



Independence of PwC as Independent Consultant

PwC agrees to use best efforts so that the Foreclosure Review Services will comply with all requirements set forth in Article VII of the Consent Order and that it will conduct the Foreclosure Review Services as separate and independent from any review, study, or other work performed by U.S. Bank or its contractors or agents with respect to U.S. Bank's applicable mortgage servicing portfolio or U.S. Bank's compliance with other requirements of the Consent Order, as set forth below:

1. As previously indicated, U.S. Bank (and/or its contractors or agents, as applicable) will not direct or influence, or attempt to direct or influence PwC's factual observations or findings. PwC shall immediately notify the OCC of any effort by U.S. Bank, directly or indirectly, to exert any such direction, control, supervision, oversight, or influence over PwC.
2. PwC agrees that it is responsible for the conduct and results of the factual evaluation and factual findings required by the Foreclosure Review, in accordance with the requirements of Sections 3 (a) through (h) of Article VII of the Consent Order that do not require legal determinations or legal analyses. As previously indicated, PwC understands that Gibson will prepare a separate written report that sets forth the legal conclusions that are called for by the requirements of Article VII of the Consent Order, which report shall be based upon the factual findings and observations provided by PwC for legal interpretation. Engagement of independent legal counsel by U.S. Bank is subject to OCC approval.
3. The conduct of the Foreclosure Review shall be subject to the monitoring, oversight, and direction of the OCC. PwC agrees to promptly comply with all written comments, directions, and instructions of the OCC concerning the conduct of the Foreclosure Review consistent with professional standards, and that it will promptly provide any documents, workpapers, materials or other information requested by the OCC.
4. PwC agrees to provide regular progress reports, updates and information concerning the conduct of the Foreclosure Review to the OCC, as directed by the OCC.
5. PwC will conduct the Foreclosure Review using only personnel employed or retained by PwC to perform the work required to complete the Foreclosure Review. PwC shall not employ or use services provided by U.S. Bank employees, or contractors or agents retained by U.S. Bank with respect to the Consent Order or with respect to matters addressed in the Consent Order, in order to conduct the Foreclosure Review, except where the OCC specifically provides prior written approval to do so.
6. Subject to the requirements and restrictions of 5. above, including the requirement of specific approval by the OCC, PwC may utilize documents, materials or other information provided by U.S. Bank, and may communicate with U.S. Bank, its contractors or agents, in order to conduct the Foreclosure Review.
7. PwC agrees that any legal advice needed in conducting the Foreclosure Review Services shall be provided by Gibson whose retention for that purpose has been approved by the OCC. As previously indicated, PwC will refer any potential matters of legal interpretation to Gibson, and PwC will make no representations or conclusions regarding such matters. PwC agrees not to obtain legal advice (or other professional services) in conducting the Foreclosure Review Services from U.S. Bank's inside counsel, or from outside counsel retained by U.S. Bank or its affiliates to provide legal advice concerning the Consent Order or matters contained in the Consent Order.
8. U.S. Bank's agreement with PwC must provide that if the OCC determines, in its sole discretion, that PwC has not been fully compliant with the foregoing standards (numbers 1. through 7., above), the



- interviews with the applicable U.S. Bank employees to understand the customer complaint process related to foreclosure actions during the Review Period and periods subsequent to the Review Period; and,
- follow-up interviews as necessary to resolve questions during the Foreclosure Review.

In addition, we understand that the methodology for conducting the Foreclosure Review should include a process for submission and evaluation of borrower claims and complaints - specifically focused on complaints received by U.S. Bank subsequent to the issuance of the Consent Order that are from borrowers who believe they have been financially harmed as a result of errors, misrepresentations, or other deficiencies associated with foreclosures initiated or completed during the Review Period. Additional details associated with the proposed Foreclosure Review Services surrounding the complaints process are included below.

Sampling Methodology

Based on guidance provided by the OCC to achieve the objectives of the Foreclosure Review, our approach to the Foreclosure Review Services will include a two stage sampling approach that includes the following: a) base samples that are representative of U.S. Bank's overall populations of mortgage loans subject to the Consent Order requirements that are determined based on general sampling methodologies commonly utilized; supplemented by b) additional risk-based samples that are associated with higher risk segments.

In determining the sample segmentations for both the base populations as well as the additional risk-based segmentations, we will consider applicable information provided by U.S. Bank including internal reports or reviews and previously performed borrower reviews by U.S. Bank's independent internal audit, compliance or other internal risk management functions as well as any reviews performed by external consultants, auditors and/or legal advisors, as applicable. Additionally, as part of the sample segmentation determinations, we will also consider the results of regulatory examinations applicable to the subject matter of the Consent Order, including reports issued by the OCC and/or Federal Deposit Insurance Corporation (the "FDIC").

The sampling methodology to be utilized will conform to the guidance provided in the Comptroller's Handbook - Sampling Methodologies, August 1998 (the "Handbook"). Statistical sampling, specifically numerical sampling, will be utilized to determine adherence to each of the requirements set forth in the Consent Order. Pursuant to the Handbook, with numerical sampling, each item in a given population is equally likely to be drawn and the population to be sampled is defined by the number of items. Numerical sampling is used to reveal the presence (or absence) of a defined characteristic in a portfolio of items with similar characteristics.

As further discussed in the Handbook, in numerical sampling, a precision limit is set by deciding how many differences can be tolerated in the sample population; the more differences that can be tolerated, the higher the precision limit should be. Reliability is the level of confidence in sample results. Selecting a reliability level affects the size of a sample with the higher the reliability level, the greater the number of items within the sample population to be assessed.

Based on the guidance contained within the Handbook as well as provided by the OCC, the sample sizes to be utilized for assessing the requirements set forth in the Consent Order will be determined assuming a precision level of 3% and a reliability level of 95% for each applicable population. Accordingly, the related sample size for each population must be at least 100 items.

We understand through discussions with U.S. Bank as well as guidance provided by the OCC, that there is a desired coverage across all states where U.S. Bank has initiated and/or completed foreclosure sales during the Review Period. As such, from a sampling perspective and as part of the base sample determinations as further discussed below, there will be a minimum of five sample items selected per applicable states in total across all populations. This sampling approach will result in sample sizes for certain of the Consent Order



requirements being in excess of the minimum sample size of 100 per population as it relates to the base sample determinations.

The populations for each of the Consent Order requirements that will be subject to sampling - including both the base sample populations as well as the additional risk-based segmentations - are further described below in the *Approach* section. A random sample generator process will be utilized for purposes of selecting all samples, including but not limited to the five sample items per applicable states. Additionally, as it relates to the initial base sample determinations, all of the Consent Order requirements ((a) - (h) as included below) will be evaluated as part of the Foreclosure Review Services. The Consent Order requirements to be evaluated for the initial risk-based sample determinations is dependent upon the specific risk parameters which are unique to each identified risk segmentation and are more fully explained below at an individual risk segmentation level.

Pursuant to the Handbook, if no differences are found in the initial sample results, the desired statistical reliability and precision levels have been attained and typically, no further evaluation is warranted. When differences are found, further analysis is typically performed to evaluate the differences, including but not limited to the root causes of the differences and whether the differences are isolated occurrences or are reflective of any patterns and/or practices. Given the aforementioned precision level of 3% and a reliability level of 95% for each of the populations, typically the existence of one difference would indicate that the original reliability and precision levels are no longer valid.

In evaluating the initial sample results associated with each of the Consent Order requirements, certain base assumptions will guide the overall evaluation of any preliminary observations - including but not limited to the following:

- If the observation was not a divergence from the requirements of applicable state and/or federal law as determined by Gibson and/or other aspects of the Consent Order requirements, the observation will not be labeled as a difference.
- Any observations that are determined to be differences will be evaluated to determine whether there are any underlying themes and/or causes associated with the observations (including, but not limited to multiple observations associated with a particular mortgage product type, multiple observations associated with a particular foreclosure attorney, multiple observations associated with respect to a particular state and/or related state-specific fees/penalties, etc.).

To the extent there are any common characteristics and/or attributes of the initial difference(s), an additional sample may be selected and evaluated related to the corresponding population of loans with those specific characteristics/attributes identified to determine whether there is a pervasive observation with respect to that population of loans for which specific remediation plans should be determined and put in place. Another alternative would be to perform additional sampling on the population of all items exclusive of the subset of loans with the aforementioned specific characteristics/attributes identified in the initial sample as a means of trying to further isolate the existence of difference(s) to that subset only.

The approach to be taken for any additional samples will be based on individual facts and circumstances associated with the results of the initial sample. Prior to initiating a subsequent sample selection, we will discuss the applicable facts and circumstances with the OCC as well as will inform U.S. Bank of the results of such discussions and any recommended additional sampling procedures, as applicable. For any additional samples performed for a given Consent Order requirement, the same precision level (3%) and reliability level (95%) will be utilized or a 100% coverage may be considered based on the particular facts and circumstances of the initial sample results. Additionally, while the Foreclosure Review Services for all of the initial base sample determinations and certain of the risk-based sample determinations will address all of the Consent Order requirements (a) - (h) as included in the table below, any additional sampling work will be focused only on the particular attribute(s) and/or specific Consent Order requirement(s) for which



differences were identified in the initial samples and will not include an evaluation of all of the Consent Order requirements (a) - (h). OCC approval will be required for any incremental sample selections.

All observations that are determined to be differences will be reported as such, regardless of the dollar amounts involved. All differences will be further labeled to indicate whether the differences represented errors, misrepresentations, or other deficiencies directly resulting in financial injury to the borrower or mortgagee.

Key Consent Order Definitions and OCC Guidance

The OCC has issued guidance that includes, but is not necessarily limited to, relevant definitions with respect to certain key terms within the Consent Order specific to the Foreclosure Review. The following guidance and the related definitions are incorporated herein by reference and PwC will use best efforts so that its services in connection with the Foreclosure Review are consistent with this guidance: *OCC and FRB Guidance - Financial Injury or Other Remediation* (dated August, 29, 2011).

Approach

Consent Order Requirements	Scoping Assumptions	<p style="text-align: center;">Foreclosure Review Services and Reporting Considerations</p> <p><i>(Note that the Foreclosure Review Services and reporting considerations described herein are preliminary and illustrative only. The listing is not intended to be fully inclusive and will be subject to further revisions based on continued industry evaluations, benchmarking and/or specific facts and circumstances unique to U.S. Bank and U.S. Bank's operations, documentation and/or systems).</i></p>
<p>(a) Whether at the time of the foreclosure action was initiated or the pleading or affidavit filed (including in bankruptcy proceedings and in defending suits brought by borrowers), the foreclosing party or agent of the party had properly documented ownership of the promissory note and mortgage (or deed of trust) under relevant state law, or was otherwise a proper party to the action as a result of agency or similar status.</p>	<p>Base sample determination: a numerical sampling approach supplemented with additional judgmental sampling to ensure the selection of a minimum of 5 files per state across all samples.</p> <p>Risk-based sample determination: see scoping summary below.</p>	<p>1. Key Documents to be obtained, read and analyzed include copies of the:</p> <ul style="list-style-type: none"> a. Original executed Note and any riders, modifications, or amendments; and b. Recorded mortgage or deed of trust; c. Endorsements, assignments and/or allonges (as applicable) including any assignments to/from MERS. <p>2. With respect to the legal standing of the party reflected in key documents, observations will be reported for the following:</p> <ul style="list-style-type: none"> a. Inconsistencies between the name of the foreclosing party as reflected on the first legal notice and any one of the following: <ul style="list-style-type: none"> i. The party per the most recent available note endorsement; or ii. The party named within the most recent assignment of the mortgage/deed of trust; or iii. The party named in the servicing agreement.



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<p>(b) Whether the foreclosure was in accordance with applicable state and federal laws, including but not limited to the Servicemembers Civil Relief Act ("SCRA") and the U.S. Bankruptcy Code.</p>	<p>Base sample determination: a numerical sampling approach supplemented with additional judgmental sampling to ensure the selection of a minimum of 5 files per state across all samples.</p> <p>Risk-based sample determination: see scoping summary below.</p>	<p>1. SCRA - Observations will be reported for the following:</p> <ul style="list-style-type: none"> a. Lack of coding (and/or miscoding) for SCRA status within the loan records on the servicing system(s); b. Missing active duty orders for loans with SCRA coding; c. Any applicable state laws regarding military service member protections were not followed; d. Evidence of SCRA status/protection within the servicer logs and/or other legal documentation received by U.S. Bank for borrowers with a foreclosure initiation and/or sale; e. Instances where the servicing actions were inconsistent with any waivers and/or other legal documentation evidencing stays of SCRA protection; f. Situations where the maximum rate of interest exceeded permissible levels for borrowers from which U.S. Bank had received a written request for relief and a copy of the service member's military orders; <p>2. Bankruptcy - Borrower files will be evaluated to determine whether foreclosure proceedings took place while the borrower was subject to some form of protection via U.S. bankruptcy laws. Observations will be reported for the following:</p> <ul style="list-style-type: none"> a. Using available independent search capabilities (e.g., the PACER website functionality), situations where the borrower was in active bankruptcy and foreclosure proceedings were initiated and/or conducted unless evidence exists that the bankruptcy stay was lifted or the bankruptcy has been dismissed and/or discharged prior to the foreclosure actions. <p>3. With respect to the key documents, timing</p>



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		<p>requirements and waiting periods identified in the state law matrices provided by independent legal counsel, observations will be reported for the following:</p> <ul style="list-style-type: none"> a. Specific notices that were not sent in accordance with the state laws; b. State mandated waiting periods or notifications, publishings, postings and/or mailing requirements pursuant to state laws were not satisfied; and c. Any documents/communications required per state laws and/or filed in a court of law that did not correctly list accurate borrower's names, property addresses, indebtedness amounts and/or other relevant amounts/data and/or were not provided within required legal notification periods.
<p>(c) Whether the foreclosure sale occurred when an application for a loan modification or other Loss Mitigation (as defined in the Consent Order) was under consideration; when the loan was performing in accordance with a trial or permanent loan modification; or when the loan had not been in default for a sufficient period of time to authorize foreclosure pursuant to the terms of the mortgage loan documents and related agreements.</p>	<p>Base sample determination: a numerical sampling approach supplemented with additional judgmental sampling to ensure the selection of a minimum of 5 files per state across all samples.</p> <p>Risk-based sample determination: see scoping summary below.</p>	<ul style="list-style-type: none"> 1. With respect to delinquency and loss mitigation status activities/information, observations will be reported for the following: <ul style="list-style-type: none"> a. Delinquency status <ul style="list-style-type: none"> i. Lack of evidence of the submission of a "breach" or "acceleration" letter to the borrower pursuant to state law and/or note requirements; ii. Instances where the period of delinquency prior to issuance of the "breach" or "acceleration" letter was less than an established requirement; and/or iii. Instances where the period of time that lapsed between breach and initiation of foreclosure proceedings was less than an established requirement. b. Loss mitigation <ul style="list-style-type: none"> i. Evidence of communications with the borrower relating to a loss mitigation solution (e.g.,



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		<p>short sale, deed-in-lieu, or modification) within the 30 days prior to the foreclosure sale date (as based on the reading of servicing system notes and/or other forms of borrower communication) where the denial decisioning was not documented;</p> <p>ii. Any indication of a lack of communication of loss mitigation options being presented to the borrower in those situations where borrower contact was successfully made (as based on the reading of servicing system notes);</p> <p>iii. For those instances where borrower communication was not successfully made, any indication that contact efforts were not made on at least a monthly basis during the period of delinquency; and</p> <p>iv. For those instances where a foreclosure sale occurred when the borrower was performing in accordance with a trial or permanent loan modification.</p>
<p>(d) Whether, with respect to non-judicial foreclosures, the procedures followed with respect to the foreclosure sale (including the calculation of the default period, the amounts due, and compliance with notice periods) and post-sale confirmation were in accordance with the terms of the mortgage loan and</p>	<p>Base sample determination: a numerical sampling approach supplemented with additional judgmental sampling to ensure the selection of a minimum of 5 files per state across all samples.</p> <p>Risk-based sample determination: see scoping summary below.</p>	<p>1. As it relates to non-judicial foreclosure activities, observations will be reported for the following:</p> <p>a. Inconsistencies between the unpaid principal balance per the servicing system and the unpaid principal balance as included within the "breach" or "acceleration" letter as of issuance date and/or unpaid principal amounts at the date of the foreclosure sale;</p> <p>b. Any observations as determined through the performance of the "delinquency and loss mitigation status procedures" outlined above;</p>



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state law requirements.		<ul style="list-style-type: none"> c. Situations where the default period had not been calculated correctly, as defined in the original mortgage or deed of trust. d. Situations in which the period between the foreclosure legal notifications and foreclosure sales dates exceeded an established requirement; and e. Instances in which the post-sale confirmation was issued and/or executed after an established requirement.
<p>(e) Whether a delinquent borrower's account was only charged fees and/or penalties that were permissible under the terms of the borrower's loan documents, applicable state and federal law, and were reasonable and customary.</p>	<p>Base sample determination: a numerical sampling approach supplemented with additional judgmental sampling to ensure the selection of a minimum of 5 files per state across all samples.</p> <p>Risk-based sample determination: see scoping summary below.</p> <p>The period of delinquency and assessment of fees or penalties will be limited to those fees and/or penalties charged to the borrower beginning with the first period of delinquency and continuing through the foreclosure process for those loans which were subject to a foreclosure proceeding during the Review Period.</p>	<ul style="list-style-type: none"> 1. Fees - Observations will be reported for those instances in which the fees and/or penalties charged to the borrower differed from the list of permissible fees as defined in Exhibit B. 2. With respect to the list of permissible fees as defined in Exhibit B, observations will be reported for those instances in which the fees charged by U.S. Bank were in excess of the permissible fees/penalties. 3. With respect to the original loan documents, observations will be reported for those instances where: <ul style="list-style-type: none"> a. Late charges assessed the borrower exceeded the contractual maximum late charge as specified in the note; and b. Any other charges contractually limited by the note, mortgage, or deed of trust, if any, that exceeded the amount contractually agreed upon. 4. Observations will be reported for fees and/or penalties assessed to the borrower were not within the definition of reasonable and customary as defined within the OCC's financial injury guidance dated August 29, 2011 as previously incorporated herein by reference.



Consent Order Requirements	Scoping Assumptions	Foreclosure Review Services and Reporting Considerations
<p>(f) Whether the frequency that fees were assessed to any delinquent borrower's account (including broker price opinions) was excessive under the terms of the borrower's loan documents and applicable state and federal law.</p>	<p>Base sample determination: a numerical sampling approach supplemented with additional judgmental sampling to ensure the selection of a minimum of 5 files per state across all samples.</p> <p>Risk-based sample determination: see scoping summary below.</p> <p>The period of delinquency and assessment of fees or penalties will be limited to those fees and/or penalties charged to the borrower beginning with the first period of delinquency and continuing through the foreclosure process associated with the most recent period of default for those loans which were subject to foreclosure proceeding(s) during the Review Period.</p>	<p><i>(Note that the Foreclosure Review Services and reporting considerations described herein are preliminary and illustrative only. The listing is not intended to be fully inclusive and will be subject to further revisions based on continued industry evaluations, benchmarking and/or specific facts and circumstances unique to U.S. Bank and U.S. Bank's operations, documentation and/or systems).</i></p> <p>1. Frequency of Fee Assessments - Observations will be reported for those instances in which the fees and/or penalties charged to the borrower differed from the list of permissible fees as defined in Exhibit B. With respect to the list of permissible fees as defined in Exhibit B, observations will be reported for those instances in which the frequency of fees charged by U.S. Bank exceeded established requirements.</p> <p>2. With respect to the original loan documents, observations will be reported for those instances where:</p> <ul style="list-style-type: none"> a. Late charges assessed the borrower exceeded the frequency of assessment contractually permitted in the loan documents; and b. Any other charges contractually limited by the note, mortgage, or deed of trust, if any, instances where the fee or penalty was assessed more frequently than contractually permitted.
<p>(g) Whether Loss Mitigation Activities with respect to foreclosed loans were handled in accordance with the requirements of the Home Affordable Modification Program ("HAMP"), and consistent with the policies and procedures applicable to U.S. Bank's proprietary loan modifications or other loss mitigation programs, such that each borrower</p>	<p>Base sample determination: a numerical sampling approach supplemented with additional judgmental sampling to ensure the selection of a minimum of 5 files per state across all samples.</p> <p>Risk-based sample determination: see scoping summary below.</p>	<p>1. HAMP Loss Mitigation</p> <ul style="list-style-type: none"> a. With respect to the eligible HAMP population (i.e., which investors have opted into the program), observations will be reported for the following: <ul style="list-style-type: none"> i. Lack of contact for HAMP solicitation of eligible borrowers; ii. Lack of evidence of the review and/or analysis of information returned by the borrower for modification consideration; iii. Inconsistencies between HAMP eligibility and management's



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<p>had an adequate opportunity to apply for a Loss Mitigation option or program, any such application was handled properly, a final decision was made on a reasonable basis, and was communicated to the borrower before the foreclosure sale.</p>		<p>approval/rejection decision utilizing the information returned by the borrower (including but not limited to debt to income and/or net present value calculations); and</p> <p>iv. Evidence of notifications of approval or rejection were provided to the borrower in excess of an established requirement.</p> <p>2. Proprietary Loss Mitigation (i.e., all non-HAMP modifications/loss mitigation)</p> <p>a. With respect to the eligible proprietary loss mitigation population (which will be defined to include forbearances, loan modifications, short refinances, short sales, cash for keys and/or deed-in-lieu-of foreclosures), observations will be reported for the following:</p> <p>i. Lack of evidence of the offering of loss mitigation solutions to borrowers;</p> <p>ii. Lack of evidence of a qualification analysis for those borrowers who communicated interest in a loss mitigation solution;</p> <p>iii. Inconsistencies between loss mitigation eligibility and management's approval/rejection decision utilizing the information returned by the borrower (including but not limited to debt to income and/or net present value calculations); and</p> <p>iv. Evidence of notifications of approval or rejections were not provided to the borrower within an established requirement.</p>



Consent Order Requirements	Scoping Assumptions	Foreclosure Review Services and Reporting Considerations
		<p><i>(Note that the Foreclosure Review Services and reporting considerations described herein are preliminary and illustrative only. The listing is not intended to be fully inclusive and will be subject to further revisions based on continued industry evaluations, benchmarking and/or specific facts and circumstances unique to U.S. Bank and U.S. Bank's operations, documentation and/or systems).</i></p> <p>For purposes of completing the aforementioned Foreclosure Review Services, only the most recent/last HAMP modification and the most recent proprietary loan modification/loss mitigation activity associated with the most recent period of default, as applicable, will be evaluated. All other previous modifications/loss mitigation activities - HAMP or non-HAMP - will be excluded from the evaluation.</p> <p>Additionally, for those foreclosures that relate specifically to denied, declined and/or rejected HAMP and/or proprietary loan modification programs specific to debt-to-income and/or net present value calculations, the evaluation will consider whether or not U.S. Bank's HAMP program models were certified and/or approved for use by the MHAC, other feedback received from the MHAC regarding the net present value tools in place over the Foreclosure Review period, the extent and nature of any FDIC reviews over the FDIC net present value tools/calculators, and/or the controls that existed within U.S. Bank around the net present value tools/calculators.</p>
(h) Whether any errors, misrepresentations, or other deficiencies identified in the Foreclosure Review resulted in financial injury to the borrower or the mortgagee.	Sample size: previous samples for Consent Order requirements (a) - (g).	Observations related to steps performed within Consent Order requirements (a) - (g) will be considered in relation to actual damages to the borrower. Any observation for which there is evidence, based on the Foreclosure Review Services performed and supporting documentation, that the observation resulted in financial injury as previously defined herein by reference will be reported as a difference.

Defined Populations - Base Sample Determinations

Individual samples will be selected from each of the following applicable populations for the purposes of the Consent Order requirements:

- U.S. Bank Consumer Lending Division (Ohio) - Judicial Foreclosures
- U.S. Bank Consumer Lending Division (Ohio) - Non-judicial Foreclosures



- U.S. Bank Consumer Lending Division (Ohio) - Foreclosure Sales
- U.S. Bank Consumer Lending Division (Minnesota-FAMG) - Judicial Foreclosures
- U.S. Bank Consumer Lending Division (Minnesota-FAMG) - Non-judicial Foreclosures
- U.S. Bank Consumer Lending Division (Minnesota-FAMG) - Foreclosure Sales
- U.S. Bank Home Mortgage (all divisions, excluding loans subject to FDIC Loss Sharing Agreements) - Judicial Foreclosures
- U.S. Bank Home Mortgage (all divisions, excluding loans subject to FDIC Loss Sharing Agreements) - Non-judicial Foreclosure
- U.S. Bank Home Mortgage (all divisions, excluding loans subject to FDIC Loss Sharing Agreements) - Foreclosure Sales
- Loans Subject to FDIC Loss Sharing Agreements - Judicial Foreclosures
- Loans Subject to FDIC Loss Sharing Agreements - Non-judicial Foreclosures
- Loans Subject to FDIC Loss Sharing Agreements - Foreclosure Sales
- Junior liens with foreclosures processed by U.S. Bank Consumer Lending Division - one (1) sample covering both the Ohio and Minnesota-FAMG populations combined

Basis for Samples Selections & Total Sample Sizes for each Consent Order Requirement - Base Sample Determinations

As it relates to the scoping assumptions and defined populations outlined above, the basis for the sample selections and the overall number of sample items for each Consent Order requirement is summarized as follows:

- 400 judicial foreclosure initiations;
- 400 non-judicial foreclosure initiations;
- 400 foreclosure sales;
- 100 junior liens with foreclosures;
- the aggregate 1,300 sample selections (400 judicial initiations + 400 non-judicial initiations + 400 sales + 100 junior lien foreclosures) will be the base sample for which the Foreclosure Review Services will be performed for each of the Consent Order requirements (a) - (h); and
- additional selections may be made, as applicable, to ensure that the overall sample of foreclosure initiations and sales includes a minimum of 5 selections per state.

Defined Populations - Risk Based Sample Determinations

In order that the Foreclosure Review provides coverage across a number of foreclosure characteristics, the base sample determinations will be supplemented with a number of samples that are based on a granular segmentation of higher risk-based characteristics. The following table is intended to summarize the segmentation of U.S. Bank's portfolio, the determination of the applicable risk-based samples, and the expected approach to the performance of the Foreclosure Review Services for these risk-based components (i.e., sample approach vs. 100% coverage). Additionally, with respect to each of the risk-based sample determinations included in the following table, the applicable Consent Order requirements (a) - (h) to be evaluated as part of the Foreclosure Review Services are presented.



(All "Estimated Population Size" numbers included in the table below are preliminary estimates based on initial inquiries of U.S. Bank personnel. These numbers may be subject to revision upon completion of additional data gathering activities.)

Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
Top foreclosure states	Not Applicable - already incorporated within base sample determinations	Not Applicable	<p>Given that the base sample determinations associated with the defined populations are generated using a random sample generator process, the resulting selections for the base samples should be representative of the geographic concentration risks that exist within the U.S. Bank populations. Additionally, even though higher foreclosure volumes by state might be indicative of potential higher risk factors, there is no current basis to conclude that there is a higher risk of financial injury associated with these states. As such, inclusion of a separate higher risk segment for the top foreclosure states is not considered necessary.</p> <p>To the extent there are any identified trends that are state/geography based with respect to observations and/or financial injury within the initial base sample and/or risk-based sample determinations, additional samples focused on those geographic characteristics will be considered.</p>	Not Applicable
Coverage of all 50 states	Not Applicable - already incorporated within base sample determinations	Not Applicable	<p>Given that the base sample determinations associated with the defined populations already incorporate the inclusion of a process for additional selections to ensure that the overall sample of foreclosure initiations and sales includes a minimum of five (5) selections per state, inclusion of a separate higher risk segment for this geographic characteristic is not considered necessary.</p>	Not Applicable
Quarters during the Review Period with increased volumes of foreclosure referrals and/or sales	Not Applicable - already incorporated within base sample	Not Applicable	<p>Given that the base sample determinations were generated using a random sample generator process, the resulting selections for the base samples should be representative of the relative volumes of</p>	Not Applicable



Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
	determinations		foreclosure referrals and/or sales quarter-over-quarter during the Review Period. Additionally, even though higher foreclosure volumes in any given quarter might be indicative of potential higher risk factors, there is no current basis to conclude that there is a higher risk of financial injury associated with any particular quarter within the Review Period. As such, inclusion of a separate higher risk segment for quarters during the Review Period with higher levels of foreclosure referrals and/or sales is not considered necessary.	
Specific law firms - law offices of [REDACTED]	[REDACTED] estimated completed foreclosures [REDACTED] - 290 [REDACTED] - 10	100% (Estimated 300 in total)	Industry information consistently identifies the [REDACTED]-based [REDACTED] as a firm with significant deficiencies related to foreclosure practices. Accordingly, 100% of completed foreclosure sales processed by the [REDACTED] will be included within this higher risk segmentation.	A through H
Specific law firms - terminated law firms because of errors	Terminated law firms because of errors: 2 specific law firms (one of which is [REDACTED] see previous high risk segment)	Minimum sample of 100	During the Review Period, U.S. Bank has terminated relationships with two (2) foreclosure law firms as a result of U.S. Bank's then-existing quality control processes identifying certain quality concerns over these law firms' processing of foreclosure activities, one of which was the aforementioned [REDACTED]. See previous discussion above which indicates that 100% coverage of completed foreclosures by the [REDACTED] will be evaluated. With respect to the second law firm, approximately 1,300 foreclosure sales were processed by this firm during the Review Period. A minimum sample of 100 completed foreclosure sales by this second law firm during the Review Period will be selected for purposes of the Foreclosure Review Services. The above listing does not include other relationships with foreclosure law firms that were terminated solely because of a	A through H



Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
			lack of responsiveness to U.S. Bank's requests or other reasons not related to alleged deficiencies in connection to the affected firms' foreclosure practices. Given that these law firms do not represent a higher risk with respect to financial injury to the borrowers and/or other aspects of the Consent Order, no higher risk segment is considered necessary with respect to these other terminated law firms.	
Specific law firms - GSE delisted law firms and/or other externally identified problem law firms	GSE delisted law firms and/or other externally identified problem law firms 7 law firms in total (one of which is [REDACTED] see previous high risk segment)	Minimum sample of 100	Given the increased risk associated with foreclosure attorneys that have been delisted by the GSEs and/or have been identified outside of U.S. Bank as having higher frequencies of errors in the handling of foreclosures, the Foreclosure Review Services will include as a higher risk segment, a minimum sample of 100 completed foreclosure sales across the listing of available/reported GSE delisted law firms and/or other externally identified problem law firms. Based on inquiries of U.S. Bank personnel, seven (7) such law firms were utilized by U.S. Bank during the Review Period for foreclosure processing - one of which was the aforementioned [REDACTED]. Total completed foreclosures with respect to these seven law firms during the Review Period (including [REDACTED]) approximated 1,300. For purposes of the 100 completed foreclosure sales across these law firms, a judgmental sampling approach will be utilized to ensure the selection of a minimum of 5 completed foreclosure sales per law firm, as applicable.	A through H
Large volume foreclosure firms	Not Applicable - already incorporated within base sample determinations	Not Applicable	Given that the base sample determinations associated with the defined populations are generated using a random sample generator process, the resulting selections for the base samples should be representative of the volume of foreclosure firms used by U.S. Bank. Additionally, similar to that as previously described	Not Applicable



Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
			<p>regarding high volume foreclosure states, even though higher foreclosure volumes by law firms might be indicative of potential higher risk factors, there is no current basis to conclude that there is a higher risk of financial injury associated with these law firms. As such, inclusion of a separate higher risk segment for the top foreclosure attorneys is not considered necessary.</p> <p>To the extent there are any identified trends that are foreclosure firm centric with respect to observations and/or financial injury within the initial base sample and/or higher risk sample determinations, additional samples focused on those identified foreclosure attorneys will be considered.</p>	
Other third party vendors	Not Applicable	Not Applicable	Through inquiries of U.S. Bank personnel, there are no other third party vendors of U.S. Bank that have significant roles within the foreclosure process beyond the foreclosure attorneys discussed above. Accordingly, the inclusion of a separate higher risk segment for miscellaneous other third party vendors is not considered necessary.	Not Applicable
Document execution service providers	Not Applicable	Not Applicable	Through inquiries of U.S. Bank personnel, there are no document execution services providers utilized by U.S. Bank within the foreclosure process. Accordingly, the inclusion of a separate higher risk segment for this categorization is not considered necessary.	Not Applicable
Rescinded foreclosures	Estimated number of rescinded foreclosures: KY - 280 OH/MN - 30 CA - 20	100% (Estimated 330 in total)	"Mortgage rescissions" are defined as those foreclosure sales which had been completed and were rescinded by U.S. Bank for various reasons, e.g., additional facts/information obtained, a new opportunity for a loan modification, additional procedures, etc.) Given the risk profile associate with mortgage rescissions, the Foreclosure Review	A through H



Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
			Services contemplate 100% coverage of all rescinded foreclosures during the Review Period.	
<p>Modifications that were foreclosed</p> <p>and</p> <p>Pending loan modifications and/or loss mitigation</p>	<p>Estimated modifications and/or pending loan modifications and/or loss mitigations:</p> <p>KY - 1,445 OH/MN - 570 CA - 250</p>	<p>Minimum sample of 100</p>	<p>Given that the initial base sample and higher risk sample determinations associated with the defined populations already incorporates evaluation of all modification/loss mitigation activities associated with all selected loans, 100% coverage of modifications and/or loss mitigation activities (whether foreclosed vs. pending) is not considered necessary. However, because of the increased risk profile associated with these identified foreclosures, the Foreclosure Review Services will include a higher risk segment that incorporates a minimum sample of 100 for the following:</p> <ul style="list-style-type: none"> - mortgages that included modifications which subsequently went through a completed foreclosure sale; and - pending loan modifications/loss mitigations at the time of a completed foreclosure sale. <p>(See separate high risk segment for denied, declined and/or rejected HAMP and/or proprietary loss mitigation programs below.)</p> <p>The referenced populations and related sampling approach described herein are based on modifications/loss mitigation activities associated with completed foreclosure sales during the Review Period. A separate sampling approach for modifications/loss mitigation activities associated with initiated foreclosure sales is not considered necessary given that the initial base sample determinations includes separate samples for initiated judicial and non-judicial foreclosures during the Review Period and those populations will be subjected to an evaluation of modification/loss mitigation activities associated with those selected initiated foreclosures.</p>	<p>A through H</p>



Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
Insufficient default period prior to foreclosure	Estimated insufficient default period: KY - 0 OH/MN - 0 CA - 0	Not Applicable	Based on inquiries with U.S. Bank personnel, given that all foreclosure activities are triggered by servicing system-based delinquency and default information/status, existing system controls prevent foreclosure activities from being commenced prior to a sufficient default period having elapsed. Accordingly, the inclusion of a separate higher risk segment for such situations is not considered necessary. This assertion is further complemented by the timing of foreclosure proceedings being initiated being part of the evaluation of the Consent Order requirements for samples generated under both the initial base sample determinations and certain of the initial risk-based sample determinations.	Not Applicable
Denied/declined/rejected HAMP and/or proprietary loan modification programs - specifically related to debt-to-income and/or net present value calculation results	Estimated population size: KY - 1,340 OH/MN - 550 CA - 1,125	CA location: 100% KY location: Minimum sample of 100 OH /MN location: Minimum sample of 100	The results of recent OCC and other regulatory institutions (e.g., FDIC) have identified denied, declined and/or rejected modifications as an industry-wide concern specifically as it relates to the performance and/or evaluation of debt-to-income and/or net present value calculations in the decisioning around HAMP and/or proprietary modification programs. To the extent the debt-to-income and/or net present value calculations were performed incorrectly and foreclosure activities were commenced/completed, there is a higher risk of a borrower being potentially financially injured/harmed. Accordingly, the Foreclosure Review Services will include a higher risk segment for denied, declined and/or rejected modifications during the Review Period whereby the indicated denial reasons was specifically attributed to the debt-to-income and/or net present valuation calculations results. [REDACTED] specific to U.S. Bank's California location, there may be a heightened risk specific to this location and accordingly, the Foreclosure Review	C, G and H only



Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
			<p>Services contemplate 100% coverage of this population. [REDACTED] the same heightened level of risk is not as applicable to the Kentucky and Ohio/Minnesota locations and accordingly, the Foreclosure Review Services will incorporate a minimum sample of 100 for the Kentucky location and a separate minimum sample of 100 for the Ohio/Minnesota locations.</p> <p>The scope of the testing to be performed related to each selected borrower will be specifically focused only on the evaluation, calculation and decisioning associated with the debt-to-income and net present value calculations. Procedures to be performed around the net present value tools/calculators will include consideration of whether or not U.S. Bank's HAMP program models were certified and/or approved for use by the MHAC, other feedback received from the MHAC regarding the net present value tools in place over the Foreclosure Review period, [REDACTED] over the [REDACTED] net present value tools/calculators, any internal and/or external model validation activities related to the net present value tools/calculators, and/or the controls that existed within U.S. Bank around the net present value tools/calculators.</p> <p>Additionally, only the most recent/last HAMP modification and the most recent proprietary modification associated with the most recent period of default will be evaluated as part of this higher risk segment. All other previous modifications that may have been evaluated by U.S. Bank related to the selected borrowers will be excluded from this evaluation.</p> <p>No further segmentation of modification activity is considered necessary given that modifications are also part of the evaluation of the Consent Order requirements for samples generated under both the initial base sample and certain of</p>	



Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
			<p>the risk-based sample determinations.</p> <p>(Total sample size for this higher risk segment - approximately 1,325 borrowers with denied, declined and/or rejected HAMP and/or proprietary loss mitigations/modifications.)</p>	
Borrower with debt cancellation product from U.S. Bank	<p>Estimated population size: Approximately 65</p>	100%	<p>Based on inquiries of U.S. Bank personnel, there are approximately 65 foreclosures associated with applicable debt cancellation products. Based on inquiries of U.S. Bank personnel, U.S. Bank does not typically offer debt cancellation products that provide borrower protection in the event of a loss of employment. Most debt cancellation products are typically triggered by death or disability events and for these types of products, they are typically cancelled/voided upon the occurrence of multiple missed payments on the linked mortgage. Accordingly, the Foreclosure Review Services will include a higher risk segment that incorporates 100% coverage of those foreclosures which were with a borrower that had a debt cancellation product that were not contractually voided/cancelled based on the existence of delinquency status on the related mortgage.</p>	A through H
"Pyramiding fees" - fees assessed prior to delinquency precipitating foreclosure	<p>Not Applicable - U.S. Bank loan documents and collection practices do not include "pyramiding fees"</p>	Not Applicable	<p>Based upon preliminary assessments of certain foreclosure files and inquiries of U.S. Bank personnel, it appears that U.S. Bank loan documents and collection practices do not provide for "pyramiding fees" and no such fees were collected. Given this fact and given that the permissibility and reasonableness of fees is part of the evaluation of the Consent Order requirements for samples generated under both the initial base sample determinations and certain of the initial risk-based sample determinations, there will be no higher risk segment related to "pyramiding fees" for purposes of the Foreclosure Review Services.</p>	Not Applicable



Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
Complaints received from January 1, 2011 - October 21, 2011	Estimated population size: TBD	100%	Pursuant to the guidance provided by the OCC and as further detailed within this engagement letter, the Foreclosure Review Services will include evaluation of a 100% of the post-December 31, 2010 complaints that are associated with foreclosure activities applicable to the Review Period thru the completion date of the Foreclosure Review Services. In-scope complaints will include complaints associated with the in-scope population regardless of whether received thru previously existing U.S. Bank claim/complaint channels or thru the third party vendor-facilitated claim/complaint process under development as further discussed herein.	Only the applicable Consent Order requirement specific to each claim/complaint where the nature/form of the claim/complaint is specific to a given Consent Order requirement. If not specific and/or multiple Consent Order requirements are specified in the claim/complaint, an A through H assessment will be performed.
Claims/Complaints received from January 1, 2009 - December 31, 2010	Estimated population size KY - 600 OH / MN - 60 CA - 365	Minimum sample of 100	Claims/complaints are a potential indicator that a borrower may have incurred a potential financial injury with respect to a given foreclosure. Accordingly, the Foreclosure Review Services will include the evaluation of a minimum sample of 100 claims/complaints that were received directly from borrowers of U.S. Bank during the period from January 1, 2009 through December 31, 2010 as a higher risk segment. Included within this segment are all complaints that were received by the OCC's Customer Assistance Group process and referred to U.S. Bank during the Review Period.	Only the applicable Consent Order requirement specific to each claim/complaint where the nature/form of the claim/complaint is specific to a given Consent Order requirement. If not specific and/or multiple Consent Order requirements are specified in the claim/complaint, an A through H assessment will be performed.



Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
Completed foreclosure sales with a bankruptcy filing date indication subsequent to the foreclosure referral / initiation date	Estimated population size KY - 1,530 OH / MN - 560 CA - 170	100%	Foreclosure sales that were completed when a borrower may have been entitled to bankruptcy protection as indicated by a bankruptcy filing date subsequent to the foreclosure referral / initiation date would indicate a potential violation of applicable bankruptcy law. Accordingly, the risk for potential financial injury is magnified and therefore, 100% coverage of these instances will be incorporated as a separate higher risk segment.	B and H only (bankruptcy check only)
Foreclosure referrals/initiations at the time a borrower was in active bankruptcy status	Not Applicable	Not Applicable	Based on initial discussions with management, U.S. Bank servicing systems will not permit the processing of a foreclosure transaction for which the servicing system already indicates a bankruptcy filing by the borrower. This system control will be evaluated in conjunction with the evaluation of bankruptcy protection for borrowers as part of the evaluation of the Consent Order requirements for samples generated under both the initial base sample determinations and certain of the initial risk-based sample determinations. Accordingly, there will be no higher risk segment related to foreclosure referrals / initiations at the time a borrower was in active bankruptcy status.	Not Applicable
Bankruptcy cases referred to U.S. Bank resulting from the U.S. Bankruptcy Trustees investigation	Estimated population size: TBD	TBD	As communicated to PwC by the OCC, the U.S. Bankruptcy Trustees may be providing a list of bankruptcy-related foreclosure cases processed by U.S. Bank that may be indicative of a higher risk for a violation of applicable bankruptcy law and/or potential financial injury. These cases would be identified through a U.S. Bankruptcy Trustees investigation. To the extent these bankruptcy cases are referred to U.S. Bank during the timeframe of the Foreclosure Review, [the sample size to be evaluated will be determined dependent on the nature of any list provided - potentially up to 100%] of these cases will be incorporated as a separate higher risk	B and H only (bankruptcy check only)



Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
			segment.	
Completed / initiated foreclosures for which a bankruptcy notification had been received	Estimated population sizes: KY - 5,920 OH / MN - 560 CA - 170 (Estimated 6,650 in total)	Sample approach: Completed and initiated foreclosures: minimum sample of 100	Completed foreclosure sales and/or referred/initiated foreclosures where an indication of bankruptcy protection may have existed may be higher risk for a violation of applicable bankruptcy law and/or potential financial injury. From a coverage perspective, potential impacted borrowers are subject to the following evaluations: a) completed foreclosure sales that included a bankruptcy filing date subsequent to the foreclosure referral / initiation date are already segregated into a separate higher risk segment and will be evaluated at a 100% coverage level, b) foreclosures which were near completion status and for which a formal mortgage rescission notice was provided to the borrower as a result of bankruptcy protection will also be subject to evaluation within the separate "rescinded foreclosures" higher risk segment at a 100% coverage level, and c) the bankruptcy status of each foreclosure initiation and sale is part of the evaluation of the Consent Order requirements for samples generated under both the initial base sample and certain of the risk-based sample determinations. Accordingly, a higher risk segment will be incorporated for all other bankruptcy-related borrowers that are not already subject to the aforementioned coverage and will be evaluated through a minimum sample of 100.	A through H
Foreclosure cases referred by state attorney generals, other federal agencies (e.g., HUD and/or GNMA) and/or legislators (e.g., a	Estimated population size: 220	100%	Foreclosures that have been completed that include a notification to U.S. Bank by a state attorney general, a federal agency such as HUD and/or GNMA, and/or a legislator (e.g., a U.S. Senator) that the borrower may have been financially	A through H



Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
U.S. Senator)			<p>injured/harmed would generally be considered to be representative of higher risk items and pursuant to guidance provided by the OCC are representative of a segment that will be evaluated at a 100% level.</p> <p>Complaints that were passed thru to U.S. Bank's general counsel function from the OCC via the OCC's Customer Assistance Group process are excluded from this segment as they are incorporated in the complaint-related higher risk segments. Accordingly, this higher risk segment relates only to those foreclosure cases specifically referred to U.S. Bank from state attorney generals, a federal agency and/or legislators related to foreclosures during the Review Period.</p>	
Completed foreclosures with SCRA-related indication	<p>Estimated number of completed SCRA-related foreclosures</p> <p>KY - 30 OH / MN - 10 CA - 0</p>	100%	<p>Foreclosures that have been completed that include an indication that the borrower may have been subject to SCRA would be indicative of a higher risk for the potential violation of applicable state and/or federal laws and therefore, the risk for potential financial injury would also be magnified. Accordingly, 100% coverage of any of these instances will be incorporated as part of the Foreclosure Review Services.</p> <p>Procedures to be performed will include a) analysis of the applicable servicer logs for evidence of SCRA status/protection, b) assessment of any documentation received as part of the Foreclosure Review Services related to SCRA status, and c) the applicability of any waivers and/or other legal documentation evidencing stays of SCRA protection. In addition to the foreclosure stay relief provisions provided by SCRA, the procedures performed would also include an assessment of the maximum rate of interest which can be charged to a service member upon the receipt by U.S. Bank of a written request for relief and a copy of the service member's military orders.</p>	B and H only (SCRA check only)



Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
			<p>Additionally, ongoing discussions with the United States Department of Defense by the OCC and/or other parties will be monitored with respect to any progress by the United States Department of Defense with respect to their development of an accessible database to query historical active duty information.</p>	
<p>In-process foreclosures with SCRA-related indication</p>	<p>Estimated number of in-process foreclosures with SCRA-related indication</p> <p>KY - 35 OH/MN - 5 CA - 0</p>	<p>100%</p>	<p>PwC will evaluate any servicing system queries and/or extracts that U.S. Bank may be able to provide for the population of in-process foreclosures that may have been subject to SCRA protection. Procedures to be performed on this population will include a) analysis of the applicable servicer logs for evidence of SCRA status/protection, b) assessment of any documentation received as part of the Foreclosure Review Services related to SCRA status, and c) the applicability of any waivers and/or other legal documentation evidencing stays of SCRA protection. In addition to the foreclosure stay relief provisions provided by SCRA, the procedures performed would also include an assessment of the maximum rate of interest which can be charged to a service member upon the receipt by U.S. Bank of a written request for relief and a copy of the service member's military orders.</p> <p>Additionally, ongoing discussions with the United States Department of Defense by the OCC and/or other parties will be monitored with respect to any progress by the United States Department of Defense with respect to their development of an accessible database to query historical active duty information.</p> <p>In addition, the SCRA status of each foreclosure initiation and sale is part of the evaluation of the Consent Order requirements for samples generated under both the initial base sample determinations and certain of the risk-based sample determinations.</p>	<p>B and H only (SCRA check only)</p>



Potential Higher Risk Segmentations	Estimated Population Size	Sample Size	Basis for Higher Risk Segmentation Approach	Consent Order Requirements Evaluated
Known documentation errors resulting from testimony, interviews and/or other means of disclosures	Estimated population size: 1,490	Minimum sample of 100	Based on inquiry of U.S. Bank personnel, there are no known errors that have been obtained from employee communications, legal testimony or other forms of disclosures would indicate a potential violation of applicable state and/or federal laws and potential financial injury to the borrower. One individual within U.S. Bank's Cincinnati, OH location did provide commentary to the OCC that indicated that the operational practices followed by this individual with respect to foreclosure processing may have differed from practices of other employees at this location; however, the operational practices utilized by this individual did not constitute a violation of any U.S. Bank policy and there are no known instances of the foreclosures processed by this individual causing financial injury to a borrower. Given the magnified risk associated with the foreclosures processed by the aforementioned individual, a minimum sample of 100 of these foreclosures will be incorporated as part of the Foreclosure Review Services.	A through H

The samples indicated above for both the initial base sample determinations as well as the risk-based sample determinations are components of an overall population of applicable in-process/pending and/or completed foreclosures during the Review Period totaling approximately 91,000. The breakdown of pending and/or completed foreclosure sales is as follows:

Location	Completed Foreclosures / Sales	In-Process / Pending Foreclosures
Kentucky	25,928	41,733
Ohio / Minnesota	6,127	7,234
California	5,066	4,635
TOTAL	37,121	53,602



The borrower outreach process is expected by the OCC to be a distinct, separate process from U.S. Bank's existing customer service channel. U.S. Bank will employ a vendor ("Complaint Intake Vendor") to assist with portions of the intake process, in line with the Coordinated Approach. The Complaint Intake Vendor will be engaged by and work at the direction of U.S. Bank. PwC will have no contractual relationship with the Complaint Intake Vendor. All complaints received through the borrower outreach process will be logged by U.S. Bank or the Complaint Intake Vendor. Complaints filed through the borrower outreach process cannot be excluded from remedies provided by the Foreclosure Review unless a determination is made that the complaint is not in-scope, a process which will be subject to evaluation by the independent consultant as further discussed below. The independent consultant will obtain from U.S. Bank and evaluate the reporting to the OCC of the nature and resolution of each complaint received regarding (i) complaints received through U.S. Bank's borrower outreach process, (ii) U.S. Bank's exclusions of complaints from the Foreclosure Review and U.S. Bank's reason for exclusion, (iii) U.S. Bank's resolution of the complaint, and (iv) other data as further described herein.

The general framework for the complaint process is outlined below:

- Loan Population - U.S. Bank will be responsible for identifying the loans that are responsive to the Consent Order and providing a detailed description of the process used to gather the data. PwC will understand the process used by U.S. Bank to gather data related to such loans, and will perform procedures designed to evaluate that process.
- Notification Process / Borrower Communication
 - In conjunction with the other servicers, U.S. Bank will design, develop and execute the Coordinated Approach to notify the borrowers associated with the loans identified as responsive to the Consent Order of their right to issue a complaint and the process for doing so. At a minimum, this effort will include (1) direct mail to the best available address for the borrowers, (2) address tracing and re-mailing to those borrowers for whom mail is returned, (3) thorough tracing and reporting of all efforts used to reach borrowers, (4) public advertising of the complaint process, to potentially reach those borrowers who are not reachable through other means, and (5) through the use of internet websites.
 - With respect to direct mail, the OCC's current guidelines are as follows: (1) mail notifications will be subject to review by the OCC, (2) the OCC will contact state attorney generals, the Department of Justice, and other federal regulatory agencies and invite them to identify borrowers who filed a complaint with their office during the in-scope time period, and to submit any of those complaints for evaluation and consideration as appropriate, and (3) U.S. Bank will conduct outreach to neighborhood and not-for-profit groups so that they may educate their constituents of the borrower complaint process. Direct mailings will be conducted by the Complaint Intake Vendor in accordance with the schedule and process outlined by the servicers' Coordinated Approach.
 - With respect to advertisements, the OCC's guidelines are that the advertising will be included in (1) national newspapers and/or prominent publications and (2) selected local newspapers based on geographical concentration of relevant borrowers. Advertisements will be designed and distributed in accordance with the schedule and process outlined by the servicers' coordinated advertising approach.

