



# STATE OF WYOMING

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## DEPARTMENT OF AUDIT

### DIVISION OF BANKING

(307) 777-7797 Fax (307) 777-3555 Email: [jvogel@wyaudit.state.wy.us](mailto:jvogel@wyaudit.state.wy.us)

**Dave Freudenthal**  
Governor

**Michael Geesey**  
Director

**Jeffrey C. Vogel**  
Commissioner

## Press Release

For Immediate Release: January 24, 2006

Contact: Jeffrey C. Vogel, State Banking Commissioner, 307-777-7797

Cheyenne – The Wyoming Division of Banking and the Wyoming Attorney General's Office have been involved with the settlement agreement between the States and Ameriquest Mortgage Company.

State Banking Commissioner Jeff Vogel announced today that Ameriquest Mortgage Company, the nation's largest sub-prime lender, has agreed to pay \$325 million and make sweeping reforms of practices that states alleged amounted to predatory lending. This is a landmark agreement that will change Ameriquest's practices, and will set standards we expect other mortgage lenders to follow.

The company will pay \$325 million - \$295 million for consumer restitution, and \$30 million to settling states to cover their costs and fund consumer education and consumer protection enforcement programs. Consumers do not need to take any action at this point to pursue recoveries – they will be contacted later by states in the months ahead as specific recovery terms and plans are determined.

The amount ranks as the second-largest state or federal consumer protection settlement in history, after the \$484 million predatory lending agreement reached in 2002 between most states and Household Finance Corporation.

The settlement was signed by officials of 49 states and the District of Columbia, including the Attorneys General of 49 states, and state banking regulators of 45 states.

Today's announcement culminates about two years of investigation by the Attorneys General and State Banking Regulators – and a year of settlement negotiations.