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Attorney General Brown Announces \$10 Million Multistate Settlement with ACI Worldwide Over Attempted Unauthorized Withdrawals from Consumer Accounts

BALTIMORE, MD (October 18, 2023) – Maryland Attorney General Anthony Brown has joined a coalition of 49 Attorneys General announcing a \$10 million [settlement](#) with payment processor ACI Worldwide over a 2021 testing error that led to the attempted unauthorized withdrawal of \$2.3 billion from the accounts of mortgage-holders. The settlement includes injunctive relief designed to prevent a similar incident in the future.

ACI Payments, a subsidiary of ACI Worldwide Corp., is a payment processor for a variety of third-party clients, including mortgage servicers. Nationstar Mortgage, known publicly as “Mr. Cooper,” offered ACI’s Speedpay product to its customers so they could schedule and electronically pay their monthly mortgage payments through the Automated Clearing House (ACH) system. On April 23, 2021, ACI was testing the Speedpay platform when it erroneously attempted to withdraw mortgage payments from hundreds of thousands of “Mr. Cooper” customers on a day that was not authorized or expected. In many cases, consumers were subjected to the attempted withdrawal of multiple mortgage payments from their personal bank accounts. The Attorneys General allege the April 2021 incident was due to significant defects in ACI’s privacy and data security procedures and technical infrastructure related to the Speedpay platform.

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. While ACI took corrective steps to minimize the impact of the testing error, in some cases consumers were not able to access the money at issue and were forced to incur overdraft or insufficient funds fees. Impacted consumers have received restitution from ACI and through other related settlements.

“Over 13,000 mortgage accounts in Maryland were impacted by ACI’s error, causing confusion and worry for many residents and their families,” **said Attorney General Brown**. “Companies entrusted with consumers’ hard-earned money must be held accountable for failing to safeguard it effectively. Consumers should contact their financial institutions immediately if they

experience unauthorized or unexpected withdrawals from an account to prevent further harm from insufficient funds and associated fees.”

In addition to the payment to the states, today’s settlement requires ACI to take steps to avoid any future incidents, including requiring ACI to use artificially created data rather than real consumer data when testing systems or software, and requiring ACI to segregate any testing or development work from its consumer payment systems.

This case was investigated and negotiated with the state financial regulators. From this settlement, Maryland will receive \$236,076.98. The state regulators, including Maryland, have entered into a separate agreement with ACI for an additional \$10 million.

<https://www.marylandattorneygeneral.gov/press/2023/101923.pdf>