

AGREEMENT BY AND BETWEEN
Citibank, N.A.
Las Vegas, Nevada
And
The Office of the Comptroller of the Currency

Whereas, Citibank, N.A., Las Vegas, Nevada (“Bank”), and the Comptroller of the Currency of the United States of America (“Comptroller”), wish to protect the interests of depositors and customers of the Bank and, toward that end, wish the Bank to operate safely and soundly and in accordance with all applicable laws, rules, and regulations; and

Whereas, the Comptroller, through his National Bank Examiners and other staff, as part of an interagency horizontal review of major residential mortgage servicers, conducted an examination of the residential loan servicing and mortgage foreclosure processes of the Bank, which identified certain deficiencies and unsafe or unsound practices in residential mortgage servicing and in the Bank’s initiation and handling of foreclosure proceedings; and

Whereas, on April 13, 2011, the Comptroller issued a Consent Order (“Consent Order”) to the Bank, pursuant to 12 U.S.C. § 1818(b), that required the Bank to undertake a broad range of actions to remedy the deficiencies and unsafe or unsound practices identified by the Comptroller, to enhance the Bank’s residential mortgage servicing and foreclosure processes, and to remediate financial injury to borrowers caused by errors, misrepresentations, or other deficiencies and unsafe or unsound practices identified by the Consent Order; and

Whereas, the Bank intends to enter into a Civil Settlement Agreement (“Civil Settlement Agreement”) with the United States of America, acting through the United

States Department of Justice, and with the Attorneys General of various states, to settle certain potential state and federal claims relating to the Bank's residential mortgage origination, servicing and foreclosure practices; and

Whereas, as part of the Civil Settlement Agreement, the Bank has agreed to provide consumer relief, which may include direct payments, mortgage principal reductions or refinancing, and other assistance to certain residential mortgage borrowers (the "Borrower Assistance"). As part of the Civil Settlement Agreement, the Bank also has agreed to make certain payments to the United States and the settling States (the "Hard Dollar Payments"). The value of the Borrower Assistance, together with the Hard Dollar Payments made by the Bank pursuant to the Civil Settlement Agreement, is expected to be equal to or exceed \$2.204 billion and

Whereas, in consideration of the above premises, it is agreed, between the Bank, by and through its duly elected and acting Board of Directors ("Board"), and the Comptroller, through his authorized representative, that the Bank and the Comptroller agree to the following articles of this Agreement ("Agreement"):

ARTICLE I

JURISDICTION

- (1) This Agreement shall be construed to be a "written agreement entered into with the agency" within the meaning of 12 U.S.C. § 1818(b)(1).
- (2) This Agreement shall be construed to be a "written agreement between such depository institution and such agency" within the meaning of 12 U.S.C. §§ 1818(e)(1) and 1818(i)(2).

- (3) This Agreement shall not be construed to be a “formal written agreement” within the meaning of 12 C.F.R. §§ 5.3(g)(4), 5.51(c)(6), and 24.2(e)(4), unless the OCC informs the Bank otherwise.
- (4) This Agreement shall be construed to be a “written agreement” within the meaning of 12 U.S.C. § 1818(u)(1)(A).

ARTICLE II

OTHER RELIEF

- (5) The Bank, without admitting or denying any wrongdoing, enters into this Agreement.
- (6) The Bank acknowledges that the Comptroller’s Findings, contained in Article I of the Consent Order issued on April 13, 2011, if proven by the Comptroller at a hearing, would establish a statutory basis for the Comptroller to issue civil money penalties against the Bank pursuant to 12 U.S.C. § 1818(i).
- (7) As part of the Comptroller’s review of whether to assess civil money penalties against the Bank and, if so, in what amount, the Comptroller has considered the terms and requirements of the Civil Settlement Agreement.
- (8) Although the Comptroller believes that grounds exist to assess civil money penalties against the Bank in the amount of \$34,000,000, based on the Findings contained in Article I of the Consent Order, in view of the final settlement agreed to by the Bank of potential federal and state claims asserted by the United States and many States, and the Borrower Assistance and Hard Dollar Payments that the Bank will make under the Civil Settlement Agreement, the Comptroller forgoes the assessment of civil money penalties in connection with the Consent Order, subject to the provisions

set forth in paragraphs (9) and (10) of this Agreement, and subject to the following conditions:

- (a) Any document associated with Borrower Assistance, or payments or other financial relief made by the Bank pursuant to the Civil Settlement Agreement, shall be made available to the OCC upon request;
- (b) On a quarterly basis and until the date on which the Bank provides Borrower Assistance and makes Hard Dollar Payments pursuant to the Civil Settlement Agreement with an aggregate valuation of \$34,000,000, the Bank shall submit a detailed report and accounting setting forth its efforts and actions in furtherance of the terms, requirements and conditions of the Civil Settlement Agreement's Borrower Assistance and payment obligations; and
- (c) Within 30 days of the Bank's providing Borrower Assistance and making Hard Dollar Payments with an aggregate valuation of at least \$34,000,000, the Bank shall submit to the OCC a certification that Borrower Assistance and Hard Dollar Payments were made by the Bank pursuant to the Civil Settlement Agreement with an aggregate valuation of at least \$34,000,000.

(9) Pursuant to 12 U.S.C. § 1818(i)(2), should the Bank fail to make Borrower Assistance and Hard Dollar Payments with an aggregate valuation of at least \$34,000,000 within three (3) years of the date of execution of the Civil Settlement Agreement: (1) the Comptroller shall assess and the Bank hereby agrees to pay an amount that is the

difference between the aggregate valuation of Borrower Assistance and Hard Dollar Payments actually made by the Bank, and \$34,000,000, plus interest on such difference calculated from the date of this Agreement at the rate set in 28 U.S.C. § 1961, as a civil money penalty; or (2) in the Comptroller's discretion, instead of assessing a civil money penalty pursuant to 12 U.S.C. § 1818(i)(2), the Comptroller may require the Bank to take other specified actions, pursuant to 12 U.S.C. § 1818(b), that provide assistance to troubled borrowers and/or reduce avoidable foreclosures, which the Bank hereby agrees to undertake, having a monetary value of such difference.

(10) Subject to satisfaction of the provisions contained in paragraphs (9) and (11) of this Agreement, the Comptroller releases the Bank from any and all claims that could be brought by the Comptroller to assess civil money penalties, pursuant to 12 U.S.C. § 1818(i)(2), in connection with the matters addressed by the Findings contained in Article I of the Consent Order, to the extent known to the OCC as of the date of the Consent Order.

(11) Notwithstanding any other terms of this Agreement, the following claims of the Comptroller are specifically reserved and are not released:

(a) Any and all claims, actions, policies, or practices of the Bank other than with respect to residential mortgage servicing conduct and residential mortgage foreclosure practices, as described in the Findings contained in Article I of the Consent Order;

(b) Any and all claims based upon the origination of a residential mortgage loan, or the sale or transfer of a mortgage, security, or whole loan, whether legal or

equitable, to, into, or for the benefit of a mortgage-backed security, trust, or special interest entity, including but not limited to mortgage securitizations and whole loan sales to such entities, except for any and all claims based on residential servicing conduct and residential mortgage foreclosure practices described in the Findings contained in Article I of the Consent Order;

- (c) Any liability arising under the Fair Housing Act or any other statute or law that prohibits discrimination of persons based on race, color, national origin, gender, disability, or any other protected status, including the non-discrimination provisions of the Equal Credit Opportunity Act, or under the Federal Trade Commission Act or any other statute or law that prohibits unfair or deceptive practices;
- (d) Any and all claims for relief other than claims for civil money penalties assessed pursuant to 12 U.S.C. § 1818(i);
- (e) Any and all claims based upon acts or omissions subsequent to April 13, 2011;
- (f) Any and all claims against individuals, including current and former employees, agents, officers, directors, or contractors of the Bank, or against any other entities, including affiliates of the Bank;
- (g) Any and all actions to enforce the terms and conditions of the Consent Order against the Bank, including expressly the assessment of civil money penalties to enforce the terms and conditions of the Consent Order; and
- (h) Any liability based upon obligations created by this Agreement.

(12) The Bank fully and finally releases the Comptroller, its officers, agents, employees, and servants, from any claims (including attorney's fees, costs, and expenses of any kind and however denominated) that the Bank has asserted, could have asserted, or may assert in the future against the Comptroller, its officers, agents, employees, and servants, arising out or relating to the Consent Order, this Agreement, and the Comptroller's investigation, negotiation, and implementation of the Consent Order and this Agreement, including claims under the Equal Access to Justice Act, 28 § U.S.C. 2412.

ARTICLE III

OTHER PROVISIONS

(13) This Agreement is intended to be, and shall be construed to be, a supervisory "written agreement entered into with the agency" as contemplated by 12 U.S.C. § 1818(b)(1), and expressly does not form, and may not be construed to form, a contract binding on the Comptroller or the United States. The Bank expressly acknowledges that no officer or employee of the Office of the Comptroller of the Currency has statutory or other authority to bind the United States, the U.S. Department of the Treasury, the Comptroller, or any other federal agency or entity, or any officer or employee of any of those entities to a contract affecting the Comptroller's exercise of his supervisory responsibilities. The terms of this Agreement, including this paragraph, are not subject to amendment or modification by any extraneous express, prior agreements or prior arrangements between the parties, whether oral or written.

(14) Nothing in this Agreement, express or implied, shall give to any person or entity, other than the parties hereto, and their successors hereunder, any benefit or any legal or equitable right, remedy or claim under this Agreement.

IN TESTIMONY WHEREOF, the undersigned authorized by the Comptroller, has hereunto set her hand on behalf of the Comptroller.

_____/s/_____
Vance S. Price
Deputy Comptroller
Large Bank Supervision

_____2/24/12_____
Date

IN TESTIMONY WHEREOF, the undersigned, as the duly elected and acting Board of Directors of the Bank, have hereunto set their hands on behalf of the Bank.

_____/s/_____
Michael E. O'Neil

_____2/16/12_____
Date

_____/s/_____
Timothy C. Collins

_____2/16/12_____
Date

_____/s/_____
Robert L. Joss

_____2/16/12_____
Date

_____/s/_____
Eugene M. McQuade

_____2/21/12_____
Date

_____/s/_____
Lawrence R. Ricciardi

_____2/15/12_____
Date

_____/s/_____
Anthony M. Santomero

_____2/16/12_____
Date

_____/s/_____
Ernesto Zedillo

_____2/16/12_____
Date

_____/s/_____
Robert L. Ryan

_____2/15/12_____
Date