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**BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
OF THE STATE OF CALIFORNIA**

In the Matter of:

THE COMMISSIONER OF BUSINESS
OVERSIGHT,

Complainant,

v.

OCWEN BUSINESS SOLUTIONS, INC.,

Respondent.

CONSENT ORDER

This Consent Order is entered into between the Commissioner of Business Oversight (“Commissioner”), and Ocwen Business Solutions, Inc. (“OBS”) (hereinafter collectively referred to as “the Parties”) as of the date set forth in paragraph 18 below (“Effective Date”).

RECITALS

A. OBS is a foreign corporation formed and existing under the laws of the Philippines and authorized to conduct business in the State of California.

B. OBS has its principal place of business located at 7th Floor, Two E-Com Center, Tower B, Bay Shore Avenue, Mall of Asia, Pasay City, Philippines.

1 C. Ocwen Loan Servicing, LLC (“OLS”) is a limited liability company formed and
2 existing under the laws of the State of Delaware and authorized to conduct business in the State of
3 California.

4 D. OLS is a residential mortgage lender and loan servicer licensed by the Commissioner
5 pursuant to the California Residential Mortgage Lending Act ("CRMLA") (Fin. Code, § 50000 et
6 seq.). OLS has its principal place of business located at 1661 Worthington Road, Suite 100, West
7 Palm Beach, FL 33409. In California, OLS has a branch office located at 901 North Brand
8 Boulevard, Suite 650, Glendale, CA 91203. OLS is engaged in the business of servicing residential
9 mortgage loans in California.

10 E. The Department of Business Oversight (“Department”), through the Commissioner,
11 has jurisdiction over the licensing and regulation of entities engaged in the business of mortgage
12 lending and/or servicing pursuant to the CRMLA.

13 F. OLS and the Department have executed a separate consent order (“OLS Consent
14 Order”) to resolve issues identified in an examination of OLS. (Attached hereto as Exhibit 1 is a copy
15 of the OLS Consent Order.)

16 G. The Department finds that, from at least August 2013 to August 2015, OBS engaged
17 in the business of servicing residential mortgage loans on behalf of OLS.

18 H. The Department finds that OBS violated the CRMLA, specifically Financial Code
19 section 50002, subdivision (a), by engaging in the above-described activity without first obtaining
20 from the Commissioner a residential mortgage loan servicing license under the CRMLA.

21 I. The Parties agree that this Order represents a compromise and settlement, and shall
22 not be deemed or construed to constitute an admission of any findings, liability or wrongdoing by
23 either of the Parties.

24 J. By entering into this Order, OBS does not admit the alleged violations set forth in the
25 Order other than those facts deemed necessary to establish the jurisdiction of the Commissioner.

26 K. OBS obtained a corporation license from the California Bureau of Real Estate
27 (“BRE”) on October 12, 2016.

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1 NOW, THEREFORE, the Parties are willing to resolve the matters cited herein as follows:

2 **TERMS AND CONDITIONS**

3 **Monetary Penalty**

4 1. OBS hereby agrees to pay the sum of Two Hundred Ninety-Seven Thousand, Five
5 Hundred Dollars (\$297,500.00) to the Department.

6 2. The \$297,500.00 shall be received by the Department within ten (10) days from the
7 Effective Date of this Order, made payable in the form of a cashier's check or Automated Clearing
8 House deposit to the "Department of Business Oversight," and transmitted to the attention of:
9 Accounting-Enforcement Divisions, at the Department of Business Oversight located at 1515 K
10 Street, Suite 200, Sacramento, CA 95814. Notice of the payment shall be provided to: Alex M.
11 Calero, Senior Counsel, Enforcement Division at the Department of Business Oversight's San Diego
12 Office at 1350 Front Street, Room 2034, San Diego, CA 92101.

13 **Order to Desist and Refrain from Servicing Residential Mortgage Loans without a License**

14 3. Pursuant to Financial Code section 50320, OBS is ordered to desist and refrain from
15 engaging in the business of servicing residential mortgage loans in the State of California without
16 first obtaining a license from the Commissioner authorizing OBS to do so or unless exempt. The
17 Parties acknowledge that the BRE license obtained by OBS on October 12, 2016 qualifies OBS for an
18 exemption to the CRMLA's licensure requirement.

19 **Limitations on Servicing**

20 4. OBS shall not be permitted to own or acquire mortgage servicing rights, or to service,
21 subservice, or master service residential mortgages secured by properties in the State of California
22 without either a CRMLA or BRE license.

23 **Notices**

24 5. All communications regarding this Consent Order will be sent to:

25 Alex M. Calero
26 Senior Counsel
27 California Department of Business Oversight
28 1350 Front Street, Room 2034
San Diego, CA 92101

1 Timothy M. Hayes
2 General Counsel
3 Ocwen Financial Corporation
4 1661 Worthington Road, Suite 100
5 West Palm Beach, FL 33409

6 Donna L. Wilson
7 Partner
8 Manatt, Phelps & Phillips, LLP
9 11355 W. Olympic Boulevard
10 Los Angeles, CA 90064

11 OBS must report to the Department any change in the above notice information before the
12 change or as soon as practicable after learning of the change, whichever is sooner.

13 **Miscellaneous Provisions**

14 6. The Parties acknowledge and agree this Order is intended to constitute a full, final,
15 and complete resolution of the violations set forth above.

16 7. Each Party mutually releases and discharges the other from any and all claims,
17 demands, causes of action, obligations and liabilities of every kind and nature whatsoever which each
18 of the Parties had, or claims to have had, or now has, against the other (including but not limited to
19 claims against individual executives, officers, directors, agents, appointees, representatives and/or
20 employees of each Party), whether known or unknown, except those the Parties have specifically
21 reserved.

22 8. This mutual release includes claims asserted by the Department relating to mortgage
23 servicing practices described in this Order. This mutual release further includes, but is not limited to,
24 claims between the Parties which relate to or arise from the OLS Consent Order and resulting
25 Compliance Review and Servicing Practices Review and any claims related to the licensing of OBS.
26 The Parties understand and agree that, as to claims that are known to the party when the release is
27 signed, any statutory provisions, including California Civil Code section 1542, that would otherwise
28 apply to limit this general release are hereby waived.

The Parties understand and agree that the claims released in paragraphs 7 and 8 herein (the
“Released Claims”) include not only claims presently known to them, but also include all unknown
or unanticipated claims, rights, demands, actions, obligations, liabilities and causes of action of every

1 kind and character that would otherwise occur from August 2013 to the Effective Date of this Order.

2 Section 1542 of the California Civil Code provides as follows:

3 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS, WHICH
4 THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS
5 OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE,
6 WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY
7 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

8 **The Parties knowingly and voluntarily waive any and all rights or benefits that they may now**
9 **have, or in the future may have, under the terms of section 1542 of the California Civil Code.**

10 No entity or individual other than OBS and the Department may rely on this release and there
11 are no intended or unintended third party beneficiaries.

12 9. The parties further acknowledge and agree the Commissioner will bring no further
13 proceedings or actions related to matters resolved by this Order, either under the CRMLA, or any
14 other provision of law, except the Commissioner may bring an action to enforce compliance with the
15 terms of this Order. Nothing in this Order shall bar the Department from conducting additional
16 statutorily required or authorized examinations of OBS.

17 10. OBS agrees to comply with this Order and any amendment in writing thereto. It is
18 further understood this Order is binding on the Department and OBS, as well as their successors in
19 interest and assigns, but it specifically does not bind any federal or other state agencies or any law
20 enforcement authorities.

21 11. The Parties further acknowledge and agree nothing in this Order shall preclude the
22 Commissioner, or her agents or employees, to the extent required by law, from assisting or
23 cooperating in any investigation and/or action brought by any other federal, state, county, or city
24 agency.

25 12. The section headings contained in this Order are for reference purposes only and shall
26 not affect the meaning or interpretation of this Order.

27 13. The waiver of any provision of this Order shall not operate to waive any other
28 provision set forth herein, and any waiver, amendment or change to the terms of this Order must be in
writing and signed by the Parties.

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1 14. The Parties represent and warrant each party has received advice from its attorney(s)
2 and/or other representatives prior to entering into this Order, and that in executing this Order each
3 party relied solely on the statements set forth herein and the advice of its own counsel and/or
4 representative.

5 15. OBS enters this Order voluntarily and acknowledges that no promises or assurances
6 have been made by the Department or any officer or agent thereof, about this Order.

7 16. The Order may be executed in one or more counterparts, each of which shall be an
8 original but all of which, together, shall be deemed to constitute a single document. A fax signature
9 shall be deemed the same as an original signature.

10 17. Each signatory represents and warrants that he/she possesses the necessary capacity
11 and authority to execute this Order and bind the Parties.

12 18. This Order shall not become effective until signed by all parties and delivered by the
13 Commissioner's counsel by email to counsel for OBS.

14 Dated: February 17, 2017

15 JAN LYNN OWEN
16 Commissioner of Business Oversight

17 BY: _____
18 Jan Lynn Owen, Commissioner

19 Dated: February 17, 2017

20 OCWEN BUSINESS SOLUTIONS, INC.

21 BY: _____
22 Patricia Ann Guilatco
23 President, Chairman and Director

24 APPROVED AS TO FORM:

25 _____
26 Alex M. Calero
27 Counsel for the Department

28 _____
29 Donna L. Wilson, Manatt, Phelps, and Phillips, LLP
30 Counsel for Ocwen Business Solutions, Inc.