



ACE CASH EXPRESS®

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ACE Cash Express Issues Statement on CFPB Settlement

Irving, TX –July 10, 2014 – ACE Cash Express, Inc., ACE, announced today that it has reached a settlement with the Consumer Financial Protection Bureau, or CFPB. The Bureau's allegations relate exclusively to some of ACE's collections practices prior to March 2012.

In response to the CFPB's concerns, ACE retained an outside, independent expert, Deloitte Financial Advisory Services, LLP, to review a statistically significant, random sample of ACE collection calls. Deloitte's review indicated that more than 96 percent of ACE's calls during the review period met relevant collections standards. ACE makes millions of calls annually and voluntarily records these calls for its own customer service and compliance monitoring purposes.

ACE also has policies that prevent delinquent borrowers from taking out new loans. A customer with a delinquent account is not allowed to take out another loan with ACE until the previous loan is paid off. Furthermore, ACE does not charge any additional fees or interest on accounts in collections and offers a payment plan option where, once a year, customers may elect a four-payment interest-free payment plan to pay off an outstanding loan balance.

To make sure these policies are working, ACE analyzed company data from March 2011 through February 2012. The analysis shows that 99.5 percent of customers with a loan in collections for more than 90 days did not take out a new loan with ACE within two days of paying off their existing loan, and 99.1 percent of customers did not take out a new loan within 14 days of paying off their existing loan.

Over the last two years, ACE has cooperated fully with the CFPB, implementing recommended compliance changes and enhancements and responding to requests for documents and information. Since 2011, ACE has voluntarily taken a number of steps to enhance its regulatory compliance program and improve its robust Compliance Management System, including:

- Implementing a compliance monitoring program and hiring full-time legal compliance analysts outside the collections department to monitor collection calls.

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- Immediately ceasing use of a specific third-party collection agency about which the CFPB expressed concerns.
- Increasing the volume of collection call monitoring both inside and outside the collections department.
- Making significant changes to the organization and structure of the collections department, including additional management oversight and compliance monitoring.
- Requiring all ACE employees to take quarterly compliance training.

In order to settle this matter, ACE has agreed to pay an immediate \$5 million civil penalty and up to another \$5 million in customer restitution.

“We are proud of our company, the value we deliver to our customers, our nearly 5,000 associates and the more than 40 million customer visits over the past 12 months,” said ACE Cash Express Chief Executive Officer Jay B. Shipowitz. “We settled this matter in order to focus on serving our customers and providing the products and services they count on.”

Shipowitz continued, “During ACE’s 46 years in business we have built strong relationships with our customers and regulators by maintaining a commitment to self-improvement, a culture of compliance, transparency, fairness and respect in serving our customers and contributing to the communities we serve.”

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About ACE Cash Express

ACE Cash Express, Inc. is a leading retailer of financial services, including payday loans, installment loans, title loans, check cashing, bill payment, wire transfer, money orders and prepaid debit card services. ACE is the largest owner and operator of check cashing stores in the United States and the second largest owner and operator of short-term consumer loan stores in the United States. ACE focuses on serving consumers, many of whom seek alternatives to traditional banking relationships in order to gain convenient and immediate access to financial services. For additional information about ACE Cash Express, visit www.acecashexpress.com.

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