

UNITED STATES OF AMERICA
Before the
CONSUMER FINANCIAL PROTECTION BUREAU

ADMINISTRATIVE PROCEEDING
File No. 2014-CFPB-0002

_____)	
In the Matter of)	
)	
PHH CORPORATION,)	
PHH MORTGAGE CORPORATION,)	FINAL ORDER
PHH HOME LOANS LLC,)	
ATRIUM INSURANCE CORPORATION, and)	
ATRIUM REINSURANCE CORPORATION)	
_____)	

For purposes of this Order, the following definitions shall apply:

1. "Respondents" means PHH Corporation, PHH Mortgage Corporation, PHH Home Loans LLC, Atrium Insurance Corporation, and Atrium Reinsurance Corporation.
2. The term "settlement service" has the meaning given in 12 U.S.C. § 2602(3) and in 12 C.F.R. § 1024.2.
3. The term "referral" has the meaning given in 12 C.F.R. § 1024.14(f).
4. The term "thing of value" has the meaning given in 12 U.S.C. § 2602(2) and in 12 C.F.R. § 1024.14(d).

I.

IT IS ORDERED that Respondents, their successors and assigns, and their officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the referral of any borrower to a provider of mortgage insurance, shall CEASE AND DESIST from violating section 8 of the Real Estate Settlement Procedures Act, 12 USC § 2607(a).

II.

IT IS FURTHER ORDERED that Respondents, their successors and assigns, and their officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, shall CEASE AND DESIST, for a period of 15 years, from entering into any captive reinsurance agreement.

III.

IT IS FURTHER ORDERED that Respondents, their successors and assigns, and their officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, shall CEASE AND DESIST, for a period of 15 years, from referring any borrower to any provider of a real estate settlement service if that provider has agreed to purchase or pay for any service from any of the Respondents, and the provider's purchase of or payment for that service is triggered by those referrals.

IV.

IT IS FURTHER ORDERED that Respondents, their successors and assigns, and their officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, shall maintain records of all things of value that any respondent receives or has received from any real estate settlement service provider to which any Respondent has referred borrowers since July 21, 2008, and for the next 15 years. This requirement applies to any thing of value that the Respondent receives or has received within 24 months of the referral. Respondents must maintain these records for five years after receipt of the thing of value, and must make them available to the Consumer Financial Protection Bureau upon request.

V.

IT IS FURTHER ORDERED that Respondents PHH Corporation, PHH Mortgage Corporation, PHH Home Loans LLC, Atrium Insurance Corporation, and Atrium Reinsurance Corporation shall pay disgorgement to the Consumer Financial Protection Bureau in the amount of \$109,188,618. Within 30 days of this order, they shall pay this amount in the form of a wire transfer as instructed by counsel for the Bureau. However, if any of the Respondents appeals this decision pursuant to 12 U.S.C. § 5563(b)(4), Respondents may, within 30 days after service of this order, pay the disgorgement into an escrow account in lieu of making the payment to the Bureau. The escrow account shall be held by an entity that is chosen by Respondents and is acceptable to the Bureau. The escrow account shall be established so that if all or any portion of the disgorgement award is upheld on appeal, that amount shall be released to the Bureau within 30 days after the mandate issues on that appellate decision. Once the mandate has issued and the Bureau has received the portion of the disgorgement award to which it is entitled, any funds remaining in escrow shall be released to Respondents.

SO ORDERED the 4th day of June, 2015.



Richard Cordray

Director

Consumer Financial Protection Bureau