

# **EXHIBIT I**

**This Exhibit I is an Addendum to Exhibits D and D-1**

The Federal Parties, the State Parties, and Defendant, have agreed to enter into the Consent Judgment. Capitalized terms used herein but not defined herein have the meanings assigned to them in the relevant portion of or exhibit to the Consent Judgment.

In addition to the terms agreed elsewhere in the Consent Judgment, the Parties agree to the following:

1. This Exhibit I amends and modifies the terms and provisions of Exhibits D and D-1. For clarity, the terms agreed to in this Exhibit are in addition to, and not in lieu of terms agreed elsewhere in the Consent Judgment and its exhibits. To the extent that this Exhibit I and Exhibits D or D-1 or other provisions of the Consent Judgment have inconsistent or conflicting terms and provisions, this Exhibit I shall be controlling and shall govern the agreement among the Parties. Whenever Exhibits D or D-1 are referenced in this Exhibit I or elsewhere in the Consent Judgment and exhibits, it shall mean Exhibits D or D-1 as amended and modified by this Exhibit I. References to Servicer in Exhibits D, D-1, and I shall mean SunTrust Banks, Inc. including its affiliates and subsidiaries (“Servicer” or “SunTrust”).
2. Pursuant to Paragraph 3 of the Consent Judgment, Defendant shall pay a Direct Payment Settlement Amount of \$50,000,000, by electronic funds transfer within ten days of receiving notice that the escrow account referenced in Paragraph 3 of the Consent Judgment is established or within ten days after the entry of the Consent Judgment (“Effective Date”), whichever is later.
3. Defendant shall be responsible for \$500,000,000 in consumer relief as set forth in Exhibit D and credited pursuant to the terms of Exhibits D and D-1.
  - a. The Servicer’s \$500,000,000 consumer relief obligation will be allocated as follows:
    - i. The Servicer will provide a minimum of \$187,500,000 in creditable relief to consumers who meet the eligibility criteria in the forms and amounts described in Paragraphs 1 or 2 of Exhibit D and/or Paragraph 6 of Exhibit I (“1<sup>st</sup>/2<sup>nd</sup> Lien Principal Reduction Obligation”). No less than \$93,750,000 of the 1<sup>st</sup>/2<sup>nd</sup> Lien Principal Reduction Obligation will come from consumers who meet the eligibility criteria described in Paragraph 1 of Exhibit D (“1<sup>st</sup> Lien Principal Reduction Obligation”).
    - ii. The Servicer will provide a minimum of \$25,000,000 in creditable relief to consumers who meet the eligibility criteria in the forms and amounts described in Paragraph 9 of Exhibit D and/or in Paragraph 5 of Exhibit I (“Refinancing Obligation”).

- iii. The Servicer may not receive credit of more than \$100,000,000 for relief provided to consumers who meet the eligibility criteria in the forms and amounts described in Paragraph 4 of Exhibit I (“Lending Cap”).
  - b. Notwithstanding anything to the contrary in the Consent Judgment or the Exhibits thereto, Defendant will be obligated to make the payments specified in Paragraph 10.d of Exhibit D in the event and to the extent that Servicer or its successors in interest do not complete the Consumer Relief Requirements set forth in Exhibit D.
  - c. The releases contained in Exhibits F and G of the Consent Judgment shall become effective upon payment of the Direct Payment Settlement Amount by Defendant. The United States and any State Party may withdraw from the Consent Judgment and declare it null and void with respect to that party and all released entities if the Consumer Relief Requirements (as that term is defined in Exhibit F (Federal Release)) required under this Consent Judgment are not completed within the time specified and any payment required under Paragraph 10.d of Exhibit D is not made within thirty days of written notice by the party. However, the United States may not void the terms and releases set forth in Exhibits J and K.
4. Low to Moderate Income and Hardest Hit Area Lending Program (“Lending Program”). The Servicer may establish mortgage origination programs satisfying the conditions set forth below, and will receive credit against its Lending Cap in the manner and form set forth below.
  - a. Eligibility Criteria. The Eligibility Criteria for the Lending Program are the following:
    - i. Purchase-money mortgages originated after January 1, 2014 to credit-worthy borrowers whose income is no greater than 80% of the area median income (“AMI”) as calculated in accordance with the parameters used by the U.S. Department of Housing and Urban Development and who (1) are first time homebuyers or (2) who are buying homes in hardest hit areas as set forth in Appendix A (“Hardest Hit Areas”) or (3) who have previously lost a home to foreclosure or short sale; and
    - ii. The borrower intends to occupy the home. The Servicer may rely on the borrower’s stated intent to occupy the home when evidencing the borrower’s intent to occupy.
  - b. Crediting. Credits for relief provided under this program will be calculated according to the following terms:
    - i. The Servicer will receive a \$10,000 credit against Defendant's consumer relief obligation for each eligible mortgage loan originated by the Servicer.

- ii. The Servicer will receive an additional 25% credit for any eligible mortgage loan made by the Servicer to a borrower who is purchasing a home in the Hardest Hit Areas.
  - iii. The Servicer will receive an additional 25% credit for any eligible mortgage loan made by the Servicer to a borrower between January 1, 2014 and January 1, 2015
- c. Borrower Outreach Program in Hardest Hit Areas.
- i. The Servicer will in good faith take steps substantially similar to some of the examples described below to increase borrower awareness of the Lending Program and principal reduction loss mitigation options available pursuant to this Agreement in Hardest Hit Areas. The following are illustrative examples of the steps the Servicer may take to satisfy this requirement: partner and/or co-brand with reputable housing assistance or non-profit consumer or housing counseling agencies of its choosing to increase borrower awareness of the Lending Program; sponsor borrower outreach events targeted at Hardest Hit Areas; provide information and/or training regarding the Lending Program to the Servicer's origination agents who are active in Hardest Hit Areas; provide information and/or training regarding the Lending Program and principal reduction loss mitigation options to reputable housing assistance or non-profit consumer or housing counseling agencies that are active in Hardest Hit Areas; and/or increase the Servicer's advertising efforts targeted to reach potential borrowers living in or considering home purchase financing in Hardest Hit Areas.
  - ii. The Servicer must employ one or more activities in satisfaction of the requirement in Paragraph 4.c.i., above, on a scheduled and sustained basis unless and until it (1) reports to the Monitor that it has fulfilled its total consumer relief obligation, or (2) informs the Monitor in writing that it no longer intends to seek credit for activities under the Lending Program or for bonus credit associated with 1<sup>st</sup> and 2<sup>nd</sup> lien principal reduction modifications in Hardest Hit Areas. The Servicer may not receive credit under the Lending Program or receive the bonus associated with 1<sup>st</sup> and 2<sup>nd</sup> lien principal reduction modifications in Hardest Hit Areas for any activity initiated after the date on which it informs the Monitor of its intention to no longer seek credit for activities under the Lending Program.
  - iii. The Monitor will evaluate and certify the Servicer's compliance with paragraph 4.c.i. above using a methodology similar to the methodology employed to determine the Servicers' compliance with the Mandatory Relief Requirements set forth in Exhibit E to the Consent Judgment entered in *United States, et al. v. Bank of America Corp., et al.*, No. 12-civ-00361-RMC (April 4, 2012) (Docket Nos. 10-14).

5. Additional Rate Reduction Programs. The Servicer may establish programs satisfying the conditions set forth below, and rate relief provided through these programs will receive credit against its Refinancing Obligation in the manner as described below. Except where specified below, the calculation of credit for these programs will be consistent with Paragraph 9 of Exhibit D. In accordance with Paragraph 9.b of Exhibit D, Servicer will not be required to solicit or offer Rate Reduction Program relief on loans under circumstances that, in the reasonable judgment of the Servicer, would result in TDR treatment.
  - a. Rate Relief Program.
    - i. Eligibility Criteria. The Eligibility Criteria for the Rate Relief Program are the following:
      - A. The borrower's LTV is greater than 100%, or is greater than 80% if the borrower would not have qualified for a refinance under the Servicer's generally-available refinance programs as of June 30, 2013;
      - B. The loan to be modified is a first lien and was originated prior to January 1, 2009;
      - C. The borrower is current on the loan, and has not had more than one delinquency of at most 30 days within the prior 12 months; and
      - D. The current interest rate on the loan is at least 5.25%, including but not limited to interest-only loans.
      - E. Borrowers need not have underwriting based on income.
    - ii. Relief. Borrowers meeting the Eligibility Criteria will be offered the following:
      - A. A new fixed rate mortgage at or below current conforming rates (as indicated by the Primary Mortgage Market Survey Rate ("PMMS") at the time the modification or refinance is evaluated);
      - B. Minimum payment relief of \$100/month; and
      - C. No future interest rate increases, changes in term, or additional costs to the borrower.
      - D. Relief may be provided through a modification or refinance.

- b. Payment Shock Relief Program.
  - i. Eligibility Criteria. The same eligibility criteria in Paragraph 9.a of Exhibit D, shall be the Eligibility Criteria for the Payment Shock Relief Program, except as follows:
    - A. The subject loan is a first lien that is at imminent risk of default, consistent with Paragraph 1.c. of Exhibit D, due to being an interest-only loan or other high-risk mortgage product that may reset, resulting in a payment shock to the borrower.
    - B. The current interest rate may be at or below the greater of 5.25% or PMMS plus 100 basis points.
    - C. Borrowers need not have underwriting based on income.
  - ii. Relief. Borrowers meeting the Eligibility Criteria for this program will be offered the following:
    - A. A fully amortizing 30-year loan with a fixed interest rate no greater than PMMS plus 75 basis points; or a fully amortizing 30-year, 1-year LIBOR ARM at a 175 basis point margin.
    - B. Relief may be provided through a modification or refinance.
  - iii. For purposes of calculating credit under Paragraph 9 of Exhibit D:
    - A. Permanent margin reductions for post-modification 30-year ARMs will be treated consistent with Paragraph 9.e of Exhibit D.
- c. Second Lien Rate Reduction Program
  - i. Eligibility Criteria. The same eligibility criteria in Paragraph 9.a of Exhibit D, applied to second liens, shall be the Eligibility Criteria for the Second Lien Reduction Program, except as follows:
    - A. The program shall apply to Servicer owned second lien mortgage loans;
    - B. The combined LTV must be greater than 100%;
    - C. The current interest rate is at least 5.25%.
  - ii. Relief. Borrowers meeting the Eligibility Criteria for this program will be offered a modification or refinance that meets the requirements set forth in Paragraphs 9.c and 9.d of Exhibit D, as applied to second liens, except that the Servicer will reduce the borrower's rate by at least 200 basis points.

However, the Servicer will not be obligated to reduce the borrower's rate to below 4%.

- iii. Credit. Credits for relief provided under this program will be calculated at 90% of the calculation set forth in Paragraph 9.e of Exhibit D. The amount of credit available under this program will be capped at \$5 million of the total Refinancing Obligation.
  - d. Notwithstanding the success or failure of a Refinancing Program in putting borrowers in sustainable mortgages, the Servicer shall be obligated to satisfy the commitment set forth in Paragraph 3 above; failure to satisfy the commitment set forth in Paragraph 3 shall result in an additional payment as set forth in Paragraph 10 of the Consumer Relief Requirements contained in Exhibit D.
6. Second Lien Principal Modification Program
- a. Eligibility Criteria. For purposes of crediting second lien principal reduction modifications under Paragraph 2 of Exhibit D, the eligibility criteria may also include:
    - i. A current second lien that is at imminent risk of default due to being, among other things, an interest-only loan, delinquent senior lien, or other high-risk mortgage product that may reset, resulting in a payment shock to the borrower. Servicer need not require income verification for these borrowers.
    - b. Provided a second lien modification is otherwise creditable under this Paragraph 6, the Servicer will receive credit for modifications to loans where personal liability has been discharged in Chapter 7 bankruptcy, the borrower continues to occupy the property, the borrower remains current on payments post-discharge, and the underlying lien has not been extinguished.
    - c. Relief. Borrowers may receive 100% principal forgiveness on their second liens except for situations where the Servicer owns or services the first lien loan on the same property and knows the first lien is to be foreclosed on or is subject to a foreclosure sale in the next 30 days.
    - d. Credit. Credits for relief provided under this program will be calculated in accordance with the provisions set forth in Paragraph 2 of Exhibit D, and in accordance with the crediting formula set forth in Paragraph 2.i of Exhibit D-1.
7. Borrower Solicitation. The Servicer will solicit all borrowers in its loan portfolio who are eligible for the Rate Relief Program as of the Effective Date ("Eligible Borrowers"). The Servicer will solicit as follows:
- a. Such solicitation shall commence as soon as reasonably practicable following the Effective Date and solicitations shall be sent to Eligible Borrowers in accordance with the timeline set forth in the Servicer's work plan until the Servicer reports to the Monitor that it has satisfied its Refinancing Obligation. Any borrower who accepts an

- offer made under a Rate Relief Program within 3 months from the date the Servicer sends the borrower a refinance or modification agreement (which shall be the first calendar day of the month following the date the refinance or modification agreement is first sent pursuant to Paragraph 7.c.i below) will receive the relief. Further, any borrower who accepts a modification offer made under the Rate Relief Program within 180 days of the offer being made shall, unless the SunTrust has, as of the date of the offer, exceeded their obligations under Paragraph 3 by \$60,000,000, receive the modification. The minimum solicitation period for an offer made under a Rate Relief Program shall be 3 months from the date the solicitation commences (which shall be the first calendar day of the month following the date written communication is first sent pursuant to Paragraph 7.c.i below). Upon commencement of this solicitation of any individual Eligible Borrower, the Servicer shall complete all of the solicitation requirements described below until the earlier of the following occurs: (a) exhaustion of relevant solicitation steps described in Paragraph 7.c below, without success, or (b) proper acceptance or denial of an Eligible Borrower for a Rate Relief Program (the "Borrower Solicitation Period").
- b. The Borrower Solicitation Requirements shall not apply to solicitations for modification programs other than Rate Relief Program (which may be conducted contemporaneously), to solicitations to a particular Eligible Borrower that occur after that particular Eligible Borrower has been previously solicited, in compliance with this agreement, to Eligible Borrowers under the Rate Relief Program who (1) accepted another home retention option after the Effective Date of this Consent Judgment, or (2) who accepted a non-home retention option prior to the date the Servicer made a final determination that the borrower was an Eligible Borrower provided that the borrower was informed about and offered a modification under the Rate Reduction Program. Additionally, the Servicer is not required to solicit Eligible Borrowers whose loans are no longer serviced by the Servicer at the time the Servicer identifies the Eligible Borrower for solicitation.
- c. Requirements for solicitations under this paragraph shall include:
- i. The Servicer will issue an initial proactive correspondence letter to borrowers advising them they are eligible for the Rate Relief Program ("Proactive Correspondence"). If the borrower expresses an interest in the Rate Relief Program, Servicer shall send the pre-approved refinance or modification agreement (as appropriate) to the borrower for execution. These packages will be sent via overnight delivery services (*e.g.*, Federal Express) with return receipt/delivery confirmation.
  - ii. If the borrower does not return the agreement after being sent the package, the Servicer will call the Eligible Borrower.
  - iii. If the Servicer is not successful in communicating with the borrower following the initial Proactive Correspondence, the Servicer will send a second Proactive Correspondence on or about 30 days after the mailing of the initial Proactive Correspondence.



iv. The Servicer, as part of any contact with borrowers, whether by telephone, mail or otherwise, shall (1) advise borrowers that they may be eligible for a Rate Relief Program; and (2) clearly describe the Rate Relief Program being offered as well as the documents required to be submitted by the borrower and state what other information, if any, the Servicer needs to complete the analysis.

8. Other Matters.

a. Menu Items. With respect to Exhibit D and D-1 Table 1 “Credit Towards Settlement,” the following modification and amendments shall apply:

i. Exhibit D, Paragraph 1.b is amended by replacing “85%” with “65%”.

ii. Exhibit D, Paragraph 1.d is amended by replacing “100%” with “90%”.

iii. Exhibit D, Paragraphs 1.e, 1.f, and 1.g are amended as follows:

A. By replacing all references to LTV of 120% with LTV of 110%; and

iv. Exhibit D, Paragraph 1.e is amended as follows: By adding a subparagraph 1.e.iii, which shall read: “When the borrower’s pre-modification LTV ratio is below 100%, then the borrower’s post-modification LTV shall not be lower than 80%.”

v. Exhibit D, Paragraph 1.f applies to the following categories of loans:

A. Regardless of delinquency, modifications made to borrowers in an active bankruptcy; or for borrowers who have received Chapter 7 bankruptcy discharges of personal liability for the loans, who continue to occupy the properties, who remain current on payments, and where the underlying lien has not been extinguished;

B. Regardless of delinquency, modifications made to borrowers involved in active litigation;

C. Modifications made to borrowers who are current (less than 30 days delinquent) on a mortgage modification made prior to the terms of this Agreement or that does not meet the terms set forth in this Agreement.

vi. Exhibit D, Paragraph 1.h is amended to read as follows: “Following Servicer’s Effective Date, Servicer will modify a second lien mortgage-loan consistent with the treatment waterfall described below, and as modified by Exhibit I, within a reasonable time to facilitate a Participating Servicer’s modification of a first lien mortgage owned by the Participating Servicer, provided that the Participating Servicer who owns the first lien mortgage contacts Servicer regarding the second lien mortgage loan that Servicer owns and provides reasonably satisfactory documentation of the first lien

mortgage actively being considered for modification. Credit for such second lien mortgage loan write downs shall be credited in accordance with the second lien percentages and cap described in Table 1, Section 2, as amended by Exhibit I. Additionally, Servicer will receive credit for modified first lien mortgages that qualify for its proprietary modification processes regardless of whether the owner of the second lien mortgage loan modifies the second lien.”

- vii. Exhibit D Paragraph 9.c is amended as follows by adding subparagraph 9.c.i.4: For loans with current interest rates above 5.25% or PMMS +100 basis points, whichever is greater, the interest rate may be reduced for 7 years. After the 7 year fixed interest rate period, the rate will be set at the then-current 1-year LIBOR plus 175 basis points, subject to a maximum rate increase of 2% in the first year (the maximum rate is based off of the fixed rate that applied during the 7-year term), 2% in any year following the first year, and a maximum 5% total increase for the life of the loan (the maximum rate is based off of the fixed rate that applied during the 7-year term). The relief described herein may also be offered in Exhibit I Paragraphs 5.a.ii.A, 5.b.ii.A, and 5.c.ii.
- viii. Exhibit D Paragraph 9.c is amended as follows by adding subparagraph 9.c.i.5: For loans with current interest rates below 5.25% or PMMS +100 basis points, the interest rate may be reduced to obtain at least a 25 basis point interest rate reduction or \$100 payment reduction in monthly payment, for a period of 7 years. After the 7 year fixed interest rate period, the rate will be set at the then-current 1-year LIBOR plus 175 basis point, subject to a maximum rate increase of 2% in the first year (the maximum rate is based off of the fixed rate that applied during the 7-year term), 2% in any year following the first year, and a 5% total increase for the life of the loan (the maximum rate is based off of the fixed rate that applied during the 7-year term). The relief described herein may also be offered in Exhibit I Paragraph 5.b.ii.A.
- ix. Exhibit D Paragraph 9.e is amended as follows by adding Paragraph 9.e.3: If the new rate applies for 7 years, the multiplier shall be 6.
- x. Exhibit D, Paragraph 9.f is amended to read as follows: “Additional dollars spent by Servicer on the refinancing program beyond Servicer's required commitment shall be credited against Servicer's overall consumer relief obligation, provided that any such credit shall not reduce or count against Servicer's minimum 1st Lien Principal Reduction Obligation or “1<sup>st</sup>/2<sup>nd</sup> Lien Principal Reduction Obligation.”.
- xi. The Servicer will receive credit for activities set forth in Paragraph 9 of Exhibit D and Paragraph 5 of Exhibit I for loans discharged in Chapter 7 bankruptcy provided the Servicer maintains a valid lien on the property, the borrower remains in the home, the borrower remains current on payments

post-discharge, and the loss mitigation activity is otherwise creditable under Paragraph 9 of Exhibit D or Paragraph 5 of Exhibit I.

- xii. Exhibit D, Paragraph 10.a is amended to read as follows: “For the consumer relief and refinancing activities imposed by this Agreement, Servicer shall be entitled to receive credit against Servicer’s outstanding settlement commitments for activities taken on or after Servicer’s start date, July 1, 2013 (such date, the “Start Date”), including without limitation any creditable activity that occurred before the completion and approval of any Work Plan.”
- xiii. Exhibit D, Paragraph 10.b is amended to read as follows: “Servicer shall receive an additional 25% credit against Servicer’s outstanding settlement commitments for any first or second lien principal reduction, any amounts credited pursuant to the refinancing program, and any amounts credited pursuant to the Lending Program between January 1, 2014 and January 1, 2015. This early incentive credit is cumulative with other credits (including Hardest Hit).”
- xiv. Exhibit D, Paragraph 10.c is amended to read as follows: “Servicer shall complete 75% of its Consumer Relief Requirement credits within two years of the Effective Date.”
- xv. Exhibit D, Paragraph 10.d is amended to read as follows: “If Servicer fails to meet the commitment set forth in these Consumer Relief Requirementst within three years of the Effective Date, Servicer shall pay an amount equal to 125% of the unmet commitment amount; except that if Servicer fails to meet the two year commitment noted above, and then fails to meet the three year commitment, the Servicer shall pay an amount equal to 140% of the unmet three-year commitment amount; provided, however, that if Servicer must pay any Participating State for failure to meet the obligations of a state-specific commitment to provide Consumer Relief pursuant to the terms of that commitment, then Servicer’s obligation to pay under this provision shall be reduced by the amount that such a Participating State would have received under this provision and the Federal portion of the payment attributable to that Participating State. The purpose of the 125% and 140% amount is to encourage Servicer to meet its commitments set forth in these Consumer Relief Requirements. ”
- xvi. Exhibit D-1, Paragraphs 1 and 2 Credit Caps are deleted, except that the cap on “forgiveness of forbearance amounts on existing modification” will remain 12.5%.
- xvii. Exhibit D-1, Paragraph 3 Credit Cap is amended by replacing “5%” with “10”.
- xviii. Exhibit D-1, Footnote 2 is amended to read as follows: “Credit for all modifications is determined from the date the modification is approved (the

date on which the Servicer decides to offer the modification to the borrower) or communicated to the borrower. No credits will be credited unless the payments on the modification are current as of 90 days following the implementation of the modification, including any trial period, or unless the borrower is not current at day 90 but subsequently becomes current prior to day 180. However, if the failure to make payments on the modification within the 90 day period is due to unemployment or reduced hours, the Servicer will receive credit provided that Servicer has reduced the principal balance on the loan. Eligible Modifications will include any modification that is completed on or after the Start Date, as long as the loan meets the criteria set forth in the preceding sentences of footnote 2.”

- xix. The Servicer will receive an additional 25% credit for any first or second lien principal reduction modifications made, pursuant to Paragraphs 1 and 2 of Exhibit D and Paragraph 6 of Exhibit I, to borrowers in Hardest Hit Areas. This credit is conditioned on Servicer’s satisfaction of the outreach requirements as set forth in Paragraph 4.C.iii.