

STATE OF CONNECTICUT

DEPARTMENT OF CONSUMER PROTECTION

ASSURANCE OF VOLUNTARY COMPLIANCE

In the matter of: Countrywide Financial Corporation

1. Countrywide Financial Corporation, on behalf of itself, Countrywide Home Loans, Inc., Countrywide Bank FSB, Full Spectrum Lending Division and Bank Of America Corporation (“Respondent”) or (“Countrywide”), while denying any legal liability and reserving all rights not specifically compromised below, makes this Assurance of Voluntary Compliance (“AVC”) to Jerry Farrell, Commissioner of Consumer Protection of the State of Connecticut (“Commissioner”). This AVC will set forth a monetary payment and establish a fund for consumer remedies (“Countrywide Settlement Fund”).

2. Respondent shall pay a monetary forfeiture to the State of Connecticut (the “State”) in the amount of three hundred and fifty thousand dollars (\$350,000.00), which shall be made payable to “Treasurer, State of Connecticut,” and deposited in the State of Connecticut’s General Fund.

3. Respondent shall establish the Countrywide Settlement Fund by depositing the amount of twenty five thousand dollars (\$25,000.00) in an interest-bearing escrow fund account approved by the State of Connecticut.

4. The Countrywide Settlement Fund shall be used for the sole purpose of reimbursing Connecticut residents whose non-public personal information (“NPPI”), was stolen by a Countrywide employee, Rene L. Rebollo, Jr. (“Connecticut Consumers”). The theft of that information shall be called the “Data Theft”. The Countrywide Settlement Fund shall reimburse Connecticut Consumers for the cost of placing and lifting one (1) security freeze per Consumer (the “Restitution Program”) pursuant to General Statutes § 36a-701a.

5. A Connecticut Consumer may obtain reimbursement pursuant to the Restitution Program by providing to the State of Connecticut: a copy of the notification letter the Connecticut Consumer received from Countrywide in connection with the Data Theft as well as documentation of payment of the cost of placing a security freeze on the Connecticut Consumer’s credit report.

6. Upon proof satisfactory to the State that a Connecticut Consumer paid the cost of placing a security freeze on his or her credit report, and confirmation from Countrywide that the Connecticut Consumer is among those whose NPPI was stolen in the Data Theft, the State shall forward to Respondent the name, address and amount paid by the Connecticut Consumer to place a security freeze on his or her credit report.

7. Within ten (10) business days of its receipt of the information from the State provided pursuant to paragraph 6 above, Countrywide shall mail a check to the Connecticut Consumer, drawn from the Countrywide Settlement Fund, for both the amount reported pursuant to paragraph 6 above and the amount necessary for the Connecticut Consumer to lift the security

freeze. For purposes of this paragraph, the cost to lift the security freeze shall be determined by reference to General Statutes § 36a-701a(i), and any amendments thereto.

8. Countrywide shall bear all costs of administering the Restitution Program, which will not include payment for any time spent by State employees.

9. If at any time the balance of the Countrywide Settlement Fund fall below one thousand dollars (\$1,000.00), Countrywide shall promptly pay ten thousand dollars (\$10,000.00) to the Countrywide Settlement Fund.

10. The Countrywide Settlement Fund shall close on January 1, 2011. When the Fund closes, all unused monies, along with any interest earned by the escrow account, shall be remitted to the State in the same manner and form as the monetary forfeiture provided for in paragraph 2 above.

11. Since Respondent discovered the criminal theft of NPPI, Respondent has taken additional steps to further augment its physical, administrative, and technical security including, but not limited to, safeguarding NPPI and seeking to eliminate unauthorized downloading and transfer of NPPI, including to removable storage devices. Respondent will comply with its obligations under federal law to protect the NPPI in its custody and/or control and will remain committed to, and employ, "best practices" in NPPI protection and breach prevention.

12. The failure by Respondent to comply with any of the terms of this Assurance is prima facie evidence of a violation of the Connecticut Unfair Trade Practices Act, General Statutes §§ 42-110a, et seq.

13. This AVC shall become binding upon acceptance and approval by the Commissioner without further notice to the Respondent.

14. Connecticut Consumers shall be entitled to all the additional relief and protections provided by any Court-approved class action settlement related to the Data Theft. Any protections or relief contained or described in this AVC are in addition to, and shall not be deemed to be in lieu of, any protection or relief contained or described in any Court-approved class action settlement.

15. Respondent has entered into a Settlement Agreement which has been filed with the United States District Court for the Western District of Kentucky, In Re: Countrywide Financial Corp. Data Security Breach Litigation, docketed as 3:08-md-1998-TBR [DE #7-2] (with all subsequent amendments, "Proposed Settlement"). In the event (a) the Proposed Settlement's Effective Date (as defined therein) is not reached by January 1, 2010, and (b) Experian (as defined in the Proposed Settlement) still offers a product Guarantee (as defined therein, and as Experian may amend from time to time) as an additional feature of its credit monitoring product, then, as to all Connecticut Consumers who subscribed to the Triple Advantage Credit Monitoring product pursuant to the notification letters sent by Respondent dated between August 2, 2008 and November 2, 2008, Respondent shall pay for Experian's product Guarantee to be added as an additional feature to the remaining terms of such products. Respondent shall not be liable for

violation of this paragraph if, notwithstanding good faith best efforts, Experian does not agree to provide its product guarantee as an additional feature of the Triple Advantage Credit Monitoring product.

16. This AVC shall constitute a resolution of all outstanding issues between the State of Connecticut and Respondent, its parent, affiliate, and subsidiary entities, as of the date of this AVC, for alleged violations of Connecticut law arising out of (1) statements regarding protection of consumer information and (2) protection of consumer information in connection with the Data Theft.

17. This AVC shall not be considered an admission of violation for any purpose.

18. This AVC shall not be considered an admission of jurisdiction for any purpose.

Countrywide,

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

Date Mark Melodia, Esq.

Reed Smith LLP

Its attorney

Accepted and approved this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

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

Jerry Farrell, Jr.

Commissioner of Consumer Protection