

UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

TITLE VIII

CONCILIATION AGREEMENT

Between

Deborah Gardner

(Complainant)

And

Washington Mutual Bank

(Respondent)

Approved by the FHEO Regional Director on behalf of the United States Department of Housing

and Urban Development

FHEO CASE NUMBER: 04-07-0192-8

A. PARTIES AND SUBJECT PROPERTY

- Complainant Deborah Gardner (hereinafter: "complainant")
- JPMorgan Chase Bank, N.A., as acquirer of certain assets and liabilities of Washington Mutual Bank from the Federal Deposit Insurance Corporation acting as receiver (the named defendant here is " Washington Mutual Bank"), its related and affiliated entities, companies, subsidiaries, investors, insurers, partnerships, trusts, trustees, beneficiaries, officers, directors, attorneys, agents, employees, representatives, predecessors and successors in interest, assigns, acquirers, successors in interest and all persons (natural or corporate) affiliated with or in privity with them or any of them (hereinafter: "Respondent")
- The subject property is located at 1200 SW 65th Avenue, Plantations, FL 33317. B.

STATEMENT OF FACTS

A complaint was filed on November 15, 2006, and amended on March 27, 2007 with the United States Department of Housing and Urban Development (the Department) alleging that Complainant was injured by a discriminatory act of Respondent. Complainant alleges that Respondent, violated §805 of the Fair Housing Act as amended in 1988, 42 U.S.C. 3601 et seq. (the Act), on the basis of disability by refusing to provide financing in a real estate transaction on the basis of race.

Respondent denies having discriminated against Complainant, but agrees to settle the claims in the underlying action by entering into this Conciliation Agreement. The Agreement does not constitute an admission by Respondent of a violation of any statute or regulation.

C. TERM OF AGREEMENT

1. This Conciliation Agreement (hereinafter "Agreement") shall govern the conduct of the parties to it for a period of one year from the effective date of the Agreement.

D. EFFECTIVE DATE

2. The parties expressly agree that this Agreement constitutes neither a binding contract under state or federal law nor a Conciliation Agreement pursuant to the Act, unless and until such time as it is approved by the U.S. Department of Housing and Urban Development, through the FHEO Regional Director or his or her designee.

3. This Agreement shall become effective on the date on which it is approved by the Director, Fair Housing and Equal Opportunity (FHEO) Region I of the United States Department of Housing and Urban Development (HUD).

E. GENERAL PROVISIONS

4. The parties acknowledge that this Agreement is a voluntary and full settlement of the disputed complaint. The parties affirm that they have read and fully understand the terms set forth herein. No party has been coerced, intimidated, threatened or in any way forced to become a party to this Agreement.

5. The Respondent acknowledges that it has an affirmative duty not to discriminate under the Act, and that it is unlawful to retaliate against any person because that person has made a complaint, testified, assisted or participated in any manner in a proceeding under the Act. Respondent further acknowledges that any subsequent retaliation or discrimination constitutes both a material breach of this Agreement, and a statutory violation of the Act.

6. This Agreement, after it has been approved by the FHEO Regional Director, is binding upon Respondent, its employees, heirs, successors and assigns and all others in active concert with it.

7. It is understood that, pursuant to Section 810(b)(4) of the Act, upon approval of this Agreement by the FHEO Regional Director, it is a public document.

8. This Agreement does not in any way limit or restrict the Department's authority to investigate any other complaint involving Respondent made pursuant to the Fair Housing Act, or any other complaint within the Department's jurisdiction.

9. No amendment to, modification of, or waiver of any provisions of this Agreement shall be effective unless: (a) all signatories or their successors to the Agreement agree in writing to the amendment, modification or waiver; (b) the amendment, modification or waiver is in writing; and (c) the amendment, modification or waiver is approved and signed by the FHEO Regional Director.

10. The parties agree that the execution of this Agreement may be accomplished by separate execution of consents to this Agreement, and that the original executed signature pages attached to the body of the Agreement constitute one document.

11. Complainant hereby forever waives, releases, and covenants not to sue the Department or Respondent, its heirs, executors, assigns, agents, employees and attorneys with regard to any and all claims, damages and injuries of whatever nature, whether presently known or unknown, arising out of the subject matter of HUD Case Number 01-07-0192-8, or which could have been filed in any action or suit arising from said subject matter.

12. Respondent hereby forever waives, releases, and covenants not to sue the Department or Complainant and its successors, assigns, agents, officers, board members, employees and

attorneys with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of the subject matter of HUD Case Number 01-070192-8 or which could have been filed in any action or suit arising from said subject matter.

F. RELIEF FOR COMPLAINANT

13. To avoid any future costs and expenses and as a goodwill gesture to Complainant, the Respondent agrees to pay the Complainant Seven Thousand Dollars (\$7,000.00) in exchange for the dismissal of this complaint. The money will be paid within fourteen (14) days of the signing of the Conciliation Agreement.

G. FURTHER ACTIONS:

14. In addition to Complainants' release contained above, Complainant hereby withdraws, with prejudice, the Federal Discrimination Complaint filed with the Department against Respondent, its related and affiliated entities, companies, subsidiaries, investors, insurers, partnerships, trusts, trustees, beneficiaries, officers, directors, attorneys, agents, employees, representatives, predecessors and successors in interest, assigns, and all persons (natural or corporate) affiliated with or in privity with them or any of them including, but not limited to, Washington Mutual Bank and JP Morgan/Chase.

15. In exchange for the Respondent's performance of the provisions of this Agreement, the Complainant hereby waives, releases and covenants not to file any civil or other action against the Respondent, or to undertake further administrative action against the Respondent, with respect to the matters which were or which might have been alleged in the subject fair housing complaint and with respect to all claims or causes of action of any kind whatsoever that Complainant has or might have directly or indirectly attributable to any act or omission by Respondent in relation to the origination of Complainant's residential mortgage loan. This release and waiver applies to the complaint existing between the signatories to this Agreement, and applies to any other complaints filed by Complainants which may be pending with the Department, including all matters pending up to the effective date of this Agreement. Additionally, the Department agrees not to take any further action with respect to the complaint or any other complaints filed by the Complainant which may be pending with the Department. This release does not affect any parties who are not signatories to this Agreement.

H. RELIEF IN THE PUBLIC INTEREST

16. It is Respondent's policy to make all credit products available to all current and future customers without discriminating on the basis of prohibited characteristics including race, color, religion, sex, sexual orientation, marital or familial status, age, national origin, handicap, receipt

of public assistance, age or location of dwelling, or good faith exercise of rights under the Federal Credit Protection Act. Respondent routinely monitors its performance under the applicable laws and regulations that are commonly referred to as Fair Lending Laws, and takes corrective action when indicated by such review.

17. Respondent will send a communication to its personnel involved in processing and servicing of loans to review its Fair Lending Policy, or provide Fair Lending Training. The Respondent agrees to track the employees that have reviewed the policy or have taken the training. It is understood that heritage Washington Mutual Bank employees may have already taken the fair lending training referred to in this paragraph after JPMorgan Chase's acquisition of certain assets and liabilities of Washington Mutual Bank from the Federal Deposit Insurance Corporation acting as receiver and are not required to retake this training, except as required in the ordinary course of business by Respondent. For any heritage Washington Mutual Bank employees involved in the processing and servicing of loans that have not received Fair Lending training since the acquisition, Respondent will provide Fair Lending training within twelve months of the effective date of this agreement.

I. MONITORING

19. The Department shall determine compliance with the terms of this Agreement. During the term of this Agreement, HUD may review compliance with this Agreement. As part of such review, HUD may inspect Respondent's property identified in Section A of this Agreement, examine witnesses and copy pertinent records of Respondent. Respondent agrees to provide its full cooperation in any monitoring review undertaken by HUD to ensure compliance with this Agreement.

J. CONSEQUENCES OF BREACH

20. Whenever the Department has reasonable cause to believe that Respondent has breached this Agreement, the matter may be referred to the Attorney General of the United States, to commence a civil action in the appropriate U. S. District Court, pursuant to §§ 810(c) and 814(b)(2) of the Act.

K. SIGNATURES

Deborah Gardner

Thomas E. Reardon

Assistant Vice President For JPMorgan Chase Bank, N.A., as acquirer of certain assets and liabilities of Washington Mutual Bank from the Federal Deposit Insurance Corporation acting as receiver (the named defendant here is "Washington Mutual Bank") (Respondent)

L. APPROVAL

Marcella O Brown, Region 1 Director

Office of Fair Housing and Equal Opportunity