

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made and entered into as of this 3rd day of December 2020 (the "Effective Date"), by and between U.S. Bank National Association ("U.S. Bank") and the Executive Office for United States Trustees, a component of the Department of Justice, together with the United States Trustees for Regions 1 through 21 (collectively, the "United States Trustee Program" or "USTP").

This MOU is the culmination of numerous discussions and meetings dating back to mid-2014 regarding issues concerning certain of U.S. Bank's historical Bankruptcy Servicing practices for Borrowers in Bankruptcy Cases during the Relevant Period, and is intended to set forth a summary of the mutual understanding between the USTP and U.S. Bank (collectively, the "Parties") and detail corrective actions providing approximately \$29 million in bankruptcy-specific remediation to impacted Borrowers.

I. Definitions

"Bankruptcy Case(s)" shall mean or refer to a Chapter 13 bankruptcy case.

"Bankruptcy Servicing" shall mean U.S. Bank's servicing of residential mortgage accounts in Bankruptcy Cases, including the Open Accounts.

"Borrower(s)" shall mean the account holder(s) for an Open or Closed Account.

"Closed Account" shall mean a U.S. Bank residential mortgage account that was subject to a Chapter 13 proceeding during the Relevant Period and that proceeding was dismissed, discharged, subject to a Motion for Relief from Stay or Notice of Final Cure, converted from a Chapter 13 bankruptcy case to another chapter of the Bankruptcy Code, or otherwise administratively closed as of (1) August 1, 2014 for residential mortgage accounts on the MSP mortgage servicing platform or (2) October 10, 2014 for residential mortgage accounts on the ALS mortgage servicing platform. Closed Account(s) shall not include accounts that have been purged from U.S. Bank's applicable system of record as of March 2017 in a manner consistent with U.S. Bank's policies and procedures.

"Covered Practices" are comprised of the following:

- 1) With respect to PCNs filed for the Open Accounts during the Relevant Period:
 - a) Substantively Inaccurate PCNs;
 - b) Missed PCNs; and
 - c) Untimely PCNs.
- 2) With respect to POCs filed for the Open Accounts during the Relevant Period:
 - a) Substantively Inaccurate POCs; and
 - b) Missed POCs.
- 3) With respect to Payment Application for the Open Accounts during the Relevant Period, Payment Application Errors.

- 4) With respect to PPFNs filed for the Open Accounts during the PPFN Relevant Period:
 - a) Substantively Inaccurate PPFNs;
 - b) Missed PPFNs; and
 - c) Untimely PPFNs.

“Credit” or “credited” shall mean the application of funds into either the Borrower’s suspense account or escrow account, as warranted.

“Debtor(s)” shall mean the named debtor(s) of record in the Bankruptcy Cases that have an account subject to this MOU and shall not mean any non-Debtor co-obligor(s) or non-Debtor accountholder(s).

“Independent Compliance Report” shall mean or refer to a report that is prepared and generated by U.S. Bank’s Control Quality Assurance Team as set forth in Section VIII.

“Loan-Level Review(s)” shall mean a review by a Vendor or U.S. Bank of an Open Account concerning the accuracy and timeliness of PCNs, PPFNs, and RFCs; the accuracy of Payment Application; the failure to file PCNs, PPFNs, and RFCs; the accuracy of and failure to file POCs in Bankruptcy Cases that were not dismissed, discharged, subject to a Motion for Relief from Stay or Notice of Final Cure, converted from a Chapter 13 bankruptcy case to another chapter of the Bankruptcy Code, or otherwise administratively closed at the time of the Loan-Level Review. The Loan-Reviews included the preparation of a Pencil Ledger, and were comprised, in part, of a “Docket Review and Compliance Review” that reviewed certain key documents filed with Bankruptcy Courts for the Open Accounts during the Relevant Period and reconciled those key documents with U.S. Bank’s systems of record and the Pencil Ledger. The Loan-Level Reviews also provided a remediation recommendation (to the extent warranted).

“Material Status Change” shall mean one of the following events occurred in an Open Account: (1) the Open Account was paid off or refinanced, (2) the lien securing repayment of the Open Account was released, foreclosed, the subject of a short sale, or the subject of a deed in lieu of foreclosure, (3) the Open Account was service released, (4) the Bankruptcy Case was dismissed, converted, transferred, or administratively closed, or (5) the Open Account in a Bankruptcy Case was the subject to a Motion for Relief from Stay.

“Missed PCN” shall mean a PCN that was required to be filed for an Open Account by U.S. Bank during the Relevant Period but was not filed.

“Missed POC” shall mean a POC that could have been filed for an Open Account by U.S. Bank during the Relevant Period but was not filed. A POC was not considered a Missed POC if the Bankruptcy Case was discharged at the time of the Loan-Level Review, or a POC was filed after the Relevant Period but prior to the Loan-Level Review.

“Missed PPFN” shall mean a PPFN that was required to be filed for an Open Account by U.S. Bank during the PPFN Relevant Period but was not filed.

“MSP” and “ALS” shall mean the mortgage servicing platforms U.S. Bank used and uses for Bankruptcy Servicing of its residential mortgage loan portfolio during the time periods relevant to the subject matter of this MOU.

“NBS” shall mean National Bankruptcy Services, LLC.

“Open Account” shall mean a U.S. Bank residential mortgage account which was subject to a Chapter 13 proceeding that either (1)(a) was open on U.S. Bank’s applicable system of record during the Relevant Period or (b) was administratively open on the bankruptcy docket of the Bankruptcy Case during the Relevant Period, and (2) the proceeding was not dismissed, discharged, or otherwise administratively closed, (a) as of August 1, 2014 for residential mortgage accounts on the MSP mortgage servicing platform or (b) as of October 10, 2014 for residential mortgage accounts on the ALS mortgage servicing platform.

“Operational Enhancements” shall mean the enhancements described in Section VII that have been completed by U.S. Bank.

“Payment Application” shall mean U.S. Bank’s accurate accounting of payments received from a Borrower or a Chapter 13 trustee in an Open Account during a Bankruptcy Case, including the proper crediting of the same in accordance with the capabilities of U.S. Bank’s system of record.

“Payment Application Errors” shall mean the failure to account for payments received from a Borrower or a Chapter 13 trustee in an Open Account in a Bankruptcy Case during the Relevant Period, including the failure to properly credit the same or reconcile the same in response to a trustee’s Notice of Final Cure (or Motion to Deem Current) in accordance with the capabilities of U.S. Bank’s system of record.

“PCN” shall mean a Notice of Mortgage Payment Change as described in Bankruptcy Rule 3002.1(b).

“Pencil Ledger” shall mean the Vendors’ detailed financial ledger review and reconciliation as described further in Section II.

“POC” shall mean a Proof of Claim, as described in the Bankruptcy Code and Bankruptcy Rules.

“PPFN” shall mean a Notice of Post-Petition Mortgage Fees, Expenses and Charges as described in Bankruptcy Rule 3002.1(c).

“PPFN Relevant Period” shall mean the time period between December 1, 2011 and May 15, 2014.

“Pre-Petition Fees” shall mean default-related fees incurred prior to the filing of the petition commencing the Bankruptcy Case. The term does not include instances in which U.S. Bank advanced monies on behalf of its Borrowers, such as to pay pre-petition real estate taxes, property insurance premiums and other insurance types, and homeowner’s association dues and condominium fees.

“Post-Petition Fees” shall mean default-related fees incurred after the filing of the petition commencing the Bankruptcy Case. The term does not include instances in which U.S. Bank advanced monies on behalf of its Borrowers, such as to pay post-petition real estate taxes, property insurance premiums and other insurance types, and homeowner’s association dues and condominium fees.

“Prior Vendor” shall have the meaning set forth in Section II.

“Properly Filed PCN” shall mean a PCN: (1) that is timely filed with the Bankruptcy Court; (2) that provides the Debtor with the accurate new payment change amount and the accurate date that the new payment change will go into effect; and (3) that is otherwise in compliance with the requirements of the Bankruptcy Code and Bankruptcy Rules.

“Relevant Period” shall mean the time period (1) between December 1, 2011 and August 1, 2014 for residential mortgage accounts on the MSP mortgage servicing platform, and (2) between December 1, 2011 and October 10, 2014 for residential mortgage accounts on the ALS mortgage servicing platform.

“RFC” shall mean a response by U.S. Bank to a Chapter 13 trustee’s Notice of Final Cure Payment as described in Bankruptcy Rule 3002.1(g).

“Substantively Inaccurate PCN” shall mean a PCN filed for an Open Account during the Relevant Period that did not provide the Debtor with (1) the accurate payment amount or (2) the correct date on which the new payment change would go into effect. For purposes of identifying Substantively Inaccurate PCNs, the payment amount listed in the system of record was considered the accurate payment amount, but to the extent that the PCN listed a lower payment than the system of record, the lower payment amount controlled to the Borrower’s benefit.

“Substantively Inaccurate POC” shall mean a POC filed for an Open Account during the Relevant Period that (1)(a) was operative and not superseded by a POC filed prior to the Loan-Level Review; (b) did not contain the accurate arrearage amount owing; and (c) was not subject to a loan modification; and (2) the Bankruptcy Case was not discharged at the time of the Loan-Level Review.

“Substantively Inaccurate PPFN” shall mean a PPFN filed for an Open Account during the PPFN Relevant Period that did not contain the accurate amount of the post-petition fees, expenses, and charges that were recoverable during the Chapter 13 case.

“Untimely PCN” shall mean a PCN filed for an Open Account during the Relevant Period that was filed less than twenty-one (21) days before the effective date of the new payment amount or after the effective date of the new payment amount.

“Untimely PPFN” shall mean a PPFN filed for an Open Account during the Relevant Period and filed more than 180 days after the date on which the applicable fees, expenses, or charges contained in the PPFN were incurred.

“USTP” shall mean, collectively, the Executive Office for United States Trustees, and the United States Trustees and Acting United States Trustees for Regions 1 through 21.

“Vendors” shall mean the vendors that were engaged to perform the Loan-Level Reviews. Separately, they are referred to as Vendor 1 and Vendor 2.

II. Background

Without waiving any privilege, U.S. Bank represents that the following facts are accurate to the best of its knowledge and belief:

Prior to January 30, 2013, U.S. Bank outsourced significant parts of its Bankruptcy Servicing functions to an outside vendor ("Prior Vendor"). On January 30, 2013, U.S. Bank moved its Bankruptcy Servicing in-house and terminated the Prior Vendor. In 2014, several USTP offices filed objections and raised inquiries regarding certain PCNs filed by U.S. Bank. In May 2014, U.S. Bank began implementing significant changes in the oversight and management of its Bankruptcy Servicing operations. Shortly thereafter, U.S. Bank centralized the large majority of its Bankruptcy Servicing operations in Irving, Texas.

Upon review of the objections and inquiries of the USTP, and in conjunction with discussions with the USTP, U.S. Bank determined that there were errors or other deficiencies in several PCN filings. In May 2014, U.S. Bank began a review of its PCN filing policies, processes, and procedures (the "PCN Review"), which included conversations with Bankruptcy Servicing staff, a review of various court-filed documents, a review of written procedures, and observation of bankruptcy processes.

As an exercise of business judgment and as part of a broader resolution of matters with other government regulators, U.S. Bank voluntarily waived certain default-related fees across its portfolio, which in the aggregate totaled \$43 million. Commencing May 15, 2014, and in conjunction with the PCN Review and the broader fee waiver initiative, U.S. Bank waived Pre-Petition Fees and Post-Petition Fees from Open Accounts, or otherwise deemed them non-recoverable against the Borrowers. Accordingly, U.S. Bank did not file any PPFNs between May 15, 2014 and April 27, 2018, except in situations where it had advanced monies on behalf of its Borrowers, e.g., to pay real estate taxes, property insurance premiums and other insurance types, and homeowner's association dues and condominium fees that are recoverable against the Borrowers or their principal residences.

In mid-2014, U.S. Bank began to review other aspects of U.S. Bank's Bankruptcy Servicing practices (the "Bankruptcy Review"). The Bankruptcy Review was generally comprised of a review of U.S. Bank's Bankruptcy Servicing policies, processes, and procedures, including a review of U.S. Bank's third-party vendor and attorney oversight; its internal policies, processes, and procedures involving the preparation and filing of POCs, PCNs, and PPFNs; as well as its Payment Application policies, processes, and procedures. The Bankruptcy Review, which is subject to the attorney-client privilege and work product doctrine, was conducted by U.S. Bank's Bankruptcy Servicing group, senior management, and the law division.

The Bankruptcy Review revealed the existence of the Covered Practices, which had resulted in the filing of Substantively Inaccurate, Missed, and Untimely PCNs, PPFNs, and Substantively Inaccurate and Missed POCs. In addition, U.S. Bank determined that it had not always accurately applied payments received during the pendency of certain Bankruptcy Cases. These issues persisted after U.S. Bank internalized its Bankruptcy Servicing functions on January 30, 2013.

U.S. Bank determined that the Covered Practices were caused by human error in manual data entry, insufficient training, inadequate quality controls, and policies, processes, and procedures that did not contain adequate detail.

In August 2014, U.S. Bank engaged NBS to perform certain day-to-day Bankruptcy Servicing functions, subject to U.S. Bank's oversight, while U.S. Bank simultaneously redesigned its Bankruptcy Servicing under new bankruptcy management. U.S. Bank began to implement new policies, processes, and procedures, which were largely in place by December 2014, although U.S. Bank continues to make

additional modifications and improvements on an ongoing basis. These Operational Enhancements, set forth in more detail in Section VII herein, included implementing improved oversight of key bankruptcy processes, improving the training of staff, developing more systemic tracking of key bankruptcy processes, enhancing quality assurance reviews, developing controls around Payment Application to ensure funds are applied timely and accurately, adding Pencil Ledgers at the occurrence of certain triggering events, and enhancing quality control procedures.

The Bankruptcy Review concluded in the late summer of 2014, which was in and around the time that U.S. Bank's Vendors commenced remediation by way of Loan-Level Reviews of the Open Accounts. The Loan-Level Reviews specifically focused on the accuracy and timeliness of PCNs and PPFNs; the accuracy of pre-petition arrearages listed on POCs and the failure to file POCs; and Payment Application. The Loan-Level Reviews also noted where U.S. Bank had not filed POCs, PCNs, PPFNs, and RFCs in the Open Accounts.

Approximately 12,568 Open Accounts were subject to Loan-Level Reviews. U.S. Bank determined that, of this total, approximately 11,956 Open Accounts resided on MSP and approximately 612 Open Accounts resided on ALS. In addition to the Open Accounts subject to the Loan-Level Reviews, U.S. Bank also identified approximately 13,224 Closed Accounts. U.S. Bank determined that as of August 1, 2015, approximately 9,329 Closed Accounts resided on MSP and as of October 10, 2015, approximately 3,895 Closed Accounts resided on ALS.

The Loan-Level Reviews were comprised, in part, of a review of certain key documents filed with Bankruptcy Courts for the Open Accounts during the Relevant Period, including but not limited to POCs, amended POCs, PCNs, PPFNs, and any objections thereto; loan documents; Chapter 13 plans and confirmation orders; discharge orders; Chapter 13 trustee interim notices, Notices of Final Cure, RFCs, and any orders or agreed orders relating thereto; any orders or agreed orders relating to Motions for Relief from Stay; and U.S. Bank's system of record.

In order to validate the accuracy of the application of payments, the Loan-Level Reviews involved the preparation a Pencil Ledger, which included: (1) an analysis of whether post-petition payments were posted in compliance with applicable Bankruptcy Law and Rules; (2) calculation of the arrearage figure as of the time of the bankruptcy filing; (3) an analysis of compliance with the confirmed Chapter 13 plan; (4) an analysis of the impact (if any) of not filing or not timely filing PCNs, PPFNs, and RFCs; and (5) an analysis of the impact (if any) of not filing POCs. The Loan-Level Reviews also included an analysis of principal, interest, fees and expenses, suspense accounts, Chapter 13 trustee disbursements, and other relevant financial data.

In addition, as part of the Loan-Level Reviews, certain key bankruptcy documents on file in the Open Accounts were compared to U.S. Bank's systems of record and the Pencil Ledgers in order to confirm their accuracy and compliance with the relevant provisions of the Bankruptcy Code and Bankruptcy Rules.

The Loan-Level Reviews identified and assessed the last-filed POC in each Open Account that was not: (1) in a Bankruptcy Case subject to dismissal, discharge, a Motion for Relief from Stay, or Notice of Final Cure at the time of the Loan-Level Review; (2) converted from a Chapter 13 Bankruptcy Case to another chapter of the Bankruptcy Code at the time of the Loan-Level Review; or (3) otherwise administratively closed at the time of the Loan-Level Review. The Loan-Level Reviews looked to ensure

that the arrearage amount set forth in the POC was accurate at the time of filing and reviewed the application of all payments and suspense balances, the escrow analysis and escrow statements, and any fees assessed. In addition, the Loan-Level Reviews evaluated whether: (1) all funds received on account of any arrearage amount included in the POC were accurately accounted for in compliance with the Chapter 13 plan, Bankruptcy Code, and Bankruptcy Rules, and (2) all funds received on account of post-petition, ongoing, monthly mortgage payments were accurately accounted for. Where necessary, U.S. Bank ensured that a refund was issued, or a Credit was applied to the Borrower's account.

The Loan-Level Reviews may have excluded assessment of the last-filed POC for approximately 600 Open Accounts subject to loan modification ("Loan Modification POCs") and approximately 150 Open Accounts with a change in bankruptcy procedural status ("Procedural Change POCs").

As part of the Loan-Level Reviews, U.S. Bank's system of record and the Debtors' Bankruptcy Cases were reviewed to identify Missed PCNs, Untimely PCNs, and Substantively Inaccurate PCNs. Where necessary, a refund was issued, or Credit was applied to the Borrower's account and a Properly Filed PCN was filed to advise of a new payment amount.

The Loan-Level Reviews also focused on Payment Application and specifically whether U.S. Bank had properly accounted for funds received. U.S. Bank performed a reconciliation by way of the Pencil Ledger and, to the extent that any discrepancies were identified, U.S. Bank made adjustments to the system(s) of record.

The Loan-Level Reviews also included a review to identify Missed, Untimely, and Inaccurate PPFNs and RFCs. Where necessary, U.S. Bank's system of record was adjusted and updated.

On or about March 11, 2015, following completion of the Loan-Level Reviews, KPMG LLP was retained to assess the Loan-Level Reviews and to determine whether the Vendors had accurately performed the Loan-Level Reviews.

KPMG LLP performed a loan-level review of a statistically-relevant sample of the Open Accounts. Specifically, KPMG LLP reviewed sample Docket Reviews and Compliance Reviews and Pencil Ledgers and reviewed relevant POCs, PCNs, and PPFNs. To this end, KPMG LLP identified certain unsatisfactory deviations, which were generally the result of human error, and included the failure to "open tasks" instructing U.S. Bank to complete recommended system adjustments, typographical errors, and in some instances, miscalculations. U.S. Bank elected to have Vendor 1 re-review all of the Loan-Level Reviews that Vendor 2 had performed.

Except as otherwise provided herein, as of the effective date of this MOU, U.S. Bank completed the necessary system adjustments and remedial action (as appropriate and as described herein).

III. Substantively Inaccurate and Missed POCs in Bankruptcy Cases

1) Statement of Facts

Without waiving any privilege, U.S. Bank represents that the following facts are accurate to the best of its knowledge and belief:

The Substantively Inaccurate and Missed POCs in the Open Accounts were the result of human error in manual data entry by staff with insufficient training; lack of adequate quality controls; and insufficient Bankruptcy Servicing policies, processes, and procedures. Further, during the Relevant Period, U.S. Bank's policies, processes, and procedures—which required U.S. Bank employees to, among other things, verify the contents of a POC—did not provide a sufficient level of detailed instruction to Bankruptcy Servicing processors and quality assurance analysts.

The issues described directly above are collectively defined as the “POC Practices.”

2) Population & Remediation

During the Relevant Period, U.S. Bank filed approximately 11,224 POCs in the Open Accounts. U.S. Bank identified approximately 4,701 Substantively Inaccurate POCs and approximately 1,344 Missed POCs in the Open Accounts. The final remediation for Substantively Inaccurate POCs and Missed POCs is comprised of approximately \$3.6 million in Credits and refunds. U.S. Bank has undertaken corrective action as described in **Appendix 2¹** to address the POC Practices.

IV. Untimely PCNs, Missed PCNs, and Substantively Inaccurate PCNs in Bankruptcy Cases

1) Statement of Facts

Without waiving any privilege, U.S. Bank represents that the following facts are accurate to the best of its knowledge and belief:

U.S. Bank determined that the Substantively Inaccurate PCNs, Missed PCNs, and Untimely PCNs in the Open Accounts were generally caused by lack of automated processes, lack of consistency in practices across servicing teams, human error in the manual data entry by staff with insufficient training, and/or lack of adequate quality controls. Substantive inaccuracies included errors in the amount of the new payment change, or errors with respect to the effective date of the new payment change. Some Substantively Inaccurate PCNs had multiple errors. In addition, U.S. Bank's PCN-related policies and procedures did not contain the detail needed for bankruptcy servicing processors and quality assurance analysts to understand all aspects of the PCN review process. Notwithstanding the Missed and Untimely PCNs in the Open Accounts, it was U.S. Bank's policy to perform annual escrow analyses on the Open Accounts during the Relevant Period.

The issues described directly above are collectively defined as the “PCN Practices.”

2) Population & Remediation

U.S. Bank filed approximately 25,021 PCNs in the Open Accounts. U.S. Bank identified approximately 216 Substantively Inaccurate PCNs, 12,728 Missed PCNs and approximately 456 Untimely PCNs in the Open Accounts. Untimely PCNs may have also been Substantively Inaccurate PCNs. The final remediation for Substantively Inaccurate PCNs, Missed PCNs, and Untimely PCNs is

¹ Appendices 1-6 reflect U.S. Bank's representations as to the corrective action and remediation undertaken, to be undertaken, with respect to the Covered Practices in keeping with the representations set forth in the MOU.

comprised of approximately \$4.1 million in Credits and refunds. U.S. Bank has undertaken corrective action as described in **Appendix 3** to address the PCN Practices.

V. Payment Application in Bankruptcy Cases

1) Statement of Facts

Without waiving any privilege, U.S. Bank represents that the following facts are accurate to the best of its knowledge and belief:

The Payment Application Errors arose from the improper application of payments, whether received by U.S. Bank from Borrowers or the Chapter 13 trustee, to the mortgage account as reflected on U.S. Bank's system of record. Specifically, Payment Application Errors in the Open Accounts included manual calculation errors in processing payments, misapplication of funds based on incorrectly calculated POCs, and misapplication of funds based on incorrect or untimely PCNs. The Payment Application Errors were caused by human error in the manual entry of data, staff that lacked sufficient training, insufficient policies and procedures, and inadequate quality controls.

The issues described directly above are collectively defined as the "Payment Application Practices."

2) Population & Remediation

U.S. Bank identified approximately 836 Open Accounts in which there was at least one Payment Application Error. The final remediation for Payment Application Errors is comprised of approximately \$338,000 in account adjustments. U.S. Bank has undertaken corrective action as described in **Appendix 4** to address the Payment Application Practices.

VI. Substantively Inaccurate PPFNs, Untimely PPFNs, or Missed PPFNs in Bankruptcy Cases

1) Statement of Facts

Without waiving any privilege, U.S. Bank represents that the following facts are accurate to the best of its knowledge and belief:

U.S. Bank determined that the Substantively Inaccurate PPFNs, Missed PPFNs, or Untimely PPFNs were caused by human error in manual data entry, insufficient training, policies, and procedures that were lacking in detail, and inadequate quality controls.

The issues described directly above are collectively defined as the "PPFN Practices."

2) Population & Remediation

U.S. Bank identified approximately 5,464 Substantively Inaccurate PPFNs, Missed PPFNs, or Untimely PPFNs in the Open Accounts. The final remediation for Substantively Inaccurate PPFNs, Missed PPFNs, and Untimely PPFNs is comprised of approximately \$3 million in Credits and refunds. U.S. Bank has undertaken corrective action as described in **Appendix 5** to address the PPFN Practices.

VII. Operational Enhancements

U.S. Bank has implemented the following operational enhancements to address and prevent future recurrence of the Covered Practices (the “Operational Enhancements”). These Operational Enhancements, among others, are designed to minimize manual processing and resulting errors; increase staff expertise through improved training; and provide enhanced quality control measures in order to identify and correct any errors prior to filing of documents in Bankruptcy Courts.

U.S. Bank has undertaken the following Operational Enhancements with respect to its Bankruptcy Servicing practices and procedures in general:

- 1) In August 2014, U.S. Bank engaged NBS to assist U.S. Bank with certain aspects of its Bankruptcy Servicing operations.
- 2) In September 2014, U.S. Bank centralized and relocated its primary Bankruptcy Servicing operations to Irving, Texas. Subsequently, U.S. Bank increased its Bankruptcy Servicing staffing, made significant changes to its existing staffing, and hired new senior management responsible for Bankruptcy Servicing, including a Senior Vice President and a Vice President.
- 3) Also, in September 2014, U.S. Bank began a comprehensive forward-looking review of its Bankruptcy Servicing practices to ensure compliance with the Bankruptcy Code and Bankruptcy Rules. In connection with this review, U.S. Bank made significant enhancements to its Bankruptcy Servicing policies and procedures as described herein. U.S. Bank also implemented a rigorous approval process for these enhancements, which entails prior review and approval by Bankruptcy Servicing management, U.S. Bank’s compliance personnel, and U.S. Bank’s law division, among others.

U.S. Bank has implemented the following specific Operational Enhancements to address Substantively Inaccurate, Untimely, and Missed POCs, PCNs, and PPFNs:

- 1) Policies and procedures for the servicing of U.S. Bank’s POCs, PCNs, and PPFNs, which provide a detailed explanation of the tasks that must be performed and U.S. Bank’s oversight of such tasks.
- 2) Enhanced training, performed by in-house trainers, U.S. Bank’s law division, and outside vendors, of employees involved in the approval of POCs, PCNs, and PPFNs for filing. Regular training occurs when U.S. Bank updates its Bankruptcy Servicing policies and procedures. Additionally, new bankruptcy processors receive side-by-side training to ensure that they understand their assigned Bankruptcy Servicing tasks and the applicable policies and procedures.
- 3) Enhanced policies and procedures requiring multiple levels of substantive pre- and post-filing quality control review, as well as enhanced training for personnel who perform quality control reviews.

To ensure the effectiveness of its Operational Enhancements and compliance with the Bankruptcy Code and Bankruptcy Rules, U.S. Bank has implemented the following quality control Operational Enhancements:

- 1) U.S. Bank oversees NBS' involvement in Bankruptcy Servicing, including by holding regular meetings with NBS, and requiring that NBS follow U.S. Bank's policies and procedures, to ensure compliance with the Bankruptcy Code and Bankruptcy Rules.
- 2) U.S. Bank has developed a robust quality control system, consisting of multi-level, business line, pre-filing review (Business Line Quality Assurance and Quality Control) and post-filing review (Quality Management and Compliance Quality Assurance), in addition to NBS' own additional quality assurance review and an outside business line control team review. POCs, PCNs, and PPFNs filed in the Bankruptcy Courts are subject to the quality control system described above.

U.S. Bank has implemented the following specific Operational Enhancements to address Payment Application Errors:

- 1) Since approximately September 2014, U.S. Bank or NBS, as part of its Bankruptcy Servicing for U.S. Bank, has prepared a Pencil Ledger in all Bankruptcy Cases upon occurrence of the following triggering events: prior to the filing of a Motion for Relief from the Stay; prior to U.S. Bank returning an account to a non-bankruptcy servicing status; following notification of default of Agreed Orders; and prior to filing a RFC. The Pencil Ledgers are designed to ensure that payments have been accurately accounted for (whether from the borrower or the Chapter 13 trustee) and that any necessary adjustments, including corrective actions and waiver of fees as necessary, are initiated.
- 2) In approximately March 2016, U.S. Bank implemented the use of a web-based application that automates the processing of Chapter 13 trustee payments and delivers electronic posting details to U.S. Bank. This application relies on information received directly from Chapter 13 trustee ledgers to help automate payment processing and reduce the potential for error created by manual entry. U.S. Bank has provided Payment Application training to employees of its Default Cash and Bankruptcy Servicing teams that utilize this application.
- 3) Enhanced training, performed by in-house trainers, and outside vendors, of employees responsible for Payment Application in Bankruptcy Cases. Regular training occurs when U.S. Bank updates its policies and procedures relating to Payment Application in Bankruptcy Cases. Additionally, new Payment Application processors responsible for Payment Application in Bankruptcy Cases receive side-by-side training to ensure that they understand their assigned tasks and the applicable policies and procedures relating to Payment Application in Bankruptcy Cases.

- 4) Enhanced policies and procedures designed to address Payment Application Errors and ensure compliance with applicable law, including the Bankruptcy Code and Bankruptcy Rules.

To ensure the effectiveness of its Operational Enhancements and compliance with the Bankruptcy Code and Bankruptcy Rules, U.S. Bank has implemented the following quality control Operational Enhancements:

- 1) U.S. Bank oversees NBS' involvement in Bankruptcy Servicing, including by holding regular meetings with NBS, and requiring that NBS follow U.S. Bank's policies and procedures, to ensure compliance with the Bankruptcy Code and Bankruptcy Rules.
- 2) U.S. Bank has developed a robust quality control system, consisting of multi-level, business line, pre-filing review (Business Line Quality Assurance and Quality Control) and post-filing review (Quality Management and Compliance Quality Assurance), in addition to NBS' own additional quality assurance review and an outside business line control team review. POCs, PCNs, and PPFNs filed in the Bankruptcy Courts are subject to the quality control system described above.

In September 2014, U.S. Bank implemented a robust bankruptcy vendor oversight process and hired and trained experienced managers, employees, and law division attorneys to oversee the process. The process includes regular senior management meetings to discuss vendors and any issues involved with the vendor management process, weekly scorecards to assess performance of the vendor, weekly manager calibration calls; periodic onsite visits with vendors, and additional meetings with vendors, as necessary. Vendors that fail to meet U.S. Bank's rigorous requirements are subject to suspension or termination.

VIII. U.S. Bank's Validation Review

- 1) Validation Processes and Reporting

Within nine (9) months after the Effective Date of this MOU (or as otherwise mutually agreed upon by the Parties), U.S. Bank's Control Quality Assurance Team ("CQA") shall validate whether U.S. Bank satisfied the following three (3) conditions: (a) U.S. Bank properly identified the Open and Closed Accounts; (b) U.S. Bank provided the corrective action contemplated by the POC Remediation, PCN Remediation, Payment Application Remediation, PPFN Remediation, and Fixed Payment Remediation; and (c) U.S. Bank completed the Operational Enhancements outlined in Section VII (the "Validation Review"). In performing its Validation Review, CQA shall rely on a statistically relevant sampling of populations or sub-populations of accounts, and shall utilize transaction testing and compliance/controls testing. CQA's testing shall be conducted in the ordinary course of U.S. Bank's business and consistent with industry standards.

If, upon completion of its Validation Review, CQA determines that U.S. Bank has not satisfactorily fulfilled conditions (a), (b) and (c) set forth above, U.S. Bank shall perform a root cause analysis, determine whether corrective action, including a plan for remediation of any consumer harm, is warranted, and shall effectuate the relief called for by any remediation plan.

If, upon completion of its Validation Review, CQA determines that U.S. Bank has satisfactorily fulfilled conditions (a), (b) and (c) set forth above, U.S. Bank will provide a written summary of CQA's findings to the USTP with 30 calendar days of completion of the Validation Review (or as otherwise mutually agreed upon between the Parties), detailing the steps that CQA took to conduct its Validation Review, the approach that CQA took to validate the identification of the Open and Closed Accounts, the corrective action provided in connection with the POC Remediation, PCN Remediation, Payment Application Remediation, PPFN Remediation, and Fixed Payment Remediation, the sampling methodology that CQA employed, and the findings and conclusions that CQA reached (the "Independent Compliance Report").

Following U.S. Bank's submission of the Independent Compliance Report, the USTP shall have 60 calendar days (or as otherwise agreed upon between the Parties) to submit questions, concerns or otherwise respond to U.S. Bank in writing concerning the Validation Review or Independent Compliance Report. If the USTP raises questions or concerns, U.S. Bank shall submit a response to the USTP within 45 calendar days (or as otherwise agreed upon between the Parties) in writing. Alternatively, if the USTP does not raise questions or concerns, except as otherwise provided herein, U.S. Bank shall have no further obligations under this MOU.

IX. USTP's Access to Information and U.S. Bank's Designation of Confidential Information

Upon reasonable notice to be made within twelve (12) months of the Effective Date (or as otherwise agreed upon between the Parties), U.S. Bank shall permit the USTP to inspect and copy non-privileged records pertinent to this MOU, except as they relate to the Operational Enhancements. U.S. Bank, if appropriate, may designate documents, information, or portions of a document or other tangible thing (except this MOU, the Appendices, and the Independent Compliance Report) provided by U.S. Bank to the USTP which U.S. Bank asserts contains a trade secret or confidential research, development, or commercial information subject to protection under applicable state or federal laws as Confidential (collectively, "Confidential Information").

The USTP agrees to protect Confidential Information to the extent permitted by law. However, this agreement shall not prevent or in any way limit the ability of USTP to comply with any subpoena, Congressional demand for documents or information, court order, request under the Right to Financial Privacy Act, or a public records or a Freedom of Information Act request; provided, however, that in the event that the USTP receives such a subpoena, Congressional demand, court order or other request for the production of any Confidential Information covered by this MOU, the USTP shall, unless prohibited under applicable law or unless the USTP would violate or be in contempt of the subpoena, Congressional demand, or court order, (1) notify U.S. Bank of such request as soon as practicable and in no event more than ten (10) calendar days of its receipt or three (3) calendar days before the return date of the request, whichever is sooner, and (2) allow U.S. Bank ten (10) calendar days from the receipt of the notice to obtain a protective order or stay of production for the documents or information sought, or to otherwise resolve the issue, before the USTP discloses such documents or information. In all cases covered by this provision, the USTP shall inform the requesting party that the documents or information sought were produced subject to the terms of the MOU and these requirements.

X. USTP Actions

The USTP will refrain from instituting, directing or maintaining any action or participating in any action by a third party (except that the USTP may participate in an action to the extent ordered by a court provided that the USTP may not seek such a court order formally or informally), against U.S. Bank, pertaining to U.S. Bank's mortgage-related claims filed in a Borrower's Bankruptcy Case prior to the effective date of this MOU and based on the Covered Practices. Further, the USTP shall refrain from sharing information obtained via Discovery Requests and Subpoenas (unless required to do so under applicable law or pursuant to a court order) in support of any action against U.S. Bank pertaining to U.S. Bank's mortgage-related claims filed in a Borrower's Bankruptcy Case prior to the effective date of this MOU and based on the Covered Practices.

Notwithstanding the foregoing, nothing in this MOU shall be construed as a waiver of, or a restriction or prohibition on, the USTP's ability following the execution of this MOU:

- 1) In individual Bankruptcy Cases to seek corrective action and remediation (but not sanctions, fines or punitive damages) arising out of or related to the Covered Practices where U.S. Bank fails to take corrective action or remediation set forth in this MOU within the time frames established under this MOU;
- 2) Except as otherwise addressed in sub-section (1) above, in individual Bankruptcy Cases to the extent permitted by law, to formally or informally seek corrective action (but not fines, penalties, or sanctions), to address material inaccuracies relating to U.S. Bank's mortgage-related filings based on the Covered Practices; provided, however, that this provision shall not constitute a waiver of, or restriction or prohibition on, U.S. Bank's ability to dispute whether the United States Trustees have authority or ability to seek such a cure;
- 3) In individual Bankruptcy Cases, to undertake any formal or informal action with respect to any filing by U.S. Bank in a Bankruptcy Case that is not based on the Covered Practices described herein;
- 4) To assert defenses or claims against any other party, and the USTP shall have no obligation to seek dismissal of any pending adversary proceedings, contested matters, appeals, and other actions filed by the USTP against any other party in Bankruptcy Cases involving the Open Accounts and Closed Accounts; and
- 5) To cooperate with or provide assistance to other governmental agencies in connection with the Covered Practices, or sharing information or discovery arising out of or pertaining to the Covered Practices with other governmental agencies.

The scope of the matters being resolved via this MOU is limited to the Covered Practices or any matters arising out of or relating to Missed POCs, Missed PCNs, Missed PPFNs, Substantively Inaccurate POCs, Substantively Inaccurate PCNs, Substantively Inaccurate PPFNs, Untimely PCNs, Untimely PPFNs, or Payment Application Errors. This MOU does not settle, resolve, or prejudice any other rights or claims against U.S. Bank, pertaining to matters other than Covered Practices.

XI. Miscellaneous Provisions

In the event that U.S. Bank previously resolved any objection, inquiry, motion, adversary proceeding, or other dispute or contested matter regarding a POC, PCN, PPFN or Payment Application filed during the Relevant Period, and the dispute was related to the accuracy or timeliness of a POC, PCN,

or PPFN, U.S. Bank shall have no further obligation under this MOU to pay any Borrower or Chapter 13 trustee on account of such POC, PCN, PPFN or Payment Application.

For purposes of the corrective action contemplated in this MOU, to the extent an Open Account was not open on U.S. Bank's system of record, not administratively open on the bankruptcy docket of the bankruptcy case, or was dismissed, discharged, subject to a Motion for Relief from Stay, subject to a Notice of Final Cure, or otherwise administratively closed at the time the corrective action was sought to be implemented on a given account, U.S. Bank did not undertake additional filings (corrective or otherwise).

In the event of a sale of the mortgage servicing rights for a loan subject to or covered by this MOU, U.S. Bank shall fulfill its obligations under Appendices 2 through 5 prior to transferring servicing of such loan.

U.S. Bank confirms that it will not impose additional fees or charges on an Open Account as a result of a Substantively Inaccurate POC, PCN, or PPFN, an Untimely PCN or PPFN, a Missed POC, PCN, or PPFN, or Payment Application Error. U.S. Bank is not required to waive, refund, or Credit post-petition fees, expenses or charges that were properly noticed and are otherwise proper and recoverable to the Borrower.

In certain limited circumstances, U.S. Bank may have sent a check to the Borrower or Chapter 13 trustee in lieu of a Credit, and such payment shall be considered sufficient and satisfactory corrective action for purposes of this MOU.

Any payments required to be made under this MOU shall be deemed made when deposited in the United States mail, postage prepaid, and addressed to the last known notice address on U.S. Bank's system of record. Any payee's failure or refusal to accept such payment shall not be deemed a breach of U.S. Bank's obligations under this MOU. U.S. Bank shall reissue a check that the payee failed to timely negotiate in accordance with U.S. Bank's existing policies and procedures.

This MOU does not impose any requirement on U.S. Bank to refund or Credit, or take other actions as specified in Appendices 2 through 5, to a Borrower or bankruptcy trustee in a Bankruptcy Case, if such refund or Credit has previously been made (*e.g.*, U.S. Bank shall not be required to refund distributions or make a payment to a bankruptcy trustee under this MOU if refunds or payments have already been made to the Borrower, and vice-versa). This shall include instances where additional remediation, refunds or Credits were provided on an Open Account after the completion of the Loan-Level Review.

Any and all Credits, checks, payments, or other corrective action contemplated in this MOU shall be on a per-account basis regardless of the number of Borrowers on each account. U.S. Bank is not required to issue a separate check to any non-Debtor co-obligor or non-Debtor account holder, or otherwise compensate a non-Debtor co-obligor or non-Debtor account holder.

This MOU is intended to be solely for the benefit of the Parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the Parties hereto. This MOU will not bind or prejudice the rights and claims of non-Parties, including but not limited to the rights and claims of debtors, case trustees, or Chapter 13 trustees, any component of the United States Department of Justice (other than the USTP), any other federal agencies, or any state, local or foreign law enforcement

or regulatory agencies, or any other authorities. Notwithstanding any other provision of this MOU, claims with respect to any criminal liability are especially reserved and are not released.

This MOU sets forth all the terms of the understanding between the Parties relating to the subject matter reflected herein and may not be modified except in writing executed and delivered by the Parties hereto.

If the USTP believes that there has been a failure by U.S. Bank to perform in a timely manner any act required by this MOU, or otherwise to act in conformance with any provision thereof, the USTP will notify U.S. Bank in writing and provide U.S. Bank 90 calendar days to cure or otherwise purge the conduct deemed by the USTP to constitute the violation. The Parties may agree to extend U.S. Bank's time to respond to the violation notice. The Parties shall endeavor in good faith to resolve any disputes regarding interpretation of, or compliance with this MOU prior to initiating any action. In the event the Parties are unable to resolve any dispute, the Parties each reserve all rights to take whatever action they deem appropriate in any appropriate forum.

U.S. Bank recognizes that the USTP is entering into this MOU in reliance on the material accuracy and material completeness of the factual representations set forth herein and that in the event of fraud or misrepresentation of material facts the USTP reserves all rights to take whatever action it deems appropriate in any appropriate forum, subject to providing reasonable notice to U.S. Bank and opportunity for U.S. Bank to respond.

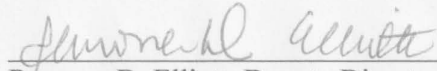
Nothing in this MOU shall relieve U.S. Bank of its obligation to comply with applicable state and federal laws. To the extent any provision contained herein is determined to be invalid or unenforceable under applicable law, such provisions shall be limited or eliminated only to the minimum extent necessary so that this MOU shall otherwise remain in full force.

This MOU may be executed in counterparts, each of which shall be deemed an original but all of which, taken together, shall constitute one and the same agreement. The exchange of copies of this MOU and of signature pages by facsimile or electronic transmission shall constitute effective execution and delivery of this MOU as to the parties and may be used in lieu of the original MOU for all purposes. Signatures of the parties provided by electronic transmission shall be deemed their original signatures for all purposes.

This MOU, the Appendices, and the Independent Compliance Report shall be made available to the public.

The undersigned agree to the terms of this Memorandum of Understanding.

EXECUTIVE OFFICE FOR UNITED STATES TRUSTEES:

A handwritten signature in cursive script, appearing to read "Ramona D. Elliott", is written over a horizontal line.

Ramona D. Elliott, Deputy Director/General Counsel

U.S. DEPARTMENT OF JUSTICE

EXECUTIVE OFFICE FOR UNITED STATES TRUSTEES

441 G Street, NW, Suite 6150

Washington, DC 20530

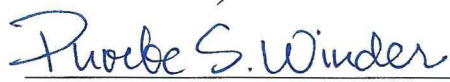
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COUNSEL FOR U.S. BANK NATIONAL ASSOCIATION

A handwritten signature in dark ink, appearing to read "David B. Little", is written over a horizontal line.

David Little
Executive Vice President, Consumer and Business Banking
U.S. BANK NATIONAL ASSOCIATION

FOR U.S. BANK NATIONAL ASSOCIATION:



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COUNSEL FOR U.S. BANK NATIONAL ASSOCIATION

David Little
Executive Vice President, Consumer and Business Banking
U.S. BANK NATIONAL ASSOCIATION

REMEDIATION SUMMARY²

Issue	Impacted Transactions and Accounts	Total Approximate Credit or Refund
POC Practices	6,045	\$3.6 million
PCN Practices	13,400	\$4.1 million
Payment Application Practices	836	\$338,000
PPFN Practices	5,464	\$3 million
Fixed Payments	22,919	\$18 million
		\$29 million

² This summary chart is for general information purposes only. The language of the MOU and Appendices control over this summary.

APPENDICES

U.S. Bank represents that it implemented, or will implement, the remediation approaches outlined in the following Appendices. The Appendices set forth the representations of U.S. Bank, and are subject to validation per this MOU.

Appendix 1

CUMULATIVE APPLICATION OF CORRECTIVE ACTION

Appendices 2 through 6 detail corrective actions that have been undertaken, or will be undertaken, by U.S. Bank on Open Accounts to address the Covered Practices. In the event that an impacted account is eligible to receive corrective action pursuant to more than one Appendix, U.S. Bank will provide the cumulative benefit of such corrective action described in the respective Appendix. However, an account that receives a benefit under one Appendix is not eligible to receive a duplicative benefit under another Appendix for the same error or omission that led to the first benefit. An account eligible to receive a benefit under Appendix 6 is not eligible to receive a benefit under Appendices 2 through 5, and, conversely, an account eligible to receive a benefit under Appendices 2 through 5 is not eligible to receive a benefit under Appendix 6. Such corrective action shall not be unwound by U.S. Bank unless ordered by a court, requested by a Debtor (verbally, in writing, or by way of settlement), or at the direction of a regulator.

Appendix 2

POC CORRECTIVE ACTION

For each Open Account where there was a Missed POC during the Relevant Period, U.S. Bank has: (1) filed a POC (if necessary and if permitted to do so) for the lesser of (a) the actual arrearage amount, (b) the arrearage amount listed in a confirmed Chapter 13 plan or pending Chapter 13 plan as applicable, or (c) the arrearage amount listed in an allowed POC previously filed by the Debtor, and (2) updated the system of record to reflect the lesser amount, including waiving and reclassifying fees, as applicable.

For each Open Account where there was a Substantively Inaccurate POC during the Relevant Period claiming an amount in excess of the accurate total arrearage amount, U.S. Bank has: (1) filed an amended POC (if necessary and permitted to do so, and if the amount of the total arrearage was overstated by \$50.00 or more) that reflects the accurate total arrearage amount, (2) updated the system of record to account for the accurate arrearage amount, including waiving and reclassifying fees, as applicable, and/or (3) to the extent applicable, returned any overpayments to the Chapter 13 trustee, issued a refund or account Credit for any overpayment, or issued a Credit that was applied to the outstanding arrears.

For each Open Account where there was a Substantively Inaccurate POC during the Relevant Period claiming an amount that was less than the accurate total arrearage amount, U.S. Bank has (1) waived the actual difference between the accurate arrearage amount and stated arrearage amount, and (2) updated the system of record to reflect the lesser total arrearage amount, including waiving and reclassifying fees, as applicable.

In implementing the corrective action to address the Missed POCs and Substantively Inaccurate POCs, U.S. Bank represents it sought to comply with legal requirements for late-filed POCs and amended POCs, including applicable bar dates, circuit or local rules, circuit or local practices, court orders, case law, and other legal obligations. In accordance therewith, U.S. Bank may have waived the amount of the arrearage not claimed by the bar date, used the arrearage amount included in the plan, or sought permission to file a late claim. U.S. Bank will not be deemed to have violated this MOU if a POC could not be filed due to circuit or local rules, circuit or local practices, court orders, case law, or other circumstances prohibiting or otherwise preventing such filing.

U.S. Bank has undertaken the corrective action described in this Appendix ("POC Remediation") to address the Missed POCs or Substantively Inaccurate POCs in Open Accounts on or before the effective date of this MOU, unless a later date is agreed to by the Parties in writing.

The POC Remediation does not include any Open Account that was subject to a Material Status Change.

Appendix 3

PCN CORRECTIVE ACTION

For each Open Account where there was an Untimely PCN or Missed PCN during the Relevant Period with a payment increase from the last-filed, post-petition payment amount, U.S. Bank has updated the system of record and provided a refund or account Credit for the difference between (1)(a) the first post-petition payment amount or (b) the last-filed, post-petition payment amount and (2) the new post-petition payment amount associated with the Untimely or Missed PCN. Where necessary, a Credit was applied to the Borrower's account and a Properly Filed PCN was filed to advise of a new payment amount. Such Crediting for Untimely and Missed PCNs was provided through either the post-petition payments made, the date of the RFC, or the date of the discharge. Where a Borrower overpaid, the overpayment was applied to the account, and a Properly Filed PCN was filed to advise of a new payment amount.

For each Open Account where there was a Substantively Inaccurate PCN on file during the Relevant Period, U.S. Bank has provided a refund or account Credit for the difference between (1) the payment amount in the system of record and (2) the amount listed in the PCN, for those months the Substantively Inaccurate PCN was in effect.

U.S. Bank has undertaken the corrective action described in this Appendix ("PCN Remediation") to address the Untimely PCNs, Missed PCNs, and Substantively Inaccurate PCNs in Open Accounts on or before the effective date of this MOU, unless a later date is agreed to by the Parties in writing.

The PCN Remediation does not include any Open Account that was subject to a Material Status Change.

Appendix 4

PAYMENT APPLICATION CORRECTIVE ACTION

U.S. Bank reviewed and reconciled each Open Account to ensure pre-petition arrears payments and ongoing post-petition payments received by U.S. Bank during the Relevant Period were accurately accounted for. To the extent applicable, the adjustments included: (1) making adjustments to the account to resolve Payment Application Errors that impacted the account, (2) updating the system of record to reflect the removal or reclassification of fees that were waived or otherwise deemed to be unrecoverable, (3) reapplying payments, or (4) a combination of (1), (2), or (3), as applicable.

U.S. Bank has undertaken the corrective action described in this Appendix ("Payment Application Remediation") to address any Payment Application Errors in the Open Accounts on or before the effective date of this MOU, unless a later date is agreed to by the Parties in writing.

The Payment Application Remediation does not include any Open Account that was subject to a Material Status Change.

Appendix 5

PPFN CORRECTIVE ACTION

For each Open Account where there was a Substantively Inaccurate, Untimely, or Missed PPFN during the PPFN Relevant Period, U.S. Bank has made adjustments to the account to resolve the issue created by a Substantively Inaccurate, Untimely, or Missed PPFN. To the extent applicable, the adjustments included: (1) updating the system of record to reflect the waiver or reclassification of the substantively inaccurate, untimely, or missed post-petition fees, costs and charges, (2) where such substantively inaccurate, untimely, or missed post-petition fees, costs, and charges were already paid, issuing a refund or account Credit to the account in an amount equal to such post-petition fees, costs, and charges, or (3) a combination of (1) and (2), as applicable.

With respect to fees and charges incurred on the Open Accounts where the Bankruptcy Cases were not dismissed, discharged, subject to a Motion for Relief from Stay or Notice of Final Cure, converted from a Chapter 13 bankruptcy case to another chapter of the Bankruptcy Code, or otherwise administratively closed at the time of the Loan-Level Review, U.S. Bank has ensured or will ensure that: (1) all Pre-Petition Fees incurred between May 15, 2014 and July 1, 2016 have been removed from the Open Account or reclassified as non-recoverable so that the Borrower is not asked to pay such Pre-Petition Fees, and (2) all Post-Petition Fees incurred on or after May 15, 2014 until April 27, 2018 are removed from the Open Account or reclassified as non-recoverable from the Borrower so that the Borrower is not asked to pay such Post-Petition Fees.

Effective July 1, 2016, U.S. Bank resumed assessing recoverable Pre-Petition Fees, and effective April 27, 2018, U.S. Bank resumed assessing recoverable Post-Petition Fees.

U.S. Bank has undertaken the corrective action described in this Appendix ("PPFN Remediation") to address the Substantively Inaccurate PPFNs, Untimely PPFNs, or Missed PPFNs in the Open Accounts on or before the effective date of this MOU, unless a later date is agreed to by the Parties in writing.

The PPFN Remediation does not include any Open Account that was subject to a Material Status Change.

Appendix 6

FIXED PAYMENT CORRECTIVE ACTION

For each of the approximately 4,701 Open Accounts where there was a Substantively Inaccurate POC, U.S. Bank will mail a check to the Borrower(s) in the amount of \$200.

For each of the approximately 4,244 Open Accounts where there may have been an Untimely PCN or Missed PCN with a payment decrease from the last-filed, post-petition payment amount, U.S. Bank will mail a check to the Borrower(s) in the amount of \$200.

For each of the approximately 600 Open Accounts with a Loan Modification POC, U.S. Bank will mail a check to the Borrower(s) in the amount of \$500.

For each of the approximately 150 Open Accounts with a Procedural Change POC, U.S. Bank will mail a check to the Borrower(s) in the amount of \$889.

For each of the approximately 13,224 Closed Accounts, U.S. Bank will mail a check to the Borrower(s) in the amount of \$1,200.

All cash payments pursuant to this Appendix shall be mailed no later than six (6) months after the Effective Date of this MOU and shall be on a per-account basis regardless of the number of Borrowers on each account, unless a later date is agreed to by the Parties in writing.

Except as to an Open Account with a Procedural Change POC, the fixed payment corrective action does not include any Open Account that was subject to a Material Status Change.