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10 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**  
11 **IN AND FOR THE COUNTY OF MARICOPA**

12 STATE OF ARIZONA, *ex rel.* MARK  
13 BRNOVICH, Attorney General,  
14 Plaintiff,  
15 v.  
16 SANTANDER CONSUMER USA INC,  
17 Defendant.

Case No.: 2020-005932

**CONSENT JUDGMENT**

(Assigned to the Hon. Teresa Sanders)

18 The State of Arizona (the “State”), appearing through its attorney, Mark Brnovich,  
19 Attorney General of the State of Arizona and Santander Consumer USA Inc. (collectively, with  
20 its subsidiaries and parent, Santander Consumer USA Holdings, Inc., “Santander” or  
21 “Defendant”), appearing through its attorney, Sharon M. Flack of Musgrove Drutz Kack &  
22 Flack, PC, having stipulated to the entry of this Consent Judgment (“Judgment”) by the Court  
23 without the taking of proof and without trial or adjudication of any fact or law, without this  
24 Judgment constituting evidence of or an admission by Santander regarding any issue of law or  
25 fact alleged in the Complaint on file, and without Santander admitting any liability, and with all  
26 parties having waived their right to appeal, and the Court having considered the matter and  
27 good cause appearing:

1 **IT IS HEREBY ORDERED THAT:**

2 **I. FINDINGS**

3 1. The State is authorized to bring this action under the Arizona Consumer Fraud  
4 Act, A.R.S. §§ 44-1521 to -1534.

5 2. This Court has jurisdiction over the subject matter of this lawsuit and over the  
6 Parties, and venue is proper in Maricopa County pursuant to A.R.S. § 12-401.

7 3. The terms of this Judgment shall be governed by the laws of Arizona.

8 4. Entry of this Judgment is in the public interest and reflects a negotiated Judgment  
9 among the Parties.

10 5. The State and Santander (collectively the “Parties”) have agreed to resolve the  
11 issues resulting from the Covered Conduct by entering into this Judgment.

12 6. This Judgment shall not be construed or used as a waiver or limitation of any  
13 defense otherwise available to Santander in any other action, or of Santander’s right to defend  
14 itself from, or make any arguments in, any private individual, regulatory, governmental, or  
15 class claims or suits relating to the subject matter or terms of this Judgment. This Judgment is  
16 made without trial or adjudication of any issue of fact or law or finding of liability of any kind.  
17 Notwithstanding the foregoing, the Signatory Attorney General may file an action to enforce  
18 the terms of this Judgment.

19 7. It is the intent of the Parties that this Judgment not be admissible in other cases or  
20 binding on Santander in any respect other than in connection with the enforcement of this  
21 Judgment.

22 8. No part of this Judgment shall create a private cause of action or confer any right  
23 to any third party for violation of any federal or state statute.

24 **II. DEFINITIONS**

25 9. As used in this Judgment, the following words or terms shall have the following  
26 meanings:

- 27 a. “Ancillary Product” shall mean any service, product or insurance sold in  
28 conjunction with the Loan, including, but not limited to, guaranteed asset

1 protection (“GAP”) insurance, GAP waiver products, debt cancellation  
2 products, vehicle service contracts, etch, protection products and pre-paid  
3 maintenance plans. These are also referred to as “back end” products.

- 4 b. “Basic Living Expenses” means necessary monthly expenditures that a  
5 Consumer incurs, adjusted for inflation and geographic location, but does not  
6 include Monthly Debt Obligations. Basic living expenses include, but are not  
7 limited to, expenditures for utilities, food, transportation, healthcare, clothing,  
8 and dependent care.
- 9 c. “Consumer” shall mean any person who is committed by contract or other  
10 arrangement to make payments on all or part of any Loan.
- 11 d. “Covered Conduct” shall mean the underwriting and servicing practices of  
12 Santander in connection with Loans made to any Consumer in Arizona.
- 13 e. “DPM Dealer” shall mean a Dealer that was on Santander’s high-risk dealer or  
14 dealer performance management list at any point during the Relevant Time  
15 Period.
- 16 f. “Dealer” shall mean any business entity that sells or leases new or used vehicles  
17 to a Consumer.
- 18 g. “Debt to Income” shall mean the ratio of the Monthly Debt Obligations for a  
19 Consumer on a Loan to that Consumer’s gross monthly income. If a Loan has a  
20 borrower and a co-borrower (including a guarantor), Debt to Income shall mean  
21 the ratio of the total Monthly Debt Obligations for both Consumers on the Loan  
22 to the total of those Consumers’ gross monthly income.
- 23 h. “Default” or “Defaulted” shall mean any Loan which has been charged-off,  
24 closed with a positive charge-off balance, or under which a vehicle has been  
25 repossessed.
- 26 i. “Deficiency” shall mean the balance due to Santander or any assignee of  
27 Santander on a Defaulted Loan after Santander has received the proceeds from  
28 the sale of the vehicle that secured the Loan and all refunds and/or proceeds due

1 from third parties (e.g., GAP provider) on the Loan.

2 j. “Delinquent” shall mean any Loan in which the Consumer is delinquent for one  
3 or more sixty (60) day periods.

4 k. “Effective Date” shall mean May 1, 2020.

5 l. “Loan” or “Loans” shall mean the contract under which a Consumer agrees to  
6 pay for the acquisition of a vehicle over a set period of time. Loan refers to  
7 both (a) the closed-end contract between a Consumer and Santander and (b) a  
8 retail installment contract or closed-end contract between a Consumer and  
9 Dealer purchased by Santander.

10 m. “Mandatory Relief Consumer” shall mean a Consumer who entered into a Loan  
11 during the Relevant Time Period and where the following conditions are true:

12 i. The Consumer had a loss forecasting score of less than or equal to 501;

13 ii. The Consumer purchased a vehicle from a DPM Dealer while such  
14 Dealer was on Santander’s high-risk dealer or dealer performance  
15 management list;

16 iii. Santander purchased the Loan from the DPM Dealer while such Dealer  
17 was on the high-risk dealer or dealer performance management list;

18 iv. Santander did not obtain proof of income; and

19 v. The Consumer has Defaulted.

20 n. “Monitoring Committee” shall mean the Multistate Executive Committee or the  
21 Attorneys General of states in the Multistate Working Group designated by the  
22 Multistate Executive Committee to oversee and monitor Santander’s  
23 compliance with the terms of this Judgment.

24 o. “Monthly Debt Obligations” shall mean a Consumer’s housing expenses,  
25 including monthly rent or mortgage payment, and required payments under any  
26 debt obligations (including the Consumer’s monthly payment under the Loan  
27 and insurance for the vehicle to be obtained under the Loan). In calculating  
28 required payments under debt obligations, Santander shall include:

- 1 i. All trade-lines with a fixed regular payment schedule reported to a  
2 consumer reporting agency (“CRA”);
- 3 ii. The monthly payment reported by the CRA and, if not reported,  
4 Santander’s estimate of the monthly payment for tradelines that do not  
5 have fixed regular payments; and
- 6 iii. If housing or vehicle insurance expenses are not provided by a Consumer  
7 or reported by a CRA, Santander shall include reasonable default  
8 amounts, based on geographic location, in its calculation of Monthly  
9 Debt Obligation to account for a consumer’s housing and vehicle  
10 insurance expenses.
- 11 p. “Multistate Executive Committee” shall mean the Attorneys General and their  
12 staffs representing California, Illinois, Maryland, New Jersey, Oregon, and  
13 Washington.
- 14 q. “Multistate Working Group” shall mean the Attorneys General and their staffs  
15 representing Arizona, Arkansas, California, Connecticut, District of Columbia,  
16 Florida, Georgia, Hawaii, Iowa, Illinois, Indiana, Kansas, Kentucky, Louisiana,  
17 Maine, Maryland,<sup>1</sup> Michigan, Minnesota, Nebraska, New Hampshire, New  
18 Jersey, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Rhode  
19 Island, South Carolina, Tennessee, Utah, Virginia, Washington, West Virginia,  
20 and Wyoming.
- 21 r. “Owns”, when referring to Santander Owning a Loan, means on the Company’s  
22 balance sheet and not part of a securitization.
- 23 s. “Power booking,” shall mean when a dealer misrepresents to Santander the  
24 equipment included on the car to be financed.
- 25 t. “Relevant Time Period” shall mean January 1, 2010 to the Effective Date.
- 26 u. “Residual Income” shall mean the Consumer’s gross monthly income minus

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27 <sup>1</sup> With regard to Maryland, any references to the Attorney General or Attorneys General  
28 shall mean the Consumer Protection Division, Office of the Attorney General of Maryland.

1 Monthly Debt Obligations. If the Consumer's income has been verified, the  
2 Verified Income, as opposed to stated income, shall be used in calculating the  
3 Consumer's Residual Income.

4 v. "Signatory Attorney General" shall mean the Attorney General of Arizona, or  
5 his authorized designee, who has agreed to this Judgment.

6 w. "Treatments" shall mean screens, documentation requirements, stipulations and  
7 any other enhanced requirements that Santander uses to verify the accuracy of  
8 information submitted by a Dealer to Santander related to the sale of a vehicle  
9 by a Dealer to a Consumer.

10 x. "Verified Income" shall mean when, subsequent to receiving a credit  
11 application, Santander obtains written or oral verification, that the income  
12 information submitted on a credit application to Santander is accurate.

### 13 **III. MONETARY RELIEF**

14 10. Santander shall pay a total amount of \$5,000,000 to the Multistate Working  
15 Group ("Multistate Payment"). The \$5,000,000 shall be divided and a portion paid by  
16 Santander directly to each Participating Attorney General and the NAGTRI Endowment Fund  
17 maintained in trust by the National Association of Attorneys General in amounts to be  
18 designated by and in the sole discretion of the Multistate Executive Committee. Payment shall  
19 be made within ten (10) calendar days of Santander's receipt of written payment processing  
20 instructions from the Illinois Attorney General's office. Said payment shall be used by the  
21 States as attorneys' fees and other costs of investigation and litigation, or to be placed in, or  
22 applied to, the consumer protection enforcement fund, including future consumer protection  
23 enforcement, consumer education, litigation or local consumer aid fund or revolving fund, or  
24 any lawful purpose, at the sole discretion of each Attorney General of the Multistate Working  
25 Group. All such funds shall be deposited into the Consumer Protection-Consumer Revolving  
26 Fund pursuant to A.R.S. § 44-1531.01.

27 11. Within ten (10) calendar days of Santander's receipt of written payment  
28 processing instructions from the Illinois Attorney General's Office, Santander shall pay a total

1 amount of \$65,000,000 to a trust account for a Settlement Administrator selected by the  
2 Multistate Executive Committee for the purpose of remediating alleged Consumer losses (the  
3 “Settlement Fund”). Santander shall separately pay an additional \$2,000,000 to a trust account  
4 for the Settlement Administrator’s costs. Should the Settlement Administrator’s costs not reach  
5 \$2,000,000, the remaining funds in that trust account shall revert to Santander. The Multistate  
6 Executive Committee shall have sole discretion concerning the Consumers entitled to relief and  
7 the nature and amounts of such relief except that any such relief shall include amounts to  
8 Mandatory Relief Consumers. Santander agrees to provide the Multistate Executive Committee  
9 with information the Multistate Executive Committee deems necessary to determine which  
10 Consumers are entitled to relief, the amount of such relief, and how to locate Consumers  
11 entitled to relief including, but not necessarily limited to, providing the Consumer’s name, last  
12 known address, last known contact information, and loan identification number. The Settlement  
13 Administrator and/or Multistate Executive Committee shall provide all necessary tax reporting  
14 related to this agreement as required by law.

15       12. Santander shall provide additional Consumer relief as follows: (1) Santander shall  
16 not repossess and instead shall provide the title to the vehicle and waive the outstanding Loan  
17 balance for all Consumers who had a loss forecasting score of 401 or less and, as of December  
18 31, 2019, have Defaulted but have not had their vehicle repossessed and (2) Santander shall not  
19 repossess and instead shall provide the title to the vehicle and waive the outstanding Loan  
20 balance for any Consumer with a loss forecasting score of 401 or less who defaults in the  
21 future. Santander shall implement the relief as described in (1) and (2) by providing the relief in  
22 (1) prior to the relief in (2). When the cumulative value of the outstanding Loan balances in (1)  
23 and (2) equals \$45,000,000, Santander has met its obligations under this paragraph and does not  
24 need to provide additional relief pursuant to this paragraph.

25       13. Santander shall waive the Deficiency on Loans it Owns for a) Mandatory Relief  
26 Consumers and b) to the extent not included in a), Defaulted Consumers who had a loss  
27 forecasting score of 401 or less at the time of origination, when the loan was originated  
28 between January 1, 2013 and December 31, 2019, and who Defaulted within 12 months of

1 origination of the Loan. In addition, Santander shall have an obligation to buy back such Loans  
2 originated between January 1, 2013 and December 31, 2017 in order to waive the Deficiency  
3 for those Loans, as set forth in Paragraphs 15 and 16 below. The Consumers entitled to relief in  
4 this paragraph shall collectively be referred to as the “Deficiency Relief Consumers.” If a  
5 Defaulted Consumer receives a payment under Paragraph 11 but is not a Deficiency Relief  
6 Consumer, Santander agrees that it will not collect on or sell that Consumer’s Loan for one year  
7 from when the Defaulted Consumer is sent payment. The Multistate Working Group will send  
8 notice to the Company that payment has been sent to the Defaulted Consumer within 10  
9 calendar days of such payment being sent.

10 14. The moratorium on collecting or selling certain Consumer’s Loans described in  
11 Paragraph 13 does not prohibit Santander from repossessing those Consumers’ vehicles, except  
12 for those Consumers entitled to relief under Paragraph 12.

13 15. Santander shall be required to waive Deficiencies only to the extent that  
14 Santander owns a Deficiency Relief Consumer’s Loan as of December 31, 2019 or, for those  
15 loans originated between January 1, 2013 and December 31, 2017 which Santander no longer  
16 Owns, is able to repurchase a Deficiency Relief Consumer’s Loan for equal to or less than the  
17 price at which it sold the Deficiency Relief Consumer’s Loan to the third party. In order to  
18 waive the Deficiencies, Santander shall attempt to repurchase any Loans that may be held by  
19 third parties. Santander shall use best efforts to repurchase Deficiency Relief Consumer Loans  
20 and, after the Effective Date, shall not sell, transfer, or otherwise dispose of any Loans to avoid  
21 the provisions of this paragraph. Santander shall make all reasonable efforts to repurchase the  
22 Loans for which there is a Deficiency within 150 days of the Effective Date of the Judgment.  
23 After 150 days from the Effective Date, Santander may discontinue its efforts to repurchase the  
24 Loans for which there is a Deficiency that Santander does not own.

25 16. Santander agrees to provide the Multistate Working Group with a list of  
26 Deficiency Relief Consumers including the amount of each Deficiency and whether each such  
27 Deficiency has been waived. Santander further agrees to provide a detailed accounting of the  
28 amount the Loans were purchased for, a copy of correspondence requesting the purchase of the



1 Loans from third parties at the previous purchase price, and any explanation of why Santander  
2 was unable to repurchase specific Loans including, but not limited to, rejection of Santander's  
3 offer by third parties, denials based on the lapse of time or a lack of response to Santander's  
4 offer letters, which lack of response explanation should include the number of attempted  
5 communications and dates of the communications.

6 17. Santander agrees to provide notice to each CRA to which Santander reports,  
7 requesting the deletion of the trade lines associated with the account for all Deficiency Relief  
8 Consumers and for the Consumers who receive relief pursuant to Paragraph 12.

9 18. For a Defaulted Loan that Defaulted between January 1, 2010 and December 31,  
10 2012, Santander will not attempt to either collect the Deficiency or sell the Loan.

#### 11 **IV. INJUNCTIVE RELIEF**

12 19. Santander agrees to the following injunctive provisions:

13 a. Santander shall review a Consumer's Residual Income prior to purchasing a  
14 Loan.

15 i. If only one Consumer is obligated to pay a Loan and that Consumer's  
16 Residual Income at the time of origination is zero or negative,  
17 Santander shall not purchase the Loan.

18 ii. If more than one Consumer is obligated to pay a Loan, Santander may  
19 purchase the Loan if at least one Consumer who is obligated to pay the  
20 Loan has a positive Residual Income at the time of origination. If all  
21 Consumers who are obligated to pay a Loan do not have a positive  
22 Residual Income at the time of origination, Santander shall ensure that  
23 all Consumers who are obligated to pay a Loan are informed that each  
24 Consumer is responsible for paying the entire Loan obligation should a  
25 co-signer not pay.

26 b. Santander shall not require any Dealer to sell any Ancillary Product.  
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- 1 c. In its evaluation of an application for a Loan, Santander shall account for a  
2 Consumer's ability to pay the Loan on its specific terms, consistent with the  
3 terms of this Judgment.
- 4 d. Santander shall set a reasonable Debt to Income threshold to ensure that  
5 Santander is reasonably evaluating a Consumer's ability to pay. At least  
6 annually, Santander shall evaluate its Debt to Income calculation and threshold  
7 to ensure that it is reasonably accounting for Consumers' ability to pay.
- 8 e. Santander shall not purchase a Loan if the Consumer's Debt to Income exceeds  
9 the Debt to Income threshold.
- 10 f. Starting in the second quarter of 2020, and at least quarterly thereafter,  
11 Santander shall test a statistically relevant sample of Loans to monitor the  
12 accuracy of the Debt to Income calculation and compliance with the threshold.
- 13 g. Starting in the second quarter of 2020, and at least quarterly thereafter,  
14 Santander will back-test its portfolio of Defaulted Loans and provide relief  
15 according to the following:
- 16 i. Santander will determine whether, at the time of origination, the  
17 Consumer's residual monthly income was zero or negative based on  
18 the following calculation: gross monthly income minus the sum of (1)  
19 the Consumer's Monthly Debt Obligations, (2) a reasonable estimate  
20 for the Consumer's Basic Living Expenses, and (3) a reasonable  
21 estimate for the Consumer's payroll taxes.<sup>2</sup>
- 22 ii. For the classes of Consumers identified in Subparagraph 19(g)(iii)-(v)  
23 below, if the Consumer's residual monthly income was zero or  
24 negative based on the calculation in Subparagraph 19(g)(i), for any  
25 loan that Santander Owns or has securitized, to the extent permitted by

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26 <sup>2</sup> "Payroll taxes" refers to either a stated amount of taxes withheld from a Consumer's  
27 paycheck, or an amount provided by Santander that would reasonably account for FICA,  
28 federal income tax and state income tax for that Consumer's income bracket based on that  
Consumer's geographic location.

1 the relevant securitization documents, Santander shall waive any  
2 remaining Deficiency and provide notice to each CRA to which  
3 Santander reports, requesting that the CRA remove the trade line  
4 associated with the Loan.

5 iii. In accordance with Subparagraph 19(g)(ii), if a Consumer had a loss  
6 forecasting score of 501 or below at the time of origination and  
7 Defaulted within 18 months from the date of origination, Santander  
8 shall waive any remaining Deficiency and request each CRA to which  
9 Santander reports remove the trade line associated with the Loan;

10 iv. In accordance with Subparagraph 19(g)(ii), if a Consumer had a loss  
11 forecasting score between 502 and 600 at the time of origination and  
12 Defaulted within 12 months from the date of origination, Santander  
13 shall waive any remaining Deficiency and request each CRA to which  
14 Santander reports remove the trade line associated with the Loan; and

15 v. In accordance with Subparagraph 19(g)(ii), if a Consumer had a loss  
16 forecasting score of 601 or above at the time of origination and  
17 Defaulted within 6 months from the date of origination, Santander shall  
18 waive any remaining Deficiency and request each CRA to which  
19 Santander reports remove the trade line associated with the Loan.

20 vi. Santander shall not substantially change its loss forecasting score  
21 formula. If Santander intends to substantially change its loss  
22 forecasting score formula, Santander shall provide 60 days' notice to  
23 the Monitoring Committee prior to implementation, which notice shall  
24 include information concerning the change in formula and its potential  
25 impact on this Subparagraph 19(g).

26 h. By December 31, 2020, Santander shall employ an income reasonability  
27 model, which uses historical consumer, third-party and geographic data, to  
28 determine confidence in stated income, to assist in determining whether

1 additional manual review of the loan is required. Santander must reevaluate the  
2 model's assumptions on an annual basis for their reasonableness, and make  
3 appropriate changes when warranted. Santander shall record the basis for any  
4 update to the model and shall retain documents supporting its decision for a  
5 period of two (2) years from the update.

6 i. Santander shall take appropriate steps to monitor Dealers for possible income  
7 inflation, power booking or expense deflation. If Santander knows, or has  
8 reason to know, that a Dealer has engaged in, or is engaging in, income  
9 inflation, power booking or expense deflation, Santander shall apply additional  
10 Treatments to such Dealer.

11 j. Santander will develop, implement, and maintain procedures such that, when  
12 Santander applies additional Treatments to a Dealer to address any income  
13 inflation, power booking, or expense deflation at such Dealer, Santander will  
14 not permit exceptions to, waive or remove such additional Treatments related to  
15 the Dealer until it determines that the Dealer has taken appropriate steps to  
16 address the apparent income inflation, power booking, or expense deflation.  
17 Santander shall record the basis for this determination and retain documents  
18 supporting the decision for a period of two (2) years.

19 k. By June 30, 2020, if Santander must employ a default mortgage or rent payment  
20 value, such value must reasonably reflect such costs for the consumer's zip code  
21 or other reasonably designated geographic area. Further, Santander must  
22 reevaluate any default mortgage or rent payment values on an annual basis for  
23 their reasonableness, and make appropriate changes when warranted. Santander  
24 shall record the basis for any update to the default values and shall retain  
25 documents supporting its decision for a period of two (2) years from the date of  
26 any update.

27 l. Santander shall maintain policies and procedures with respect to deferments,  
28 forbearances, modifications, and other related servicing and collection matters

1 and ensure that these policies and procedures are followed by its employees.

2 m. Santander shall not misrepresent a Consumer's prospect of redeeming a vehicle  
3 that has been repossessed.

4 n. Santander shall clearly and prominently disclose during enrollment calls, on its  
5 extension<sup>3</sup> authorization forms, and on extension confirmation letters the  
6 following material terms of an extension: (i) the effect of an extension on a  
7 Consumer's Loan maturity date, (ii) the application of payments between  
8 interest and principal when the Consumer resumes making payments, and (iii)  
9 that the extension may delay repayment of principal, resulting in more interest  
10 accruing over the life of the Loan than if the Consumer had not entered into the  
11 extension.

12 o. Santander shall clearly and prominently disclose during enrollment calls, on  
13 written extension authorization forms, and on extension confirmation letters that  
14 the interest accruing during the extension period becomes immediately due  
15 when the Consumer resumes making payments; and

16 p. Santander shall not require Consumers to make payments through methods that  
17 require the Consumer to pay additional third-party fees, such as a money order.

## 18 **V. RELEASE**

19 20. By execution of this Judgment, the Signatory Attorney General shall release any  
20 civil claim the Attorney General could assert against Santander under the Arizona Consumer  
21 Fraud Act arising out of the Covered Conduct prior to the Effective Date. Claims pertaining to  
22 civil rights and securities statutes and regulations are specifically excluded from this release.  
23 This release shall take effect 91 days after Santander makes the payments described in  
24 Paragraphs 10 and 11. The Signatory Attorney General executes this release in its official  
25 capacity and releases only claims, referenced above, that the Signatory Attorney General has  
26 the authority to bring and release.

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28 <sup>3</sup> "Extension" means an extension of the maturity date on a Consumer's Loan, through  
which the Consumer modifies the Consumer's Loan status from "delinquent" to "current," and  
restarts the time period that would otherwise be running toward Default.

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## VI. MONITORING

21. Santander shall create and maintain, for a period of at least three (3) years (unless a shorter time is specified for specific records elsewhere in this Judgment), all records necessary to demonstrate Santander's compliance with obligations under the Judgment. Upon receipt of written notice from the Monitoring Committee asking that Santander provide a compliance report regarding Santander's obligations under this Judgment, Santander shall, within a reasonable period of time not to exceed 60 days, provide a report to the Monitoring Committee. The Monitoring Committee may not request the report pursuant to this paragraph more than once annually, unless the report shows that Santander is not in compliance. Should the report demonstrate that Santander is not in compliance with the obligations under the Judgment, Santander shall submit a remediation plan to the Monitoring Committee demonstrating Santander's plan to comply with the Judgment. The Monitoring Committee will provide its objection or non-objection to any remediation plan within 30 days of receipt of the remediation plan. The right of the Signatory Attorney General or any other member of the Multistate Working Group to object or not object to a remediation plan is in addition to any other lawful means of enforcement under this Judgment, and any non-objection under this paragraph shall not waive the right of the Signatory Attorney General or any other member of the Multistate Working Group to obtain relief for violations of this Judgment in court.

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22. Santander shall cooperate with reasonable written requests for information relating to a Dealer or Dealers from a designated representative of the Monitoring Committee or the Signatory Attorney General's office.

## VII. GENERAL PROVISIONS

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23. This Judgment does not constitute an approval by the Signatory Attorney General of Santander's business practices, and Santander shall make no representation or claim to the contrary.

24. Any failure of the Signatory Attorney General or Santander to exercise its rights under this Judgment shall not constitute a waiver of its rights.

1           25. No part of the Judgment shall be construed to create, waive or limit a private  
2 cause of action.

3           26. Santander and the Signatory Attorney General hereby stipulate and agree that the  
4 Order of this Court to be issued pursuant to this Judgment shall act as an injunction under the  
5 Arizona Consumer Fraud Act.

6           27. Santander admits to the jurisdiction of the Court and consents to the entry of this  
7 Judgment and to the rights of the Signatory Attorney General to enforce the terms and  
8 conditions of this Judgment.

9           28. If any portion of the Judgment is held to be invalid, unenforceable, or void for  
10 any reason whatsoever, then such portion will be severed from the remainder and will not affect  
11 the validity and enforceability of the remaining portions of the Judgment.

12           29. Nothing in this Judgment shall be construed to waive or limit any claim of  
13 sovereign immunity the State may have in any action or proceeding.

14           30. Any failure by any Party to this Judgment to insist upon the strict performance by  
15 any other Party of any of the provisions of this Judgment shall not be deemed a waiver of any  
16 of the provisions of this Judgment, and such Party, notwithstanding such failure, shall have the  
17 right thereafter to insist upon the specific performance of any and all of the provisions of the  
18 Judgment.

19           31. Santander shall notify its officers and directors and use reasonable efforts to  
20 notify its employees, agents, and contractors responsible for carrying out and effecting the  
21 terms of this Judgment of the obligations, duties, and responsibilities imposed on Santander by  
22 this Judgment.

23           32. This Judgment is intended to be for the benefit of the Parties and does not create  
24 any other third-party rights.

25           33. This Judgment is governed by the laws of Arizona.

26           34. This Court shall retain jurisdiction to enforce the terms of this Judgment.  
27 Subparagraphs 19(b), (d)-(g), (i)-(l) and (o)-(q) of this Judgment shall be in effect for a period  
28 of seven (7) years from the date of implementation. Subparagraph 19(g) of this Judgment shall

1 be in effect for a period of four (4) years from the implementation of the back-test described in  
2 subparagraph 19(g). The expiration of Subparagraphs 19(b), (d)-(l), and (o)-(q) is contingent  
3 upon Santander not having been adjudged by a court in any Multistate Working Group state to  
4 have violated any provision of Paragraph 19 of any Multistate Working Group Judgment. If,  
5 prior to the Effective Date plus seven (7) years, Santander is adjudged by a court in any  
6 Multistate Working Group state to have violated any provision of any Multistate Working  
7 Group Judgment, Santander shall continue to be subject to Subparagraphs 19(b), (d)-(g), (i)-(l)  
8 and (o)-(q) of this Judgment in all Multistate Working Group States for seven (7) years and  
9 Subparagraph 19(g) for four (4) years from the date of the court's decision. This paragraph is  
10 in addition to all other remedies available to the State in law and equity.

11 35. Each Party and signatory to this Judgment represents that it freely and voluntarily  
12 enters into this Judgment without any degree of duress or compulsion.

13 36. For the purposes of construing the Judgment, this Judgment shall be deemed to  
14 have been drafted by all Parties and shall not, therefore, be construed against any Party for that  
15 reason in any dispute.

16 37. This Judgment constitutes the complete Judgment between the Parties. This  
17 Judgment may not be amended except by written consent of the Parties.

18 38. The undersigned counsel represents and warrants that he is fully authorized to  
19 execute this Judgment on behalf of the State.

20 39. The undersigned counsel represents and warrants that he is fully authorized to  
21 execute this Judgment on behalf of Santander.

22 40. This Judgment may be executed in counterparts, each of which constitutes an  
23 original and all of which constitute one and the same Judgment.

24 41. All parties consent to the disclosure to the public of this Judgment by Santander  
25 and the Signatory Attorney General.

26 42. Nothing in this Judgment shall be construed as relieving Santander of its  
27 obligations to comply with all state and federal laws, regulations, or rules, or granting  
28



1 Santander permission to engage in any acts or practices prohibited by such laws, regulations, or  
2 rules.

3 43. This court retains jurisdiction of the Judgment and the Parties for purpose of  
4 enforcing and modifying the Judgment and for the purpose of granting such additional relief as  
5 may be necessary and appropriate.

6 44. Any notices required to be sent to the Signatory Attorney General or to Santander  
7 under this Judgment shall be sent by certified mail, return-receipt requested, or other tracked  
8 mail delivery service. The documents shall be sent to the following addresses:  
9

10  
11 **For the State of Arizona:**

12 Matthew du Mée  
13 Consumer Litigation Unit Chief  
14 Office of the Arizona Attorney General  
15 2005 N. Central Ave.  
16 Phoenix, AZ 85004  
17 [mdumee@azag.gov](mailto:mdumee@azag.gov)  
18 [consumer@azag.gov](mailto:consumer@azag.gov)

11 **For Santander:**

12 David B. Anders, Esq.  
13 Wachtell, Lipton, Rosen & Katz  
14 51 West 52<sup>nd</sup> St.  
15 New York, NY 1001  
16 [DBAnders@wlrk.com](mailto:DBAnders@wlrk.com)

17 45. This Consent Judgment resolves all outstanding claims expressly identified in the  
18 Complaint as to Defendant. As no further matters remain pending, this is a final judgment  
19 entered pursuant to Ariz. R. Civ. P. 54(c).  
20

21 **IT IS SO ORDERED, ADJUDGED AND DECREED** this \_\_\_\_\_ day of \_\_\_\_\_,  
22 2020.

23  
24  
25  
26 \_\_\_\_\_  
27 The Honorable Teresa Sanders  
28 Judge of the Superior Court

1 **JOINTLY APPROVED AND SUBMITTED FOR ENTRY:**

2 **FOR THE STATE OF ARIZONA**

3  
4  
5 By:  Date: May 27, 2020

6 Samuel Percy Adams Fox  
7 Assistant Attorney General  
8 Office of the Arizona Attorney General  
9 2005 N. Central Ave.  
10 Phoenix, Arizona 85004

11 **FOR SANTANDER CONSUMER USA, INC.**

12  
13  
14 By: \_\_\_\_\_ Date: \_\_\_\_\_

15 David B. Anders  
16 Wachtell, Lipton, Rosen & Katz  
17 51 West 52<sup>nd</sup> St.  
18 New York, NY 10019  
19 *Counsel for Santander Consumer USA, Inc.*

20 By: \_\_\_\_\_ Date: \_\_\_\_\_

21 Sharon M. Flack, #021590  
22 MUSGROVE DRUTZ KACK & FLACK, PC  
23 1135 W. Iron Springs Road  
24 P.O. Box 2720  
25 *Counsel for Santander Consumer USA, Inc.*


26  
27 **FOR SANTANDER CONSUMER USA, INC.**

28 By: \_\_\_\_\_ Date: \_\_\_\_\_

Christopher K. Pfirmman  
Chief Legal Officer  
Santander Consumer USA, Inc.

1 **APPROVED AS TO FORM FOR ENTRY:**

2 **FOR THE STATE OF ARIZONA**

3  
4   
5 By: \_\_\_\_\_ Date: May 27, 2020  
6 Samuel Percy Adams Fox, Assistant Attorney General  
7 Office of the Arizona Attorney General  
8 2005 N. Central Ave., Phoenix, Arizona 85004

9 **FOR SANTANDER CONSUMER USA, INC.**

10  
11  
12 By: \_\_\_\_\_ Date: \_\_\_\_\_  
13 David B. Anders  
14 Wachtell, Lipton, Rosen & Katz  
15 51 West 52<sup>nd</sup> St.  
16 New York, NY 10019  
17 *Counsel for Santander Consumer USA, Inc.*

18  
19 By: \_\_\_\_\_ Date: \_\_\_\_\_  
20 Sharon M. Flack, #021590  
21 MUSGROVE DRUTZ KACK & FLACK, PC  
22 1135 W. Iron Springs Road  
23 P.O. Box 2720  
24 *Counsel for Santander Consumer USA, Inc.*

25  
26 **FOR SANTANDER CONSUMER USA, INC.**

27  
28 By: \_\_\_\_\_ Date: \_\_\_\_\_  
Christopher K. Pfirman  
Chief Legal Officer  
Santander Consumer USA, Inc.

# eSignature Page 1 of 1

Filing ID: 11687961 Case Number: CV2020-005932  
Original Filing ID: 11686153

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Granted as Submitted



/S/ Teresa Sanders Date: 5/28/2020  
Judicial Officer of Superior Court

**ENDORSEMENT PAGE**

CASE NUMBER: CV2020-005932

SIGNATURE DATE: 5/28/2020

E-FILING ID #: 11687961

FILED DATE: 5/29/2020 8:00:00 AM

SAMUEL PERCY ADAMS FOX

MARK BRNOVICH  
NO ADDRESS ON RECORD

SANTANDER CONSUMER U S A INC  
NO ADDRESS ON RECORD