

ATTORNEY GENERAL OF THE STATE OF NEW YORK

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In the Matter of

**GE Capital Retail Bank and  
CareCredit, LLC**

Assurance No.: 12-103

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**ASSURANCE OF DISCONTINUANCE  
UNDER NEW YORK EXECUTIVE  
LAW SECTION 63, SUBDIVISION 15**

As authorized by Article 22-A of the General Business Law and Executive Law § 63, Eric T. Schneiderman, Attorney General of the State of New York, caused an inquiry to be made into certain business practices of GE Capital Retail Bank (“GE”), a federally-chartered savings association, and CareCredit, LLC, a California limited liability corporation, relating to consumer health care financing. Based upon that inquiry, the Office of the Attorney General (“OAG”) has made the following findings, and GE and CareCredit have agreed to modify their practices, discontinue certain practices, and assure compliance with the following provisions of this Assurance of Discontinuance (“Assurance”).

**BACKGROUND**

1. GE Capital Retail Bank, formerly known as GE Money Bank, is a federally-chartered savings association, and CareCredit, LLC is a California limited-liability company. Both GE Capital Retail Bank and CareCredit, LLC are indirect subsidiaries of General Electric Capital Corporation. GE Capital Retail Bank operates a health care credit card program under the CareCredit name. For purposes of this Assurance, GE Capital Retail Bank and CareCredit, LLC will jointly undertake the agreed terms, and GE Capital Retail Bank and CareCredit, LLC will jointly be referenced as “CareCredit” below.

2. CareCredit issues a consumer credit card (the “Card”) marketed primarily for health care services, including dental services. The Card may be used by consumers only with health care providers having contracts with CareCredit. The health care providers, in turn, offer consumers the Card to finance the cost of the health care services. Dental practices comprise approximately 60% of CareCredit’s business. Approximately 65% of CareCredit consumers apply for the Card in health care provider offices.

3. CareCredit is the largest issuer of consumer health care financing in the nation, with approximately 160,000 providers nationwide. In New York, CareCredit has authorized approximately 7,800 providers to accept the Card (the “Providers”) and has issued the Card to over 535,000 New Yorkers.

#### **THE ATTORNEY GENERAL’S FINDINGS**

4. After receiving consumer complaints about CareCredit’s health care financing practices, the OAG commenced an investigation.

5. CareCredit’s business model relies heavily on Providers to inform their prospective patients about the opportunity to apply for the Card together with the Card’s terms. Providers, who contract with CareCredit, are required to give consumers the application materials, convey key information and facilitate the submission of the application to CareCredit. They are then paid promptly by CareCredit for the charges they process. Despite the significant role played by the Provider in the application process, the contract for health care financing is between the consumer and CareCredit.

6. CareCredit’s reliance on the Provider to explain the terms of its products was sometimes problematic. CareCredit did not take sufficient measures to ensure that consumers understood the terms and conditions of their financing applications. Nor did CareCredit

adequately monitor the activities of Providers or ensure that consumers were always provided with the critical information they needed to knowingly enter into the CareCredit financing arrangement.

7. The investigation revealed that CareCredit's marketing materials were lacking in significant respects. In these materials, CareCredit did not provide consumers with user-friendly explanations of the terms and conditions of CareCredit's health care financing products, including that 26.99% interest would accrue from the date of purchase and be charged to the consumer's account if a promotional balance was not paid off within the promotional period.

8. The lack of user-friendly materials explaining the terms of the Card and the lack of sufficient procedures to ensure that Providers adequately communicated those terms to consumers, left some consumers not fully understanding the terms of the Card and the steps to take to avoid application of deferred interest payments, penalties and fees. As a result, some consumers incurred substantial debt with costly and unanticipated interest payments and fees.

9. CareCredit provides two different types of financing options. During the period of this investigation, the options were 26.99% (which is the interest rate for CareCredit's no-interest-if-paid-in-full option if the balance is not paid off within the promotional period) and 14.90%. CareCredit describes these options in its materials as:

A) No Interest if Paid in Full Within 6, 12, 18 or 24 Months (the "no-interest-if-paid-in-full promotion"), or

B) 14.90% APR and Fixed Monthly Payments Required Until Paid in Full on qualifying purchases made with your CareCredit credit card account.

10. For the "no-interest-if-paid-in-full" promotion, which 90% of CareCredit consumers choose, consumers can only avoid the application of the 26.99% rate by paying off

the balance within the defined promotional period. CareCredit's promotional materials, including the CareCredit cardholder "guide," for example, did not adequately explain the terms and conditions of the promotion.

11. Approximately 65% of CareCredit card holders apply for the Card while they are in a Provider's office. In many complaints made to the OAG, the Provider completed the application information and submitted the application on behalf of the consumer. Consumer complaints revealed that some consumers were led to believe that they were signing up for an in-house, no-interest payment plan directly with their Provider. Others thought that they were applying for a line of credit with 0% interest, while other consumers believed that the information they gave to their Providers was being used to check their credit-worthiness only, and was not an application for financing.

12. Further, consumers reported that some Providers never disclosed that the no-interest-if-paid-in-full promotion actually carries a 26.99% interest rate and failed to disclose what a consumer must do to avoid paying the 26.99% interest.

13. Consumers receive the Card (which sometimes has already been charged up to its credit limit) days later in the mail. Some consumers report being surprised that they had signed up for a credit card.

14. Of the 90% of CareCredit consumers who choose the no-interest-if-paid-in-full promotion over the 14.90% rate, some 25% end up paying a 26.99% interest rate, too often because of the consumer's lack of understanding of what to do to avoid paying interest and general misunderstanding of the terms of the financing.

15. These problems are more acute when Providers charge the entire treatment plan up front, even before starting treatment, which use of the Card facilitates. While consumers may

pay for health care services with other major credit cards, if they have any, CareCredit's no-interest-if-paid-in-full promotion is marketed by Providers as a "convenient" way for consumers to pay in advance for an entire course of services. Prepayment of large fees for services before they are rendered continues to be at the core of many of the OAG complaints concerning CareCredit.

16. OAG's investigation revealed other concerns regarding Provider incentives. CareCredit historically offered rebates to some large Providers based on the dollar value of the services charged on CareCredit cards, which created unwanted incentives. CareCredit represents that it ended this practice in August 2010.

**WHEREAS**, CareCredit neither admits nor denies the OAG's factual allegations (4) – (16) above;

**WHEREAS**, CareCredit is subject to New York Executive Law § 63(12), as well as New York General Business Law Article 22-A, §§ 349 and 350, which prohibit deceptive business practices and deceptive advertising;

**WHEREAS**, the relationship of trust between Providers and patients is undermined when credit companies promote health care financing contracts with consumers without stringent consumer protections;

**WHEREAS**, the OAG and CareCredit have therefore agreed on this Assurance to protect New York consumers, remove conflicts of interest, and bring added transparency to health care financing to consumers;

**WHEREAS**, the OAG is willing to accept the terms of this Assurance under Executive Law § 63(15) and discontinue his investigation;

**WHEREAS**, CareCredit has cooperated with OAG’s investigation and made changes to its program and policies on a voluntary basis prior to and during the investigation;

**WHEREAS**, the parties each believe that the obligations imposed by this Assurance are prudent and appropriate; and,

**WHEREAS**, the Attorney General has determined that this Assurance is in the public interest.

**IT IS HEREBY UNDERSTOOD AND AGREED**, by and between the parties that:

**A. PROSPECTIVE RELIEF**

**Transparency Principles**

1. CareCredit’s contracts shall include a set of “Transparency Principles,” attached as Exhibit A-1 to ensure that Providers accurately describe the terms of the CareCredit card to consumers, including how to avoid paying deferred interest by paying in full before the end of the promotional period. Within sixty (60) days from the Effective Date of this Assurance, CareCredit shall incorporate the Transparency Principles as a material part of its agreement with Providers in New York, so that any material violation of the Transparency Principles will constitute a breach of the Provider agreement. Within thirty (30) days of the signing of this AOD, CareCredit will send the Transparency Principles to Providers with a cover letter approved by the OAG. CareCredit will require that Providers sign and return the Transparency Principles to CareCredit within thirty (30) days of receipt. If any Provider does not return a signed copy of the Transparency Principles within sixty (60) days of the receipt, CareCredit will no longer authorize such Provider to accept the Card for payment (except for existing patients, who have begun but not yet completed a course of treatment).

### **No rebates to Providers**

2. CareCredit will not give kickbacks, rebates, compensation, or in-kind services to any Provider in exchange for a Provider's success in generating business for CareCredit.

### **Protections against aggressive selling and charging**

3. Within sixty (60) days of the signing of this AOD, CareCredit's contracts (other than for Providers offering vision-related services or veterinary services) shall require that, for all in-office applications, Providers are required to give consumers a three-day "cooling off" period, such that no transaction should be charged on a CareCredit card within three (3) days of an initial application. CareCredit's contracts shall include a "safe harbor" from the "cooling off" period, allowing Providers the ability to charge no more than \$1,000 within three (3) days of a new in-office application for services completed in a single visit at the consumer's request. For any charge for services or products ordered above this "safe harbor" amount within three (3) days of an initial application, CareCredit shall provide every consumer with an unqualified right to reverse such transactions from their CareCredit accounts, even if services are, in fact, rendered.

4. CareCredit's contracts with Providers shall prohibit charges for services not yet rendered, unless those services are intended to be and are completed, or out-of-pocket costs incurred, within thirty (30) days of the applicable CareCredit charge. If not completed within thirty (30) days, the consumer is entitled to a refund or account credit for all such services not yet completed. For treatment plans lasting longer than thirty (30) days, CareCredit's contract shall require Providers to charge consumers after each visit only for services that were actually provided during that visit, or at the completion of services.

### **Disclosure of terms**

5. Within ninety (90) days of the Effective Date, CareCredit will include a revised cover page to its printed applications, which is attached as Exhibit A-2 hereto, and shall disseminate it to all Providers with instructions to use it upon receipt for each CareCredit application, have the consumer sign the document, and the Provider or designated and trained staff in the Provider's office countersign. CareCredit's contracts shall require Providers to provide all applicants with a copy of Exhibit A-2 as a mandatory part of the CareCredit program, and maintain the signed version in the Provider's files for a period of six (6) years. CareCredit will not change the language of Exhibit A-2 without approval of OAG, unless required by law, in which case, CareCredit shall provide at least thirty (30) days advance notice to the OAG of any anticipated change. CareCredit may change the APR without OAG approval.

6. CareCredit's contracts will require Providers to retain Exhibit A-2 for each consumer, and to evidence the consumer's signature with a dated countersignature of Provider or designated and trained staff in Provider's office.

7. Starting within ninety (90) days of the OAG approval of the script for the call outlined below and continuing for two years from the Effective Date, CareCredit will make best efforts to call consumers within 48 hours, and in no event longer than 72 hours, from the submission of any new in-office CareCredit application on which a same day charge has been made to inform them that they have opened a CareCredit account and provide them with (1) the amount of the initial transaction and how the consumer can find additional details about their account, and that, if the consumer applied for the no-interest-if-paid-in-full plan, the 26.99% interest will be deferred from the date of purchase but accruing and imposed if all payments are

not complete by the end of the promotional period; and (2) notice that for services charged, those services must be performed within thirty (30) days.

8. In each of the two billing statements that are sent prior to the end of the promotional period, a warning of the promotional period's expiration will be in highlighted type. An example of the statement is included as Exhibit A-3.

**Prompt complaint resolution, refunds and rescission**

9. CareCredit will use best efforts to resolve complaints from consumers within thirty (30) days of the date the consumer contacts CareCredit, and issue refunds, credits and/or chargebacks where appropriate within forty-five (45) days of receiving a complaint.<sup>1</sup> Providers shall respond to a CareCredit inquiry regarding a complaint within twenty-one (21) days of the date of the inquiry, or CareCredit will issue a refund or account credit in favor of the consumer.

10. CareCredit will accept complaints from consumers by telephone or in writing, at the consumer's option. Both verbal and written complaints will be used to assess and monitor Provider adherence to CareCredit's contracts, as amended by the requirements of this Assurance.

11. While a balance is being carried, CareCredit will continue its policy of not imposing any time limits for the filing of complaints by consumers, and will not add fees, interest, or send an account to collection while a complaint is pending. However, OAG agrees that CareCredit may require any complaint to be filed within forty-eight (48) months of a balance being fully paid by a consumer.

12. CareCredit shall require a Provider to forward a consumer's signed application, signed and countersigned Exhibit A-2, and a signed sales receipt, when a New York consumer

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<sup>1</sup> For the purpose of this Assurance, a "complaint" means when a CareCredit cardholder initiates any dispute about his or her account.

claims that a Provider did not disclose or misrepresented CareCredit's terms and conditions in connection with the opening of an account in the Provider's office and a charge placed on the account at that office. If the Provider does not forward a signed application and signed and countersigned Exhibit A-2, CareCredit shall close the account, rescind the transaction, and chargeback any amount incurred on the account. If the Provider forwards a signed application and signed and countersigned Exhibit A-2, but no sales receipt, CareCredit shall chargeback any disputed amount charged on the account.

13. CareCredit agrees to continue to maintain and to implement standardized procedures for tracking all complaints, and will, within forty-five (45) days of the Effective Date, provide to the OAG a written description of these procedures, which will provide the basis for complaint reporting in CareCredit's annual report to the OAG (set out in section C *infra*).

#### **Monitoring**

14. In order to monitor compliance with the terms of the Assurance, CareCredit shall designate a compliance officer ("compliance officer") within thirty (30) days of the Effective Date.

15. The responsibilities of the compliance officer are to monitor and review the practices of CareCredit and its Providers and identify and address instances when any provision of this Assurance is not being followed. To accomplish this monitoring function, the compliance officer shall within sixty (60) days of the appointment follow the terms of the "CareCredit Monitoring Plan," which shall contain provisions to proactively monitor the terms of this Assurance. The OAG will approve the CareCredit Monitoring Plan prior to the Effective Date.

16. As part of the annual report discussed in Section C *infra*, and upon reasonable request from the OAG, CareCredit agrees to provide the OAG details about these monitoring procedures as well as the results of these monitoring activities.

### **Training**

17. CareCredit shall enhance its training curriculum for Providers, including a web-based-training program, explaining the terms and conditions of the consumer-health care financing, applicable elements of this Assurance, and the requirements of the Transparency Principles. CareCredit will provide new training materials, including the web-based training, to the OAG within sixty (60) days of the Effective Date.

18. CareCredit shall retrain all Providers, or the administrative staff of the Provider who is responsible for discussing CareCredit's terms with consumers, within ninety (90) days after CareCredit provides such materials identified in Paragraph 17 to the OAG.

19. For any Provider who fails to have at least one employee complete the training by one-hundred-twenty (120) days after CareCredit provides such materials identified in Paragraph 17 to the OAG, CareCredit will suspend that Provider's ability to process CareCredit applications until the training is completed. CareCredit's on-line training program will (1) prevent Providers from skipping pages and (2) include a post-training testing, which the Provider must pass to qualify.

20. CareCredit will obtain a written certification or digital acknowledgement of the Provider and/or the Provider's staff members who took the new training, which it shall retain for 4 years.

21. Thereafter, CareCredit will require retraining every two years, and keeping certifications or acknowledgments of such retrainings for at least 4 years.

### **Termination of certain Providers**

22. Subject to paragraph 23 below, CareCredit will automatically terminate any Provider who has a chargeback rate of more than 5% of the number of its financing transactions within a one-year period.

23. For small Providers—i.e., ones with fewer than 20 CareCredit transactions every 6 months and no more than 1 chargeback in the same period—CareCredit will monitor such Providers and take appropriate action, up to and including termination, where warranted.

24. As part of the annual report discussed in section C of the Assurance, CareCredit will review Provider performance with OAG to determine whether additional suspensions or terminations are warranted based on complaints, monitoring, chargebacks, and other information.

### **No paid endorsements**

25. CareCredit will continue not to use any paid endorsements to professional associations in any consumer-facing marketing or related materials.

## **B. CONSUMER APPEALS**

26. CareCredit shall identify all New York consumers who contacted CareCredit to dispute a CareCredit charge incurred during the period January 1, 2008 through six (6) months after the Effective Date of this Assurance and whose dispute was resolved in favor of the Provider.

27. CareCredit shall provide notice as is more specifically described in paragraph 29 below to the consumers identified in paragraph 26, informing them that they are entitled to appeal CareCredit's previous determination of their dispute, and may be entitled to reimbursement. The notice will explain the procedures to submit certification that the individual 1) did not receive some or all of the products or services for which he/she was charged; 2) was

promised a credit refund by the Provider, which is not yet reflected on individual's CareCredit statement; 3) did not authorize the CareCredit application and/or charge; and/or 4) were not adequately informed that they would owe interest if their balance was not paid in full upon expiration of the promotional period, the rate of interest, and/or that the applicable interest accrues on the outstanding balance during the promotional period from the purchase date.

28. Within thirty (30) days of receipt of the certification, CareCredit shall either:

- a) reimburse the individual for all requested amounts that have not been previously reimbursed, which shall include any interest, fees or penalties paid by the individual, plus nine (9) percent interest per annum from the date of the first disputed charge to the date restitution is issued, and/or issue an account credit; or b) refer the individual's certification to an independent arbiter for a decision on the appeal. The arbiter will be agreed upon by the OAG and CareCredit within sixty (60) days of the Effective Date.

29. CareCredit has submitted to the OAG its proposed notice and form for OAG approval, attached as Exhibit A-4, which includes:

- a) A statement that the individual may submit a claim if at least one of the four categories identified in paragraph 27 is applicable.
- b) A form for the individual to complete, sign and return, which sets forth the category for relief forming the basis of the claim, and the date(s) of the charges that the individual believes were improper.
- c) A statement that CareCredit has thirty (30) days from receipt of the reply to issue reimbursement, or submit the claim to arbitration. The arbiter shall use his/her best efforts to render a decision and notify the individual within sixty (60) days of the arbiter's receipt of the claim.

- d) A statement that the individual may file a complaint with the OAG, including the OAG's website address and toll-free Helpline telephone number.
- e) A statement that the individual must respond within ninety (90) days of receipt for their dispute to be reconsidered under this program.
- f) A prepaid return envelope.
- g) A statement on the outer envelope, in sixteen-point or larger red font, that the individual may be owed money.

30. CareCredit shall send the notices to the last known address of the individuals identified in paragraph 26 within sixty (60) days after the later of the OAG's approval of the notice or the agreement on the arbiter. CareCredit shall send additional notices on an ongoing basis for those individuals whose complaints are resolved in favor of the Provider for six (6) months after the Effective Date of the Assurance.

31. CareCredit shall make reasonable efforts to ensure the notices are received, which shall include but not be limited to contact with the United States Post Office for forwarding addresses for notices returned as undeliverable.

32. Reimbursement shall be issued within thirty (30) days of the date of the claimant's certification, or for claims submitted to arbitration, the arbiter shall use best efforts to send its decision to the individual within sixty (60) days of arbiter's receipt of the individual's claim. If the arbiter rules in the individual's favor, the decision notification shall include reimbursement in the amount determined by the arbiter, which shall include any interest, fees or penalties imposed by CareCredit plus nine (9) percent interest added to the reimbursement amount from the date on which the arbiter determines reimbursement should have been paid.

33. CareCredit shall ensure it has adequate staff to handle queries and claims pertaining to this Assurance.

34. CareCredit shall continue to cooperate with the OAG and promptly resolve all consumer complaints that the OAG submits to CareCredit, or otherwise come to the attention of CareCredit, which shall include issuing appropriate reimbursement to consumers.

35. CareCredit shall bear all cost related to the notification, processing, and resolution of appeals and arbitration claims set out in this Section, including the cost of the arbiter.

36. Once the process is complete but no later than nine (9) months after the Effective Date, CareCredit shall submit a report to the OAG on the outcome of the appeal process. Such report shall include, but not be limited to, the identity of each cardholder filing an appeal together with the identity of the Provider at issue, the date(s) of service, the type of claim and a description of the basis for appeal and the amount claimed in the appeal, and the outcome of the appeal. The report shall also include the total amount of relief requested, the total amount issued, and the total number of consumers who filed an appeal together with breakdowns of those whose appeals were successful and not successful.

**C. REPORTS/MONITORING**

37. For each of the next three (3) years following the date referenced in paragraph 19, CareCredit shall submit an annual report to the OAG describing the results of the measures that CareCredit undertakes as set forth in Section A of this Assurance concerning complaint-handling, monitoring and enforcement including, but not limited to, information relating to termination and suspension.

**D. COOPERATION**

38. CareCredit shall continue to cooperate fully and promptly with the OAG with regard to any investigations, proceedings and actions related to consumer health care financing. CareCredit also shall use its best efforts to ensure that all of its officers, directors, employees, and agents fully and promptly cooperate with the OAG with regard to any investigations, proceedings and actions related to consumer health care credit financing. CareCredit shall also use commercially reasonable efforts to encourage cooperation by Providers.

39 Cooperation shall include without limitation:

- a) Production, within thirty (30) days, of any information and all documents or other tangible evidence related to consumer health care financing requested by the OAG, and any compilations or summaries of information or data that the OAG requests. This provision does not require CareCredit to change or suspend its existing document-retention rules, nor to produce anything in violation of law.
- b) Using best efforts to cause CareCredit's officers, directors, employees and agents to attend any proceedings related to consumer health care financing at which the presence of any such persons is reasonably requested by the OAG, and having such persons answer voluntarily, and without services of a subpoena, any and all inquiries by the OAG at any proceedings. (For purposes of this Assurance, proceedings include but are not limited to any meetings, interviews, depositions, hearings, grand jury hearings and trials.)

**E. COSTS**

40. Within thirty (30) days of the Effective Date of this Assurance, CareCredit shall pay \$125,000 (one hundred twenty-five thousand dollars) to the OAG for costs incurred during the investigation and monitoring of this matter.

**F. CORRESPONDENCE AND PAYMENT**

41. All notices, reports, payments, requests and other communications to any party pursuant to this Assurance shall be in writing and shall be directed as follows:

If to the OAG to:

Carol Hunt  
Assistant Attorney General  
Office of the Attorney  
General Health Care Bureau  
120 Broadway, 26<sup>th</sup> Floor  
New York, New York 10271

If to CareCredit to:

Jim Walden, Esquire  
Gibson, Dunn & Crutcher  
200 Park Avenue, 47th Floor  
New York, NY 10166

Marc Hui  
General Counsel  
CareCredit  
2995 Red Hill Avenue #100  
Costa Mesa, CA 92626

42. All checks issued pursuant to this Assurance shall be made payable to “State of New York Department of Law.”

43. All payments and correspondence related to this Assurance must reference “Assurance 12-103”

**G. MISCELLANEOUS**

**Successors In Interest**

44. This Assurance and all obligations imposed on or undertaken by CareCredit herein, will be binding upon and enforceable against CareCredit and its officers, directors, agents, employees and assignees for so long as GE Capital Retail Bank operates the CareCredit

program. If GE Capital Retail Bank disposes of the CareCredit program, it will make such disposition contingent upon the purchaser's agreement to abide by the terms of this Assurance.

#### **CareCredit's Representations**

45. OAG has agreed to the terms of this Assurance based on, among other things, the representations made to the OAG by CareCredit and its counsel and the OAG's own factual investigation. To the extent that any material representations are later found to be inaccurate or misleading, this Assurance is voidable by the OAG in its sole discretion.

#### **No Deprivation of the Public's Rights**

46. Nothing herein shall be construed to deprive any person of any private right under law or equity.

#### **No Blanket Approval by the Attorney General of CareCredit's Practices**

47. Acceptance of this Assurance by the OAG shall not be deemed or construed as approval by the OAG of any of CareCredit's acts or practices, and CareCredit shall make no representations to the contrary.

#### **Additional Monitoring by the OAG**

48. To the extent not already provided under this Assurance, CareCredit shall, upon request by the OAG, provide all documentation and information necessary for the OAG to verify compliance with this Assurance, at CareCredit's expense. This Assurance does not in any way limit the OAG's right to obtain, by subpoena or by any other means permitted by law, documents, testimony, or other information.

#### **No Limitation on the Attorney General's Authority & CareCredit's Duty to Honor Investigation and Obligations**

49. Nothing in this Assurance in any way limits the OAG's ability to investigate or take other action with respect to any non-compliance at any time by CareCredit with respect to

this Assurance, or CareCredit's noncompliance with any applicable law with respect to any matters other than those matters that are the subject of this investigation.

### **Nondisparagement of Assurance**

50. CareCredit shall not take any action or make any public statement denying, directly or indirectly, the propriety of this Assurance or expressing the view that this Assurance is without factual basis. Nothing in this paragraph affects CareCredit's (i) testimonial obligations or (ii) right to take legal or factual positions in defense of litigation or other legal proceedings to which OAG is not a party. This Assurance of Discontinuance is not intended for use by any third party in any other proceeding and is not intended, and should not be construed, as an admission of liability by CareCredit.

### **Governing Law; Effect of Violation of Assurance of Discontinuance**

51. Under Executive Law § 63(15), evidence of a violation of this Assurance shall constitute prima facie proof of a violation of the applicable law in any action or proceeding thereafter commenced by the OAG. In the event of such a violation, the OAG will promptly notify CareCredit and provide thirty (30) days for CareCredit to cure the violation before seeking any administrative or judicial remedy.

52. This Assurance shall be governed by the laws of the State of New York without regard to any conflict of laws principles.

53. If a court of competent jurisdiction determines that CareCredit has breached this Assurance, CareCredit shall pay to the OAG the cost, if any, of such determination and of enforcing this Agreement.

54. In the event that any one or more of the provisions contained in this Assurance shall for any reason be held to be invalid, illegal, or unenforceable in any respect, in the sole

discretion of the OAG such invalidity, illegality, or unenforceability shall not affect any other provision of this Assurance.

55. Any failure by the OAG to enforce this entire Assurance or any provision thereof with respect to any deadline or any other provision herein shall not be construed a waiver of the OAG' s right to enforce other deadlines and provisions of this Assurance.

#### **Entire Agreement; Amendment**

56. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Assurance has been made to or relied upon by CareCredit in agreeing to this Assurance.

57. This Assurance contains an entire, complete, and integrated statement of each and every term and provision agreed to by and among the parties, and the Assurance is not subject to any condition not provided for herein. This Assurance supersedes any prior agreements or understandings, whether written or oral, between the OAG and CareCredit regarding the subject matter of this Assurance.

58. This Assurance may not be amended or modified except in an instrument in writing signed on behalf of all the parties to this Assurance.

59. The division of this Assurance into sections and subsections and the use of captions and headings in connection herewith are solely for convenience and shall have no legal effect in construing the provisions of this Assurance.

#### **Binding Effect**

60. This Assurance is binding on and inures to the benefit of the parties to this Assurance and their respective successors and assigns, provided that no party, other than the OAG, may assign, delegate, or otherwise transfer any of its rights or obligations under this

Assurance without prior written consent of the OAG. Should GE Capital Retail Bank dispose of the CareCredit program, it will make such disposition contingent upon the purchaser's agreement to abide by the terms of this Assurance. CareCredit represents and warrants, through the signatures below, that the terms and conditions of this Assurance are duly approved, and execution of this Assurance is duly authorized.

**Effective Date**

61. This Assurance is effective on the date that it is signed by the Attorney General or his authorized representative (the "Effective Date"), and the document may be executed in counterparts, which shall all be deemed an original for all purposes.

62. The Terms of this Assurance shall be in effect for four (4) years from the Effective Date.

AGREED TO BY THE PARTIES:

Dated: June 3, 2013

GE CAPITAL RETAIL BANK



Kurt Grossheim  
President, GE Capital Retail Bank

David Fasoli  
General Manager, Care Credit

Marc Hui  
General Counsel, CareCredit

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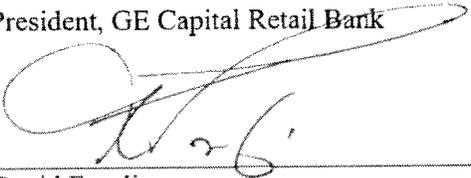
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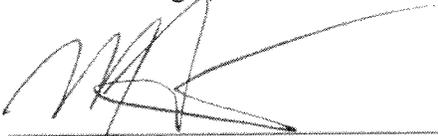
**AGREED TO BY THE PARTIES:**

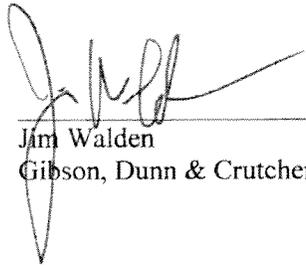
Dated: June 3, 2013

GE CAPITAL RETAIL BANK

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Kurt Grossheim  
President, GE Capital Retail Bank

  
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David Fasoli  
General Manager, Care Credit

  
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Marc Hui  
General Counsel, CareCredit



Jim Walden  
Gibson, Dunn & Crutcher

CONSENTED TO:

**ERIC T. SCHNEIDERMAN**  
Attorney General of the State of New York

LISA LANDAU  
Health Care Bureau Chief

By: \_\_\_\_\_  
Carol J. Hunt  
Assistant Attorney General  
Health Care Bureau

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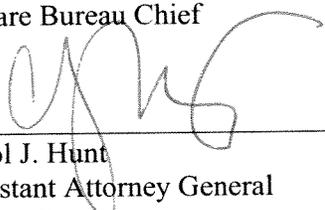
Jim Walden  
Gibson, Dunn & Crutcher

CONSENTED TO:

**ERIC T. SCHNEIDERMAN**  
Attorney General of the State of New York

LISA LANDAU  
Health Care Bureau Chief

By: \_\_\_\_\_



Carol J. Hunt  
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