



Ocwen Financial Corporation

Compliance Committee Charter  
Version 6

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**Compliance Committee Charter, v6**

**APPROVED: 8/15/2017**

**APPROVED BY: Board of Directors**

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### **I. SUMMARY**

The purpose of the Compliance Committee (the “Committee”) of the Board of Directors (the “Board”) of Ocwen Financial Corporation and its subsidiaries (together, the “Company”) is to provide assistance to the Board with (1) establishment and oversight of the Company’s compliance function, including the Company’s compliance management system, and (2) oversight of the Company’s compliance with applicable laws, rules and regulations governing its consumer-oriented businesses (including applicable state and Federal consumer financial protection laws and regulations).

### **II. CONTENTS**

- Responsibilities and Scope
- Membership
- Meetings
- Reporting
- Evaluation and Charter Review

### **III. RESPONSIBILITIES AND SCOPE**

The Committee shall:

(a) Review the status of the Company’s compliance with Federal consumer financial laws, applicable state laws and internal policies, procedures and controls;

(b) Receive and oversee the assessment of internal and external data and reports relating to the Company’s compliance programs;

(c) Create criteria for the Company’s Compliance Management Committee, which consists of the Chief Compliance Officer, the Chief Executive Officer, the Chief Risk Officer, executive members representing each line of consumer business, general members from the office of the General Counsel and the audit department and compliance liaisons from each consumer business unit;

(d) Oversee the activities of the Company’s Compliance Management Committee, including review of internal data and reports prepared by the Compliance Management Committee;

(e) Appoint the Company’s Chief Compliance Officer, who shall serve as the chair of the Compliance Management Committee and shall not report to or be under the day-to-day supervision of Company management responsible for operations, financial reporting, financial performance, shareholder or investor relations, loan production or similar revenue or income-related functions;

(f) Assure the independence of the Chief Compliance Officer, including assuring that the Chief Compliance Officer has direct access to the Chair of the Committee at all reasonable times and has the responsibility to report to the Committee at every meeting of the Committee and at such other times as the Committee may request or direct;



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(g) Receive periodic reports, no less than quarterly, from the Chief Compliance Officer and the Company's General Counsel regarding (i) pending or threatened government investigations, examinations, inquiries, demands or proceedings and material litigation, in each case which cover or would be expected to cover compliance with consumer financial laws and/or involve allegations of potentially unlawful, unfair or discriminatory acts and practices, (ii) details and factual information regarding any material claim or pattern of claims alleging that the Company is not in compliance with Federal consumer financial laws and/or applicable state laws or may be engaged in a pattern of unfair, deceptive, abusive or discriminatory acts or practices and (iii) regulatory developments relevant to the Company's business;

(h) Review and approve, at least annually, the Company's formal written compliance plan and policy statements and directives related to compliance with applicable Federal consumer financial laws and applicable state laws;

(i) Review new consumer financial products or services or Company strategies, to determine degree of compliance function participation (including consideration of fair lending or antidiscrimination laws);

(j) Oversee the resourcing of compliance functions at the Company, including staffing, systems and monitoring;

(k) Oversee the formulation and implementation of the Company's compliance management system, consisting of four interdependent control components, (i) Board and management oversight, (ii) written compliance program, (iii) response to consumer complaints, and (iv) compliance audit function;

(l) Periodically review the Company's consumer complaint intake and resolution function, in light of risk of violation of state laws and Federal consumer financial laws and related risks to consumers;

(m) Request reports from the Chief Compliance Officer, the Company's General Counsel and management regarding the preparation, implementation and updating of the Company's compliance policies, procedures, training and controls;

(n) Receive and, when appropriate, meet to discuss, reports on any annual or periodic internal compliance reviews conducted by the Company, including requiring a copy of any report (and supporting notes and schedules) prepared by the Company in connection with any such review to be submitted to the Committee;

(o) Ensure that the full Board receives reports and materials as necessary from time to time regarding significant compliance issues;

(p) Hire and retain outside consultants, auditors or legal counsel as needed to assist the Committee in carrying out its duties and responsibilities;

(q) Order, direct and oversee any annual or periodic independent compliance audit that the Committee deems necessary or appropriate, conducted by an independent firm deemed competent by the Committee to conduct such a compliance audit;

(r) Review the results of any such compliance audit with the independent auditing firm, including any significant matters regarding risk of non-compliance with Federal consumer



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financial laws and related risk of harm to consumers (including, but not limited to, any identified risk to consumers related to unfair or discriminatory acts or practices);

(s) Receive reports from the Chief Compliance Officer regarding state and Federal regulatory examinations and any significant issues arising therefrom; and

(t) Undertake such other activities as are necessary or incidental to carrying out the foregoing duties and responsibilities.

In carrying out its duties and responsibilities, the Committee's practices should remain flexible, so that it may be in a position to best react or respond to changing circumstances or conditions that are relevant to the Company's continued compliance with applicable state and Federal consumer financial protection laws and regulations.

### **IV. MEMBERSHIP**

The Committee shall be comprised of three or more directors as determined from time to time by resolution of the Board. The chair of the Committee shall be an independent director designated by the Board, provided that if the Board does not so designate a chair, the members of the Committee, by a majority vote, may designate a chair who is an independent director. Director's fees (including any additional amounts paid to chairs of committees and to members of committees of the Board) are the only compensation an independent director member of the Committee may receive from the Company. The Committee shall consist of not less than a majority of independent directors as defined in the listing standards of the New York Stock Exchange, at least one of which independent directors shall have substantial experience in risk management, regulatory compliance and/or compliance management.

Any vacancy on the Committee shall be filled by majority vote of the Board, either at the next meeting of the Board following the occurrence of the vacancy or at such later time as the Board deems appropriate. No member of the Committee may be removed except by majority vote of the Independent Directors then in office (excluding any member subject to such vote).

### **V. MEETINGS**

The Committee shall fix its own rules of procedure, which shall be consistent with the Bylaws of the Company and this Charter. The Chair of the Committee or a majority of the members of the Committee may also call a special meeting of the Committee. In the absence of a different determination by the Committee, a majority of members shall constitute a quorum. Any action required or permitted to be taken at any meeting of the Committee or of any sub-committee thereof may be taken without a meeting, if all of the members of the Committee or sub-committee thereof, as the case may be, consent thereto in writing (which may be given by email or other form of electronic transmission). The Committee may form and delegate authority to subcommittees when it deems it to be appropriate. The Committee shall meet as frequently as it shall determine is necessary to carry out its duties and responsibilities.

The Committee shall maintain minutes of its meetings and records relating to those meetings and shall make copies of such minutes available to the Board.

The Committee, in its discretion, may ask members of management, any directors or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary.



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### **VI. REPORTING**

The Committee shall provide minutes of its meetings to the Board and otherwise report to the Board as it determines is appropriate. Such reports shall be oral, unless otherwise determined by the Committee.

The Committee shall also report to the Board as provided below under “VII Evaluation and Charter Review.”

### **VII. EVALUATION AND CHARTER REVIEW**

The Committee shall, on at least an annual basis, evaluate its performance under this Charter. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which matters were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

The Committee shall report to the Board regarding the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures. Such report shall be oral, unless otherwise determined by the Committee.

The Committee shall review this Charter on an annual basis or on such other basis as it deems appropriate.