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### Consumer Protection collects \$1.3M for Utah in “robo-signing” settlement

Utah Attorney General John Swallow and Division of Consumer Protection Director Traci Gundersen announced today that Utah will be getting \$1,390,326 as part of a multi-state settlement with Lender Processing Services, Inc. and two of its subsidiaries (LPS). The settlement resolves an investigation into certain practices of LPS in servicing mortgage loans including so-called surrogate or “robo” signing.

The settlement also resolves allegations that LPS engaged in improper conduct in providing services to banks and mortgage lenders in connection with mortgage loan foreclosures, such as allegations of improper document preparation, verification, signing and notarization. Although the exact numbers of Utah documents are not known, at least some of 39,075 documents were affected.

“This settlement addresses many problems with the housing loan industry,” says Attorney General Swallow. “We will continue to do all we can to protect homeowners.”

“Consumers have long suffered at the hands of these rubber stamping foreclosure operations,” states Traci Gundersen, “Mortgage companies better take note that the state of Utah and our citizens demand fairness and accuracy when handling their transactions.”

Lender Processing Services, Inc. and subsidiaries, LPS Default Solutions and DOCX provided technological support to banks and mortgage loan servicers. Utah joined the \$120 million multi-state settlement on behalf of the Division of Consumer Protection, along with 43 other states and the District of Columbia.

The settlement requires proper notarization of documents and prohibits unauthorized signatures. The agreement also ensures direct communication between the servicer and foreclosure and bankruptcy counsel, prohibits unreasonable markups, and enhances oversight of default services.

In the proposed settlement, LPS stipulates to important facts uncovered in the investigation, including the practice by DOCX of so-called “robo-signing,” the

unauthorized signing and notarization of documents by someone other than the real person named as the signer, as well as other improprieties.

Once the judgment is entered by the courts, LPS will review documents executed from January 1, 2008 to December 31, 2010 to determine what documents, if any, need to be re-executed or corrected. If LPS is authorized to make the corrections, it will do so and make periodic reports to the Utah Division of Consumer Protection of the status of its review and/or modification of documents. Consumers may also call an LPS toll-free number and request review and correction of any documents executed by LPS at any time. The number will be made available ten days after the judgment is entered.

The following states joined Utah in today's settlement: Alabama, Alaska, Arizona, Arkansas, California, Connecticut, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Mississippi, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, and the District of Columbia.

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