

## SETTLEMENT AGREEMENT

This Settlement Agreement (the "Agreement"), effective as of the Multistate Settlement Effective Date (as defined below), is made and entered into by and between the State of Nevada ("Plaintiff"), on the one hand, and Bank of America Corporation ("BAC"), Bank of America, N.A. ("BANA"), BAC Home Loans Servicing, LP (acting through its successor-in-interest by merger, BANA), ReconTrust Company, N.A., Countrywide Financial Corporation, Countrywide Home Loans, Inc., and Full Spectrum Lending, Inc. (collectively, "Defendants") on the other hand (Plaintiff and Defendants are collectively referred to herein as the "Parties").

### RECITALS

**WHEREAS**, Plaintiff has asserted various claims and causes of action against Defendants in an action captioned *State of Nevada v. Bank of America Corp., et al.*, No. A-10-631557-B (the "Lawsuit"), which is pending in the Eighth Judicial District Court in and for Clark County, Nevada (the "Court");

**WHEREAS**, to avoid the expense and uncertainty of further litigation and to secure immediate relief for Nevada homeowners, and without any admission of wrongdoing or liability, the Parties desire to settle the Lawsuit on the terms set forth herein;

**NOW, THEREFORE**, in consideration of the foregoing, of the mutual covenants and promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. **Definitions.** In addition to the terms otherwise defined in this Agreement, the following terms shall have the meanings set forth below:
  - (a) "Bank of America/Countrywide Settlement Agreement" means the agreement entered into between BAC and certain of its affiliates and the United States, attached as Exhibit I to the consent judgment against BAC and certain of its affiliates in the Multistate Settlement.
  - (b) "Consent Judgment" means the consent judgment filed in the Eighth Judicial District Court in and for Clark County, Nevada on February 24, 2009, in the case entitled *State of Nevada v. Countrywide Financial Corp., et al.*, No. A583442.
  - (c) "Dismissal Date" means the date on which the Dismissal Order becomes final, such that all appeals have either expired or resulted in the affirmance of the Dismissal Order without material modification.
  - (d) "Dismissal Order" means an order substantially in the form attached hereto as Exhibit A entered by the Court so-ordering this Agreement and dismissing the Lawsuit in its entirety against all Defendants with prejudice.

(e) "Escrow Account" means an escrow account established by the Parties with a mutually agreeable, unaffiliated third party pursuant to a mutually acceptable escrow agreement.

(f) "Escrow Exchange Date" means the date two business days after the Dismissal Date.

(g) "Multistate Settlement" means the settlement announced on February 9, 2012, between the United States of America, the Nevada Attorney General, other State Attorneys General, and the five largest mortgage servicers to resolve certain claims relating to residential mortgage origination, servicing, and foreclosure servicing practices, including, for the avoidance of doubt, the Bank of America/Countrywide Settlement Agreement.

(h) "Multistate Settlement Effective Date" means the date on which the approval of the Multistate Settlement by the court to which it is submitted becomes final, such that all appeals have either expired or resulted in the affirmance of the court's approval without material modification.

(i) "Release" means the release to be executed by the Nevada Attorney General pursuant to paragraph 4 in the form attached hereto as Exhibit B.

(j) "Released Parties" means Defendants and each of their parents, subsidiaries, and affiliates, any of their predecessors, successors, or assigns, and the current and former directors, officers, and employees of any of the foregoing. The Parties expressly acknowledge that each of these Released Parties who are not Parties to this Agreement are intended to be express third-party beneficiaries of the Release referred to in paragraph 4.

(k) "Stipulation and Order for Settlement and Dismissal with Prejudice" means the stipulation between the parties in the form attached hereto as Exhibit A that the Nevada Attorney General shall file with the court pursuant to paragraph 5, below.

2. **Multistate Settlement.** The Nevada Attorney General will join the Multistate Settlement. All of the Parties' rights and obligations in this Agreement are conditioned on, and subject to, the approval of the Multistate Settlement by the court to which it is submitted and such approval becoming final, such that all appeals have either expired or resulted in the affirmance of the court's approval without material modification.
3. **Settlement Payment.** Within 15 business days of the Multistate Settlement Effective Date, BAC or BANA ("BAC/BANA") shall pay or cause to be paid the payments outlined in subparagraphs 3(a) and 3(b), below, into the Escrow Account. These amounts shall be separate and apart from, and in addition to, any payments owed under the Multistate Settlement. Payments under this paragraph shall be in no way characterized as a fine or penalty. On the Escrow Exchange Date, and subject to the Nevada Attorney General's compliance with paragraph 4, below, the funds paid into escrow, plus any

interest earned thereon, and minus any applicable fees (including escrow fees) and costs, will be released as directed in instructions from the Nevada Attorney General to the escrow officer. Plaintiff will be responsible for providing the escrow agent managing the Escrow Account with any tax forms necessary to prevent the escrow agent from being required to withhold tax on any of the funds in the Escrow Account. Plaintiff will also be responsible for submitting any applicable tax filings and paying any applicable taxes on the funds released pursuant to this paragraph. The Parties agree that the escrow agent shall provide BAC/BANA with all information necessary to comply with their tax reporting obligations, including information concerning the date(s) on which the funds are dispersed from the Escrow Account.

(a) BAC/BANA shall pay or cause to be paid into the Escrow Account the sum of \$30 million (\$30,000,000), which amount is intended to provide redress to Plaintiff and its communities for the costs and other losses resulting from the conduct alleged in the Lawsuit. Upon release of the \$30 million payment from the Escrow Account in accordance with the preceding terms of this paragraph, and in accordance with the Dismissal Order described in paragraph 5, below, the Nevada Attorney General shall direct the escrow officer to transfer this \$30 million, plus any interest earned thereon, and minus any applicable fees (including escrow fees) and costs, to the Nevada Attorney General to be deposited into an account to be established and used for the following purposes: avoiding preventable foreclosure, ameliorating the effects of the mortgage and foreclosure crisis in Nevada, enhancing consumer protection and legal aid efforts, enhancing consumer financial and housing counseling assistance, including economic education and/or instruction on financial literacy for the benefit of Nevada residents, enhancing law enforcement efforts to investigate, prosecute and prevent financial fraud or unfair or deceptive acts or practices at the sole discretion of the Attorney General. Said account shall be interest bearing and all interest shall be accrued and stay with the account for the above enumerated purposes.

(b) BAC/BANA shall pay or cause to be paid into the Escrow Account the additional sum of \$7.7 million (\$7,700,000) for Plaintiff's costs and fees, including attorneys' fees.

4. **Release.** Within 15 business days of the Multistate Settlement Effective Date, the Nevada Attorney General will execute a Release in the form attached hereto as Exhibit B and will deposit the Release into the Escrow Account. The Release will be effective as of the Escrow Exchange Date. On the Escrow Exchange Date, and subject to BAC/BANA's compliance with paragraph 3, above, the Release will be made available to Defendants. This Release is in addition to, and in no way overrides, the release contained in the Multistate Settlement.
5. **Dismissal Order.** Within two (2) business days of BAC/BANA making the payments into escrow pursuant to paragraph 3 and the Nevada Attorney General depositing the Release into escrow pursuant to paragraph 4, the Nevada Attorney General shall file with the Court a Stipulation and Order for Settlement and Dismissal with Prejudice, in the

form attached as Exhibit A, incorporating and entering this Agreement, dismissing the Lawsuit against all Defendants in its entirety with prejudice and directing the Nevada Attorney General to distribute the cash payments by BAC/BANA as provided for therein, with each side to bear its own costs and attorneys' fees except as otherwise provided in paragraph 3. All of the Parties' obligations in this Agreement are conditioned on, and subject to, the Court entering a Settlement and Dismissal Order substantially in the form of Exhibit A so-ordering this Agreement and dismissing the Lawsuit with prejudice and the Settlement and Dismissal Order becoming final, such that all appeals have either expired or resulted in the affirmance of the Dismissal Order without material modification.

6. **Solicitation of Nevada Borrowers for Principal Reduction.** BANA shall engage and fund one or more unaffiliated organizations for the purpose of seeking to improve the "take rate" among Nevada borrowers eligible for the Hardest Hit Fund or the loan modification and principal reduction offers to be made pursuant to the Multistate Settlement. Nothing in this paragraph shall require Defendants to suspend foreclosures in excess of the foreclosure suspensions promised in paragraph 7 of this Agreement or in the Bank of America/Countrywide Settlement Agreement, including during the time that the provisions of this paragraph are being implemented. BAC/BANA confirms that any suspensions promised in the Bank of America/Countrywide Settlement Agreement shall apply to Nevada borrowers to the extent provided therein.
7. **Resolicitation of NHRP Population.** BANA agrees that, beginning with the Multistate Settlement Effective Date, it will use its commercially reasonable best efforts to suspend foreclosure sales on any Nevada borrower who is eligible for the National Homeownership Retention Program ("NHRP") under the Consent Judgment and who is more than sixty days delinquent on his or her mortgage as of January 31, 2012 (such borrowers, "NHRP Eligible Borrowers") until such time as such borrower has been solicited for a loan modification equivalent or superior to the modifications offered under NHRP, including modifications under the Multistate Settlement. By no later than 30 days after the Multistate Settlement Effective Date, BANA shall suspend all foreclosure sales with respect to NHRP Eligible Borrowers until such solicitation has occurred in accordance with section IV ("Loss Mitigation"), subsections A ("Loss Mitigation Requirements") and B ("Dual Track Restricted"), of the Servicing Standards of the Multistate Settlement. In addition, the Multistate Settlement's provision regarding the time to decision, section IV ("Loss Mitigation"), subsection B ("Dual Track Restricted"), of the Servicing Standards of the Multistate Settlement, shall apply, in accordance with its terms and in a manner consistent with the implementation requirements applicable to the Servicing Standards in the Multistate Settlement (including Section A of the Enforcement Terms of the Multistate Settlement), to offers for loan modifications made to NHRP Eligible Borrowers. Compliance with this provision will be enforceable pursuant to the Enforcement Terms of the Multistate Settlement.
8. **Multistate Monitoring Committee:** This Agreement is conditioned on, and subject to, the Office of the Nevada Attorney General receiving an offer to serve on the monitoring committee formed in connection with the Multistate Settlement.

9. **Nevada Agreement:** BAC/BANA will commit to undertake at least \$750 million (\$750,000,000) in loan modification and other borrower assistance activities on residential properties located in the State of Nevada in accordance with the terms attached hereto as Exhibit C (“Nevada Agreement”).
10. **Enhanced Reporting.** On a quarterly basis, BANA will provide the Nevada Attorney General a report containing information concerning (i) modifications completed, including first- and second-lien modifications; (ii) completed short sales; (iii) deficiency judgment waivers; (iv) relocation assistance provided to borrowers; (v) refinancings on high loan-to-value ratio (“LTV”) loans or refinancings under the Hardest Hit Fund; and (vi) Executive Office servicing complaints, all limited to BANA’s activity within the State of Nevada. BANA commits to meet with the Nevada Attorney General upon request to discuss concerns or issues regarding the information so provided. All information provided by BANA to the Nevada Attorney General under this paragraph shall be treated as confidential, except for the information that is aggregated and contains no personally identifying information regarding borrowers, unless otherwise required by law. The reporting obligation imposed by this paragraph shall begin when BANA’s reporting obligation begins under the Multistate Settlement and shall end when BANA’s reporting obligation ends under the Multistate Settlement.
11. **No Liability.** Each Defendant denies any liability, and neither the payment of money nor the performance of any other matters contemplated hereby or provided for in this Agreement shall in any way or manner be construed as an admission of any matter, allegation, fact or liability or any act of wrongdoing.
12. **No Third-Party Rights or Obligations.** Except for entities or individuals released pursuant to the Release referenced in (and only to the extent of) paragraph 4, above, no person or entity not a Party to this Agreement shall have any third-party beneficiary or other rights under this Agreement, including, for the avoidance of doubt, any borrowers.
13. **Treatment of Protected Material.** Pursuant to the protective order entered in the Lawsuit on May 16, 2011 (“Protective Order”), within sixty (60) days of the Dismissal Date, Plaintiff shall comply with the “Final Disposition” paragraph of the Protective Order by, among other things, returning or destroying all Protected Material (as that term is defined in the Protective Order) in its possession or control, including all Protected Material shared with Outside Counsel (as that term is defined in the Protective Order), with the exception of the archival copy referred to in the “Final Disposition” paragraph of the Protective Order.
14. **Confidential Information.** Information related to the negotiation of this Agreement, including the circumstances leading thereto, as well as all documents, communications, drafts and other materials of any kind related to or received in connection with the negotiation of this Agreement (collectively “Confidential Information”), shall be and remain confidential except as set forth in this paragraph. For the avoidance of doubt, this Agreement and its Exhibits shall not be treated as Confidential Information. The Parties

shall not disclose any Confidential Information unless such disclosure is required by law. In the event that a Party receives a request under the Public Records Act, subpoena, or other demand for production that seeks the disclosure of Confidential Information, the Party receiving the request shall notify the other Parties to this Agreement (directly or through their counsel) as soon as practicable, and in no event more than ten (10) calendar days, after receiving such request and shall allow the other Parties to this Agreement a reasonable time, not less than ten (10) calendar days, from the receipt of such notice to seek a protective order relating to the Confidential Information or to otherwise resolve any disputes relating to the production of the Confidential Information before the Party receiving the request discloses any Confidential Information.

15. **Due Authorization.** The Parties represent and warrant that the individuals signing this Agreement on their behalf are duly authorized and fully competent to do so.
16. **Assignment, Predecessors, Successors and Assigns.** Notwithstanding the provisions of paragraph 12, above, this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.
17. **Construction.** The Parties hereby mutually acknowledge and represent that they have been fully advised by their respective legal counsel of their rights and responsibilities under this Agreement, that they have read, know and understand completely the contents of this Agreement, and that they have voluntarily executed the same. The Parties further mutually acknowledge that they have had input into the drafting of this Agreement and that, accordingly, in any construction to be made of the Agreement, it shall not be construed for or against any Party, but rather shall be given a fair and reasonable interpretation, based on the plain language of the Agreement and the expressed intent of the Parties.
18. **Fully Informed Parties.** The Parties hereto have been represented in the negotiations for and in the preparation of this Agreement by counsel of their own choosing or have had the opportunity to consult with counsel concerning the legal consequences of this Agreement; they have reviewed and understand the provisions of this Agreement; they have had this Agreement fully explained to them by their counsel or have had the opportunity to consult with counsel but declined to do so; and they are fully aware of and understand this Agreement's contents and its legal effect and consequences.
19. **Entire Agreement.** The Parties acknowledge that this Agreement sets forth the entire agreement and understanding of the Parties, and it supersedes all prior written or oral agreements or understandings with respect to the subject matter hereof (except for the Multistate Settlement and the letter dated February 9, 2012 from Meyer G. Koplrow to Linda Singer). No modification of any of the terms of this Agreement, or any amendments thereto, shall be deemed to be valid unless in writing and signed by an authorized agent or representative of each of the Parties hereto. No course of dealing or usage of trade shall be used to modify the terms and conditions herein. Except as expressly set forth herein, including in the Release referenced in paragraph 4, above, the Consent Judgment shall remain in full force and effect until it terminates in accordance

with its terms, except that, to the extent that the Consent Judgment conflicts or is inconsistent with the Multistate Settlement, the terms of the Multistate Settlement shall govern, except as outlined in paragraph 7.

20. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The Parties agree that telecopied or PDF copies of signatures will be sufficient, with original signature pages to be supplied and exchanged at a later date.
21. **Governing Law.** Any action brought regarding the validity, construction and enforcement of this Agreement shall be governed in all respects by the laws of the State of Nevada, without regard to the principles of conflicts of laws. The state courts in the State of Nevada shall have jurisdiction over the Parties hereto in all matters arising hereunder and the Parties hereto agree that the venue with respect to such matters will be a state court in the State of Nevada, except that this provision shall have no application with respect to the Multistate Settlement, for which issues of governing law, venue, and enforcement are governed by the terms thereof.
22. **Construction of Settlement Agreement.** Though this Agreement is not an “assurance,” as used in the Nevada Deceptive Trade Practices Act, the Parties confirm their intent that proof by a preponderance of the evidence of a material violation of this Agreement would constitute prima facie evidence of a deceptive practice for the purpose of any civil action or proceeding brought by the Nevada Attorney General, whether a new action or a subsequent motion or petition in any pending action or proceeding.
23. **Waiver of Claims and Defenses.** The Parties agree that this Agreement shall not be subject to any claim of duress, mistake of law or mistake of fact. Each Party hereto acknowledges that it, he, or she enters into this Agreement freely and voluntarily and is not acting under coercion, duress, or economic compulsion; rather, each Party is freely and voluntarily signing this Agreement for its, his, or her own benefit.
24. **Costs and Attorneys’ Fees.** Subject to the provisions in paragraph 3, above, the Parties to this Agreement agree to bear their own costs, attorneys’ fees, and other expenses incurred in connection with or in any way relating to the Agreement, the Lawsuit, or the negotiations leading to the Agreement.
25. **Incorporation of Recitals.** The Recitals above are incorporated into and made part of this Agreement.
26. **Enforceability.** To the extent that any portion of this Agreement other than paragraphs 2, 3, 4, 5, 8, and 9 may be held to be invalid or legally unenforceable by a court of competent jurisdiction, the Parties agree that the remaining portions of the relevant paragraph and this Agreement shall not be affected and shall be given full force and effect.


27. **Captions.** The paragraph captions set forth in the Agreement are for the convenience of the Parties and do not modify, limit, or otherwise affect the express provisions of this Agreement.

28. **No Disqualifications.** This Agreement is not intended to indicate that the Defendants or any of their affiliates or current or former employees shall be subject to any disqualifications contained in the federal securities laws, the rules and regulations thereunder, the rules and regulations of self regulatory organizations or various states' securities laws, including any disqualifications from relying upon registration exemptions or safe harbor provisions. In addition, this Agreement is not intended to form the basis for any such disqualifications.

**IN WITNESS WHEREOF**, the Parties have fully executed and delivered this Settlement Agreement as of \_\_\_\_\_, 2012, which Agreement shall be effective as of the Multistate Settlement Effective Date.

**CATHERINE CORTEZ MASTO**  
Nevada Attorney General

By:

  
Ernest Figueroa  
Deputy Attorney General

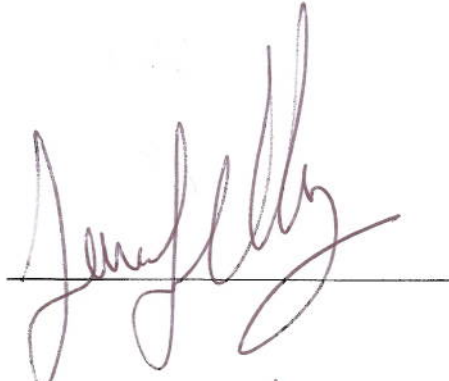
Dated: 3-19, 2012



BANK OF AMERICA CORPORATION

Dated: March 22, 2012

By:

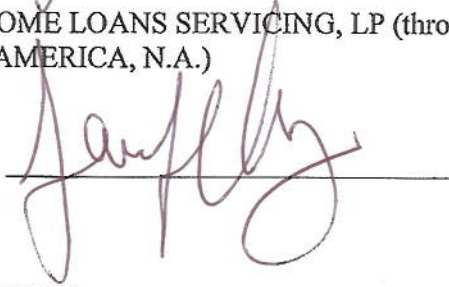


A handwritten signature in cursive script, appearing to read "Jennifer Kelly", is written over a horizontal line.

BANK OF AMERICA, N.A., AND BAC HOME LOANS SERVICING, LP (through its successor in interest by merger, BANK OF AMERICA, N.A.)

Dated: March 22, 2012

By:



A handwritten signature in cursive script, appearing to read "Jennifer Kelly", is written over a horizontal line.

COUNTRYWIDE FINANCIAL CORPORATION

Dated: March \_\_, 2012

By:

\_\_\_\_\_

COUNTRYWIDE HOME LOANS, INC.

Dated: March \_\_, 2012

By:

\_\_\_\_\_

FULL SPECTRUM LENDING, INC.

Dated: March \_\_, 2012

By:

\_\_\_\_\_

RECONTRUST COMPANY, N.A.

Dated: March \_\_, 2012

By:

\_\_\_\_\_

BANK OF AMERICA CORPORATION

Dated: March \_\_\_, 2012 By: \_\_\_\_\_


BANK OF AMERICA, N.A., AND BAC HOME LOANS SERVICING, LP (through its  
successor in interest by merger, BANK OF AMERICA, N.A.)

Dated: March \_\_\_, 2012 By: \_\_\_\_\_


COUNTRYWIDE FINANCIAL CORPORATION

Dated: March 22, 2012 By:  \_\_\_\_\_

COUNTRYWIDE HOME LOANS, INC.

Dated: March 22, 2012 By:  \_\_\_\_\_

FULL SPECTRUM LENDING, INC.

Dated: March 22, 2012 By:  \_\_\_\_\_

RECONTRUST COMPANY, N.A.

Dated: March \_\_\_, 2012 By: \_\_\_\_\_

BANK OF AMERICA CORPORATION

Dated: March \_\_, 2012 By: \_\_\_\_\_

BANK OF AMERICA, N.A., AND BAC HOME LOANS SERVICING, LP (through its successor in interest by merger, BANK OF AMERICA, N.A.)

Dated: March \_\_, 2012 By: \_\_\_\_\_

COUNTRYWIDE FINANCIAL CORPORATION

Dated: March \_\_, 2012 By: \_\_\_\_\_


COUNTRYWIDE HOME LOANS, INC.

Dated: March \_\_, 2012 By: \_\_\_\_\_

FULL SPECTRUM LENDING, INC.

Dated: March \_\_, 2012 By: \_\_\_\_\_

RECONTRUST COMPANY, N.A.

Dated: March 22, 2012 By:  \_\_\_\_\_

**Exhibit A**

1 CATHERINE CORTEZ MASTO  
Attorney General  
2 ERNEST D. FIGUEROA  
Consumer Counsel  
3 Nevada Bar No. 006295  
775.684.1197 ph / 775.684.1179  
4 E-mail: [EFigueroa@ag.nv.gov](mailto:EFigueroa@ag.nv.gov)  
BINU G. PALAL  
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7 702.486.3128 ph / 702.486.3283  
E-mail: [BPalal@ag.nv.gov](mailto:BPalal@ag.nv.gov)  
8 JEFFREY SEGAL  
Deputy Attorney General  
9 Nevada Bar No. 005491  
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10 Las Vegas, Nevada 89101  
702.486.3130 ph / 702.486.3283  
11 E-mail: [JSegal@ag.nv.gov](mailto:JSegal@ag.nv.gov)

DISTRICT COURT  
CLARK COUNTY, NEVADA

13 STATE OF NEVADA,

CASE NO.: A-10-631557-B

14 Plaintiff,

15 vs.

DEPT. NO.: XXIX

16 BANK OF AMERICA CORPORATION;  
BANK OF AMERICA, N.A.; BAC HOME  
17 LOANS SERVICING, LP; RECONTRUST  
COMPANY, N.A.; COUNTRYWIDE  
18 FINANCIAL CORPORATION;  
COUNTRYWIDE HOME LOANS, INC.;  
19 and FULL SPECTRUM LENDING, INC.,

**STIPULATION AND ORDER FOR  
SETTLEMENT AND DISMISSAL  
WITH PREJUDICE**

20 Defendants.

21 \_\_\_\_\_ /  
22 Plaintiff State of Nevada and Defendants Bank of America Corporation; Bank of  
23 America, N.A. ("BANA"); BAC Home Loans Servicing, LP (acting through its successor-in-  
24 interest by merger, BANA); ReconTrust Company, N.A.; Countrywide Financial Corporation;  
25 Countrywide Home Loans, Inc.; and Full Spectrum Lending, Inc., by and through their  
26 undersigned counsel of record, have entered into a Settlement Agreement dated \_\_\_\_\_,  
27 2012 (the "Settlement Agreement"), a true and correct copy of which is attached hereto as  
28

1 Exhibit A and is incorporated by reference. The parties hereby stipulate and request that the  
2 Court so order the Settlement Agreement as incorporated into this Stipulation and Order for  
3 Settlement and Dismissal with Prejudice.

4 The parties further stipulate and request that, pursuant to the Settlement Agreement, the  
5 above entitled matter be dismissed with prejudice, with each party to bear its own costs and  
6 attorney's fees except as otherwise provided by the Settlement Agreement.  
7

8 Pursuant to the Settlement Agreement, the parties further stipulate and request that the  
9 Court direct the Nevada Attorney General to instruct the escrow officer holding the settlement  
10 payments to transfer the \$30 million payment, plus any interest earned thereon, and minus any  
11 applicable fees (including escrow fees) and costs, to the Nevada Attorney General to be  
12 deposited into an account to be established and used for the following purposes: avoiding  
13 preventable foreclosure, ameliorating the effects of the mortgage and foreclosure crisis in  
14 Nevada, enhancing consumer protection and legal aid efforts, enhancing consumer financial and  
15 housing counseling assistance, including economic education and/or instruction on financial  
16 literacy for the benefit of Nevada residents, enhancing law enforcement efforts to investigate,  
17 prosecute and prevent financial fraud or unfair or deceptive acts or practices at the sole discretion  
18 of the Attorney General. Said account shall be interest bearing and all interest shall be accrued  
19 and stay with the account for the above enumerated purposes.  
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22 No Request for Trial Setting nor Scheduling Order has been filed in this court, and no  
23 trial date has been set. This matter was removed to the United States District Court for the  
24 District of Nevada on February 25, 2011, and the Ninth Circuit issued a decision ordering  
25 remand on this matter from the United States District Court for the District of Nevada to the  
26 Eighth Judicial District Court on March 2, 2012.  
27  
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1 DATED this \_\_\_\_ day of March, 2012.

2 **NEVADA ATTORNEY GENERAL**

3 **LIONEL SAWYER & COLLINS**

4 By: \_\_\_\_\_

5 Catherine Cortez Masto, Esq.  
6 Ernest D. Figueroa, Esq.  
7 Consumer Counsel  
(Tel) 775.684.1197 (Fax) 775.684.1179  
efigueroa@ag.nv.gov

8 Binu G. Palal, Esq.  
9 Jeffrey Segal, Esq.  
10 Deputy Attorney General  
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12 Las Vegas, Nevada 89101  
bpalal@ag.nv.gov  
jsegal@ag.nv.gov

13 Attorneys for Plaintiff State of Nevada

By: \_\_\_\_\_

Paul R. Hejmanowski, Esq.  
Leslie Bryan Hart, Esq  
Allen J. Wilt, Esq..  
  
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Reno, NV 89501  
(Tel) 775-788-8650 (Fax) 775-788-8682  
phejmanowski@lionelsawyer.com  
awilt@lionelsawyer.com  
lhart@lionelsawyer.com

Attorneys for Defendants

14  
15 **ORDER**

16 IT IS SO ORDERED.

17  
18  
19 \_\_\_\_\_  
DISTRICT JUDGE

20 DATED: \_\_\_\_\_  
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**Exhibit B**



## RELEASE

In connection with the Settlement Agreement made and entered into by and between the State of Nevada, on the one hand, and Bank of America Corporation, Bank of America, N.A. ("BANA"), BAC Home Loans Servicing, LP (acting through its successor-in-interest by merger, BANA), ReconTrust Company, N.A., Countrywide Financial Corporation, Countrywide Home Loans, Inc., and Full Spectrum Lending, Inc., on the other hand, the Nevada Attorney General hereby enters into this Release, which will be effective as of the Escrow Exchange Date. Any capitalized terms not defined herein shall have the definition given to them in the Settlement Agreement.

The Nevada Attorney General hereby fully, finally and forever releases and discharges the Released Parties from any and all claims that the Nevada Attorney General asserted against any of the Released Parties in the Lawsuit that are based on conduct that predates the date on which the Court dismisses the Lawsuit with prejudice, including claims arising out of or relating to any alleged breach by any of the Released Parties of the Consent Judgment. The Nevada Attorney General hereby affirms that, as of the Escrow Exchange Date, it remains bound by, and subject to, the release of claims contained in paragraph 9.2 of the Consent Judgment. The Consent Judgment shall remain in effect until it is terminated according to its terms.

This Release is in addition to, and in no way overrides, the release contained in the Multistate Settlement.

**IN WITNESS WHEREOF**, as of \_\_\_\_\_, 2012, the Nevada Attorney General has fully executed this Release, which will be effective as of the Escrow Exchange Date.

Attorney General of the State of Nevada

By:

Name:

Title:

**Exhibit C**

## The Nevada Agreement

1. Agreement: Bank of America, N.A. ("BANA") agrees to undertake a total of \$750 million (\$750,000,000) of activities (as calculated below) with respect to mortgages on residential properties located in the State of Nevada (the "Nevada Agreement").
  
2. Crediting Mechanism: BANA shall receive credit against its obligations under the Nevada Agreement for any principal reduction on first or second liens (including reductions through loan modifications, deeds in lieu or short sales), on properties located in Nevada, only to the extent that such activity would qualify for credit under the General Framework for Consumer Relief and Table 1 thereof. However, BANA shall receive dollar for dollar credit for each such activity. There shall not be any percentage limits on the amount of credit available for any particular activity except as specifically provided below with respect to conforming/nonconforming limitations.
  - (a) BANA will receive credit for first-lien loan modification principal reduction on any loans in BANA or any of its affiliates' entire portfolio, except for loans owned by the Government Sponsored Entities ("GSEs"). First-lien loan modification principal reductions shall be subject to the conforming/nonconforming limitations contained in Exhibit D to the Multistate Settlement. [Minimum 85% conforming]
  - (b) BANA will receive credit for second-lien, short sale and deed-in-lieu principal reduction on any loans in BANA or any of its affiliates' entire portfolio. Short sales and deed-in-lieu principal reductions shall be subject to a minimum 75% conforming requirement.
  - (c) BANA shall receive an additional 25% credit against its obligations under the Nevada Agreement for any first-lien principal reduction done within 12 months of the Start Date as defined in the Multistate Settlement (e.g., a \$1 credit for BANA activity would count as \$1.25).
  - (d) BANA shall complete 75% of its obligations under the Nevada Agreement within two years of the Effective Date of the Multistate Settlement, and 100% of its obligations under the Nevada Agreement within three years of the Effective Date of the Multistate Settlement. BANA shall not receive credit for any funds provided to BANA by federal or state governmental entities, including but not limited to HAMP incentives.
  
3. Payment for Failure to Meet Obligations under the Nevada Agreement: If BANA fails to meet its obligations under the Nevada Agreement within three years of the Effective Date of the Multistate Settlement, Bank of America Corporation or BANA ("BAC/BANA") shall pay to Nevada 50% of the unmet commitment amount, subject to a maximum payment of \$25 million (\$25,000,000); except that if BANA fails to meet the two-year commitment noted above, and then fails to meet the three-year commitment, BAC/BANA shall pay an amount equal to 65% of the unmet three-year commitment amount, subject to a maximum payment of \$35 million (\$35,000,000). If BANA fails to

meet both its obligations under the Nevada Agreement and its obligations under the Consumer Relief Requirements, BAC/BANA shall pay to Nevada an amount equal to the greater of (a) the amount owed to Nevada under this provision; or (b) the amount owed to Nevada under the payment provision of the Consumer Relief Requirements, Section 10(d). The purpose of all amounts payable hereunder is to induce BANA to meet its obligations under the Nevada Agreement and its commitment under the Consumer Relief Requirements. The payment of such amount by BAC/BANA to Nevada shall satisfy BAC/BANA's obligations to Nevada under both the foregoing provision of the Nevada Agreement and the Consumer Relief Requirements, Section 10(d).

4. Role of the Monitor: Each quarter, the Monitor shall determine the amount of consumer relief credit that BANA has earned towards its obligations under the Nevada Agreement ("Consumer Relief Credit"). At the one-, two-, and three-year points, the Monitor shall determine the amount of Consumer Relief Credit that BANA has earned towards its obligations under the Nevada Agreement and shall determine any bonus and determine any payment owed pursuant to the above terms. Upon request of the Nevada Attorney General, the Monitor shall provide all information in the Monitor's possession concerning relief provided in Nevada by BANA. In addition, BANA shall provide to the Nevada Attorney General such further information regarding relief provided in Nevada as reasonably requested.
5. Disputes: Disputes over the Monitor's reporting with respect to the Nevada Agreement shall be resolved in the District Court for the District of Columbia. The Nevada Attorney General may enforce any liquidated payment amount in Nevada state court.