



IMB HoldCo LLC

Compliance Program Oversight Plan

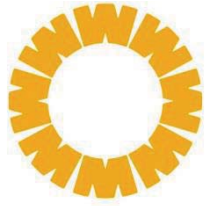
Residential Mortgage Loan Servicing, Loss Mitigation and Foreclosure Activities

Date: January 9, 2012

*****CONFIDENTIAL TREATMENT REQUESTED*****

IMB HoldCo LLC respectfully requests that this document, the information contained in it, and any accompanying information (collectively, "Confidential Information") be afforded confidential treatment under, inter alia, 12 C.F.R. §4.36, 12 C.F.R. §261.14, and the Freedom of Information Act ("FOIA"), 5 U.S.C. §552. In addition, certain of the Confidential Information may be protected by the attorney-client privilege, the attorney work-product doctrine or other applicable privileges ("Privileged Information"). By submitting the Privileged Information to the Federal Reserve Board and/or the Office of the Comptroller of the Currency, IMB HoldCo LLC does not intend to waive any applicable privileges. The Confidential Information constitutes trade secrets, confidential commercial information and/or investigatory records, and therefore such Confidential Information is subject to the exemption from mandatory disclosure under FOIA.





Compliance Program Oversight Plan

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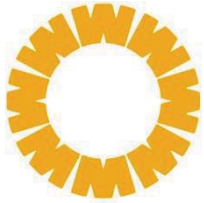
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Compliance Program Oversight Plan Consent Order Requirement

IMB HoldCo LLC Consent Order dated April 13, 2011, Paragraph 8:

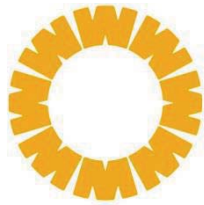
Within ninety (90) days of this Order, the Holding Company shall submit to the Regional Director an acceptable written plan to evaluate the effectiveness of, and strengthen, the Association's compliance program addressing residential mortgage loan servicing, Loss Mitigation, and foreclosure activities and operations, as detailed in the Association Order.



Compliance Program Oversight Plan - Elements

1. The substantive compliance functions subject to oversight reside within OneWest Bank, FSB (the “Association”), the Holding Company’s primary subsidiary and sole bank subsidiary.
2. The Consent Order requires Holding Company oversight of the Association’s compliance in the specified areas*.
3. The key components of the Association’s compliance program pursuant to the Association Order are summarized on the following slides, including updated statuses.
4. The Holding Company’s plan to evaluate the Association’s compliance with the Association Order will be based on reviews with and reports from:
 - Internal Audit; and
 - Enterprise Risk Management Loan Review.
5. Association direct reporting to the Holding Company shall include the following:
 - Internal Audit reports relating to compliance issues within the specified areas*, and the opportunity to meet with the Association’s Head of Internal Audit.
 - Enterprise Risk Management Loan Review reports relating to compliance issues within the specified areas*, and the opportunity to meet with the Association’s Head of Loan Review.
6. Association reporting shall be made initially to the Holding Company’s Consent Order Oversight Committee. Following satisfaction and completion of the Consent Order requirements, this reporting shall transition to the Holding Company Audit Committee.
7. Reporting shall be made on a periodic basis, initially quarterly.

***Covered / Specified Areas:** “residential mortgage loan servicing, Loss Mitigation, and foreclosure activities and operations, as detailed in the Association Order.”



Compliance Program Oversight Plan

Detailed Requirement and Holding Company Oversight

The following table provides a detailed overview of the requirements under the Association’s Compliance Program. The ongoing evaluation of the Compliance Program’s effectiveness will be performed by the Association’s Internal Audit and Enterprise Risk Management Loan Review departments, which are two independent audit functions. Reporting on the results of their review will be provided to the Holding Company Oversight Committee (currently) and Holding Company Audit Committee (future).

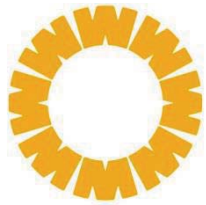
Association Consent Order Requirement	Summary of Association Activities	Targeted Completion Date
9.d:“... governance and controls to ensure full compliance with all applicable federal and state laws (including, but not limited to, the U.S. Bankruptcy Code and the Servicemembers Civil Relief Act (SCRA)), rules, regulations, court orders and requirements, as well as the Membership Rules of MERSCORP, servicing guides of the Government Sponsored Enterprises (GSEs) or investors, including those with the Federal Housing Administration and those required by the Home Affordable Modification Program (HAMP), and loss share agreements with the Federal Deposit Insurance Corporation (collectively Legal Requirements), and the requirements of this Order.”	The Association will develop policies and procedures supporting the following activities: Federal and State law repository; enterprise risk control assessment methodology. In addition, a comprehensive risk assessment and remediation of any identified gaps will be performed to evaluate process, controls and compliance with these requirements.	12/31/11 – extension requested to complete remediation of identified issues.
11.a “appropriate written policies and procedures to conduct, oversee, and monitor mortgage servicing,”	A comprehensive review of the Association’s Compliance Program to ensure appropriate monitoring and oversight.	9/10/11 - Complete
11.b “processes to ensure that all factual assertions made in pleadings, declarations, affidavits, or other sworn statements filed by or on behalf of the Association are accurate, complete, and reliable, and that affidavits, declarations, or other sworn statements are based on personal knowledge or a review of the Association’s books and records when the affidavit, declaration, or sworn statement so states;”	Policies, Standards and Procedures have been developed as well as enhanced tools and quality control processes to ensure accuracy.	9/10/11 - Complete
11.c “processes to ensure that affidavits filed in foreclosure proceedings are executed and notarized in accordance with state legal requirements and applicable guidelines, including jurat requirements;”	Standards and procedural protocols have been developed to ensure notarization practices are consistent with state requirements.	9/10/11 - Complete
11.d “processes to review and approve standardized affidavits and declarations for each jurisdiction in which the Association files foreclosure actions to ensure compliance with applicable laws, rules, and court procedures;”	Affidavits and declarations have been reviewed to ensure compliance with applicable laws and the Association will pursue standardization of documents, to the extent permitted.	9/10/11 - Complete



Compliance Program Oversight Plan

Detailed Requirement and Holding Company Oversight (continued)

Association Consent Order Requirement	Summary of Association Activities	Targeted Completion Date
<p>11.e ““processes to ensure that the Association has properly documented ownership of the promissory note and mortgage (or deed of trust) under applicable state law, or is otherwise a proper party to the action (as a result of agency or other similar status) at all stages of foreclosure and bankruptcy litigation, including appropriate transfer and delivery of endorsed notes and assigned mortgages or deeds of trust at the formation of a residential mortgage-backed security, and lawful and verifiable endorsement and successive assignment of the note and mortgage or deed of trust to reflect all changes of ownership;”</p>	<p>Policies and procedures have been reviewed to ensure appropriate transfer in support of loss mitigation and foreclosure activities.</p>	<p>9/10/11 - Complete</p>
<p>11.f “processes to ensure that a clear and auditable trail exists for all factual information contained in each affidavit or declaration, in support of each of the charges that are listed, including whether the amount is chargeable to the borrower and/or claimable to the investor;”</p>	<p>Standards and procedures have been developed to ensure requirements for supporting documentation are maintained.</p>	<p>9/10/11 - Complete</p>
<p>11.g “processes to ensure that foreclosure sales (including the calculation of the default period, the amounts due, and compliance with notice requirements) and post-sale confirmations are in accordance with the terms of the mortgage loan and applicable state and federal law requirements;”</p>	<p>Policies and procedures have been reviewed to ensure appropriate controls and activities are in place to support compliance .</p>	<p>9/10/11 - Complete</p>
<p>11.h “processes to ensure that all fees, expenses, and other charges imposed on the borrower are assessed in accordance with the terms of the underlying mortgage note, mortgage, or other customer authorization with respect to the imposition of fees, charges, and expenses, and in compliance with all applicable Legal Requirements and supervisory guidance;”</p>	<p>A review of Legal requirements in addition to underlying documentation has been performed to evaluate requirements for fees, expenses and other charges.</p>	<p>9/10/11 - Complete</p>
<p>11.i “processes to ensure that the Association has the ability to locate and secure all documents, including the original promissory notes if required, necessary to perform mortgage servicing, foreclosure and Loss Mitigation, or loan modification functions;”</p>	<p>Foreclosure “file documentation” standards have been established and put into production.</p>	<p>9/10/11 - Complete</p>
<p>11.j “ongoing testing for compliance with applicable Legal Requirements and supervisory guidance that is completed by qualified persons with requisite knowledge and ability (which may include internal audit) who are independent of the Association’s business lines;”</p>	<p>The Association has established an independent Loan Review/Quality Control function to provide continuous transactional testing.</p>	<p>9/10/11 - Complete</p>
<p>11.k “measures to ensure that policies, procedures, and processes are updated on an ongoing basis as necessary to incorporate any changes in applicable Legal Requirements and supervisory guidance;”</p>	<p>Policies and Standards supporting a comprehensive change control program will be established which include ensuring Association documentation is updated in a timely manner.</p>	<p>12/31/11 – Extension requested to allow for full implementation of program.</p>



Compliance Program Oversight Plan

Detailed Requirement and Holding Company Oversight

Association Consent Order Requirement	Summary of Association Activities	Target Completion Date
11.l “processes to ensure the qualifications of current management and supervisory personnel responsible for mortgage servicing and foreclosure processes and operations, including collections, Loss Mitigation and loan modification are appropriate, and a determination of whether any staffing changes or additions are needed;”	A review of staffing adequacy and capability has been performed.	9/10/11 - Complete
11.m “processes to ensure that staffing levels devoted to mortgage servicing and foreclosure processes and operations, including collections, Loss Mitigation and loan modification, are adequate to meet current and expected workload demands;”	A review of operating staffing models and resource requirements has been performed	9/10/11 - Complete
11.n “processes to ensure that workloads of mortgage servicing, foreclosure and Loss Mitigation and loan modification personnel, including single point of contact personnel as hereinafter defined, are reviewed and managed. Such processes, at a minimum, shall assess whether the workload levels are appropriate to ensure compliance with the requirements of this Order, and necessary adjustments to workloads shall promptly follow the completion of the reviews. An initial review shall be completed within ninety (90) days of this Order, and subsequent reviews shall be conducted semi-annually;”	A review of operating staffing models and resource requirements has been performed	9/10/11 - Complete
11.o “processes to ensure that the risk management, quality control, audit, and compliance programs have the requisite authority and status within the organization so that appropriate reviews of the Association’s mortgage servicing, Loss Mitigation, and foreclosure activities and operations may occur and deficiencies are identified and promptly remedied;”	A review of risk functions and alignment within the organization has been performed	9/10/11 - Complete
11.p “appropriate training programs for personnel involved in mortgage servicing and foreclosure processes and operations, including collections, Loss Mitigation, and loan modification, to ensure compliance with applicable Legal Requirements and supervisory guidance; and”	An assessment of training requirements and content has been performed to ensure appropriate frequency and content of training.	9/10/11 - Complete
11.q “appropriate procedures for customers in bankruptcy, including a prohibition on the collection of fees in violation of bankruptcy’s automatic stay (11 U.S.C. § 362), the discharge injunction (11 U.S.C. § 524), or any applicable court order.”	A review of Policies and procedures will be performed to ensure compliance.	9/10/11 - Complete