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7

8 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**  
9 **IN AND FOR THE COUNTY OF MARICOPA**

10  
11 STATE OF ARIZONA, *ex rel.* THOMAS C.  
HORNE, Attorney General,

12 Plaintiff,

13 -vs-

14 LENDER PROCESSING SERVICES, INC.,  
15 a Delaware Corporation; LPS DEFAULT  
SOLUTIONS, INC., a Delaware  
16 Corporation, and DOCX, LLC, a Georgia  
Limited Liability Company,  
17 Defendants.

Case No: CV2013-000430

**CONSENT JUDGMENT WITH  
DEFENDANTS**

Assigned to the Hon. Dean Fink

18  
19 **CONSENT FINAL JUDGMENT**

20 Plaintiff, State of Arizona *ex rel.* Thomas C. Horne, Attorney General (“Attorney General”),  
21 and Defendants Lender Processing Services, Inc., LPS Default Solutions, Inc., and DocX, LLC  
22 (hereinafter collectively referred to as “LPS” or “Defendants”), by and through the undersigned  
23 counsel, have requested entry of a Consent Final Judgment. Therefore, upon consideration of the  
24 papers filed and consent of the parties hereto, it is hereby ORDERED and ADJUDGED as follows:  
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26

1 **I. JURISDICTION**

2 The parties agree that this Court has subject matter jurisdiction over this matter and  
3 jurisdiction over the parties and agree to the continuing jurisdiction of this Court over this matter and  
4 the parties. The Attorney General filed a Complaint for Injunctive and Other Statutory Relief (the  
5 "Complaint") against LPS pursuant to the Arizona Consumer Fraud Act, A.R.S. § 44-1521 *et seq.*  
6 (the "Consumer Fraud Act").  
7

8 **II. GENERAL PROVISIONS**

9 2.1 **Agreement**

10 The Attorney General and LPS are represented by counsel and have agreed on a basis for  
11 settlement of the matters alleged in the Complaint. The parties agree to entry of this Consent Final  
12 Judgment ("Judgment") without the need for trial, discovery in this action, or adjudication of any  
13 issue of law or fact. Defendants enter into this Judgment freely and without coercion, and without  
14 admitting any violation of the law. Defendants acknowledge that they are able to abide by the  
15 provisions of this Judgment. Defendants further acknowledge that a violation of this Judgment may  
16 result in additional relief pursuant to A.R.S. § 44-1532.  
17

18 2.2 **Definitions**

19 a. "Attesting Documents" shall mean affidavits and similar sworn statements making  
20 various assertions relating to a mortgage loan, such as the ownership of the mortgage note and  
21 mortgage or deed of trust, the amount of principal and interest due, and the fees and expenses  
22 chargeable to the borrower.  
23

24 b. "Covered Conduct" shall mean LPS' practices related to mortgage default servicing,  
25 including document creation, preparation, execution, recordation, and notarization practices as they  
26

1 relate to Mortgage Loan Documents as well as LPS' relationships with attorneys representing the  
2 Servicers and other third parties through the Effective Date of this Judgment.

3 c. **"Effective Date"** shall mean the date on which a copy of this Judgment, duly executed  
4 by Defendants and by the Signatory Attorney General, is approved by and becomes a Judgment of the  
5 Court.

6 d. **"Federal Banking Agencies"** shall mean the Board of Governors of the Federal  
7 Reserve System, The Federal Deposit Insurance Corporation, The Office of the Comptroller of the  
8 Currency, and the Office of Thrift Supervision.

9 e. **"Investigating Attorneys General"** shall mean the Attorneys General of the States of  
10 Arizona, California, Connecticut, Florida, Illinois, Iowa, Oregon, New Jersey, North Carolina,  
11 Pennsylvania, South Carolina, Texas, and Washington.

12 f. **"LPS"** shall mean Defendants Lender Processing Services, Inc.; LPS Default  
13 Solutions, Inc.; and DocX, LLC, including all of their parents, subsidiaries, and divisions.

14 g. **"Mortgage Loan Documents"** shall mean (i) Attesting Documents; (ii) assignments  
15 of mortgages or deeds of trust or notes; (iii) mortgage or deed of trust lien releases and satisfactions;  
16 (iv) notices of trustee sale; (v) notices of breach or default; and (vi) other mortgage-related  
17 documents that are required for statutory, non-judicial foreclosure or foreclosure-related documents  
18 filed with a state court or in connection with a federal bankruptcy proceeding.

19 h. **"Parties"** shall mean LPS and the Signatory Attorney General.

20 i. **"Servicer"** shall mean any residential mortgage loan servicing entity to which LPS  
21 provides technology and/or other services relating to mortgages in default.

22 j. **"Signatory Attorney General"** shall mean the Attorney General of Arizona, or  
23 his/her authorized designee, who has agreed to this Judgment.  
24  
25  
26

1           2.3     **Stipulated Facts**

2           The Investigating Attorneys General conducted investigations regarding certain business  
3 practices relating to the Covered Conduct. The Investigating Attorneys General found and the  
4 Defendants stipulate to the following facts of the investigation:

5           a.       During a period from at least January 1, 2008, to December 31, 2010, certain Servicers  
6 authorized specific persons employed by certain subsidiaries of Lender Processing Services, Inc., to  
7 sign Mortgage Loan Documents or assist with the execution of Mortgage Loan Documents on their  
8 behalf.  
9

10          b.       Some Mortgage Loan Documents generated and/or executed by certain subsidiaries of  
11 Lender Processing Services, Inc., on behalf of Servicers contain defects including, but not limited to,  
12 unauthorized signatures, improper notarizations, or attestations of facts not personally known to or  
13 verified by the affiant. Some of these Mortgage Loan Documents may contain unauthorized  
14 signatures or may contain inaccurate information relating to the identity, location, or legal authority  
15 of the signatory, assignee, or beneficiary or to the effective date of the assignment.  
16

17          c.       Certain subsidiaries of Lender Processing Services, Inc., recorded or caused to be  
18 recorded Mortgage Loan Documents with these defects in local land records offices or executed or  
19 facilitated execution on behalf of the Servicers knowing some of these Mortgage Loan Documents  
20 would be filed in state courts or used to comply with statutory, non-judicial foreclosure processes.  
21

22          d.       At some time prior to November 1, 2009, employees and agents of DocX, LLC  
23 (“DocX”) a wholly owned, indirect subsidiary of Lender Processing Services, Inc., were directed by  
24 management of DocX to initiate and implement a program under which some DocX employees  
25 signed Mortgage Loan Documents in the name of other DocX employees, who were or had been at  
26

1 one time authorized to sign on behalf of Servicers. DocX referred to these unauthorized signers as  
2 “Surrogate Signers.”

3 e. At the time the Surrogate Signers signed certain Mortgage Loan Documents, they  
4 were not authorized by the applicable Servicer to sign their own names or the names of those persons  
5 who had purportedly been authorized by the Servicer to sign the Mortgage Loan Documents in  
6 question.  
7

8 f. The Surrogate Signers executed certain Mortgage Loan Documents in the name of  
9 other DocX employees without indicating that the documents had been signed by a Surrogate Signer.

10 g. Notaries public employed by DocX or as agents of DocX completed the notarial  
11 statements on the Mortgage Loan Documents that were executed by Surrogate Signers and stated that  
12 those documents had been properly acknowledged, signed, and affirmed in their presence by the  
13 person whose name appeared on the document when in fact the Surrogate Signer had signed the name  
14 of another person or signed outside the presence of the notary, or both.  
15

16 h. DocX presented and recorded certain Mortgage Loan Documents with local land  
17 records offices knowing they had been executed by Surrogate Signers.

18 i. On or around November 2009, Lender Processing Services, Inc., conducted an internal  
19 review of DocX and identified certain Mortgage Loan Documents that contained inaccuracies,  
20 unauthorized signatures, notarization defects, or other deficiencies. Lender Processing Services, Inc.,  
21 has also identified certain other defects and deficiencies in the Mortgage Loan Documents executed  
22 by some of its other subsidiaries. Such past practices, when discovered by Lender Processing  
23 Services, Inc., management, were discontinued.  
24

25 j. On April 13, 2011, LPS entered into a Consent Order with Federal Banking Agencies,  
26 which order contains similar allegations of deficiencies in Mortgage Loan Document execution

1 practices at certain subsidiaries of LPS and management oversight of these practices. Pursuant to the  
2 Consent Order, LPS has agreed to take further remedial action, including, but not limited to,  
3 proposing a plan to enhance internal auditing and risk management, adopting a comprehensive  
4 compliance program for activities relating to default management services, and retaining an  
5 independent consultant to conduct an independent review of LPS' document execution services  
6 occurring between January 1, 2008, and December 31, 2010, to determine the existence and extent of  
7 the deficiencies and to assess LPS' ability to identify affected Mortgage Loan Documents, to  
8 remediate the deficiencies, as appropriate, and to assess whether any financial injury to Servicers or  
9 borrowers resulted from the document execution services described herein. To the extent the  
10 independent consultant identifies any such financial harm, LPS has agreed to prepare a remediation  
11 plan under the Consent Order that will, as appropriate, address reimbursement to those borrowers for  
12 any such financial injury.  
13  
14

15 **2.4 Preservation of Law Enforcement Action**

16 Nothing herein precludes the Signatory Attorney General from enforcing the provisions of  
17 this Judgment, or from pursuing any law enforcement action with respect to the acts or practices of  
18 the Defendants not covered by this Judgment or any acts or practices of the Defendants conducted  
19 after the entry of this Judgment. The fact that such conduct is not expressly prohibited by the terms of  
20 this Judgment shall not be a defense to any such enforcement action.  
21

22 **2.5 Compliance with State and Federal Law**

23 Nothing herein relieves Defendants of their duty to comply with applicable laws of the State  
24 and all federal or local laws, regulations, ordinances, and codes, nor constitutes authorization by the  
25 Signatory Attorney General for the Defendants to engage in acts or practices prohibited by such laws.  
26 If, subsequent to the Effective Date of this Judgment, any state, local, or federal law is enacted or

1 regulation promulgated with respect to the Covered Conduct of this Judgment and Defendants intend  
2 to comply with the newly enacted legislation or regulation and that compliance may create a conflict  
3 with the terms of this Judgment, Defendants shall notify the Signatory Attorney General of this  
4 intent. If the Attorney General agrees, the Attorney General shall consent to a modification for the  
5 purpose of eliminating the conflict. The Attorney General agrees that consent to modify is  
6 appropriate if any conduct prohibited by this Judgment is required by State, local, or federal law or  
7 regulation, or if conduct required by this Judgment is prohibited by such State, local, or federal law or  
8 regulation. The Attorney General will give each request to modify based on a change in the  
9 applicable law reasonable consideration and will respond to the Defendant(s) within 90 days.  
10 Nothing herein is intended to preclude Defendants from seeking modification of this Judgment if the  
11 Attorney General does not consent to the request of the Defendant(s).

12  
13  
14 **2.6 Non-Approval of Conduct**

15 Nothing herein constitutes approval by the Signatory Attorney General of LPS' past or future  
16 practices. LPS shall not make any representation to the contrary.

17 **2.7 Release**

18 The Signatory Attorney General hereby releases and discharges LPS and each and all current  
19 and former officers, shareholders, and employees from civil or administrative claims that his or her  
20 State has or may have had against them under the Consumer Fraud Act, including claims for  
21 damages, fines, injunctive relief, remedies, sanctions, or penalties resulting from the Covered  
22 Conduct on or before the Effective Date (collectively, the "Released Claims").  
23

24 Nothing herein shall be construed as a waiver or release of any private rights, causes of  
25 action, or remedies of any person against the Defendants with respect to the Covered Conduct.

26 **2.8 Evidentiary Effect of this Judgment**

1 This Judgment is not and shall not in any event be construed, deemed to be, and/or used as an  
2 admission or evidence of the validity of any claim that the Signatory Attorney General has or could  
3 assert against LPS, or an admission of any alleged wrongdoing or liability by LPS in any civil,  
4 criminal, or administrative court, administrative agency, or other tribunal anywhere in the country.

5 The agreement of LPS to comply with the provisions of this Judgment is not an admission that LPS  
6 ever engaged in any activity contrary to any law. Moreover, by entering into this Judgment and  
7 agreeing to the terms and conditions provided herein, LPS does not intend to waive and does not  
8 waive any defenses, counterclaims, third party claims, privileges or immunities it may have in any  
9 other action or proceeding that has been or may be brought against it by any other State, Federal or  
10 local governmental agency, or any private litigant or class of litigants, arising from the practices  
11 described herein.  
12

13  
14 **2.9 Titles or headings**

15 The titles or headings to each section or provision of this Judgment are for convenience  
16 purposes only and are not intended by the parties to lend meaning to the actual provisions of this  
17 Judgment.

18 **2.10 Modification of Terms**

19 No waiver, modification, or amendment of the terms of this Judgment shall be valid or  
20 binding unless made in writing, agreed to by both parties, and approved by this Court and then only  
21 to the extent specifically set forth in such written waiver, modification, or amendment.  
22

23 **2.11 Severability of Terms**

24 If any clause, provision, or section of this Judgment shall, for any reason, be held illegal,  
25 invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other  
26 clause, provision, or section of this Judgment, and this Judgment shall be construed and enforced as if

1 such illegal, invalid, or unenforceable clause, section, or other provision had not been contained  
2 herein.

3           2.12    **Time is of the Essence**

4           Time is of the essence with respect to each provision of this Judgment that requires action to  
5 be taken by LPS within a stated time period or upon a specified date or event.  
6

7           2.13    **Execution in Counterparts**

8           This Judgment may be executed in any number of counterparts and by different signatories on  
9 separate counterparts, each of which shall constitute an original counterpart hereof and all of which  
10 together shall constitute one and the same document. One or more counterparts of this Judgment may  
11 be delivered by facsimile or electronic transmission with the intent that it or they shall constitute an  
12 original counterpart thereof.  
13

14           2.14    **No Acts to Circumvent Terms**

15           LPS shall not participate directly or indirectly in any activity or form a separate entity or  
16 corporation for the purpose of engaging in acts or practices in whole or in part that are prohibited by  
17 this Judgment or for any other purpose that would otherwise circumvent any part of this Judgment.  
18

19           2.15    **More Favorable Terms.**

20           In the event that LPS voluntarily enters into an agreement with the Attorney General of any  
21 state that is not participating in this Judgment (“non-participating Attorney General”) to resolve  
22 potential claims relating to the Covered Conduct in this Judgment on terms that are different than  
23 those contained in this Judgment, exclusive of LPS’ payment to a non-participating Attorney General  
24 of reasonable costs and attorneys’ fees incurred by the non-participating Attorney General in civil  
25 litigation or criminal investigation that is active and pending as of November 29, 2012, then LPS  
26 shall provide a copy of such agreement to each Signatory Attorney General for review. If, after

1 review, the Signatory Attorney General determines those alternative terms are materially more  
2 favorable than those contained in this Judgment, then LPS will join the Signatory Attorney General in  
3 petitioning the Court to amend this Judgment to reflect any such terms in place of terms herein,  
4 without waiving its rights to a judicial determination as to materiality.

5  
6 **III. PERMANENT INJUNCTIVE RELIEF AND COMPLIANCE**

7 3.1 LPS, and any person acting under the actual direction or control of LPS, are hereby  
8 permanently restrained and enjoined from engaging in acts and practices prohibited by federal, state,  
9 or local law. Further, LPS, and any person acting under the actual direction or control of LPS, are  
10 hereby permanently restrained and enjoined from engaging in the following acts and practices and  
11 shall comply with the following conduct requirements:

12 **Document Execution**

13 a. LPS shall not engage in, or authorize its employees to engage in, Surrogate Signing, as  
14 described in Section 2.3 herein.

15  
16 b. LPS shall not execute any Attesting Document unless the affiant or signatory has  
17 personal knowledge of the accuracy and completeness of the assertions in the Attesting Document.

18 c. LPS shall ensure that any Mortgage Loan Document that is executed by LPS on behalf  
19 of a Servicer is executed pursuant to proper and verifiable authority to sign on behalf of the Servicer  
20 and that assertions contained in the Mortgage Loan Document are supported by competent and  
21 reliable evidence.

22  
23 d. Any Mortgage Loan Document executed by LPS on behalf of a Servicer shall  
24 accurately identify the name of the signatory, the date on which the document is signed, and the  
25 authority upon which the signatory is executing the Mortgage Loan Document. If applicable or  
26

1 permissible, each Mortgage Loan Document shall include the name and address of the entity for  
2 which the signatory works.

3 e. LPS shall ensure that the affiant or signatory to any Attesting or Mortgage Loan  
4 Document shall sign by hand signature, except for permitted electronic filings.

5 f. LPS shall not notarize or cause to be notarized any Attesting or Mortgage Loan  
6 Document that is signed or attested to outside the presence of the notary.

7 g. If LPS provides any notary services or oversees the notarization of any Mortgage Loan  
8 Document, LPS shall ensure that the notary procedures comply with all applicable laws governing  
9 notarizations, including, but not limited to, ensuring that notaries verify the identity and signature of  
10 the putative signatory. If LPS provides notary services or oversees the notarization of any Mortgage  
11 Loan Document, LPS shall ensure that notaries maintain notary logs that identify such Mortgage  
12 Loan Documents.  
13

14  
15 **Law Firms**

16 h. LPS shall not improperly interfere with the attorney-client relationship between  
17 attorneys and Servicers.

18 i. LPS shall not incentivize or promote attorney speed or volume to the detriment of  
19 accuracy.

20 j. If LPS provides technology or other services that assist law firms or their agents in  
21 handling issues relating to processing a foreclosure, bankruptcy, or other legal action, LPS will  
22 ensure that its technology and services do not impede, compromise, or otherwise interfere with the  
23 activities of a law firm providing legal services to its client.  
24  
25  
26

1 k. LPS will ensure that foreclosure and bankruptcy counsel and foreclosure trustees to  
2 whom LPS provides services have an appropriate Servicer contact so they may communicate directly  
3 with the Servicer.

4 l. LPS shall not inhibit or otherwise discourage attorneys and Servicers from direct  
5 communication with each other.  
6

7 m. LPS shall not negotiate any retainer agreements between the Servicer and its  
8 attorney(s) and LPS shall not be a party to such retainer agreements.

9 n. For those attorneys who are using LPS' technology services to access information  
10 from Servicers, LPS shall take no action to prevent legal counsel from having appropriate access to  
11 information from the Servicer's books and records to perform their duties in compliance with  
12 applicable laws.  
13

14 **Incentives**

15 o. LPS shall not pay volume-based or other incentives to employees or other agents for  
16 the purpose of encouraging undue haste or lack of due diligence to the detriment of accuracy.

17 **Third-Party Provider Oversight**

18 p. LPS shall adopt policies and processes to oversee and manage agents, independent  
19 contractors, entities and third parties (including subsidiaries and affiliates) retained by LPS that  
20 provide foreclosure, bankruptcy or mortgage-servicing activities relating to default servicing  
21 (including loss mitigation) (collectively, such activities are "Servicing Activities" and such providers  
22 are "Third-Party Providers"), including the following:  
23

24 (i). LPS shall perform appropriate due diligence of Third-Party Providers'  
25 qualifications, expertise, capacity, reputation, complaints, information security, document  
26 custody practices, business continuity, and financial viability.

1 (ii). LPS shall ensure that all agreements, engagement letters, or oversight policies  
2 with Third-Party Providers comply with LPS' applicable policies and procedures (which will  
3 incorporate any applicable aspects of this Judgment) and applicable state and federal laws and  
4 rules.

5 (iii). LPS shall ensure that agreements, contracts or policies provide for adequate  
6 oversight, including measures to enforce Third-Party Provider contractual obligations, and to  
7 ensure timely action with respect to Third-Party Provider performance failures.  
8

9 q. LPS shall conduct periodic reviews of Third-Party Providers. These reviews shall  
10 include the following:

11 (i). A review of the fees and costs assessed by the Third-Party Provider to ensure  
12 that such fees and costs are within the allowable fees authorized by the Servicers;

13 (ii). A review of the Third-Party Provider's processes to provide for compliance  
14 with LPS' policies and procedures concerning Servicing Activities;  
15

16 (iii). A requirement in its agreements and contracts to require that the Third-Party  
17 Provider disclose to LPS any imposition of sanctions or professional disciplinary action taken  
18 against them for misconduct related to performance of Servicing Activities.  
19

20 **Fees**

21 r. LPS shall require that all fees charged by Third-Party Providers for default,  
22 foreclosure, and bankruptcy-related services performed shall be within the allowable fees authorized  
23 by Servicers.

24 s. LPS shall be prohibited from collecting any unearned fee, or giving or accepting  
25 unlawful referral fees in relation to Third-Party Providers' default- or foreclosure-related services.  
26

1 t. Other than reasonable fees charged by LPS to the Servicers for its oversight of Third-  
2 Party Providers, LPS shall not impose additional mark-ups or other fees on Third-Party Providers’  
3 default- or foreclosure-related services.

4 u. LPS’ invoices to the Servicers shall label each fee or charge clearly and accurately to  
5 denote the specific product or service for which each fee or charge is attributed.  
6

7 **Escalation of Consumer Complaints**

8 v. LPS shall provide to consumers, and ensure that its Third-Party Providers provide to  
9 consumers, reasonable notice of dedicated toll-free telephone numbers established and maintained by  
10 LPS that consumers can call concerning any issues related to document execution and field services  
11 activities (property inspection, preservation, maintenance, and winterization) LPS performs for  
12 Servicers. LPS shall have adequate and competent staff to answer and respond to consumer inquiries  
13 promptly, and LPS shall establish a process for dispute escalation and direct contact with a Servicer  
14 at a number designated by such Servicer, and methods for tracking the resolution or escalation of  
15 complaints.  
16

17 3.2 **Compliance with Attorneys General Agreements with Servicers and other**  
18 **Applicable Laws**

19 a. LPS shall be familiar with the settlement terms between the State Attorneys General  
20 and any Servicers, including those agreements and judgments already in force, such as the consent  
21 judgments entered by United States District Judge Rosemary Collyer of the United States District  
22 Court for the District of Columbia in case number 1:12-cv-00361-RMC, *United States et al. v. Bank*  
23 *of America et al.*, (“hereinafter referred to as the “National Servicing Settlement”) and, upon  
24 notification by an Attorney General, any agreements reached or judgments entered subsequent to the  
25  
26

1 entry of this Judgment that affect LPS' acts or practices relating to the Covered Conduct of this  
2 Judgment.

3           b.       LPS shall ensure that any services provided by LPS are consistent with the terms,  
4 conditions, and standards imposed by those agreements and judgments as well as with any applicable  
5 state or federal law.

6           c.       LPS will commit appropriate resources to develop technology solutions which will  
7 support the National Servicing Settlement standards and guidelines. LPS will make these technology  
8 solutions available to its clients, including, without limitation, the following:  
9

- 10                   • Protections for Military Personnel under the Service members Civil Relief Act  
11                   (SCRRA);
- 12                   • Document Integrity Solution that enables Servicers to ensure the accuracy and  
13                   personal knowledge requirement for the execution of certain Mortgage Related  
14                   Documents;
- 15                   • Development of a technology process to avoid dual-tracking by enabling a  
16                   Servicer to define certain steps or critical events to halt a foreclosure process  
17                   during a loan modification program;
- 18                   • Processes to enable Servicers to provide a single point of contact; and  
19                   • Enhanced loss mitigation processes.

20                   For a two-year period from the Effective Date of this Judgment, LPS will provide a process  
21                   for the Signatory Attorney General to audit LPS with respect to the development, functionality and  
22                   implementation timelines for such technology solutions relating to the National Servicing Settlement.  
23                   This audit process is in addition to and does not limit LPS' obligations under Section 3.2(e) herein.  
24  
25  
26

1           d.       LPS agrees to retain documents and other information reasonably sufficient to  
2 establish compliance with the provisions of this Judgment; however, nothing in this Judgment  
3 requires LPS to retain any specific document or other information for longer than five (5) years.

4           e.       For a period of five (5) years from the Effective Date, upon a request from the  
5 Signatory Attorney General, LPS agrees to provide to the Signatory Attorney General's Office  
6 reasonable access to all non-privileged LPS documents and other information without the need for a  
7 subpoena or other compulsory process. The term "non-privileged" means any LPS document or  
8 other information not protected by the attorney-client or attorney work product privileges as defined  
9 by applicable state law. The term "reasonable access" reflects an understanding by LPS and the  
10 Signatory Attorney General's Office that LPS has a legal obligation to protect the privacy of personal  
11 identifying information of borrowers and to protect the trade secrets of LPS from public disclosure.  
12 LPS and the Signatory Attorneys General agree to work cooperatively to ensure compliance with  
13 these legal obligations. In the event that LPS concludes that specific information requested is not  
14 covered by this provision and cannot be disclosed without a subpoena or other compulsory process, it  
15 will notify the Signatory Attorney General within ten (10) days that a subpoena for the information  
16 will be required.

17           This provision is intended to supplement and does not supplant or in any way restrict the  
18 Signatory Attorney General's subpoena power and investigative authority under state law.

19           Subject to the provisions above regarding non-privileged documents and other information,  
20 and legal obligations to protect the privacy of personal identifying information and trade secrets from  
21 public disclosure, LPS agrees to cooperate with any Signatory Attorney General in its investigation of  
22 non-parties related to Covered Conduct.  
23  
24  
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26

1 f. LPS shall ensure that if it is appointed to act as a trustee or successor trustee, LPS will  
2 meet all applicable state requirements to act as a trustee or successor trustee.

3 g. LPS shall appoint its Chief Compliance Officer Sheryl L. Newman, or another  
4 designee, to act as liaison to the Signatory Attorneys General to receive and respond to inquiries  
5 relating to this Judgment.  
6

7 **IV. REMEDIATION TO HOMEOWNERS**

8 4.1 LPS agrees to identify Mortgage Loan Documents executed by LPS between January  
9 1, 2008, and December 31, 2010, that may require remediation and to remediate those documents  
10 when LPS has the legal authority to do so and when reasonably necessary to assist any person or  
11 borrower or when required by state or local laws. If Mortgage Loan Documents executed by LPS  
12 prior to January 1, 2008, require remediation for compliance with applicable laws or when  
13 remediation of Mortgage Loan Documents executed by LPS prior to January 1, 2008, is reasonably  
14 necessary to assist any person or borrower, LPS shall remediate those documents when LPS has the  
15 legal authority to do so. Notwithstanding LPS' obligations pursuant to this paragraph, its obligations  
16 under Section 3.1(v) of this Judgment to address consumer inquiries with respect to document  
17 execution are not limited to documents executed between January 1, 2008 and December 31, 2010.  
18 For twelve quarters immediately following entry of this judgment, LPS shall provide each Signatory  
19 Attorney General with quarterly reports detailing its efforts to fulfill its obligations under this  
20 paragraph.  
21

22  
23 **V. MONETARY RELIEF**

24 5.1 LPS shall pay a total of \$3,288,621 as settlement payment to the Signatory Attorney  
25 General, within 10 (ten) days of the entry of this Judgment, and in accordance with the amounts of  
26 payments to each Signatory Attorney General set forth in the attached Exhibit A. This payment shall

1 be used by the Signatory Attorney General for attorney's fees and other costs of investigation and  
2 litigation, placed in or applied to the consumer protection enforcement fund, used to defray costs of  
3 the inquiry leading to this Judgment, or used for any other purposes permitted by state law, at the sole  
4 discretion of the Signatory Attorney General. If any independent review or report by the Federal  
5 Banking Agencies determines that a greater number of documents might be affected than what was  
6 previously disclosed by Defendants, Defendants agree to notify the Signatory Attorney General  
7 within thirty (30) days and increase the payment to the State in accordance with the methodology  
8 used to calculate the State payment described in Exhibit A.  
9

10 5.2 LPS shall pay to the Investigating Attorneys General a total of \$7 million in additional  
11 attorney's fees and costs to be divided and paid by LPS to each Investigating Attorney General as  
12 designated by, and in the sole discretion of, the Investigating Attorneys General.<sup>1</sup>  
13

14 5.3 Satisfaction of the monetary obligations in this Section V shall not relieve any other  
15 obligations under other provisions of this Judgment.

16 **VI. RIGHT TO REOPEN**

17 6.1 If, upon motion of the Signatory Attorney General and after hearing by the Court, the  
18 Court finds that LPS failed to pay any amount pursuant to the terms provided by Section V or, subject  
19 to the provisions of Section VII of this Judgment, that LPS failed to comply with the provisions in  
20 Section II, III, or IV, the Court may enter judgment against LPS in favor of the Signatory Attorney  
21 General, in an amount to be determined by the Court, subject to statutory maximum penalties, which  
22 shall become immediately due and payable as civil penalties or, upon motion of the Attorney  
23 General, as any element of relief available pursuant to the Consumer Fraud Act, less any amount  
24  
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26 <sup>1</sup> Payment to the Investigating Attorney General of the State of Arizona is \$483,333.

1 previously paid. Should this Judgment be modified as to the monetary liability of Defendant, in all  
2 other respects, this Judgment shall remain in full force and effect, unless otherwise ordered by the  
3 Court.

4           6.2     Proceedings to reopen this case instituted under this Section are in addition to, and not  
5 in lieu of, any other civil or criminal remedies as may be available by law, including any other  
6 proceedings that the Signatory Attorney General may initiate to enforce this Judgment.  
7

8 **VII. COMPLIANCE ENFORCEMENT**

9           7.1     The Signatory Attorney General may assert any claim that LPS has violated this  
10 Judgment in a separate civil action to enforce compliance with this Judgment or may seek any other  
11 relief afforded by law, provided that the Signatory Attorney General gives LPS written notice of the  
12 alleged violation and affords LPS thirty (30) days from receipt of the notice to respond to and remedy  
13 the violation, or any other period as agreed to by the Signatory Attorney General and LPS. However,  
14 the Attorney General is not required to provide notice in advance of taking any enforcement action  
15 within his or her authority that the Attorney General believes is necessary to protect the health or  
16 safety of the public.  
17

18 **VIII. NOTICES**

19           8.1     All notices under this Judgment shall be sent by overnight U.S. mail to the addresses  
20 below:

21 For the Plaintiff:

22  
23 Nancy M. Bonnell, Antitrust Unit Chief  
24 Consumer Protection & Advocacy Section  
25 Office of the Attorney General  
26 1275 West Washington  
Phoenix, Arizona 85007

1 For the Defendants:

2 Todd C. Johnson, Executive Vice President and General Counsel  
3 Lender Processing Services, Inc.  
4 601 Riverside Avenue  
5 Jacksonville, FL 32204

6 **IX. RETENTION OF JURISDICTION**

7 This Court shall retain jurisdiction over this matter for all purposes.

8 **ORDERED AND ADJUDGED**, this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

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12 \_\_\_\_\_  
13 The Honorable  
14 Judge, Maricopa County Superior Court  
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**STIPULATION TO ENTRY OF CONSENT JUDGMENT**

LPS, by and through its counsel, after having had the opportunity to consult with legal counsel about the terms of this Consent Judgment, and the Arizona Attorney General, on behalf of the State of Arizona, agree that the Consent Judgment may be entered by the Court forthwith.

DATED this 29<sup>th</sup> day of January, 2013.

LPS



By  
Todd C. Johnson  
Executive Vice President and General Counsel

THOMAS C. HORNE  
Attorney General



By Nancy M. Bonnell  
Antitrust Unit Chief

1 With copies to:

2 Melanie Ann Hines  
3 BERGER SINGERMAN LLP  
4 125 South Gadsden Street  
5 Suite 300  
6 Tallahassee, FL 32301  
7 Telephone: (850) 561-3010  
8 Facsimile: (850) 561-3013

9 Counsel to Lender Processing Services, Inc.,  
10 LPS Default Solutions, Inc., and DocX, LLC

11 Bernard Nash  
12 Christopher J. Allen  
13 DICKSTEIN SHAPIRO LLP  
14 1825 Eye Street, N.W.  
15 Washington, DC 20006-5403  
16 Telephone: (202) 420-2200  
17 Facsimile: (202) 420-2201

18 Counsel to Lender Processing Services, Inc.,  
19 LPS Default Solutions, Inc., and DocX, LLC

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**Exhibit A:**

<b>STATE</b>	<b>PAYMENT</b>
Alabama	\$1,039,780
Alaska	\$79,786
Arizona	\$3,288,621
Arkansas	\$692,496
California	\$35,592,284
Connecticut	\$1,404,186
District of Columbia	\$232,505
Florida	\$7,659,176
Georgia	\$4,137,490
Hawaii	\$401,030
Idaho	\$890,995
Illinois	\$3,364,326
Indiana	\$1,652,280
Iowa	\$603,400
Kansas	\$581,665
Kentucky	\$948,906
Louisiana	\$395,801
Maine	\$515,725
Maryland	\$2,993,130
Massachusetts	\$1,539,580
Minnesota	\$3,073,140
Mississippi	\$507,115
Montana	\$410,865
Nebraska	\$820,190
New Hampshire	\$457,961
New Jersey	\$2,904,356
New Mexico	\$671,531
New York	\$1,883,826
North Carolina	\$3,743,306
North Dakota	\$219,961
Ohio	\$2,544,990
Oklahoma	\$930,020
Oregon	\$2,513,875
Pennsylvania	\$2,890,741
Rhode Island	\$447,965
South Carolina	\$1,830,640
South Dakota	\$344,750
Tennessee	\$2,335,746
Texas	\$5,755,050
Utah	\$1,390,326
Vermont	\$371,000
Virginia	\$3,558,821
Washington	\$4,062,940
West Virginia	\$203,595
Wisconsin	\$1,505,315
Wyoming	\$232,491
<b>TOTAL</b>	<b>\$113,623,678</b>