

Federal Reserve Release



Press Release

Release Date: May 27, 2004

For immediate release

The Federal Reserve Board on Thursday announced the issuance of a consent Order to Cease and Desist and Order of Assessment of Civil Money Penalty against Citigroup Inc., New York, New York, a bank holding company, and CitiFinancial Credit Company, Baltimore, Maryland, a non-bank subsidiary of Citigroup.

The Order assesses a civil money penalty against CitiFinancial and requires CitiFinancial to pay restitution to certain subprime personal and home mortgage borrowers. The civil money penalty is \$70 million, subject to a partial credit for restitution. The Order also requires Citigroup and CitiFinancial to take steps to maintain and enhance compliance with consumer protection laws.

Citigroup and CitiFinancial, without admitting any allegations, consented to the issuance of the Order in connection with CitiFinancial's lending activities and its conduct during an examination by the Federal Reserve Bank of New York.

A copy of the Order is attached.

[Attachment \(442 KB PDF\)](#)

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