IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA, *et. al.*,	)	
Plaintiffs,	)	
v.	)	Civil Action No. 12-00361 (RMC)
BANK OF AMERICA CORP., *et. al.*,	)	
Defendants.	)	

MONITOR'S FINAL CONSUMER RELIEF REPORT REGARDING DEFENDANT J.P. MORGAN CHASE & CO.'S COMPLIANCE WITH ITS AGREEMENT WITH THE ATTORNEY GENERAL OF THE STATE OF CALIFORNIA

The undersigned, Joseph A. Smith, Jr., in my capacity as Monitor under the Consent Judgment (Case 1:12-cv-00361-RMC; Document 10) filed in the above-captioned matter on April 4, 2012 ("Judgment") and as Monitor pursuant to the February 9, 2012 agreement between the Attorney General of the State of California ("Attorney General") and Bank of America Corporation, J.P. Morgan Chase & Co. and Wells Fargo & Company ("California Agreement"), respectfully files with the United States District Court for the District of Columbia ("Court") this Final California Consumer Relief Report ("Report") regarding the satisfaction by J.P. Morgan Chase & Co., as of February 28, 2013, of its Consumer Relief Requirements under the California Agreement, as such obligations are set forth with more particularity in Exhibit A to the California Agreement and Exhibits D and D-1 to the Judgment. This Report is filed pursuant to Exhibit A to the California Agreement. The California Agreement is Exhibit A to the Notice of

Submission of Additional Settlement Agreements filed with the Court on March 13, 2012 (Case 1:12-cv-00361-RMC; Document 2).

I. Definitions

This section defines words or terms that are used throughout this Report. Words and terms used and defined elsewhere in this Report will have the meanings given to them in the Sections of this Report where defined. Any capitalized terms used and not defined in this Report will have the meanings given them in the California Agreement, the Judgment or the Exhibits attached thereto, as applicable. For convenience, a copy of the California Agreement, without the signature pages of the Parties and including only Exhibit A, is attached to this Report as Attachment 1; and the Judgment, without the signature pages of the Parties and including only Exhibits D and D-1, is attached to this Report as Attachment 2.

In this Report:

i) *Actual Credit Amount* has the meaning given the term in Section III.E.2. of this Report;

ii) *Attorney General* means the Attorney General of the State of California;

iii) *California Agreement Testing Period* will have the meaning given to the term in Section II.E. of this Report and is the period from March 1, 2012, through February 28, 2013;

iv) *Consumer Relief* has the meaning given to the term in Section II.A. of this Report and consists of any principal reduction on first or second liens (including reductions through loan modifications, deeds-in-lieu or short sales) on residential properties located in California, only to the extent that such activity would qualify for credit under Exhibits D and D-1 to the Judgment;

v) *Consumer Relief Report* means Servicer's formal, written assertion as to the amount of Consumer Relief credit earned, which report is given to the IRG and is the basis on which the IRG performs a Satisfaction Review;

vi) *Consumer Relief Requirements* means Servicer's obligations in reference to Consumer Relief as set forth in the California Agreement, including Exhibit A to the California Agreement and Exhibits D and D-1 to the Judgment, unless the term is used in connection with the Judgment, then *Consumer Relief Requirements* means and is limited to Servicer's obligations in reference to providing relief to consumers in the amounts and consisting of the transaction types set out in the Judgment, including Exhibits D and D-1 to the Judgment;

vii) *Court* means the United States District Court for the District of Columbia;

viii) *Exhibit A* means Exhibit A to the California Agreement;

ix) *Exhibit D* means Exhibit D to the Judgment;

x) *Exhibit D-1* means Exhibit D-1 to the Judgment;

xi) *Exhibit E* means Exhibit E to the Judgment;

xii) *Final National Consumer Relief Report* means the Final Consumer Relief Report I filed with the Court on March 18, 2014, pursuant to the Judgment, regarding Servicer's creditable consumer relief activities under the Judgment from January 1, 2013, through April 15, 2013, and its satisfaction of its Consumer Relief Requirements under the Judgment;

xiii) *First Testing Period* is the period from March 1, 2012, through December 31, 2012;

xiv) *Hardest Hit California Counties* means the twelve California counties with the highest annualized foreclosure rate in the previous calendar year, as measured by Notice of Default filings and identified by the Attorney General's designated state monitor. For all times relevant to this Report, the Hardest Hit California Counties are Contra Costa County, Kern County, Madera County, Riverside County, Sacramento County, San Benito County, San Bernardino County, San Joaquin County, Solano County, Stanislaus County, Sutter County and Yuba County;

xv) *Interim National Consumer Relief Report* means the Interim Consumer Relief Report I filed with the Court on October 16, 2013, pursuant to the Judgment, regarding Servicer's creditable consumer relief activities under the Judgment through December 31, 2012;

xvi) *Internal Review Group* or *IRG* means an internal quality control group established by Servicer that is independent from Servicer's mortgage servicing operations, as required by paragraph C.7 of Exhibit E;

xvii) *IRG Assertion* or *Assertion* refers to a certification given to me by the IRG regarding the credit amounts reported in Servicer's Consumer Relief Report;

xviii) *Monitor* means and is a reference to the person appointed under the California Agreement and the Judgment to oversee, among other obligations, Servicer's satisfaction of the Consumer Relief Requirements, and the Monitor is Joseph A. Smith, Jr., who will be referred to in this Report in the first person;

xix) *Monitor Report* or *Report* means this report;

xx) *Participating Servicer* means one of the Servicers that is a party to the Judgment other than J.P. Morgan Chase Bank, N.A.;

xxi) *Primary Professional Firm* or *PPF* means BDO Consulting, a division of BDO USA, LLP;

xxii) *Professionals* means the Primary Professional Firm and any other accountants, consultants, attorneys and other professional persons, together with their respective firms, I engage from time to time to represent or assist me in carrying out my duties under the Judgment and the California Agreement;

xxiii) *Reported Credit Amount* has the meaning given to the term in Section III.E.2. of this Report;

xxiv) *Satisfaction Review* means a review conducted by the IRG to determine Servicer's satisfaction of the Consumer Relief Requirements under the California Agreement;

xxv) *Second Testing Period* is the period from January 1, 2013, through April 15, 2013;

xxvi) *Servicer* for the purpose of this Report means J.P. Morgan Chase & Co. when referring to or used in context with the California Agreement and J.P. Morgan Chase Bank, N.A. when referring to or used in context with the Judgment or consumer relief thereunder, unless its usage indicates or requires otherwise, and *Servicers* for the purpose of the Settlement and this Report means the following: (i) J.P. Morgan Chase Bank, N.A.; (ii) Ocwen Loan Servicing, LLC and Green Tree Servicing LLC, successors by assignment to Residential Capital, LLC and GMAC Mortgage, LLC; (iii) Bank of America, N.A; (iv) CitiMortgage, Inc.; and (v) Wells Fargo & Company and Wells Fargo Bank, N.A;

xxvii) *Settlement* means the Judgment and four other consent judgments filed with the Court in Case 1:12-cv-00361-RMC that settled mortgage loan servicing claims of the type described in the Judgment;

xxviii) *System of Record* or *SOR* means Servicer's business records pertaining primarily to its mortgage servicing operations and related business operations;

xxix) *Testing Population* has the meaning given to the term in Section III.E.1. of this Report;

xxx) *Work Papers* means the documentation of the test work and assessments by the IRG with regard to Servicer's satisfaction of the Consumer Relief Requirements, which documentation is required to be sufficient for the PPF to substantiate and confirm the accuracy and validity of the work and conclusions of the IRG; and

xxxi) *Work Plan* means the work plan established by agreement between Servicer and me pursuant to paragraphs C.11 through C.15 of Exhibit E.

II. Introduction

A. Forms of Consumer Relief

Under the terms of the California Agreement, Servicer is required to provide mortgage loan relief in the form of principal reductions on first or second liens through loan modifications, short sales and deeds-in-lieu of foreclosure to certain distressed borrowers. To qualify for credit, the mortgage loan relief is required to satisfy the eligibility requirements of one of the following forms of consumer relief set out in Exhibits D and D-1 ("Consumer Relief"):

- First Lien Mortgage Modifications[1]

[1] Exhibit D, ¶ 1; Exhibit D-1, ¶ 1. Creditable First Lien Mortgage Modifications include: Standard Principal Reduction Modifications (Exhibit D-1, ¶ 1.i); Forbearance Conversions (Exhibit D-1, ¶ 1.ii); Conditional

- Second Lien Portfolio Modifications[2]
- Short Sales and Deeds-in Lieu[3]

As described in the Final National Consumer Relief Report, after my PPF and I conducted confirmatory due diligence, I concluded that Servicer had satisfied its Consumer Relief Requirements under the Judgment. This Report addresses Servicer's satisfaction of its obligation to provide Consumer Relief to California borrowers under the California Agreement.

Forgiveness Modifications (Exhibit D, ¶ 1.i); 180 DPD Modifications (Exhibit D, ¶ 1.f); FHA Principal Reductions (Exhibit D, ¶ 1.j (i)); and Government Modifications (Exhibit D, ¶ 1.j (ii)).

[2] Exhibit D, ¶ 2; Exhibit D-1, ¶ 2. Creditable Second Lien Portfolio Modifications include proprietary (non-MHA) second lien principal reductions, also known as "2.b Modifications" (Exhibit D, ¶ 2.b); second lien principal reductions based upon a completed non-HAMP first lien modification by a Participating Servicer in the Settlement, also known as "2.c Modifications" (Exhibit D, ¶ 2.c); second lien modifications conducted through the Making Home Affordable Program (including 2MP), the FHA Short Refinance Second Lien Program (FHA2LP) or the HFA Hardest Hit Fund (or any other appropriate governmental program), also known as "2.d Modifications" or "second lien government modifications" (Exhibit D, ¶ 2.d); and second lien extinguishments to support the future ability of individuals to become homeowners, also known as "2.e Extinguishments" (Exhibit D, ¶ 2.e).

[3] Exhibit D, ¶ 4; Exhibit D-1, ¶ 4. Creditable loss mitigation transaction types in the context of Short Sales and Deeds-in-Lieu include payments made to an unrelated second lien holder for release of a second lien in connection with a completed Short Sale or Deed-in-Lieu (Exhibit D-1, ¶ 4.i.); acceptance of a short sale, forgiveness of a deficiency and release of lien on a first lien loan or second lien loan (including extinguishment of an owned second lien) in connection with a successful short sale or deed-in-lieu (Exhibit D, ¶ 4.b and c; Exhibit D-1, ¶ 4.ii, iii and iv); and extinguishment of an owned second lien to facilitate a short sale or deed-in-lieu successfully conducted by a Participating Servicer (Exhibit D, ¶ 4.d; Exhibit D-1, ¶ 4.iv).

B. Consumer Relief – Eligibility Criteria and Earned Credits

As reflected in Exhibits D and D-1, each of the forms of Consumer Relief has unique eligibility criteria and modification requirements. In order for Servicer to receive credit with respect to Consumer Relief activities on any mortgage loan, these eligibility criteria and modification requirements must be satisfied with respect to such mortgage loan and such satisfaction has to be validated by me in accordance with Exhibits D and D-1 and the California Agreement. For each dollar of creditable principal reduction, Servicer will receive one dollar in credit.

Under the California Agreement, Servicer may receive additional credit against its Consumer Relief Requirements for principal reduction in the form of First Lien Mortgage Modifications completed on or after March 1, 2012 and implemented on or before February 28, 2013. For those First Lien Mortgage Modifications completed in relation to residential properties located in the Hardest Hit California Counties, this additional credit is in the amount of 25% of the actual credits earned on the foregoing activities. For those First Lien Mortgage Modifications that are in relation to other California counties, the additional credit is 15% of the actual credits earned on those modifications.[4] In contrast to the foregoing incentive for promptness, Servicer will incur a penalty of 50% of its unmet Consumer Relief Requirements, subject to a maximum amount of $200 million, if it does not meet all of its Consumer Relief Requirements within three years of March 1, 2012. That penalty will increase to 65% of its unmet Consumer Relief Requirements, subject to a maximum payment of $200 million, in cases in which Servicer also has failed to complete 75% of its total Consumer Relief Requirements within two years of March 1, 2012. If Servicer fails to meet its Consumer Relief Requirements

[4] Exhibit A.

under both the California Agreement and the Judgment, it will pay to the Attorney General an amount equal to the greater of (a) the amount owed to the Attorney General under the California Agreement; or (b) the amount owed to the Attorney General under paragraph 10(d) of Exhibit D.[5]

With respect to the requirements applicable to the forms of Consumer Relief and the transaction types within each form, on an aggregate basis, at least 85% of credit that Servicer earns as a result of First Lien Mortgage Modifications and 75% of the credit that Servicer earns as a result of first lien Short Sales and Deeds-in-Lieu must be in relation to mortgage loans that have an unpaid principal balance before capitalization at or below the highest GSE conforming loan limit caps as of January 1, 2010.[6]

Finally, with respect to the requirements applicable to the forms of Consumer Relief on the basis of transaction types, there are differences in eligibility for transaction types within each of the forms of Consumer Relief; there are also differences in eligibility requirements among the various forms of Consumer Relief. These differences were explained in detail in Section II.B.4 of the Interim National Consumer Relief Report.

C. Consumer Relief – Servicer's Obligations

Under the terms of the California Agreement, Servicer is obligated to provide $1,950,000,000 in Consumer Relief on residential properties in the State of California.

D. Consumer Relief – Monitor's Obligations

The California Agreement requires that I determine whether Servicer has satisfied the Consumer Relief Requirements in accordance with the authorities provided in the California Agreement and, by reference, the Judgment.

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[5] Exhibit A. Servicer satisfied its Consumer Relief Requirements under both the California Agreement and the Judgment within time periods that avoid the imposition of any of the penalties set out in Exhibit A or Exhibit D, ¶¶ 10.c, d.

[6] Exhibit A.

E. Consumer Relief – Servicer's Request

On October 14, 2013, after completing a Satisfaction Review, the IRG submitted to me an IRG Assertion concerning the amount of Consumer Relief credit that Servicer had claimed to have earned in relation to loans secured by residential properties located in California from March 1, 2012, through February 28, 2013 ("California Agreement Testing Period"). Servicer has requested that, in addition to reporting on the IRG Assertion, I review its crediting activity for the California Agreement Testing Period, validate that the amount of credit claimed in the IRG Assertion is accurate and in accordance with Exhibit A to the California Agreement and Exhibits D and D-1 to the Judgment, and certify that it has fully satisfied its Consumer Relief Requirements under the California Agreement.

III. Review – Certification of Full Satisfaction

A. Overview

The process utilized for validating Servicer's satisfaction of its Consumer Relief Requirements under the California Agreement followed the same process that the IRG and I, assisted by my PPF, utilized to validate Servicer's satisfaction of its Consumer Relief Requirements under the Judgment. In following that process, the IRG performed a Satisfaction Review after Servicer asserted that it had satisfied its Consumer Relief Requirements.[7] Once it completed a Satisfaction Review, the IRG reported the results of that work to me through an IRG Assertion. When I received the IRG Assertion, with my Primary Professional Firm, I undertook necessary confirmatory due diligence and validation of Servicer's claimed Consumer Relief credits as reflected in the IRG Assertion. As noted above in Section II.E, this Report pertains to my findings regarding an IRG Assertion covering the California Agreement Testing Period.

[7] Exhibit E, ¶ C.7.

Also, as noted above, at Servicer's request, this Report includes my determination regarding Servicer's satisfaction of its Consumer Relief Requirements under the California Agreement.

B. Consumer Relief Satisfaction Review Process

In order to better accomplish the processes outlined in Section III.A above, Servicer and I agreed upon a Work Plan and Sampling Framework that, among other things, set out the testing methods, procedures and methodologies that are to be used relative to confirmatory due diligence and validation of Servicer's claimed Consumer Relief under the California Agreement, including Exhibit A to the California Agreement and Exhibits D and D-1 to the Judgment. As contemplated in, and in furtherance of, the Work Plan and Sampling Framework, Servicer and I also agreed upon Testing Definition Templates that outline the testing methods and process flows to be utilized to assess whether, and the extent to which, the credits Servicer would be claiming for its Consumer Relief activities were earned credits, that is, credits that could be applied toward satisfaction of Servicer's Consumer Relief Requirements under the California Agreement. The testing methods and process flows are described in detail in Section III.B. of the Interim National Consumer Relief Report, and as set out in that Section, they entail the examination and testing by each of the IRG and the PPF of creditable activities, together with calculations based on the results of those examinations. In addition, it includes both in-person and web-based meetings by the PPF with the IRG and the PPF's unfettered access to the IRG and the IRG's Work Papers during the PPF's confirmatory due diligence and validation of Servicer's assertions relative to its Consumer Relief activities.

C. Servicer's Assertions

In Servicer's Consumer Relief Report submitted to the IRG, Servicer claimed that, for the California Agreement Testing Period, it was entitled to claim credit in the amount of $4,083,440,614 pursuant to Exhibit A to the California Agreement and Exhibits D and D-1 to the Judgment. Approximately 46% of the credit was a result of relief afforded to borrowers on loans in Servicer's mortgage loan portfolio that are held for investment; and the remainder was a result of relief afforded to borrowers on loans that Servicer was servicing for other investors. Approximately 30% of Servicer's claimed credit was through First Lien Mortgage Modifications. Short Sales and Deeds-in-Lieu made up approximately 53% of Servicer's claimed credit. Second Lien Portfolio Modifications made up 17% of Servicer's claimed credit. In addition, $366,397,185, or 30%, of the credit that Servicer claimed for First Lien Mortgage Modifications was the result of the modification of 2,164 loans secured by residential properties located in the Hardest Hit California Counties. A breakdown of the Consumer Relief credit, claimed by Servicer is set forth in Table 1, below:

Table 1

Type of Relief	Loan Count	Claimed Credit Amount
First Lien Mortgage Modifications	**7,687**	**$1,221,178,458**
Principal Forgiveness	325	$54,763,473
Forbearance Conversions	2,804	$294,078,464
Conditional Forgiveness	190	$21,439,233
180 DPD Modifications	1,142	$253,500,602
Government Modifications	3,226	$597,396,686
Second Lien Portfolio Modifications	**7,299**	**$713,213,586**
2.b Modifications	521	$28,985,130
2.c Modifications	32	$634,521
2.d Modifications	1,003	$71,704,795
2.e Modifications	5,743	$611,889,140
Short Sales/Deeds-in-Lieu	**13,787**	**$2,149,048,570**
Total Consumer Relief Programs	**28,773**	**$4,083,440,614**

D. Internal Review Group's Satisfaction Review

After submitting its IRG Assertion on October 14, 2013, the IRG reported to me the results of its Satisfaction Review, which report concluded that:

i) the Consumer Relief asserted by Servicer for the California Agreement Testing Period was based upon completed transactions that were correctly reported by Servicer;

ii) Servicer had correctly credited such Consumer Relief activities, so that the claimed amount of credit is correct;

iii) the claimed Consumer Relief correctly reflected the requirements, conditions and limitations, as set forth in Exhibit A to the California Agreement and Exhibits D and D-1 to the Judgment; and

iv) Servicer had fully satisfied its Consumer Relief Requirements as set forth in Exhibit A to the California Agreement.

According to the IRG's report to me, its Satisfaction Review was based upon a detailed review of Servicer's relevant records and on statistical sampling to a 99% confidence level.[8] The report of the IRG with regard to its Satisfaction Review was accompanied by the IRG's Work Papers reflecting its review and analysis.

E. IRG Testing and Confirmation as to Consumer Relief Credit Earned

1. Population Definition/Sampling Approach. The IRG's testing of Servicer's Consumer Relief Report as to the amount of Consumer Relief credit earned first involved the IRG creating three statistically valid samples from all mortgage loans receiving

[8] Confidence level is a measure of the reliability of the outcome of a sample. A confidence level of 99% in performing a test on a sample means there is a probability of at least 99% that the outcome from the testing of the sample is representative of the outcome that would be obtained if the testing had been performed on the entire population.

Consumer Relief for which Servicer sought credit under the California Agreement. Each of these samples contained loans from one of three separate and distinct categories, each of which was treated as a testing population ("Testing Population"). These Testing Populations were: (i) First Lien Mortgage Modifications,[9] including standard principal reduction modifications, forbearance conversions, conditional forgiveness, 180 DPD modifications and government modifications; (ii) Second Lien Portfolio Modifications,[10] including second lien standard principal reduction modifications, 2.c modifications, second lien government modifications and second lien principal extinguishments; and, (iii) Short Sales and Deeds-in-Lieu.[11] The IRG selected the loans that were included in these samples in two stages: First, the IRG selected from each Testing Population all loans secured by California residential properties that had been tested by the IRG as part of a satisfaction review conducted pursuant to the Judgment. Next, the IRG randomly selected a number of additional loans from the remainder of the Testing Population sufficient to ensure that the sample size was statistically valid. The additional loans for each of these Testing Populations were selected utilizing an Excel-based Sample Size Calculator. In determining the sample size, the IRG, in accordance with the Work Plan, utilized a 99% confidence level (one-tailed), 2.5% estimated error rate and 2% margin of error approach. The total number of loans in each Testing Population and the number of loans tested by the IRG, which number was equal to the number the Servicer and I had contemplated when developing the Work Plan, are set forth in Table 2, below:

[9] Exhibit D, ¶ 1.
[10] Exhibit D, ¶ 2.
[11] Exhibit D, ¶ 4.

Table 2

Testing Population	Number of Loans in Credit Population	Total Reported Credit Amount	Number of Loans in IRG Sample	Total Reported Credit Amount in IRG Sample
First Lien Mortgage Modifications	7,687	$1,221,178,458	318	$48,817,355
Second Lien Portfolio Modifications	7,299	$713,213,586	317	$30,504,067
Short Sales/Deeds-in-Lieu	13,787	$2,149,048,570	324	$51,012,627
Total Consumer Relief Programs	28,773	$4,083,440,614	959	$130,334,049

Table 3, below, sets forth, for each sample, by the number of loans and Total Reported Credit Amount, a breakdown of the number of loans that had been tested as part of satisfaction reviews conducted pursuant to the Judgment and those additional loans tested only as part of the California Agreement testing:

Table 3

Testing Population	Number of California Loans IRG Tested Pursuant to the Judgment	Reported Credit Amount of Loans IRG Tested Pursuant to the Judgment	Number of Loans IRG Tested Pursuant to the California Agreement Only	Reported Credit Amount of Loans IRG Tested Pursuant to the California Agreement Only
First Lien Mortgage Modifications	153	$24,033,489	165	$24,783,866
Second Lien Portfolio Modifications	107	$9,355,615	210	$21,148,452
Short Sales/Deeds-in-Lieu	218	$34,448,247	106	$16,564,380
Total Consumer Relief Programs	478	**$67,837,351**	481	**$62,496,698**

2. Approach to Testing Loans. For each of the loans in the samples drawn from the three Testing Populations, the IRG conducted an independent review to determine whether the loan was eligible for credit and the amount of credit reported by Servicer was calculated correctly. The IRG executed this review pursuant to and in accordance with the Testing Definition Templates and related test plans for each of the three Testing Populations by accessing from Servicer's System of Record the various data inputs required to undertake the eligibility determination and credit calculation for each loan. The IRG's process for testing is set out in Section III.E.2 of the Interim National Consumer Relief Report.

After verifying the eligibility and recalculating credit for all loans in the sample for each Testing Population, the IRG calculated the sum of the recalculated credits for the sample for each Testing Population ("Actual Credit Amount") and compared that amount against the amount of credit claimed by Servicer for the sample of the respective Testing Population ("Reported Credit Amount"). According to the Work Plan, if the Actual Credit Amount equals the Reported Credit Amount or if the Reported Credit Amount is not more than 2.0% greater or less than the Actual Credit Amount for any of the three Testing Populations, the Reported Credit Amount will be deemed correct and Servicer's Consumer Relief Report will be deemed to have passed the Satisfaction Review and will be certified by the IRG to me. If, however, the IRG determined that the Reported Credit Amount for any of the three Testing Populations exceeded the Actual Credit Amount by more than 2.0%, the IRG would inform Servicer, which would then be required to perform an analysis of the data of all loans in the Testing Population from which the sample had been drawn, identify and correct any errors and provide an updated Consumer Relief Report to the IRG. The IRG would then select a new sample and test the applicable Testing Population or Testing Populations against the updated report in accordance with the process set forth above. If the IRG determined that the Actual Credit Amount was greater than the Reported Credit Amount by more than 2.0% for a particular Testing Population, Servicer had the option of either (i) taking credit for the amount it initially reported to the IRG or (ii) correcting any underreporting of Consumer Relief credit and resubmitting the entire population of loans to the IRG for further testing in accordance with the process set forth above.

3. Results of IRG Testing of Reported Consumer Relief Credit. Utilizing the steps set forth above, the IRG determined that the difference between the Reported Credit Amount and the Actual Credit Amount for each sample of the three Testing Populations was within the 2.0% error threshold described above. These findings by Testing Population are summarized in Table 4, below:

Table 4

Testing Population	Loans Sampled	Servicer Reported Credit Amount	IRG Calculated Actual Credit Amount	Amount Overstated/ (Understated)	% Differen ce
First Lien Mortgage Modifications	318	$48,817,355	$48,945,300	($127,945)	(0.26%)
Second Lien Portfolio Modifications	317	$30,504,067	$30,588,316	($84,249)	(0.28%)
Short Sales/Deeds-in-Lieu	324	$51,012,627	$51,174,218	($161,591)	(0.32%)

Based upon the results set forth above, the IRG certified that the amount of Consumer Relief credit claimed by Servicer in each Testing Population was accurate and conformed to the requirements in Exhibit A to the California Agreement and Exhibits D and D-1 to the Judgment. This certification was evidenced in the IRG Assertion attached to this Report as Attachment 3, which assertion is in the form required by the Work Plan.

F. Monitor's Review of the IRG's Assertion on Consumer Relief Credit

1. Preliminary Review. As discussed in the Interim National Consumer Relief Report, preliminary to the PPF's review of the IRG's Consumer Relief testing, pursuant to the Judgment, for the First Testing Period, I, along with the PPF and some of my other Professionals, met with representatives of Servicer to gain an understanding of its mortgage banking operations, SOR and IRG program, and the IRG's proposed approach for consumer relief testing, among other things.

In addition, during the Second Testing Period, the PPF continued to interact with the IRG and Servicer to gain additional information and evidence necessary to the PPF performing its confirmatory work.

The knowledge gained during the First Testing Period and Second Testing Period carried forward into the testing conducted pursuant to the California Agreement and was supplemented by the PPF, as necessary or appropriate, through continued interaction with the IRG and Servicer.

2. Review. At my direction, the PPF conducted an extensive review of the testing conducted by the IRG relative to Consumer Relief crediting for the California Agreement. This review of Consumer Relief crediting began in January 2014 and continued, with only minimal interruption, until the filing of this Report. For each of the Testing Populations, the principal focus of the reviews was the PPF's testing of all loans that had not previously been tested by the PPF as part of the testing that the PPF had done pursuant to the Judgment, following the processes and procedures set out in the Testing Definition Templates and the IRG's test plans. These reviews were of the same type as those undertaken by the PPF pursuant to the Judgment, and included access to information of the type substantially identical to that to

which it was afforded, in performing its confirmatory work pursuant to the Judgment. With regard to the loans that the PPF previously tested as part of its confirmatory work pursuant to the Judgment, the PPF confirmed that each of the loans was secured by a property located in California and, where applicable, that the property was in one of the Hardest Hit California Counties; in all other regards, the PPF relied upon the results of its testing of these loans that it conducted pursuant to the Judgment.

As described in the Interim National Consumer Relief Report, when conducting its testing pursuant to the Judgment for the First Testing Period, although not required, the IRG performed quarterly testing and, as a result, tested more loans than statistically required applying the 99/2.5/2 sampling approach. Because of this, in its review of the IRG's work for the First Testing Period, the PPF tested only a sub-sample of the loans tested by the IRG and, therefore, as part of its California testing, the PPF had tested the eligibility and calculated the earned credit of loans that the IRG had tested as a part of the testing it conducted pursuant to the Judgment. Table 5, below, sets forth, for each sample, by the number of loans and Total Reported Credit Amount, a breakdown of the number of loans that had been tested as part of satisfaction reviews conducted pursuant to the Judgment and those additional loans tested only as part of the California Agreement testing:

Table 5

Testing Population	Number of California Loans PPF Tested Pursuant to the Judgment	Reported Credit Amount of Loans PPF Tested Pursuant to the Judgment	Number of Loans PPF Tested Pursuant to the California Agreement Only	Reported Credit Amount of Loans PPF Tested Pursuant to the California Agreement Only
First Lien Mortgage Modifications	153	$24,033,489	165	$24,783,866
Second Lien Portfolio Modifications	107	$9,355,615	210	$21,148,452
Short Sales/Deeds-in-Lieu	126	$19,560,180	198	$31,452,447
Total Consumer Relief Programs	**386**	**$52,949,284**	**573**	**$77,384,765**

3. Results of the PPF's Testing of Reported Consumer Relief Credit. Throughout its testing process, the PPF interacted extensively with the IRG to resolve issues that arose during the testing process. Most of the issues that arose during the PPF's testing pursuant to the California Agreement related to the IRG's need to provide additional or missing evidence relating to certain loan eligibility requirements. In almost all cases, these issues were resolved by the IRG providing the necessary evidence.[12]

After completing the loan-level testing, the PPF determined that the IRG had correctly validated the Consumer Relief credit amounts reported by Servicer in the three Testing Populations. The results of the PPF's loan-level testing are set forth in Table 6, below:

[12] In the Interim National Consumer Relief Report and Final National Consumer Relief Report, I discussed some of the issues that arose during the PPF's testing pursuant to the Judgment. *See*, Section III.G.3. of the Interim National Consumer Relief Report; and Section III.F.3. of the Final National Consumer Relief Report.

Table 6

Type of Relief	Loans Reviewed by PPF	Servicer Reported Credit Amount	PPF Calculated Actual Credit Amount	Amount Overstated/ (Understated)	% Difference
First Lien Mortgage Modifications	318	$48,817,355	$49,075,618	($258,263)	(0.53%)
Second Lien Portfolio Modifications	317	$30,504,067	$30,576,478	($72,411)	(0.24%)
Short Sales/Deeds-in-Lieu	324	$51,012,627	$51,153,195	($140,568)	(0.27%)

For each of the samples tested, the difference between the Reported Credit Amount and the credit amount as calculated by the PPF was within the margin of error in the Work Plan.[13] In addition, other than the PPF's finding that there were isolated instances of Servicer and the IRG miscalculating the amount of credit earned in relation to certain short sales as well as first and second lien modifications, mostly as a result of differences in calculations of government incentives on government modifications, the PPF's credit calculations and the IRG's credit calculations are substantially the same. The PPF also noticed isolated instances of the Servicer not claiming the additional credit earned for completing First Lien Modifications on or after March 1, 2012 and implemented on or before February 28, 2013 plus additional credit related to First Lien Modifications completed in relation to residential properties located in the Hardest Hit California Counties.

The PPF documented its findings in its work papers and has reported them to me. I then undertook an in-depth review of the IRG's Work Papers with the PPF, as well as the PPF's work papers. Based upon the procedures described above and in the Interim National Consumer Relief

[13] *See,* Section III.E.1., above.

Report and the Final National Consumer Relief Report, from the Start Date through February 28, 2013, Servicer has correctly claimed credit in the amount of $4,083,440,614 pursuant to the California Agreement.

4. GSE-Conforming Loan Requirement for First Lien Mortgage Modifications and Short Sales and Deeds-in-Lieu. Exhibit A requires that at least 85% of credit that Servicer earns as a result of First Lien Mortgage Modifications and 75% of the credit that Servicer earns as a result of first lien Short Sales and Deeds-in-Lieu must be in relation to mortgage loans that have an unpaid principal balance before capitalization at or below the highest GSE conforming loan limit caps as of January 1, 2010.[14] The PPF analyzed the entire population of First Lien Mortgage Modifications for which Servicer has sought credit and determined that $1,097,468,644, or 89.87%, of the credit was in relation to loans that had an unpaid principal balance before capitalization at or below the highest GSE conforming loan limit caps as of January 1, 2010. The PPF also analyzed the entire population of first lien Short Sales and Deeds-in-Lieu for which the Servicer has sought credit. As a result of this analysis, the PPF determined that Servicer earned $2,013,437,587 in credit through first lien Short Sales and Deeds-in-Lieu, of which $1,732,094,264, or 86.03%, was in relation to loans that had an unpaid principal balance before capitalization at or below the highest GSE conforming loan limit caps as of January 1, 2010.

VII. Summary and Conclusions

On the basis of the information submitted to me and the work as described in this Report, I find that the amount of Consumer Relief set out in Servicer's Consumer Relief Report

[14]Exhibit D, ¶ 1.b. GSE conforming loan limit caps as of January 1, 2010 are: 1 Unit - $729,750; 2 Units - $934,200; 3 Units - $1,129,250; and 4 Units - $1,403,400.

for the period extending from March 1, 2012, through February 28, 2013, is correct and accurate within the tolerances permitted under the Work Plan.

Based upon my findings listed above and my findings in the Interim National Consumer Relief Report and the Final National Consumer Relief Report, I conclude that Servicer has substantially complied with the material terms of the California Agreement and has satisfied the requirements and obligations of the California Agreement to provide Consumer Relief as required thereunder.

Prior to the filing of this Report, I have conferred with the Attorney General and Servicer about my findings, and I have provided each with a copy of my Report. Immediately after filing this Report, I will provide a copy of this Report to the Board of Directors of J.P. Morgan Chase & Co., or a committee of the Board designated by Servicer.

I respectfully submit this Report to the United States District Court for the District of Columbia, this 6th day of May, 2014.

MONITOR

s/ Joseph A. Smith, Jr.
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CERTIFICATE OF SERVICE

I hereby certify that on this date I have filed a copy of the foregoing using the Court's CM/ECF system, which will send electronic notice of filing to the persons listed below at their respective email addresses.

This the 6th day of May, 2014.

/s/ Joseph A. Smith, Jr.
Joseph A. Smith, Jr.

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CITIGROUP, INC. *(Defendant)*

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		COUNTRYWIDE MORTGAGE VENTURES, LLC *(Defendant)*

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		GMAC MORTGAGE, LLC *(Defendant)*
		GMAC RESIDENTIAL FUNDING CO., LLC *(Defendant)*

RESIDENTIAL CAPITAL, LLC
(Defendant)

OCWEN LOAN SERVICING, LLC
(successors by assignment to Residential Capital, LLC and GMAC Mortgage, LLC

GREEN TREE SERVICING LLC
(successors by assignment to Residential Capital, LLC and GMAC Mortgage, LLC

WELLS FARGO & COMPANY
(Defendant)

WELLS FARGO BANK, N.A.
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		BANK OF AMERICA CORPORATION *(Defendant)*
		BANK OF AMERICA, N.A., *(Defendant)*
		COUNTRYWIDE BANK, FSB *(Defendant)*

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(Defendant)

BANK OF AMERICA, N.A.,
(Defendant)

BAC HOME LOANS SERVICING, LP
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		CITIMORTGAGE, INC. *(Defendant)*

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		CITIMORTGAGE, INC. *(Defendant)*
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ATTACHMENT 1

California Agreement

See attached

Agreement Among the California Attorney General and Servicers

The Attorney General of the State of California ("AG"), Bank of America Corporation, Wells Fargo & Company, and JPMorgan Chase & Co., ("Servicers") (collectively "the Parties"), in anticipation of, and in consideration of entering into the National Servicing Agreement, hereby agree to the terms of the California Agreement attached hereto as Exhibit A, provided, however, that this agreement is conditioned on and is not effective until and unless:

(1) the Agreement Regarding Origination Claims attached hereto as Exhibit B has been agreed to and executed by the servicers who enter into the National Servicing Agreement;

(2) the State Release in final form in the National Servicing Agreement includes the phrase "other conduct in connection with investors or purchasers in or of securities" in each location where redlined/underlined in Exhibit C attached hereto;

(3) the AG reviews and approves the final and complete terms of the National Servicing Agreement; and

(4) the United States District Court for the District of Columbia has entered an order approving the National Servicing Agreement and that order has become final.

BANK OF AMERICA CORPORATION

Dated: February 9, 2012 By: TAUL LITSEY by MSOH
Deputy General Counsel

WELLS FARGO & COMPANY

Dated: February ___, 2012 By: ____________________

JPMORGAN CHASE & CO.

Dated: February ___, 2012 By: ____________________

KAMALA D. HARRIS
Attorney General of the State of California

Dated: February 9, 2012 By: ____________________
MICHAEL TRONCOSO
Senior Counsel to the Attorney General

EXHIBIT A to Agreement Among the California Attorney General and Servicers

The California Agreement

- Agreement. Through a separate agreement, each of Bank of America Corporation, Wells Fargo & Company and JPMorgan Chase & Co. ("Servicers") agree to undertake a total of $12 billion of activities ($8.1 billion by Bank of America, $1.95 billion by Wells Fargo, and $1.95 billion by JPMorgan Chase), as set forth below, with respect to mortgages on residential properties located in the State of California ("the California Agreement").

- Crediting Mechanism. Servicer shall receive credit against its obligations under the California Agreement for any principal reduction on first or second liens (including reductions through loan modifications, deeds-in-lieu or short sales) on Properties located in California, only to the extent that such activity would qualify for credit under the General Framework for Consumer Relief and Table 1 thereof. However, Servicer shall receive dollar for dollar credit for each such activity. There shall not be any percentage limits on the amount of credit available for any particular activity, except as specifically provided below with respect to conforming/nonconforming limitations.

    - Servicer will receive credit for first lien loan modification principal reduction on any loans in Servicer's entire portfolio, except for loans owned by the GSEs. First lien loan modification principal reductions shall be subject to the conforming/nonconforming limitations contained in the Consent Judgment. [Minimum 85% conforming]

    - Servicer will receive credit for second lien, short sale and deed-in-lieu principal reduction on any loans in Servicer's entire portfolio. Short sales and deed-in-lieu principal reductions shall be subject to a minimum 75% conforming requirement.

    - Servicer shall receive an additional 25% credit against its obligations under the California Agreement for any first lien principal reduction taken within 12 months of its Start Date (defined herein as the later of (a) the announcement date of the National Servicing Agreement or (b) March 1, 2012) (e.g., a $1 credit for Servicer activity would count as $1.25), in the Hardest Hit California Counties. The Hardest Hit California Counties consist of the twelve California counties with the highest annualized foreclosure rate in the previous calendar year, as measured by Notice of Default filings.

    - Servicer shall receive an additional 15% credit against its obligations under the California Agreement for any first lien principal reduction taken within 12 months of its Start Date (e.g., a $1 credit for Servicer activity would count as $1.15), in counties other than the Hardest Hit California Counties.

    - Servicer shall complete 75% of its obligations under the California Agreement within two years of the Effective Date, as set forth in the Consent Judgment, and 100% of its obligations under the California Agreement within three years of the

Effective Date. Servicer shall not receive credit for any funds provided by federal or state governmental entities, including but not limited to HAMP incentives.

- Payment for Failure to Meet Obligations under the California Agreement. If Servicer fails to meet its obligations under the California Agreement within three years of the Effective Date, Servicer shall pay to the California Attorney General ("AG") 50% of the unmet commitment amount, subject to a maximum payment of $300 million with respect to Bank of America, and a maximum payment of $200 million with respect to Wells Fargo and JPMorgan Chase (per Servicer); except that if the Servicer fails to meet the two year 75% obligation noted above, and then fails to meet the three year 100% obligation, the Servicer shall pay to the AG an amount equal to 65% of the unmet three-year obligation amount, subject to a maximum payment of $400 million with respect to Bank of America, and a maximum payment of $200 million with respect to Wells Fargo and JPMorgan Chase (per Servicer). If Servicer fails to meet both its obligations under the California Agreement and its commitment under the General Framework for Consumer Relief, Servicer shall pay to the AG an amount equal to the greater of (a) the amount owed to the AG under this provision; or (b) the amount owed to the AG under the General Framework for Consumer Relief, Section 10(d) (payment provisions). The purpose of all amounts payable hereunder is to induce Servicer to meet its obligations under the California Agreement and its commitment under the General Framework for Consumer Relief. The payment of such amount by Servicer to the AG shall satisfy Servicer's obligations to the AG under both the foregoing provision of the California Agreement and the General Framework for Consumer Relief, Section 10(d).

- Role of the Monitor. Each quarter, the Monitor shall determine the amount of Consumer Relief credit that Servicer has earned towards its obligations under the California Agreement. At the one-, two-, and three-year points, the Monitor shall determine the amount of Consumer Relief credit that Servicer has earned towards its obligations under the California Agreement and shall determine any bonus and determine any payment owed pursuant to the above terms. Upon request of the AG, the Monitor shall provide all information in the Monitor's possession concerning relief provided in California by the Servicer. In addition, the Servicer shall provide to the AG such further information regarding relief provided in California as reasonably requested.

- Disputes. Disputes over the Monitor's reporting with respect to the California Agreement shall be resolved in the District Court for the District of Columbia. The AG may enforce any liquidated payment amount in California state court.

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ATTACHMENT 2

Judgment and Exhibits D and D-1

See attached

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

FILED
APR - 4 2012
Clerk, U.S. District & Bankruptcy
Courts for the District of Columbia

UNITED STATES OF AMERICA, *et al.*,	)	
Plaintiffs,	)	12 0361
v.	)	Civil Action No. _______
BANK OF AMERICA CORP. *et al.*,	)	
Defendants.	)	

CONSENT JUDGMENT

WHEREAS, Plaintiffs, the United States of America and the States of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, Wyoming, the Commonwealths of Kentucky, Massachusetts, Pennsylvania and Virginia, and the District of Columbia filed their complaint on March 12, 2012, alleging that J.P. Morgan Chase & Company and J.P. Morgan Chase Bank, N.A. (collectively, "Defendant") violated, among other laws, the Unfair and Deceptive Acts and Practices laws of the Plaintiff States, the False Claims Act, the

Financial Institutions Reform, Recovery, and Enforcement Act of 1989, the Servicemembers Civil Relief Act, and the Bankruptcy Code and Federal Rules of Bankruptcy Procedure;

WHEREAS, the parties have agreed to resolve their claims without the need for litigation;

WHEREAS, Defendant, by its attorneys, has consented to entry of this Consent Judgment without trial or adjudication of any issue of fact or law and to waive any appeal if the Consent Judgment is entered as submitted by the parties;

WHEREAS, Defendant, by entering into this Consent Judgment, does not admit the allegations of the Complaint other than those facts deemed necessary to the jurisdiction of this Court;

WHEREAS, the intention of the United States and the States in effecting this settlement is to remediate harms allegedly resulting from the alleged unlawful conduct of the Defendant;

AND WHEREAS, Defendant has agreed to waive service of the complaint and summons and hereby acknowledges the same;

NOW THEREFORE, without trial or adjudication of issue of fact or law, without this Consent Judgment constituting evidence against Defendant, and upon consent of Defendant, the Court finds that there is good and sufficient cause to enter this Consent Judgment, and that it is therefore ORDERED, ADJUDGED, AND DECREED:

I. JURISDICTION

1. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331, 1345, 1355(a), and 1367, and under 31 U.S.C. § 3732(a) and (b), and over Defendant. The Complaint states a claim upon which relief may be granted against Defendant. Venue is appropriate in this District pursuant to 28 U.S.C. § 1391(b)(2) and 31 U.S.C. § 3732(a).

II. SERVICING STANDARDS

2. Defendant shall comply with the Servicing Standards, attached hereto as Exhibit A, in accordance with their terms and Section A of Exhibit E, attached hereto.

III. FINANCIAL TERMS

3. *Payment Settlement Amounts.* Defendant shall pay into an interest bearing escrow account to be established for this purpose the sum of $1,121,188,661, which sum shall be added to funds being paid by other institutions resolving claims in this litigation (which sum shall be known as the "Direct Payment Settlement Amount") and which sum shall be distributed in the manner and for the purposes specified in Exhibit B. Defendant's payment shall be made by electronic funds transfer no later than seven days after the Effective Date of this Consent Judgment, pursuant to written instructions to be provided by the United States Department of Justice. After Defendant has made the required payment, Defendant shall no longer have any property right, title, interest or other legal claim in any funds held in escrow. The interest bearing escrow account established by this Paragraph 3 is intended to be a Qualified Settlement Fund within the meaning of Treasury Regulation Section 1.468B-1 of the U.S. Internal Revenue Code of 1986, as amended. The Monitoring Committee established in Paragraph 8 shall, in its sole discretion, appoint an escrow agent ("Escrow Agent") who shall hold and distribute funds as provided herein. All costs and expenses of the Escrow Agent, including taxes, if any, shall be paid from the funds under its control, including any interest earned on the funds.

4. *Payments to Foreclosed Borrowers.* In accordance with written instructions from the State members of the Monitoring Committee, for the purposes set forth in Exhibit C, the Escrow Agent shall transfer from the escrow account to the Administrator appointed under

Exhibit C $1,489,813,925.00 (the "Borrower Payment Amount") to enable the Administrator to provide cash payments to borrowers whose homes were finally sold or taken in foreclosure between and including January 1, 2008 and December 31, 2011; who submit claims for harm allegedly arising from the Covered Conduct (as that term is defined in Exhibit G hereto); and who otherwise meet criteria set forth by the State members of the Monitoring Committee. The Borrower Payment Amount and any other funds provided to the Administrator for these purposes shall be administered in accordance with the terms set forth in Exhibit C.

5. *Consumer Relief.* Defendant shall provide $3,675,400,000 of relief to consumers who meet the eligibility criteria in the forms and amounts described in Paragraphs 1-8 of Exhibit D, and $537,000,000 of refinancing relief to consumers who meet the eligibility criteria in the forms and amounts described in Paragraph 9 of Exhibit D, to remediate harms allegedly caused by the alleged unlawful conduct of Defendant. Defendant shall receive credit towards such obligation as described in Exhibit D.

IV. ENFORCEMENT

6. The Servicing Standards and Consumer Relief Requirements, attached as Exhibits A and D, are incorporated herein as the judgment of this Court and shall be enforced in accordance with the authorities provided in the Enforcement Terms, attached hereto as Exhibit E.

7. The Parties agree that Joseph A. Smith, Jr. shall be the Monitor and shall have the authorities and perform the duties described in the Enforcement Terms, attached hereto as Exhibit E.

8. Within fifteen (15) days of the Effective Date of this Consent Judgment, the participating state and federal agencies shall designate an Administration and Monitoring Committee (the "Monitoring Committee") as described in the Enforcement Terms. The

Monitoring Committee shall serve as the representative of the participating state and federal agencies in the administration of all aspects of this and all similar Consent Judgments and the monitoring of compliance with it by the Defendant.

V. RELEASES

9. The United States and Defendant have agreed, in consideration for the terms provided herein, for the release of certain claims, and remedies, as provided in the Federal Release, attached hereto as Exhibit F. The United States and Defendant have also agreed that certain claims, and remedies are not released, as provided in Paragraph 11 of Exhibit F. The releases contained in Exhibit F shall become effective upon payment of the Direct Payment Settlement Amount by Defendant.

10. The State Parties and Defendant have agreed, in consideration for the terms provided herein, for the release of certain claims, and remedies, as provided in the State Release, attached hereto as Exhibit G. The State Parties and Defendant have also agreed that certain claims, and remedies are not released, as provided in Part IV of Exhibit G. The releases contained in Exhibit G shall become effective upon payment of the Direct Payment Settlement Amount by Defendant.

VI. SERVICEMEMBERS CIVIL RELIEF ACT

11. The United States and Defendant have agreed to resolve certain claims arising under the Servicemembers Civil Relief Act ("SCRA") in accordance with the terms provided in Exhibit H. Any obligations undertaken pursuant to the terms provided in Exhibit H, including any obligation to provide monetary compensation to servicemembers, are in addition to the obligations undertaken pursuant to the other terms of this Consent Judgment. Only a payment to

an individual for a wrongful foreclosure pursuant to the terms of Exhibit H shall be reduced by the amount of any payment from the Borrower Payment Amount.

VII. OTHER TERMS

12. The United States and any State Party may withdraw from the Consent Judgment and declare it null and void with respect to that party if the Defendant does not make the Consumer Relief Payments (as that term is defined in Exhibit F (Federal Release)) required under this Consent Judgment and fails to cure such non-payment within thirty days of written notice by the party.

13. This Court retains jurisdiction for the duration of this Consent Judgment to enforce its terms. The parties may jointly seek to modify the terms of this Consent Judgment, subject to the approval of this Court. This Consent Judgment may be modified only by order of this Court.

14. The Effective Date of this Consent Judgment shall be the date on which the Consent Judgment has been entered by the Court and has become final and non-appealable. An order entering the Consent Judgment shall be deemed final and non-appealable for this purpose if there is no party with a right to appeal the order on the day it is entered.

15. This Consent Judgment shall remain in full force and effect for three and one-half years from the date it is entered ("the Term"), at which time the Defendants' obligations under the Consent Judgment shall expire, except that, pursuant to Exhibit E, Defendants shall submit a final Quarterly Report for the last quarter or portion thereof falling within the Term and cooperate with the Monitor's review of said report, which shall be concluded no later than six months after the end of the Term. Defendant shall have no further obligations under this Consent Judgment six months after the expiration of the Term, but the Court shall retain

jurisdiction for purposes of enforcing or remedying any outstanding violations that are identified in the final Monitor Report and that have occurred but not been cured during the Term.

16. Except as otherwise agreed in Exhibit B, each party to this litigation will bear its own costs and attorneys' fees associated with this litigation.

17. Nothing in this Consent Judgment shall relieve Defendant of its obligation to comply with applicable state and federal law.

18. The sum and substance of the parties' agreement and of this Consent Judgment are reflected herein and in the Exhibits attached hereto. In the event of a conflict between the terms of the Exhibits and paragraphs 1-18 of this summary document, the terms of the Exhibits shall govern.

SO ORDERED this 4 day of April, 2012

Rosemary M. Collyer

UNITED STATES DISTRICT JUDGE

EXHIBIT D

Consumer Relief Requirements

Any Servicer as defined in the Servicing Standards set forth in Exhibit A to this Consent Judgment (hereinafter "Servicer" or "Participating Servicer") agrees that it will not implement any of the Consumer Relief Requirements described herein through policies that are intended to (i) disfavor a specific geography within or among states that are a party to the Consent Judgment or (ii) discriminate against any protected class of borrowers. This provision shall not preclude the implementation of pilot programs in particular geographic areas.

Any discussion of property in these Consumer Relief Requirements, including any discussion in Table 1 or other documents attached hereto, refers to a 1-4 unit single-family property (hereinafter, "Property" or collectively, "Properties").

Any consumer relief guidelines or requirements that are found in Table 1 or other documents attached hereto, are hereby incorporated into these Consumer Relief Requirements and shall be afforded the same deference as if they were written in the text below.

For the avoidance of doubt, subject to the Consumer Relief Requirements described below, Servicer shall receive credit for consumer relief activities with respect to loans insured or guaranteed by the U.S. Department of Housing and Urban Development, U.S. Department of Veterans Affairs, or the U.S. Department of Agriculture in accordance with the terms and conditions herein, provided that nothing herein shall be deemed to in any way relieve Servicer of the obligation to comply with the requirements of the U.S. Department of Housing and Urban Development, U.S. Department of Veterans Affairs, and the U.S. Department of Agriculture with respect to the servicing of such loans.

Servicer shall not, in the ordinary course, require a borrower to waive or release legal claims and defenses as a condition of approval for loss mitigation activities under these Consumer Relief Requirements. However, nothing herein shall preclude Servicer from requiring a waiver or release of legal claims and defenses with respect to a Consumer Relief activity offered in connection with the resolution of a contested claim, when the borrower would not otherwise have received as favorable terms or when the borrower receives additional consideration.

Programmatic exceptions to the crediting available for the Consumer Relief Requirements listed below may be granted by the Monitoring Committee on a case-by-case basis.

To the extent a Servicer is responsible for the servicing of a mortgage loan to which these Consumer Relief Requirements may apply, the Servicer shall receive credit for all consumer relief and refinancing activities undertaken in connection with such

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mortgage loan by any of its subservicers to the same extent as if Servicer had undertaken such activities itself.*

1. First Lien Mortgage Modifications

   a. Servicer will receive credit under Table 1, Section 1, for first-lien mortgage loan modifications made in accordance with the guidelines set forth in this Section 1.

   b. First liens on occupied[1] Properties with an unpaid principal balance ("UPB") prior to capitalization at or below the highest GSE conforming loan limit cap as of January 1, 2010 shall constitute at least 85% of the eligible credits for first liens (the "Applicable Limits").

   c. Eligible borrowers must be at least 30 days delinquent or otherwise qualify as being at imminent risk of default due to borrower's financial situation.

   d. Eligible borrowers' pre-modification loan-to-value ratio ("LTV") is greater than 100%.

   e. Post-modification payment should target a debt-to-income ratio ("DTI")[2] of 31% (or an affordability measurement consistent with HAMP guidelines) and a modified LTV[3] of no greater than 120%, provided that eligible borrowers receive a modification that meets the following terms:

      i. Payment of principal and interest must be reduced by at least 10%.

      ii. Where LTV exceeds 120% at a DTI of 31%, principal shall be reduced to a LTV of 120%, subject to a minimum DTI of 25% (which minimum may be waived by Servicer at Servicer's sole

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* If a Servicer holds a mortgage loan but does not service or control the servicing rights for such loan (either through its own servicing operations or a subservicer), then no credit shall be granted to that Servicer for consumer relief and refinancing activities related to that loan.

1 Servicer may rely on a borrower's statement, at the time of the modification evaluation, that a Property is occupied or that the borrower intends to rent or re-occupy the property.

2 Consistent with HAMP, DTI is based on first-lien mortgage debt only. For non-owner-occupied properties, Servicer shall consider other appropriate measures of affordability.

3 For the purposes of these guidelines, LTV may be determined in accordance with HAMP PRA.

discretion), provided that for investor-owned loans, the LTV and DTI need not be reduced to a level that would convert the modification to net present value ("NPV") negative.

f. DTI requirements may be waived for first lien mortgages that are 180 days or more delinquent as long as payment of principal and interest is reduced by at least 20% and LTV is reduced to at least 120%.

g. Servicer shall also be entitled to credit for any amounts of principal reduction which lower LTV below 120%.

h. When Servicer reduces principal on a first lien mortgage via its proprietary modification process, and a Participating Servicer owns the second lien mortgage, the second lien shall be modified by the second lien owning Participating Servicer in accordance with Section 2.c.i below, provided that any Participating Servicer other than the five largest servicers shall be given a reasonable amount of time, as determined by the Monitor, after that Participating Servicer's Start Date to make system changes necessary to participate in and implement this requirement. Credit for such second lien mortgage write-downs shall be credited in accordance with the second lien percentages and cap described in Table 1, Section 2.

i. In the event that, in the first 6 months after Servicer's Start Date (as defined below), Servicer temporarily provides forbearance or conditional forgiveness to an eligible borrower as the Servicer ramps up use of principal reduction, Servicer shall receive credit for principal reduction on such modifications provided that (i) Servicer may not receive credit for both the forbearance and the subsequent principal reduction and (ii) Servicer will only receive the credit for the principal reduction once the principal is actually forgiven in accordance with these Consumer Relief Requirements and Table 1.

j. Eligible modifications include any modification that is made on or after Servicer's Start Date, including:

   i. Write-offs made to allow for refinancing under the FHA Short Refinance Program;

   ii. Modifications under the Making Home Affordable Program (including the Home Affordable Modification Program ("HAMP") Tier 1 or Tier 2) or the Housing Finance Agency Hardest Hit Fund ("HFA Hardest Hit Fund") (or any other federal program) where principal is forgiven, except to the extent that state or federal funds paid to Servicer in its capacity as an investor are the source of a Servicer's credit claim.

iii. Modifications under other proprietary or other government modification programs, provided that such modifications meet the guidelines set forth herein.[4]

2. Second Lien Portfolio Modifications

a. Servicer is required to adhere to these guidelines in order to receive credit under Table 1, Section 2.

b. A write-down of a second lien mortgage will be creditable where such write-down facilitates either (a) a first lien modification that involves an occupied Property for which the borrower is 30 days delinquent or otherwise at imminent risk of default due to the borrower's financial situation; or (b) a second lien modification that involves an occupied Property with a second lien which is at least 30 days delinquent or otherwise at imminent risk of default due to the borrower's financial situation.

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4 Two examples are hereby provided. Example 1: on a mortgage loan at 175% LTV, when a Servicer (in its capacity as an investor) extinguishes $75 of principal through the HAMP Principal Reduction Alternative ("PRA") modification in order to bring the LTV down to 100%, if the Servicer receives $28.10 in PRA principal reduction incentive payments from the U.S. Department of the Treasury for that extinguishment, then the Servicer may claim $46.90 of principal reduction for credit under these Consumer Relief Requirements:

LTV Reduction Band:	HAMP-PRA Incentive Amount Received:	Allowable Settlement Credit:
175% LTV to 140% LTV	$10.50 (35% LTV * $0.30)	$24.50 ((35% LTV-$10.50) * $1.00)
140% LTV to 115% LTV	$11.30 (25% LTV * $0.45)	$13.70 ((25% LTV-$11.30) * $1.00)
115% LTV to 105% LTV	$6.30 (10% LTV * $0.63)	$3.70 ((10% LTV-$6.30) * $1.00)
105% LTV to 100% LTV	None (no credit below 105% LTV)	$5.00 (5% LTV * $1.00)
Total:	**$28.10**	**$46.90**

Example 2: on a mortgage loan at 200% LTV, when a Servicer (in its capacity as an investor) extinguishes $100 of principal through a HAMP-PRA modification in order to bring the LTV down to 100%, if the Servicer receives $35.60 in PRA principal reduction incentive payments from Treasury for that extinguishment, then although the Servicer would have funded $64.40 in principal reduction on that loan, the Servicer may claim $55.70 of principal reduction for credit under these Consumer Relief Requirements:

LTV Reduction Band:	HAMP-PRA Incentive Amount Received:	Allowable Settlement Credit:
200% LTV to 175% LTV	$7.50 (25% LTV * $0.30)	$8.80 ((25% LTV-$7.50) * $0.50)
175% LTV to 140% LTV	$10.50 (35% LTV * $0.30)	$24.50 ((35% LTV-$10.50) * $1.00)
140% LTV to 115% LTV	$11.30 (25% LTV * $0.45)	$13.70 ((25% LTV-$11.30) * $1.00)
115% LTV to 105% LTV	$6.30 (10% LTV * $0.63)	$3.70 ((10% LTV-$6.30) * $1.00)
105% LTV to 100% LTV	None (no credit below 105% LTV)	$5.00 (5% LTV * $1.00)
Total:	**$35.60**	**$55.70**

c. Required Second Lien Modifications:

  i. Servicer agrees that it must write down second liens consistent with the following program until its Consumer Relief Requirement credits are fulfilled:

    1. A write-down of a second lien mortgage will be creditable where a successful first lien modification is completed by a Participating Servicer via a servicer's proprietary, non-HAMP modification process, in accordance with Section 1, with the first lien modification meeting the following criteria:

      a. Minimum 10% payment reduction (principal and interest);

      b. Income verified;

      c. A UPB at or below the Applicable Limits; and

      d. Post-modification DTI[5] between 25% and 31%.

    2. If a Participating Servicer has completed a successful proprietary first lien modification and the second lien loan amount is greater than $5,000 UPB and the current monthly payment is greater than $100, then:

      a. Servicer shall extinguish and receive credit in accordance with Table 1, Section 2.iii on any second lien that is greater than 180 days delinquent.

      b. Otherwise, Servicer shall solve for a second lien payment utilizing the HAMP Second Lien Modification Program ("2MP") logic used as of January 26, 2012.

      c. Servicer shall use the following payment waterfall:

        i. Forgiveness equal to the lesser of (a) achieving 115% combined loan-to-value ratio ("CLTV") or (b) 30% UPB (subject to minimum forgiveness level); then

        ii. Reduce rate until the 2MP payment required by 2MP logic as of January 26, 2012; then

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[5] Consistent with HAMP, DTI is based on first-lien mortgage debt only. For non-owner-occupied properties, Servicer shall consider other appropriate measures of affordability.

iii. Extend term to "2MP Term" (greater of modified first or remaining second).

d. Servicer shall maintain an I/O product option consistent with 2MP protocols.

d. Eligible second lien modifications include any modification that is made on or after Servicer's Start Date, including:

i. Principal reduction or extinguishments through the Making Home Affordable Program (including 2MP), the FHA Short Refinance Second Lien ("FHA2LP") Program or the HFA Hardest Hit Fund (or any other federal program), except (to the extent) that state or federal funds are the source of a Servicer's credit claim.

ii. Second lien write-downs or extinguishments completed under proprietary modification programs, are eligible, provided that such write-downs or extinguishments meet the guidelines as set forth herein.

e. Extinguishing balances of second liens to support the future ability of individuals to become homeowners will be credited based on applicable credits in Table 1.

3. Enhanced Borrower Transitional Funds

Servicer may receive credit, as described in Table 1, Section 3, for providing additional transitional funds to homeowners in connection with a short sale or deed-in-lieu of foreclosure to homeowners for the amount above $1,500.

4. Short Sales

a. As described in the preceding paragraph, Servicer may receive credit for providing incentive payments for borrowers on or after Servicer's Start Date who are eligible and amenable to accepting such payments in return for a dignified exit from a Property via short sale or similar program. Credit shall be provided in accordance with Table 1, Section 3.i.

b. To facilitate such short sales, Servicer may receive credit for extinguishing second liens on or after Servicer's Start Date under Table 1, Section 4.

c. Short sales through the Home Affordable Foreclosure Alternatives (HAFA) Program or any HFA Hardest Hit Fund program or proprietary programs closed on or after Servicer's Start Date are eligible.

d. Servicer shall be required to extinguish a second lien owned by Servicer behind a successful short sale/deed-in-lieu conducted by a Participating Servicer (provided that any Participating Servicer other than the five largest servicers shall be given a reasonable amount of time, as determined by the Monitor, after their Start Date to make system changes necessary to participate in and implement this requirement) where the first lien is greater than 100% LTV and has a UPB at or below the Applicable Limits, until Servicer's Consumer Relief Requirement credits are fulfilled. The first lien holder would pay to the second lien holder 8% of UPB, subject to a $2,000 floor and an $8,500 ceiling. The second lien holder would then release the note or lien and waive the balance.

5. Deficiency Waivers

    a. Servicer may receive credit for waiving deficiency balances if not eligible for credit under some other provision, subject to the cap provided in the Table 1, Section 5.i.

    b. Credit for such waivers of any deficiency is only available where Servicer has a valid deficiency claim, meaning where Servicer can evidence to the Monitor that it had the ability to pursue a deficiency against the borrower but waived its right to do so after completion of the foreclosure sale.

6. Forbearance for Unemployed Borrowers

    a. Servicer may receive credit for forgiveness of payment of arrearages on behalf of an unemployed borrower in accordance with Table 1, Section 6.i.

    b. Servicer may receive credit under Table 1, Section 6.ii., for funds expended to finance principal forbearance solutions for unemployed borrowers as a means of keeping them in their homes until such time as the borrower can resume payments. Credit will only be provided beginning in the 7th month of the forbearance under Table 1, Section 6.ii.

7. Anti-Blight Provisions

    a. Servicer may receive credit for certain anti-blight activities in accordance with and subject to caps contained in Table 1, Section 7.

    b. Any Property value used to calculate credits for this provision shall have a property evaluation meeting the standards acceptable under the Making Home Affordable programs received within 3 months of the transaction.

8. Benefits for Servicemembers

    a. Short Sales

        i. Servicer shall, with respect to owned portfolio first liens, provide servicemembers who qualify for SCRA benefits ("Eligible Servicemembers") a short sale agreement containing a predetermined minimum net proceeds amount ("Minimum Net Proceeds") that Servicer will accept for short sale transaction upon receipt of the listing agreement and all required third-party approvals. The Minimum Net Proceeds may be expressed as a fixed dollar amount, as a percentage of the current market value of the property, or as a percentage of the list price as approved by Servicer. After providing the Minimum Net Proceeds, Servicer may not increase the minimum net requirements above the Minimum Net Proceeds amount until the initial short sale agreement termination date is reached (not less than 120 calendar days from the date of the initial short sale agreement). Servicer must document subsequent changes to the Minimum Net Proceeds when the short sale agreement is extended.

ii. Eligible Servicemembers shall be eligible for this short sale program if: (a) they are an active duty full-time status Eligible Servicemember; (b) the property securing the mortgage is not vacant or condemned; (c) the property securing the mortgage is the Eligible Servicemember's primary residence (or, the property was his or her principal residence immediately before he or she moved pursuant to a Permanent Change of Station ("PCS") order dated on or after October 1, 2010; (d) the Eligible Servicemember purchased the subject primary residence on or after July 1, 2006 and before December 31, 2008; and (e) the Eligible Servicemember relocates or has relocated from the subject property not more than 12 months prior to the date of the short sale agreement to a new duty station or home port outside a 50-mile radius of the Eligible Servicemember's former duty station or home port under a PCS. Eligible Servicemembers who have relocated may be eligible if the Eligible Servicemember provides documentation that the property was their principal residence prior to relocation or during the 12-month period prior to the date of the short sale agreement.

b. Short Sale Waivers

   i. If an Eligible Servicemember qualifies for a short sale hereunder and sells his or her principal residence in a short sale conducted in accordance with Servicer's then customary short sale process, Servicer shall, in the case of an owned portfolio first lien, waive the additional amount owed by the Eligible Servicemember so long as it is less than $250,000.

   ii. Servicer shall receive credit under Table 1, Section 4, for mandatory waivers of amounts under this Section 8.b.

c. With respect to the refinancing program described in Section 9 below, Servicer shall use reasonable efforts to identify active servicemembers in its owned portfolio who would qualify and to solicit those individuals for the refinancing program.

9. Refinancing Program

   a. Servicer shall create a refinancing program for current borrowers. Servicer shall provide notification to eligible borrowers indicating that they may refinance under the program described herein. The minimum occupied Property eligibility criteria for such a program shall be:

      i. The program shall apply only to Servicer-owned first lien mortgage loans.

      ii. Loan must be current with no delinquencies in past 12 months.

      iii. Fixed rate loans, ARMS, or I/Os are eligible if they have an initial period of 5 years or more.

      iv. Current LTV is greater than 100%.

      v. Loans must have been originated prior to January 1, 2009.

      vi. Loan must not have received any modification in the past 24 months.

      vii. Loan must have a current interest rate of at least 5.25 % or PMMS + 100 basis points, whichever is greater.

      viii. The minimum difference between the current interest rate and the offered interest rate under this program must be at least 25 basis points or there must be at least a $100 reduction in monthly payment.

      ix. Maximum UPB will be an amount at or below the Applicable Limits.

      x. The following types of loans are excluded from the program eligibility:

         1. FHA/VA
         2. Property outside the 50 States, DC, and Puerto Rico
         3. Loans on Manufactured Homes
         4. Loans for borrowers who have been in bankruptcy anytime within the prior 24 months
         5. Loans that have been in foreclosure within the prior 24 months

   b. The refinancing program shall be made available to all borrowers fitting the minimum eligibility criteria described above in 9.a. Servicer will be free to extend the program to other customers beyond the minimum eligibility criteria provided above and will receive credit under this Agreement for such refinancings, provided that such customers have an

LTV of over 80%, and would not have qualified for a refinance under Servicer's generally-available refinance programs as of September 30, 2011. Notwithstanding the foregoing, Servicer shall not be required to solicit or refinance borrowers who do not satisfy the eligibility criteria under 9.a above. In addition, Servicer shall not be required to refinance a loan under circumstances that, in the reasonable judgment of the Servicer, would result in Troubled Debt Restructuring ("TDR") treatment. A letter to the United States Securities and Exchange Commission regarding TDR treatment, dated November 22, 2011, shall be provided to the Monitor for review.

c. The structure of the refinanced loans shall be as follows:

    i. Servicer may offer refinanced loans with reduced rates either:

        1. For the life of the loan;

        2. For loans with current interest rates above 5.25% or PMMS + 100 basis points, whichever is greater, the interest rate may be reduced for 5 years. After the 5 year fixed interest rate period, the rate will return to the preexisting rate subject to a maximum rate increase of 0.5% annually; or

        3. For loans with an interest rate below 5.25% or PMMS + 100 basis points, whichever is greater, the interest rate may be reduced to obtain at least a 25 basis point interest rate reduction or $100 payment reduction in monthly payment, for a period of 5 years, followed by 0.5% annual interest rate increases with a maximum ending interest rate of 5.25% or PMMS + 100 basis points.

    ii. The original term of the loan may be changed.

    iii. Rate reduction could be done through a modification of the existing loan terms or refinance into a new loan.

    iv. New term of the loan has to be a fully amortizing product.

    v. The new interest rate will be capped at 100 basis points over the PMMS rate or 5.25%, whichever is greater, during the initial rate reduction period.

d. Banks fees and expenses shall not exceed the amount of fees charged by Banks under the current Home Affordable Refinance Program ("HARP") guidelines.

e. The program shall be credited under these Consumer Relief Requirements as follows:

i. Credit will be calculated as the difference between the preexisting interest rate and the offered interest rate times UPB times a multiplier.

ii. The multiplier shall be as follows:

1. If the new rate applies for the life of the loan, the multiplier shall be 8 for loans with a remaining term greater than 15 years, 6 for loans with a remaining term between 10 and 15 years and 5 for loans with a remaining term less than 10 years.

2. If the new rate applies for 5 years, the multiplier shall be 5.

f. Additional dollars spent by each Servicer on the refinancing program beyond that Servicer's required commitment shall be credited 25% against that Servicer's first lien principal reduction obligation and 75% against that Servicer's second lien principal reduction obligation, up to the limits set forth in Table 1.

10. Timing, Incentives, and Payments

a. For the consumer relief and refinancing activities imposed by this Agreement, Servicer shall be entitled to receive credit against Servicer's outstanding settlement commitments for activities taken on or after Servicer's start date, March 1, 2012 (such date, the "Start Date").

b. Servicer shall receive an additional 25% credit against Servicer's outstanding settlement commitments for any first or second lien principal reduction and any amounts credited pursuant to the refinancing program within 12 months of Servicer's Start Date (e.g., a $1.00 credit for Servicer activity would count as $1.25).

c. Servicer shall complete 75% of its Consumer Relief Requirement credits within two years of the Servicer's Start Date.

d. If Servicer fails to meet the commitment set forth in these Consumer Relief Requirements within three years of Servicer's Start Date, Servicer shall pay an amount equal to 125% of the unmet commitment amount; except that if Servicer fails to meet the two year commitment noted above, and then fails to meet the three year commitment, the Servicer shall pay an amount equal to 140% of the unmet three-year commitment amount; provided, however, that if Servicer must pay any Participating State for failure to meet the obligations of a state-specific commitment to provide Consumer Relief pursuant to the terms of that commitment, then Servicer's obligation to pay under this provision shall be reduced by the amount that such a Participating State would have received under this provision and the Federal portion of the payment attributable to that

Participating State. The purpose of the 125% and 140% amounts is to encourage Servicer to meet its commitments set forth in these Consumer Relief Requirements.

11. Applicable Requirements

The provision of consumer relief by the Servicer in accordance with this Agreement in connection with any residential mortgage loan is expressly subject to, and shall be interpreted in accordance with, as applicable, the terms and provisions of the Servicer Participation Agreement with the U.S. Department of Treasury, any servicing agreement, subservicing agreement under which Servicer services for others, special servicing agreement, mortgage or bond insurance policy or related agreement or requirements to which Servicer is a party and by which it or its servicing affiliates are bound pertaining to the servicing or ownership of the mortgage loans, including without limitation the requirements, binding directions, or investor guidelines of the applicable investor (such as Fannie Mae or Freddie Mac), mortgage or bond insurer, or credit enhancer, provided, however, that the inability of a Servicer to offer a type, form or feature of the consumer relief payments by virtue of an Applicable Requirement shall not relieve the Servicer of its aggregate consumer relief obligations imposed by this Agreement, i.e., the Servicer must satisfy such obligations through the offer of other types, forms or features of consumer relief payments that are not limited by such Applicable Requirement.

EXHIBIT D-1

Table 1[1]

Menu Item	**Credit Towards Settlement**	**Credit Cap**
Consumer Relief Funds		
1. First Lien Mortgage Modification[2]		*Minimum 30% for First Lien Mods*[3] *(which can be reduced by 2.5% of overall consumer relief funds for excess refinancing program credits above the minimum amount required)*
<u>PORTFOLIO LOANS</u>		
i. First lien principal forgiveness modification	LTV </= 175%: $1.00 Write-down=$1.00 Credit LTV > 175%: $1.00 Write-down=$0.50 Credit (for only the portion of principal forgiven over 175%)	
ii. Forgiveness of forbearance amounts on existing modifications	$1.00 Write-down=$0.40 Credit	*Max 12.5%*

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1 Where applicable, the number of days of delinquency will be determined by the number of days a loan is delinquent at the start of the earlier of the first or second lien modification process. For example, if a borrower applies for a first lien principal reduction on February 1, 2012, then any delinquency determination for a later second lien modification made pursuant to the terms of this Agreement will be based on the number of days the second lien was delinquent as of February 1, 2012.

2 Credit for all modifications is determined from the date the modification is approved or communicated to the borrower. However, no credits shall be credited unless the payments on the modification are current as of 90 days following the implementation of the modification, including any trial period, except if the failure to make payments on the modification within the 90 day period is due to unemployment or reduced hours, in which case Servicer shall receive credit provided that Servicer has reduced the principal balance on the loan. Eligible Modifications will include any modification that is completed on or after the Start Date, as long as the loan is current 90 days after the modification is implemented.

3 All minimum and maximum percentages refer to a percentage of total consumer relief funds.

Menu Item	**Credit Towards Settlement**	**Credit Cap**
iii. Earned forgiveness over a period of no greater than 3 years – provided consistent with PRA	LTV </= 175%: $1.00 Write-down=$.85 Credit LTV > 175%: $1.00 Write-down=$0.45 Credit (for only the portion of principal forgiven over 175%)	
<u>SERVICE FOR OTHERS</u>		
iv. First lien principal forgiveness modification on investor loans (forgiveness by investor)	$1.00 Write-down=$0.45 Credit	
v. Earned forgiveness over a period of no greater than 3 years – provided consistent with PRA	LTV </= 175%: $1.00 Write-down=$.40 Credit LTV > 175%: $1.00 Write-down=$0.20 Credit (for only the portion of principal forgiven over 175%)	
2. Second Lien Portfolio Modifications		*Minimum of 60% for 1st and 2nd Lien Mods (which can be reduced by 10% of overall consumer relief funds for excess refinancing program credits above the minimum amounts required)*
i. Performing Second Liens (0-90 days delinquent)	$1.00 Write-down=$0.90 Credit	

Menu Item	Credit Towards Settlement	Credit Cap
ii. Seriously Delinquent Second Liens (>90-179 days delinquent)	\$1.00 Write-down=\$0.50 Credit	
iii. Non-Performing Second Liens (180 or more days delinquent)	\$1.00 Write-down=\$0.10 Credit	
3. *Enhanced Borrower Transitional Funds*		*Max 5%*
i. Servicer Makes Payment	\$1.00 Payment=\$1.00 Credit (for the amount over \$1,500)	
ii. Investor Makes Payment (non-GSE)	\$1.00 Payment=0.45 Credit (for the amount over the \$1,500 average payment established by Fannie Mae and Freddie Mac)	
4. Short Sales/Deeds in Lieu		
i. Servicer makes payment to unrelated 2nd lien holder for release of 2nd lien	\$1.00 Payment=\$1.00 Credit	
ii. Servicer forgives deficiency and releases lien on 1st lien Portfolio Loans	\$1.00 Write-down=\$0.45 Credit	
iii. Investor forgives deficiency and releases lien on 1st Lien investor loans	\$1.00 Write-down=\$0.20 Credit	
iv. Forgiveness of deficiency balance and release of lien on		

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Menu Item	Credit Towards Settlement	Credit Cap
Portfolio Second Liens		
Performing Second Liens (0-90 days delinquent)	$1.00 Write-down=$0.90 Credit	
Seriously Delinquent Second Liens (>90-179 days delinquent)	$1.00 Write-down=$0.50 Credit	
Non-Performing Second Liens (180 or more days delinquent)	$1.00 Write-down=$0.10 Credit	
5. Deficiency Waivers		*Max 10%*
i. Deficiency waived on 1st and 2nd liens loans	$1.00 Write-down=$0.10 Credit	
6. Forbearance for unemployed homeowners		
i. Servicer forgives payment arrearages on behalf of borrower	$1.00 new forgiveness=$1.00 Credit	
ii. Servicer facilitates traditional forbearance program	$1.00 new forbearance = $0.05 Credit	
7. Anti-Blight Provisions		*Max 12%*
i. Forgiveness of principal associated with a property where Servicer does not pursue foreclosure	$1.00 property value=$0.50 Credit	

Menu Item	Credit Towards Settlement	Credit Cap
ii. Cash costs paid by Servicer for demolition of property	$1.00 Payment=$1.00 Credit	
iii. REO properties donated to accepting municipalities or non-profits or to disabled servicemembers or relatives of deceased servicemembers	$1.00 property value=$1.00 Credit	

ATTACHMENT 3
IRG Assertion

See attached

California Consumer Settlement Credit Summary

I am the Manager of the Internal Review Group of JPMorgan Chase. To the best of my knowledge, after undertaking reasonable due diligence, I certify that the Consumer Relief Report of Servicer for the period ending 2/28/2013 and the outcomes of the Satisfaction Review are based on a complete and accurate performance of the Work Plan by the IRG. This IRG Assertion is given to the Monitor, as identified in the Consent Judgment, pursuant to Section C.7 and D.1 of Exhibit E to the Consent Judgment (Enforcement Terms) and Section I.B.4 and Section III of the Work Plan.

IRG Manager: Nicole L Holsapple

Date: 10/14/13

Consumer Relief See Note 1 **Reported Credits through 02/28/2013**	**Current Quarter [3]**	**Reported to Date**
	$ Credit	**$ Credit**
First Lien Modifications	$ 1,221,178,458	$ 1,221,178,458
Second Lien Modifications	713,213,586	713,213,586
Other Programs (see Note 2)	2,149,048,570	2,149,048,570
Refinancing Program		
Total Consumer Relief	**$ 4,083,440,614**	**$ 4,083,440,614**

Notes:

1) This report reflects Consumer Relief Credits calculated as required in Appendix D. Actual consumer benefit is reflected in Schedule Y.

2) Other Programs includes only Short Sales

3) 'Current Quarter' reflects Mar 1, 2012 through Feb 28, 2013