

WA State DFI Joins 52 Regulators Levying \$20 Million Penalty Against Nation's Largest Nonbank Mortgage Servicing Company

Agreement outlines companies' failure to notify regulators in a timely manner, multiple compliance violations, and required corrective action

OLYMPIA, WA, UNITED STATES, January 8, 2025 /EINPresswire.com/ -- Today, the Washington State Department of Financial Institutions (DFI) and 52 other financial regulators announced that they have taken coordinated action ([Bayview Settlement 12-31-2024](#)) against Bayview Asset Management LLC, and three of its affiliates:



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DFI Director Charlie Clark

- Lakeview Loan Servicing,
- Community Loan Servicing, and
- Pingora Holdings (collectively the Bayview Companies).

The regulatory agency findings include:

- The companies had deficient cybersecurity practices.
- The companies failed to comply with state regulators'

examination authority following a data breach.

- The data breach impacted 5.8 million customers.

The \$20 million multistate fine and corrective plan is the first such action by state regulators for a mortgage company data breach. The enforcement action stresses the importance of meeting state requirements to protect consumer data and complying with state supervisory demands.

"Data breaches often pose potential financial harm to the people of Washington State," DFI Director Charlie Clark said. "Homeowners in particular provide significant amounts of personally identifiable information to their lenders. This puts them at an increased risk of serious financial harm in the event of a data breach. Businesses have a duty to comply with regulatory supervision and directives to ensure their client information is protected from a data breach. When they fail to protect their data, we will hold them responsible."

State regulators in California, Maryland, North Carolina, and Washington State led the multistate

effort. The team found that Bayview Companies' information technology and cybersecurity practices did not meet federal or state requirements. State regulators also found that the Bayview Companies delayed the supervisory process by failing to comply with state requests in a timely and complete manner.

In addition to the monetary penalty, the Bayview Companies have agreed to:

- Take specified corrective actions,
- Improve cybersecurity programs,
- Undergo independent assessments, and
- Provide three years of additional reporting to the states.

State financial regulators license and supervise more than 33,000 nonbank financial services companies through the Nationwide Multistate Licensing System (NMLS), including mortgage companies, money services businesses, consumer finance providers, and debt collectors.



Washington Department of Financial Institutions Director Charlie Clark

Washington State residents who have questions about the coordinated action should contact DFI at 877-746-4334 or dcs@dfi.wa.gov. Residents can also visit [NMLS Consumer Access](#) to verify that a company is licensed to do business in Washington State, and they may also view past enforcement actions.

Anyone concerned about keeping their credit safe (including from data breaches) should [freeze their credit](#) and check their credit report often for credit you did not authorize. Currently, you can check your credit report weekly free of charge at AnnualCreditReport.com.

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