

[Press Releases](#)

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ATTORNEY GENERAL MADIGAN AWARDS \$3.3 MILLION TO COUNTY RECORDERS FROM SETTLEMENT WITH "ROBO-SIGNING" FIRM***Funds Distributed From National Settlement With Lender Processing Services for Faulty Practices Against Homeowners in Foreclosure***

Chicago — Attorney General Lisa Madigan today announced the distribution of \$3.3 million to Illinois county recorders from the national settlement with Lender Processing Services Inc. (LPS) that resolved allegations that the Jacksonville, Fla.-based firm engaged in pervasive "robo-signing" of mortgage documents and other faulty practices while servicing loans of struggling homeowners at risk of foreclosure.

Madigan and 45 other attorneys general reached the settlement in January following an extensive investigation into LPS and its subsidiaries – LPS Default Solutions and DocX – all of which primarily provide support to banks and mortgage loan servicers. The attorneys general alleged LPS and its subsidiaries engaged in widespread "robo-signing" of mortgage documents, many of which were filed in county recorders offices. The states' investigation revealed a practice by DocX of so-called "surrogate signing," or the signing of documents by an unauthorized person in the name of another and notarizing those documents as if they had been signed by the proper person. The settlement requires that LPS reform its business practices, including prohibiting LPS from signing off on mortgage documents with signatures of unauthorized people or people without firsthand knowledge of facts attested to in the documents.

As part of the settlement, LPS paid \$3,364,326 to Illinois for cy pres distribution. Madigan said all of the money will be distributed to Illinois' 102 county recorder offices.

"LPS and its subsidiaries demonstrated an utter disregard for accuracy and fairness in verifying key mortgage documents," Madigan said. "The settlement holds LPS accountable for its unlawful actions and will provide added resources to Illinois' county recorders to enhance their efforts in maintaining accurate public records."

The LPS settlement and subsequent funding distribution is part of Attorney General Madigan's ongoing effort to address the misconduct that contributed to the financial crisis by holding lenders and other financial institutions accountable for their unlawful practices, while providing relief and assistance to Illinois families struggling to save their homes as a result of the foreclosure crisis.

Madigan took a lead role in the February 2012 national foreclosure settlement, in conjunction with other states and the U.S. Department of Justice and the U.S. Department of Housing and Urban Development, with five of the nation's largest banks – Bank of America, JPMorgan Chase, Wells Fargo, Citibank and GMAC/Ally – to address allegations of widespread "robo-signing" of foreclosure documents and other fraudulent practices while servicing loans of struggling homeowners. As part of that \$25 billion national settlement, Illinois borrowers already have received more than \$1.4 billion in direct relief.

-30-

[Return to April 2013 Press Releases](#)