

460 Chairman GOODLATTE. Well, let me just add that this
461 committee will not stand silent, nor will, I am sure, the
462 Financial Service Committee, and you can expect that this
463 will escalate if you do not provide the documentation that we
464 requested over 2 months ago.

465 Secondly, did anyone at the Department of Justice ever
466 consider the serious appearance of impropriety in requiring
467 banks to make available to activist organizations the lion's
468 share of funding that Congress has previously cut off to
469 them? That is one of the reasons why we want to see the
470 communications. We want to know what considerations went
471 into making this decision to take this action.

472 Mr. GRABER. Thank you, Mr. Chairman. Again, I
473 understand the concern. And I can tell you that one of the
474 reasons that the Department wanted to use a preexisting list,
475 the one that I believe you are referring to, the HUD approved
476 counseling agency list, is because that list is preexisting.
477 The Department did not want to be in the business of picking
478 and choosing which organization may or may not receive any
479 funding under the agreement.

480 Chairman GOODLATTE. No, but it is the Congress'
481 responsibility to appropriate funds, and the Congress'
482 responsibility to be picking and choosing who gets
483 appropriations for expenditures. And we want to know what
484 connection there is between the fact that cuts were made and

• EXHIBIT B

From: Taylor, Elizabeth G. (OAAG)
Sent: Wednesday, November 06, 2013 10:58 AM
To: [REDACTED] (OLC); Seltz, Virginia A (OLC)
Cc: Martinez, Brian (OAAG); Graber, Geoffrey (OAAG) [REDACTED] (OLC)
Subject: back again with questions

I'm sorry to be a pest. We keep tinkering with the settlement agreement and I want to make sure that we are doing it right. I also am not sure that I am a good messenger between you and Tony because he asks me follow up questions that I'm not sure I can answer. Do you have a few minutes today to meet with Tony and let him ask you questions directly?

Here are our current issues:

[REDACTED]

2) can you explain to Tony the best way to allocate some money toward an organization of our choosing? We have been discussing having the agreement provide that JPM agreed to pay \$9 billion but that, if, by the time we sign the settlement agreement, JPM has given \$60 million to x organization, they will only have to pay \$8.04 billion. I think that's ok. We understand that we would have no control over what x organization does with the money.

Thanks

EXHIBIT C . PART I

From: Frimpong, Maame Ewusi-Mensah (OAAG)
Sent: Wednesday, July 09, 2014 1:07 PM
To: [REDACTED] (A2J)
Subject: RE: new language

Thanks! We made the proposal. They had one question whenever you have a moment.

From: [REDACTED] (A2J)
Sent: Wednesday, July 09, 2014 9:47 AM
To: Frimpong, Maame Ewusi Mensah (OAAG)
Subject: RE: new language

You go girl. The prospective settlement was on NPR this morning, in case you didn't have your radio on...

[REDACTED]
Acting Senior Counselor for Access to Justice
U.S. Department of Justice

From: Frimpong, Maame Ewusi Mensah (OAAG)
Sent: Wednesday, July 09, 2014 9:42 AM
To: [REDACTED] (A2J)
Subject: RE: new language

Cool. I will keep you posted.

From: [REDACTED] (A2J)
Sent: Wednesday, July 09, 2014 9:34 AM
To: Frimpong, Maame Ewusi Mensah (OAAG)
Cc: [REDACTED] (A2J)
Subject: RE: new language
Importance: High

Got it. Ok, this will hopefully address the concerns we'd like to avert:

Donations to state-based Interest on Lawyers' Trust Account (IOLTA) organizations (or other statewide bar-association affiliated intermediaries) that provide funds to legal aid organizations, to be used for foreclosure prevention legal assistance and community redevelopment legal assistance.

Concerns include: a) not allowing Citi to pick a statewide intermediary like the Pacific Legal Foundation (does conservative property-rights free legal services) or a statewide pro bono entity (will conflict out of most meaningful foreclosure legal aid) we are more likely to get the right result from a state bar association affiliated entity; b) making

• EXHIBIT C • PART II

sure that it's **legal** assistance provided, not a scenario where the bank can direct IOLTA or other intermediary to give to even a legal aid organization but to do only housing counseling, for example, under the umbrella "foreclosure prevention assistance."

This get you closer?

Acting Senior Counselor for Access to Justice
U.S. Department of Justice

From: Frimpong, Maame Ewusi Mensah (OAAG)
Sent: Tuesday, July 08, 2014 6:10 PM
To: [REDACTED] (A2J)
Subject: new language

H [REDACTED]

I think we are going to have to be as thin as possible here, not add new definitions, and not limit to particular states. What do you think about the following:

Donations to state-based Interest on Lawyers' Trust Account (IOLTA) organizations or other statewide intermediaries that provide funds to legal aid organizations, to be used for foreclosure prevention assistance and community redevelopment assistance.

Regards,
Maame

Maame Ewusi-Mensah Frimpong
Principal Deputy Associate Attorney General
Office of the Associate Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530
202.514.3310

Maame Ewusi-Mensah Frimpong

EXHIBIT D

From: Frimpong, Maame Ewusi-Mensah (OAAG)
Sent: Friday, August 15, 2014 4:01 PM
To: Canale, Ellen (OPA)
Subject: "stretching by the banks"

Hi Ellen

Here are some examples of consumer relief items that we believe require the banks to do more than they would be economically motivated to do on their own in Citi:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- Make donations to categories of entities we have specified (as opposed to what the bank might normally choose to donate to).
- [REDACTED]
- [REDACTED]
- [REDACTED]

I hope this is helpful. Let me know if you have questions or need more. Big picture, we are requiring the bank to change its behavior and at the very least, choose the actions we prefer among various options that it might be economically motivated to take. This in itself is valuable because we are pushing them to focus their activities on the borrowers and areas and relief of most concern to us and that we believe will have the greatest impact in redressing the harm their actions caused to consumers and communities.

Thanks!
Maame

EXHIBIT E.

From: Martinez, Brian (OAAG)
Sent: Friday, November 15, 2013 1:04 PM
To: Graber, Geoffrey (OAAG)
Subject: Consumer Relief

Geoff, this is what we received from HUD a little while ago.

From: Smith, Damon Y [mailto:Damon.Y.Smith@hud.gov]
Sent: Friday, November 15, 2013 12:06 PM
To: Taylor, Elizabeth G. (OAAG)
Cc: Martinez, Brian (OAAG)
Subject: RE: update for Tony?

Attached is a clean and redline of where we are. Don't be afraid of the extent of the redline. Much of it is shifting around and the preamble, footnotes and other language are all new so we're just getting down to negotiating it. [REDACTED]

Let me know if you have any questions or concerns.

Thanks,

Damon

HUD negotiated consumer relief for JP Morgan here
- confirmed a depo for financial services

From: Taylor, Elizabeth G. (OAAG) [mailto:Elizabeth.G.Taylor@usdoj.gov]
Sent: Friday, November 15, 2013 11:48 AM
To: Smith, Damon Y ← HUD
Cc: Martinez, Brian (OAAG)
Subject: update for Tony?

Right after I sent my email, Tony called me asking for an update, especially on where we are on liquidated damages and on one or more third party beneficiaries. Can you get on a call with Tony (and me) and update him? I'm copying Brian to assist in scheduling. Let me know if you think Sec. Donovan needs to be included, but I'm sure that would complicate scheduling and Tony really just want to know where things are.

• EXHIBIT F.

From: [REDACTED] (A2J)
Sent: Tuesday, June 17, 2014 9:28 AM
To: Frimpong, Maame Ewusi Mensah (OAAG)
Cc: [REDACTED] (A2J)
Subject: Memo re: bank settlement

Hi Maame,

Hope all is well and that you are settling in on the 5th floor.

We wanted to give you a heads up that we will be sending a memo your way today. By way of background, Cindy contacted [REDACTED] yesterday about an issue that we've been discussing with Tony for months and one that we've been meaning to connect with you on adding language that incorporates legal aid into the Department's large bank settlement agreements (as part of consumer/victim relief). We understand that Tony wants a quick turnaround on this, so please feel free to reach out to us with any questions.

Best,

[REDACTED] an [REDACTED]

[REDACTED]
Senior Counsel
Access to Justice Initiative
U.S. Department of Justice
950 Pennsylvania Ave, NW, Roo [REDACTED]
Washington, D.C. 20530
Direct: 20 [REDACTED]
www.justice.gov/ati



U.S. Department of Justice

MEMORANDUM

To: Maame Ewusi-Mensah Frimpong
From: [REDACTED] an [REDACTED]
Date: June 23, 2014
Subject: Including Legal Aid Organizations in Distribution of Bank Settlement Funds

As requested by Associate Attorney General Tony West, ATJ has researched options for incorporating legal aid into the Department's large bank settlement agreements. Based on our current understanding of the potential scale, we identified three options that would best align with organizational capacity and litigation goals, and achieve the ASG's goal of a distribution mechanism that reaches a broad coalition of legal aid organizations.

The options listed below could be pursued either separately or in some combination. As set out below, we recommend a combination of options 1 and 2:

- 1) distribute the majority of funds set aside for legal aid to IOLTA foundations; and
- 2) reserve sufficient funds for a national organization to establish Consumer Protection Fellowships in specific states pursuant to the settlement, to focus on foreclosure prevention solutions that help people keep their homes and prevent future mortgage abuses.

IOLTA foundations are especially appropriate intermediaries in cases involving banks because a) they have capacity to effectively distribute large sums of money; and b) the historically low bank interest rates from the beginning of 2008 to the present, have meant the loss of hundreds of millions of dollars to legal aid programs nationally, while the need for free legal services has grown.

Legal aid offices respond to the wide range of legal problems faced by low-income communities in distress, with lawyers working on cases involving housing and consumer protection as well as family law matters and access to public benefits. Often clients have multiple, interrelated legal problems, such as a loss of housing that may exacerbate or lead to other debt problems or an acute need to access other public benefits. Some larger organizations also have expertise in broader community development work, like working on behalf of citizen groups to negotiate community benefits agreements (such as requiring development to include affordable housing or prioritize local labor). Typically, as non-profit organizations subject to oversight by boards of directors, legal aid offices have a formal process for setting local priorities with oversight and input from their boards. It could be logistically difficult for large scale funding through IOLTA to have subject matter restrictions on it (such as only for housing cases). Like most IOLTA funding, and like federal funds from the Legal Services Corporation, it is best to have as few strings as possible – both to respect established local priorities and avoid overly burdensome accounting. However, for the smaller portion of funding in option 2, it makes sense to be targeted both as to geography and subject matter.

Finally, while we recommend as few restrictions as possible on funding going to legal aid organizations, we note that some organizations already live with funding restrictions— such as not being allowed to pursue class actions. If, to build support for these ideas generally, there is a need to fashion reasonable restrictions, then ATJ can help with further development of such options.

• EXHIBIT H •

From: Bob LeClair
To: "Charles Dunlap"; david@lbf.org; "Amy Sings In the Timber"; "Judith Baker"; "Shannon Scruggs"; "Amy Johnson"; "Libhart, Stephanie S."; "Choy, Stephanie"; "Norsworthy, Nancy"; "Alvaro Flores"; comalley@iola.org; lphillips@flabarfndn.org
Cc: Groudine, Beverly
Subject: RE: NAIP letter to Tony West at DOJ
Date: Friday, August 22, 2014 2:32:43 PM

Great idea! We should do a resolution, and we also should do some formal plaque that would say "for outstanding service" or other such words.

Frankly, I would be willing to have us build a statue and then we could bow down to this statue each day after we get our \$200,000+

Heap big fun!
Bob LeClair

From: Charles Dunlap [mailto:cdunlap@lbnf.org]
Sent: Friday, August 22, 2014 12:21 PM
To: david@lbf.org; Amy Sings In the Timber; Judith Baker; Shannon Scruggs; Amy Johnson; Libhart, Stephanie S.; Bob LeClair; Choy, Stephanie; Norsworthy, Nancy; Alvaro Flores; comalley@iola.org; lphillips@flabarfndn.org
Cc: Groudine, Beverly
Subject: NAIP letter to Tony West at DOJ

Hi NAIP Board members. Now that it has been more than 24 hours for us all to try and digest the Bank of America settlement, I would like to discuss ways we might want to recognize and show appreciation for the Department of Justice and specifically Associate Attorney General Tony West who by all accounts was the one person most responsible for including the IOLTA provisions. I am in the process of sending him a thank you letter today on behalf of NAIP and all of its members. I also wanted to see if there are any other ideas to honor him and the DOJ in a more meaningful way (resolution, other award, ceremony at the midyear?) and am looking for any creative ideas to try and show him how important this is to our community and more importantly what a huge impact it will have on those in need. Any ideas are appreciated. Thanks again for your suggestions.

Chuck



Charles R. Dunlap
Executive Director
615 N. Alabama
Suite 122
Indianapolis, IN 46204

EXHIBIT I - PART I

The Leadership Conference
on Civil and Human Rights

1629 K Street, NW
10th Floor
Washington, DC
20006

202.466.3311 voice
202.466.3435 fax
www.civilrights.org

Memorandum



Attachments:

MEMORANDUM COMMUNITY RESTORATION EQUITY FUND PROPOSAL 2013-10-22_mmlr-2.doc,
voicejpmorganreglt.pdf; VOICE- JP Morgan Chase Reinvestment Case Statement.pdf

TO: Elizabeth Taylor, US Department of Justice
FROM: [REDACTED] The Leadership Conference on Civil and Human Rights
RE: JPMorgan Chase Toxic MBS Accountability in Prince William County, VA
DATE: November 8, 2013

Thank you for taking my call earlier today. I thought our conversation was helpful, and I appreciate your willingness to hear my suggestions regarding a "pilot project on community reinvestment" in Prince William County, Virginia, as an element of the anticipated JPMorgan Chase settlement. For the record, it is important that I offer the following disclaimer: this proposal is made on our own initiative, and without the encouragement, approval, or suggestion by either you or the Department of Justice.

By way of background, The Leadership Conference on Civil and Human Rights is the nation's leading civil and human coalition. We have been actively involved for many years in housing and lending policies both before and in the wake of nation's financial crisis. As I mentioned when we spoke, we are working with several community-based organizations in Prince William County that seek to promote the public interest through leveraged investments in neighborhoods that have been hard hit by home foreclosures.

For example, VOICE, a broad-based citizens organization with 50 religious and community institution members in Northern Virginia, has asked The Leadership Conference to assist them in their fight to get JPMorgan to reinvest a portion of the more than \$300 million in equity it stripped from Prince William County, VA communities and families through predatory loans, toxic Mortgage-backed Securities (MBSs), and foreclosures (see attached one-page summary of JP Morgan's Prince William track record).

We are asking DOJ officials negotiating with JPMorgan Chase to consider including in any settlement significant equity capital or grant funds to promote and capitalize a Prince William County Restoration Fund (see attached concept paper) which will revitalize blighted neighborhoods, rebuild homeownership, and address

EXHIBIT I • PART II



National Community Restoration Fund JP Morgan Chase & Federal Government MBS Settlement

Goal: Require JPMorgan Chase to reinvest some of the equity its predatory mortgages stripped from communities as part of the US Department of Justice's proposed \$13 Billion Settlement with JPMorgan over regulatory issues and mortgage-backed securities (MBSs).

Metro Industrial Areas Foundation, a network of 22 broad-based citizens organizations in the East, Midwest, and South, proposes that this occur in one of two ways:

Ideal Proposal: The Federal Government should require JPMorgan Chase to pay \$2 billion in cash to capitalize a National Community Restoration Fund that would help restore communities and be available on a competitive basis. The National Restoration Fund could capitalize 50 local community restoration equity funds to rebuild communities across the country that were destroyed by JPMorgan's predatory loans and toxic MBSs.

Alternative Proposal: The Federal Government should include in its consent agreement, as part of the consumer relief portion, a requirement that JPMorgan Chase capitalize local community restoration equity funds through significant grants (at least \$10 million+ each) or Equity Equivalent (EQ2) investments over 20+ years on a non-recourse basis at very low interest rates (0%-1%) to rebuild communities devastated by foreclosure. JPMorgan Chase could be given enhanced credit towards its settlement requirements for this type of grant or investment.

Background: JPMorgan Chase's predatory loans – packaged into toxic MBSs – did not just hurt investors and individual homeowners; they destroyed entire communities for which JPMorgan should be held accountable to reinvest. MBSs allowed predatory lenders to originate trillions of dollars of sub-prime loans that were structured to fail, targeted at low-wealth and minority borrowers, and concentrated in low-income neighborhoods in cities and aging suburbs throughout the US. The cumulative effect of these failed mortgages was to:

- Leave large-numbers of blighted and vacant homes that depress property values, preventing remaining homeowners from securing a loan modification because they are underwater. These properties also attract crime and other public safety issues;
- Devastate homeownership rates, replacing owners with renters vulnerable to negligent absentee investors and destabilizing neighborhoods;
- Create pressures on available affordable rental housing as demand rises from families recently foreclosed, raising rents and making rental housing unaffordable;
- Deny large swaths of former homeowners, who are stuck in high-priced rental housing,

EXHIBIT J.

Best,

Peter J. Kadzik

Principal Deputy Assistant Attorney General
Office of Legislative Affairs
(202) 514-2141
peter.j.kadzik@usdoj.gov

From: Martin Trimble [<mailto:mptrimble@mac.com>]
Sent: Saturday, February 15, 2014 6:13 PM
To: Kadzik, Peter J (OLA)
Cc: Luke Albee; Michelle Maiwurm; Clyde Ells; Keith Savage; Wilson Michael; Frank McMillian
Subject: VOICE/Metro IAF Meeting with US Deputy Attorney General Tony West

Mr. Kadzik-

It was good to talk with you on Wednesday. Thank you for agreeing to speak with US Deputy Attorney General Tony West about meeting with VOICE -Virginians Organized for Interfaith Community Engagement Leaders--to discuss VOICE & Metro Industrial Areas Foundation's (Metro IAF) proposal to create a \$5 Billion National Community Equity Restoration Fund to rebuild communities devastated by predatory loans and toxic Mortgage Backed Securities issued by financial institutions.

The VOICE-Metro IAF National Community Equity Restoration Fund concept paper is attached. As you know, VOICE worked with Senator Mark Warner, Federal officials, and other allies to get "*grants to capitalize community equity restoration funds*" included as one way JP Morgan Chase can fulfill its consumer relief obligations under the Department of Justice-JP Morgan Chase \$13 billion toxic Mortgage Backed Securities settlement. This precedent potentially creates a vital resource to rebuild communities hard hit by predatory loans and foreclosures. We will brief Deputy Attorney General West on how community equity restoration funds established by VOICE/Metro IAF sister groups are transforming blighted communities on a large scale in Baltimore, New York, Milwaukee as well as the VOICE restoration plan for Prince William County, VA. VOICE & Metro IAF will make the case that the Department of Justice should make "*grants to capitalize community equity restoration funds*" mandatory in all future settlements.

Below is background information on VOICE and its organizing to hold financial institutions accountable for the predatory loan and foreclosure crisis in Prince William County, VA as well as Metro IAF. Watch this short video for the story about VOICE's organizing: [VOICE Foreclosure Organizing Video](#). The concept paper has details on the effectiveness of community equity restoration funds in rebuilding blighted communities.

Thank you for your consideration and I look forward to talking with you again soon.

Sincerely,

Martin Paul Trimble

• EXHIBIT K •

From: West, Tony (OAAG)
Sent: Tuesday, March 04, 2014 1:51 PM
To: Taylor, Elizabeth G. (OAAG)
Cc: Martinez, Brian (OAAG); Graber, Geoffrey (OAAG)
Subject: RE: meeting with VOICE

[REDACTED] Let's discuss later today.

From: Taylor, Elizabeth G. (OAAG)
Sent: Tuesday, March 04, 2014 12:50 PM
To: West, Tony (OAAG)
Cc: Martinez, Brian (OAAG); Graber, Geoffrey (OAAG)
Subject: meeting with VOICE

I met today, on your behalf, with [REDACTED], a [REDACTED] with VOICE – Virginians Organized for Interfaith Community Engagement. They would like us to include in the consumer relief portion of the next rmbs settlement a requirement that the bank contribute to a National Community Equity Restoration Fund, which, in turn, would capitalize community equity restoration funds in communities across the country that were harmed by the banks' creation and securitization of toxic mortgages. I explained the limits of what we can do in a securities settlement, including the facts that the suit is aimed at harm to investors and that the federal government could not administer such a fund. Still, [REDACTED] proposal is [REDACTED]. According to [REDACTED], this kind of community equity restoration fund has been successful in developing affordable housing and restoring blighted neighborhoods in New York, Baltimore, Philadelphia, DC and Milwaukee. [REDACTED] will invite you and any of us who are interested to come see the work they have done in Baltimore and DC. [REDACTED] Damon, [REDACTED]
Damon [REDACTED]

[REDACTED] but [REDACTED] says that BofA has already committed \$10 million to making low interest loans in Virginia. I'll try to find out whether BofA is getting credit toward the NMS for this money. [REDACTED] claims that they shamed BofA into doing this by storming their shareholder meeting. Perhaps we can discuss this more when we meet this afternoon. I'll also scan the proposal and send it around.

• EXHIBIT L • CITI SETTLEMENT
7/14/14

E. Donations to state-based Interest on Lawyers' Trust Account (IOLTA) organizations (or other statewide bar-association affiliated intermediaries) that provide funds to legal aid organizations, to be used for foreclosure prevention legal assistance and community redevelopment legal assistance

E. \$1.00 payment = \$2.00 Credit

Menu Item 4E Minimum = \$15 million payment

F. Donations to HUD-approved housing counseling agencies to provide foreclosure prevention assistance and other housing counseling activities²¹

F. \$1.00 payment = \$2.00 Credit

Menu Item 4F Minimum = \$10 million payment

115% Early Incentive Credit for Menu Items 4A-F

²¹ The list of HUD-approved housing counseling agencies is available on the HUD website at <http://www.hud.gov/offices/hsg/sth/hcc/hcs.cfm>.