**About the Ocwen Settlement**

In December 2013, 49 state attorneys general, the District of Columbia, state mortgage regulators and the Consumer Financial Protection Bureau announced a Settlement with the following three mortgage servicers:   
• Ocwen  
• Homeward Residential Holdings (previously known as American Home Mortgage Servicing or AHMSI)   
• Litton Loan Servicing

This bipartisan Settlement provided approximately $125 million in direct payments to foreclosed borrowers.  
The agreement settles state and federal investigations finding that these mortgage servicers engaged in various abuses during the servicing and foreclosure process.  
Borrowers from Oklahoma were not eligible for any of the direct payments because Oklahoma elected not to join the Settlement.

**KEY PROVISIONS OF THE SETTLEMENT**  
**Immediate aid to homeowners needing loan modifications now**, including first lien principal reduction. Ocwen is required to work off up to $2 billion in first lien principal reduction nationwide.  
Past experience with the National Mortgage Settlement has shown that principal reduction is an effective tool in combating foreclosure and that it does not lead to widespread defaults by borrowers who can afford to pay.

**Payments to borrowers who lost their homes to foreclosure** . Approximately $125 million was distributed nationwide to eligible borrowers in early December 2014. The National Ocwen Settlement Administrator mailed Notice Letters and Claim Forms in June 2014 to approximately 200,000 borrowers who lost their home due to foreclosure between January 1, 2009 and December 31, 2012 and whose loans were serviced at the time of foreclosure by one of the three mortgage servicers that are parties to the Settlement. The deadline for submissions of claim forms has passed and claims are no longer being accepted. Checks were mailed between December 6 and December 9, 2014 to eligible borrowers who submitted complete and timely claims.

**Nationwide reforms to servicing standards.** These servicing standards require a single point of contact, adequate staffing levels and training, better communication with borrowers, appropriate standards for executing documents in foreclosure cases, ending improper fees, and ending dual-track foreclosures for many loans.  
Compliance Oversight  
• Ocwen has been required to regularly report on its compliance with the Settlement to an independent, outside monitor that reports to the participating state and federal agencies.  
• Ocwen may have to pay penalties for non-compliance with the Settlement, including missed deadlines.  
The Consent Judgment appointed former North Carolina Commissioner of Banks Joseph A. Smith, Jr. to be the Settlement monitor. Information about Smith's Office of Mortgage Settlement Oversight is available here: <https://www.mortgageoversight.com>.

**SERVICERS ARE STILL ACCOUNTABLE FOR OTHER CLAIMS NOT COVERED BY THIS SETTLEMENT**  
This agreement holds Ocwen accountable for its wrongdoing regarding robo-signing and mortgage servicing. This Settlement does not address other potential legal issues and the agreement and its release preserve legal options for others to pursue, if appropriate.   
Specifically, this Settlement does not:   
• Release any criminal liability or grant any criminal immunity.   
• Release any private claims by individuals or any class action claims.   
• Release claims related to the securitization of mortgage backed securities that were at the heart of the financial crisis.   
• Release claims against Mortgage Electronic Registration Systems or MERSCORP.   
• Release any claims by a state that chooses not to sign the Settlement.   
• End state attorneys general investigations of Wall Street related to financial fraud or the financial crisis.