WHEREAS, IMB HoldCo LLC, Pasadena, California, (“IMB”), a registered savings and loan holding company until 2014, owned and controlled OneWest Bank, FSB, Pasadena, California (“OneWest”), then a savings association;

WHEREAS, IMB, through OneWest, indirectly engaged in the business of servicing residential mortgage loans for OneWest, U.S. government-sponsored entities, and various investors;

WHEREAS, with respect to the residential mortgage loans it serviced, OneWest initiated and handled foreclosure proceedings and loss mitigation activities involving nonperforming residential mortgage loans, including activities related to special forbearances, repayment plans, modifications, short refinances, short sales, cash-for-keys, and deeds-in-lieu of foreclosure (collectively, “Loss Mitigation”);

WHEREAS, as part of a horizontal review of various major residential mortgage servicers conducted by the Board of Governors of the Federal Reserve System (the “Board of
Governors”), the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision (the “OTS”), examiners from the OTS reviewed certain residential mortgage loan servicing and foreclosure-related practices at OneWest;

WHEREAS, on April 13, 2011, OneWest and the OTS entered into a consent order to address areas of weakness identified by the OTS in residential mortgage loan servicing, Loss Mitigation, foreclosure activities, and related functions (“2011 OneWest Consent Order”);

WHEREAS, in the 2011 OneWest Consent Order, the OTS made findings, which OneWest neither admitted nor denied, that there were unsafe or unsound practices with respect to the manner in which OneWest handled various foreclosure and related activities;

WHEREAS, as evidenced by the findings in the 2011 OneWest Consent Order, IMB allegedly failed to provide effective oversight with respect to the residential mortgage loan servicing, Loss Mitigation, foreclosure activities, and related functions of OneWest, including OneWest’s risk management, internal audit, and compliance programs, third party management, document execution practices, and staffing and managerial resources as they pertain to those activities and related functions;

WHEREAS, on April 13, 2011, the OTS and IMB entered into a Consent Order designed to correct the aforementioned alleged conduct (“2011 IMB Consent Order”);

WHEREAS, the conduct which was the subject of the 2011 IMB Consent Order allegedly constitutes unsafe or unsound practices in conducting the affairs of IMB relating to OneWest within the meaning of section 8 of the Federal Deposit Insurance Act, as amended (12 U.S.C. § 1818) (the “FDI Act”);

WHEREAS, effective July 21, 2011, pursuant to sections 312, 314 and 316 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. §§ 5412, 5414 and 5416) the
2011 IMB Consent Order became administered and enforceable by the Board of Governors and the 2011 OneWest Consent Order became administered and enforceable by the Office of the Comptroller of the Currency (the “OCC”) and the Board of Governors became the appropriate banking agency for IMB and successors to IMB for purposes of section 8 of the FDI Act;

WHEREAS, IMB applied to convert from a savings and loan holding company to a bank holding company and the Board of Governors approved the conversion application on February 19, 2014;

WHEREAS, OneWest applied to convert from a federal savings association to a national bank and the OCC approved the conversion application on February 20, 2014;

WHEREAS, the OCC and OneWest entered into a new consent order, dated February 28, 2014 (“2014 OneWest Consent Order”) that reflected OneWest’s conversion to a national bank and incorporated by reference all substantive provisions of the 2011 OneWest Consent Order, as if set forth in full and pursuant to which OneWest was required to adhere to the provisions of the 2011 OneWest Consent Order as though it remained in full force and effect;

WHEREAS, the Board of Governors and IMB entered into a new consent order, dated March 21, 2014 (“2014 IMB Consent Order”), that reflected IMB’s conversion to a bank holding company and incorporated by reference all substantive provisions of the 2011 IMB Consent Order, as if set forth in full and pursuant to which IMB was required to adhere to the provisions of the 2011 IMB Consent Order and paragraphs 6 through 16 of the Stipulation and Consent To Issuance of a Consent Order that accompanied the 2011 IMB Consent Order (“2011 Stipulation”) as though the 2011 IMB Consent Order remained in full force and effect;

WHEREAS, on August 3, 2015, as a result of a corporate acquisition and reorganization, CIT Group, Inc. (“CIT”), a financial holding company, acquired IMB and OneWest;
WHEREAS, as a result of the acquisition, as of August 3, 2015, CIT became a successor to IMB for purposes of the conduct described in the 2014 IMB Consent Order;

WHEREAS, IMB and CIT have taken steps to address the risks associated with the conduct that was the subject of the 2011 IMB Consent Order and the 2014 IMB Consent Order;

WHEREAS, on July 14, 2015, the OCC terminated the 2014 OneWest Consent Order;

WHEREAS, the Board of Governors issues this Order of Assessment of a Civil Money Penalty Issued Upon Consent (the “Consent Assessment Order”) against CIT, as a successor to IMB, in connection with the conduct that is the subject of the 2014 IMB Consent Order;

WHEREAS, CIT, as a successor to IMB, has consented to the assessment of a civil money penalty in the amount of $5,200,000 by the Board of Governors (the “CMP”) pursuant to sections 8(b)(3) and (i)(2)(B) of the FDI Act (12 U.S.C. §§ 1818(b)(3) and 1818(i)(2)(B));

WHEREAS, the board of directors of CIT, at a duly constituted meeting, authorized Stuart Alderoty, Executive Vice President, General Counsel and Corporate Secretary, to enter into this Consent Assessment Order on behalf of CIT, and consent to compliance with each and every applicable provision of this Consent Assessment Order by CIT and its institution-affiliated parties, as defined in sections 3(u) and 8(b)(3) of the FDI Act (12 U.S.C. §§ 1813(u) and 1818(b)(3)), and waive any and all rights that CIT may have pursuant to section 8 of the FDI Act (12 U.S.C. § 1818), including, but not limited to: (i) the issuance of a notice of assessment of civil money penalty; (ii) a hearing for the purpose of taking evidence on any matters set forth in this Consent Assessment Order; (iii) judicial review of this Consent Assessment Order; (iv) contest the issuance of this Consent Assessment Order by the Board of Governors; and (v) challenge or contest, in any manner, the basis, issuance, validity, terms, effectiveness or enforceability of this Consent Assessment Order or any provision hereof.
NOW, THEREFORE, before the filing of any notices, or taking of any testimony or adjudication of or finding on any issues of fact or law herein, and solely for the purpose of settling this matter without a formal proceeding being filed and without the necessity for protracted or extended hearings or testimony, it is hereby ORDERED by the Board of Governors, pursuant to sections 8(b)(3) and (i)(2)(B) of the FDI Act (12 U.S.C. §§ 1818(b)(3) and 1818(i)(2)(B)), that:

1. The Board of Governors hereby assesses CIT, as a successor to IMB, a civil money penalty in the amount of $5,200,000 to be paid upon the execution of this Consent Assessment Order by Fedwire transfer of immediately available funds to the Federal Reserve Bank of Richmond, ABA No. 05 1000033, beneficiary, Board of Governors of the Federal Reserve System. This penalty is deemed to be a penalty paid to a government agency for a violation of law for purposes of 26 U.S.C. § 162(f) and 26 C.F.R. § 1.162-21. The Federal Reserve Bank of Richmond, on behalf of the Board of Governors, shall distribute this sum to the U.S. Department of the Treasury, pursuant to section 8(i) of the FDI Act (12 U.S.C. § 1818(i)).

Notices

2. All communications regarding this Order shall be sent to:

(a) Richard M. Ashton, Esq.
   Deputy General Counsel
   Patrick M. Bryan, Esq.
   Assistant General Counsel
   Board of Governors of the Federal Reserve System
   20th and C Streets N.W.
   Washington, D.C. 20551

(b) Stuart Alderoty
   Executive Vice President, General Counsel and Corporate Secretary
   CIT Group, Inc.
   11 West 42nd Street, 12th Floor
   New York, New York 10036
**Miscellaneous**

3. The provisions of this Consent Assessment Order shall be binding on CIT and its institution-affiliated parties in their capacities as such, and their successors and assigns.

4. Each provision of this Consent Assessment Order shall remain effective and enforceable until stayed, modified, terminated, or suspended in writing by the Board of Governors.

5. Except as provided for in this Consent Assessment Order, the Board of Governors hereby releases and discharges CIT and its affiliates, successors, and assigns from all potential liability that has been or might have been asserted by the Board of Governors based on the conduct that is the subject of this Consent Assessment Order or the 2014 IMB Consent Order, to the extent known to the Board of Governors as of the effective date of this Consent Assessment Order. The foregoing release and discharge shall not preclude or affect any right of the Board of Governors to determine and ensure compliance with this Consent Assessment Order, or any proceedings brought by the Board of Governors to enforce the terms of this Consent Assessment Order.
6. Nothing in this Consent Assessment Order, express or implied, shall give to any person or entity, other than the parties hereto, and their successors hereunder, any legal or equitable right, remedy or claim under this Consent Assessment Order.

By Order of the Board of Governors effective this 12th day of January, 2018.

CIT GROUP, INC.

By: /s/ Stuart Alderoty  
Stuart Alderoty  
Executive Vice President, General Counsel and Corporate Secretary

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

By: /s/ Ann E. Misback  
Ann E. Misback  
Secretary of the Board