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AG Henry Leads \$10 Million Settlement with ACI Worldwide for More than a Million Unauthorized Withdrawals of Mortgage

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CONSUMERS

HARRISBURG — Attorney General Michelle Henry joined a coalition of 50 Attorneys General announcing a \$10 million [settle](#) Worldwide, a payment processor whose testing error in 2021 resulted in unauthorized withdrawals, and attempted withdra \$2 billion from mortgage holders.

ACI was a third-party vendor for Nationstar Mortgage (known publicly as Mr. Cooper) when the withdrawals happened in A of the withdrawals did not go through, or were reversed, 1.4 million transactions were processed and 477,000 consumers w Pennsylvania will receive \$270,726 from the settlement – \$260,726 in civil penalties and \$10,000 in costs. Consumers who w already been notified by the class action settlement administrator.

“We are holding ACI accountable for its massive payment processing error, which caused consumers to incur overdraft and emotional distress caused by losing hard-earned dollars through no fault of their own,” Attorney General Henry said. “The si ACI is paying sends a strong message to the industry: treat customer data with great care and never use customer data to there are no reasonable alternatives.”

An investigation determined the processing error was caused by significant defects in ACI's privacy and data security proce infrastructure related to the payment platform.

The settlement requires ACI to take steps to avoid any future incidents, including requiring ACI to use artificially created da consumer data when testing systems or software, and requiring ACI to segregate any testing or development work from its systems.

On April 23, 2021, ACI was testing the Speedpay payment platform when it mistakenly submitted consumer data from Mr. Cooper mortgage holders into the ACH system which allows customers to make an online payment from their bank. This resulted in ACI attempting to withdraw mortgage payments from 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.

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.

The Office of Attorney General’s work on this investigation was led by Assistant Director for Consumer Financial Protection Nicholas F. B. Smyth.

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