

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

THE PEOPLE OF THE STATE OF
ILLINOIS,

Plaintiff,

v.

NATIONWIDE TITLE CLEARING, INC., a
Florida corporation,

Defendant.

Case No. 12 CH 03602

FINAL CONSENT DECREE

1. Plaintiff, the People of the State of Illinois, by Lisa Madigan, Attorney General of Illinois, has filed a complaint (the "Complaint") for a permanent injunction and other relief in this matter pursuant to the Consumer Fraud and Deceptive Business Practices Act ("Consumer Fraud Act"), alleging that the Defendant, Nationwide Title Clearing, Inc. ("the Defendant") violated the Consumer Fraud Act and the Uniform Deceptive Trade Practices Act in the course of its business of creating, signing, and recording documents in the public land records system in Illinois on behalf of financial institutions or mortgage servicers within the mortgage industry.

2. Plaintiff and Defendant, by their counsel, have agreed to the entry of this Final Consent Decree by the Court, without trial or adjudication of any issue of fact or law. This Final Consent Decree is entered into by the parties to promptly and completely resolve this controversy and avoid the costs of further litigation.

3. This Final Consent Decree is entered into only for the purpose of resolving the issues raised in the Complaint. It does not bind any other officers or agencies of the State of Illinois nor does it in any way restrict or affect Defendant's ability to defend itself against any other claims brought by anyone not a party to this litigation. The Illinois Attorney General hereby releases Defendant of any claim based on factual allegations of the type described in Plaintiff's Complaint occurring prior to the date of this Consent Decree under the Illinois Consumer Fraud Act or her common law authority.

4. Defendant acknowledges that it has read and understood the terms and conditions of this Final Consent Decree. Defendant further understands the legal obligations imposed upon it by this Final Consent Decree, and understands that a violation of this Final Consent Decree may result in proceedings against Defendant, including an action for contempt of court.

NO ADMISSION OF LIABILITY

5. Plaintiff and Defendant consent to this Final Consent Decree without an admission of liability on the part of the Defendant. The Plaintiff and Defendant are settling this matter so as to avoid the risks and expenses associated with further litigation.

FINDINGS

6. With the consent of the parties and the Court being fully advised of the matter, the Court hereby finds as follows:

- a. This Court has jurisdiction over the subject matter of the Complaint filed herein and over the parties to this Final Consent Decree.
- b. The Defendant has at all times relevant hereto, engaged in trade and commerce within the meaning of the Section 1(f) of the Consumer Fraud

Act, 815 ILCS 505/1(f), by creating, signing, and recording documents in county recording offices throughout Illinois.

NON-MONETARY TERMS

7. On the basis of these findings and for the purpose of entering this Final Consent Decree, IT IS HEREBY ORDERED that Defendant, its agents, employees, and all persons or entities associated, affiliated or connected with Defendant, and any successor corporation or business entity shall, as of the effective date of this Final Consent Decree, comply with and remain in compliance with Section 2 the Consumer Fraud Act and Section 2 of the Uniform Deceptive Trade Practices Act. Specifically, the Defendant, its agents, employees, and all persons or entities associated, affiliated or connected with Defendant, and any successor corporation or business entity shall comply with the following terms:

- a. Defendant shall not sign a document that is recorded in the county recording offices in Illinois unless the person signing the document (“the signatory”) has performed a substantive review of the information contained in the document to ensure the accuracy and validity of that information. Substantive review means that the signatory must read, understand, and review each document to be recorded. Defendant must train and supervise each signatory to ensure that the signatory is performing a substantive review of each document in compliance with this subsection.
- b. Defendant shall ensure that affidavits (or any other document containing sworn testimony) executed by the Defendant, or executed by any person at

the direction of the Defendant, are based on the affiant's review and personal knowledge of the accuracy and completeness of the assertions in the affidavits. Any such affidavit shall set forth facts that Defendant reasonably believes to be true, and the affidavit must explain why the affiant is competent to testify on the matters asserted in the affidavit. The affiant shall confirm that the affiant has reviewed competent and reliable information to substantiate the assertions contained within the affidavit.

- c. Documents prepared for electronic recording shall be electronically signed by the signatory only after the signatory has performed the substantive review described in subsection (a) above. Electronically recorded documents shall be notarized by the identified notary only after performing the notarial acts required by law. Electronically recorded documents shall not be signed or notarized outside of the presence, knowledge and control of the signatory or notary.
- d. Documents signed by signatories at the direction of the Defendant for the purpose of recordation in Illinois shall accurately identify the signatory's employer (e.g., employed by Nationwide Title Clearing, Inc.) and indicate that the signatory has the qualified authority to sign on behalf of the financial institution or mortgage servicer.
- e. Documents recorded by Defendant shall accurately reflect the nature and substance of the transaction.
- f. Assignments into and out of the Mortgage Electronic Registration Systems, Inc. ("MERS") shall not claim that both the mortgage and note have been

assigned when, in fact, only the mortgage has been transferred by the assignment.

- g. Defendant shall remediate any document in Illinois that is found by a court to be a cloud on title or otherwise unlawful. Defendant shall also remediate any document when reasonably necessary to assist any person or borrower, or when required by federal, state, or local law. Defendant shall establish, advertise and staff a toll-free telephone hotline where Illinois consumers may ask questions regarding any document executed by NTC, including but not limited to requests that NTC remediate a document. NTC shall ensure that the hotline is adequately staffed by competent, trained employees. For a period of twenty-four months NTC shall maintain a log of calls and responses, including the consumer's name, contact information, and a description of the question or request and NTC's response. NTC shall keep the same type of log for any consumer communication submitted to NTC by any other form or manner. NTC shall provide an up-to-date log upon request at any time by the Illinois Attorney General's Office. After conclusion of the 24-month period, the parties shall confer, and the Attorney General shall make a reasonable determination as to whether the Defendant shall continue to maintain the hotline and logs described in this paragraph for a period of no longer than twelve additional months.

PAYMENT

8. Defendant shall pay the Plaintiff three hundred fifty thousand dollars (\$350,000). Upon entry of this Final Consent Decree, payment of this amount shall be tendered to Plaintiff in the form of a cashier's or certified check. The amount paid to the State of Illinois under this section shall be deposited into the Attorney General State Projects and Court Ordered Distribution Fund. Payment is not and shall not be construed as an admission of liability on the part of the Defendant. The Defendant shall not be entitled to further accounting regarding the money deposited into said fund.

JURISDICTION RETAINED

9. Jurisdiction is expressly retained by this Court for the purpose of enforcing compliance with the provisions of this Final Consent Decree.

10. This is a final order and no just reason exists to delay enforcement.

APPROVED:

PLAINTIFF:

THE PEOPLE OF THE STATE OF ILLINOIS, by LISA MADIGAN, Attorney General of Illinois

BY: _____

Susan Ellis, Chief
Consumer Fraud Bureau

DATE: 10/24/13

BY: _____

Andrew Dougherty

DEFENDANT:

NATIONWIDE TITLE CLEARING, INC., a Florida corporation

BY: _____

John Hillman
Chief Executive Officer

DATE: 10/15/2013

BY: _____

David Chizewer

Assistant Attorney General

Attorney for Defendant

DATE: 10/24/13

DATE: _____

ENTERED:

JUDGE

Attorney No. 99000

LISA MADIGAN
ILLINOIS ATTORNEY GENERAL

Susan Ellis, Chief
Consumer Fraud Bureau

Andrew Dougherty
Assistant Attorney General
Consumer Fraud Bureau
100 West Randolph, 12th Floor
Chicago, Illinois 60601
Tel.: (312) 814-4982

PAYMENT

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DATE: _____

BY: _____
Andrew Dougherty

DEFENDANT:

NATIONWIDE TITLE CLEARING, INC., a Florida corporation

BY: _____
John Hillman
Chief Executive Officer

DATE: 10/15/2013

BY: _____
David Chizewer

Assistant Attorney General

Attorney for Defendant

DATE: _____

DATE: 10/30/13

ENTERED:

JUDGE **ENTERED**
JUDGE KATHLEEN M. PANTLE-1775
OCT 31 2013
DOROTHY BROWN
CLERK OF THE CIRCUIT COURT
OF COOK COUNTY, IL
DEPUTY CLERK

Attorney No. 99000

LISA MADIGAN
ILLINOIS ATTORNEY GENERAL

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