

DEPARTMENT OF BUSINESS OVERSIGHT*Ensuring a Fair and Secure Financial Services Marketplace for all Californians***JAN LYNN OWEN****Commissioner of Business Oversight****For Immediate Release**

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DBO Commissioner Owen Names FIS as Independent Auditor for Ocwen Loan Servicing*FIS to Assess Servicing Practices, Compliance with Consumer Protection Laws*

SACRAMENTO – Department of Business Oversight (DBO) Commissioner Jan Lynn Owen today named Fidelity Information Services (FIS) as the independent, third-party auditor that will review the California mortgage servicing operations of Ocwen Loan Servicing, LLC. FIS was chosen from an initial field of 31 candidates.

“The DBO has a duty to ensure its licensees fully comply with laws and regulations designed to protect California homeowners,” said Owen. “FIS will help us fulfill that duty with respect to Ocwen.”

The auditor position was created under a Jan. 23 consent order reached between Ocwen and the DBO. The settlement resolved an enforcement action brought by the DBO over Ocwen’s failure for more than a year to provide loan file information the DBO needed to conduct a routine regulatory examination. The settlement also required Ocwen to pay \$2.5 million in penalties.

As the independent auditor, FIS will have two main jobs. One, it will examine a sample of loan files and report to the DBO on Ocwen’s compliance with the 2012 Homeowner Bill of Rights, the California Residential Mortgage Lending Act, and other state and federal laws and regulations.

If the FIS compliance review finds violations, the DBO can bring an enforcement action against Ocwen to collect consumer restitution and penalties.

As of March 31, Ocwen serviced 366,955 California mortgages with a total unpaid principal balance of \$92.4 billion. That unpaid principal represented 24 percent of Ocwen’s U.S. portfolio.

Second, FIS will assess Ocwen’s loan servicing practices, procedures and staffing levels. FIS will submit a report to the DBO and Ocwen that identifies weaknesses that undermine the firm’s ability to treat borrowers as required by law. Ocwen will have to adopt an action plan to correct any deficiencies identified by FIS. The DBO must approve the action plan, and FIS will oversee its implementation by Ocwen.

Ocwen will pay for FIS’ work, and will have 20 days to submit an engagement letter to the DBO for its approval. FIS must complete the servicing practices review within 90 days after the DBO approves the engagement letter with Ocwen. FIS will have no deadline for submitting a final compliance review, but must submit monthly reports to the DBO.