

IN THE MATTER OF:

OCWEN FINANCIAL CORPORATION  
and OCWEN LOAN SERVICING, LLC

Respondents.

BEFORE THE MARYLAND  
COMMISSIONER OF  
FINANCIAL REGULATION

**SETTLEMENT AGREEMENT AND CONSENT ORDER**

This Settlement Agreement and Consent Order ("Agreement") is entered into this 11<sup>th</sup> day of June, 2014, by and between the Maryland Commissioner of Financial Regulation (the "Commissioner"), and Ocwen Financial Corporation and Ocwen Loan Servicing, LLC (together, "Ocwen"). The Commissioner and Ocwen (the "Parties") consent to the entry of this Agreement. The Agreement is intended to remediate alleged harms resulting from the alleged unlawful conduct of Ocwen identified in examination reports and related inquiries and investigations conducted by state mortgage regulators.

**WHEREAS**, Ocwen Financial Corporation is a publicly traded Florida corporation headquartered in Atlanta, Georgia and Ocwen Loan Servicing, LLC is a limited liability company and wholly owned indirect subsidiary servicing company of Ocwen Financial Corporation located in West Palm Beach, Florida; and

**WHEREAS**, the Office of the Commissioner of Financial Regulation, a unit in the Department of Labor, Licensing and Regulation, a principal department of the State of Maryland, is a member of the Conference of State Bank Supervisors ("CSBS") and has

agreed to address enforcement concerns with Ocwen in a coordinated manner, working through the CSBS Multi-State Mortgage Committee; and

**WHEREAS**, the Consumer Financial Protection Bureau (“CFPB”) and Participating States Attorneys General, as plaintiffs, have entered a Consent Judgment against Ocwen in the United States District Court for the District of Columbia (the “Consent Judgment”); and

**WHEREAS**, the Commissioner and participating state mortgage regulators have entered into a separate Settlement Agreement and Consent Order with Ocwen (the “Settlement Agreement”) that incorporates certain terms of the Consent Judgment; and

**WHEREAS**, the Settlement Agreement and the Consent Judgment require Ocwen to do the following: (i) comply with the Servicing Standards set forth in Exhibit A of the Consent Judgment; (ii) pay or cause to be paid the Borrower Payment Amount into an interest bearing escrow account within 10 days of receiving notice from the State members of the Monitoring Committee that the account is established to provide cash payments to borrowers whose homes were sold at foreclosure sales between and including January 1, 2009 and December 31, 2012; and (iii) provide \$2 billion of relief to consumers who meet the eligibility criteria in the forms and amounts described under the Consent Judgment; and

**WHEREAS**, the Parties agree that the purpose of this Agreement is to adopt and incorporate the terms and conditions of the Settlement Agreement so that the Commissioner may enforce the Settlement Agreement, pursuant to Paragraph 5 of the Settlement Agreement, in a judicial or administrative process authorized under the laws of Maryland in the event Ocwen fails to comply with the terms and conditions of the Consent Judgment and Settlement Agreement.

**NOW THEREFORE**, having determined that Ocwen waived its right to a hearing in this matter by voluntarily entering into the Settlement Agreement with state banking regulators, it is by the Commissioner hereby:

**ORDERED** that Respondents shall comply with the terms, conditions, and obligations set forth in the Settlement Agreement and the Consent Judgment, attached hereto as Exhibits A and B respectively.

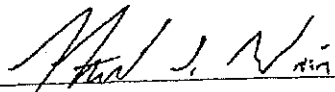
**ORDERED** that Ocwen shall send any correspondence or notice required to be provided to Commissioner by the Settlement Agreement and/or the Consent Judgment to the following address: Commissioner of Financial Regulation, 500 North Calvert Street, Suite 402, Baltimore, Maryland 21202, Attn: Assistant Attorney General Brian Weeks.

**MARYLAND COMMISSIONER  
OF FINANCIAL REGULATION**

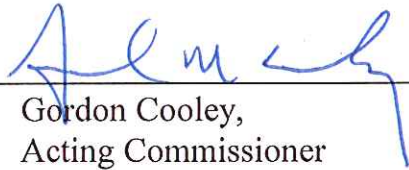
**OCWEN FINANCIAL CORPORATION**

(see next page for Maryland  
signature)

By: Mark Kaufman,  
Commissioner

  
By: Andrew S. Wein,  
Senior Vice President and  
Deputy General Counsel  
Ocwen Financial Corporation

**MARYLAND COMMISSIONER  
OF FINANCIAL REGULATION**



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By: Gordon Cooley,  
Acting Commissioner

## **Exhibit A**

## **SETTLEMENT AGREEMENT AND CONSENT ORDER**

### **OCWEN FINANCIAL CORPORATION AND OCWEN LOAN SERVICING, LLC**

**WHEREAS**, Ocwen Financial Corporation is a publicly traded Florida corporation headquartered in Atlanta, Georgia and Ocwen Loan Servicing, LLC is a limited liability company and wholly owned subsidiary servicing company of Ocwen Financial Corporation located in Palm Beach, Florida (collectively, "Ocwen").

**WHEREAS**, on or about September 1, 2011, Ocwen acquired Litton Loan Servicing, LP ("Litton"), a servicer of residential mortgages and a Delaware limited partnership.

**WHEREAS**, on or about December 27, 2012, Ocwen acquired Homeward Residential Holdings, Inc., including its subsidiary Homeward Residential, Inc. (together, "Homeward"), which previously operated under the name American Home Mortgage Servicing, Inc., a servicer of residential mortgages and a Delaware corporation.

**WHEREAS**, the [State Mortgage Regulators of the Participating States] (hereinafter referred to as the "State Mortgage Regulators") are members of the Conference of State Bank Supervisors ("CSBS") and/or American Association of Residential Mortgage Regulators ("AARMR") and have agreed to address enforcement concerns with Ocwen in a coordinated manner, working through its Multi-State Mortgage Committee.

**WHEREAS**, the [Participating States] (collectively, "Participating States") have agreed, through their respective regulatory agencies to negotiate and enter into this Settlement Agreement and Consent Order (hereinafter referred to as the "Agreement"). For the purpose of this agreement, the law of the Participating States means the laws within the jurisdiction of the Participating States.

**WHEREAS**, the State Mortgage Regulators and Ocwen ("the Parties") enter into this

Agreement with the understanding that the Consumer Financial Protection Bureau and Participating States Attorneys General, as plaintiffs, have entered a Consent Judgment against Ocwen in [Federal District Court] (the "Consent Judgment") with terms and conditions that are further outlined herein.

**WHEREAS**, Ocwen is licensed as a mortgage lender or servicer under the law of the Participating States.

**WHEREAS**, Litton and Homeward were licensed as mortgage lenders or servicers under the law of the Participating States prior to acquisition by Ocwen.

**WHEREAS**, on or about December 1, 2010, the State Mortgage Regulators commenced a Multi-State Examination (the "Multi-State Examination") of Ocwen covering the period of December 1, 2010 to October 24, 2011, in order to determine Ocwen's compliance with applicable Federal and State laws and regulations, financial condition, and control and supervision of the licensed servicing operation. The Multi-State Examination of Ocwen was conducted pursuant to their respective statutory authorities, and in accordance with the protocols established by the CSBS/AARMR Nationwide Cooperative Protocol for Mortgage Supervision and the Nationwide Cooperative Agreement for Mortgage Supervision dated January 15, 2008.

**WHEREAS**, on or about November 29, 2010, the State Mortgage Regulators commenced an examination of Litton covering the period of January 1, 2009 to October 31, 2010, in order to determine Litton's compliance with applicable Federal and State laws and regulations, financial condition, and control and supervision of the licensed servicing operation. The Multi-State Examination of Litton was conducted pursuant to their respective statutory authorities, and in accordance with the protocols established by the CSBS/AARMR

Nationwide Cooperative Protocol for Mortgage Supervision and the Nationwide Cooperative Agreement for Mortgage Supervision dated January 15, 2008. In addition, the Florida Office of Financial Regulation conducted an independent concurrent examination of Litton covering the period of January 1, 2008 to December 31, 2010.

**WHEREAS**, on or about October 29, 2010, the State Mortgage Regulators commenced a multi-state examination of Homeward covering the period of January 1, 2009 to November 5, 2010 in order to determine Homeward's compliance with applicable Federal and State laws and regulations, financial condition, and control and supervision of the licensed servicing operation. The Multi-State Examination of Homeward was conducted pursuant to their respective statutory authorities, and in accordance with the protocols established by the CSBS/AARMR Nationwide Cooperative Protocol for Mortgage Supervision and the Nationwide Cooperative Agreement for Mortgage Supervision dated January 15, 2008. In addition, the Florida Office of Financial Regulation conducted an independent concurrent examination of Homeward covering the period of January 1, 2008 to December 31, 2010.

**WHEREAS**, reports of examination were issued pursuant to the Multi-State Examinations of Ocwen, Litton, and Homeward and the independent concurrent examinations of Litton and Homeward by the Florida Office of Financial Regulation (collectively, the "Reports of Examination"). Ocwen, Litton, and Homeward subsequently responded to the Reports of Examination as required by the State Mortgage Regulators.

**WHEREAS**, Ocwen acknowledges that it has full knowledge of its rights to notice and hearing pursuant to the law of the Participating States.

**WHEREAS**, Ocwen enters into this Agreement solely for the purpose of resolving disputes with the State Mortgage Regulators concerning their findings as communicated in the



Reports of Examination in their entirety and without admitting any allegations or implications of fact, and without admitting any violations of applicable laws, regulations, or rules governing the conduct and operation of its mortgage servicing business. Ocwen acknowledges that the State Mortgage Regulators have and maintain jurisdiction over the underlying dispute and subsequent authority to fully resolve the matter.

**WHEREAS**, the intention of the State Mortgage Regulators in effecting this settlement is to remediate harms resulting from the alleged unlawful conduct of Ocwen, Litton, and Homeward identified in the Reports of Examination and related inquiries and investigations undertaken by the State Mortgage Regulators in the course of supervision.

#### **EXAMINATION FINDINGS**

**WHEREAS**, "Examination Findings" means Reports of Examination and related inquiries and investigations by the State Mortgage Regulators that identified practices that may otherwise violate the laws and regulations of the Participating States and related Federal law, including but not limited to the allegations and Releases that are the basis of the Consent Judgment and specifically including:

- a. Lack of controls related to document execution, including evidence of robo-signing, unauthorized execution, assignment backdating, improper certification and notarization, chain of title irregularities, and other related practices affecting the integrity of documents relied upon in the foreclosure process;
- b. Deficiencies in loss mitigation and loan modification processes, including but not limited to:

1. Failure to effectively communicate with borrowers regarding loss mitigation and other foreclosure avoidance alternatives;
  2. Failure to account for documents submitted in tandem with application for loss mitigation assistance;
  3. Lack of reasonable expedience in approving or denying loss mitigation applications;
  4. Providing false or misleading reasons for denial of loan modifications; and
  5. Failure to honor the terms loan modifications for transferred accounts and continued efforts to collect payments under the original note terms.
- c. Lack of controls related to general borrower account management, including but not limited to:
1. Misapplication of borrower payments;
  2. Inaccurate escrow accounting and statements; and
  3. Assessment of unauthorized fees and charges.
- d. Inadequate staffing and lack of internal controls related to customer service;
- e. Deficiencies in control and oversight of third-party providers, including but not limited to, local foreclosure counsel;
- f. Deficiencies in document maintenance processes, including but not limited to, failure to produce documents requested in tandem with examinations; and
- g. Deficiencies in management control and supervision necessary to ensure compliance with applicable laws and regulations.

## AGREEMENT OBLIGATIONS

1. *Consent Judgment.* This Agreement incorporates the Consent Judgment as entered in [Federal District Court] in the matter brought against Ocwen by the Consumer Financial Protection Bureau and Participating State Attorneys General, as plaintiffs. The Consent Judgment, including all of its exhibits, are fully integrated into this Agreement and appended hereto, and the Consent Judgment, along with its exhibits, set forth the terms and conditions applicable to Ocwen and the State Mortgage Regulators, apart from and supplemented by the terms and conditions in this Agreement. To the extent that the terms and conditions contained in this Agreement conflict with any provisions of the Consent Judgment or its exhibits, the terms and conditions of this Agreement shall control.
2. *Servicing Standards, Cash Payments, and Other Consumer Relief.* Ocwen shall comply with the following servicing standards, payment obligations, and other consumer relief:
  - a. *Servicing Standards.* Ocwen shall comply with the Servicing Standards set forth in Exhibit A of the Consent Judgment.
  - b. *Payments to Foreclosed Borrowers.* Ocwen shall pay or cause to be paid the sum of \$125 million (the "Borrower Payment Amount") pursuant to the terms of the Consent Judgment and Exhibit B into an interest bearing escrow account to provide cash payments to borrowers whose homes were sold in a foreclosure sale between and including January 1, 2009 and December 31, 2012 and who otherwise meet criteria set forth by the Monitoring Committee as set forth in the Consent Judgment. This payment obligation shall be satisfied through payment under the Consent Judgment.
  - c. *Other Consumer Relief.* Ocwen shall provide \$2 billion of relief pursuant to the

Consent Judgment and Exhibit C to consumers who meet the eligibility criteria in the forms and amounts described under the Consent Judgment to remediate harm to consumers caused by the alleged unlawful conduct of Ocwen, Litton, and Homeward.

### **MONITORING AND ENFORCEMENT**

3. *No Restriction on Existing Examination and Investigative Authority.* This Agreement shall in no way preclude the State Mortgage Regulators from exercising their examination or investigative authority authorized under the law of the Participating States; however, retention of examination and investigative authority shall not be construed as affecting the scope of the release in Paragraph 8 of this Agreement. Retention of examination and investigative authority shall not be construed as affecting or limiting the terms or conditions set forth in Paragraph 5 of this Agreement for bringing an enforcement action for a violation of this Agreement or the Consent Judgment.
4. *Sharing of Information and Cooperation.* The State Mortgage Regulators may collectively or individually request and receive any information or documents in the possession of the Administration and Monitoring Committee (the "Monitoring Committee") established under the Consent Judgment subject to the procedural safeguards for documents designated as "CONFIDENTIAL" as set forth in Paragraph F of Exhibit D. This Agreement shall not limit Ocwen's obligations, as a licensee of the State Mortgage Regulators, to cooperate with any examination or investigation, including but not limited to, any obligation to timely provide requested information or documents to the State Mortgage Regulators upon request.

5. *Reserved Enforcement Authority.* Any failure to comply with the terms and conditions of this Agreement shall be treated as a violation of an Order of the State Mortgage Regulators and may be enforced as such pursuant to the laws of the Participating States subject to the terms and conditions set forth in this paragraph. The State Mortgage Regulators, collectively or individually, may take any administrative enforcement action authorized under the law of the Participating States. In the course of any such action, the State Mortgage Regulators may admit into evidence Monitor Report(s) and Quarterly Report(s). Such admissibility shall not prejudice Ocwen's right and ability to challenge the findings and/or the statements in the Monitor Report as flawed, lacking in probative value or otherwise. The Monitor Report with respect to a particular Potential Violation shall not be admissible or used for any purpose if Ocwen cures the Potential Violation pursuant to Section E of Exhibit D of the Consent Judgment. In addition, unless immediate action is necessary in order to prevent irreparable and immediate harm, prior to commencing any action the State Mortgage Regulators shall provide notice to the Monitoring Committee of its intent to bring an action as set forth in paragraph I(2) of Exhibit D of the Consent Judgment. As set forth in Exhibit D, upon notice, the members of the Monitoring Committee shall have no more than 21 days to determine whether to bring an enforcement action. If the members of the Monitoring Committee decline to bring an enforcement action, the State Mortgage Regulator must wait 21 additional days after such a determination by the members of the Monitoring Committee before commencing an enforcement action. Subject to the notification requirements set forth above, the State Mortgage Regulators, as licensing authority for Ocwen, may pursue violations of this Agreement independently of the Consumer Financial Protection Bureau

and Participating State Attorneys General, plaintiffs to the Consent Judgment. In the event of an action to enforce the obligations of Ocwen and to seek remedies for an uncured Potential Violation for which Ocwen's time to cure has expired, the State Mortgage Regulators sole relief available in such an action will be the forms of relief set forth in Paragraph I(3) of Exhibit D to the Consent Judgment. The State Mortgage Regulators shall not initiate an enforcement action if barred by the release in Paragraph 8 of this Agreement. In the event a Potential Violation, as defined in Exhibit D to the Consent Judgment, is cured as provided in Paragraph E of Exhibit D, then no State Mortgage Regulator shall have any remedy under this Agreement or the Consent Judgment (other than the remedies in Paragraph E(5) of Exhibit D) with respect to such Potential Violation.

#### **GENERAL PROVISIONS**

6. *Consent.* Ocwen hereby knowingly, willingly, voluntarily, and irrevocably consents to the execution of this Agreement pursuant to the authority of the State Mortgage Regulators and agrees that it understands all of the terms and conditions contained herein. By voluntarily entering into this Agreement, Ocwen waives any right to administrative hearing, administrative review of a hearing, or appeal concerning the terms, conditions, and related obligations set forth in this Agreement.
7. *Effectiveness.* This Agreement shall become effective upon entry of the Consent Judgment and execution of by all of the named State Mortgage Regulators (the "Effective Date").
8. *Release.* Upon payment of the Borrower Payment Amount, the State Mortgage

Regulators shall individually and collectively release and forever discharge Ocwen, Litton, and Homeward from any administrative enforcement actions pertaining to or relating to the practices identified herein as Examination Findings that occurred between January 1, 2009 and December 31, 2012 (the "Release Period"). This release shall not otherwise preclude or impair the State Mortgage Regulators from taking enforcement action for any other violations of law not released herein, even if such other violations fall within the Release Period

9. *Related Parties.* The Release set forth under Paragraph 8 shall extend to all parties liable for the Examination Findings of Ocwen, Litton, and Homeward, which are the basis of this Agreement, which parties are otherwise subject to the jurisdiction of the State Mortgage Regulators, exclusively in their capacity as mortgage licensing authorities, for any violation under the laws or regulations of the Participating States and related Federal law arising from Examination Findings.
10. *Fees Assessed to Consumers Not Subject to Release.* Any fee assessed to a consumer by Ocwen, Litton, or Homeward, which is later determined to have been specifically prohibited by the laws of the Participating States remains unauthorized and is not otherwise affected by the terms of the Release as set forth under Paragraph 8. As such, claims against Ocwen for reimbursement to mortgage borrowers are not released by this Agreement. Nothing in this Agreement, however, shall require the reimbursement of fees duplicative of any prior voluntary or involuntary payment to the affected borrower, whether directly or indirectly, from any governmental program or other source.
11. *Standing and Choice of Law.* Each State Mortgage Regulator has standing to enforce this Agreement in the judicial or administrative process otherwise authorized under the

Laws of the Participating State. Upon entry, this Agreement shall be deemed a final order of the State Mortgage Regulators unless adoption of a subsequent order is necessary under the laws of the Participating States. In the event of any disagreement between any State Mortgage Regulator and Ocwen regarding the enforceability or interpretation of this agreement and compliance therewith, the courts or administrative agency authorized under the laws of the Participating State shall have exclusive jurisdiction over the dispute, and the laws of the Participating State shall govern the interpretation, construction, and enforceability of this Agreement.

12. *Adoption of Subsequent Orders to Incorporate Terms.* Ocwen consents to the issuance by each State Mortgage Regulator, if deemed necessary under the law of the Participating States by the State Mortgage Regulator, of a separate administrative order to adopt and incorporate the terms and conditions of this Agreement. Ocwen hereby waives review and approval of any such subsequent orders prior to entry provided the subsequent order does not amend, alter, or otherwise change the terms of the Agreement. In the event a subsequent order amends, alters, or otherwise changes the terms of the Agreement, the terms of the Agreement as set forth herein will control.

13. *Attorney's Fees.* Ocwen waives and shall not assert any claim for fees, costs or expenses against the State Mortgage Regulators, or any of their agents or employees, related in any way to this enforcement matter or the Consent Judgment or Settlement Agreement and Consent Order, whether arising under common law or under the terms of any statute; for these purposes, the Parties agree that neither Ocwen nor the State Mortgage Regulators are the prevailing party in this action because the Parties have reached a good faith settlement.



**WHEREFORE**, in consideration of the foregoing, including the recital paragraphs, the State Mortgage Regulators and Ocwen intending to be legally bound do hereby execute this Agreement.

## **Exhibit B**

[REDACTED]

THE STATE OF WYOMING, and )  
Wyoming Attorney General’s office )  
123 State Capitol Bldg )  
200 W. 24th )  
Cheyenne, WY 82002 )  
THE DISTRICT OF COLUMBIA, )  
Office of the Attorney General )  
441 Fourth Street, N.W., Suite 600-S )  
Washington, DC 20001 )  
  
Plaintiffs, )  
  
v. )  
  
OCWEN FINANCIAL CORPORATION, and )  
OCWEN LOAN SERVICING, LLC, )  
  
Defendants. )  
\_\_\_\_\_ )

**CONSENT JUDGMENT**

WHEREAS, Plaintiffs, the Consumer Financial Protection Bureau (the “CFPB” or “Bureau”), and the States of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, Wyoming, the Commonwealths of Kentucky, Massachusetts, Pennsylvania and Virginia, and the District of Columbia (collectively, “Plaintiff

*FINAL VERSION FOR CIRCULATION – 12/4/2013  
FOR SETTLEMENT PURPOSES ONLY  
SUBJECT TO FRE 408*

States”) filed their complaint on [DATE], alleging that Ocwen Financial Corporation and Ocwen Loan Servicing, LLC (collectively, “Defendant” or “Ocwen”) violated, among other laws, the Unfair and Deceptive Acts and Practices laws of the Plaintiff States and the Consumer Financial Protection Act of 2010.

WHEREAS, the parties have agreed to resolve their claims without the need for litigation;

WHEREAS, Defendant has consented to entry of this Consent Judgment without trial or adjudication of any issue of fact or law and to waive any appeal if the Consent Judgment is entered as submitted by the parties;

WHEREAS, Defendant, by entering into this Consent Judgment, does not admit the allegations of the Complaint other than those facts deemed necessary to the jurisdiction of this Court;

WHEREAS, the intention of the Consumer Financial Protection Bureau and the States in effecting this settlement is to remediate harms allegedly resulting from the alleged unlawful conduct of the Defendant;

WHEREAS, the State Mortgage Regulators are entering into a Settlement Agreement and Consent Order with Ocwen to resolve the findings identified in the course of multi-state and concurrent independent examinations of Ocwen, as well as examinations of Litton Loan Servicing, LP and Homeward Residential, Inc. which were subsequently acquired by Ocwen.

AND WHEREAS, Defendant has agreed to waive service of the complaint and summons and hereby acknowledges the same;

*FINAL VERSION FOR CIRCULATION – 12/4/2013  
FOR SETTLEMENT PURPOSES ONLY  
SUBJECT TO FRE 408*

NOW THEREFORE, without trial or adjudication of issue of fact or law, without this Consent Judgment constituting evidence against Defendant, and upon consent of Defendant, the Court finds that there is good and sufficient cause to enter this Consent Judgment, and that it is therefore ORDERED, ADJUDGED, AND DECREED:

**I. JURISDICTION**

1. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331, 1345, and 1367, and under 12 U.S.C. § 5565, and over Defendant. The Complaint states a claim upon which relief may be granted against Defendant. Venue is appropriate in this District pursuant to 28 U.S.C. § 1391(b)(2) and 12 U.S.C. § 5564(f).

**II. APPLICABILITY**

2. Defendant's obligations as set forth in this Consent Judgment and the attached Exhibits shall apply equally and fully to Defendant regardless of whether Defendant is servicing residential mortgages as a servicer or subservicer.

**III. SERVICING STANDARDS**

3. Defendant shall comply with the Servicing Standards, attached hereto as Exhibit A, in accordance with their terms and Section A of Exhibit D, attached hereto.

**IV. FINANCIAL TERMS**

4. *Payments to Foreclosed Borrowers and Administration Costs.* Ocwen shall pay or cause to be paid the sum of \$127.3 million (the "Borrower Payment Amount") into an interest bearing escrow account established for this purpose by the State members of the Monitoring Committee within 10 days of receiving notice from the State members

of the Monitoring Committee that the account is established. The State members of the Monitoring Committee and the Administrator appointed under Exhibit B will use the funds in this account to provide cash payments to borrowers whose homes were sold in a foreclosure sale between and including January 1, 2009 and December 31, 2012 and who otherwise meet criteria set forth by the Monitoring Committee, and to pay the reasonable costs and expenses of the Administrator, including taxes and fees for tax counsel, if any. Ocwen shall also pay or cause to be paid any additional amounts necessary to pay claims, if any, of borrowers whose data is provided to the Administrator by Ocwen after Defendant warrants that the data is complete and accurate pursuant to Paragraph 3 of Exhibit B. The Borrower Payment Amount shall be administered in accordance with the terms set forth in Exhibit B.

5. *Consumer Relief.* Defendant shall provide \$2 billion of relief to consumers who meet the eligibility criteria in the forms and amounts described in Exhibit C, to remediate harms allegedly caused by the alleged unlawful conduct of Defendant. Defendant shall receive credit towards such obligation as described in Exhibit C.

#### **V. ENFORCEMENT**

6. The Servicing Standards and Consumer Relief Requirements, attached as Exhibits A and C, are incorporated herein as the judgment of this Court and shall be enforced in accordance with the authorities provided in the Enforcement Terms, attached hereto as Exhibit D.
7. The Parties agree that Joseph A. Smith, Jr. shall be the Monitor and shall have the authorities and perform the duties described in the Enforcement Terms.

8. Within fifteen (15) days of the Effective Date of this Consent Judgment, the Plaintiffs shall designate an Administration and Monitoring Committee (the “Monitoring Committee”) as described in the Enforcement Terms. The Monitoring Committee shall serve as the representative of the Plaintiffs in the administration of all aspects of this Consent Judgment and the monitoring of compliance with it by the Defendant.

#### **VI. RELEASES**

9. The CFPB and Defendant have agreed, in consideration for the terms provided herein, for the release of certain claims, and remedies, as provided in the CFPB Release, attached hereto as Exhibit E. CFPB and Defendant have also agreed that certain claims, and remedies are not released, as provided in Paragraph C of Exhibit E. The releases contained in Exhibit E shall become effective upon payment of the Borrower Payment Amount by Defendant.
10. The Plaintiff States and Defendant have agreed, in consideration for the terms provided herein, for the release of certain claims, and remedies, as provided in the State Release, attached hereto as Exhibit F. The Plaintiff States and Defendant have also agreed that certain claims and remedies are not released, as provided in Section IV of Exhibit F. The releases contained in Exhibit F shall become effective upon payment of the Borrower Payment Amount by Defendant.

#### **VII. OTHER TERMS**

11. The Consumer Financial Protection Bureau and any State Party may withdraw from the Consent Judgment and declare it null and void with respect to that party if Ocwen fails to make any payment required under this Consent Judgment and such non-

payment is not cured within thirty days of written notice by the party, except that the Released Parties, as defined in Exhibits E and F, other than Ocwen, are released upon the payment of the Borrower Payment Amount at which time this nullification provision is only operative against Ocwen.

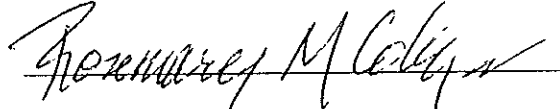
12. This Court retains jurisdiction for the duration of this Consent Judgment to enforce its terms. The parties may jointly seek to modify the terms of this Consent Judgment, subject to the approval of this Court. This Consent Judgment may be modified only by order of this Court.
13. In addition to the provisions of paragraph 12, and in accordance with the terms set forth in Exhibit D, any Plaintiff State may also bring an action to enforce the terms of this Consent Judgment in the enforcing Plaintiff's state court. Ocwen agrees to submit to the jurisdiction of any such state court for purposes of a Plaintiff State's enforcement action.
14. The Effective Date of this Consent Judgment shall be the date on which the Consent Judgment has been entered by the Court and has become final and non-appealable. An order entering the Consent Judgment shall be deemed final and non-appealable for this purpose if there is no party with a right to appeal the order on the day it is entered.
15. [In the event that Ocwen voluntarily enters into an agreement with the Attorney General of any state that is not participating in this Judgment to resolve potential claims relating to the violations alleged in the Complaint filed in this action, then Ocwen shall provide a copy of such agreement to the Monitoring Committee for



review. If, after review, the Monitoring Committee determines those alternative terms are materially more favorable than those contained in this Judgment, then Ocwen will join the Plaintiffs in petitioning the Court to amend this Judgment to reflect any such terms in place of terms herein, without waiving its rights to a judicial determination as to materiality.]

16. This Consent Judgment shall remain in full force and effect for three years from the date it is entered (“the Term”), at which time Defendant’s obligations under the Consent Judgment shall expire, except that pursuant to Exhibit D, Defendant shall submit a final Quarterly Report for the last quarter or portion thereof falling within the Term and cooperate with the Monitor’s review of said report, which shall be concluded no later than six months after the end of the Term. Defendant shall have no further obligations under this Consent Judgment six months after the expiration of the Term, but the Court shall retain jurisdiction for purposes of enforcing or remedying any outstanding violations that are identified in the final Monitor Report and that have occurred but not been cured during the Term. The expiration of this Consent Judgment shall not affect any Releases.
17. Each party to this litigation will bear its own costs and attorneys’ fees.
18. Nothing in this Consent Judgment shall relieve Defendant of its obligation to comply with applicable state and federal law.
19. The sum and substance of the parties’ agreement and of this Consent Judgment are reflected herein and in the Exhibits attached hereto. In the event of a conflict between

SO ORDERED this 26 day of February, 2014

  
UNITED STATES DISTRICT JUDGE