(4) This Order shall be enforceable to the same extent and in the same manner as an effective and outstanding order that has been issued and has become final pursuant to 12 U.S.C. §§1818(h) and (i) and 42 U.S.C. § 4012a.

## **ARTICLE III**

### **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 and 42 U.S.C. § 4012a(f)(4), and recognizes that the OCC letter dated September 1, 2020, from Assistant Deputy Comptroller William Russell constitutes a valid substitute notice (“Notice Letter”);
- (b) any and all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818, 12 C.F.R. Part 109, and 42 U.S.C. § 4012a(f)(4);
- (c) any and all rights to seek any type of administrative or judicial review of this Order;
- (d) any and all rights to in any way contest the validity of this Order; and
- (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.

(2) The Bank declares that no separate promise or inducement of any kind has been made by the Comptroller, his agents or employees, to cause or induce the Bank to agree to consent to the issuance of this Order and/or to execute this Order.

(3) It is hereby agreed that the provisions of this Order constitute a settlement of the civil monetary penalty proceeding contemplated by the Comptroller on the basis of the Bank’s violations of the Flood Act and regulations as described in this Order and in the Notice Letter. However, the specific violations described herein may be used by the Comptroller in future enforcement actions to establish a pattern or practice of misconduct or the continuation of a pattern or practice of misconduct.

(4) It is further agreed that the provisions of this Order shall not be construed as an adjudication on the merits and, except as set forth above in paragraph (3) of this Article, shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any action affecting the Bank if, at any time, he deems it appropriate to do so to fulfill the responsibilities placed upon him by the several laws of the United States of America.

(5) The Bank understands that nothing herein shall preclude any proceedings brought by the Comptroller to enforce the terms of this Order, and that nothing herein constitutes, nor shall the Bank contend that it constitutes, a waiver of any right, power, or authority of any other representatives of the United States or agencies thereof, including the Department of Justice, to bring other actions deemed appropriate.

**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: 2020.11.03

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Terri A. Landa  
Associate Deputy Comptroller  
Midsize Bank Supervision

**IN TESTIMONY WHEREOF**, the undersigned, as the duly elected and acting Board of Directors of USAA Federal Savings Bank have hereunto set their signatures on behalf of the Bank.

/s/ \_\_\_\_\_ Nov 05, 2020 \_\_\_\_\_  
Chad Borton

/s/ \_\_\_\_\_ Nov 05, 2020 \_\_\_\_\_  
Brad Conner

/s/ \_\_\_\_\_ Nov 05, 2020 \_\_\_\_\_  
David Darnell

/s/ \_\_\_\_\_ Nov 09, 2020 \_\_\_\_\_  
Karen. E. Dyson

/s/ \_\_\_\_\_ Nov 08, 2020 \_\_\_\_\_  
Rhett A. Hernandez

/s/ \_\_\_\_\_ Nov 05, 2020 \_\_\_\_\_  
Karin Hirtler-Garvey

/s/ \_\_\_\_\_ Nov 08, 2020 \_\_\_\_\_  
Leo S. Mackay

/s/ \_\_\_\_\_ Nov 10, 2020 \_\_\_\_\_  
Wendy Murdock

/s/ \_\_\_\_\_ Nov 05, 2020 \_\_\_\_\_  
Wayne Peacock

/s/ \_\_\_\_\_ Nov 06, 2020 \_\_\_\_\_  
G. Patrick Phillips

/s/ \_\_\_\_\_ Nov 10, 2020 \_\_\_\_\_  
Robert Qutub

/s/ \_\_\_\_\_ Nov 10, 2020 \_\_\_\_\_  
Patricia Watson