

Terms Complete
ORDER SUMMARY – Case Number: C-16-1867

Name(s): Ocwen Loan Servicing, LLC; Ocwen Business Solutions, Inc.; Ocwen Financial Solutions Private Limited

Order Number: C-16-1867-16-CO01

Effective Date: August 24, 2016

License Number: NMLS #1852; NMLS #1283393; NMLS #15877
Or NMLS Identifier [U/L]

License Effect: None

Not Apply Until: n/a

Not Eligible Until: n/a

Prohibition/Ban Until: n/a

| | | | | |
|--|-----------|--|--|---|
| Investigation Costs | \$10,000 | Due | Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N | Date 8/31/2016 |
| | | | | |
| Fine | \$900,000 | Due \$600,00 due in 10 days, \$300,00 due March 31, 2017. | Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N | Date \$600,00 8/31/2016 \$300,000 3/17/2017 |
| | | | | |
| Assessment(s) | \$ | Due | Paid <input type="checkbox"/> Y <input type="checkbox"/> N | Date |
| | | | | |
| Restitution | \$ | Due | Paid <input type="checkbox"/> Y <input type="checkbox"/> N | Date |
| | | | | |
| Judgment | \$ | Due | Paid <input type="checkbox"/> Y <input type="checkbox"/> N | Date |
| Satisfaction of Judgment Filed? | | <input type="checkbox"/> Y <input type="checkbox"/> N | | |
| No. of Victims: | | | | |

Comments:

**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Consumer Loan Act of Washington by:

No.: C-16-1867-16-CO01

CONSENT ORDER

Ocwen Loan Servicing, LLC,
NMLS #1852;
Ocwen Financial Solutions Private Limited,
NMLS #15877; and
Ocwen Business Solutions, Inc.,
NMLS #1283393;

Respondents.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Charles E. Clark, Division Director, Division of Consumer Services, and Ocwen Loan Servicing, LLC (OLS), Ocwen Business Solutions, Inc. (OBS), and Ocwen Financial Solutions Private Limited (OFSP) (jointly "Respondents") by and through their attorney, Haydn J. Richards, Jr., and finding that the issues raised in the above-captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to Revised Code of Washington (RCW) 31.04, the Consumer Loan Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

FINDINGS OF FACT

1.1 On or about August 17, 2004, Respondent OLS obtained a license from the Department of Financial Institutions of the State of Washington (Department) to conduct the business of a consumer loan company and continues to be licensed to date.

1.2 On or about May 31, 2010, Respondent OFSP applied to the Department for a license to conduct business as a consumer loan company from a location in India. On or about June 4, 2010,

1 the Department notified Respondent OFSPL that its license application was not complete. Additional
2 application materials were subsequently timely provided, however, to date no consumer loan license
3 has been issued to Respondent OFSPL.

4 **1.3** On or about September 18, 2015, Respondent OBS applied to the Department for a license to
5 conduct business as a consumer loan company from a location in the Philippines. On or about
6 January 15, 2016, the Department notified Respondent OBS that it will not license foreign entities.
7 To date, no consumer loan license has been issued to Respondent OBS.

8 **1.4** Between at least August 1, 2010, and the date of this Consent Order, Respondent OSPFL
9 conducted activities meeting the definition of “servicing” under the Act on behalf of Respondent
10 OLS for residential mortgage loans secured by real property located in the state of Washington
11 pursuant to a contract that included servicing.

12 **1.5** Between at least June 2013 and August 2015, Respondent OBS conducted activities meeting
13 the definition of “servicing” under the Act on behalf of Respondent OLS for residential mortgage
14 loans secured by real property located in the state of Washington pursuant to a contract that included
15 servicing.

16 **1.6** At all times relevant to this Consent Order, Respondent OFSPL was licensed by the
17 Washington Department of Licensing as a collection agency.

18 **1.7** Respondent OLS has represented to the Department that it is the servicer or sub-servicer for
19 all Washington loans subject to this Consent Order and that all “servicing” as defined by the Act is
20 conducted by OLS or Ocwen Mortgage Servicing, Inc. employees from Washington licensed
21 locations.

1 **CONCLUSIONS OF LAW**

2 **2.1** Based on the above Findings of Fact, Respondents OFSPL and OBS violated RCW 31.04.025
3 by engaging in the business of a consumer loan company in the state of Washington without first
4 obtaining and maintaining a license in accordance with the Act or meeting an exclusion from the Act.
5 **2.2** Based on the above Findings of Fact, Respondent OLS violated RCW 31.04.027(2) and (13)
6 by aiding and abetting the unlicensed activity of Respondents OFSPL and OBS.

7 **AGREEMENT AND ORDER**

8 The Department and Respondents have agreed upon a basis for resolution of the Findings of
9 Fact and Conclusions of Law identified in this Consent Order. Pursuant to RCW 31.04.093(7) and
10 RCW 34.05.060, Respondents and the Department agree to entry of this Consent Order and further
11 agree that the matters alleged herein may be economically and efficiently settled by the entry of this
12 Consent Order.

13 Based upon the foregoing:

14 **A. Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter of the
15 activities discussed herein.

16 **B. Waiver of Hearing.** It is AGREED that Respondents hereby waive any right they have to a
17 hearing and any and all administrative and judicial review of the issues raised in this matter or the
18 resolution reached herein.

19 **C. No Admission of Liability.** The parties intend this Consent Order to fully resolve the matters
20 alleged herein and agree that Respondents neither admit nor deny any wrongdoing by its entry.

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1 **D. Consumer Loan License Required.** It is AGREED that Respondents understand that in
2 order to conduct any activities meeting the definition of “servicing” under the Act¹, each Respondent
3 must obtain and maintain its own consumer loan license in accordance with the Act or qualify for an
4 exclusion from licensing as delineated in the Act.

5 **E. Consumer Loan License Applications Withdrawn.** It is AGREED that the consumer loan
6 license applications of Respondents OFSPL and OBS are voluntarily withdrawn.

7 **F. Cease and Desist.** Respondents represent that they ceased conducting unlicensed servicing of
8 Washington residential mortgage loans prior to the entry of this Consent Order. It is AGREED that
9 Respondents shall cease and desist from conducting any activities meeting the definition of
10 “servicing” under the Act for any residential mortgage loans secured by real property located in
11 Washington from any location and/or by any person not licensed by the Department under the Act
12 unless said location or person qualifies for an exclusion from the licensing requirements of the Act.

13 **G. Fine.** It is AGREED that Respondents shall jointly and severally pay a fine to the Department
14 in the amount of \$900,000. \$600,000 shall be paid in the form of a direct wire transfer to the
15 “Washington State Treasurer” within ten (10) business days of entry of this Consent Order. The
16 remaining \$300,000 shall be paid in the form of a direct wire transfer to the “Washington State
17 Treasurer” no later than March 31, 2017. In the alternative, Respondents may pay the entire \$900,000
18 in the form of a direct wire transfer to the “Washington State Treasurer” within ten (10) business days
19 of entry of this Consent Order. Wiring instructions shall be provided by the Department separately.

20 **H. Compliance Examination.** It is AGREED Respondent OLS shall be subject to an
21 examination by the Department to determine compliance with the Act and with this Consent Order.
Such examination shall be scheduled based upon the Department’s availability between 12 and 18

22 ¹ “Service or servicing a loan” means on behalf of the lender or investor of a residential mortgage loan: (a) Collecting or
23 receiving payments on existing obligations due and owing to the lender or investor, including payments of principal,
24 interest, escrow amounts, and other amounts due; (b) collecting fees due to the servicer; (c) working with the borrower
and the licensed lender or servicer to collect data and make decisions necessary to modify certain terms of those
obligations either temporarily or permanently; (d) otherwise finalizing collection through the foreclosure process; or (e)
servicing a reverse mortgage loan. RCW 31.04.015(28)

1 months from the date of entry of this Consent Order. It is further AGREED and ORDERED that
2 Respondent OLS shall pay all costs of the examination authorized by WAC 208-620-590.

3 **I. Investigation Fee.** It is AGREED that Respondents shall jointly and severally pay an
4 investigation fee to the Department in the amount of \$10,000. The investigation fee shall be paid by
5 direct wire transfer to the "Washington State Treasurer" within ten (10) business days of entry of this
6 Consent Order and may be wired together with the fine set forth above.

7 **J. Limitations of Agreement.** It is AGREED that the terms of this Consent Order only address
8 the conduct set forth in the Findings of Fact and Conclusions of Law and shall not act as a waiver of
9 the Department's ability to address other alleged violations of state and federal law either
10 independently or in conjunction with other state or federal authorities.

11 **K. Non-Compliance with Order.** It is AGREED that Respondents understands that failure to
12 abide by the terms and conditions of this Consent Order may result in further legal action by the
13 Director. In the event of such legal action, Respondents may be responsible to reimburse the Director
14 for the cost incurred in pursuing such action, including but not limited to, attorney fees.

15 **L. Voluntarily Entered.** It is AGREED that Respondents have voluntarily entered into this
16 Consent Order, which is effective when signed by the Director's designee.

17 **M. Completely Read, Understood, and Agreed.** It is AGREED that Respondents'
18 representatives have read this Consent Order in its entirety and fully understand and agree to all of
19 the same.

20 **N. Authority to Execute Order.** It is AGREED that the undersigned authorized representatives
21 have represented and warranted that they have the full power and right to execute this Consent Order
22 on behalf of Respondents.

23 **O. Counterparts.** This Consent Order may be executed by the Respondents in any number of
24 counterparts, including by facsimile or e-mail of a .pdf or similar file, each of which shall be deemed
to be an original, but all of which, taken together, shall constitute one and the same Consent Order.

1 **RESPONDENTS:**

Ocwen Loan Servicing, LLC

2 By:

3 
Timothy M. Hayes

4 Executive Vice President

08-23-16
Date

5 Ocwen Financial Solutions Private Limited

6 By:

7 Ravi Sarukkai Parthasarathy
President

Date

8 Ocwen Business Solutions, Inc.

9
10 Patricia Ann L. Guilatco
President

Date

11
12 APPROVED FOR ENTRY:

13 By:

14 Haydn J. Richards, Jr.,
Attorney at Law

15 Bradley Arant Boult Cummings LLP
Attorney for Respondents

Date

16 DO NOT WRITE BELOW THIS LINE

17 THIS ORDER ENTERED THIS _____ DAY OF AUGUST, 2016.

18
19 CHARLES E. CLARK
Director
20 Division of Consumer Services
21 Department of Financial Institutions

22 Presented by:

23 STEVEN C. SHERMAN
Enforcement Chief

24 CONSENT ORDER
C-16-1867-16-CO01
Ocwen Loan Servicing, LLC et al

1 **RESPONDENTS:**
2 Ocwen Loan Servicing, LLC
3 By:

4 Timothy M. Hayes
5 Executive Vice President

Date

6 Ocwen Financial Solutions Private Limited
7 By:

08/23/16

8 Ravi Sarukkai Parthasarathy
9 President

Date

10 Ocwen Business Solutions, Inc.

08/23/16

11 Patricia Ann L. Guilatco
12 President

Date

13 **APPROVED FOR ENTRY:**
14 By:

15 Haydn J. Richards, Jr.,
16 Attorney at Law
17 Bradley Arant Boult Cummings LLP
18 Attorney for Respondents

Date

DO NOT WRITE BELOW THIS LINE

19 THIS ORDER ENTERED THIS ____ DAY OF AUGUST, 2016.

20 CHARLES E. CLARK
21 Director
22 Division of Consumer Services
23 Department of Financial Institutions

24 Presented by:

STEVEN C. SHERMAN
Enforcement Chief

CONSENT ORDER
C-16-1867-16-CO01
Ocwen Loan Servicing, LLC et al

6

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

1 **RESPONDENTS:**

2 Ocwen Loan Servicing, LLC

3 By:

4 Timothy M. Hayes
Executive Vice President

Date

5 Ocwen Financial Solutions Private Limited

6 By:

7 Ravi Sarukkai Parthasarathy
President

Date

8 Ocwen Business Solutions, Inc.

9
10 Patricia Ann L. Guilatco
President

Date

11
12 **APPROVED FOR ENTRY:**

13 By:

14 Haydn J. Richards, Jr.,
Attorney at Law
15 Bradley Arant Boult Cummings LLP
Attorney for Respondents

August 23, 2016

Date

16 DO NOT WRITE BELOW THIS LINE

17 THIS ORDER ENTERED THIS 24th DAY OF AUGUST, 2016.

18
19 CHARLES E. CLARK
Director
20 Division of Consumer Services
Department of Financial Institutions

21 Presented by:

22
23 STEVEN C. SHERMAN
Enforcement Chief

24 CONSENT ORDER
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