



CLAYTON

CONSENT ORDER FORECLOSURE REVIEW

ENGAGEMENT LETTER

SUBMISSION DATE: WEDNESDAY, SEPTEMBER 28, 2011

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**CONFIDENTIAL TREATMENT REQUESTED
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SUBMITTED UNDER 12 USC 1828(x)**

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Introduction

This letter memorializes EverBank's General Counsel's engagement of Clayton Services LLC ("Clayton") as an independent consultant to conduct an independent review of certain residential foreclosure sales and actions, regarding individual borrowers, whether brought in the name of EverBank, an investor, a mortgage note holder, or any agent for the mortgage note holder (including MERS), with respect to EverBank's mortgage servicing portfolio. This letter supersedes the Engagement Letter executed between EverBank and Clayton on August 31, 2011.

Clayton is a leading information and analytics company serving lenders, loan buyers and bond issuers, servicers and fixed-income investors in mortgage-related loans and other debt instruments. Clayton's industry experience and demonstrated commitment to independence and objectivity makes Clayton unrivaled among its industry peers in delivering analysis and rendering judgment on mortgage-related loans and securities. Clayton will retain legal counsel from Maddin, Hauser, Wartell, Roth and Heller, P.C. ("Maddin Hauser"), as approved by both EverBank and the OCC, to provide legal support services in connection with the Foreclosure Loan Reviews as described throughout this document.

I. Foreclosure Loan Review Sample Methodology

Clayton's review will be made up of both statistically significant samples as well as granular segments extracted from all loans in EverBank's mortgage servicing portfolio upon which Certain Residential Foreclosure Actions occurred or were pending between and including January 1, 2009 and December 31, 2010.

Certain Residential Foreclosure Actions are foreclosure actions initiated or completed on owner occupied, 1-4 family dwellings by divisions of the institution that process first lien mortgage foreclosures. This term includes mortgages secured by individual condominium dwelling units and individual cooperative housing units.

Clayton has reviewed EverBank internal audit and prior independent consultant work product related to foreclosure process assessment; however, Clayton will not utilize such work product to define errors, misrepresentations, or deficiencies for individual loans or groups of loans or to fulfill sample requirements as detailed in Section I, (A) below.

If, during the course of the review, results indicate EverBank foreclosure processes or reviewed segments contained material systemic issues (*e.g.*, a problem that generates a material error rate for some process, operation or selection segment), or higher than anticipated error rates, Clayton will review additional files and/or conduct other testing to better assess the scope and scale of the identified issue. Please refer to Page 16 for details outlining the process for determining additional sample populations based on initial review findings and/or based on borrower complaints received in conjunction with the Borrower Complaint and Outreach Process detailed in Section IV.

A. Initial Sample

Clayton's initial loan sample (the "Initial Sample") will consist of 6,972 foreclosure files of EverBank's 32,570 loans falling within the aforementioned timeframe. The selection size will be determined considering statistical significance and, where high risk is anticipated as otherwise described below, one hundred percent (100%) sampling for specified loan segments. Please refer to Tables 1-3 (on Pages 15 through 16) for a segmented stratification of loan selections and criteria.

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Segment identification is based on Clayton's industry experience and on guidance outlined in the OCC, and Federal Reserve Board Foreclosure Review Guidance, dated May 20, 2011 and meetings with the OCC on June 28, 2011.

In order to determine the sample selection, Clayton relied upon data provided by EverBank. EverBank has represented to Clayton that all data provided to process loan selections is comprehensive and accurate. EverBank expressly acknowledges and agrees that Clayton will not be liable for any inaccurate or incomplete data provided by or on behalf of EverBank. Further, Clayton shall be entitled to rely in good faith on any data, document, or file of any kind submitted by EverBank or relevant third parties as required. However, as a portion of the Operational Assessment described in Section III, (B), Clayton, in order to verify the reliability of the data provided by EverBank, will independently assess the systems and methodology utilized in furnishing Clayton with data necessary to determine sample criteria for the Foreclosure Review.

Clayton will apply the comprehensive testing criteria detailed in Section II (beginning on Page 18) to all loans in the Initial Sample, regardless of the objective for segmentation and associated risk of financial injury to borrowers. It is Clayton's position that targeted reviews on a sub-set of relevant servicing activity (e.g. bankruptcy and/or HAMP management) is an appropriate method to test EverBank's application of such relevant policies and procedures. However, Clayton believes such a pointed review deviates from the primary objective of the Consent Order, to identify and mitigate financial injury to borrowers. For example, it is possible that a bankruptcy process was serviced appropriately which would lead to a positive assessment if only performing a bankruptcy process verification; however, the same borrower could have been charged inappropriate foreclosure fees in a preceding foreclosure action that could have caused the borrower to file for bankruptcy.

One Hundred Percent Segments

The Initial Sample will include one hundred percent (100%) of all loans in the segments below which Clayton has determined to be "high risk", subject to increased public scrutiny, or that have a higher probability of potential borrower financial injury as a result of critical errors, misrepresentations, or other deficiencies. Table 1 (on Page 15) indicates the total loan volume and Initial Sample selection count and percentage for each segment.

1. Law firms known to have significant deficiencies related to foreclosure activities, were delisted by any of the GSEs or discontinued by the institution

Based on guidance provided by the OCC and the Federal Reserve Board on May 20, 2011 and public scrutiny related to the following attorney firms, Clayton will review one hundred percent (100%) of such loans.

██████████ - Clayton has reviewed information which identifies this law firm's self-reported practice of improperly altering affidavits submitted to courts related to foreclosures completed in ██████████. Given public sensitivity, the integral nature of affidavits to the foreclosure proceedings, and prior determinations that EverBank foreclosures were directly affected, Clayton will review one hundred percent (100%) of loans processed by this law firm in the sample.

██████████ - It has been publicly reported that this law firm encountered issues related to alleged fraudulent signatures on deeds for foreclosures completed in ██████████. Given the public nature and materiality of this issue to proper legal foreclosure proceedings, Clayton will review one hundred percent (100%) of loans processed by this law firm in the sample.

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██████████ – It has been publicly reported that this law firm encountered issues related to fabricating documents and mismanagement of fees for foreclosures processed in ██████████. Given the public nature and materiality of this issue to proper legal foreclosure proceedings, and likelihood of direct financial injury resulting from improper fee management, Clayton will review one hundred percent (100%) of loans processed by this law firm in the sample.

To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "Attorney Firm" and "Other Issue Noted" identifiers contained within data file submissions. Relevant data used to identify the attorney names within the segment population was obtained from the ██████████, the ██████████, and the ██████████ for foreclosure actions dating back to 2007.

2. Loans for borrowers identified by EverBank to be affected by the Servicemembers Civil Relief Act (SCRA)

Based on the requirements outlined in Section 16 (b) of the Consent Order, and increased public sensitivity related to foreclosure activity on borrowers affected by SCRA, Clayton will review one hundred percent (100%) of loans that have been foreclosed upon which were subject to the SCRA. ██████████

the volume of the SCRA sample segment is lower than a common industry standard. To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "SCRA" identifier contained within data file submissions. It is noted that the volume of SCRA loans (five loans) in this segment is significantly less than is commonly expected considering the size of the relevant foreclosure loan pool. ██████████

██████████ Clayton has made specific note of the perception that the volume of this segment is too low. EverBank, in response, has attested to the fact that the volume is accurate ██████████. As an independent validation check, Clayton will test each sampled loan for SCRA compliance as part of the review process outlined in Section II, (C), where possible based on information made available by the Department of Defense (DOD).

3. Loans with foreclosure action referred by state or federal agencies

Based on guidance provided by the OCC and the Federal Reserve Board on May 20, 2011, and based on the increased regulator and public scrutiny related to foreclosure cases referred by state or federal agencies, Clayton will review one hundred percent (100%) of such loans. To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "State or Federal Agency Referral" identifier contained within data file submissions. Relevant data used to identify the segment population was obtained from task tracking functions within the ██████████ and the ██████████.

4. Loans with borrower claims and complaints relating to the foreclosure process submitted to EverBank prior to Consent Order consideration

Based on guidance provided by the OCC and the Federal Reserve Board on May 20, 2011, and based on the direct possibility of borrower injury based on the complaint itself, Clayton will review one hundred percent (100%) of loans with written borrower complaints relating to the foreclosure process which was received by EverBank prior to the commencement of the Borrower Complaint and Outreach process as detailed in Section IV (beginning on Page 32). To identify the specific loans to include in the sample from

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this segment, Clayton relied upon data provided by EverBank, specifically referencing the "Existing Borrower Claim or Complaint" identifier contained within data file submissions. Relevant data used to identify the segment population was obtained from task tracking functions within the [REDACTED] and the [REDACTED].

5. Loans with rescinded foreclosure actions

Based on guidance provided by the OCC and the Federal Reserve Board on May 20, 2011, and based on the heightened possibility of processing errors or other Consent Order focus areas (e.g. bankruptcy filing, court requests, loss mitigation application, etc.) leading to foreclosure sale rescissions, Clayton will review one hundred percent (100%) of loans where a foreclosure is rescinded. To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "Foreclosure Rescission" identifier contained within data file submissions. Relevant data used to identify the segment population was obtained from the [REDACTED].

6. Loans affected by borrower litigation

Based on the requirements outlined in Section 16 (a) of the Consent Order, on guidance received from the OCC on June 28, 2011, and resulting from the heightened likelihood of servicer error and/or borrower injury associated with litigated loans, Clayton will review one hundred percent (100%) of loans that have been subject to borrower litigation related to contested foreclosure action. To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "Litigation" identifier contained within data file submissions. Relevant data used to identify the segment population was obtained from task tracking functions within the [REDACTED] and the [REDACTED].

7. Loans which were in active bankruptcy status at the time of foreclosure sale

Based on the requirements outlined in Section 16 (b) of the Consent Order, on guidance received from the OCC on June 28, 2011, and increased possibility of borrower injury if errors or misrepresentations are discovered, Clayton will review one hundred percent (100%) of loans that had completed foreclosure sales at the time the borrower was in active bankruptcy status. Please refer to statistical segment number nine (9) for further bankruptcy loan sample consideration. To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "Foreclosure Sale Date," "Bankruptcy Start Date," and "Bankruptcy End Date" identifiers contained within data file submissions. Relevant data used to identify the segment population was obtained the [REDACTED], specifically [REDACTED] for closed bankruptcy loans. As an independent validation check, Clayton will test each sampled loan for bankruptcy compliance as part of the review process outlined in Section II, (C.)

Statistical Segments

The Initial Sample of loans to be reviewed by Clayton will further include a statistically relevant number of loans in the foreclosure process from additional segments not considered in the one hundred percent (100%) sampling segments. The population size used to calculate the statistically significant number of loans for each segment will include all relevant loans according to the criteria detailed below that are not included in any of the preceding one hundred percent (100%) sample segments. The total number of loans for each statistically significant sample will be calculated independently of other segments, thus a single loan could be included in multiple segment sample size calculations if it is affected by more than one segment grouping characteristic. Table 2 on Page 15 indicates the total loan volume and Initial Sample selection count and percentage for each segment.

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Statistical sample calculation inputs are determined as follows.

(a) Confidence level equal to or above ninety-five percent (95%)

Based on guidance received from the OCC on May 20, 2011, the minimum confidence level is set at ninety-five percent (95%). The confidence level, in combination with the margin of error, defines the amount of uncertainty related to the sample results if extrapolated to the larger pool outside of the sample selection. Clayton will use the minimum ninety-five percent (95%) confidence level for numerous segments; however, for higher risk segments as defined below, Clayton will utilize a more conservative confidence level value of ninety-nine percent (99%). The higher confidence level used for these high risk segments further reduces the amount of uncertainty that actual file review results are representative of the entire pool in terms of identifying borrower injury.

(b) Margin of error equal to or below three percent (3%)

Based on guidance received from the OCC on May 20, 2011, the maximum margin of error is set at three percent (3%). The margin of error is the value deviation from the confidence level value. The margin of error, in combination with the confidence, defines the amount of uncertainty related to the sample results if extrapolated to the larger pool outside of the sample selection. Clayton will use the maximum three percent (3%) error rate for numerous segments; however, for higher risk segments as defined below, Clayton will utilize a more conservative error rate of one percent (1%). The lower error rate used for these high risk segments further reduces the variance around the confidence level to minimize uncertainty that actual file review results are representative of the entire pool in terms of identifying borrower injury.

(c) Response distribution (i.e. adverse findings rate) equal to ten percent (10%)

In the absence of prior review results or other factors driving the expected adverse findings rate, (e.g. those loans with errors, misrepresentations and/or deficiencies) common statistical practices recommend a response distribution of fifty percent (50%) as it allows for the maximum number of loans in a selection. However, in consideration of EverBank's internal audit report detailing a review of operational and loan-level foreclosure processes, an expected adverse findings rate of fifty percent (50%) appears unlikely. Based on Clayton's experience and in consideration of EverBank's internal audit results (which Clayton has reviewed), Clayton will use a response distribution input of ten percent (10%). In the event Clayton's Initial Sample review results in a higher than expected adverse findings rate, Clayton will follow the process outlined in Section I, (C) to expand the sample to meet the actual findings rate.

Clayton's sample size calculator, incorporating each input is included as Exhibit A.

Statistically significant sample segments include the following:

8. Loans which were in active bankruptcy status

Based on the requirements outlined in Section 16 (b) of the Consent Order, on guidance received from the OCC on June 28, 2011, and increased possibility of borrower injury if critical errors, misrepresentations or deficiencies are discovered, Clayton will review a segment of loans that were in bankruptcy status (i) following foreclosure activity occurring in the time period, or (ii) preceding foreclosure referral by a minimum of three (3) months. Given the likely materiality of errors for issues discovered in this segment, Clayton will utilize a ninety-nine percent (**99%**) **confidence level** and a one percent (**1%**) **error rate** to minimize uncertainty and variance in results. To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "Foreclosure Sale Date," "Bankruptcy Start Date," and "Bankruptcy End Date"

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identifiers contained within data file submissions. Relevant data used to identify the segment population was obtained the [REDACTED], specifically [REDACTED] for closed bankruptcy loans. As an independent validation check, Clayton will test each sampled loan for bankruptcy compliance as part of the review process outlined in Section II, (C.)

9. Loans with denied loan modifications resulting from Debt-to-Income (DTI) or Net Present Value (NPV) thresholds not being met

Based on the requirements outlined in Section 16 (c and g) of the Consent Order, based on guidance received in meetings with the OCC on June 28, 2011, and increased public sensitivity related to loan modification denials, Clayton will review a segment of loans that have been foreclosed upon after a modification was denied resulting from DTI or NPV thresholds not being met following receipt by EverBank of a substantially completed borrower application. Given the likely materiality of errors for issues discovered in this segment, Clayton will utilize a ninety-nine percent **(99%) confidence level** and a one percent **(1%) error rate** to minimize uncertainty and variance in results. To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "Denied Modification" and "Denial Reason" identifiers contained within data file submissions. Relevant data used to identify the segment population was obtained from the [REDACTED] and the [REDACTED]. According to EverBank, the reason for modification/loss mitigation denial is updated over time and overrides prior values for certain loans, thus making the true reason for denial of modifications during the relevant testing period difficult to verify through bulk data extraction. To ensure all DTI and NPV denials are reviewed, Clayton will take a conservative approach and include in the sample segment all loans that meet the following characteristics; (1) a Loss Mitigation status of "R" (Removed) and (2) a Loss Mitigation Denial Reason not in the following list. Further loss mitigation and loan modification denial segmentation is described in sample numbers ten (10) and thirteen (13) below.

- Request Incomplete
- Trial Plan Default
- Borrower Declined HAMP
- Borrower Not Eligible for HAMP
- HAMP Non-Compliance
- Modification Denied by Investor
- Modification Documents Not Returned
- Modification

10. Loans with denied loan modifications where the reason for denial is not DTI or NPV

Based on the requirements outlined in Section 16 (c and g) of the Consent Order, on guidance received in meetings with the OCC on June 28, 2011, and increased public sensitivity related to loan modification denial, Clayton will review a segment of loans that have been foreclosed upon after a modification was denied. For the statistical sample of modification denials following receipt by EverBank of a substantially completed borrower application, all other denial reasons will be included. Clayton will utilize a ninety-five percent **(95%) confidence level** and a three percent **(3%) error rate** for this segment. To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "Denied Modification" and "Denial Reason" identifiers contained within data file submissions. Relevant data used to identify the segment population was obtained from the [REDACTED] and the [REDACTED]. According to EverBank, the reason for modification/loss mitigation denial is updated over time and overrides prior values for certain loans, thus making the true reason for denial of modifications during the relevant testing period difficult to verify through bulk data extraction. To identify loans in the segment, Clayton will take a sample of all loans that meet the following characteristics; (1) a Loss Mitigation status of "R" (Removed) and (2) a Loss Mitigation Denial Reason that are in the following list. Further loss mitigation and loan modification denial segmentation is described in sample numbers six (6) and thirteen (13).

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- Request Incomplete
- Trial Plan Default
- Borrower Declined HAMP
- Borrower Not Eligible for HAMP
- HAMP Non-Compliance
- Modification Denied by Investor
- Modification Documents Not Returned
- Modification

11. Loans with foreclosures processed by the law firm of [REDACTED] based on allegations of improper foreclosure processes, not specifically related to EverBank loans

As an expansion to sampling focused on Law firms known to have significant deficiencies related to foreclosure activities, were delisted by any of the GSE's or discontinued by the institution Clayton will sample loans processed by the [REDACTED]. It has been publicly reported that this law firm encountered issues related to foreclosure practices. Clayton will utilize a ninety-five percent **(95%) confidence level** and a three percent **(3%) error rate** for this segment. A one hundred percent (100%) sample was not recommended for this segment because EverBank loans are not known to be affected by the publicized issues which is not the case with the firms identified in segment one (1). To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "Attorney Firm" identifier contained within data file submissions. Relevant data used to identify the attorney names within the segment population was obtained from the [REDACTED], the [REDACTED], and the [REDACTED] for foreclosure actions dating back to 2007.

12. Loans with foreclosures processed by the law firm of [REDACTED] based on suspected allegations of improper foreclosure processes, not specifically related to EverBank loans

As an expansion to sampling focused on Law firms known to have significant deficiencies related to foreclosure activities, were delisted by any of the GSE's or discontinued by the institution Clayton will sample loans processed by the [REDACTED]. It has been publicly reported that this law firm encountered issues related to foreclosure practices. Clayton will utilize a ninety-five percent **(95%) confidence level** and a three percent **(3%) error rate** for this segment. A one hundred percent (100%) sample was not recommended for this segment because EverBank loans are not known to be affected by the publicized issues which is not the case with the firms identified in segment one (1). To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "Attorney Firm" identifier contained within data file submissions. Relevant data used to identify the attorney names within the segment population was obtained from the [REDACTED], the [REDACTED], and the [REDACTED] for foreclosure actions dating back to 2007.

13. Loans with denied, non-modification, loss mitigation strategies (deed-in-lieu, short sale, etc.)

Based on the requirements outlined in Section 16 (c and g) of the Consent Order, and increased public sensitivity related to borrowers who are not afforded proper loss mitigation consideration prior to foreclosure action, Clayton will review a segment of loans that have been foreclosed upon after a loss mitigation strategy was denied. Modification denials will not be considered in this segment as they are considered in samples six (6) and ten (10); however, all other loss mitigation programs in use by EverBank during the relevant time period will be considered. Clayton will utilize a ninety-five percent **(95%) confidence level** and a three percent **(3%) error rate** for this segment. To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "Denied Loss Mitigation" identifier contained within data file submissions.

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Relevant data used to identify the segment population was obtained from the [REDACTED] and the [REDACTED]. According to EverBank, the reason for modification/loss mitigation denial is updated over time and overrides prior values for certain loans, thus making the relevant loss mitigation program denied during the relevant testing period difficult to verify through bulk data extraction. To identify loans in the segment, Clayton will take sample of all loans with a Loss Mitigation status of "R" (Removed), a Modification Denial flag of "N," and a Modification Complete flag of "N."

14. Loans with completed HAMP modifications

Based on the requirements outlined in Section 16 (g) of the Consent Order, and public focus on modification application, Clayton will review a segment of loans that have completed HAMP modifications to ensure proper modification application. Clayton will utilize a ninety-five percent **(95%) confidence level** and a three percent **(3%) error rate** for this segment. To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "Completed Modification" and "Modification Type" identifiers contained within data file submissions. Relevant data used to identify the segment population was obtained from the [REDACTED].

15. Loans with completed, non-HAMP modifications

Based on the requirements outlined in Section 16 (g) of the Consent Order, Clayton will review a segment of loans that have completed non-HAMP modifications to ensure proper modification application. Clayton will utilize a ninety-five percent **(95%) confidence level** and a three percent **(3%) error rate** for this segment. To identify the specific loans to include in the sample from this segment, Clayton relied upon data provided by EverBank, specifically referencing the "Completed Modification" and "Modification Type" identifiers contained within data file submissions. Relevant data used to identify the segment population was obtained from the [REDACTED].

16. All loans not included in statistical sample segments nine (9) through fifteen (15) above (and excluding loans in one hundred percent (100%) sample segments)

Based on guidance provided by the OCC and the Federal Reserve Board on May 20, 2011, the Initial Sample must consider the following criteria related to geography and third parties used by EverBank.

- (a) Top states where the institution conducted its foreclosure activity
- (b) Case files for every state in which foreclosures were conducted by the institution
- (c) Large volume foreclosure firms

Creating individual statistical segments for items listed in (a) through (c) is not practical as many of the individual state or foreclosure attorney firm loan volumes are small enough that all loans would have to be reviewed for certain states and firms if a ninety-five percent (95%) confidence interval and five percent (5%) error rate are applied to the segment calculation. Clayton understands the goal of this segmentation guidance is to ensure comprehensive state and attorney firm coverage, with a higher percentage of loans reviewed for high volume firms and states. To accomplish this goal, Clayton will utilize a ninety-five percent **(95%) confidence level** and a three percent **(3%) error rate** to create a sample based on all loans not included in segments one (1) through fifteen (15) above. Clayton will then use a non-random loan selection process to ensure Initial Sample loan selections mirror, as closely as practical, the distribution of states and foreclosing agents in the entire pool of foreclosure loans. Please refer to the Loan Selection Process section on Page 14 for more detail regarding Initial Sample selection.

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Segments Not Considered in Initial Sample

Guidance provided by the OCC and the Federal Reserve Board on May 20, 2011 identified various segmentation characteristics for sample consideration. The segments listed below are not considered in the Initial Sample for the reasons described below.

17. Borrower has debt cancellation contracts

EverBank has stated that debt cancellation contracts were not offered to any borrower as a loss mitigation option during the relevant time period. Clayton will independently verify this statement as a portion of the Operational Assessment as described in Section III, (B) and will review EverBank's policies and procedures as part of such verification process.

18. Fees assessed to the account prior to delinquency (e.g. "pyramiding fees")

EverBank has stated that GSE fee guidance is followed wherever applicable and that fee pyramiding is not practiced. As such, Clayton will not create a segment of sample loans based on fees charged to the borrower. As an independent validation check, Clayton will test each sampled loan for fee appropriateness as part of the review process outlined in the Fee Reasonability testing described in Section II, (C) and will review EverBank's policies and procedures as a portion of the Operational Assessment as described in Section III, (B.)

19. Other third-party vendors

EverBank has stated that no "other" third-party vendors other than identified attorney firms are used to facilitate foreclosure processes. Clayton will independently verify this statement as a portion of the Operational Assessment as described in Section III, (B).

20. Document execution service providers

EverBank has stated that no document execution service providers, with the exception of the [REDACTED] system, are used to facilitate foreclosure processes. Clayton will independently verify this statement as a portion of the Operational Assessment as described in Section III, (B.)

21. Processing centers and units where substantial errors have been found

EverBank has stated only one processing center is used to facilitate foreclosure processes. Clayton will independently verify this statement as a portion of the Operational Assessment as described in Section III, (B.)

22. Known issues self-reported by EverBank

[REDACTED]

Clayton will test each loan for signature completeness and appropriateness as a portion of the loan review process described in Section II, (C.)

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Loan Selection Process

The following steps detail the process Clayton used to create the actual Initial Sample selection based on the segment criteria described above.

Step 1: Clayton identified and selected all loans which meet one hundred percent (100%) segment criteria listed in segment numbers one (1) through seven (7).

Step 2: From the pool of loans that are not selected in Step 1, Clayton identified all loans which meet statistical segment criteria listed in segment numbers eight (8) through sixteen (16).

Step 3: From the pool of loans that were identified in Step 2, Clayton selected loans which are included in two or more statistical segment criteria listed in segment numbers eight (8) through fifteen (15). Loans selected through Step 3 were used to satisfy individual segment count requirements for each applicable segment. For example, if a single loan is in segments nine (9) and fifteen (15), the loan was selected and counted in fulfilling the segment volume required for both segments.

Step 4: Clayton created a statistical sample from the pool of loans that were not selected in Step 1 and Step 3 (segment 16). Clayton non-randomly selected loans from segment sixteen (16) to cover geographic and attorney firms not appropriately represented in loans selected based on Steps 1 through 3. Clayton selected loans to ensure a minimum of five (5) loans were included in the sample from each state (where at least five (5) loans are in the total loan population), based on loan volumes by state (see Exhibit B).

Loan Substitutions

In instances where, during the course of the Foreclosure File Review, Clayton identifies data initially supporting a loan's placement in a specific segment is incorrect (e.g. bankruptcy status), Clayton will substitute additional loans into the relevant segment to maintain a statistically significant sample count. Such substitutions will occur periodically and will be communicated to the OCC as they occur. In the event a loan substituted out of a segment is not part of another segment, Clayton will not review the loan. As a result of substitutions, Tables 1 through 3 below are subject to change over time.

Through assessment of modification data provided by EverBank, Clayton determined that information used to define modification sample segments, including (i) status (complete and denied), (ii) program (HAMP, Apollo, SMP, etc.) and (iii) modification date, does not consistently reflect the latest modification event in the look-back period. For example, data provided may relate to a modification completed for a loan in 2009; however, if a second modification was in process beginning in late 2010 and completed in 2011 for the same loan, Clayton would review the 2010-2011 modification as the "in-scope" modification event. It has been determined that a database driven method of identifying the in-scope modification event may not be possible because certain required information may be overridden in EverBank systems over time. As a result, Clayton has obtained approval from the OCC to remove Sample Segments 9, 10, 14, and 15 from loan substitution considerations as described above. Upon completion of the Initial Sample review of loans selected for Segments 9, 10, 14, and 15, Clayton will assess final volumes and results of loans reviewed by segment and prepare a recommendation for an Expanded Sample, where applicable and subject to the approval of the OCC, pursuant to the process described in Section I, (C) on Page 16. As a result of this approved plan, final loan volumes for these segments will not be statistically significant; however, by applying the calculation and segmentation criteria described on Pages 10-12 for these segments, a significant number of modifications (2,532) will be reviewed. Clayton believes this volume will be sufficient to rely upon findings as indications of overall performance as it relates to modification processes.

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Initial Sample Stratification

The Tables 1 through 3 below detail the total loan count and calculated sample count for each one hundred percent (100%) and statistically significant sample segment. Final sample loan volumes may be subject to change based on instruction from the regulators.

Table 1

100% Sample Segments	Total Loan Count	Sample Count	Sample Percentage
1. Law firms known to have significant deficiencies related to foreclosure activities, were delisted by any of the GSE's or discontinued by the institution			
	1,083	1,083	100%
	134	134	100%
	46	46	100%
2. SCRA loans*	3	3	100%
3. Foreclosure cases referred by state or federal agencies (may be included in borrower claims/complaints)	163	163	100%
4. Loans with pre-consent order borrower written claims and complaints	430	430	100%
5. Rescinded foreclosures	409	409	100%
6. Loans affected by borrower litigation	527	527	100%
7. Loans in active bankruptcy at the time of foreclosure sale*	13	13	100%

*Clayton notes the perception that the volume of segments two (2) and seven (7) are lower than expected. Clayton has independent SCRA and bankruptcy review processes for all loans in the Initial Sample to ensure such high risk characteristics were properly represented in segment selection data.

Table 2

Statistical Sample Segments	Total Loan Count	Required Sample Count	Sample Percentage **
8. Loans in active bankruptcy status, excluding loans in bankruptcy at the time of foreclosure sale	5,877	2,963	50%
9. Modification denials resulting from DTI and/or NPV	1,251	1,035	83%
10. Modification denials NOT resulting from DTI and/or NPV	570	230	40%
11. Loans processed by investigated attorney firms –	13	13	100%
12. Loans processed by investigated attorney firms –	2,302	330	14%
13. Loans with denied, non-modification loss mitigation strategies	6,585	364	5%
14. Loans with completed HAMP modifications	1,043	281	27%
15. Loans with completed, non-HAMP modifications	3,686	348	9%
16. All loans not included in 100% or defined Statistical Sample Segments above	12,267	373	3%

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Table 3

Total Foreclosure Loans	Total Loan Count	Final Sample Count*	Final Sample Percentage
Loans with residential foreclosure actions or proceedings pending at any time from January 1, 2009 to December 31, 2010 as well as residential foreclosure sales that occurred during this time period.	32,570	6,972	21%

*Please note the total number of loans in the final sample does not match the summed sample count for each segment as certain loans in the final sample may be present in multiple segments.

**Disparity in the Sample Percentage values for individual Statistical Sample Segments is driven by the confidence level and margin of error inputs as defined in each sample description paragraph above. Additionally, given statistical calculation parameters, the percentage of Required Sample Count to Total Loan Count increases as the Total Loan Count decreases. For segments with low Total Loan Counts, such as Segment 11, it is possible that the statistical calculation will require up to one hundred percent (100%) of the Total Loan Count to be sampled.

B. Borrower Complaint and Outreach Driven Sample

Based on guidance provided by the OCC and the Federal Reserve Board on July 8, 2011 Clayton will review (1) one hundred percent (100%) of "in-scope" complaints received from borrowers through any channel from January 1, 2011 through the end of the complaint intake period outlined in Section V, (A) on Page 37, and (2) all complaints received through the borrower outreach process established per the Consent Order guidance. Please refer to Section IV for details regarding the Borrower Complaint and Outreach Process. All in-scope complaints received through the Borrower Complaint and Outreach Process, from January 1, 2011 to the cut-off date (March 30, 2012), and not included in the Initial Review Sample, will be subjected to the review process as described in Section IV (the "Complaint Sample"). All in-scope complaints received which are also included in the Initial Sample will be subjected to the review process as described in Section IV as well as the process described in Section II, (C). In cases where review criteria overlap between Section IV and Section II, (C), Clayton will complete such review criteria one time per loan.

Clayton anticipates the Complaint Sample review will begin contemporaneously with the initiation of the borrower communication portion of the Borrower Complaint and Outreach process and will proceed for one hundred twenty days (120) days following the end of the complaint process intake period (see Page 37 for a complete project timeline). Actual timelines for the Complaint Sample review will depend on the volume of loans to be reviewed.

C. Expanded Sample

Based on guidance provided by the OCC and the Federal Reserve Board on May 20, 2011, sampling methodology should (1) include a process for review and treatment of errors including the likelihood that certain segments would be subject to additional sampling or review of the whole segment, and (2) should describe how additional sampling/"deep-dive" reviews would be constructed to identify the maximum numbers of specifically defined errors, misrepresentations and deficiencies as possible within the population segment. Prior to the commencement of additional loan reviews, all recommendations for additional sampling will be submitted to the OCC for review and approval based on findings from the Initial Sample review.

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According to communication between Clayton and the OCC on July 12, 2011 additional sampling determinations (the "Expanded Sample") will consider critical errors, misrepresentations and deficiencies that resulted in Borrower Financial Injury as well as systemic issues not directly related to Borrower Financial Injury. For all loans approved by the OCC to be included in the Expanded Sample, Clayton will apply the comprehensive testing criteria detailed in Section II, regardless of the reason for expanding the sample to maximize the possibility of identifying borrower financial injury. Timeframes for completion of the Expanded Sample will be contingent on the volume of loans required to meet conditions described below.

Clayton anticipates the Expanded Sample review to begin after completion of the initial Foreclosure Report, which will detail Initial Sample findings, and will proceed for up to an estimated one hundred twenty (120) days. Actual timelines for the Expanded Sample review will depend on the volume of loans to be reviewed (see Page 37 for a complete project timeline).

Expanded Statistical Sampling

In the event the actual rate of material findings for a segment is higher than the sample size input of ten percent (10%), Clayton will increase the sample size for the segment by changing the response distribution calculation input to match the actual adverse findings rate. Table 4 illustrates how a statistical sample will be expanded based on a higher than expected findings rate of twenty-five percent (25%). In the example, the relevant segment would have been 370 loans. However, based on the actual findings rate, the sample should be 742 loans to maintain the ninety-five percent (95%) confidence level and three percent (3%) error rate. In order to preserve statistical significance of the sample, Clayton would add 372 additional loans (742 minus 370) to the segment.

Expanded statistical sampling will be used for instances where a number of loan-specific, non-systemic issues are noted for a specific segment.

Table 4

	Initial Sample Inputs	Expanded Sample Inputs
Pool Size	10,000	10,000
Confidence Level	95%	95%
Error Rate	3%	3%
Response Distribution	10%	25%
Calculated Segment Sample	370	742

Expanded One Hundred Percent (100%) Sampling

In the event that a systemic issue is discovered that is believed to affect all loans with a specific set of common characteristics, Clayton may expand the sample to review one hundred percent (100%) of affected loans. It is possible that one hundred percent (100%) sampling will be applied to segments of loans that differ from initial selection segment criteria if it is determined that the issue relates to a sub-segment of loans. For example, if a systemic issue is identified with loans processed by a single attorney firm, Clayton will increase the sample to review one hundred percent (100%) of loans processed by the firm in question.

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II. File Review Process

A. Retained Counsel

Clayton will retain Maddin Hauser to assist in establishing a platform for individual, state-specific, file reviews as well as identifying and assessing legal issues, including but not limited to: (1) creating state specific lists of documents most commonly associated with the foreclosure process; (2) creating state specific checklists to assist Clayton's assessing whether a foreclosure in a certain state was conducted in a legally compliant manner; (3) providing contemporaneous legal support to Clayton file reviewers throughout the file review process; and (4) collaborating with Clayton in determining whether a borrower suffered financial injury and estimating such financial injury, as defined in Section II, (E). Clayton and EverBank acknowledge that the OCC informed Clayton, on July 7, 2011, that Akerman Senterfitt ("Akerman") was disqualified from acting as approved outside counsel. Prior to Clayton's submission of this engagement letter, Clayton collaborated with Akerman in the development and approval of Clayton's Foreclosure Module test script and five (5) associated state-specific checklists. This information was purchased by EverBank with the understanding that Clayton and EverBank would be able to utilize this information for the File Review. Clayton intends to utilize these test scripts and checklists with Maddin Hauser. In addition, based on communications between Clayton and the OCC on July 12, 2011, Clayton will engage Akerman to prepare the balance of the state-specific scripts and checklists necessary to conduct the review. In the event Akerman prepares the balance of the scripts and checklists, Maddin Hauser will make its own determination that such scripts and checklists are appropriate for use in the Foreclosure Review.

B. Scope of Review

Clayton's foreclosure review process is designed to evaluate each loan in the Foreclosure Loan Review Sample against the following requirements, items (a) through (h), as outlined in Section 16 of the Consent Order.

Bulleted under each of the defined requirements, Clayton has indicated the specific file review modules that will be completed in order to satisfy the stated objective. All testing modules will be considered for each loan in the sample; however, not all modules will be completed based on loan-specific characteristics (e.g. the Bankruptcy Module will not be completed if the borrower never filed for bankruptcy protection; however, testing completed in the Loss Mitigation module will allow Clayton to independently determine if the Bankruptcy Module is applicable). Clayton further defines the modules and explains how the test scripts associated with each module will satisfy each of the Consent Order requirements in the File Review process section on Page 20.

- (a) whether at the time the foreclosure action was initiated or the pleading or affidavit or declaration filed (including in bankruptcy proceedings and in defending suits brought by borrowers), the foreclosing party or agent of the party had properly documented ownership of the promissory note and mortgage (or deed of trust) under relevant state law, or was otherwise a proper party to the action as a result of agency or similar status;
 - Document, Foreclosure, and/or Bankruptcy Modules
- (b) whether the foreclosure was in accordance with applicable federal and state laws, including, but not limited to, the U.S. Bankruptcy Code and the SCRA;
 - Document, Breach, Loss Mitigation, Foreclosure, HAMP/Proprietary Loan Modification and/or Bankruptcy Modules

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- (c) whether a foreclosure sale occurred when an application for a loan modification or other Loss Mitigation was under consideration when the loan was performing in accordance with a trial or permanent loan modification, or when the loan had not been in default for a sufficient period of time to authorize foreclosure pursuant to the terms of the mortgage loan documents and related agreements;
- Document, Loss Mitigation, Foreclosure and/or HAMP/Proprietary Loan Modification Modules
- (d) whether, with respect to non-judicial foreclosures, the procedures followed with respect to the foreclosure sale (including the calculation of the default period, the amounts due, and compliance with notice periods) and post-sale confirmations were in accordance with the terms of the mortgage loan and state law requirements;
- Document, Breach and Foreclosure Modules
- (e) whether a delinquent borrower's account was only charged fees and/or penalties that were permissible under the terms of the borrower's loan documents, applicable Legal Requirements, and were otherwise reasonable and customary;
- Document, Foreclosure, Bankruptcy and/or HAMP/Proprietary Loan Modification Modules
- (f) whether the frequency that fees were assessed to any delinquent borrower's account including broker price opinions) was excessive under the terms of the borrower's loan documents, applicable Legal Requirement, or were otherwise unreasonable;
- Document, Foreclosure, Bankruptcy and/or HAMP/Proprietary Loan Modification Modules
- (g) whether Loss Mitigation Activities with respect to foreclosed loans were handled in accordance with the requirements of the HAMP, and consistent with the policies and procedures applicable to the Association's proprietary loan modifications or other Loss Mitigation programs, such that each borrower had an adequate opportunity to apply for a Loss Mitigation option or program, any such application was handled properly, a final decision was made on a reasonable basis, and was communicated to the borrower before the foreclosure sale; and
- Document, Loss Mitigation, HAMP/Proprietary Loan Modification and/or Bankruptcy Modules
- (h) whether any errors, misrepresentations, or other deficiencies identified in the Foreclosure Review resulted in financial injury to the borrower or the mortgagee.
- Document, Breach, Loss Mitigation, Foreclosure, HAMP/Proprietary Loan Modification and/or Bankruptcy Modules

To manage this process, Clayton will leverage a proprietary business process management [REDACTED] tool which provides systematic control over each step in a review process and ensures consistency and repeatability among the loan sample. The [REDACTED] tool allows for each individual loan review to be tracked and stored within the database.

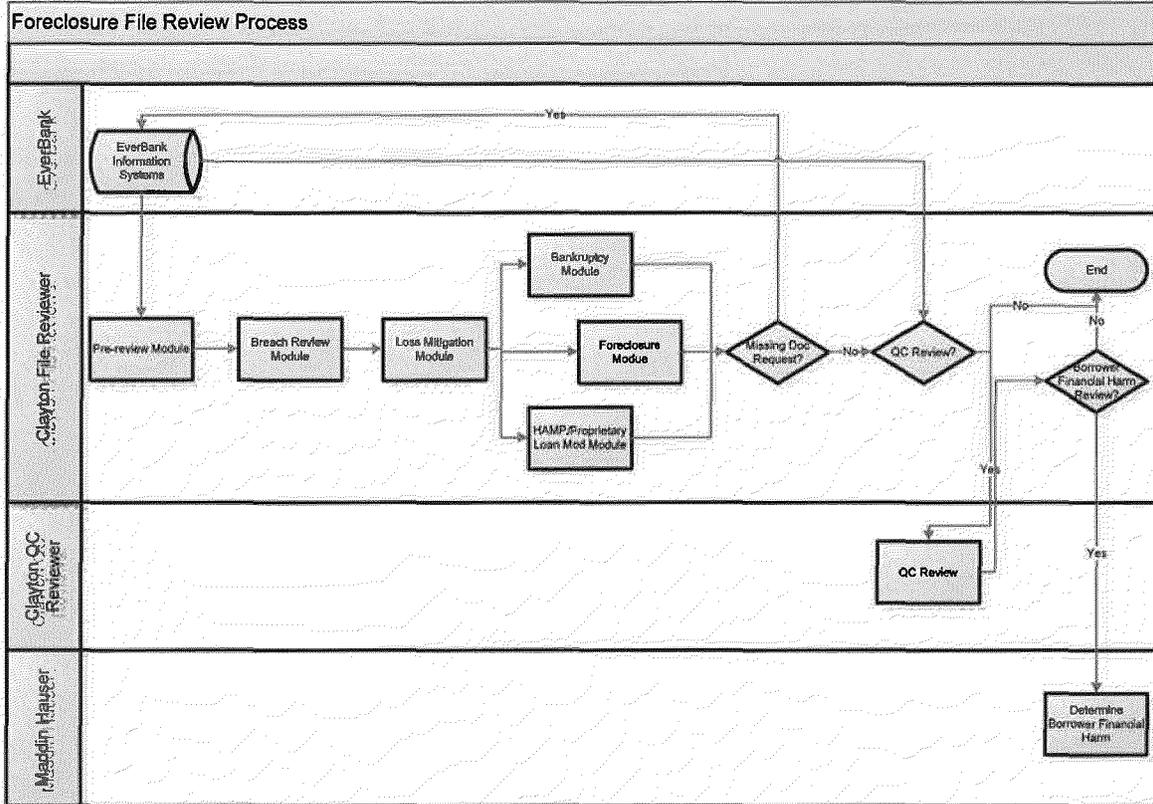
Clayton's state-specific test scripts, the content of which will be agreed-upon between Clayton and Maddin Hauser, and review processes are loaded into the BPM tool and are accessible by each reviewer. These scripts are consistently applied against each loan to assess that all requirements are tested. Inputs from the review at the question level are stored and tracked allowing for significant process transparency, quality control and results reporting.

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C. Process Map and Workflow

Clayton has developed a dynamic module file review process to verify that all Consent Order requirements are tested. Diagram 1 provides a process flow diagram that illustrates how the file review process steps taken by Clayton and Maddin Hauser will accomplish the review objectives described in Section II, (A.) Below, Clayton defines each of the file review modules, explains how the test scripts associated with the module will satisfy the stated objectives of the Consent Order requirements and references relevant reference material that will be utilized to complete each module.

Diagram 1



1. Pre-review Module

The Pre-review module displays all basic required documents and foreclosure process milestones. The Pre-review module will, in part, allow Clayton to identify the loan-specific scope (e.g. latest foreclosure milestone) required to complete Consent Order testing requirements (a) through (h) and to enter certain data to support such a review.

2. Breach Review Module

Upon completion of the Pre-review module, all loans in each defined review sample will proceed to the Breach Review module. The Breach Review requires analysts to gather information/data from the documents compiled through the Audit Trail process defined in Section II, (C) (8), accessed through the [REDACTED] (e.g. Breach Notice Sent Date) as well as EverBank's [REDACTED] (e.g. Last Interest Paid Date) to

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confirm that all loans have been in default for a sufficient period of time to legally authorize or proceed with foreclosure. The Breach Review module will, in part, allow Clayton to confirm that the foreclosure action was in compliance with Consent Order requirements (b) through (c) and (h).

Please see Exhibit(s) G through H for test script questions and state-specific breach requirements that will be utilized by analysts during the Breach Review module.

3. Loss Mitigation Module

Upon completion of the Breach Review module, all loans in the Review Sample will proceed to the Loss Mitigation module. The Loss Mitigation module is comprised of the following sub-processes:

(a) SCRA Verification

Clayton file review staff will review the Department of Defense (DOD) website (<https://www.dmdc.osd.mil/appj/scra/scraHome.do>), documents accessed through [REDACTED] as well as [REDACTED] to independently determine if the borrower on every loan in the Review Sample, beyond those loans identified in the EverBank foreclosure population dataset, was protected and in compliance with the SCRA guidelines. Additionally, to the extent where systematic data checks are made possible as the result of DOD efforts related to the Consent Order, Clayton will apply such data checks on all sampled loans.

(b) Bankruptcy

Clayton file review staff will review the PACER website (https://pacer.login.uscourts.gov/cgi-bin/login.pl?court_id=00pci), documents accessed through the [REDACTED] as well as EverBank's [REDACTED] to independently determine if the borrower on every loan in the Review Sample, beyond those loans identified in the EverBank foreclosure population dataset, was protected under the U.S. Bankruptcy Code and was in bankruptcy status (i) following foreclosure activity occurring in the foreclosure review time period or (ii) preceding foreclosure referral by a minimum of three (3) months. If these conditions are confirmed, the Bankruptcy Module process will be initiated for the loan and a Clayton file review staff member will be required to complete the module before the File Review Process can be completed.

(c) Modification

Clayton file review staff will access documents through [REDACTED] as well as [REDACTED] to independently determine if EverBank reviewed every loan in the Review Sample, beyond those loans identified in the EverBank foreclosure population dataset, for a HAMP or proprietary loan modification. If confirmed that the a loan modification application was substantially submitted by the borrower for a HAMP or proprietary loan modification and the modification was (i) denied following substantially completed borrower application, (ii) initiated and failed, and/or (iii) initiated and completed, the HAMP/Proprietary Loan Modification Module process will be initiated for the loan and a Clayton file review staff member will be required to complete the module before the File Review Process can be completed.

(d) Other Loss Mitigation

Clayton file review staff will review documents compiled through the Audit Trail process defined in Section II, (C) (8) and accessed through the [REDACTED] as well as [REDACTED] to independently determine whether every loan in the Review Sample, beyond those loans identified in the EverBank foreclosure population dataset, was under consideration for loss mitigation programs other than HAMP or a proprietary loan modification. In addition, Clayton file review staff will determine whether the latest in-scope loss mitigation activities were consistent with the policies and procedures

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applicable to EverBank's loss mitigation programs, such that each borrower had an adequate opportunity to apply for a loss mitigation option or program, any such application was handled properly, a final decision was made in accordance with the applicable policies and procedures in effect during the time period, and was communicated to the borrower. The Loss Mitigation Module will, in part, allow Clayton to confirm that the foreclosure action was in compliance with Consent Order requirements (b) through (c) and (g) through (h).

Please refer to Exhibit I for test script questions that will be utilized by analysts during the Loss Mitigation Module.

4. Fee Reasonability

In the following sections (Foreclosure Module, Bankruptcy Module and HAMP/Proprietary Loan Modification Module) Clayton file review staff will complete test script questions to test compliance with Consent Order requirements (e) through (f).

- whether a delinquent borrower's account was only charged fees and/or penalties that were permissible under the terms of the borrower's loan documents, applicable Legal Requirements, and were otherwise reasonable and customary
- whether the frequency that fees were assessed to any delinquent borrower's account including broker price opinions) was excessive under the terms of the borrower's loan documents, applicable Legal Requirement, or were otherwise unreasonable

Clayton will review documents accessed through [REDACTED] as well as [REDACTED] to complete the applicable module test scripts (please see exhibits associated to each applicable module) that were developed based under the following definition. Clayton's review will include all information which occurred following the default event related to the in-scope foreclosure activity and prior to, and therefore documented within, the Audit Trail process for a given loan as defined in Section II, (C) (8).

(a) Reasonable & Customary (provided in guidance received on May 20, 2011)

As applied to fees and/or penalties charged to a delinquent borrower's account. The term "reasonable and customary" for purposes of Article VII means that EverBank may only assess a fee for services actually rendered, and may only assess a fee or collect a monetary penalty that does not exceed the lesser of (i) any fee limitation or allowable amount for service under applicable state or federal law; (ii) any published, pre-established fee limitation or allowable amount for the service under the guidelines for the applicable government-sponsored enterprise investing in the loan or the government agency insuring the loan; and (iii) to-be-determined market rates for the service.

(b) Otherwise Unreasonable (provided in guidance received on May 20, 2011)

As applied to a fee or penalty that was assessed to a delinquent borrower's account (i) for the purpose of protecting the secured party's interest in the mortgaged property, and the fee or penalty was assessed at a frequency or rate, was of a type or amount, or was for a purpose that was in fact not needed to protect the secured party's interest; (ii) for services performed and the fee charged was substantially in excess of the to-be-determined fair market value of the service; (iii) for services performed, and the services were not actually performed; or (iv) at an amount or rate that exceeds what is customarily charged in the market for such a fee or penalty, and the mortgage instruments or other documents executed by the borrower did not disclose the amount or rate the lender or servicer would charge for such a fee or penalty.

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- (c) Excessive (provided in guidance received on May 20, 2011)

As applied to the frequency that fees were assessed to a delinquent borrower's account. The term "excessive," for purposes of Article VII, means any fee that exceeded the amount permitted by the borrower's loan documents or by applicable state or federal law. Excessive frequency of fees means the same or similar fees that are more than necessary or appropriate for completion of the underlying service. For example, if two property inspections were assessed within a shorter timeframe than allowed based on applicable requirements (e.g. GSE or EverBank policies) would not be customary.

Please see Exhibit J for state-specific and government-sponsored enterprise fee rates that Clayton file review analysts will assess against for compliance with Consent Order requirements (e) through (f) in the following modules.

5. Foreclosure Module

Upon completion of the Loss Mitigation Module, all loans in the Review Sample will proceed to the Foreclosure Module. The Foreclosure Module has four potential sub-processes that Clayton file review staff must complete dependent on what foreclosure actions were taken by EverBank (i.e. the Sale/Affidavit Review sub-process will only be completed if the foreclosure sale was held). Test script questions associated with the Foreclosure Module are dynamically linked to resource materials that are specific to the jurisdiction the property securing the loan is located in (i.e. judicial vs. non-judicial, state, etc.). The sub-processes for the Foreclosure module include (1) Documentation Verification, (2) Foreclosure Referral, (3) First and Second Legal and (4) Sale/Affidavit Review. Through these sub-processes, Clayton will review documents accessed through [REDACTED] as well as [REDACTED] to determine:

- (a) whether at the time the foreclosure action was initiated or the pleading or affidavit or declaration filed (including in bankruptcy proceedings and in defending suits brought by borrowers), the foreclosing party or agent of the party had properly documented ownership of the promissory note and mortgage (or deed of trust) under relevant state law, or was otherwise a proper party to the action as a result of agency or similar status;
- (b) whether the foreclosure was in accordance with applicable federal and state laws, including, but not limited to, the U.S. Bankruptcy Code and the SCRA;
- (c) whether a foreclosure sale occurred when an application for a loan modification or other Loss Mitigation was under consideration when the loan was performing in accordance with a trial or permanent loan modification, or when the loan had not been in default for a sufficient period of time to authorize foreclosure pursuant to the terms of the mortgage loan documents and related agreements;
- (d) whether, with respect to non-judicial foreclosures, the procedures followed with respect to the foreclosure sale (including the calculation of the default period, the amounts due, and compliance with notice periods) and post-sale confirmations were in accordance with the terms of the mortgage loan and state law requirements;
- (e) whether a delinquent borrower's account was only charged fees and/or penalties that were permissible under the terms of the borrower's loan documents, applicable Legal Requirements, and were otherwise reasonable and customary;
- (f) whether the frequency that fees were assessed to any delinquent borrower's account (including broker price opinions) was excessive under the terms of the borrower's loan documents, applicable Legal Requirement, or were otherwise unreasonable; and

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- (g) whether any errors, misrepresentations, or other deficiencies identified in the Foreclosure Review resulted in financial injury to the borrower or the mortgagee.

The Foreclosure Module will allow Clayton to confirm that the foreclosure action was in compliance with Consent Order requirements (a) through (f) and (h). Please see Exhibit(s) K through O for test script questions and example state-specific checklists that will be utilized by analysts during the Foreclosure module to test against the above stated objectives.

If it is determined during the Loss Mitigation Module that the borrower was *not* protected under the US Bankruptcy Code and that EverBank did *not* review a loan for a HAMP or proprietary loan modification, all stated objectives of the Consent Order requirements (a) through (h) will be complete and the File Review Process will end.

If it is determined that the borrower was protected under the US Bankruptcy Code and was in bankruptcy status (1) following foreclosure activity occurring in the foreclosure review time period or (2) preceding foreclosure referral by a minimum of three (3) months and/or that EverBank reviewed a loan for a HAMP or proprietary loan modification and the modification was (i) denied following receipt by EverBank of a substantially completed borrower application, (ii) initiated and failed, and/or (iii) initiated and completed, a Clayton file review staff member will be required to complete the associated Bankruptcy and/or HAMP/Proprietary Loan Modification Module(s) before the File Review Process can be completed.

6. Bankruptcy Module

Upon completion of the Loss Mitigation Module, if it is determined that the borrower was protected under the US Bankruptcy Code and was in bankruptcy status (1) following foreclosure activity occurring in the foreclosure review time period or (2) preceding foreclosure referral by a minimum of three (3) months, the Bankruptcy Module process will be initiated and a Clayton file review staff member will be required to complete the module. The Bankruptcy Module has five potential sub-processes that Clayton file review staff must complete dependent on what bankruptcy actions were taken by EverBank (i.e. the Motion for Relief from Stay sub-process will only be completed if EverBank filed a Motion for Relief from Stay). The sub-processes for the Bankruptcy Module include (i) Bankruptcy Notice, (ii) Docket Review/Proof of Claim Preparation and Filing, (iii) Bankruptcy Handling – Servicer/Attorney, (iv) Motion for Relief from Stay and (v) HAMP application. Through these sub-processes, Clayton file review staff will review the PACER website (https://pacer.login.uscourts.gov/cqi-bin/login.pl?court_id=00pci), documents accessed through the [REDACTED] as well as EverBank's [REDACTED] to:

- (a) Review through PACER to verify bankruptcy status and to reconcile to status as reported in EverBank's [REDACTED] as well as EverBank's [REDACTED];
- (b) Confirmation of adherence to bankruptcy timelines;
- (c) Verification of information included in the proof of claim and any motions for relief;
- (d) Confirmation of proper allocation of bankruptcy plan payments; and
- (e) Confirmation of EverBank adherence to court orders, etc.

The Bankruptcy Module will, in part, allow Clayton to confirm that the foreclosure action was in compliance with Consent Order requirements (a) through (b) and (e) through (h) Please see Exhibit P for test script questions that will be utilized by analysts applying the Bankruptcy Module.

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7. Loan Modification Module

Upon completion of the Loss Mitigation Module, Clayton or EverBank will complete a targeted Modification Pre-review process to identify the latest "in-scope" modification event (e.g. denial or completion) that was initiated within the look-back period. If an "in-scope" modification event is identified (e.g. EverBank reviewed a loan for a HAMP or proprietary loan modification and the modification was (1) denied following substantially completed borrower application (e.g. borrower submitted sufficient information to make a DTI and NPV determination), (2) initiated and failed, and/or (3) initiated and completed), the HAMP/Proprietary Loan Modification module process will be initiated and a Clayton file review staff member will be required to complete the module. The HAMP/Proprietary Loan Modification Module has four potential sub-processes that Clayton file review staff must complete dependent on what type of modification was offered (i.e. HAMP vs. proprietary) and the outcome of the loan modification (i.e. initiated and failed, completed, denied, etc.). The sub-processes for the HAMP/Proprietary Loan Modification Module include (i) Eligibility, (ii) Communication and Borrower Notices, (iii) Verification and Underwriting and (iv) Trial Period Plans and Modification. Through these sub-processes, Clayton file review staff will review documents accessed through [REDACTED] as well [REDACTED] to:

- (a) Recalculate the gross monthly income for borrowers based on provided financial documentation to validate the income input utilized by EverBank in the DTI and NPV calculations. Clayton will not validate the integrity of HAMP and/or proprietary modification models at the loan level. Clayton will confirm EverBank's processes and procedures in developing and verifying modification models as a component of the Operational Assessment described in Section III, (B);
- (b) Confirm occupancy status based on servicing system information and property inspection results;
- (c) Confirm existence of proper modification application documentation and notices referencing specific program guidelines;
- (d) Review servicer system comments to ensure appropriate follow up on missing documents for modification denials according to applicable policies and procedures;
- (e) Reference stated program guidelines to ensure timelines are followed;
- (f) Review system comments and payment screens to ensure proper application of post modification payment changes;
- (g) Review system comments and payment account screens to ensure payments and cash accounts (escrow) were maintained appropriately during modification process/trial period; etc.

The HAMP/Proprietary Loan Modification Module will, in part, allow Clayton to confirm that the foreclosure action was in compliance with Consent Order requirements (a) through (b) and (e) through (h). Please see Exhibit Q for HAMP test script questions that will be utilized by analysts during the HAMP/Proprietary Loan Modification module.

8. Audit Trail

Based on guidance received from the OCC, Clayton and EverBank are required to create and maintain a clear and auditable documentation trail when conducting foreclosure file reviews. The Audit Trail needs to present an agent of an auditing institution a link between a Clayton File Review Analyst's response, either adverse or non-adverse, and the information that was utilized in making the determination. Additionally, the information that is used in making the determination needs to be stored in a facility that

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will retain the information, data, document, etc. so that an agent of an auditing institution can reference the same information which will be readily available upon request. Clayton and EverBank's policies and procedures in relation to creating such an Audit Trail along with descriptions of the systems that are utilized are detailed in a memo delivered to the OCC on September 7, 2011. The OCC provided confirmation of its non-objection to the process on September 19, 2011. Please see Exhibit X for further details related to the Audit Trail process.

Please see Exhibits C through F for a complete list of all the documents required for the review, including an example list of state-specific documents.

9. Missing Documents

In instances where a required document is not accessible through the Audit Trail document package created by EverBank or directly accessible through [REDACTED] Clayton file review staff will answer associated review module questions with a response of "Missing Document". Upon completion of all applicable module reviews for a loan, Clayton will initiate a missing document sub-process through [REDACTED] to request all missing information required to address "Missing Document" responses. Upon receipt of the request, EverBank will take reasonable steps to make such documents available to Clayton within six (6) business days. If a follow-up missing document request is required regarding the same document, EverBank will be subject to a three (3) business day turn time for such requested documentation. After completion of two document requests, no further requests will be made and remaining missing documentation will be considered unavailable. If Clayton makes a subsequent missing document request related to a different document, EverBank shall have the same timeframes described above to make such documentation available. It is understood that the ability to obtain some missing documents within the prescribed timeframes may be out of the control of both EverBank and Clayton. Accordingly, EverBank and Clayton will follow any future OCC guidance or directives regarding the review and/or findings of unavailable documents.

D. Quality Control

Clayton will utilize a two pronged approach to manage Quality Control through the use of our [REDACTED] tool and through quality control loan reviews for all loans that have been identified during the File Review Process to have critical errors, misrepresentations and deficiencies (adverse findings). The goal of this approach is to identify every loan in the Loan Review Sample with adverse findings and most accurately and completely assess financial injury to the borrower(s) and/or mortgagee as detailed in guidance received from the OCC on May 20, 2011.

1. Business Process Management [REDACTED]

As mentioned in the File Review Process section, to manage the Foreclosure Review process Clayton is leveraging the [REDACTED] tool which provides systematic control over each step in a review process and ensures consistency and repeatability among the loan sample. The [REDACTED] tool allows for each individual loan review to be tracked and stored within the database.

Clayton's test scripts, the content of which has been agreed-upon between Clayton and outside counsel, and review processes are loaded into the system and are accessible by each reviewer. These scripts are consistently applied against each loan to assess that all requirements are tested. Inputs from the review at the question level are stored and tracked allowing for significant process transparency, quality control and results reporting including:

- (a) Visibility and control allowing for effective anticipation and proactive responses to changes in loan volumes (i.e. complaint process)

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- (b) Tracking of individual loan file reviews from initiation to completion
- (c) Automated file submission between the file review process, quality control file review process and assessment of borrower financial injury process
- (d) Control and monitoring of communication with EverBank on incomplete and missing documentation
- (e) Ability to track and trend errors, misrepresentations and deficiencies
- (f) Reporting and metrics

In addition, the business process management tool will allow Clayton to monitor the established levels of performance and identify deterioration of services or processes. Clayton's system has error detection functionality designed into the process, displaying and re-routing defects for appropriate personnel to review and correct.

2. Quality Control Loan Reviews

Clayton's quality control loan reviews will be performed by an independent team separate from Clayton file review staff and will be conducted after the completion of the loan File Review Process.

The Quality Control staff will perform quality control reviews for one hundred percent (100%) of loans that have been identified during the File Review Process to have had an adverse finding. In addition, quality control reviews will be performed on ten percent (10%) of loans which did not result in adverse findings. All test script questions associated with the Modules described in the File Review Process have both quality control and borrower financial injury indicators associated with specific test criteria. Any time a question is answered with an adverse finding as defined by the quality control indicator (i.e. 'No' equates to an adverse finding), it is coded in the [REDACTED] tool and the file review staff member will move onto the next question in the script. After all modules and associated test script questions have been completed, a comprehensive list of all adverse findings will have been collected for the loan (i.e. Clayton will not stop a review after one adverse finding is identified but rather complete the review to identify all adverse findings on the loan). If one or more adverse findings exist for a loan, or if the loan was selected as a portion of the ten percent (10%), non-adverse finding population, the [REDACTED] tool will dynamically activate the Quality Control module.

When reviewing the loan, all information that is collected and answers completed by file review staff will be visible to the quality control staff member so a comprehensive assessment of the accuracy of the loan review can be completed.

Documentation of all issues identified by Quality Control staff will be stored within the [REDACTED] tool to measure quality performance and drive management reporting. Upon completion of the review, a final loan grade of A or B will be assigned to the loan if no findings exist for the loan where the borrower financial injury indicator is coded to 'Yes'. Such loans with suspected financial injury will be graded with a "C."

- **A** = Appropriate servicing efforts were identified in accordance with the objectives outlined in Section 16 of the Consent Order. No errors, misrepresentations, deficiencies, or borrower financial injury was identified.

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- **B** = Errors, misrepresentation, and/or deficiencies were identified based on the objectives outlined in Section 16 of the Consent Order. Errors were not associated with borrower financial injury.
- **C** = Critical errors, misrepresentation, and/or deficiencies were identified resulting in non-compliance with the objectives outlined in Section 16 of the Consent Order (e.g failure to follow loss mitigation requirements, inappropriate fee treatment, etc). Borrower financial injury was identified as defined in Section II, (E).

E. Assessment of Any Financial Injury and Borrower Harm

If one or more adverse findings exist for a loan where the borrower financial injury indicator is coded to 'Yes', the [REDACTED] tool will dynamically activate the Borrower Financial Injury Module. Clayton and Maddin Hauser will assess each loans graded "C" to confirm and quantify Financial Injury.

Financial Injury: Based on OCC guidance provided on August 29, 2011, "financial injury" to the borrower or the mortgagee is defined as monetary harm directly caused by errors, misrepresentations or other deficiencies identified in the Foreclosure Review. Monetary harm does not include physical injury, pain and suffering, emotional distress or other non-financial harm or financial injury that did not result as a direct consequence of errors, misrepresentations or other deficiencies identified in the Foreclosure Review. However, financial injury does include monies actually expended by the borrower or mortgagee that otherwise would not have been required but for the error, misrepresentation or other deficiency by the servicer identified in the Foreclosure Review.

OCC guidance provided on August 29, 2011 further requires each institution to submit a plan outlining compensation or remediation based on Foreclosure Review findings. Clayton will report to the OCC all findings related to servicer error, misrepresentation, or other deficiency, including those that do not result in borrower financial injury. Such errors, misrepresentations, or other deficiencies will be subject to review by the OCC for possible remedial action other than, or in addition to, compensation to harmed borrowers. Please refer to Section II, (F) for further details outlining remediation and restitution processes.

The OCC indicated that it may prospectively be providing further guidance with respect to examples of Financial Injury and methods to quantify such Financial Injury. Clayton and Maddin Hauser will utilize all such OCC guidance in its Foreclosure Review process.

F. Remediation and Restitution

For all loans for which Clayton and Maddin Hauser determine that "Financial Injury" (as defined above) has occurred, subject to OCC review or approval, or any process established for servicer input regarding Financial Injury findings, EverBank will provide remediation for Financial Injury subject to EverBank's established Remediation Plan as required by Sections 18 and 19 of the Consent Order. The Remediation Plan will include the following processes:

Financial Injury to Borrowers Caused by Impermissible or Excessive Penalties, Fees or Expenses

(1) For loans in which EverBank has consummated foreclosure sale:

- EverBank will send a reimbursement check for the amount of the Financial Injury as determined by Clayton to the borrower's most recent address as identified by the Claims Administrator.

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- If the check is returned or if Claims Administrator was never able to originally locate the borrower, the Claims Administrator will make subsequent attempts to locate the borrower. If those attempts are unsuccessful, EverBank will hold the aggregated, unreimbursed funds in a segregated account until the borrowers can be located. If the borrowers cannot be located the funds will escheat to the state, or otherwise EverBank will pay the funds as directed by the OCC.
- (2) If EverBank still services the loan and the loan is current:
- EverBank will send a reimbursement check for the amount of the Financial Injury as determined by Clayton to the current address reflected on EverBank's records.
- (3) If EverBank still services the loan and the loan is delinquent:
- EverBank will apply the amount of the reimbursement as determined by Clayton in the following order: (i) to the borrower's past due payments; (ii) to outstanding escrow, fees or expenses; and (iii) to the unpaid principal balance.

Financial Injury to Borrowers Caused by Foreclosure Sale Where Foreclosure Was Not Authorized

- (4) If EverBank wrongfully instituted foreclosure proceedings upon the property and the foreclosure sale has not consummated:
- EverBank will suspend foreclosure and apply the amount of the reimbursement as determined by Clayton in the following order: (i) to the borrower's past due payments; (ii) to outstanding escrow, fees or expenses; and (iii) to the unpaid principal balance.
 - EverBank will correct negative credit reporting as appropriate or delete the negative trade lines with the credit bureaus.
- (5) If EverBank wrongfully foreclosed upon a borrower and the foreclosure sale has consummated:
- EverBank will send a reimbursement check for the amount of the Financial Injury as determined by Clayton to the borrower's most recent address as identified by the Claims Administrator.
 - If the check is returned or if Claims Administrator was never able to originally locate the borrower, the Claims Administrator will make subsequent attempts to locate the borrower. If those attempts are unsuccessful, EverBank will hold the aggregated, unreimbursed funds in a segregated account until the borrowers can be located. If the borrowers cannot be located the funds will escheat to the state, or otherwise EverBank will pay the funds as directed by the OCC.
 - EverBank will correct any negative reporting or delete the negative trade lines with the credit bureaus.

The OCC indicated that it may prospectively be providing further guidance with respect to required timing of Remediation and Restitution for issues discovered in the Foreclosure Review process. Clayton will provide incremental Foreclosure Review results, issue summaries and determination of Borrower Financial Injury in support of any such guidance.

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III. Information and Systems to be Reviewed

A. File Review Information and Documentation

To accomplish the process detailed in Section II, (C), EverBank will provide Clayton with read-only access to the following systems:

1. [REDACTED]

[REDACTED] is the primary loan servicing platform for EverBank. In addition to supporting basic servicing functions such as escrow administration, payment application, and customer service activities, the system contains dedicated default workstations for foreclosure and loss mitigation. The tracking steps and loan indicators within these workstations can be customized by individual [REDACTED] clients to support their unique process flows.

[REDACTED] has ancillary products which support the system and provide additional resources for loan management. [REDACTED] product allows [REDACTED] users to customize workflows and call scripts for specific functions. These scripts ensure a consistent and quality product by automating tasks and/or providing a detailed workflow for EverBank employees to follow when completing an action. [REDACTED] is an additional [REDACTED] tool associated with the [REDACTED]. It provides the ability to generate reports based on loan level data stored within the system.

For certain loans in the total relevant population, data is not available through the [REDACTED] as in accordance with EverBank's normal processes certain inactive loans have been purged such data from the [REDACTED]. In such cases, EverBank will prepare screenshots of all data required by Clayton to perform a comprehensive file review.

2. [REDACTED]

Active foreclosure cases are managed on the [REDACTED]. [REDACTED] All parties have access to view and update information across all the [REDACTED] products.

[REDACTED] module within [REDACTED] is a workflow system utilized for case management on the foreclosure loans. It provides work queues for items pending completion or requiring attention and has templates for tracking individual events within the foreclosure and bankruptcy process.

In addition to the tracking and workflow capabilities embedded within the [REDACTED] portion of [REDACTED] EverBank also utilizes the [REDACTED] and [REDACTED] modules within [REDACTED]. [REDACTED] is the imaging platform for all foreclosure documents. [REDACTED]

[REDACTED] is the electronic bill payment system for submission of attorney invoices. The system contains edit checks to ensure attorney invoices billed in excess of the published investor / insurer guidelines are not processed for payment without special approval.

A bi-directional interface between [REDACTED] and [REDACTED] ensures both systems reflect the current status of the loan and this information is available to all parties with responsibility for processing the action.

In the event that documentation made available through the above mentioned systems are insufficient to fulfill the complete review process for any loan, Clayton will not perform a partial file review of the loan. In such a situation, Clayton will submit a document request to EverBank which will in turn take steps to make such requested documentation available through the [REDACTED]

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██████ Please refer to Section V, (D.) for a schedule of document file completion that Clayton requires to meet stated file review completion timeframes.

B. EverBank Operational Assessment

Through a review of advance materials and an on-site servicing practices assessment, Clayton will assess EverBank's written and stated policies and procedures, operational controls, and corporate governance oversight policies pertaining to the foreclosure process, including but not limited to: (1) internal and external audit programs and documents; (2) compliance programs; (3) risk management and quality control procedures; (4) vendor oversight; (5) pre-foreclosure review and approval process (e.g. confirmation of reasonable and appropriate loss mitigation efforts, review for bankruptcy and SCRA, equity analysis, etc.); (6) foreclosure document, timeline, milestone, and workflow management; and (7) staffing, training, and performance monitoring. Clayton will perform the Operational Assessment through two phases of work:

- (a) Planning and review of advance materials
- (b) Onsite Servicing Practices Assessment
 - Management interviews
 - Workflow observations
 - Live call monitoring

1. Planning and Review of Advance Materials

Prior to the Operational Assessment review, EverBank and Clayton will discuss the review scope and agenda and establish the advance materials that will be requested prior to the on-site visit. Clayton plans to review materials received in advance and off-site (at Clayton's offices) in order to facilitate a more efficient and targeted review.

After reviewing materials received in advance, a conference call will be conducted to:

- Confirm the scope and agenda for the review;
- Review the organizational charts and functional area site locations;
- Identify location(s) for management interviews;
- Identify missing materials/information expected in advance; and
- Establish operational review scheduling, team composition, on-site resource requirements, and expected level of EverBank's participation throughout the course of the review.

2. On-Site Servicing Practices Assessment

Based on the scope and agenda discussed in Phase 1, Clayton will conduct interviews with each of the applicable department's functional area managers and key employees involved in the servicing of residential mortgage loans (targeted to default related areas). The discussions will be consultative in nature and will focus on how each manager's functions currently operate as well as challenges, initiatives, and recent enhancements. Clayton recommends the review incorporate the areas listed in Table 1.

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Table 5: Functional Areas (as applicable)

<ul style="list-style-type: none">• Legal, Compliance, and risk management• Customer Service• Collections• Loss Mitigation/ HAMP• Quality Control / Quality Assurance• NPV/ Equity Analysis	<ul style="list-style-type: none">• Property Valuation / Preservation• Bankruptcy• Pre-Foreclosure• Foreclosure• Vendor Management
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When relevant to each functional area listed in Table 5, the following topics will be reviewed and evaluated.

Table 6: Topics Covered

<p>Process and Procedures</p> <ul style="list-style-type: none">• Adherence to and ability to adopt contractual guidelines• "Exceptional" procedural review (e.g. situations, special loans, risk characteristics)• Borrower notification and call cycles• Workout strategies• Process workflow and controls• Compliance and risk management• Operational benchmarks• Performance monitoring• Side-by-side observations and live call monitoring including assessment of adherence to written policies and procedures• Process and guidelines for modifying or updating policies and procedures	<p>Timeline Management</p> <ul style="list-style-type: none">• Strategy• Policy and timeline management• Compliance• Automation and tracking <p>Systems</p> <ul style="list-style-type: none">• Automated process review• Adequacy assessment of EverBank's servicing system functionality (through side-by-side work observations and system demonstration)• Internal programming development• Controls, tracking, and reporting
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IV. Borrower Complaint and Outreach Process

A. Coordinated Outreach Process

EverBank has agreed to participate in a coordinated outreach process consistent with other Consent Order banks and related Independent Consultants. As related to the coordinated process, EverBank will utilize consistent template documents and processes related to borrower communication and complaint receipt and processing as detailed below. EverBank will implement the coordinated Borrower Complaint and Outreach process by September 30, 2011 or other date directed by the OCC. Please refer to Section V, (A) on Page 37 for complete project timelines.

B. Borrower Communication

EverBank has engaged Rust Consulting, Inc. as a third-party Claims Administrator which will be responsible for the administration of the borrower outreach and claims intake process. EverBank will execute a statement of work with Rust Consulting, Inc. following finalization of the coordinated outreach

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process. Consistent with the coordinated approach, the Claims Administrator will notify potentially affected borrowers about the borrower complaint process through several types of outreach as detailed below. All outreach documentation will be in the form of approved templates created through the coordinated outreach process.

1. Direct Mail

The Claims Administrator will perform address validation activities prior to sending notice and complaint forms to the designated borrowers using (i) national change of address databases available through the USPS, and (ii) such other databases as Claims Administrator deems advisable. The Claims Administrator will establish a dedicated P.O. Box to receive returned mail.

Notice and complaint forms will be sent by US mail to the designated borrowers. The Claims Administrator will track the number of forwarded documents and documents returned. The content and format of such notice will materially comply with the July 8, 2011 Guidance received from the OCC, and will be consistent with the coordinated outreach approach. Please refer to Exhibits S through V for draft example notification letters and borrower response forms which reflect information regarding:

- A dedicated P.O. Box to receive mailed responses from borrowers;
- A dedicated website established by the Claims Administrator where borrowers can submit a claim online. The website will contain information and process for submission of complaints electronically, with email acknowledgment of receipt of complaint;
- A dedicated toll free number for borrowers with complaints;
- Why the borrower is being contacted;
- How eligibility will be determined (i.e., based on in-scope status);
- Necessary information that EverBank will need from the borrower when the borrower responds;
- Channels available to them to contact EverBank (including telephone and internet contacts) and/or the Claims Administrator;
- Timeframe for filing a complaint with EverBank/ Claims Administrator;
- What to expect from this process, including when to expect a response.

The complaint form will provide a consistent set of questions to be answered by borrowers, including but not limited to:

- Current contact information;
- Eligibility determination questions;
- Specific nature of issue; and
- Previous complaint details (if any).

If an acceptable penetration rate (e.g. eighty percent (80%) based on guidance received from the OCC in meetings held June 28, 2011) has not been achieved, the Claims Administrator will take additional address trace actions (e.g. skip tracing efforts) in attempting to locate borrowers whose notices have been returned as determined in accordance with the coordinated approach.

2. Advertisement

Other forms of outreach, including (i) advertisement, (ii) recorded telephone messages and (iii) social media may be undertaken consistent with the coordinated outreach approach. The content and medium of advertisement will be consistent with guidance received from the OCC on July 8, 2011. Please refer to Exhibit W for a draft example advertisement. The scope and method of advertisement that may be considered through the coordinated outreach approach are as follows:

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- Advertisements in national newspaper and prominent publications;
- Advertisements in select local newspapers based on geographical concentration of relevant borrowers, and incorporating the data patterns from the statistical sampling.
- Consideration of use of Social Media or Social Networks, to publicize the complaint process or to facilitate submission of a complaint; and
- Consideration of transmittal of recorded telephone messages to in-scope borrowers that tells them why they are being contacted and that a letter is being sent to the borrower with a toll free number and website contact information.

3. Other Communication

- EverBank will work with Hope Now to provide notice of its Borrower Outreach and Complaint Process and will identify other nation-wide community outreach opportunities.
- EverBank will include a notice on its mortgage servicing website directing providing borrowers with the Claims Administrator website address and telephone number.

C. Complaints Receipt and Processing

1. Complaint Intake

All claims received by EverBank retroactive to January 1, 2011 and through the outreach process will be logged by the Claims Administrator. EverBank will provide documentation to Clayton regarding claims received after January 1, 2011 but prior to the commencement of the outreach process. Claims logs will be available electronically to EverBank and Clayton not less than weekly. EverBank may provide such reporting to the OCC on a monthly basis. The Claims Administrator will develop Complaint Intake reporting showing relevant metrics which may include:

- Number of complaints received;
- Type or Nature of complaint received;
- Number of complaints in-scope and out-of-scope;
- Number of complaints acknowledged;
- Number of complaints in process;
- Number of complaints not yet analyzed;
- Number of complaints responded to;
- Complaints disposition;
- Aging reports as warranted; and
- Comments section to provide for other pertinent information.

Clayton will have the ability to audit the Claims Administrator's process and claims log to verify that all claims submitted are accurately captured in such Complaint Intake reporting.

2. Eligibility Determination

EverBank will complete an eligibility review of all claims included in the Claims Administrator's complaint log. All claims will be submitted to Clayton and Clayton will complete an independent eligibility review.

(a) Ineligible Claims

If Clayton confirms that a complaint is ineligible, it will communicate such to the Claims Administrator and the Claims Administrator will send a notice to the borrower informing the borrower. The content and timing of such a notification will be consistent with templates developed through the coordinated approach. The Claims Administrator will provide EverBank with a report of such ineligible complaints not

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less than weekly so that EverBank may determine whether the complaint requires other response through EverBank's normal complaint processes.

(b) Eligible Claims

EverBank will complete an initial review and will provide a report of its findings and a proposed resolution to Clayton for independent review of the complaint. To the extent any immediate remedial action is required or desired by EverBank, EverBank may undertake such action, subject to subsequent review by Clayton and any additional requirements of the remediation plan approved by the OCC.

If Clayton determines that a loan is eligible, it will communicate such to the Claims Administrator and the Claims Administrator will send a notice to the borrower informing the borrower that his/her loan will be reviewed, and that to the extent remediation is ultimately indicated, the borrower will be informed of such in accordance with the time frames set forth in Sections 18 and 19 of the Consent Order. The content and timing of such borrower communication will be consistent with templates developed through the coordinated approach. Clayton will proceed with a file review on all eligible loans¹ as described in the Borrower Complaint and Outreach Driven Sample as detailed in Section I, (B).

3. Borrower Acknowledgement

For every complaint received, the Claims Administrator will send an acknowledgement letter to borrowers who submit complete complaint forms. Further, the Claims Administrator will send follow-up notices to borrowers who submit incomplete claim forms. The content and timing of borrower acknowledgement communication will be consistent with processes developed through the coordinated approach.

Following the completion of Clayton's review, the Claims Administrator will send responses to eligible borrower complaints as appropriate based on defined coordinated outreach processes.

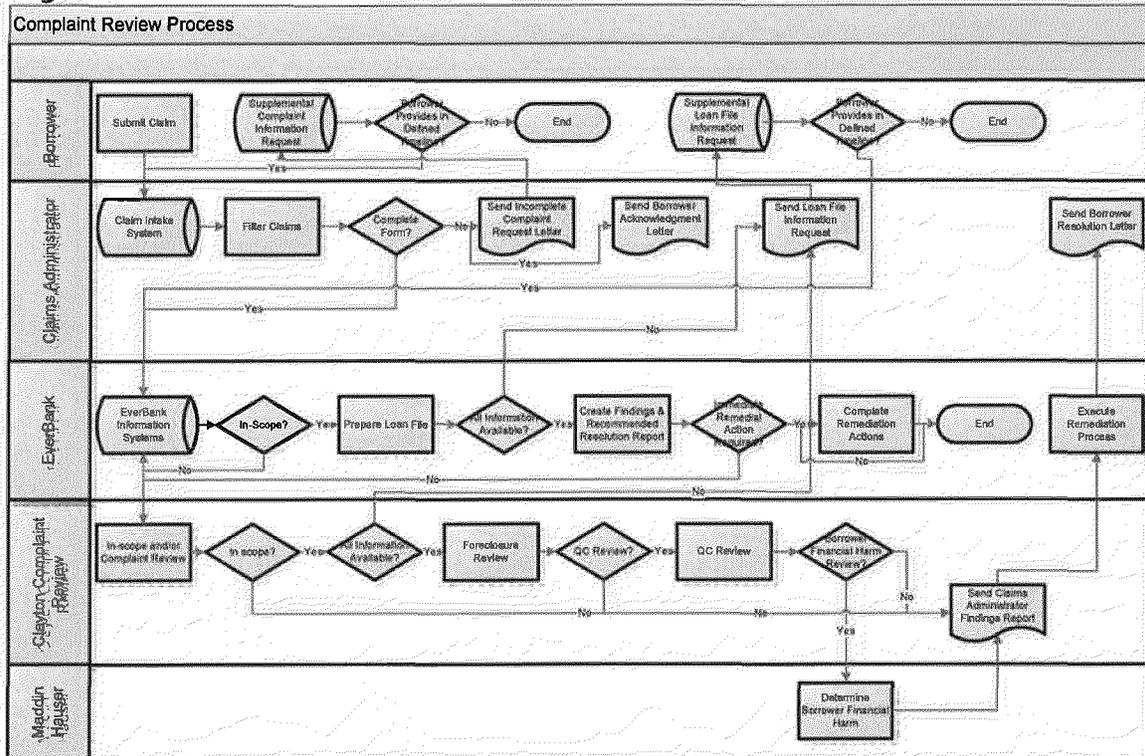
4. Training

In support of the borrower complaint and outreach process, EverBank will develop training for call center agents to effectively handle calls about the complaint process, including contact information for the Claims Administrator and website information for further information and claim forms. Most necessary technology configuration will be addressed by the Claims Administrator but EverBank will take action necessary to ensure it has appropriate technology configuration for the Borrower Complaint and Outreach Process, including the maintenance of the archived database of complaints created by the Claims Administrator, once the remediation process has been completed.

Please refer to Diagram 2 below for a process flow diagram that illustrates the Borrower Outreach and Complaint Process steps.

¹ With respect to Section 2(c) of the July 8, 2011 Guidance, Clayton will have the ability to obtain the loan files for eligible borrowers who submit complaints through the processes that EverBank and Clayton will establish for file review for all other loans in the sample.

Diagram 2



D. Response and Remediation

If Clayton, after consultation with Maddin Hauser, determines that there are errors in the file that have caused Financial Injury, the errors will be noted in Clayton’s report to the OCC and Clayton will make a recommendation for remediation to EverBank. In cases where critical errors, misrepresentations or deficiencies are identified that caused Borrower Financial Injury, EverBank will proceed with remediation steps as described in Section II, (F).

If Clayton determines that there are errors, misrepresentations or deficiencies in the file that have not caused Borrower Financial Injury, the errors will be noted in Clayton’s report to the OCC and will be communicated to EverBank and to the Claims Administrator. The Claims Administrator will send a letter to the borrower indicating that errors detected in the file did not cause Borrower Financial Injury and no further action will be taken in connection with the foreclosure review.

If Clayton determines that there are no errors, misrepresentations or deficiencies in the file, it will be noted in Clayton’s report and will be communicated to EverBank and the Claims Administrator. The Claims Administrator will send a letter to the borrower indicating that no errors were detected and no further action will be taken in connection with the foreclosure review.

V. Timeframes and Milestones

A. Project Timeframes

According to Section 15, (C) of the Consent Order the completion of the Foreclosure Review should occur within one hundred twenty (120) days from the approval of the engagement letter. In a meeting with the OCC on June 28, 2011, Clayton received further guidance indicating the project timeline should be established independently to ensure completion and accuracy of the review. All work described in Sections I through IV will be completed according to the timelines outlined in Table 7. Please refer to Exhibit R for a Gantt chart outlining project workflow and timeframes. All timelines and milestones begin one business day following approval of the engagement letter by the OCC. Clayton received conditional approval from the OCC on August 11, 2011 to begin the Foreclosure File Review. Specific timeframes for each project section is further detailed below.

Table 7

Task Group	Task Name	Start Date	End Date	Duration Days
Complaint Process	Complaint Process Direct Mail Drop	9/30/2011	11/18/2011	50
Complaint Process	Complaint Process Marketing	9/30/2011	3/30/2012	183
Complaint Process	Complaint Intake	9/30/2011	3/30/2012	183
Operational Assessment	EverBank Foreclosure Operational Assessment	8/12/2011	9/10/2011	30
File Review	Initial Sample File Review Setup	8/12/2011	9/10/2011	30
File Review	Initial Sample File Review	9/11/2011	2/7/2012	150*
File Review	Expanded Sample File Review	3/9/2012	7/6/2012	120
File Review	Complaint Driven File Review	9/30/2011	7/28/2012	303**
Deliverables***	Foreclosure Report	2/8/2012	3/8/2012	30
Deliverables***	Revised Foreclosure Report	7/7/2012	8/5/2012	30

*Clayton's estimated timeframe to complete the Initial Sample file review is one hundred fifty (150) days rather than the one hundred twenty (120) days as indicated in the Consent Order. Clayton's staffing model and training program anticipates an employee on-boarding and training ramp up period of thirty (30) days which is included in the one hundred fifty (150) day total. This on-boarding and training ramp up period is separate from the Initial Sample File Review Setup period which will be used to update Clayton technology to work through data and documentation logistics with EverBank.

**Clayton's estimated timeframe to complete the Borrower Complaint and Outreach Driven Sample is one hundred twenty (120) days following the end of the coordinated complaint intake period, March 30, 2012. This timeframe may be subject to change based on actual volume and timing of complaints received.

*** The Foreclosure Report and Revised Foreclosure Report may be combined into a single foreclosure report with the timing of delivery subject to the direction of the OCC.

B. Borrower Complaint and Outreach Process Timeframes

1. Borrower Communication

EverBank and the Complaint Administrator will take Borrower Communication steps detailed in Section IV, (A) according to the schedule outlined in Table 7 above.

2. Complaint Sample Review

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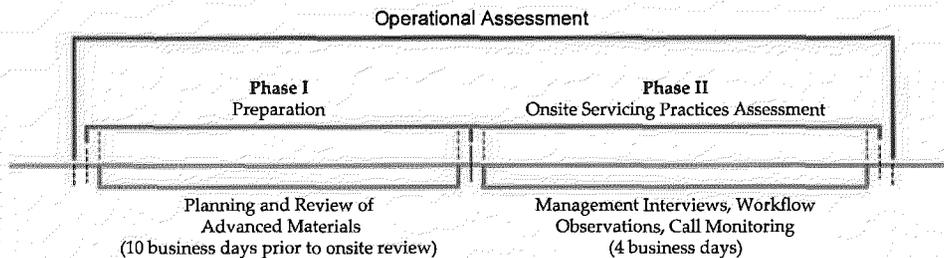
Clayton anticipates the Complaint Sample review for all eligible claims will begin contemporaneously with the initiation of the borrower communication portion of the Borrower Complaint and Outreach process and will proceed for up to an estimated one hundred twenty (120) days following the end of the complaint process intake period (March 30, 2012). Actual timelines for the Complaint Sample review will depend on the volume of loans to be reviewed. Clayton will review and respond to each eligible Borrower Complaint within the timelines established by the OCC or imposed upon EverBank pursuant to applicable law, including allowance for the Claims Administrator to provide the response to the borrower in Section IV, (C).

Clayton estimates the time required to complete review of complaints received, including Financial Injury determination, will be variable based on the nature and extent of each complaint. Clayton will dedicate appropriate staffing levels related to the Borrower Outreach and Complaint Process dependent on the volume and timing of complaint receipt. The Claims Administrator will send responses to eligible borrower complaints as appropriate with respect to Clayton's findings within timeframes consistent with the coordinated approach.

C. Operational Assessment Timeframes

The Operational Assessment, described in Section III, (B), will be completed in the timeframe indicated in Diagram 3 below. Clayton anticipates Phase I preparation will be completed within ten (10) business days prior to the onsite review. Phase II onsite management interviews and workflow observations will be conducted within a four (4) business day period. All Operational Assessment activity will be completed during the setup phase of the overall Foreclosure File Review process. All Operational Assessment findings and reporting will be incorporated into the Foreclosure Report described in Section VII, (B).

Diagram 3



D. File Review Timeframes

1. File Review Setup

Immediately upon approval of the engagement letter, and prior to commencing the Initial Sample file review, Clayton will complete setup and ramp up activity including (1) system connectivity testing, (2) documentation assessment and (3) test complete file reviews and (4) training. Clayton anticipates setup taking no more than thirty (30) days; however beginning and completing the Initial Sample review according to the timeframes indicated is contingent on EverBank providing certain required documentation (see Section III above) in the timeframes indicated in Table 8.

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Table 8

Complete Document Files Provided - Cumulative	Days from Regional Director Approval	Percentage
1,743	30	25%
3,486	45	50%
5,229	60	75%
6,972	75	100%

2. File Review Schedule

As described in Section II, Clayton's File Review Process will apply various test modules to each loan. Bankruptcy and HAMP/Proprietary Loan Modification modules will only be applied to relevant loans; whereas, all other testing will be consistently applied to each reviewed loan. Clayton estimates the time per module as provided in Table 9, **exclusive of (1) the time required for EverBank to provide or cause to provide required documentation as described in Section III, (A) (2) the time required for Clayton and Maddin Hauser to determine Borrower Financial Injury as described in Section II, (E), and (3) the time required for Quality Control reviews as described in Section II, (D).**

In creating production time estimates, Clayton considered substantial prior loan audit experience as well as operational efficiencies gained through its use of proprietary [REDACTED] technology. As described in Section II, (D), its [REDACTED] system will allow Clayton management to view actual time to complete each individual review module in order to assess and adjust staffing levels to meet communicated project timeframes.

The OCC has informed Clayton that it is in the process of developing its document retention standards for the Foreclosure Review. The OCC may issue guidance requiring Clayton to preserve documents not contemplated in our plan as detailed in Section II. Where required, Clayton will adjust staffing levels and time estimates by module to account for additional documentation management and storage requirements.

Table 9

Module	Loan Volume	Ramp-up Production Time Estimate*	Full Production Time Estimate*
FC	6,972	3.0	2.5
Mod	2,532	1.8	1.5
BK	3,573	1.5	1.25
Average	n/a	4.42	3.69

*Estimated blended time accounting for percentage of sampled loans with Bankruptcy and/or Modification Modules. Time estimates assumes full production efficiency will not be achieved until eight weeks from the start of the Foreclosure Review.

3. Quality Control

As described in Section II, (D), Clayton will apply a two pronged Quality Control approach. Clayton Quality Control professionals will review one hundred percent (100%) of loans with adverse findings in addition to a ten percent (10%) sample of loans without adverse findings. All Quality Control reviews are estimated to be completed in one (1) hour per loan.

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4. Financial Injury

Financial injury will be reviewed and determined on a case by case basis as described in Section II, (E). Given the loan-specific nature of each review, time-per-file estimates are not appropriate. Clayton will work with Maddin Hauser to ensure appropriate staffing levels to assist Clayton in proper assessment of financial injury within the stated File Review timeframes.

E. Deliverable Timeframes

1. Periodic Status Reports

As described in Section VII, (A) below, Clayton will provide to the OCC bi-weekly, written progress updates detailing (1) file review productivity levels, (2) logistics issues material to the completion of the file review in stated timelines, (3) material findings related to files reviewed, and (4) recommendations for increased sampling pursuant to Section I, (C). Clayton will begin providing status reports on the second Thursday following the Initial Sample File Review Start Date and every second Thursday thereafter until the completion of all Foreclosure Loan File Reviews.

2. Foreclosure Report

Per Section 17 of the Consent Order, Clayton will prepare a written report detailing the findings of the Foreclosure Review within thirty (30) days of completion of the Initial Sample File Review. Unless otherwise directed by the OCC, Clayton will provide the Foreclosure Report accounting for the results and findings from the Initial Sample within the stated timeframe. Findings related to Expanded or Complaint Driven Samples will be reported in revised Foreclosure Reports, each thirty (30) days from the completion of file review activity for the related expanded sample segment.

VI. Staffing Plan

A. File Review Staff

Clayton will designate a manager overseeing all operational components of the project to 1) monitor Clayton's adherence to project scope, timelines, and expectations, 2) maintain consistent communication with EverBank and other third parties, 3) oversee quality, and 4) ensure that project output exceeds client expectations. The Clayton File Review Staff will be comprised of a combination of full-time Clayton Credit Risk Analysts and contract Servicing Default Compliance Specialists. Please refer to Section X for more information regarding Clayton's staff expertise.

Credit Risk Analysts are full time employees of Clayton's surveillance business, with significant experience in servicer oversight and the review of servicing files, and deep technical knowledge of servicing processes and operations. A number of these individuals participated in a review of Clayton's special servicer's foreclosures and, as a result, are familiar with foreclosure practices and documents.

Servicing Default Compliance Specialist contract workers have mortgage or financial services experience, specifically experience analyzing loan and borrower data, and have strong knowledge of servicing practices related to loss mitigation and foreclosure proceedings. Staff responsible for completing Module 7 as described in the File Review Process Section II, (C) has specific experience in conducting servicer file audits of HAMP and proprietary loan modifications. All Servicing Default Compliance Specialist contract workers will undergo a topical pre-screen questionnaire prior to

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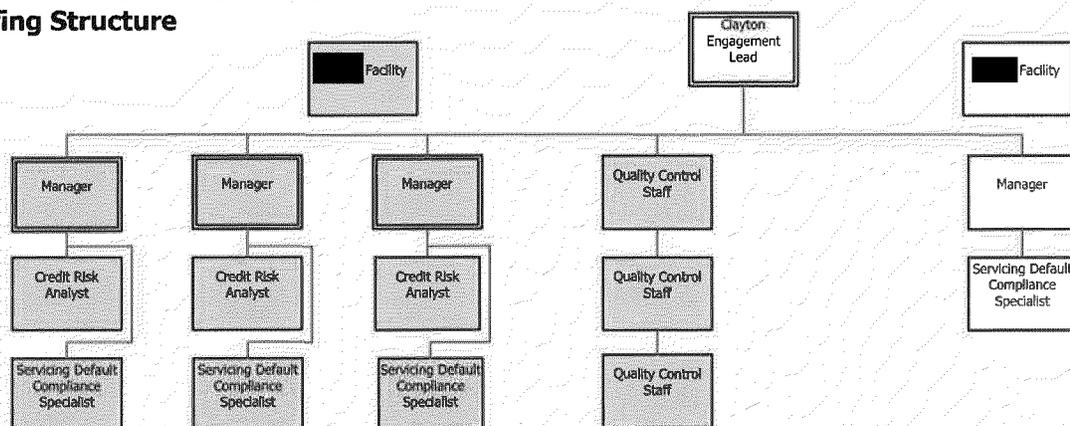
inclusion on the project staff plan. Clayton may utilize a limited number of experienced remote resources where necessary.

As stated in the Quality Control Section II, (D), Clayton's quality control loan reviews will be performed by an independent team separate from Clayton file review staff and will be conducted after the completion of the loan File Review Process. The Quality Control staff, like the File Review Staff, will be made of a mix of Credit Risk Analysts and experienced Servicing Default Compliance Specialists. Based on anticipated adverse finding rates and other Quality Control volume described in Section III, Clayton estimates the need for nine (9) dedicated Quality Control staff members for the Initial Sample.

Management and project oversight staff are from Clayton's surveillance and Consulting business units and have significant experience managing teams of credit risk analysts and consultants. These individuals possess deep technical knowledge of mortgage servicing practices and significant project management experience leading large-scale client engagements.

As indicated in Diagram 4, file Review Staff will be split between Clayton's [redacted] and [redacted] facility locations with staff in [redacted] being responsible for Modules 1-6 and staff in [redacted] responsible for completing Module 7 as described in the File Review Process Section II, (C).

**Diagram 4
EverBank Foreclosure File Review
Staffing Structure**



Based on the Initial Sample stratification and the Timeframes and Milestones sections Clayton estimates staffing demands for the File Review Process as indicated below:

Table 10

Initial Sample Loans	Hours Per File	Available Work Days	Average File Review Staff	Estimated QC Staff	Estimated Management Staff	Average Total Staff
6,972	3.9	103	48	9	3	60

Clayton will implement a phased approach to on-boarding staff in order to implant comprehensive training and to identify areas of improvement within our process as we begin file reviews (i.e. reevaluate the document submission process if a significant portion of files are incomplete). Below is the on-boarding schedule for the staff:

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Table 11

Start Date	File Review Staff On-Boarding Count
8/23/2011	34
9/12/2011	6
10/3/2011	11
Total*	51

*Total File Review Staff count does not match the estimated File Review Staff number in Table 10 because Clayton will incorporate a staff ramp up period that will require an estimated total of 51 individual file reviewers to reach an average of 48 over the complete Foreclosure Review timeline.

B. File Review Training

Clayton will conduct file review module training in coordination with the on-boarding process. The training program will include the following focus areas:

- Documentation Requirements
- Systems Training
 - [REDACTED] tool
 - EverBank [REDACTED]
 - EverBank [REDACTED]
- Modules described in the File Review Process Section II, (C)
 - [REDACTED] Staff - Modules 1-6
 - [REDACTED] Staff - Module 7

Following training, each staff member will be required to pass a file review test that will focus on all of the modules from the File Review Process Section II, (C) and in turn all of the requirements of the Consent Order (Note: [REDACTED] and [REDACTED] Staff will have different tests focused on specific modules mentioned above).

Additionally, Clayton has developed detailed training guides for each of the major modules from the File Review Process Section II, (C) (i.e. Bankruptcy, Foreclosure, HAMP, etc.) which will be accessible to all review staff throughout the review.

C. Financial Injury Determination

A Clayton Manager overseeing the quality control staff, as described above, will collaborate with Maddin Hauser staff to complete the Financial Injury Determination as described in Section III, (E).

D. Borrower Outreach and Complaint Process

The Clayton Complaint Process Staff will be made up of a combination of full-time Clayton Credit Risk Analysts, professionals from Maddin Hauser and Servicing Default Compliance Specialist contract workers.

Credit Risk Analysts (as described on Page 40)

Professionals from Maddin Hauser have significant experience in reviewing borrower claims on residential mortgage loans and evaluating mortgage servicer resolution and remediation actions.

Servicing Default Compliance Specialist contract workers (as described on Page 40)

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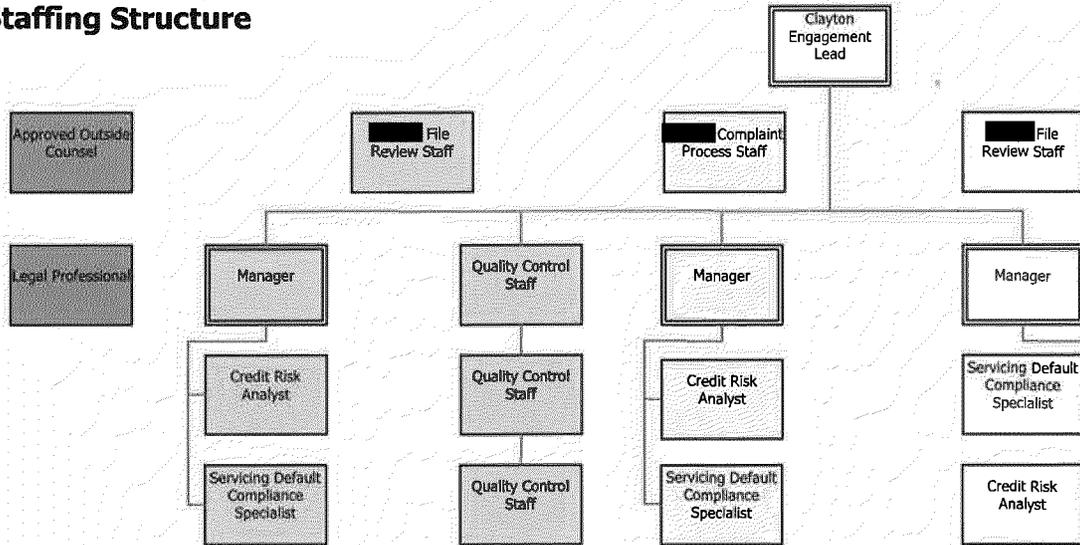
As stated in the Quality Control Section II, (D), Clayton's quality control loan reviews for the Complaint Process will be performed by an independent team separate from Clayton file review staff and will be conducted after the completion of the loan File Review Process. The quality control staff, like the file review staff, will be made of a mix of Credit Risk Analysts and experienced Servicing Default Compliance Specialists.

Clayton estimates the time required to complete review of complaints received, including Financial Injury determination, will be variable based on the nature and extent of each complaint. Clayton will dedicate appropriate staffing levels related to the Borrower Outreach and Complaint Process dependent on the volume and timing of complaint receipt.

As indicated in Diagram 5, all professionals from Maddin Hauser will be staffed in Clayton's [REDACTED] office or in the offices of such approved counsel and the File Review Staff will be split between Clayton's [REDACTED] and [REDACTED] facility locations with staff in [REDACTED] being responsible for Modules 1-6 and staff in [REDACTED] responsible for completing Module 7 as described in the File Review Process Section II, (C).

Diagram 5

EverBank Complaint Review Staffing Structure



E. EverBank Operational Assessment

Clayton will designate a manager overseeing the Operational Assessment component of the project to 1) monitor Clayton's adherence to project scope, timelines, and expectations, 2) maintain consistent communication with EverBank, 3) oversee quality, and 4) ensure that project output exceeds client expectations. In addition to Clayton's overall project management personnel, Clayton's on-site team will consist of one (1) Consulting Manager and one (1) Consulting Associate. In Clayton's experience, this type of team model provides for a mix of staff that enables high performance and efficient delivery of work product. Minimum skill set and experience for each role for the Operational Assessment is detailed as follows.

Consulting Manager: Clayton full time employee with previous consulting experience in the financial services industry with a focus on residential and/or commercial mortgage-related projects. Required

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ability to act as project lead or in a supporting capacity during on-site evaluations and capability to conduct in-depth in-take interviews and perform comprehensive work observations of management and staff of reviewed subject. Capacity to perform process mapping and gap analysis activities and ability to develop and implement remediation plans. Responsible for ensuring client satisfaction through the timely performance of consulting engagements and the distribution of exceptional quality deliverables.

Consulting Associate: Clayton full time employee knowledge of residential servicing practices is required along with excellent communication and presentation skills, both orally and written and strong attention to detail. Associates must demonstrate exceptional customer service skills and ability to work with senior-level clients to ensure highest quality results and insightful content for assigned track of work.

VII. Deliverables

A. Periodic Status Reports

Unless otherwise directed by the OCC, Clayton will provide to the OCC bi-weekly, written progress updates detailing (1) file review productivity levels, (2) logistics issues material to the completion of the file review in stated timelines, (3) material findings related to files reviewed, and (4) recommendations for increased sampling pursuant to Section I, (C). An example of the type of content which will be included in the Periodic Status Reports is as follows. Clayton will follow OCC guidance regarding the timing and method of delivery (recommended as an email distributed every second Thursday). Subject to approval of the OCC, Clayton will make Periodic Status Reports available to EverBank to facilitate discussion on items and findings where such discussion will support efficiency and accuracy of the file review.

Example Periodic Status Report

File Review Summary - Week Ending August 27, 2011

Sample Segment	Total Sample Population	Completed Reviews	Completion Rate	Missing Information
1. Third Parties with Deficiencies				
- [REDACTED]	1,175	1,010	86%	10
- [REDACTED]	185	5	3%	12
- [REDACTED]	48	4	8%	15
2. SCRA loans	3	2	67%	0
3. Foreclosure cases referred by state or federal agencies	169	58	34%	2
4. Loans with pre-consent order borrower claims and complaints	10	10	100%	0
5. Rescinded foreclosures	395	25	6%	14
6. Modification denials resulting from DTI and/or NPV	1,525	1400	92%	3

Logistics Issues

All missing documentation as of the date of this report has been requested from EverBank and/or appropriate attorney firms. Document requests are being addressed by EverBank within an appropriate response period at this time.

Review Findings

The guidelines for the servicing ratings are as follows:

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- **A** = Appropriate servicing efforts were identified in accordance with the objectives outlined in Section 16 of the Consent Order. No errors, misrepresentations, deficiencies, or borrower financial injury was identified.
- **B** = Errors, misrepresentation, and/or deficiencies were identified based on the objectives outlined in Section 16 of the Consent Order. Errors were not associated with borrower financial injury.
- **C** = Critical errors, misrepresentation, and/or deficiencies were identified resulting in non-compliance with the objectives outlined in Section 16 of the Consent Order (e.g. failure to follow loss mitigation requirements, inappropriate fee treatment, etc). Borrower financial injury was identified.

Review Findings by Segment

Third Parties with Deficiencies	A	B	C	Total
Number	859	79	81	1,019
Percentage	84%	8%	8%	100%
SCRA Loans	A	B	C	Total
Number	5	0	0	5
Percentage	100%	0%	0%	100%
Loans with Completed HAMP Mods	A	B	C	Total
Number	43	0	15	58
Percentage	74%	0%	26%*	100%

Based on the higher than anticipated error rate for completed HAMP modifications, Clayton recommends an adjustment to the segment sample volume using a Response Distribution value of twenty-six percent (26%) rather than the Initial Sample input of ten percent (10%). This will increase the completed HAMP modification segment loan volume by 212 loans.

B. Foreclosure Report

Per Section 17 of the Consent Order, Clayton is required to prepare a written report detailing the findings of the Foreclosure Review within thirty (30) days of completion of the review. Unless otherwise directed by the OCC, Clayton will provide the Foreclosure Report accounting for the results and findings from the Initial Sample within the stated timeframe. Results and findings from Expanded Samples or Complaint Process Samples will be provided at a time to be determined based on volume and timing of such additional loan samples.

The content and structure of the Foreclosure Report will largely depend on the results of the Foreclosure Review. At a minimum, reporting will provide the following:

- (1) Executive Summary
- (2) Detailed Operational Assessment Findings
 - a. Assessment of EverBank policies and procedures related to items described in Consent Order Section 16 (a) through (h)
 - b. Internal audit assessment
 - c. Department-by-department observations
 - d. Identified gaps and recommendations for enhancement to policies and procedures, prioritized by level of operational risk
- (3) Foreclosure File Review Summary
 - a. File review scope
 - b. Sample description

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- c. Review findings and grades
- d. Systemic issue findings related to items described in Consent Order Section 16 (a) through (h)
- e. Summary of financial injury determination
- (4) Foreclosure File Review Grades
 - a. Loan level grades
 - b. Loan level issue commentary (where applicable for adverse findings)
 - c. Loan level financial injury calculations
- (5) Recommendations for Expanded Testing
 - a. Complaint process results and related samples
 - b. Expanded sampling based on segment findings
- (6) Complaint process results
 - a. Borrower contact metrics
 - b. File review results

VIII. Availability of Workpapers

Clayton will provide to the OCC or the Board, as applicable, complete access to documents and information created by or in possession of Clayton with respect to the Foreclosure Review upon written request by the OCC. The OCC or the Board, as applicable, will maintain any such requested information as confidential, non-public, supervisory information, and will review any request for access to such information in accordance with the requirements of the applicable agency rules (12 C.F.R. § 510.5 (OCC) and 12 C.F.R. Part 261 (Board)).

IX. Previous Work Performed for EverBank

Clayton will comply with the OCC requirement that three (3) Clayton underwriters who previously assisted EverBank with origination underwriting activities should not be a part of the Foreclosure Review.

In addition, Clayton will review the work experience of any individuals who are engaged by Clayton to perform services in connection with this engagement letter and to the extent that any of such individuals previously performed services for EverBank as a client, or as an employee of EverBank, they will be disqualified from performing Foreclosure Review services without prior consent of the OCC.

X. Expertise and Resources

Clayton's Background

Since its founding in 1989, Clayton has been a leading information and analytics company serving lenders, loan buyers and bond issuers, servicers and fixed-income investors in mortgage-related loans and other debt instruments. Clayton helps its clients enhance liquidity, grow revenue, reduce costs and manage risk with a full suite of outsourced services, information-based analytics and specialty consulting services. This experience, and a demonstrated commitment to independence and objectivity, has resulted in Clayton having an unrivaled reputation for delivering analysis and rendering judgment on mortgage-related loans and securities among the firms that participate in this sector.

Clayton Holdings is a leader in transaction management services for the MBS/ABS market. Clayton's core businesses enable global banks, investment firms to acquire, price and service assets and protect bondholders. Clayton's clients include numerous top tier global banks and investment firms, leading hedge funds and private equity firms, government agencies and the GSE's.

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Clayton Servicer Surveillance

Clayton pioneered the business of independent, third-party credit risk management (CRM) to improve the performance of pools of whole loans and fixed-income securities by monitoring, analyzing and reporting on the performance of mortgage servicers. Clayton's role is to monitor the fiduciaries, identify issues, and resolve problems. Through the analysis of loan-level mortgage servicing data, Clayton's surveillance techniques validate that servicers and their appointed third-party providers have adequately implemented loss mitigation strategies, particularly throughout the default and asset resolution process. Clayton's data management and proprietary analytic tools and experienced mortgage and servicing professionals have succeeded in identifying and managing compliance and headline risk, improving investor yield, reducing losses, and increasing transparency.

To achieve these results, Clayton partners with a broad range of participants in the mortgage industry, including servicers, master servicers, trustees, mortgage insurers, bond guarantors, dealers, and investors across all collateral types, including subprime, Alt-A, and prime assets. Clayton's historical CRM portfolio consists of more than \$2 Trillion in original balance across 7.5 Million mortgage loans spanning 794 historical MBS transactions and whole loan pools. This experience allows us to quickly define trends and exceptions that deviate from stated policies and procedures or that present compliance or headline risk. At the loan and pool level, Clayton identifies and resolves issues such as inadequate loss mitigation performance and missed opportunities, missed timelines, erroneous asset disposition decisions and practices, including foreclosure practices that are not in accordance with governing agreements or stated policies and procedures.

In addition to surveillance focused on RMBS and whole loan transactions, Clayton engages with numerous industry participants to perform pointed reviews on various aspects of servicing that closely align with the requirements stipulated in the Consent Order. Leveraging this relevant experience and the people and systems in place to support surveillance activities, Clayton uniquely possesses the subject matter expertise necessary to maximize the benefit of a third-party review to EverBank.

Maddin Hauser

Maddin Hauser is a multi-specialty law firm based in Michigan serving individuals, businesses and governmental entities. The firm maintains a heavy focus in the real estate and lending practice areas. These practice areas include representation of lenders, servicers, buyers and sellers, borrowers, landlords and tenants, developers, title companies, brokers, environmental consultants and property managers. Maddin Hauser's real estate and lending practice groups assist these clients in a wide range of legal services, including litigation, sales, acquisitions, large and small parcel development, condominium development, ground leases, commercial leases, engaging in real estate and asset-based loan transactions, and workouts and renegotiation of troubled loans.

XI. Independence of Consultant *Conducting Foreclosure Review*

Clayton has been retained to conduct an independent review of certain residential foreclosure actions regarding individual borrowers with respect to EverBank's mortgage servicing portfolio (the "Foreclosure Review"). Clayton agrees that the Foreclosure Review will comply with all requirements set forth in Article VII of the Consent Order issued to EverBank on April 13, 2011, and that it will conduct the Foreclosure Review as separate and independent from any review, study, or other work performed by the Bank or its contractors or agents with respect to the Bank's mortgage servicing portfolio or the Bank's compliance with other requirements of the Consent Order, as set forth below:

- (1) Conduct of the Foreclosure Review by Clayton shall not be subject to direction, control, supervision, oversight, or influence by the Bank, its contractors or agents. Clayton shall

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immediately notify the Office of the Comptroller of the Currency (the "OCC") of any effort by the Bank, directly or indirectly, to exert any such direction, control, supervision, oversight, or influence over the **Independent Consultant**, its contractors or agents.

- (2) Clayton agrees that it is solely responsible for the conduct and results of the Foreclosure Review, in accordance with the requirements of Article VII of the Consent Order.
- (3) The conduct of the Foreclosure Review shall be subject to the monitoring, oversight, and direction of the OCC. Clayton agrees to promptly comply with all written comments, directions, and instructions of the OCC concerning the conduct of the Foreclosure Review, and that it will promptly provide any documents, workpapers, materials or other information requested by the OCC, regardless of any claim of privilege or confidentiality.
- (4) Clayton agrees to provide regular progress reports, updates and information concerning the conduct of the Foreclosure Review to the OCC, as directed by the OCC.
- (5) Clayton will conduct the Foreclosure Review using only personnel employed or retained by Clayton to perform the work required to complete the Foreclosure Review. Clayton shall not employ or use services provided by Bank employees, or contractors or agents retained by the Bank with respect to the Consent Order or with respect to matters **addressed** in the Consent Order, in order to conduct the Foreclosure Review, except where the OCC specifically provides prior written approval to do so.
- (6) Subject to the requirements and restrictions of no. 5 above, including the requirement of specific approval by the OCC, Clayton may utilize documents, materials or other information provided by the Bank, and may communicate with the Bank, its contractors or agents, in order to conduct the Foreclosure Review. **For example, Clayton may communicate with bank employees to obtain clerical assistance, to determine if information provided is complete or accurate, to verify or confirm information concerning specific case files, or to communicate with Bank employees regarding case files such that errors or omissions may be brought to the Independent Consultant's attention; however, Bank employees may not influence or attempt to influence determinations concerning the findings or recommendations of the Independent Consultant, whether regarding specific case files, categories of cases, or the Foreclosure Review more generally.**
- (7) Clayton agrees that any legal advice needed in conducting the Foreclosure Review shall be obtained from the outside law firm whose retention for that purpose has been approved by the OCC. Clayton agrees not to obtain legal advice (or other professional services) in conducting the Foreclosure Review from the Bank's inside counsel, or from outside counsel retained by the Bank or its affiliates to provide legal advice concerning the Consent Order or matters contained in the Consent Order."
- (8) The Bank's agreement with Clayton must provide that if the OCC determines, in its sole discretion, that Clayton has not been fully compliant with the foregoing standards (nos. 1-7, above), the OCC may direct the Bank to dismiss Clayton and retain a successor consultant, in which case the Bank shall have no further obligation to Clayton other than for services performed up to that date for the Bank."

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XII. Exhibits

- A. Sample Calculator**
- B. Sample Distribution**
- C. Foreclosure Document Checklist**
- D. Loan Modification Document Checklist**
- E. State-Specific Document Checklist (Florida)**
- F. Bankruptcy Document Checklist**
- G. State-Specific Breach Requirements**
- H. Breach Module Test Script**
- I. Loss Mitigation Module Test Script**
- J. State-Specific Foreclosure Fee Matrix**
- K. State-Specific Foreclosure Timelines Matrix**
- L. Foreclosure Module Test Script**
- M. State-Specific File Review Checklist (Florida)**
- N. State-Specific Foreclosure Affidavit Matrix**
- O. State-Specific Foreclosure Mediation Requirements**
- P. Bankruptcy Module Test Script**
- Q. HAMP Module Test Script**
- R. Project Gantt Chart**
- S. Foreclosure Notification Letter**
- T. Non Foreclosure Notification Letter**
- U. Foreclosure Form**
- V. Non Foreclosure Form**
- W. Newsprint Advertisement**
- X. Audit Trail Process**

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IN WITNESS WHEREOF, each of the parties below, each acting with due and proper authority, have acknowledged this Engagement Letter as of the date submitted above.

EverBank

By:

Name:

Title:

Clayton Services LLC

By:

Name:

Title:

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Exhibit A: Sample Calculator

N = Total Size: 10000
Response Distribution: 10.0%

Findings Rate
 =/-

		Error Rate		
		1% 9.0% - 11.0%	2% 8.0% - 12.0%	3% 7.0% - 13.0%
% Conf. or CI	75.0%	1,065	290	131
	80.0%	1,288	357	162
	85.0%	1,573	446	204
	90.0%	1,959	574	264
	95.0%	2,570	796	370
	96.0%	2,752	867	405
	97.0%	2,977	959	450
	98.0%	3,276	1,086	514
	99.0%	3,740	1,300	623



4% 6.0% - 14.0%	5% 5.0% - 15.0%
74	48
92	59
116	75
150	97
212	137
232	150
259	167
296	192
360	234

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Exhibit C: Foreclosure File Review Document Checklist - Non-State Specific

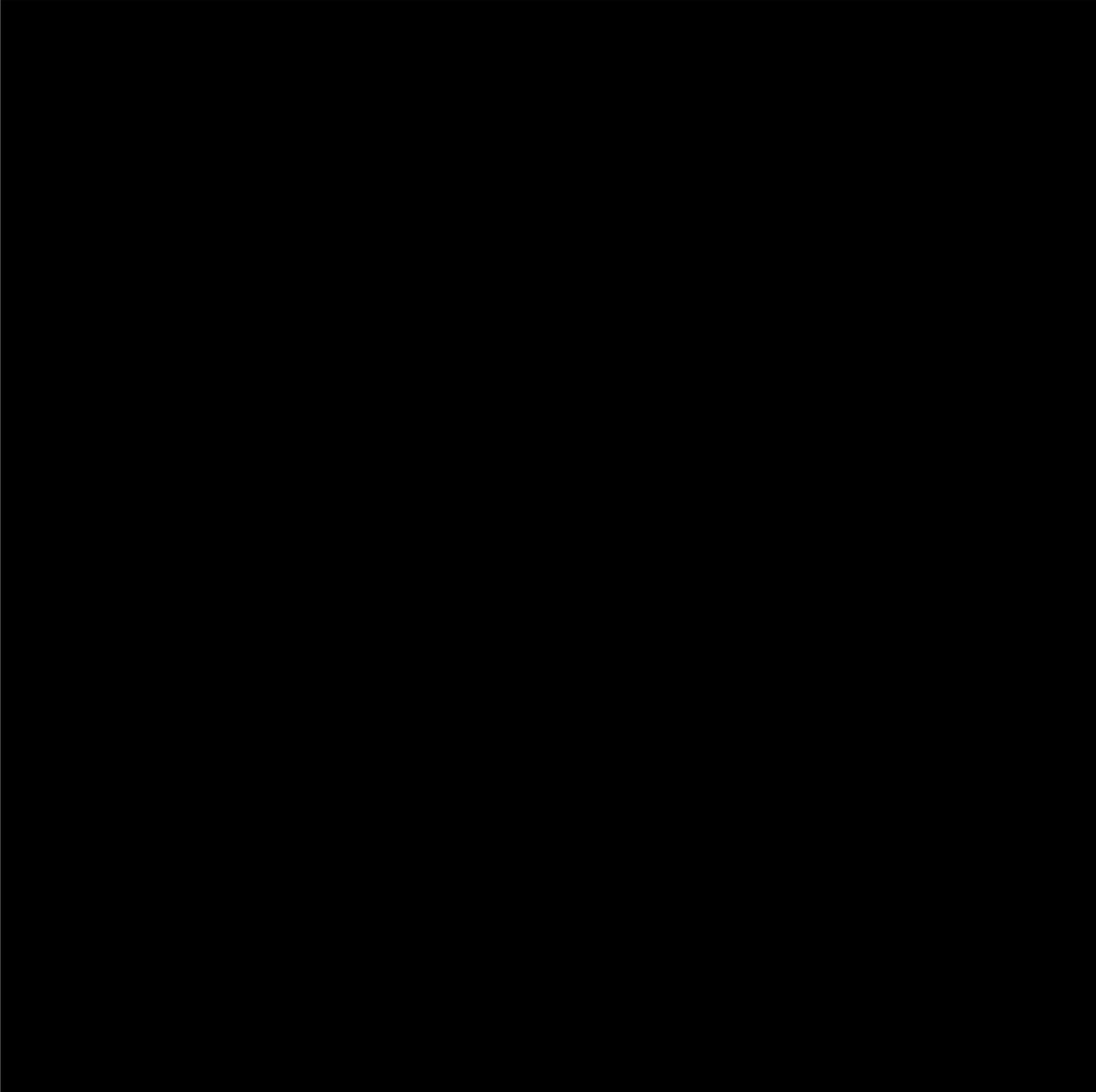


Exhibit D: Loan Modification File Review Document Checklist - Non-State Specific

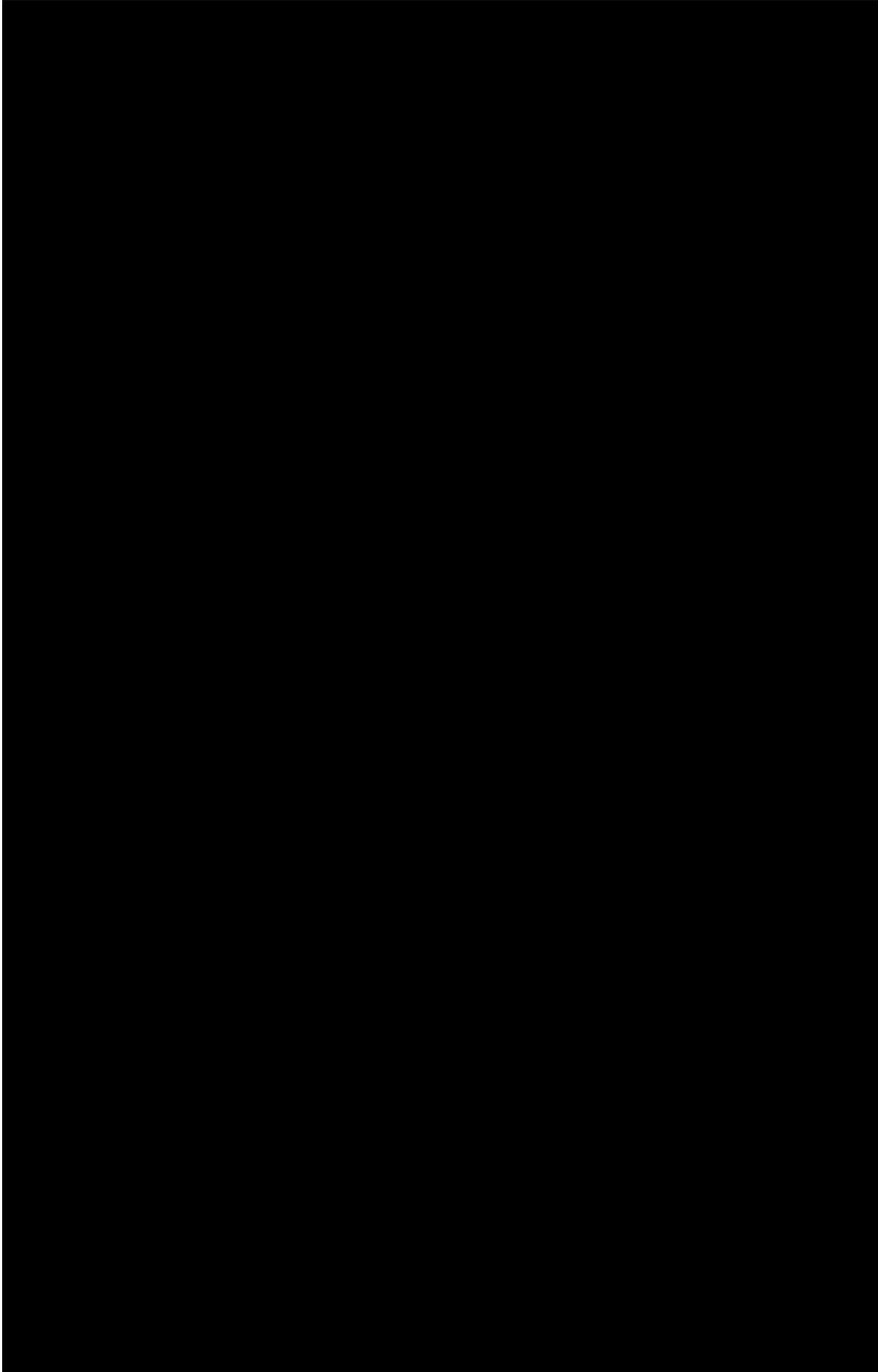


Exhibit E: State-Specific Foreclosure File Review Document Checklist - Florida

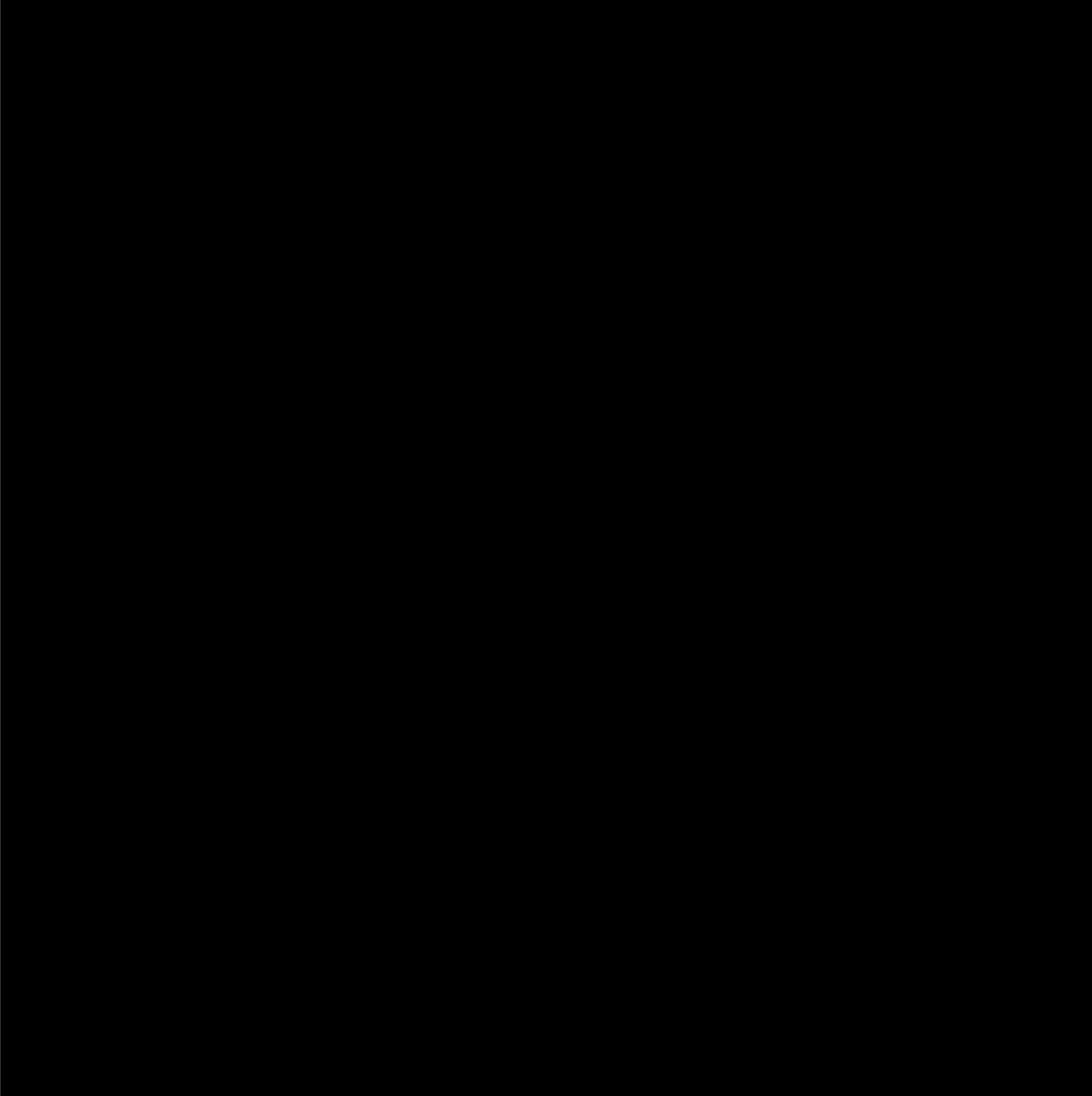


Exhibit F: Bankruptcy File Review Document Checklist - Non-State Specific



Exhibit G: State-Specific Breach Requirements

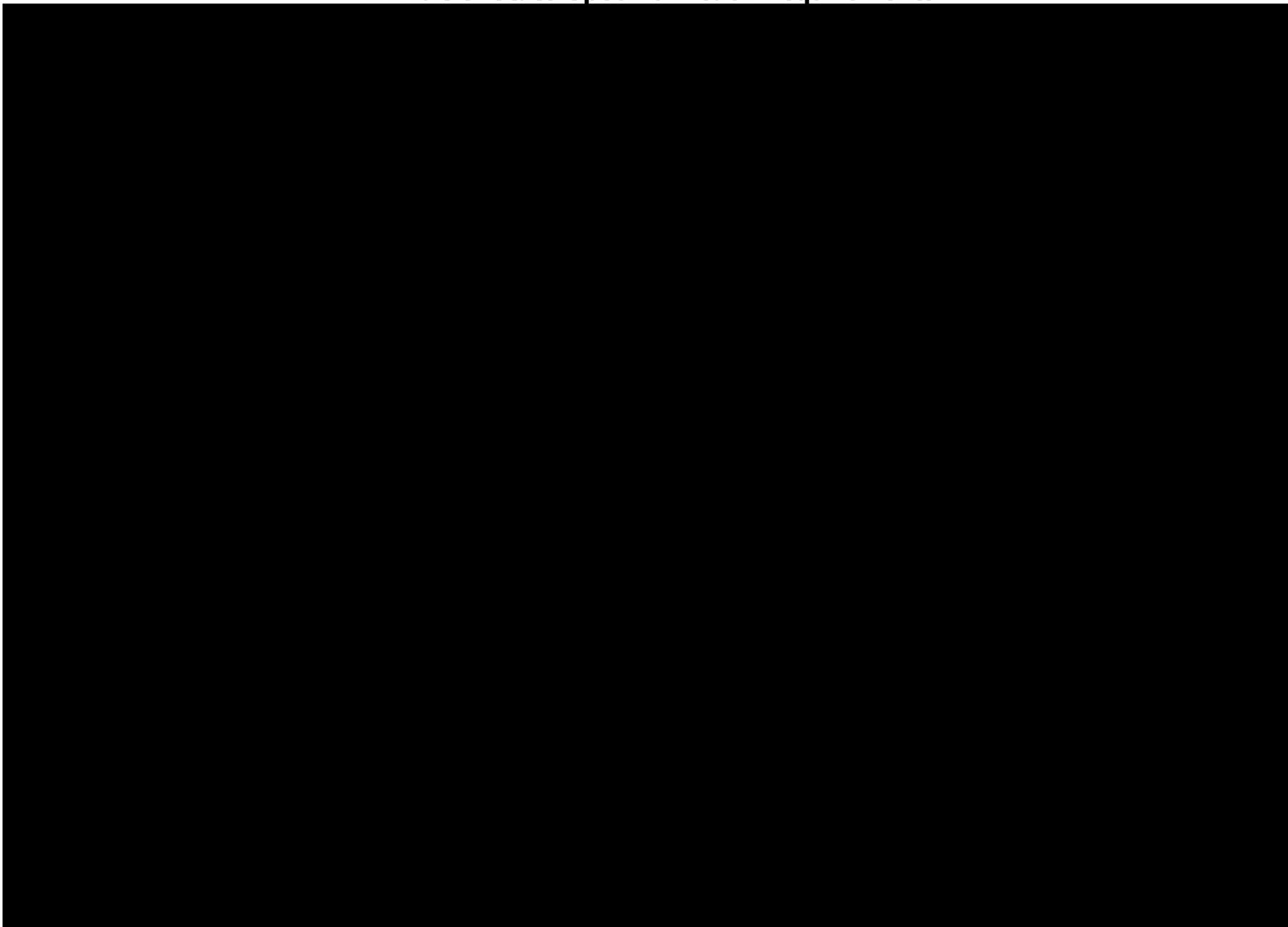


Exhibit H: Breach Module Test Script



Exhibit I: Loss Mitigation Module Test Script

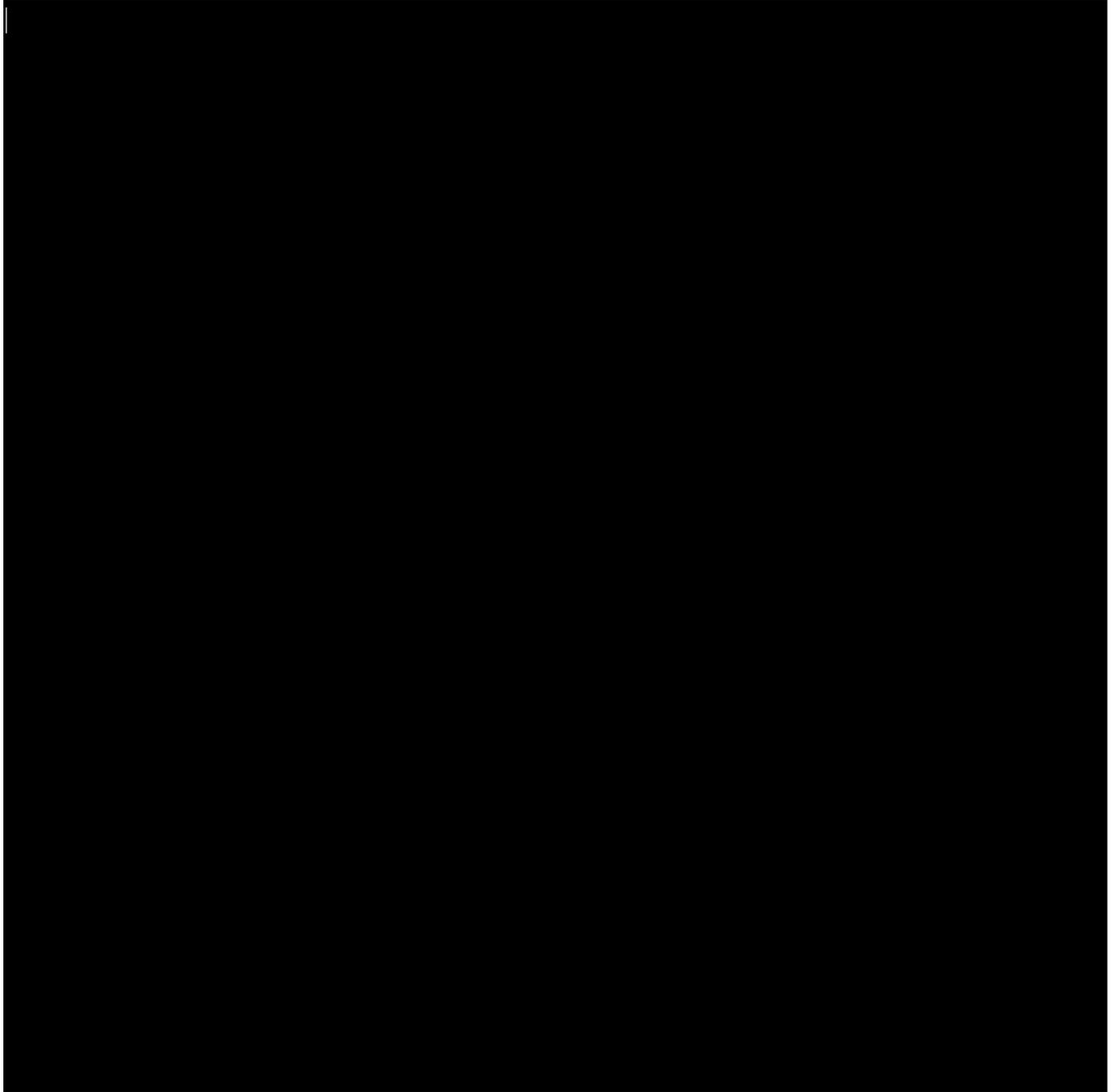


Exhibit J: State-Specific Foreclosure Allowable Fees Matrix

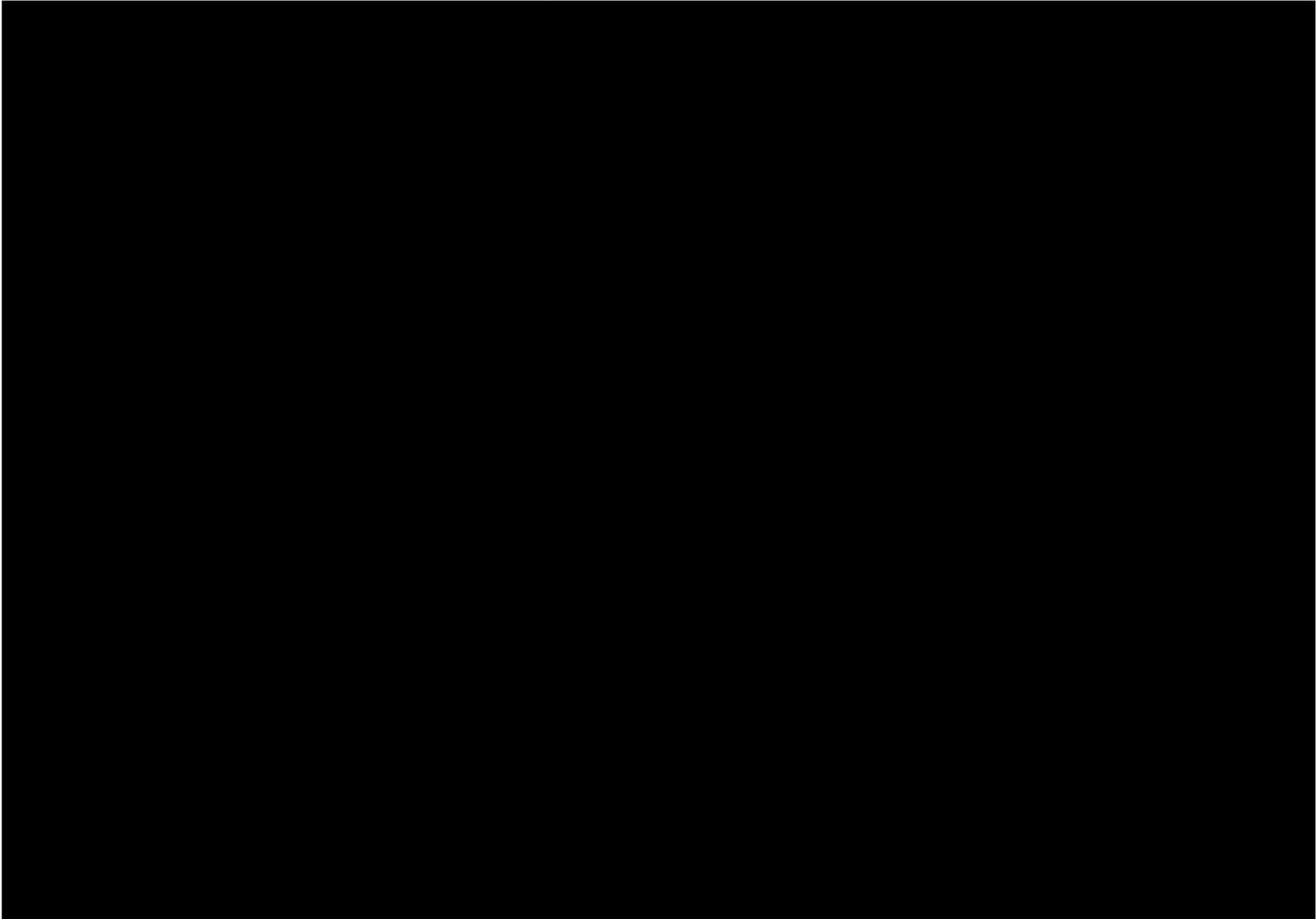


Exhibit K: State-Specific Foreclosure Timeline Matrix

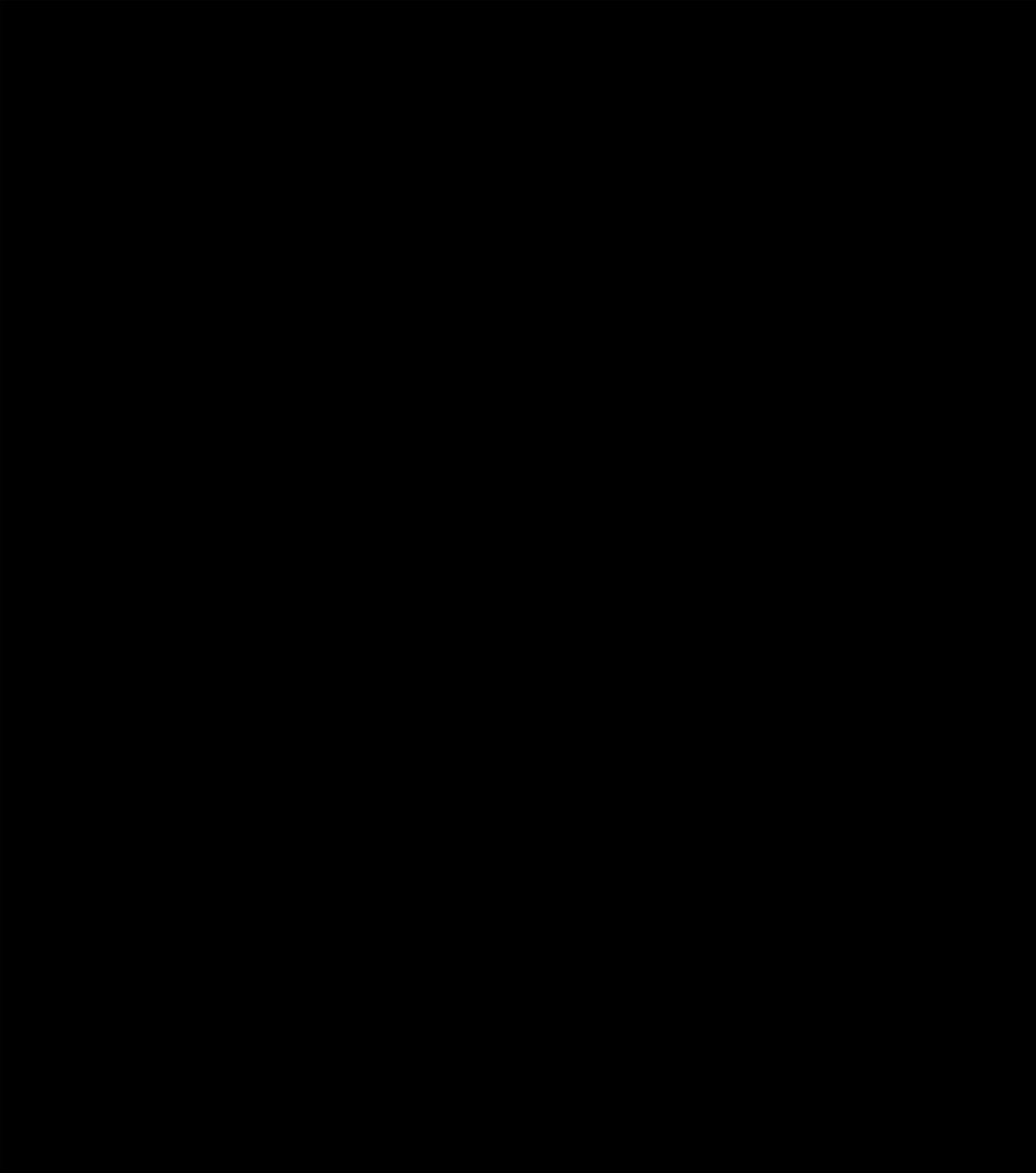
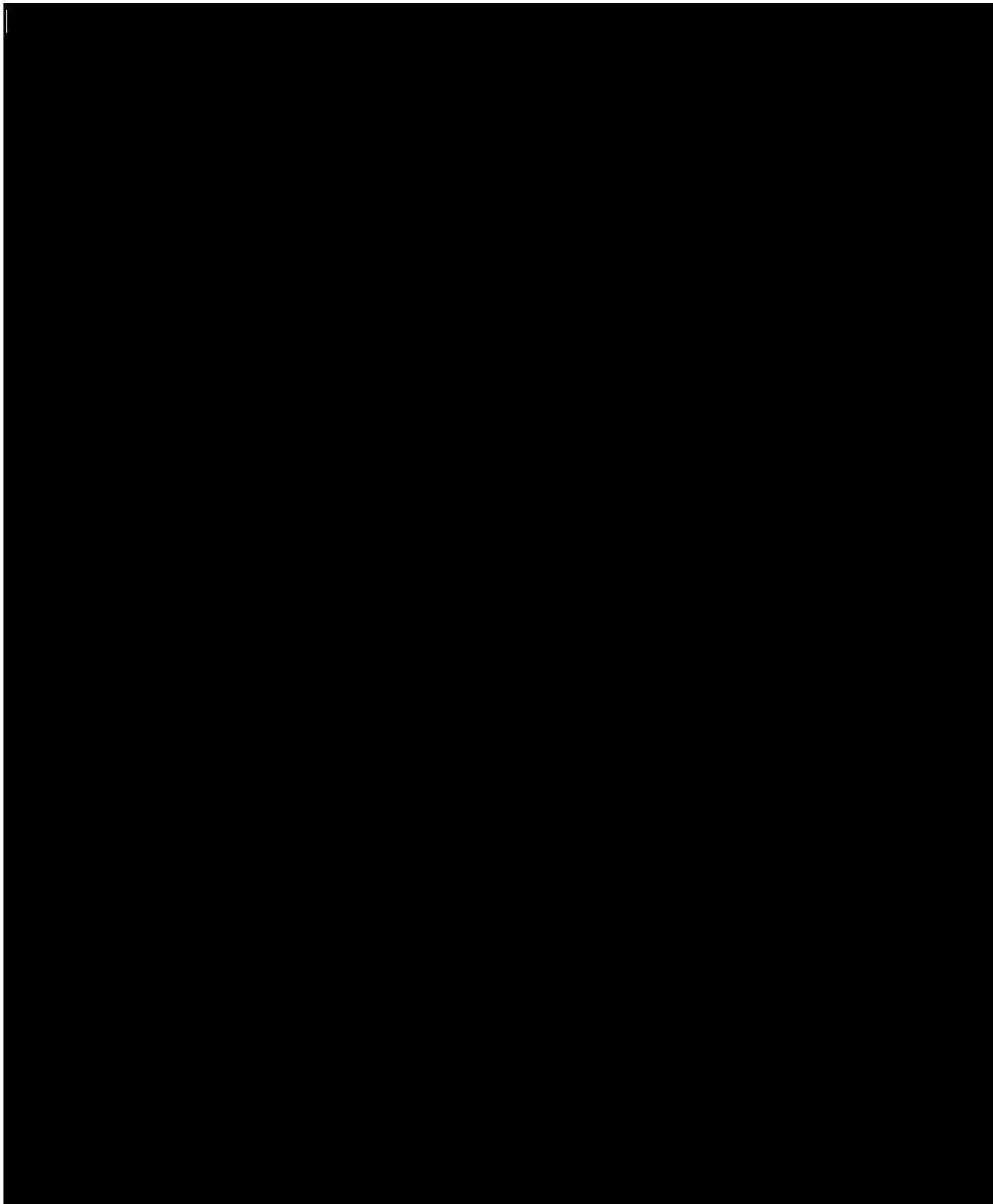
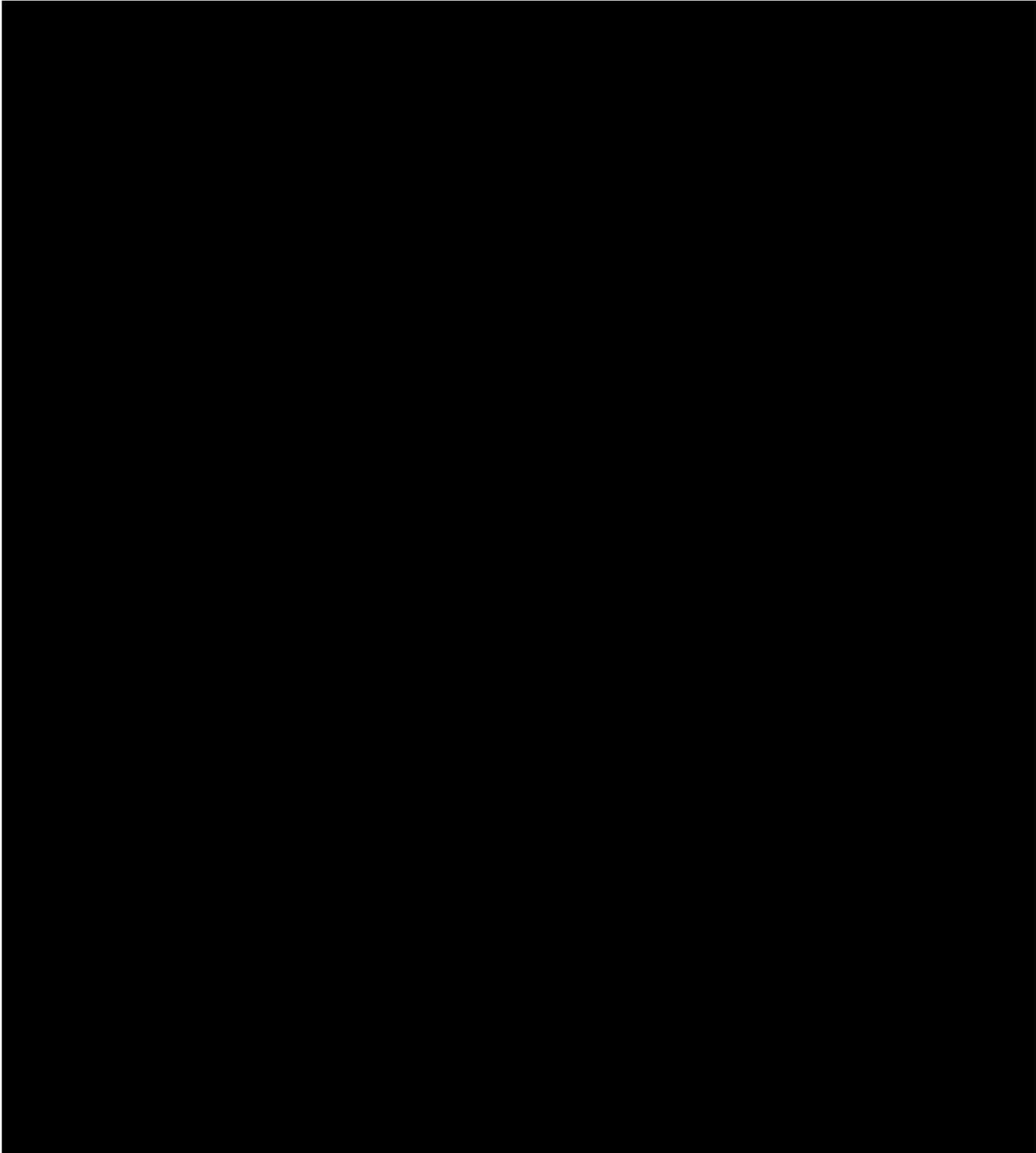


Exhibit L: Foreclosure Module Test Script



EVBK-EL-0000065 – 0067
REDACTED COMPLETELY

Exhibit M: State-Specific Foreclosure File Review Checklist - Florida



EVBK-EL-0000069 – 0070
REDACTED COMPLETELY

Exhibit N: State-Specific Foreclosure Affidavit Matrix

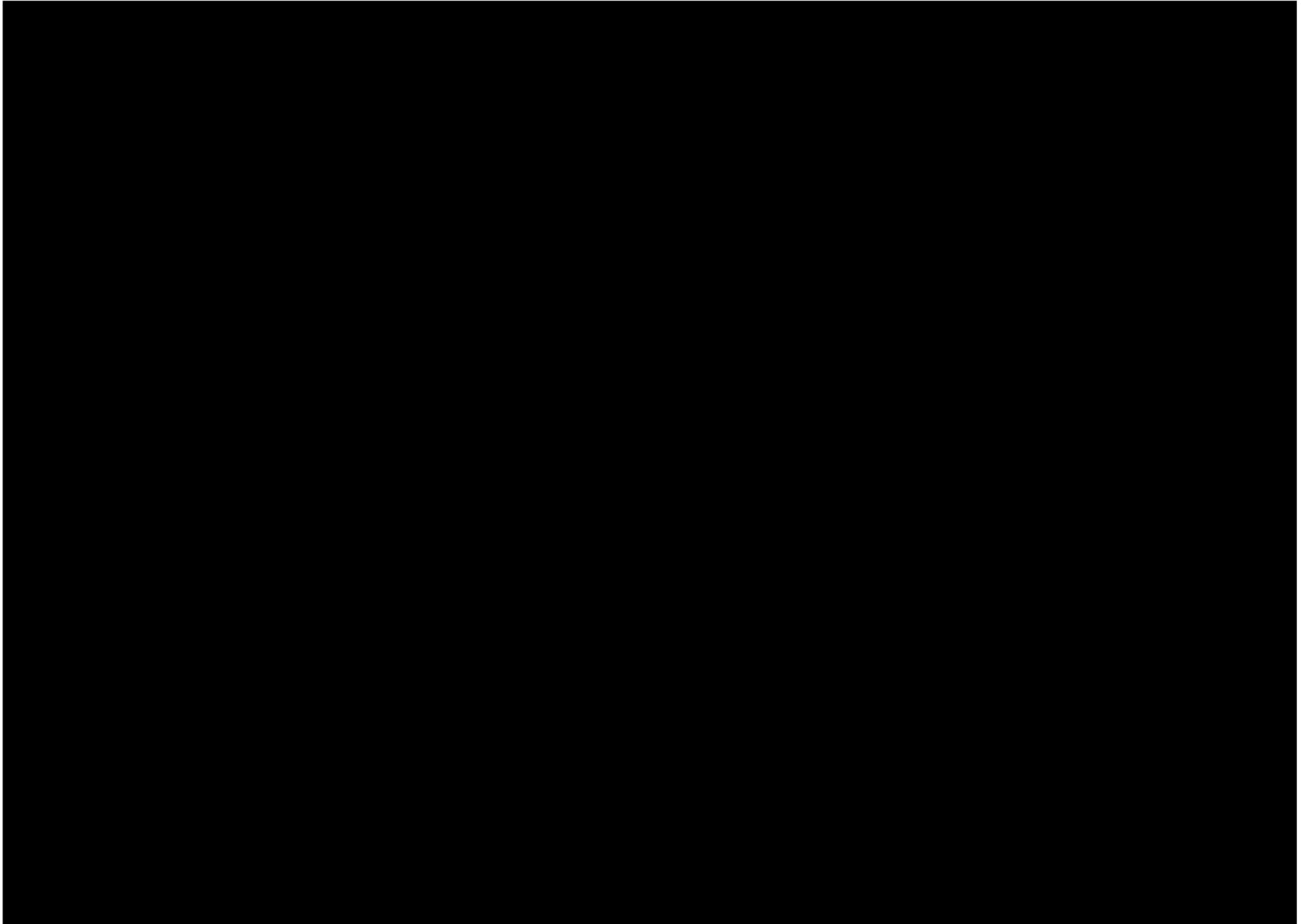


Exhibit O: State-Specific Foreclosure Mediation Requirements

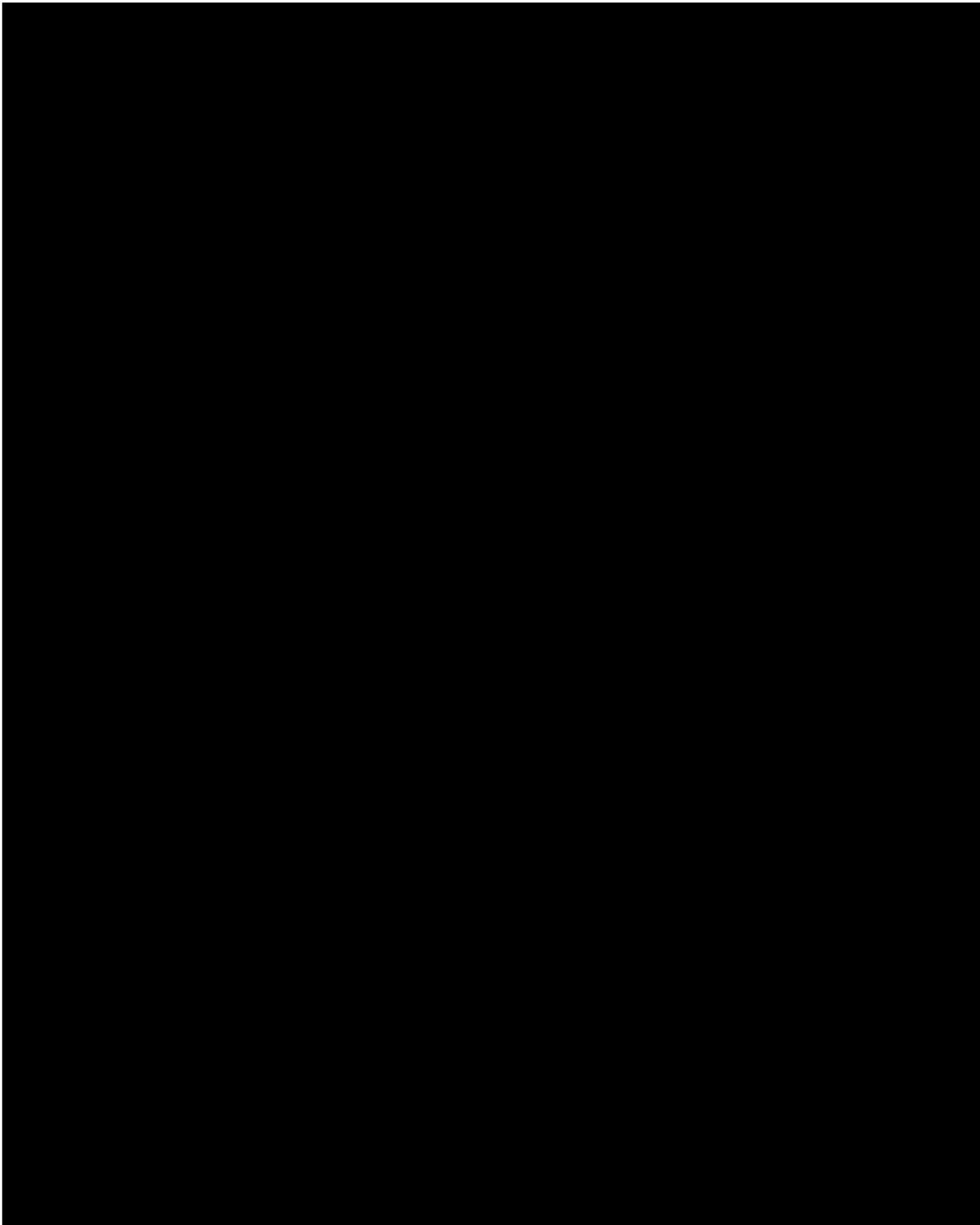
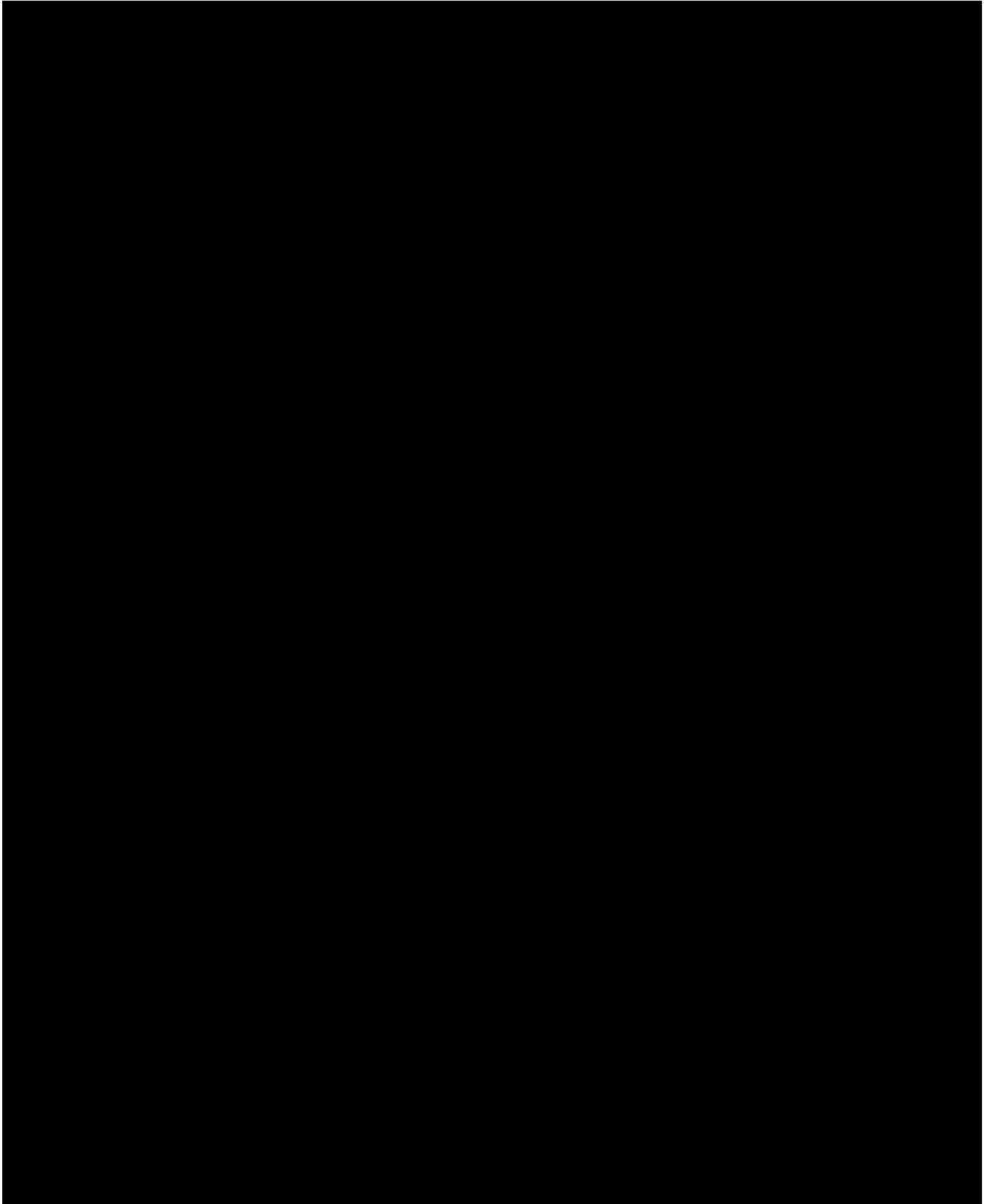
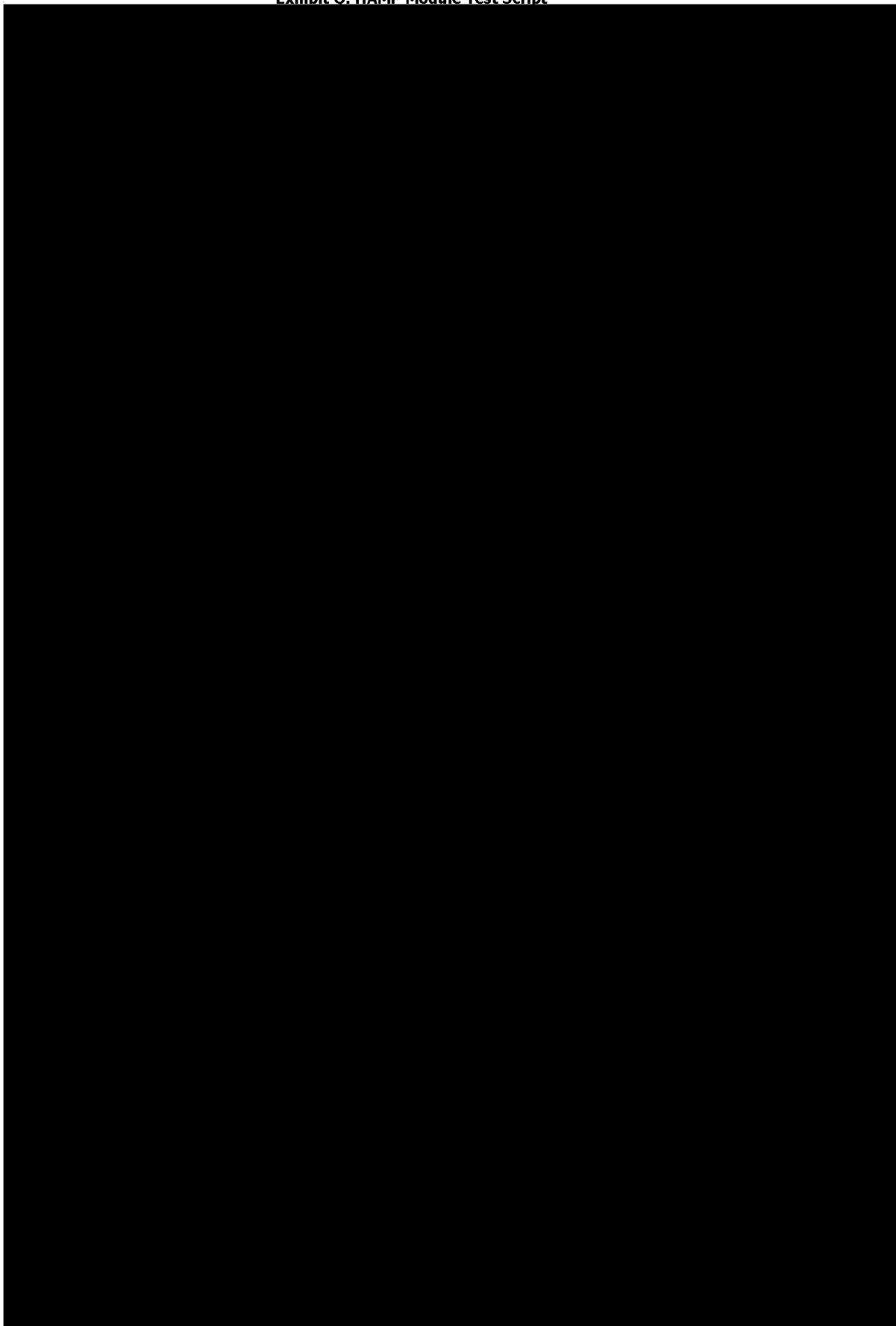


Exhibit P: Bankruptcy Module Test Script



EVBK-EL-0000074 – 0075
REDACTED COMPLETELY

Exhibit O: HAMP Module Test Script



EVBK-EL-0000077 – 0082
REDACTED COMPLETELY

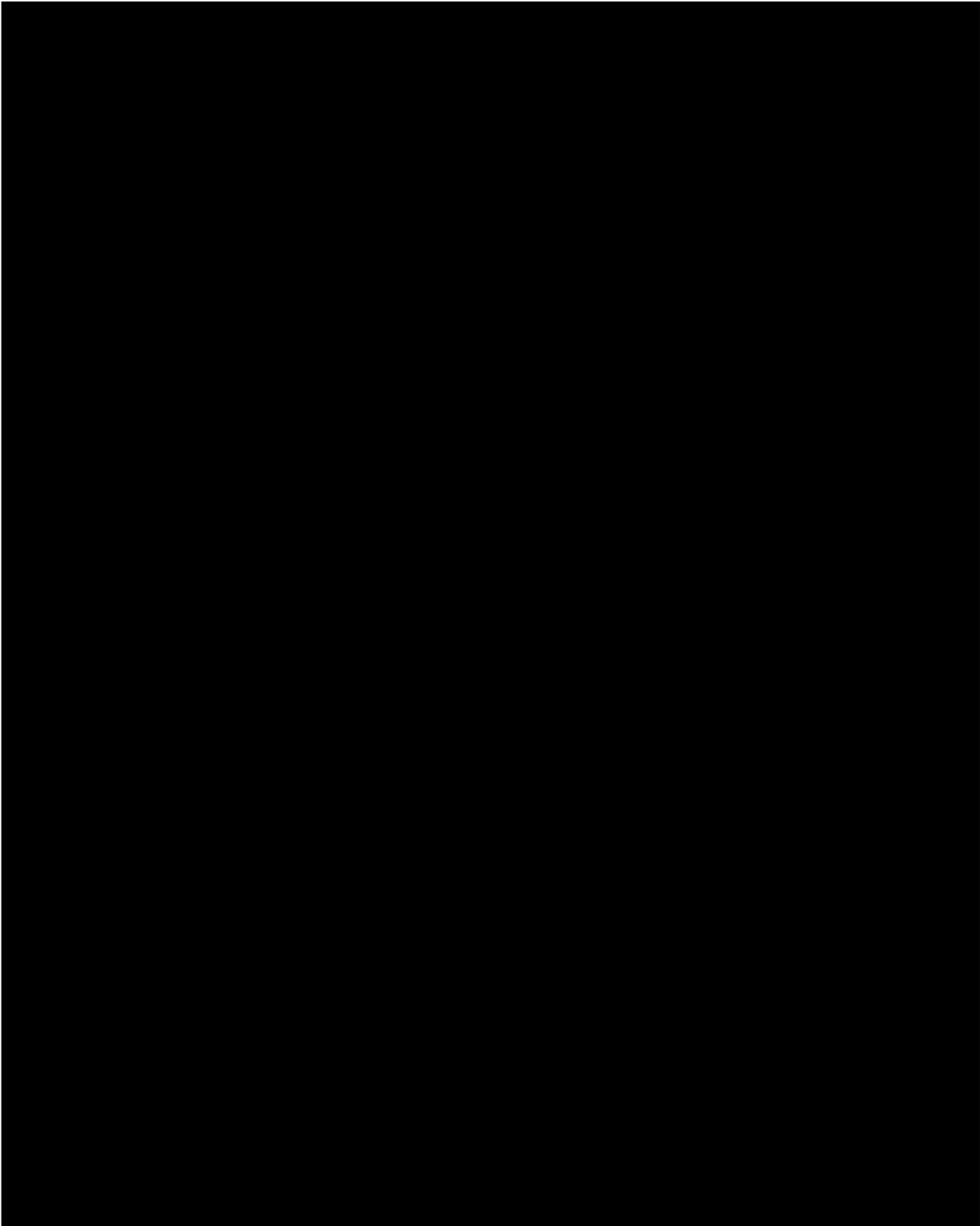
Exhibit R: File Review Project Timeframes



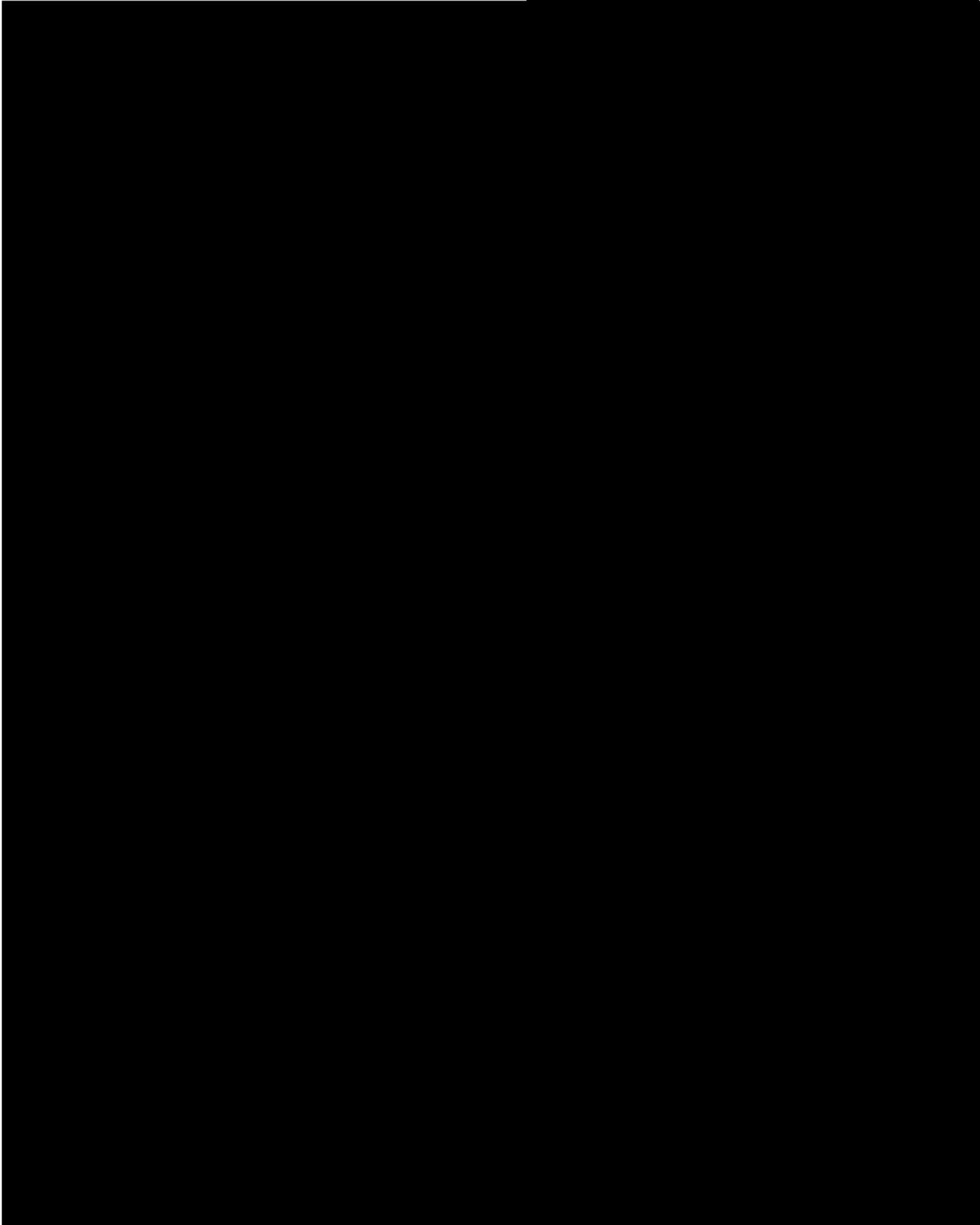
ID	Task Group	Task Name	Start	Finish	Duration	2011			2012		
						Q2	Q3	Q4	Q1	Q2	Q3
1	Complaint Process	Complaint Outreach Process Commencement	9/30/2011	10/29/2011	30d			■			
2	Complaint Process	Complaint Process Marketing	9/30/2011	11/28/2011	60d			■			
3	Complaint Process	Complaint Intake	9/30/2011	2/26/2012	150d			■			
4	Operational Assessment	EverBank Foreclosure Operational Assessment	8/12/2011	9/10/2011	30d		■				
5	File Review	Initial Sample File Review Setup/Ramp Up	8/12/2011	9/10/2011	30d		■				
6	File Review	Initial Sample File Review	9/11/2011	2/7/2012	150d			■			
7	File Review	Expanded Sample File Review	3/9/2012	7/6/2012	120d					■	
8	File Review	Complaint Driven File Review	9/30/2011	4/26/2012	210d			■			
9	Deliverables	Foreclosure Report	2/8/2012	3/8/2012	30d					■	
10	Deliverables	Revised Foreclosure Report	7/7/2012	8/5/2012	30d						■

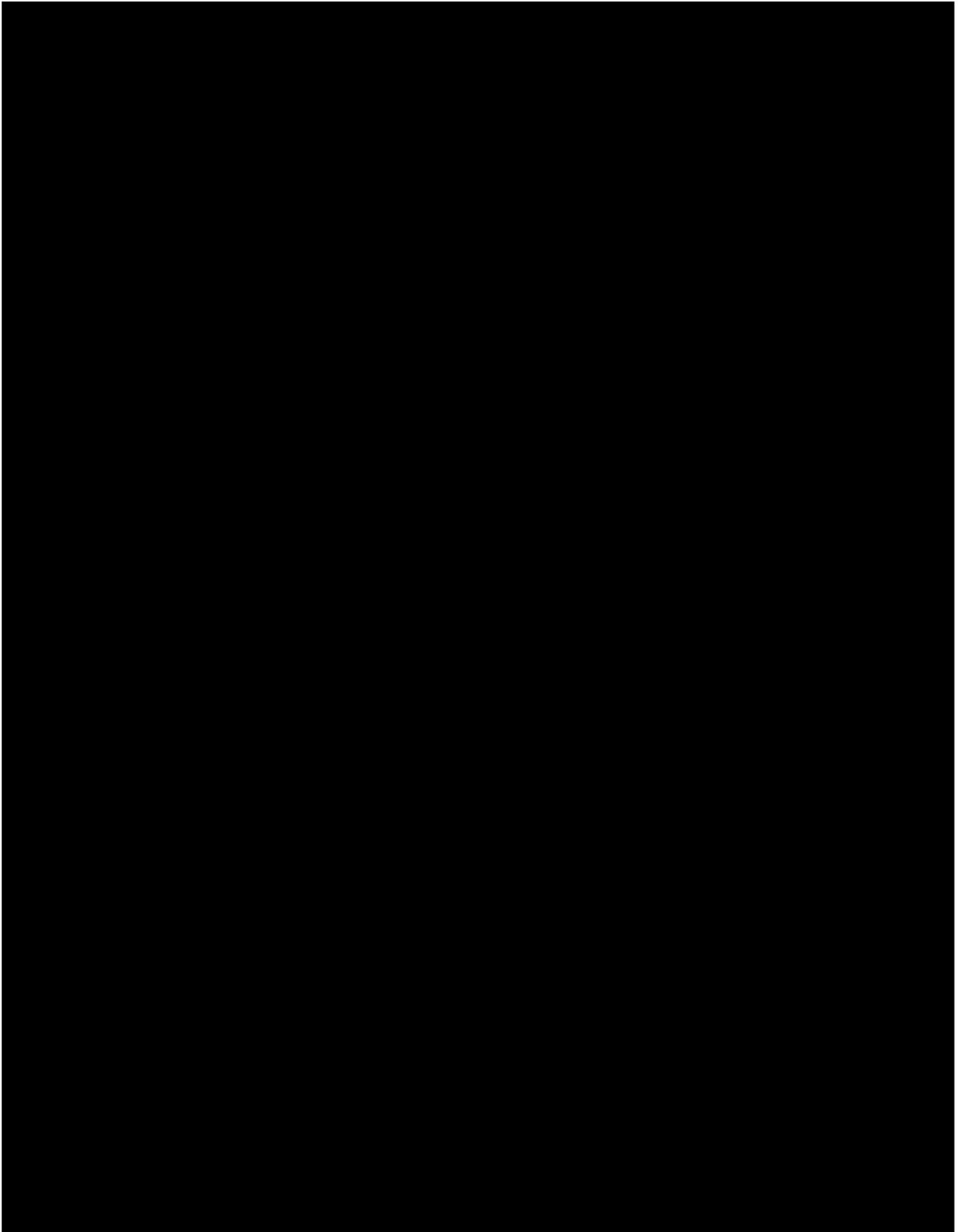
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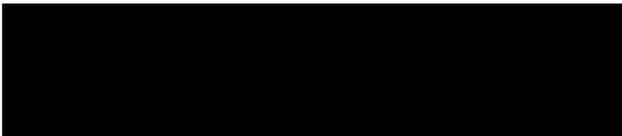
Independent Foreclosure Review



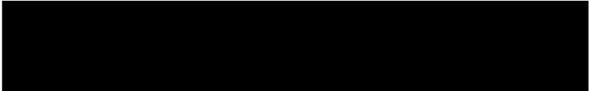
Independent Foreclosure Review



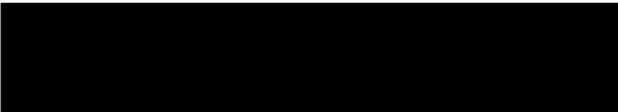




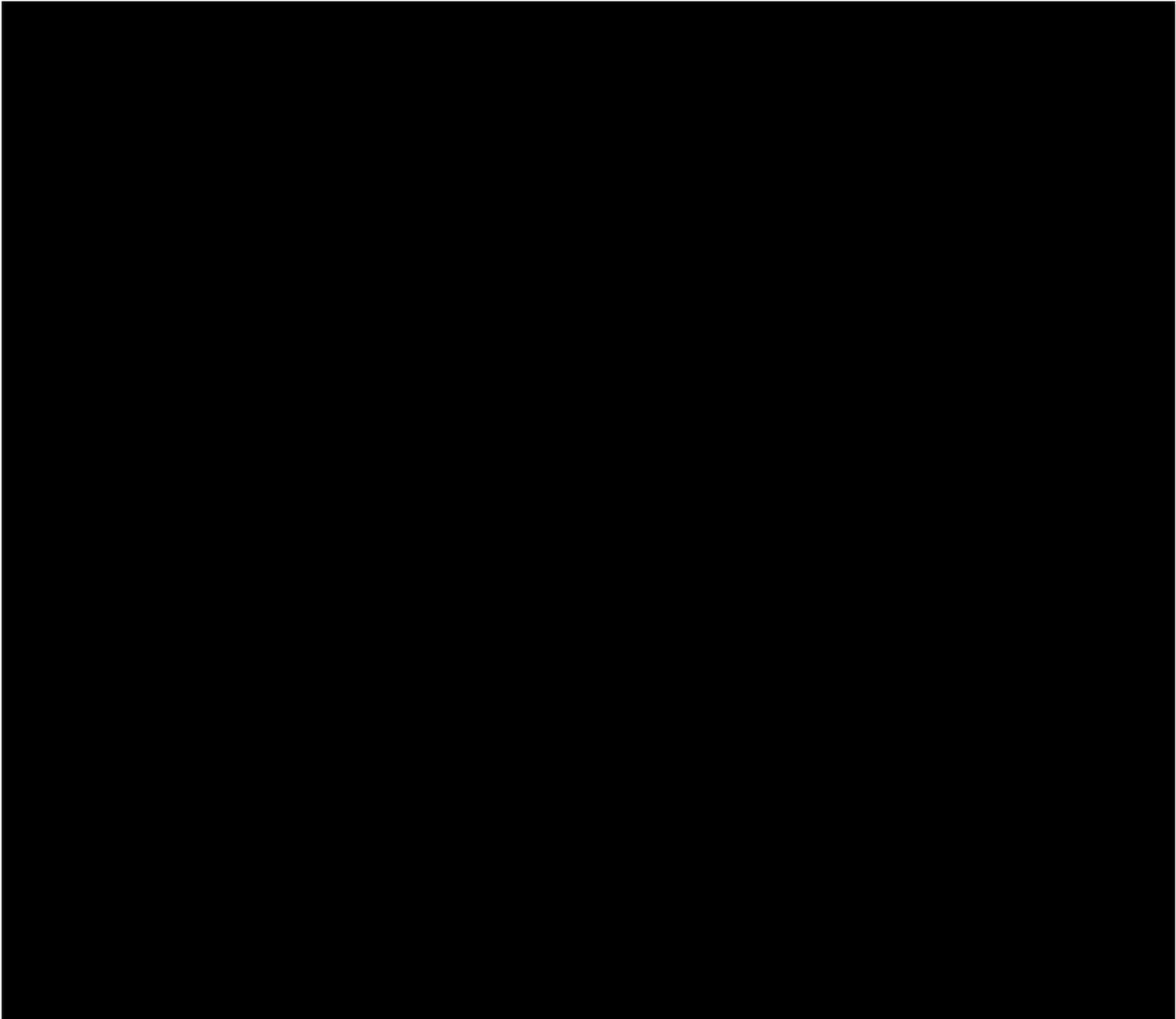
Independent Foreclosure Review



EVBK-EL-0000089 – 0092
REDACTED COMPLETELY



Independent Foreclosure Review



EVBK-EL-0000094 – 0096
REDACTED COMPLETELY

Independent Foreclosure Review

Mortgage customers who were part of a foreclosure action that occurred between January 1, 2009 and December 31, 2010 may be eligible for an Independent Foreclosure Review.

Federal regulators have required an Independent Foreclosure Review by an outside consultant to identify customers who may have been financially injured due to mistakes, errors, or deficiencies in the foreclosure process.

If you are a current or former customer of one of the mortgage servicers listed below, you may be eligible for an Independent Foreclosure Review by an outside consultant working at the direction of federal regulators.

To qualify, your mortgage would need to meet the eligibility requirements as established by the federal government. Also, your home must have been your primary residence and the foreclosure action on your property must have taken place between **January 1, 2009 and December 31, 2010.**

America's Servicing Co.	EMC	Sovereign Bank
Aurora Bank	EverBank	SunTrust Mortgage
Bank of America	GMAC Mortgage	U.S. Bank
Chase	HSBC/HBIO	Wachovia
Citibank	Metlife Bank	Washington Mutual
CitiFinancial	OneWest Bank	Wells Fargo
CitiMortgage	PNC	

Eligible customers may receive a letter that defines financial injury, lists the steps to take to request a review, and provides an eligibility expiration date. Customers who do not receive a letter and customers who previously filed a complaint before this review process was initiated may also submit a Request for Review.

To see the eligibility requirements and complete the Request for Review form online or by mail, visit **IndependentForeclosureReview.com**.

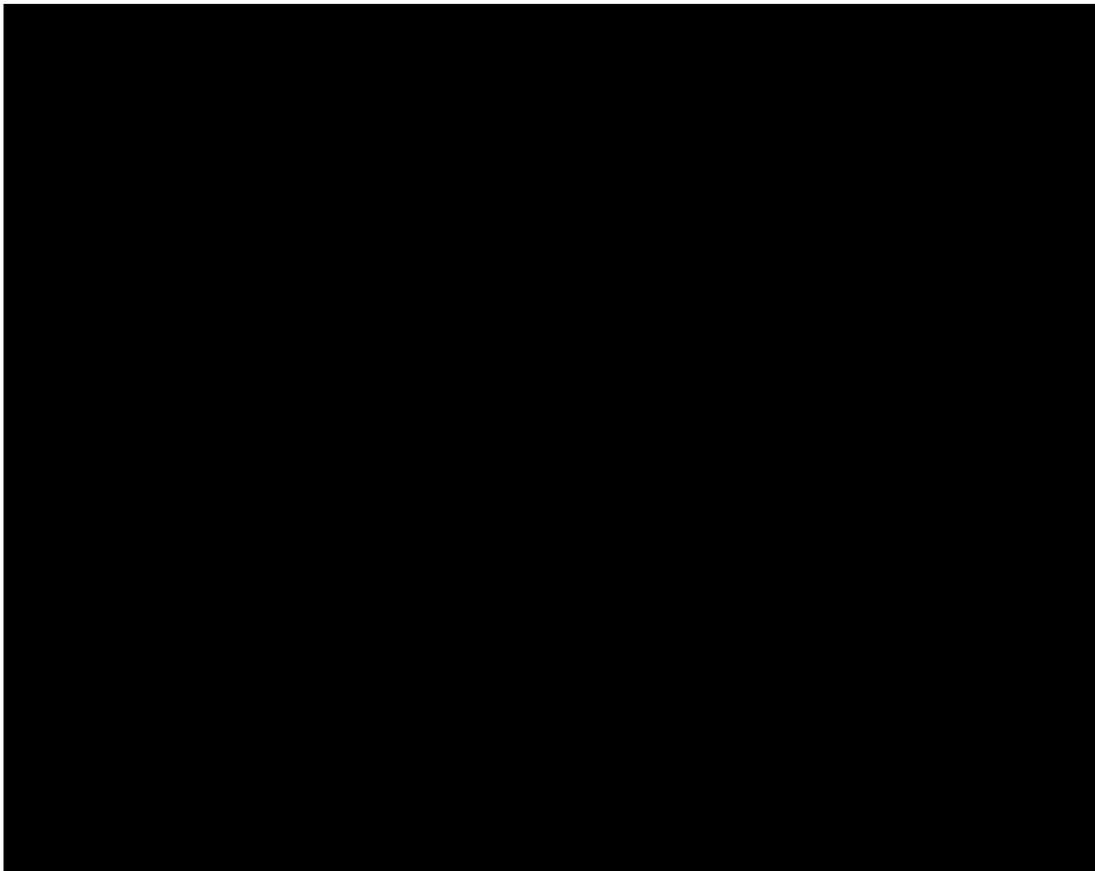
If you need help completing the form, want to request a form by mail, or have questions, call 1-XXX-XXX-XXXX.

Based on guidance from the OCC, the Independent Consultants are required to create a clear and auditable trail when conducting the foreclosure file reviews. This audit trail needs to present an agent of an auditing institution a link between a Clayton File Review Analyst's response, either adverse or non-adverse, and the information that was utilized in making the determination. Additionally, the information that is used in making the determination needs to be stored in a facility that will retain the information, data, document, etc. so that an agent of an auditing institution can reference the same information which will be readily available upon request.

Clayton's policies and procedures in relation to creating the audit trail along with descriptions of the systems that are utilized in conducting the foreclosure file reviews are below:

Comments Supporting Adverse and Non-Adverse Findings

Clayton's [REDACTED] tool provides a user with a comment box under each question or section of questions where File Review Analysts are required to include detailed comments for both adverse and non-adverse findings. For these comments, Clayton requires File Review Analysts to reference the documents and/or screen prints (if applicable, including page numbers, sections, etc.) that were utilized in making the determination on the specific question or section of questions. These comments allow an agent of an auditing institution and/or Clayton internal QC Review Staff to easily reference the applicable documentation that was relied upon by the File Review Analysts in making their determinations. Below is a screen shot from Clayton's [REDACTED] application highlighting example comments:



Document Storage - [REDACTED]

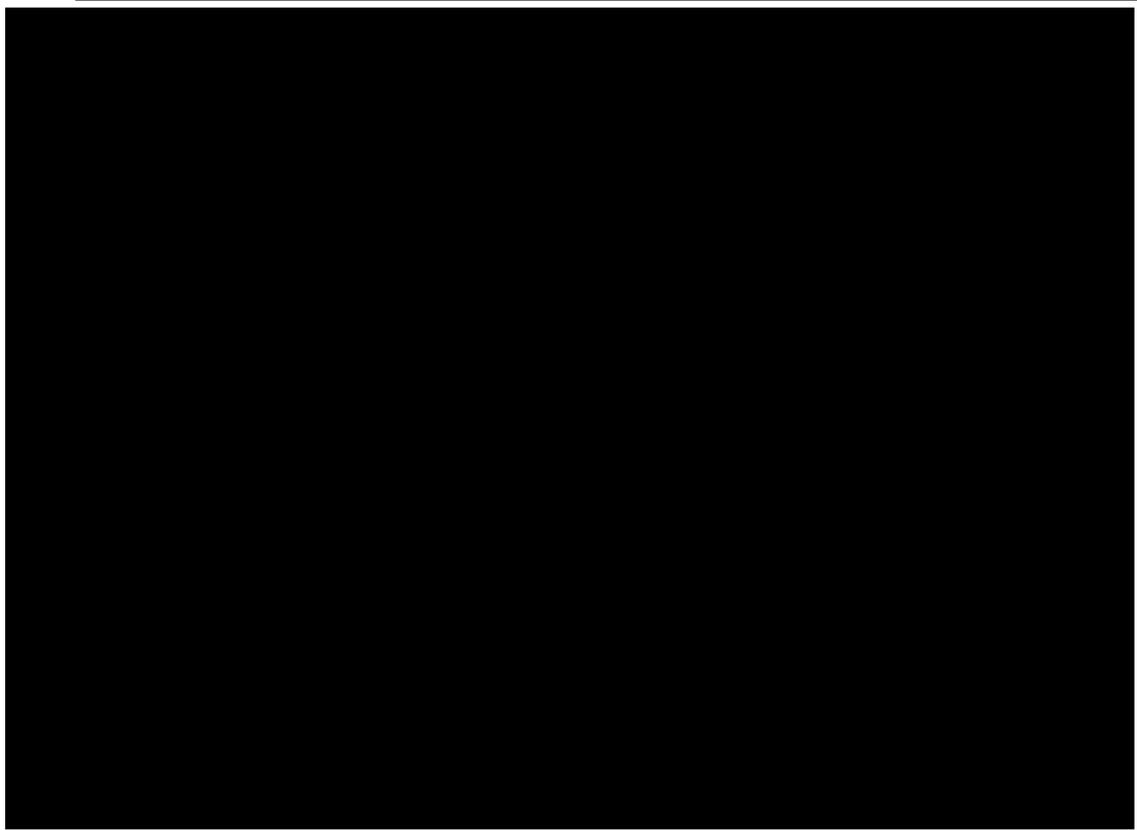
[REDACTED] is the platform utilized by EverBank to manage all active foreclosure cases. [REDACTED] The loans are activated within [REDACTED] at the time of foreclosure referral and the file is monitored until the foreclosure is completed or closed. All information stored for each loan continues to be maintained and accessible and is not archived into a separate repository platform after a certain period of time has elapsed. The information continues to be accessible in the [REDACTED] system. EverBank has an assigned [REDACTED] administrator who provides access to the [REDACTED] system. Access will be provided to the applicable auditors upon request.

Within [REDACTED] is the [REDACTED] imaging platform where all foreclosure documents are stored. Each document that is stored on [REDACTED] is assigned a unique 'Document ID'. It has been confirmed by EverBank that all documentation stored within the [REDACTED] system continues to be maintained within the web based site and is not archived during or after the foreclosure file is completed or closed

As illustrated in Exhibit A (questions 9 and 10) Clayton requires that all comments entered into Clayton's [REDACTED] tool that reference a document stored in [REDACTED] must detail the unique Document ID that a Clayton File Review Analyst used in making the determination. An agent of an auditing institution would likewise have access to [REDACTED] and could access the exact document that was used by the Clayton File Review Analyst. If applicable, the comment may also include the page number, relevant section, etc. within the document where the information can be found. This ensures that an agent of an auditing institution has a clear audit trail of the information that was utilized in making final determinations.

Process for Accessing Documents in [REDACTED]

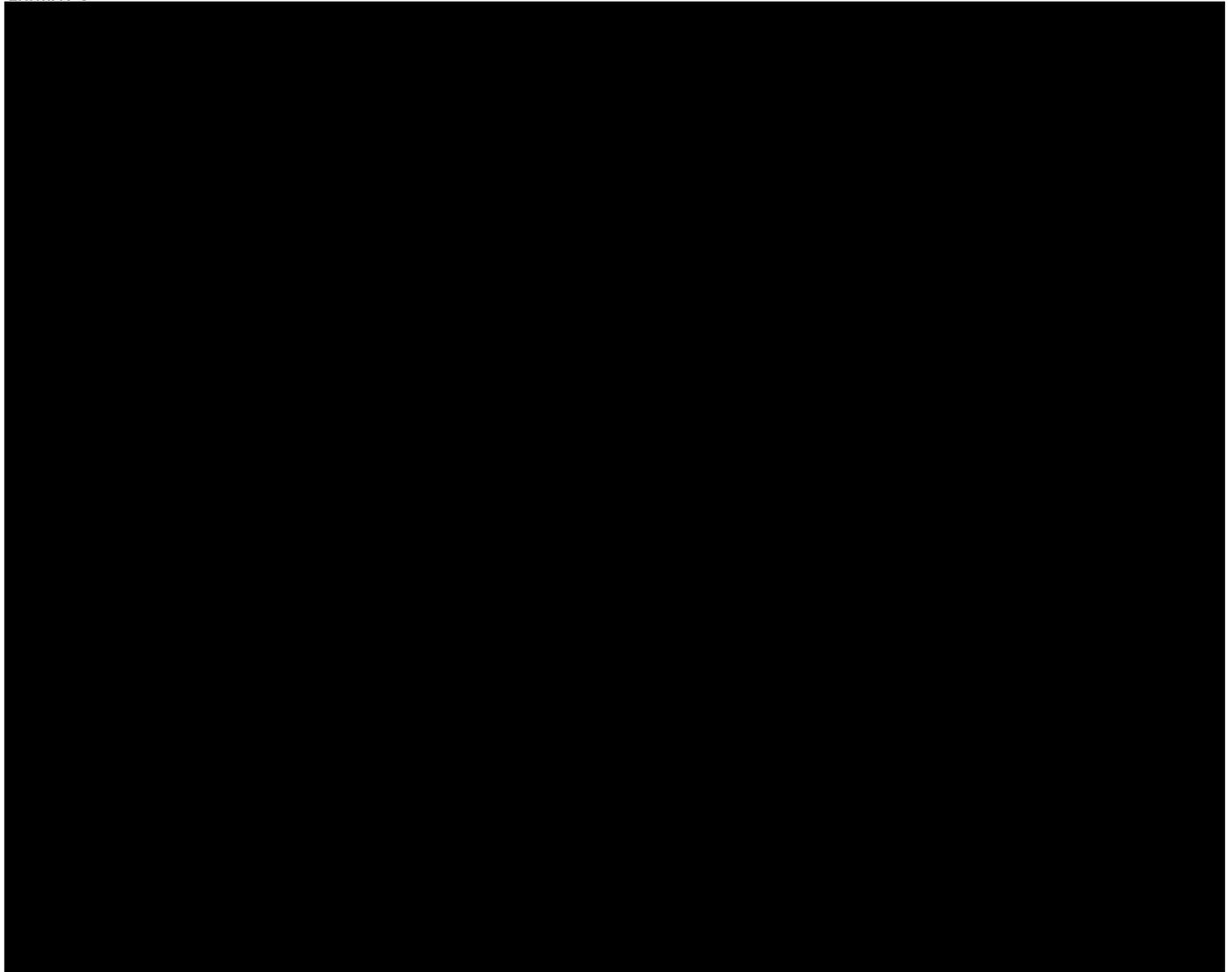
- [REDACTED]
- [REDACTED]
- [REDACTED]



-
-



Exhibit C



-
-

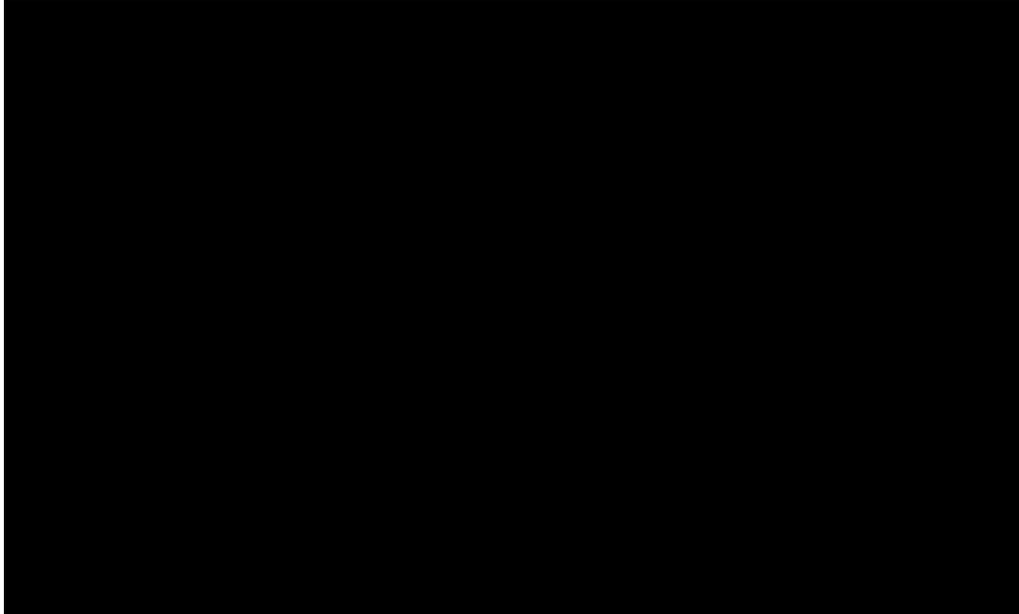
Exhibit D

Document Storage -

is an application giving users the ability to view standard and customized loan views retrieved by . is an interface which is the primary loan servicing platform for EverBank and the system that Clayton is utilizing to conduct the foreclosure file reviews. In addition to supporting basic servicing functions such as escrow administration, payment application, and customer service activities, the system contains dedicated default workstations for foreclosure and loss mitigation. EverBank has an assigned system administrator who provides access to the system. Access will be provided to the applicable auditors upon request.

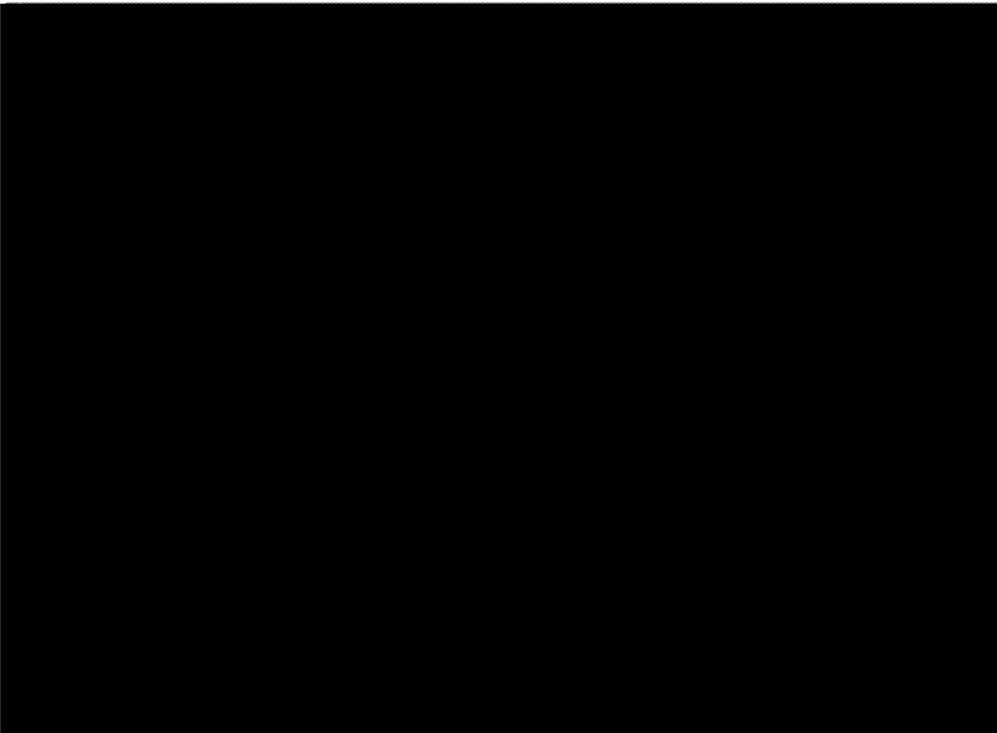
- All the information, data, etc. that is utilized from in making determinations of adverse and/or non-adverse findings are currently being screen printed by Clayton and stored in .pdf documents on Clayton's secured network. EverBank and Clayton are currently working on a solution where the required screen prints would be completed by EverBank and EverBank would load the images into
- The documentation that is created by Clayton from that is used to support the file review findings are saved in Clayton's secure network within a independent folder for each loan with the following naming conventions (screenshot on proceeding page):
 -
 -

Exhibit E



- The following  screenshot is an example of the documentation that would be created for an agent of an auditing institution to be able to validate where a File Review Analyst captured the Next Due Date from when responding to a test script question (i.e. What was the next payment due date at the time of the foreclosure referral?)

Exhibit F



Document Storage - Additional Work Papers

Foreclosure File Review - Audit Trail

Confidential Treatment Requested

All additional work papers outside of [REDACTED] and [REDACTED] that are utilized in answering test script questions (i.e. interest calculations, DOD web searches, PACER web searches, etc.) are stored in the same loan document folder structure as described in the [REDACTED] section above.

Availability of Workpapers

Upon request from an authorized representative of an auditing institution, EverBank will timely produce the supporting documentation for conducted foreclosure file reviews. The supporting documentation will connect the finding (adverse and non adverse) and the information that was utilized in making the finding. EverBank will obtain the supporting documentation from the same system(s) used in the conducted foreclosure file reviews, and will prepare a single audit file for each requested file.

A requirement that EverBank provide a single audit file for each file reviewed in the entire foreclosure review population at the time of review could jeopardize the timely completion of the foreclosure review.

Clayton will provide complete access to documents and information created by or in possession of Clayton with respect to the Foreclosure Review as stated in the engagement letter.