



**JEFF JACKSON
ATTORNEY GENERAL**

**STATE OF NORTH CAROLINA
DEPARTMENT OF JUSTICE**

**ERIC WILSON
CHIEF OF STAFF**

November 17, 2025

North Carolina Senate President Pro Tempore Phil Berger
North Carolina House of Representatives Speaker Destin Hall
Co-Chairs, Joint Legislative Commission on Governmental Operations

Senator Danny Britt
Senator Warren Daniel
Senator Buck Newton
Representative Ted Davis
Representative Dudley Greene
Representative Charles Miller
Representative Carson Smith
Co-Chairs, Appropriations Subcommittee on Justice and Public Safety

North Carolina General Assembly
Raleigh, North Carolina 27601-1096

RE: N.C.G.S. §114-2.4A and §114-2.5; Report on Settlements

Dear Members:

In accordance with N.C.G.S. §114-2.4A and §114-2.5, please see the following Report on Settlements summaries with corresponding executed agreements enclosed regarding ACI Worldwide Corp, Frontier Communications, Marriott International Inc, Oquirrh Mountain Phlebotomy School, LLC, and T-Mobile.

ACI Worldwide Corp

This assurance of voluntary compliance resolves the multi-state investigation into ACI Worldwide Corp's billing platform and the erroneous and unintentional ACH debit and credit entries that happened during testing for upgrades to their Speedpay system around April 23, 2021. ACI agreed to pay the Attorneys' General \$10,000,000.00 of which North Carolina received \$395,416.80 to be used for attorneys' fees and other costs of investigation and litigation, or be placed in, or applied to, the consumer protection enforcement fund, including future consumer protection enforcement,

consumer education, litigation, used to defray the costs of the inquiry leading hereto, or for other uses permitted by state law, at the discretion of the Attorney General. Additionally, ACI agreed to take steps to avoid future incidents as well as settling a separate agreement with state regulators and paying restitution directly to impacted consumers through other related settlements.

Frontier Communications

This settlement agreement resolves our investigation regarding allegations that internet service provided by Frontier Communications (“Frontier”) operated at much slower speeds than had been promised. Frontier agreed to pay \$300,000.00 to be used for attorneys’ fees and other costs of investigation and litigation, or be placed in, or applied to, the consumer protection enforcement fund, including future consumer protection enforcement, consumer education, litigation, or local consumer aid fund or revolving fund, used to defray the costs of the inquiry leading hereto, consumer restitution, or other uses permitted by state law, at the discretion of the Attorney General. Additionally, Frontier agreed to a number of provisions designed to improve their marketing information to accurately reflect the speeds they provide, give customers free and easy cancellation when promised speeds are not provided, and to invest \$20,000,000.00 in capital expenditures to enhance Internet Service in North Carolina.

Marriott International Inc

This consent judgment settles the multistate investigation into Marriott International, Inc. (“Marriott”) regarding a large multi-year data breach of one of its guest reservation databases that led to the breach of 131.5 million guest records of customers in the United States. As a result of the settlement, Marriott agreed to pay \$52,000,000.00 to the Attorneys General, of which North Carolina received \$2,059,176.00 to be used to reimburse \$150,000.00 to the TJX Data Breach investigation fund and \$1,909,176 to be used for attorneys’ fees and other costs of investigation and litigation, or be placed in, or applied to, the consumer protection enforcement fund, including future consumer protection enforcement, consumer education, litigation, or local consumer aid fund or revolving fund, used to defray the cost of the inquiry leading hereto, or for other uses permitted by state law, at the discretion of the Attorney General. Additionally, Marriott agreed to a number of provisions designed to strengthen and continually improve its cybersecurity practices including enhancing employee training, minimizing the data collected and retained, and conducting an independent third-party assessment of their information security program every 2 years for the next 20 years.

Oquirrh Mountain Phlebotomy School, LLC

This settlement agreement settles the lawsuit and allegations that Oquirrh Mountain Phlebotomy School, LLC and Dalla Myron Rasmussen (“OMPS”) operated a school in Wilmington, NC, in violation of North Carolina’s proprietary school licensing requirements and unfair and deceptive trade practices law. As a result of the settlement OMPS has agreed to pay North Carolina

\$150,000.00 which may be expended as authorized by the laws of the State. OMPS also agreed to consumer refunds to individuals for lessons, courses, or instruction provided by OMPS, that have not already been refunded by OMPS as well as paying \$5.00 per individual on the restitution list to offset the cost of running the restitution claims process. Additionally, OMPS agreed to not offer any courses, lessons, or instruction in the State of North Carolina without first obtaining the appropriate license under N.C.G.S. § 115D or §116.

T-Mobile

This settlement agreement settles the multistate investigation into concerns that T-Mobile advertised some of its wireless products and services without clearly and conspicuously disclosing all of the material terms and conditions. As a result of the settlement, T-Mobile agreed to pay \$103,472.64 to North Carolina to be used for attorneys' fees and other costs of investigation and litigation, or may be placed in, or applied to, consumer protection law enforcement funds, including future consumer protection enforcement, consumer education, litigation or local consumer aid fund or revolving fund, may be used to defray the costs of the inquiry leading hereto, the monitoring and potential enforcement of the settlement agreement, or consumer restitution, at the sole discretion of the Attorney General. Additionally, T-Mobile agreed to several provisions affecting their business practices including, but not limited to designating a dedicated representative to work directly with the attorneys general to address consumer complaints and training its customer service representatives and advertising staff on the terms of the settlement.

Please let our team know if you have any questions. Thank you for your continued support.

Sincerely,



Eric Wilson
Chief of Staff

EW/dr

Enclosure

cc: NCGA Fiscal Research Division



2023 JAN 18 PM 4:05
STATE OF NORTH CAROLINA
DEPARTMENT OF JUSTICE
ATTORNEY GENERAL

JOSH STEIN
ATTORNEY GENERAL

STATE OF NORTH CAROLINA
DEPARTMENT OF JUSTICE

CONSUMER PROTECTION
TOLL-FREE IN NC: (877) 566-7226
OUTSIDE OF NC: (919) 716-6000
FAX: (919) 716-6050

MEMORANDUM

TO: Financial Services

FROM: Jasmine S. McGhee, Senior Deputy Attorney General

RE: Deposit Distribution
ACI Worldwide Corp. and ACI Payments, Inc.

DATE: January 18, 2023

Pursuant to the Assurance of Voluntary Compliance ("AVC") reached in the multi-state investigation into ACI Worldwide Corp. ("ACI Corp."), and ACI Payments, Inc ("ACI Payments"), and their successors and assigns (collectively "ACI"), a wire in the amount of \$395,416.80 was deposited with Financial Services on November 6, 2023 into the DOJ Consumer Protection budget fund 2022266, account 45500000 Fines, Penalties, Assessment Fees, AMU 0902196 ACI.

This agreement settles the multi-state investigation into ACI's billing platform and the erroneous and unintentional ACH debit and credit entries that happened during testing for upgrades to their Speedpay system around April 23, 2021. ACI is a payment processor for a variety of third-party clients, including mortgage servicers such as Nationstar Mortgage, known publicly as Mr. Cooper. During the incident, Mr. Cooper customers who were set up for automatic payments using the Speedpay system had erroneous mortgage payments attempted from their accounts. While the vast majority of withdrawals did not ultimately go through or were reversed, 1.4 million transactions totaling \$2.3 billion were processed, impacting 477,000 Mr. Cooper customers, including more than 14,769 North Carolinian customers.

As a result of the agreement ACI agreed to pay the Attorneys General \$10,000,000.00 of which North Carolina will receive \$395,416.80. Said payment shall be used by the State of North Carolina as and for attorneys' fees and other costs of investigation and litigation, or be placed in, or applied to, the consumer protection enforcement fund, including future consumer protection enforcement, consumer education, litigation, used to defray the costs of the inquiry leading hereto, or for other uses permitted by state law, at the sole discretion of the North Carolina Attorney General.

Additionally, ACI agreed to take steps to avoid any future incidents as well as settling a separate

agreement with state regulators and to paying restitution directly to impacted consumers through other related settlements.

A copy of the AVC and deposit details are attached. If you have any questions, please contact Wendy Stevens at 716-6877.

cc: Phil Woods
Keith Clayton
Melvinna Adams
Melissa Lovell
Wendy Stevens / ACI Worldwide Corp Settlement File



Previous Day Composite Report

Custom

As of 11/03/2023

Company: NC DEPARTMENT OF STATE TREASURER

User: Janice Boyce

11/06/2023 07:56 AM ET

Commercial Electronic Office®

Treasury Information Reporting

Currency: USD
Bank: 121000248
Account: 4128455847(NC)

WELLS FARGO BANK, N.A.
NORTH CAROLINA DEPARTMENT OF STATE TREA

Balances

Closing Ledger Balance	.00
Closing Collected Balance	.00
Opening Available Balance	.00
One Day Float	.00
Two+ Day Float	.00
MTD Average Closing Ledger Balance	.00
MTD Average Closing Collected Balance	.00
Total Credits	395,416.80
Total Debits	395,416.80
Total Number Credits	1
Total Number Debits	1

Handwritten: DPH 444 362360

Summaries

Type of Credit	Number of Items	Amount
Total Wire Transfer Credits	1	395,416.80
Credit Totals	1	395,416.80
Type of Debit	Number of Items	Amount
Total ZBA Debits	1	395,416.80
Debit Totals	1	395,416.80

Handwritten: 11-30023

Credit Transactions

11/3/2023	195 / INCOMING MONEY TRANSFER Cust Ref: 00000000000 Unique ID: RG231103187771 WT FED#04670 TRUST OUTGOING WIR /ORG-ACI PAYMENTS INC SRF# 231103B0224N TRN#231103187771 RFB# 231103B0224N	Credit Amount: Bank Ref: IA009996307148	395,416.80
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Debit Transactions

11/3/2023	575 / INDIVIDUAL ZBA DEBIT Cust Ref: 00000000000 ZERO BALANCE ACCOUNT TRANSFER TO 2062670003460	Debit Amount: Bank Ref: IA110300000046	395,416.80
Account Net Amount			0.00

Currency: USD
Bank: 121000248
Account: 2000021316302(NC)

WELLS FARGO BANK, N.A.
DEPT OF JUSTICE

You do not have access to balances for this account.

Summaries

Type of Credit	Number of Items	Amount
Total ACH Credits	3	1,114.80
Credit Totals	3	1,114.80
Type of Debit	Number of Items	Amount
Total ZBA Debits	1	1,114.80
Debit Totals	1	1,114.80

Credit Transactions

11/3/2023	165 / MISCELLANEOUS ACH CREDIT	Credit Amount:	886.38
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Data Access Set: NC CASH - AGENCY 0900

Edit Journal ?

Save Cancel

Last Saved 11/6/23 1:25 PM

Journal Batch: 0900 DEP 11/06/23 ACH CREDIT ACI PAYMENT BC 23600 ? | Show More E

Projected Balances	
PTD	Total
No lines selected.	

Journal Batch

Description

Balance Type Actual

* Accounting Period

Attachments None

Source Manual

Approval Status Required

Funds Status Not attempted

Batch Status Unposted

Completion Status Complete

Journal ? | Show More Manual 2615324 06-NOV-2023 13:25: ? | Journal Actions

Journal

Description

* Ledger NC CASH US

* Accounting Date

* Category

Currency

Conversion Date 11/3/23

Conversion Rate Type User

Conversion Rate 1

Inverse Conversion Rate 1

Journal Lines ?

Actions View Format [Icons] Detach Wrap

Line	* Account	Entered (USD)		Description
		Debit	Credit	
1	0900-202266-11120000-0000000-0000000-0000-001	395,416.80		ACH CREDIT
Type DEP - CASH & CHECK				
DEP - CASH & CHECK 0000000300386				
Regional Information				
2	<input type="text" value="0900-202266-45500000-0902196-0001"/>		<input type="text" value="395,416.80"/>	<input type="text" value="ACH CREDIT"/>
Total		395,416.80	395,416.80	

Columns Hidden 11

ASSURANCE OF DISCONTINUANCE/ASSURANCE OF VOLUNTARY COMPLIANCE

1. This Assurance of Discontinuance/Assurance of Voluntary Compliance¹ (“Assurance” or “Agreement”) is entered into by the Attorneys General of the Participating States as set forth in Exhibit A (collectively, the “Participating Attorneys General” and/or “Participating States”);² and ACI Worldwide Corp. (“ACI Corp.”) and ACI Payments, Inc. (“ACI Payments”), and their successors and assigns (collectively, “ACI”), to resolve an investigation of the Participating Attorneys General into the Money Transmission Instruction Error. ACI enters into this Assurance solely for the purpose of resolving certain disputed claims of the Participating States. The Assurance of Voluntary Compliance shall not be considered an admission of a prior violation of law.
2. ACI Payments is a Delaware corporation with headquarters located in Elkhorn, Nebraska. ACI Payments is a wholly owned subsidiary of ACI Corp., a Nebraska corporation. ACI Corp. has direct and/or indirect control over ACI Payments and shares integrated services involving information technology (“IT”) and other operational aspects of the enterprise pursuant to intercompany agreements.
3. In consideration of their mutual agreement to the terms of this Assurance, and such other consideration as described herein, the sufficiency of which is hereby acknowledged, the

¹ This Assurance of Voluntary Compliance shall, for all necessary purposes, also be considered an Assurance of Discontinuance.

² For ease of reference, this entire group will be referred to collectively herein as the “Participating Attorneys General” or individually as “Participating Attorney General.” Such designations, however, as they pertain to Connecticut, shall refer to the Attorney General, both acting on his own behalf and as authorized by the Commissioner of the Department of Consumer Protection. Such designations, as they pertain to Hawaii, shall refer to the Executive Director of the State of Hawaii Office of Consumer Protection. Such designations, as they pertain to Maryland, shall refer to the Consumer Protection Division of the Office of the Attorney General of Maryland, which has authority to enter into this Assurance pursuant to Md. Code Ann., Com. Law § 13-402. Such designations, as they pertain to Utah, shall refer to the Division of Consumer Protection of the Utah Department of Commerce.

Participating Attorneys General and ACI (collectively, the “Parties”) hereby agree as follows:

I. BACKGROUND

4. This Assurance follows an investigation by the Participating Attorneys General and the State Money Transmission Regulators³ into the incident that occurred on or around April 23, 2021, which considered whether ACI violated the Participating States’ state consumer protection and trade practice statutes and regulations, including the statutes listed in Exhibit A (collectively, the “Consumer Statutes”).
5. ACI Payments is licensed as a money transmitter under the laws and regulations of every state which requires licensure.
6. ACI’s Speedpay bill payment solution is marketed as an electronic platform providing electronic bill presentment and payment services, including allowing for one-time and recurring billing and payment processing capabilities (the “Speedpay Platform”).
7. ACI Corp. acquired the Speedpay Platform in May 2019 with a two-year transition services agreement with the previous owner of Speedpay. Speedpay was subsequently merged into ACI Payments. Commencing March 1, 2021, ACI assumed IT responsibility for supporting and maintaining the Speedpay Platform. At the time of this transition, the Speedpay Platform was still hosted in the previous owner’s IT environment with certain services still provided by legacy third-party vendors.

³ The state money transmission regulators of States of Alabama, Alaska, Arizona, Arkansas, California, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Iowa, Kansas, Maine, Maryland, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, the Commonwealths of Kentucky, Pennsylvania, Puerto Rico, and Virginia, and the District of Columbia (“State Money Transmission Regulators”) have entered into a separate Settlement Agreement and Consent Order with ACI.

8. A large U.S. residential mortgage lending and servicing company (the “Mortgage Company”) used the Speedpay Platform for payment processing services as it related to its residential mortgage servicing activities. ACI, as a vendor for the Mortgage Company, regularly processed mortgage payments for certain consumer mortgage borrowers whose loans were serviced by the Mortgage Company. ACI created Automated Clearing House (“ACH”) files used to facilitate bill payment for those consumer borrowers and remitted the debited funds to the Mortgage Company’s bank account and remitted credited funds to borrowers’ bank accounts.
9. On or about April 23, 2021, ACI conducted testing to optimize the Speedpay Platform’s ACH processing code to increase the rate at which ACH files were generated for production through the Speedpay Platform for the Mortgage Company (the “Speedpay Optimization Project”). To accomplish the Speedpay Optimization Project, ACI’s testing used consumer information previously obtained through its processing of debit and credit transactions for the Mortgage Company. The State Money Transmission Regulators determined that during the Speedpay Optimization Project, the legacy vendors’ circumvention of internal data security controls and a lack of segregation between internal production and testing environments resulted in 1,432,821 ACH debit and credit entries being unintentionally and erroneously sent to the ACH Network. These entries related to 478,568 customer borrowers of the Mortgage Company and reflected a total dollar value of \$2,389,173,559.05 (the “Money Transmission Instruction Error”).
10. ACI became aware of the Money Transmission Instruction Error the morning of the day following the submission of the erroneous files, a Saturday, and took immediate steps with the intent to reverse the erroneous debits and credits and to minimize the impact of the

Money Transmission Instruction Error on consumers. During the course of the investigation, ACI represented to the Participating Attorneys General that although these credits and debits were reflected on the consumers' respective accounts, the steps taken to reverse the erroneous debits and credits resulted in approximately 99.998% of the erroneous debit entries being offset before any funds moved from consumer accounts. ACI represents that by the end of May 2021, all of the accounts impacted by erroneous debit entries had been corrected.

11. Some consumers impacted by the Money Transmission Instruction Error received excess credits to their accounts from ACI's funds, which were deposited as part of the process of reversing the erroneous debits. ACI represents that as of the end of August 2021, the total balance of excess credits deposited in these consumers' accounts was approximately \$2.9 million. ACI has represented that it has waived its right to recoup these excess credits from consumers.
12. Although the full indirect consumer impact is undetermined as of the Effective Date of this Assurance, approximately 2,710 consumers reported to the Mortgage Company that they experienced financial harm as a result of the Money Transmission Instruction Error.
13. Shortly after ACI became aware of the Money Transmission Instruction Error, ACI investigated all its server settings and prevented communications between all applicable production and testing/quality assurance servers. ACI has represented to the Participating Attorneys General that it has implemented and is in the process of implementing additional safeguards to prevent duplicate transactions from being processed.
14. The State Money Transmission Regulators determined that the Money Transmission Instruction Error was possible due to significant defects in ACI's privacy and data security

procedures and technical infrastructure related to the Speedpay platform. Specifically, the level of supervision and training of vendor personnel and system controls on the Speedpay platform did not ensure that: (1) vendors followed required policies, procedures, and practices such as sending production database requests to the correct group and validating that the databases were scrubbed to remove consumer data and (2) that there were sufficient technological safeguards to enforce the forgoing policies and procedures.

15. The Participating Attorneys General enter this Assurance with the understanding that the State Money Transmission Regulators have entered into a Settlement Agreement and Consent Order with ACI in coordination with this Assurance.

II. DEFINITIONS

16. For purposes of this Assurance, the following definitions⁴ shall apply:

- a. **“Client”** means the entity for whom ACI is processing payment transactions of any type.
- b. **“Consumer”** means a natural person who has authorized ACI, either directly or through a third-party Client, to process any payment, including any ACH debit or credit transaction.
- c. **“Consumer Information”** has the same meaning as “customer information” as that term is defined in 16 C.F.R. 314.2(d).
- d. **“Day or days”** means calendar days.
- e. **“Effective Date”** means October 17, 2023.
- f. **“Money Transmission Instruction Error”** means the incident that occurred on or around April 23, 2021, in which ACI impermissibly initiated 1,432,821 ACH debit and credit transactions impacting 478,568 customer borrowers of a mortgage company with a total dollar value of \$2,389,173,559.05.
- g. **“Security Event”** means any compromise by (1) unauthorized access, (2) unauthorized use, or (3) inadvertent disclosure, that impacts the confidentiality, integrity, or availability of any Consumer Information held or stored by ACI or any

⁴ All definitions shall equally apply to any plural or possessive forms of the defined term.

Third-Party Vendor, including but not limited to a data breach as defined by the laws of any Participating State.

- h. **“The State Money Transmission Regulators’ Consent Order”** means the Settlement Agreement and Consent Order that ACI and the respective state money transmission regulatory agencies of States of Alabama, Alaska, Arizona, Arkansas, California, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Iowa, Kansas, Maine, Maryland, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, the Commonwealths of Kentucky, Pennsylvania, Puerto Rico, and Virginia, and the District of Columbia entered into on or around October 16, 2023 regarding the Money Transmission Instruction Error.
- i. **“Synthetic Data”** means data that is artificially manufactured, rather than generated by real-world transactions. Synthetic Data is not traceable to any specific Consumer Information and is used to protect Consumer Information from inadvertent or unauthorized disclosure, use, or access.
- j. **“Third-Party Vendor”** means any third-party hired by ACI to process or assist in the processing of Consumer payments or who otherwise has access to Consumer Information on ACI’s internal software or systems.

III. APPLICATION

17. The duties, responsibilities, burdens, and obligations undertaken in connection with this Assurance shall apply to ACI, and its officers, directors, and employees.

IV. ASSURANCES

18. ACI must not process any payment, which includes any ACH debit or credit transaction, that it knows or should know, with the exercise of reasonable diligence, exceeds the Consumer’s express authorization or instruction, whether made directly to ACI or through a third-party Client for whom ACI is processing payments.
19. ACI must not use Consumer Information, including ACH information or other Consumer payment information, except (1) as authorized by the Consumer, (2) when necessary to process the transaction, or (3) as required by law, regulation, or rule.

20. When testing ACI software or systems, ACI must use only Synthetic Data. The “Qualified Individual(s)”, as described in further detail below, may permit an exception to the requirement in the prior sentence only if the Qualified Individual determines that (a) it is not reasonably practical to obtain rigorous and reliable results from a given test without using data that reflects the structure, volume, specificity, and diversity of Consumer Information and (b) such Consumer Information is subject to documented controls, as approved by a Qualified Individual, to ensure it is handled, processed, and disposed of in a secure manner and in conformity with the obligations in this Assurance. If the Qualified Individual grants an exception under this paragraph, the decision must be documented in writing and include the following items: the purpose and nature of the test; the date on which the test will be performed; a description of the specific dataset to be used in the test; and the reason(s) why Synthetic Data could not have reasonably been used. ACI will produce all documents relating to the granting of any exception to this paragraph upon request by any Participating Attorney General. This term shall expire five (5) years after the Effective Date of this Assurance. Nothing in this Paragraph should be construed or applied to excuse ACI from its obligation to comply with all applicable state and federal laws, regulations, and rules.
21. ACI must maintain at all times the segregation of any testing, development, or quality assurance environment from its production environment.
22. ACI must ensure that any ticketing system used to request or obtain Consumer Information, including but not limited to the Jira ticketing system, cannot be circumvented through other forms of communication including but not limited to emails, phone calls, or messaging.

23. ACI must maintain at all times a comprehensive information security program (“Information Security Program”) with the core objectives being (a) to ensure the security and confidentiality of Consumer Information; (b) to protect against any reasonably anticipated threats or hazards to the security or integrity of such information; and (c) to protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any Consumer. An Information Security Program that satisfies the requirements of the State Money Transmission Regulators’ Consent Order shall satisfy the requirements of this paragraph.
24. As part of its Information Security Program, ACI must promptly ascertain and remediate any Consumer harm caused by a breach of the security or confidentiality of Consumer Information or unauthorized access or use of such information.
25. ACI must maintain at all times a cybersecurity program (“Cybersecurity Program”) designed to timely: (a) assess the nature, scope, and impact of a cyber incident; (b) contain the incident and mitigate its impact; (c) notify appropriate internal and external stakeholders (such as law enforcement, regulators, and other public authorities, as well as shareholders, third party service providers, and Consumers); (d) coordinate joint response activities as needed; and (e) promptly ascertain and remediate any Consumer harm. A Cybersecurity Program that satisfies the requirements of the State Money Transmission Regulators’ Consent Order shall satisfy the requirements of this paragraph.
26. ACI must utilize at all times one or more “Qualified Individuals” responsible for overseeing, implementing, and enforcing the Information Security Program and the Cybersecurity Program (collectively, the “Programs”).

27. Each Qualified Individual must directly deliver reports, make presentations, and have the authority to unilaterally escalate issues to the appropriate ACI Board of Directors, the appropriate committee(s) of the Board of Directors, and the appropriate members of senior management.
28. Each Qualified Individual must have the requisite background, experience, and skillset necessary to fulfill the responsibilities of this position.
29. Each Qualified Individual must have all of the authorities and responsibilities needed to oversee, implement, and enforce the Programs given a business enterprise having the size, operational complexity, and overall risk profile of ACI.
30. ACI must, at all times, document the Programs in writing and must ensure that the Programs are, at all times, appropriate to ACI's size, its complexity, the nature and scope of its activities, and the sensitivity of the data at issue.
31. ACI must regularly test or monitor the effectiveness of the Programs in accordance with the State Money Transmission Regulators' Consent Order.
32. ACI must utilize at all times processes to monitor and reconcile all ACH entries submitted to the Originating Depository Financial Institution ("ODFI") to ensure the accuracy and integrity of such entries. Controls shall include the prevention of duplicate ACH files from being processed by the ODFI and address potentially duplicative ACH files in a timely matter. ACI shall also perform daily reviews when the ACH Network is operating of ACH files to reconcile the ACH files sent to the ODFI with the information provided to ACI by the ODFI.
33. ACI must dispose of Consumer Information in any format no later than two years after the last date the information is used in connection with the provision of a product or service to

which it relates, unless such information is necessary for historic payments research, is otherwise required to be retained by law, rule or regulation, or where targeted disposal is not reasonably feasible due to the manner in which the information is maintained. Disposal of Consumer Information must be by means that protect against unauthorized access to the Consumer Information, such as by shredding, erasing, or otherwise modifying the Consumer Information in the records, to make the Consumer Information unreadable or undecipherable through any means.

34. ACI must make the applicable parts of the Information Security Program, Cybersecurity Program, Disposal Policy, and any training, FAQs, or other descriptive materials related to the Programs and the Disposal Policy easily accessible to ACI employees and any relevant employees of Third-Party Vendors on an easy-to-find page of ACI's intranet or similar electronic form.
35. All ACI employees must attend a training, at least annually, pertaining to ACI's Information Security Program, Cybersecurity Program, and Disposal Policy. All new employees must be trained on ACI's Information Security Program, Cybersecurity Program, and Disposal Policy within 30 days of hire.
36. ACI must: (a) take reasonable steps to select and retain Third-Party Vendors that are capable of maintaining appropriate safeguards to ensure, at a minimum, the confidentiality, integrity, and availability of the Consumer Information at issue; (b) periodically assess ACI's Third-Party Vendors based on the risk they present and the continued adequacy of their safeguards; and (c) require ACI's Third-Party Vendors by contract to implement and maintain such safeguards.

37. ACI must require that all relevant Third-Party Vendors' employees with access to Consumer Information on ACI's system attend ACI's annual training pertaining to ACI's Information Security Program, Cybersecurity Program and Disposal Policy.
38. ACI must provide a copy of this Assurance (a) to all existing Third-Party Vendors within 30 days of the Effective Date of this Assurance and (b) for a period of two (2) years from the Effective Date of this Assurance, to any new Third-Party Vendors prior to entering into any contract for services. For a period of two (2) years from the Effective Date of this Assurance, ACI must collect and preserve a written statement from the Third-Party Vendor acknowledging receipt of this Assurance before the Third-Party Vendor performs any services for ACI.
39. By entering into this Assurance, ACI certifies that all known Consumer financial harm arising out of the Money Transmission Instruction Error has been compensated or remediated. To the extent additional Consumer harm becomes known and can be verified, ACI must compensate or remediate any such harm.
40. ACI must promptly ascertain and compensate or remediate all Consumer harm caused by ACI's failure to comply with the terms of this Assurance, including Consumer harm related to acts or omissions by a Third-Party Vendor, or any future money transmission error.

V. MONITORING

41. Within 14 days of the Effective Date of this Assurance, ACI must provide to the Participating Attorneys General the contact information of an executive-level employee who may be contacted to discuss any issues related to this Assurance.
42. In addition to complying with any law applicable to security breaches, for a period of five (5) years from the Effective Date of this Assurance, if ACI experiences a Security Event impacting Consumer Information, ACI must notify the Participating Attorneys General of

the Security Event and provide the following information within 30 days of ACI's determination that a Security Event has occurred:

- a. The facts of the incident;
- b. The number of Consumers impacted, broken down by state;
- c. The amount of harm experienced by Consumers, broken down by state;
- d. The steps ACI has taken to correct the incident; and
- e. The steps ACI has taken to make Consumers whole.

ACI must send (electronically and via first class mail or common carrier) any notice required by this Paragraph to the contact person for each Participating Attorney General's office as designated in Paragraph 60 of this Assurance. Any Participating Attorney General may update its designee or address by sending written notice to ACI informing ACI of the change.

VI. ENFORCEMENT

43. The provisions of this Assurance are enforceable by the Participating Attorneys General. The Participating Attorneys General, jointly or individually, may make such application as appropriate to enforce or interpret the provisions of this Assurance or, in the alternative, may maintain any action within their legal authority. In any action to enforce this Assurance, the Participating Attorney(s) General may seek any appropriate relief authorized by law.
44. An enforcement action under this Assurance may be brought solely by the State of North Carolina. No provision of this Assurance shall be construed as providing a private right of action to enforce its terms, nor shall any provision of this Assurance be construed as a release of any claim that a Consumer may have against ACI.

VII. PAYMENT TO THE PARTICIPATING ATTORNEYS GENERAL

45. ACI must pay to North Carolina Three Hundred Ninety-Five Thousand, Four Hundred Sixteen Dollars and Eighty cents (\$395,416.80). Said payment shall be used by the State of North Carolina as and for attorneys' fees and other costs of investigation and litigation, or be placed in, or applied to, the consumer protection enforcement fund, including future consumer protection enforcement, consumer education, litigation, used to defray the costs of the inquiry leading hereto, or for other uses permitted by state law, at the sole discretion of the North Carolina Attorney General. Payment to the North Carolina Attorney General shall be made within twenty (20) calendar days of receiving written payment processing instructions from the North Carolina Attorney General.
46. The Parties acknowledge and agree that ACI is entering into separate agreements in substantially the same form as this Assurance with each of the Participating Attorneys General, and that the aggregate amount of the required payments under those agreements and this Assurance is Ten Million Dollars (\$10,000,000).

VIII. RELEASE

47. Upon full payment of the amounts due under Section VII of this Assurance, the Participating Attorneys General shall hereby release and forever discharge ACI and its past and present officers, directors, and employees, from all civil claims that the Participating Attorneys General could have brought under the Consumer Statutes or 12 U.S.C. § 5536(a)(1)(B) based on ACI's conduct related to the Money Transmission Instruction Error. Nothing contained in this paragraph shall be construed to limit the ability of any Participating Attorney General to enforce the obligations that ACI has under this Assurance. Further, nothing in this Assurance shall be construed to create, waive, limit,

settle, release, or resolve any private right of action, including such private causes of action, claims, or remedies that could be brought under the Consumer Statutes.

IX. PRESERVATION OF AUTHORITY

48. Nothing in this Assurance shall be construed to limit the authority or ability of the State of North Carolina to protect the interests of the State of North Carolina or the people of the State of North Carolina. This Assurance shall not bar the State of North Carolina or any other governmental entity from enforcing laws, regulations, or rules against ACI for conduct subsequent to or otherwise not covered by this Assurance. Further, nothing in this Assurance shall be construed to limit the ability of the State of North Carolina to enforce the obligations that ACI has under this Assurance.

X. GENERAL PROVISIONS

49. The Parties understand and agree that this Assurance shall not be construed as an approval or sanction by the Participating Attorneys General of ACI's business practices, nor shall ACI represent that this Assurance constitutes an approval or sanction of its business practices. The Parties further understand and agree that any failure by the Participating Attorneys General to take any action in response to any information submitted pursuant to this Assurance shall not be construed as an approval or sanction of any representations, acts, or practices indicated by such information, nor shall it preclude action thereon at a later date.

50. Nothing in this Assurance eliminates or alters ACI's obligation to comply with any applicable federal or state laws, regulations, rules, or any other requirements imposed by a federal or state agency. In the event there is a conflict between this Assurance and any federal or state laws, regulations, rules, or other requirements imposed by a federal or state agency, such that ACI cannot comply with this Assurance without violating these

requirements, ACI must document such conflicts and notify the Participating Attorneys General that it intends to comply with the requirements to the extent necessary to eliminate the conflict. Any Participating Attorney General may request a meeting, to be held within 30 days of the request, to discuss the steps ACI has implemented to resolve the conflict, and ACI must comply with any such reasonable request.

51. ACI shall deliver a copy of this Assurance to, or otherwise fully apprise, each of its current officers of the rank of executive vice president or above, the executive management officer having decision-making authority with respect to the subject matter of this Assurance, and each member of ACI Corp's Board of Directors within ninety (90) days of the Effective Date. For a period of five (5) years from the Effective Date of this Assurance, ACI shall deliver a copy of this Assurance to, or otherwise fully apprise, any new officers of the rank of executive vice president or above, any new executive management officer having decision-making authority with respect to the subject matter of this Assurance, and each new member of the ACI Corp's Board of Directors, within ninety (90) days from which such person assumes his/her position with ACI. Upon the expiration of this paragraph ACI is still obligated to comply with the terms of this Assurance.

52. In states in which a statute requires that this Assurance be filed with and/or approved by a court, ACI consents to the filing of this Assurance and to its approval by a court in such state, and authorizes the Participating Attorneys General in such states to represent that ACI does not object to the request that the court approve the Assurance.⁵ ACI further consents to be subject to the jurisdiction of such courts (if legally required) for the exclusive purpose of having such courts approve or enforce this Assurance. To the extent there are

⁵ ACI understands each Participating Attorney General will conform this Assurance in accordance with statute, rule, or practice and may add a cover page or caption to the document as necessary.

any court costs associated with the filing of this Assurance (if legally required), ACI agrees to pay such costs. No court costs, if any, shall be taxed against any Participating Attorney General.

53. ACI shall not participate in any activity or form a separate entity or corporate entity for the purpose of engaging in acts or practices in whole or in part that are prohibited by this Assurance or for any other purpose that would otherwise circumvent any term of this Assurance. ACI shall not knowingly cause, permit, or encourage any other persons or entities acting on its behalf to engage in practices prohibited by this Assurance.
54. This Assurance may be executed by counterparts all of which together shall constitute one and the same document. One or more counterparts of this Assurance may be delivered by electronic transmission with the intent that it or they shall constitute an original counterpart thereof.
55. The undersigned ACI representatives state that they are authorized to enter into and execute this Assurance on behalf of ACI and further agree to execute and deliver all authorizations, documents, and instruments which are necessary to carry out the terms and conditions of this Assurance.
56. ACI agrees that this Assurance does not entitle it to seek or to obtain attorneys' fees as a prevailing party under any statute, regulation, or rule, and ACI further waives any right to recover attorneys' fees related to this Assurance from the Participating Attorneys General or the Participating States that may arise under any statute, regulation, or rule.
57. This Assurance shall not be construed to waive any claims of sovereign immunity the Participating Attorneys General may have in any action or proceeding.

58. This Assurance is not intended for use by any third-party in any other proceeding and is not intended, and should not be construed as, an admission of any wrongdoing or liability by ACI related to the Money Transmission Instruction Error.

XI. SEVERABILITY

59. If any clause, provision, or section of this Assurance is, for any reason, held illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other clause, provision or section of this Assurance, and this Assurance shall be construed and enforced as if such illegal, invalid, or unenforceable clause, section or provision had not been contained herein.

XII. NOTICE/DELIVERY OF DOCUMENTS

60. Any notices or other documents required to be sent under this Assurance (including the notice requirements required by Paragraph 42 of this Assurance) shall be sent to the following designated contacts:

For the North Carolina ATTORNEY GENERAL:

Keith T. Clayton
Special Deputy Attorney General
North Carolina Department of Justice
114 W. Edenton St.
Raleigh, NC 27603
kclayton@ncdoj.gov

For ACI:

Courtney Snyder
Jones Day
500 Grant Street, Suite 4500
Pittsburgh, PA 15219
clsnyder@jonesday.com

Dennis Byrnes
ACI Worldwide
6060 Coventry Drive
Elkhorn, NE 68022
dennis.byrnes@aciworldwide.com

61. Any party may update its designee or address by sending written notice to the other party informing them of the changes.

All notices or other documents to be provided under this Assurance shall be sent electronically and via first class mail or other nationally recognized courier service that provides for tracking services and identification of the person signing for the notice or document and shall be deemed to be sent upon mailing.

CONSENTED AND AGREED TO BY:

FOR ACI WORLDWIDE CORP.

By: 

Date: October 16, 2023

Scott Behrens
President
ACI Worldwide Corp.

FOR ACI PAYMENTS, INC.

By: 

Date: October 16, 2023

Benjamin W. Mitchell
President
ACI Payments, Inc.

ATTORNEYS FOR THE STATE OF NORTH CAROLINA

JOSHUA H. STEIN
Attorney General



KEITH T. CLAYTON
Special Deputy Attorney General
N.C. Department of Justice
P.O. Box 629
Raleigh, NC 27602
Tel: 919-716-6000
Fax: 919-716-6050
Email: kclayton@ncdoj.gov

Date: 10-16-23

EXHIBIT A: PARTICIPATING STATES

<u>States And Territories</u>	<u>Consumer Protection Laws</u>
Alabama	Ala. Code §§ 8-19-1, <i>et seq.</i>
Alaska	Alaska Stat. §§ 45.50.471, <i>et seq.</i>
Arizona	Ariz. Rev. Stat. §§ 44-1521, <i>et seq.</i>
Arkansas	Ark. Code §§ 4-88-101, <i>et seq.</i>
California	Cal. Bus. & Prof. Code §§ 17200 <i>et seq.</i>
Colorado	C.R.S. §§ 6-1-101, <i>et seq.</i>
Connecticut	Conn. Gen. Stat. §§ 42-110b, <i>et seq.</i>
Delaware	6 Del. C. §§ 2511, <i>et seq.</i>
Florida	Fla. Stat. §§ 501.201, <i>et seq.</i>
Georgia	O.C.G.A. § 10-1-390, <i>et seq.</i>
Hawaii	Haw. Rev. Stat. Chpts. 480 and 481A
Idaho	Idaho Code § 48-601 <i>et seq.</i>
Illinois	815 ILCS 505/1 <i>et seq.</i>
Indiana	Indiana Code §§ 24-5-0.5-1, <i>et seq.</i>
Iowa	Iowa Code §§ 714.16, <i>et seq.</i>
Kansas	Kan. Stat. §§ 50-623, <i>et seq.</i>
Kentucky	Ky. Rev. Stat. §§ 367.110, <i>et seq.</i>
Louisiana	La. Rev. Stat. §§ 51:1401, <i>et seq.</i>
Maine	5 M.R.S.A. §§ 205-A, <i>et seq.</i>
Maryland	Md. Com. Law Code §§ 13-101, <i>et seq.</i>
Massachusetts	Mass. Gen. Laws Ch. 93A, §§ 1-11, <i>et seq.</i>
Michigan	MCL 445.901 <i>et seq.</i>
Minnesota	Minn. Stat. §§ 325F.68-.694, 325D.43-.48, 325F.67
Mississippi	Miss. Code §§ 75-24-1, <i>et seq.</i>
Montana	Mont. Code § 30-14-103

<u>States And Territories</u>	<u>Consumer Protection Laws</u>
Nebraska	Neb. Rev. Stat. §§ 59-1601, <i>et seq.</i> , §§ 87-301, <i>et seq.</i>
Nevada	NRS 598.0903, <i>et seq.</i>
New Hampshire	RSA 358-A, <i>et seq.</i>
New Jersey	N.J. Stat. 56:8-1, <i>et seq.</i>
New York	N.Y. Exec. Law § 63(12); N.Y. Gen. Bus. Law §§ 349-350.
North Carolina	N.C. Gen. Stat. §§ 75-1.1, <i>et seq.</i>
North Dakota	North Dakota Century Code §§ 51-15-01, <i>et seq.</i>
Ohio	Ohio Rev. Code 1345.01, <i>et seq.</i>
Oklahoma	15 O.S. §§ 751, <i>et seq.</i>
Oregon	Or. Rev. Stat. §§ 646.605, <i>et seq.</i>
Pennsylvania	73 P.S. §§ 201-1, <i>et seq.</i>
Rhode Island	R.I. Gen. Laws §§ 6-13.1-1, <i>et seq.</i>
South Carolina	South Carolina Code §§ 39-5-10 <i>et seq.</i>
South Dakota	S.D.C.L. Chapter 37-24
Tennessee	Tenn. Code §§ 47-18-101, <i>et seq.</i>
Texas	Tex. Bus. & Com. Code §§ 17.41, <i>et seq.</i>
Utah	Utah Code §§ 13-11-1 through 23
Vermont	9 V.S.A. Chapter 63
Virginia	Va. Code Ann. §§ 59.1-196, <i>et seq.</i>
Washington	RCW 19.86.010-19.86.920
West Virginia	W. Va. Code §§ 46A-1-101, <i>et seq.</i>
Wisconsin	Wis. Stat. §§ 100.18, 100.26(4), and 100.263
Wyoming	Wyo. Stat. §§ 40-12-101 --114
District of Columbia	D.C. Code §§ 28-3901 <i>et seq.</i>
Puerto Rico	10 P.R. Laws §§ 257 <i>et seq.</i>