ATTACHMENT #1

FILED

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Division of Consumer Affairs

PAULA T. DOW
ATTORNEY GENERAL OF NEW JERSEY
Division of Law, Affirmative Litigation Section
124 Halsey Street - 5th Floor
P.O. Box 45029
Newark, New Jersey 07101

STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS

I/M/O

"PICK-A-PAYMENT" MORTGAGES OF WELLS FARGO, WACHOVIA, GOLDEN WEST FINANCIAL CORPORATION, and WORLD SAVINGS BANK.

ASSURANCE

This Assurance, by and between Paula T. Dow, Attorney General of New Jersey ("Attorney General") and Thomas R. Calcagni, Acting Director of the New Jersey Division of Consumer Affairs ("Division") and Wells Fargo Bank, N.A. ("Wells Fargo"), is entered into under New Jersey law on this 5th of October 2010 ("Effective Date"). Through this Assurance, Wells Fargo and the Attorney General and Division agree to the following:

I. PARTIES

A. Paula T. Dow, Attorney General of New Jersey ("Attorney General"), and Thomas R. Calcagni, Acting Director of the New Jersey Division of Consumer Affairs (the "Division"), (collectively, "New Jersey").

B. Golden West Financial Corporation, a Delaware Corporation, and its subsidiaries and affiliates, including but not limited to World Savings Bank, FSB, World Savings and Loan Association, World Mortgage Company, World Savings Bank, FSB, World Savings Bank SSB,

World Loan Company and Home Loan Experts (hereinafter referred to as "World Savings Bank").

C. Wachovia Corporation, and its subsidiaries and affiliates, including but not limited to Golden West Financial Corporation, a North Carolina Corporation, AmNet Mortgage, LLC, American Mortgage Network, LLC, Wachovia Mortgage, FSB, Wachovia Bank, FSB and Wachovia Bank, N.A. (hereinafter referred to as "Wachovia"). Wachovia acquired Golden West Financial Corporation, a Delaware Corporation, and its subsidiaries on October 1, 2006. Wells Fargo & Company, a Delaware Corporation, acquired Wachovia Corporation on December 31, 2008, including Wachovia's subsidiaries, including but not limited to Wachovia Bank, N.A. and Wachovia Bank of Delaware, N.A. As a result of this acquisition, Wells Fargo is the party responsible for providing the relief set forth in this Assurance.

II. STIPULATION

A. World Savings Bank and Wachovia originated payment option mortgages ("Pick-a-Payment mortgage loans"). The Pick-a-Payment mortgage loan permitted borrowers to elect to make a fully amortizing 30- or 15-year interest and principal payment; an "interest-only" payment; or a lesser, minimum payment. When the minimum payment was insufficient to pay the interest owed, unpaid interest was added to the loan balance and the outstanding loan balance increased.

B. The Attorney General and Division opened an investigation into whether violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1, et seq., were committed by Golden West or Wachovia in the marketing and advertising of Pick-a-Payment mortgage loans. Wells Fargo never originated or marketed and currently does not originate or market Pick-a-Payment mortgage loans, but acquired Wachovia's portfolio of Pick-a-Payment mortgage loans.

C. Once it acquired Wachovia's portfolio of payment option mortgage loans, Wells Fargo began efforts to modify certain borrowers' loans.

D. In light of the Pick-a-Payment mortgage loan features, the dramatic declines in home prices, and rising unemployment, some Pick-a-Payment mortgage loan borrowers are unable to meet their mortgage obligations.

E. New Jersey and Wells Fargo share concerns regarding the ability of troubled Pick-a-Payment mortgage loan borrowers to repay their loans. This Assurance sets forth a framework through which Wells Fargo will offer distressed Pick-a-Payment mortgage loan borrowers affordable loan modifications that include significant principal forgiveness. That framework includes a reporting requirement, described below, whereby Wells Fargo will provide New Jersey with detailed quarterly reports that provide state-specific and aggregate national data on Wells Fargo's efforts to assist Pick-a-Payment mortgage loan borrowers.

III. DEFINITIONS

A. *Usage*. The following rules apply to the construction of this Assurance:

1. the singular includes the plural and the plural includes the singular;

2. "include" and "including" are not limiting;

3. the headings of the Sections and subsections are for convenience and shall not constitute a part of this Assurance, and shall not affect the meaning, construction, or effect of the applicable provisions of this Assurance;

4. words such as "hereunder," "hereto," "hereof," and "herein" and other words of like import shall, unless the context clearly indicates to the contrary, refer to the whole of this Assurance and not to any particular Section, subsection, or clause hereof.

B. *Defined Terms*. The following bolded terms shall have the following meanings in this Assurance unless otherwise required by the context or definition:

"***Accrued Interest***" means scheduled periodic interest owed in accordance with the applicable mortgage note.

"***Assurance***" means this agreement.

"***Attorney General,***" means the Attorney General of New Jersey, Paula T. Dow, under N.J.S.A. 52:17B-2 and N.J.S.A. 52:17B-122.

"***Borrower***" means the obligor(s) on a Pick-a-Payment mortgage loan note and the title holder(s) who signed the security investment subjecting certain real estate property as collateral for such note.

"***Commencement Date***" means December 18, 2010, the date the MAP2R Modification Program commences, as set forth in Section "V" of this Assurance.

"***Corporate and Default-Related Advances***" means any default- or foreclosure-related fee or cost assessed to a Borrower's account for expenditures such as attorney fees, statutory expenses, foreclosure fees and costs, fees for property valuations, property inspections, property preservation, and protective advances.

"***Deferred Interest***" means the interest charges added to the Borrower's principal balance as a result of the Borrower making the minimum payment where the minimum payment did not include all of the interest that had accrued on the Eligible Mortgage.

"***Delinquent Borrower***" means a Borrower whose mortgage payment is 60 days or more past due.

"***Division***" means the Division of Consumer Affairs as established by N.J.S.A. 52:17B-120.

"***DTI*** **or** "***Debt-to-Income Ratio***" means the ratio of the Borrower's first-lien mortgage Monthly Payment (including monthly amounts for principal, interest, escrow, taxes, hazard insurance and homeowners' association or condominium fees if such homeowners' association or

condominium fees are escrowed) to the Borrower's gross monthly income, all determined in accordance with HAMP, as defined in Treasury's Supplemental Directive 9-01: Introduction of the Home Affordable Modification Program, April 6, 2009.

"***Eligible Borrower***" means a Delinquent Borrower with an Eligible Mortgage or a Borrower facing Imminent Default with an Eligible Mortgage.

"***Eligible Mortgage***" means a Pick-a-Payment mortgage loan that is secured by a 1-4 unit residential property that is the Borrower's principal residence.

"***Escrow-related Advances***" refers to advances for items such as property taxes, hazard insurance, homeowner association or condominium fees advanced on behalf of the Borrower by Wells Fargo.

"***Fully Amortizing***" means a Pick-a-Payment mortgage loan in which the Borrower's Monthly Payment fully covers the interest accrued and due that month, as well as paying a portion of the principal balance such that the balance of the loan should be paid in full at the expiration of the term of the loan if all Monthly Payments are made when due.

"***Good standing***" means a Borrower who is not currently and, since the effective date of the Borrower's MAP2R modification agreement, has never been delinquent by the equivalent of three (3) full Monthly Payments at the end of the month in which the last of the three (3) delinquent payments was due. Once lost, Good Standing cannot be restored even if the borrower subsequently cures the default.

"***HAMP***" refers to the Home Affordable Modification Program administered by the United States Department of the Treasury.

"***HAMP Principal Reduction Alternative***" refers to the principal reduction alternative described in Treasury's Supplemental Directive 10-05: Modification of Loans with Principal Reduction Alternative, dated June 3, 2010.

"***Imminent Default***" describes a Borrower who Wells Fargo has determined, in accordance with applicable HAMP guidance, as necessary, that default by the Borrower in making scheduled payments on his or her loan is reasonably foreseeable. In assessing whether a Borrower is facing Imminent Default, Wells Fargo will not consider funds held in a 401K, 457, 401(a), or 503 retirement account, an IRA, SEP IRA, Simple IRA, or Roth IRA. Additionally, the fact that a Borrower is projected to Recast to a fully amortizing payment under the terms of the Pick-a-Payment mortgage loan within the upcoming four contractual Monthly Payments using the current applicable interest rate as determined under the terms of the note, and the resulting increase, if any, to the respective Borrower's DTI, shall be considered as a factor in the determination of Imminent Default.

"***LTV***" means the current ratio of the unpaid principal balance of the Eligible Mortgage less any amounts of principal forbearance, to the Market Value of the residential property that secures such Eligible Mortgage as of the time reviewed for eligibility for modification.

"***MAP 1***" shall mean Wells Fargo's proprietary modification program in effect from January 1, 2009 to June 4, 2010.

"***MAP2R***" means Wells Fargo's Mortgage Assistance Program 2 which is based on the terms described in this Assurance.

"***Market Rate***" is the Freddie Mac Weekly Primary Mortgage Market Survey (PMMS) Rate for 30-year fixed rate conforming loans, rounded to the nearest 0.125 percent, as of the date that the modification or option is prepared, plus 100 basis points.

"***Market Value***" means the value of the residential property that secures a Pick-a-Payment mortgage loan as determined by Wells Fargo in reliance on an appraisal report prepared not more than 180 days before the date of determination, broker price opinion prepared not more than 120 days before the date of determination or automated valuation model prepared not more than 90 days before the date of determination. Notwithstanding the foregoing, for the purposes of Section "X" of this Assurance, Wells Fargo may rely on the most recent value available in its system of record for determining the value of the residential property.

"***Monthly Payment***" means the amount that is due from a Borrower on a monthly basis according to the note, and shall include any principal amounts, monthly accrued interest, monthly amounts to apply to escrow for taxes, hazard insurance, and homeowners' association or condominium fees.

"***Negative Amortization***" has the same meaning as Deferred Interest.

"***New Jersey***" means the Attorney General and the Division, as both are defined above.

"***NPV Test***" means the calculation and comparison of the net present value ("NPV") of a modification versus the NPV of conducting no modification as to the same mortgage loan. The calculation of NPV is arrived at using a proprietary formula developed by Wells Fargo. If the NPV of the modification would be greater than the NPV if there was no modification, the result is deemed "positive." If the NPV of the modification would be less than the NPV if there was no modification, the result is deemed "negative."

"***Payment Reset***" means an annual increase in the rate of interest such that the aggregate scheduled payments of principal (if applicable) and interest in any year increases by up to 7.5%.

"***Pick-a-Payment mortgage loan***" means a mortgage loan originated or acquired by World Savings Bank or Wachovia. The Pick-a-Payment mortgage loan permitted the Borrower to select

and make a minimum payment amount for a limited time and subject to certain conditions. In particular, for each payment, the borrower could choose from four options. Borrowers could (i) make a fully amortized interest and principal payment such that the loan would be satisfied in the traditional 30-year term; (ii) make a 15-year fully amortized payment; (iii) make an "interest-only" payment; or (iv) make a lesser, minimum payment. Borrowers could also choose any payment amount between these numbers. When a payment was insufficient to pay the interest owed, unpaid interest was added to the loan balance and the outstanding loan balance increased. Wells Fargo (which did not originate any Pick-a-Payment mortgage loans) acquired Wachovia and its Pick-a-Payment mortgage loan portfolio on December 31, 2008.

"Reason for Rejection" means the specific reason a Borrower was not offered a loan modification. Those specific reasons shall include, at a minimum, the following: negative NPV, Borrower already below 31% DTI, Borrower failed to make trial payments, Borrower rejected modification proposal, Borrower failed to provide necessary documents or failed to respond to communications, or other.

"Recast" means a recalculation establishing a new fully amortizing periodic payment triggered by the unpaid principal balances cap, or date certain, such that the payment increase as a result of such Recast exceeds 7.5%.

"Termination date" means June 30, 2013, with the exception of certain reporting obligations outlined in Section "X. E." of this Assurance.

IV. WELLS FARGO'S RESPONSIBILITY UNDER THIS ASSURANCE

A. ***Responsibility of Wells Fargo.*** Wells Fargo is responsible to the Attorney General and Division for performance of all of the undertakings in this Assurance. Sale or other disposition of the ownership or servicing rights of all or any part of its Pick-a-Payment mortgage loan portfolio

or of the entity or entities responsible for servicing or modifying these mortgages shall not relieve Wells Fargo of its duties under this Assurance or constitute a defense to its non-performance.

B. ***Remedies for Failure of Wells Fargo to Cause Performance.*** This Assurance shall be binding upon Wells Fargo. In the event that the Attorney General and Division believe that there has been a material breach of the terms and conditions of this Assurance, they may seek enforcement of this Assurance, or, in the alternative, terminate this Assurance, provided that they notify Wells Fargo in writing in advance of termination or the filing any enforcement action and gives Wells Fargo at least sixty (60) days to cure the claimed breach. In the event that the Attorney General and Division terminate this Assurance as a result of a breach by Wells Fargo that has not been cured in accordance with this Paragraph, they shall no longer be bound by the Releases in Section XI. However, (i) nothing in this Assurance shall be construed as authorizing any person or entity other than New Jersey acting through the Attorney General to enforce or seek remedies under this Assurance or as a result of this Assurance or a breach thereof; (ii) New Jersey's remedies in any enforcement action shall not include any criminal sanctions; and (iii) this Assurance and all negotiations, statements, and proceedings in connection therewith shall not be construed as or deemed to be evidence of an admission or concession on the part of Wells Fargo of any violation of law, liability, or wrongdoing by it, and shall not be offered or received in evidence in any action or proceeding, or used in any way as an admission, concession or evidence of any violation of law, liability or wrongdoing of any nature on the part of Wells Fargo.

V. LOAN MODIFICATIONS FOR ELIGIBLE BORROWERS IN PICK-A-PAYMENT MORTGAGE LOANS

Starting with the Commencement Date, Wells Fargo, on an ongoing basis, shall offer Eligible Borrowers affordable loan modifications in accordance with the following provisions:

A. ***Loan Modifications to Be Considered.*** Consistent with federal requirements, each

Eligible Borrower shall first be considered for a HAMP modification. Eligible Borrowers who do not qualify for or elect not to accept a HAMP modification shall be considered for a MAP2R modification on the terms as outlined in Section "V. B." of this Assurance.

B. *MAP2R Modification.* Eligible borrowers who do not qualify for or elect a HAMP modification shall be considered for a MAP2R modification on the terms in this Section "V.B." The following process shall commence upon receipt of the documents described in Section V.B.4. and subsequent verification that the Eligible Borrower's DTI is above 31%. The loan will be converted to a fully amortizing loan and the negative amortization feature will be eliminated.

1. *Waterfall.* Wells Fargo will apply the following waterfall, in the order listed below, until an Eligible Borrower's Monthly Payment reaches a DTI of 31%. The DTI may be slightly higher than 31% if the next step or action within the waterfall will result in a DTI below 31%. Once a DTI as close as possible to 31% is reached, Wells Fargo will not apply any additional steps in the waterfall, nor actions within a step. If any step in the waterfall is already achieved, Wells Fargo will proceed to the subsequent step. If all steps of the waterfall have been exhausted and a DTI of 31% can not be achieved, Wells Fargo is not required to offer a MAP2R modification. Following application of the waterfall all loans must pass the NPV test (as outlined in Section V.B.3) before a MAP2R modification must be offered.

a. Waive all Accrued Interest, outstanding late charges, and outstanding fees.

b. Escrow-related Advances, and Corporate and Default-Related Advances will first be capitalized, then immediately and permanently forgiven. If this forgiveness combined with the waiver of all Accrued Interest, outstanding late charges, and outstanding fees in Section "V.B.1.a." does not equal a number that represents ten

(10) percent of the unpaid principal balance (calculated by multiplying the pre-modification unpaid principal balance by 10%), then any Deferred Interest, if it exists will be waived until the total of the waived Accrued Interest, Escrow-related Advances, outstanding late charges, outstanding Corporate Advances, and Deferred Interest result in number that represents ten (10) percent of the unpaid principal balance. In the absence of Deferred Interest, only Accrued Interest, outstanding late charges, outstanding fees, Escrow-related Advances, and Corporate and Default-Related Advances will be forgiven. While Accrued Interest, outstanding late charges, outstanding fees, Escrow-related Advances, Corporate and Default-Related Advances will be waived for Eligible Borrowers, regardless of LTV, forgiveness of Deferred Interest will be applied only to the extent that it does not reduce the Borrower's current LTV below 100%.

c. Forgive principal until an LTV of 150% is achieved;

d. Extend the loan term and re-amortize the loan in one month increments to a maximum term of 480 months;

e. Forbear principal with the opportunity to be forgiven, as outlined in Section "V.B.2", until a LTV of 125% is achieved. The principal forbearance amount is non-interest bearing and non-amortizing. The amount of principal forbearance that is not forgiven will result in a balloon payment fully due and payable upon the earliest of the transfer of ownership of the property, payoff of the interest bearing unpaid principal balance, or maturity of the loan. Should Wells Fargo choose to participate in HAMP Principal Reduction Alternative ("PRA"), Supplemental Directive 10-05, the LTV level of this step shall be adjusted from 125% to 115% for modifications

done on a prospective basis from the date Wells Fargo elects to participate in the PRA directive.

f. Reduce the interest rate in .125% increments. In all cases, the interest rate shall not be reduced below a floor of 2%. If the interest rate after the modification is below the Market Rate, this reduced rate will be in effect for the first three years following the date of the loan modification. Thereafter it will be increased by a maximum of one percent per year at each 12-month anniversary date of the original modification until it reaches the Market Rate, at which time that rate shall be fixed for the remaining loan term. If the interest rate after the modification is above or equal to the Market Rate, then that resulting rate shall become the permanent rate for the remaining loan term. In no event will a step rate increase result in a greater than 15% increase in the portion of the monthly payment for principal and interest. If it does, then the rate shall only be increased by the amount that results in an interest rate such that the increase in the monthly principal and interest portion of the payment is no greater than 15%; thereafter, the rate will continue to increase according to the terms above each year until the Market Rate is ultimately reached.

g. Forbear principal without the opportunity for conditional forgiveness until a LTV of 100% is reached.

2. Conditional Forgiveness. Principal forborne under Section "V.B.1.e." will be forgiven if the Eligible Borrower who received a MAP2R modification is in Good Standing on the first, second, and third anniversaries of the loan modification. On each of the above anniversary dates that such Borrower is in Good Standing, equal portions of one-third of the principal forbearance amount will be permanently

forgiven.

3. NPV test. All potential MAP2R modifications will be subjected to an NPV test prior to being offered to a Borrower. Wells Fargo shall not be required to offer the Borrower a MAP2R modification that yields an NPV negative result. However, Wells Fargo, in its sole discretion, may offer the NPV negative modification or, if possible, may offer an Eligible Borrower an alternate modification.

4. Documentation Requirements. In determining the documents required of Eligible Borrowers to apply for MAP2R modification, Wells Fargo, consistent with its need to obtain relevant financial information, will seek to minimize the burden on Eligible Borrowers and maximize participation in MAP2R. Wells Fargo will not request signed affidavits from Borrowers to document their hardship, and will not require more than one year's income tax return, but will require documentary evidence of the Borrower's current income.

5. Eligible Borrowers Who Do Not Qualify for MAP2R Modifications. There is no obligation for Well Fargo to offer MAP2R loan modifications to Eligible Borrowers who cannot be qualified under the HAMP or MAP2R guidelines. Such Eligible Borrowers may receive consideration for payments in connection with Short Sales, Deeds-in-Lieu of Foreclosure, or relocation assistance as described in Section "VIII."

6. Following Termination of this Assurance. After the Termination Date, Wells Fargo will continue to evaluate Eligible Borrowers for potential loan workout solutions that are commercially reasonable and are designed to help avoid foreclosure. These solutions may or may not be MAP2R modifications and their

terms will be in the sole discretion of Wells Fargo.

VI. SERVICING COMMITMENTS FOR BORROWERS SEEKING MAP2R MODIFICATIONS OR FIXED RATE CONVERSIONS

Outreach to Borrowers. On or before the Commencement Date, Wells Fargo will send Delinquent Borrowers with Eligible Mortgages and HUD-certified housing counseling agencies in New Jersey two letters describing MAP2R's eligibility requirements, terms, and application process and its relationship with HAMP. These letters will be designed to maximize response rates and will include in-language communications to Spanish-speaking borrowers.

Borrowers Within 120 Days of Recast. Any Borrower whose loan is within 120 days of Recast during the term of this Assurance will be offered by Wells Fargo the option, if qualified, of converting their Pick-a-Payment mortgage loan to a fixed rate loan at the Market Rate to be amortized over a thirty (30) year term ("Fixed Rate Conversion"). All such Borrowers eligible for this Fixed Rate Conversion must provide sufficient documentation to allow Wells Fargo to determine the Borrower's ability to repay the converted loan. There shall be no fee for exercising this Fixed Rate Conversion.

A. ***Servicing Commitments.*** In order to ensure that Borrowers receive timely and appropriate consideration for modifications or Fixed Rate Conversion options, Wells Fargo will:

1. Maintain a dedicated, adequately staffed help line to serve Eligible Borrowers, including Spanish-speaking borrowers;

2. Make and communicate to Eligible Borrowers in writing, decisions on their MAP2R modifications within 30 calendar days of receiving all required documentation from the Eligible Borrower. This notice may be included within any notice required in connection with the consideration of the Eligible Borrower for a

HAMP modification;

3. Wells Fargo will assign a primary point of contact at Wells Fargo to each Eligible Borrower seeking a modification;

4. Establish a formal second-look and escalation protocol for all Eligible Mortgages covered by the Assurance; and

5. *Second Liens.* Where an Eligible Borrower who has a first lien loan that is modified under this Assurance, also has an equity line of credit second mortgage loan that was originated by Wachovia or World Savings Bank, and is currently serviced by Wells Fargo's Pick-a-Payment mortgage loan servicing group in San Antonio, Texas, Wells Fargo will review this second lien for an appropriate modification based on the Eligible Borrower's circumstances.

B. ***Restrictions on the Foreclosure Process.*** Wells Fargo will apply HAMP rules under Supplemental Directive 10-02, dated March 24, 2010, and any applicable state laws regarding initiating or advancing foreclosures to Eligible Borrowers being considered for MAP2R modifications. In addition, Wells Fargo will ensure that each Eligible Borrower:

1. Has notes in his or her electronic records accessible to all loss mitigation, modification, and foreclosure departments that indicate whether he or she is being considered for a loan modification;

2. Who is being considered for a loan modification receives in any foreclosure related communication notice that he or she is still being considered for a modification, with the exception of notices generated by outside counsel or foreclosure trustee companies retained by Wells Fargo to assist with or conduct the foreclosure process. Wells Fargo will develop and implement policies and

procedures to provide notification to their foreclosure attorney/trustee regarding a Borrower's modification status;

3. Is notified in writing within ten (10) days of submitting a modification request of any documents believed to be missing and necessary for evaluation for a MAP2R loan modification; and

4. Who is denied a MAP2R modification receives a timely denial letter that clearly explains the reasons that the modification was denied and describes the steps necessary to request that Wells Fargo re-review the decision.

VII. MISCELLANEOUS PROVISIONS RELATED TO LOAN MODIFICATIONS AND REFINANCING

A. ***Modification Fees and Prepayment Penalties.*** Wells Fargo will waive all prepayment penalties and assess no fees in connection with a modification of an Eligible Mortgage. Wells Fargo shall not require a customer to make any payment of arrearages as part of the loan modification process.

B. ***Releases.*** Wells Fargo will not solicit or require releases of claims in connection with loan modifications offered under this Assurance.

C. ***Bankruptcy.*** MAP2R will be offered to Eligible Borrowers who are in bankruptcy to the extent and in the manner permitted by law.

D. ***Borrowers With Prior Modifications.*** Eligible Borrowers who have earlier received a MAP 1 modification or other modification not pursuant to this Assurance will not be eligible to be considered for new loan modification offer under this Assurance.

E. ***Compliance Monitor.*** Wells Fargo will designate an employee as the Compliance Officer responsible for this Assurance. The Compliance Officer will be responsible for providing

X. REPORTING REQUIREMENTS

Wells Fargo will provide the Attorney General with quarterly reports through the Termination Date, setting forth the information outlined in this Section "X", except for the requirements set forth as described in Section "X.E." All such reports will be provided within forty-five (45) days after the end of each quarter and provide both state, as determined by the property address, and aggregate national data, as necessary per the specific reporting requirement for the activity during that quarter. The quarterly reports will provide the following information broken down by the type of relief for Eligible Mortgages: (1) HAMP modifications, (2) MAP2R modifications, (3) combined information for both HAMP and MAP2R modifications; (4) Foreclosure Alternatives; and (5) Fixed Rate Conversions.

Additionally, in the event that New Jersey, in connection with its implementation of this Assurance, wish to locate and contact Borrowers of Eligible Mortgages who between January 2, 2005, and the Commencement Date have gone through a foreclosure sale, Wells Fargo will work with New Jersey to contact or provide contact information for those borrowers. Specifically, Wells Fargo will 1) provide the name and most current mailing address of all Borrowers of foreclosed Eligible Mortgages within 60 days of a such a request from New Jersey and 2) at its own expense, and upon request of New Jersey, submit the names and all necessary identifying information of Eligible Borrowers that were not located using the information provided in section 1) to the United States Postal Services' National Change of Address (NCOA) service, and/or to a qualified vendor, and will provide New Jersey with a best new address for said Eligible Borrowers within 90 days of such a request.

A. *Modification Eligibility and Requests.*

1. Number of Borrowers and Eligible Borrowers;

2. Number of Borrowers contacting Wells Fargo on the borrower's initiative by delinquency status; and

3. Number of modifications, foreclosure alternatives, and fixed rate conversions that are: (i) offered (ii) completed and (iii) rejected. For modification, foreclosure alternative, and fixed rate conversion requests that were rejected, provide the number of Eligible Borrowers rejected by Reason For Rejection.

B. ***Loan Modifications.*** For loans modified under this Assurance provide the following:

1. Average and total dollar amounts of Accrued Interest, Escrow-related Advances, Corporate Advances and outstanding late charges forgiven and average percentage of unpaid principal balance this represents;

2. Average and total dollar amounts of Deferred Interest forgiven and average percent of unpaid principal balance this represents;

3. Number of loans that received principal forgiveness, total principal forgiveness and average principal forgiveness per loan;

4. Number of loans that received principal forbearance, total principal forbearance and average principal forbearance per loan;

5. Number of loans that receive term extensions and the average new total term of such loans;

6. Number of loans that receive interest rate reductions, average initial post-modification interest rate, and average interest rate reduction of such loans;

7. Average percentage Monthly Payment reduction;

8. Average and total dollar value of the modification by comparing the

concessions of the modification to the original terms of the Note, assuming the borrower takes advantage of all opportunities presented by the modification;

9. Average LTV pre- and post-modification;

10. Number of short-sales that are (i) offered (ii) completed and (iii) rejected; total and average incentive payment to Eligible Borrower pursuant to Section "VIII";

11. Number of deeds-in-lieu of foreclosure that are (i) offered (ii) completed and (iii) rejected; total and average incentive payment to Borrowers pursuant to Section "VIII";

12. Number of deeds-in-lieu of foreclosure and short sale requests that are (i) offered (ii) completed and (iii) rejected;

13. Number of foreclosure sales completed; and

14. Number of Borrowers who receive a Fixed Rate Conversion pursuant to Section "VI."; number of Borrowers who applied but were rejected for such conversions; delinquency rates of converted loans.

C. ***Portfolio and Modification Performance***

1. Delinquency rates of unmodified Eligible Mortgages, by number and percentage, that are current, 30-59 days delinquent, 60 or more days delinquent, and in the foreclosure process;

2. Delinquency rates (current, 30-59 days delinquent, 60 or more days delinquent, and in the foreclosure process) for Eligible Mortgages modified under MAP2R by the following post modification LTV categories: Less than

80%, 80% to 100%, 101% to 125%, 126% to 150%, and more than 150%. Break out this data for loans that received principal forgiveness and those that did not;

3. Number of Eligible Mortgages that have not been modified and the percentage of the Pick-a-Payment mortgage loan portfolio they represent as determined by a total Pick-a-Payment portfolio on the last day of the month in which this Assurance is signed;

4. Number and percentage of Borrowers electing the minimum payment option based upon the last payment received from the Borrower during the quarter for which the report is being prepared;

5. Number and percentage of Borrowers accruing Deferred Interest based upon the last payment received from the Borrower during the quarter for which the report is being prepared;

6. Number of Eligible Mortgages expected to Recast within the next four contractual Monthly Payments;

7. Number of Eligible Borrowers (and unpaid principal balance) with unmodified loan and a current LTV of 100% or more; and

8. Number of 60 or more days delinquent Eligible Borrowers (and unpaid principal balance) with unmodified loans and a current LTV of 150% or more.

D. *Servicing Performance*

1. Average time from when Eligible Borrower submits all documentation required in the Documentation Requirements of Section "V.B.4" until a

modification decision is mailed; and

2. Number of Eligible Borrowers who have submitted all documentation required in the Documentation Requirements of Section "V.B.4" for whom the time to notification was more than 30 days and more than 60 days.

E. ***Additional Reporting.*** Beginning July 1, 2013 Wells Fargo will provide New Jersey with quarterly reports through December 31, 2017 that include the information set forth below. Such reports will be provided within forty-five (45) days after the end of each quarter.

1. Delinquency rates of unmodified Eligible Mortgages by number and percentage that are 60 or more days delinquent;

2. Delinquency rates (current, 30-59 days delinquent, 60 or more days delinquent, and in the foreclosure process) for Eligible Mortgages modified under MAP2R during the term of this Assurance;

3. For any Eligible Mortgage Wells Fargo chooses to modify at its own discretion under its then existing Modification Program from January 1, 2013 through December 31, 2017, Wells Fargo will report the following information related to such modifications:

   a. The number of modifications of Eligible Mortgages that are: (i) offered (ii) completed and (iii) rejected;

   b. Number of Eligible Mortgages that received principal forgiveness, total principal forgiveness and average principal forgiveness per loan; and

   c. The average percentage of monthly payment reduction per Eligible

Mortgage.

4. The amount of forbearance that has been converted to permanent forgiveness under Section "V.B.2" on Eligible Mortgages modified under MAP2R prior to June 20, 2013.

XI. RELEASES; MORE FAVORABLE SETTLEMENT

A. *Release.* New Jersey hereby fully releases and discharges Wells Fargo, its parents, affiliates, subsidiaries, employees, officers and directors from any and all civil and administrative actions, claims and causes of action based upon or with respect to the origination, marketing, servicing, prior modification or resolution practices of Eligible Mortgages prior to the date of this Assurance which New Jersey could have brought against Wells Fargo prior to the Effective Date, except for (i) any regulatory or enforcement proceedings by or on behalf of an agency other than the Division; (ii) any claims that the State of New Jersey, including pension and other funds managed by its Department of Treasury, Division of Investment, might have as an investor in securities; and (iii) any criminal investigations or proceedings. This release does not apply to any matters currently in litigation with New Jersey unrelated to the subject matter of this Assurance.

B. *More Favorable Terms.* In the event that Wells Fargo voluntarily enters into an agreement to assist troubled Eligible Borrowers with the Attorney General of any state that is not a signatory to this same Assurance in a form or on terms that are different than those contained in this Assurance, then Wells Fargo will provide a copy of such agreement to the Attorney General for review. If, after review, the Attorney General determines those alternative terms or form of agreement are, taken as a whole, more favorable than those contained in this Assurance, then the parties will amend this Assurance to reflect any such terms or form of agreement in place of terms hereof.

XII. OTHER TERMS AND CONDITIONS

A. *No Admission.* The Assurance shall not constitute an admission of wrongdoing by Wells Fargo or its predecessors, nor shall it be cited as such by the Attorney General. The Assurance shall not be admissible in any other proceeding.

B. ***Submission to Jurisdiction for Limited Purpose.*** Wells Fargo submits to the jurisdiction of the court in the State of New Jersey for the limited purpose of entering into and enforcing this Assurance only. Any acts, conduct or appearance by Wells Fargo does not constitute and shall not be construed as a submission to the general jurisdiction of any court in the State of New Jersey for any purpose whatsoever.

C. *Voluntary Agreement.* This Assurance is entered into voluntarily and no promises, other than what is contained in this Assurance, or threats have been made by New Jersey of any member thereof to induce Wells Fargo to enter into this Assurance.

D. ***Jurisdiction; Choice of Law; Venue.*** The Assurance shall be construed and enforced in accordance with the laws of the State of New Jersey. In any action or dispute relating to this Assurance, the jurisdiction and venue shall be in the Superior Court of the State of New Jersey. Wells Fargo submits to the jurisdiction of the Superior Court of the State of New Jersey for the limited purposes state in this paragraph, which should not be construed as a submission to the general jurisdiction of that Court.

E. *Confidentiality.* The Attorney General and Division agree that all confidential information disclosed to them by Wells Fargo, its parent, subsidiaries or any of its affiliates, including but not limited to the periodic reports that will be provided pursuant to Section X shall be kept confidential; provided, however, that the following information reported to the Attorney General on a periodic basis shall not be deemed confidential to the extent aggregated for Eligible

Borrowers in the State of New Jersey for a full reporting period:

1. the total number of Eligible Mortgages modified;
2. the total amount of forgiven and forborne principal; and
3. the total amount of interest and principal expected to be saved by Eligible Borrowers as a result of such MAP2R modifications over the life of the Eligible Mortgages.

The Attorney General and Division shall not disclose or use any confidential information without the prior written consent of the disclosing party, except to the extent required by law, regulation or court order (and in any of these circumstances, only upon prior written notice to Wells Fargo).

F. **Enforcement.** Pursuant to the terms set forth in Section IV (Wells Fargo's Responsibility Under this Assurance), Paragraph B (Remedies for Failure of Wells to Cause Performance), New Jersey may apply, at any time, to the New Jersey Superior Court, for enforcement of any provision of this Assurance. Any party to this Assurance may apply, upon giving thirty (30) days written notice to all other parties, for such further orders and directions as might be necessary or appropriate either for the construction or carrying out of this Assurance, and any party to this Assurance may request information from a party or third party, with notice to counsel for the parties and subject to the parties' and third parties' right to object and to move to quash.

G. ***Conflict with Subsequent Law.*** In the event that any applicable law conflicts with any provision hereof, making it impossible for Wells Fargo to comply both with the law and with the provisions of this Assurance, the provisions of the law shall govern.

H. ***No Third Party Beneficiaries Intended.*** This Assurance is not intended to confer upon any person any rights or remedies, including rights as a third party beneficiary. This

Assurance is not intended to create a private right of action on the part of any person or entity other than the parties hereto.

I. *Service of Notices.* Service of notices required or permitted by this Assurance or its enforcement shall be in writing and delivered on the following persons, or any person subsequently designated by the parties:

For Wells Fargo:

David L. Moskowitz
Deputy General Counsel
1 Home Campus, X2401-06T
Des Moines, Iowa 50328-0001

For New Jersey:

Megan Lewis, Deputy Attorney General
Division of Law
124 Halsey Street, 5th Floor
P.O. Box 45029
Newark, New Jersey 07101

Thomas R. Calcagni, Acting Director
New Jersey Division of Consumer Affairs
124 Halsey Street, 7th Floor
P.O. Box 45027
Newark, New Jersey 07101

Any party may change the designated person and address for delivery with respect to itself by giving notice to the other parties as specified herein.

J. *Waiver.* The failure of any party to exercise any rights under this Assurance shall not be deemed a waiver of any right.

K. *Severability.* If any part hereof shall for any reason be found or held invalid or unenforceable by any court of competent jurisdiction, such invalidity or unenforceability shall not affect the remainder hereof, which shall survive and be construed as if such invalid or

unenforceable part had not been contained herein.

L. *Counterparts.* This Assurance may be signed in one or more counterparts, each of which shall be deemed an original. Facsimile or electronic copies of this Assurance and the signatures hereto may be used with the same force and effect as an original.

M. *Inurement.* This Assurance is binding and inures to the benefit of the parties hereto and their respective predecessors, successors and assigns.

N. *Integration.* This Assurance constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to the subject matter thereof.

O. *Amendment.* This Assurance may be amended solely by written agreement signed by New Jersey and Wells Fargo.

P. *Termination.* The obligations of Wells Fargo under this Assurance shall terminate on the Termination Date. Termination of the obligations under this Assurance shall not change or terminate the terms of any loan modification entered into pursuant to Section "V.B" of this Assurance.

Q. *Attorneys Fees and Costs.* Within five (5) business days of the Effective Date of this Assurance, Wells Fargo will pay all attorneys' fees and costs related to this Assurance. No further fees or costs shall be sought by the Attorney General.

[Signature pages on the following page]

DATED this 5th day of October, 2010

APPROVED AS TO FORM AND CONTENT:

PAULA T. DOW
Attorney General of New Jersey
Division of Consumer Affairs

By: _____ DATED: October 5, 2010
Thomas R. Calcagni
Acting Director,
New Jersey Division of Consumer Affairs

PAULA T. DOW
Attorney General of New Jersey
Division of Law
Affirmative Litigation Section

By: _____ DATED: October 5, 2010
Megan Lewis, Deputy Attorney General
Section Chief, Affirmative Litigation Section
Samuel Scott Cornish, Deputy Attorney General
Acting Section Chief
Janine Matton, Deputy Attorney General

WELLS FARGO BANK, N.A.

_____ DATED: October 5, 2010
Michael J. Heid
Executive Vice President

DATED this _____ day of _____, 2010

APPROVED AS TO FORM AND CONTENT:

PAULA T. DOW
Attorney General of New Jersey
Division of Consumer Affairs

By: _____ DATED: October 5, 2010
Thomas R. Calcagni
Acting Director,
New Jersey Division of Consumer Affairs

PAULA T. DOW
Attorney General of New Jersey
Division of Law
Affirmative Litigation Section

By: _____ DATED: October 5, 2010
Megan Lewis, Deputy Attorney General
Section Chief, Affirmative Litigation Section
Samuel Scott Cornish, Deputy Attorney General
Acting Section Chief
Janine Matton, Deputy Attorney General

WELLS FARGO BANK, N.A.

_____ DATED: October 5, 2010
Michael J. Heid
Executive Vice President