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State Regulators Issue Cease and Desist Orders to Subsidiaries of Ocwen Financial Corp.

PIERRE, S.D. – More than 20 state mortgage regulators, including the South Dakota Division of Banking, have issued regulatory orders or charges to subsidiaries of Ocwen Financial Corp. to address violations of state and federal laws.

Violations include the mishandling of consumer escrow accounts, unlicensed activity and a deficient financial condition.

The majority of orders prohibit the acquisition of mortgage servicing rights and the origination of mortgage loans until the company is able to prove it can appropriately manage its existing mortgage escrow accounts and not further harm consumers. Some orders also require Ocwen to cease any ongoing unlicensed activity.

The orders resulted from several years of examinations and monitoring that revealed the company is mismanaging consumer mortgage escrow accounts. Mortgage escrow accounts are used to pay taxes and insurance and hold borrower funds the company is entrusted to appropriately disburse.

The company has also operated unlicensed mortgage servicing facilities in certain states in apparent violation of state licensing statutes over a period of several years.

For more information, visit the Division of Banking website at <http://dlr.sd.gov/banking/default.aspx>.