

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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UNITED STATES OF AMERICA <i>ex rel.</i>	:
KEITH EDWARDS,	:
	:
Plaintiff/Relator,	:
	:
v.	:
	:
JPMORGAN CHASE BANK, N.A., and	:
JPMORGAN CHASE & CO.,	:
	:
Defendants.	:
-----X	
UNITED STATES OF AMERICA,	:
	:
Plaintiff,	:
	:
v.	:
	:
JPMORGAN CHASE BANK, N.A., and	:
JPMORGAN CHASE & CO.,	:
	:
Defendants.	:
-----X	

13 Civ. 0220

**STIPULATION AND ORDER OF
SETTLEMENT AND DISMISSAL**

WHEREAS, this Stipulation and Order of Settlement and Dismissal (“Stipulation”) is entered into by and among plaintiff the United States of America, by its attorney, Preet Bharara, United States Attorney for the Southern District of New York, and on behalf of the United States Department of Housing and Urban Development (“HUD”), the Federal Housing Administration (“FHA”), and the United States Department of Veterans Affairs (“VA”) (collectively, the “United States” or “Government”); Keith Edwards (“Relator”), by his authorized representatives; and JPMorgan Chase Bank, N.A. (“Chase”), and JPMorgan Chase & Co. (“JPMC,” together with “Chase,” “Defendants”), by their authorized representatives;

WHEREAS, since at least January 1, 2002, Chase has been a participant in the Direct Endorsement Lender program (“DEL Program”), a Government program administered by the FHA and HUD. The DEL Program authorizes private-sector mortgage lenders (“Direct Endorsement Lenders”) to approve mortgage loans for insurance and refinancing by the FHA;

WHEREAS, since at least January 1, 2002, Chase has been a participant in the VA’s Home Loan Guaranty program (“Loan Guaranty Program”). This program authorizes private-sector mortgage lenders to approve qualifying veterans, active duty personnel, surviving spouses, and reservists for mortgage loans insured or refinanced by the VA;

WHEREAS, as set forth in the Government’s Complaint, the Government alleges that during the period January 1, 2002, through the date of the signing of this Stipulation (“Covered Period”), Chase: (a) approved loans for FHA insurance and refinancing in violation of DEL Program rules, and submitted false loan-level certifications to the FHA and HUD concerning compliance with DEL Program rules; (b) failed to self-report to the FHA and HUD loans that it identified as having been affected by borrower or correspondent fraud or other material deficiencies, in violation of DEL Program rules; (c) entered information into its automated underwriting system/TOTAL Mortgage Scorecard that lacked integrity, in violation of DEL Program rules; and (d) approved loans for VA insurance and refinancing in violation of the rules governing the Loan Guaranty Program, and submitted false certifications to the VA concerning compliance with the Loan Guaranty Program (collectively, “Covered Conduct”);

WHEREAS, the Covered Conduct encompasses only those loans that Chase approved for FHA or VA insurance or refinancing during the Covered Period and for which HUD or the VA paid any claims on or before the date of the signing of this Stipulation.

WHEREAS, Relator filed a *qui tam* complaint and an amended *qui tam* complaint (collectively, “Relator’s Complaint”) alleging that Chase approved loans for FHA and VA insurance in violation of the rules governing the DEL Program and the Loan Guaranty Program;

WHEREAS, the Parties have reached a mutually-agreeable resolution addressing Defendants’ conduct through this Stipulation;

NOW, THEREFORE, upon the Parties’ agreement, IT IS HEREBY ORDERED that:

TERMS AND CONDITIONS

1. The Court’s subject matter jurisdiction over this action is undisputed and Defendants consent to the Court’s exercise of personal jurisdiction over them.
2. Defendants Chase and JPMC admit, acknowledge, and accept responsibility for the following conduct alleged in the Government’s Complaint:

(a) As a participant in the VA’s Loan Guaranty program, Chase must comply with the requirements of the Loan Guaranty Program (“Loan Guaranty Program rules”).

(b) As a participant in HUD-FHA’s DEL Program, Chase must comply with the requirements of the DEL Program (“DEL Program rules”).

(c) DEL Program rules require all Direct Endorsement Lenders, among other things, to conduct quality control reviews of a subset of the loans they approve for FHA insurance, and to self-report to HUD-FHA any such loans that they identify as having been affected by “[s]erious deficiencies, patterns of noncompliance, or fraud” within 60 days of discovery.

(d) From 2007 through 2012, Chase failed to self-report to HUD-FHA 582 FHA-insured loans that, from 2007 through 2009, it identified as having been affected by borrower or correspondent fraud or other material deficiencies.

(e) During the Covered Period, for every mortgage loan that Chase approved for FHA insurance or refinancing pursuant to the DEL Program, Chase submitted a Form HUD 92900-A, or an equivalent form, to HUD-FHA (“HUD-FHA loan-level certification”). In each HUD-FHA loan-level certification, Chase certified to HUD-FHA, among other things, that the loan was eligible for FHA insurance or refinancing under the DEL Program. In addition, in each HUD-FHA loan-level certification for loans that Chase approved for FHA insurance using TOTAL Mortgage Scorecard (“TOTAL”) — FHA’s credit-rating algorithm that works in conjunction with Chase’s automated underwriting system (“AUS”) — Chase also certified to the “integrity of the data supplied by [Chase]” to TOTAL, including, for example, the dollar value of the borrower’s income and assets.

(f) During the Covered Period, Chase approved for FHA insurance or refinancing thousands of loans that did not meet one or more DEL Program rules, and therefore were not eligible for FHA insurance or refinancing under the DEL Program.

(g) Moreover, during the Covered Period, certain employees of Chase submitted data to TOTAL that lacked integrity. Specifically, when FHA loans did not receive an “accept/approve” rating from TOTAL, these employees re-submitted the loans through the bank’s AUS/TOTAL multiple times over a short period, each time entering into the AUS/TOTAL hypothetical data that had not been corroborated by documents or other information possessed by the employees in order to determine data values that would generate an “accept/approve” rating.

These employees then communicated the qualifying data values to borrowers, thus increasing the risk of borrower fraud.

(h) During the Covered Period, for every mortgage loan that Chase approved for insurance or refinancing pursuant to the Loan Guaranty Program, Chase submitted a VA Form 26-1820, or equivalent form, to the VA (“VA loan-level certification”). In each VA loan-level certification, Chase certified to the VA, among other things, that the loan was eligible for VA insurance or refinancing under the Loan Guaranty Program.

(i) During the Covered Period, Chase approved for VA insurance or refinancing hundreds of loans that did not meet one or more Loan Guaranty Program rules, and therefore were not eligible for VA insurance or refinancing under the Loan Guaranty Program.

(j) As a result of the conduct described above, Chase induced HUD-FHA and the VA to accept for Government insurance or refinancing thousands of loans that were not eligible for such insurance or refinancing, and that HUD-FHA and the VA otherwise would not have accepted for insurance or refinancing, and this resulted in substantial losses to the Government when the loans defaulted.

3. Chase shall comply with all rules applicable to participants in the DEL Program and the Loan Guaranty Program, including the DEL Program requirement that it ensure the “integrity of the data supplied” to TOTAL.

4. In connection with the data integrity requirement set forth in Paragraph 3 above, Chase shall implement an enhanced quality control program to review FHA loans that it underwrites using TOTAL. The components of such quality control program shall be negotiated

in good faith among Chase, HUD and the United States Attorney's Office for the Southern District of New York ("SDNY"), and shall be set forth in a separate, signed, public agreement among Chase, HUD, and SDNY. Chase agrees to incorporate into such quality control program thresholds that, if reached in connection with a particular loan, will trigger a review of that loan by a member of the bank's quality control staff. Chase further agrees that the thresholds will be reasonably calculated to detect instances where Chase employees submitted to TOTAL data that was not supported by documents or other information possessed by the employees at the time the data was submitted. The thresholds triggering review will include, but not be limited to, a loan receiving: (a) a specified number of submissions to TOTAL within a specified short period of time; and (b) a specified number of overall submissions to TOTAL prior to the closing of the loan. Each "specified" number or period referenced in the prior sentence is to be set forth in the above-referenced agreement among Chase, HUD and SDNY. Chase, HUD and SDNY shall use best efforts to complete negotiations and execute the above-referenced agreement within ninety calendar days of the Effective Date (defined in Paragraph 26 below).

5. Defendants shall pay to the Government \$614 million within thirty calendar days of the Effective Date (the "Settlement Amount"). Of the Settlement Amount, Defendants are paying \$564.6 million to address violations of the DEL Program, and \$49.4 million to address violations of the Loan Guaranty Program. Any amounts distributed to HUD-FHA pursuant to this Stipulation may be deposited into FHA's Capital Reserve Account.

6. Payment of the Settlement Amount shall be made at <https://www.pay.gov> to the U.S. Department of Justice account in accordance with written instructions to be provided within ten calendar days of the Effective Date by the Financial Litigation Unit of the United States Attorney's Office for the Southern District of New York.

7. Subject to the exceptions in Paragraph 10 below, conditioned upon Defendants' full compliance with the terms of this Stipulation, and subject to Paragraph 17 below (concerning bankruptcy proceedings commenced within 91 days of the Effective Date or the date of any payment made under this Stipulation), the Government, on behalf of its officers, agencies and departments (including HUD, the FHA, and the VA), releases Defendants and all of their current and former officers, directors, employees, parents, subsidiaries, affiliates, agents, attorneys and assigns from any civil or administrative monetary claim that the United States has for the Covered Conduct under the False Claims Act ("FCA"), 31 U.S.C. § 3729 *et seq.*; the Financial Institutions Reform, Recovery, and Enforcement Act ("FIRREA"), 12 U.S.C. § 1833a; the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a; the Program Fraud Civil Remedies Act, 31 U.S.C. § 3801 *et seq.*; and common law theories of negligence, gross negligence, payment by mistake, unjust enrichment, indemnification, fraud, money had and received, misrepresentation, deceit, mistake of fact, and breach of fiduciary duty, and aiding and abetting any of the foregoing. Subject to the same exceptions and conditions set forth in this Paragraph, HUD and the VA also release Defendants and all of their current and former officers, directors, employees, parents, subsidiaries, affiliates, agents, attorneys and assigns from any administrative monetary claim that they have for the Covered Conduct pursuant to HUD's Mortgagee Review Board authority, 12 U.S.C. § 1708 and 24 C.F.R. Part 25, HUD's civil money penalty authority, 12 U.S.C. § 1735f-14 and 24 C.F.R. Part 30, HUD's Program Fraud Civil Remedies Act authority, 24 C.F.R. Part 28, and the VA's corresponding authority, 38 U.S.C. § 3710 and 38 C.F.R. Parts 36 and 42.

8. Subject to Defendants' full compliance with the terms of this Stipulation, Relator, for himself and for his heirs, successors, attorneys, agents, and assigns, releases Defendants from

any and all claims Relator has asserted, or could have asserted, or may assert in the future for the conduct alleged in Relator's Complaint, including without limitation any claims that Relator has on behalf of the Government for the conduct alleged in Relator's Complaint; provided, however, that nothing in this Stipulation shall preclude Relator from seeking to recover attorneys' fees and costs from Defendants, pursuant to 31 U.S.C. § 3730(d).

9. Defendants release the United States, its agencies, officers, agents, employees, and servants, as well as Relator, his heirs, successors, attorneys, agents, and assigns, from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Defendants have asserted, could have asserted, or may assert in the future, against the United States, its agencies, officers, agents, employees, and servants, as well as Relator, his heirs, successors, attorneys, agents, and assigns, related to the Covered Conduct and the United States' investigation and prosecution thereof.

10. Notwithstanding the release given in Paragraph 7 above, or any other term of this Stipulation, the following claims of the United States are specifically reserved and are not released:

- (a) Any liability arising under Title 26 of the United States Code (Internal Revenue Code);
- (b) Any criminal liability;
- (c) Except as explicitly stated in this Agreement, including Paragraph 7 above, any administrative liability, including the suspension and debarment rights of any federal agency;
- (d) Any liability to the United States (or its agencies) for any conduct other than the Covered Conduct, or for any conduct occurring outside the Covered Period. For

the avoidance of doubt, any liability for conduct relating to loans that Chase approved for FHA or VA insurance or refinancing during the Covered Period, but for which neither HUD nor the VA paid any claims on or before the date of the signing of this Stipulation, is reserved and not released;

(e) Any liability arising out of or relating to mortgage loans approved for insurance, any guarantee or refinancing pursuant to the DEL Program or the Loan Guaranty Program at any time by any entity other than JPMorgan Chase Bank, N.A., Chase Home Finance LLC, and Chase Manhattan Mortgage Corp. Chase Manhattan Mortgage Corp. merged into Chase Home Finance LLC in 2005, and Chase Home Finance LLC merged into JPMorgan Chase Bank, N.A., in 2011. Chase Manhattan Mortgage Corp. and Chase Home Finance LLC are included within the term “Chase” for purposes of this Stipulation; and

(f) Any liability based upon obligations created by this Stipulation.

11. Defendants shall be in default of this Stipulation if they fail to pay the Settlement Amount as set forth in Paragraph 5 above or to comply materially with any of their other obligations under this Stipulation, including their obligation to implement an enhanced quality control program as set forth in Paragraph 4 above (“Default”). The Government shall provide written notice to Defendants of any Default, to be sent in the manner set forth in Paragraph 25 below. Defendants shall then have an opportunity to cure the Default within seven business days from the date of receipt of the notice of Default. In the event that a Default is not fully cured within seven business days of the receipt of the notice of Default (“Uncured Default”), the full Settlement Amount shall be immediately due and payable, and interest shall accrue at the rate of nine percent per annum compounded annually on the remaining unpaid principal balance,

beginning seven business days after mailing of the notice of Default. In the event of an Uncured Default, Defendants agree to the entry of a consent judgment in the form attached hereto as Exhibit A, and further agree that the United States, at its option, may (a) rescind this Stipulation and reinstate the Government's Complaint; (b) seek specific performance of this Stipulation; (c) offset the remaining unpaid balance of the Settlement Amount from any amounts due and owing any Defendant by any department, agency, or agent of the United States; or (d) exercise any other rights granted by law, or under the terms of this Stipulation, or recognizable at common law or in equity. Defendants shall not contest any offset imposed or any collection undertaken by the Government pursuant to this Paragraph, either administratively or in any court. In addition, Defendants shall pay the Government all reasonable costs of collection and enforcement under this Paragraph, including attorneys' fees and expenses. In the event that the United States opts to rescind this Stipulation pursuant to this Paragraph, Defendants shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any civil or administrative claims that relate to the Covered Conduct, except to the extent such defenses were available on the Effective Date.

12. Relator and his heirs, successors, attorneys, agents, and assigns shall not object to this Stipulation, and agree and confirm that this Stipulation is fair, adequate, and reasonable, pursuant to 31 U.S.C. § 3730(c)(2)(B). Subject to any claims that Relator may have under 31 U.S.C. § 3730(d) for a share of the Settlement Amount, which Relator is not releasing, Relator, for himself individually, and for his heirs, successors, attorneys, agents, and assigns, releases, waives, and forever discharges the United States, its agencies, officers, agents, employees, and servants from any claims, known or unknown, arising from the filing of Relator's Complaint and from any claims under 31 U.S.C. § 3730.

13. Defendants waive and shall not assert any defenses they may have to any criminal prosecution relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause of the Fifth Amendment of the Constitution or under the Excessive Fines Clause of the Eighth Amendment of the Constitution, this Stipulation bars a remedy sought in such criminal prosecution. Nothing in this Paragraph or any other provision of this Stipulation constitutes an agreement by the United States concerning the characterization of the Settlement Amount for purposes of the Internal Revenue laws, Title 26 of the United States Code.

14. Defendants agree to the following:

(a) Unallowable Costs Defined: All costs (as defined in the Federal Acquisition Regulation, 48 C.F.R. § 31.205-47) incurred by or on behalf of Defendants, and their present or former officers, directors, employees, shareholders, and agents in connection with:

(1) the matters covered by this Stipulation;

(2) the United States' audit(s) and civil investigation(s) of the matters covered by this Stipulation;

(3) Defendants' investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and investigation(s) in connection with the matters covered by this Stipulation (including attorneys' fees);

(4) the negotiation and performance of this Stipulation; and

(5) the payment Defendants make to the United States pursuant to this Stipulation

are unallowable costs for government contracting purposes (hereinafter referred to as Unallowable Costs).

(b) Future Treatment of Unallowable Costs: Unallowable Costs will be separately determined and accounted for by Defendants, and Defendants shall not charge such Unallowable Costs directly or indirectly to any contract with the United States.

(c) Treatment of Unallowable Costs Previously Submitted for Payment: Within 90 calendar days of the Effective Date of this Stipulation, Defendants shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by Defendants or any of their subsidiaries or affiliates from the United States. Defendants agree that the United States, at a minimum, shall be entitled to recoup from Defendants any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously-submitted requests for payment. The United States, including the Department of Justice and/or the affected agencies, reserves its rights to audit, examine, or re-examine Defendants' books and records and to disagree with any calculations submitted by Defendants or any of their subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by Defendants, or the effect of any such Unallowable Costs on the amount of such payments.

15. Except as expressly provided in this Stipulation, this Stipulation is intended to be for the benefit of the Parties only. The Parties are not releasing any claims against any other person or entity except as expressly provided in this Stipulation.

16. Defendants represent and warrant that they have reviewed their financial situation, that they are currently not insolvent as such term is defined in 11 U.S.C. § 101(32) and

that they reasonably believe that they shall remain solvent following payment to the Government of the Settlement Amount. Further, the Parties warrant that, in evaluating whether to execute this Stipulation, they (a) have intended that the mutual promises, covenants, and obligations set forth constitute a contemporaneous exchange for new value given to Defendants, within the meaning of 11 U.S.C. § 547(c)(1); and (b) have concluded that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange. Further, the Parties warrant that the mutual promises, covenants, and obligations set forth herein are intended to and do, in fact, represent a reasonably equivalent exchange of value that is not intended to hinder, delay, or defraud any entity to which Defendants were or became indebted to on or after the date of this Stipulation, within the meaning of 11 U.S.C. § 548(a)(1).

17. If within 91 days of the Effective Date of this Stipulation or any payment made under this Stipulation, Defendants commence any case, action, or other proceeding under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors or a third party commences any case, action, or other proceeding under any law related to bankruptcy, insolvency, reorganization, or relief of debtors (a) seeking an order for relief of Defendants' debts, or seeking to adjudicate Defendants as bankrupt or insolvent; or (b) seeking appointment of a receiver, trustee, custodian, or other similar official for Defendants or for all or part of Defendants' assets, Defendants agree as follows:

(a) Defendants' obligations under this Stipulation may not be avoided pursuant to 11 U.S.C. § 547, and Defendants shall not argue or otherwise take the position in any such case, action, or proceeding that (i) Defendants' obligations under this Stipulation may be avoided under 11 U.S.C. § 547; (ii) Defendants were insolvent at the time this Stipulation was entered into; or (iii) the mutual promises, covenants, and

obligations set forth in this Stipulation do not constitute a contemporaneous exchange for new value given to Defendants.

(b) If any of Defendants' obligations under this Stipulation are avoided for any reason, including, but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code, the Government, at its option, may rescind the release in this Stipulation and bring any civil and/or administrative claim, action, or proceeding against Defendants for the claims that would otherwise be covered by the release in Paragraph 7 above. Defendants agree that (i) any such claim, action, or proceeding brought by the Government would not be subject to an "automatic stay" pursuant to 11 U.S.C. § 362(a) as a result of the case, action, or proceeding described in the first sentence of this Paragraph, and Defendants shall not argue or otherwise contend that the Government's claim, action, or proceeding is subject to an automatic stay; (ii) Defendants shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any claim, action, or proceeding that is brought by the Government within 60 calendar days of written notification to Defendants that the release has been rescinded pursuant to this Paragraph, except to the extent such defenses were available on the Effective Date; and (iii) the Government has a valid claim against Defendants in the amount of \$614 million and the Government may pursue its claim in the case, action, or proceeding described in the first sentence of this Paragraph, as well as in any other case, action, or proceeding.

(c) Defendants acknowledge that their agreements in this Paragraph are provided in exchange for valuable consideration provided in this Stipulation.

18. Each Party shall bear its own and its employees' legal and other costs incurred in connection with this matter, including the preparation and performance of this Stipulation.

19. Any failure by the Government to insist upon the strict performance of any of the provisions of this Stipulation shall not be deemed a waiver of any of the provisions hereof, and the Government, notwithstanding that failure, shall have the right thereafter to insist upon strict performance of any and all of the provisions of this Stipulation.

20. This Stipulation is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute relating to this Stipulation is the United States District Court for the Southern District of New York. For purposes of construing this Stipulation, this Stipulation shall be deemed to have been drafted by all Parties to this Stipulation and shall not, therefore, be construed against any Party in any subsequent dispute.

21. Subject to the exceptions set forth in this Stipulation, and in consideration of the obligations of Defendants set forth in this Stipulation, and conditioned upon Defendants' full compliance with the terms of this Stipulation, the Government shall dismiss with prejudice the Government's Complaint, and, subject to Relator's right to seek attorneys' fees and costs from Defendants pursuant to 31 U.S.C. § 3730(d) and a share of the Settlement Amount from the Government pursuant to 31 U.S.C. § 3730(d), Relator shall dismiss with prejudice Relator's Complaint; provided, however, that the Court shall retain jurisdiction over this Stipulation and each Party to enforce the obligations of each Party under this Stipulation, as well as to resolve any dispute concerning any claim Relator may assert for attorneys' fees and costs pursuant to 31 U.S.C. § 3730(d), or a share of the Settlement Amount pursuant to 31 U.S.C. § 3730(d). Relator shall submit any application for attorneys' fees and costs pursuant to 31 U.S.C. § 3730(d) within

two weeks of the date he either reaches agreement with the Government on the issue of appropriate share of the Settlement Amount or the Court issues a decision on that issue.

22. Except to the extent otherwise explicitly stated in writing, this Stipulation constitutes the complete agreement between the Parties. This Stipulation may not be amended except by written consent of the Parties.

23. The undersigned counsel represent and warrant that they are fully authorized to execute this Stipulation on behalf of the persons and entities indicated below.

24. This Stipulation may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Stipulation. Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Stipulation.

25. Any notices pursuant to this Stipulation shall be in writing and shall be delivered by hand, express courier, or facsimile transmission followed by postage-prepaid certified mail, and shall be addressed as follows:

IF TO THE UNITED STATES:

Christopher B. Harwood
Assistant United States Attorney
United States Attorney's Office
Southern District of New York
86 Chambers Street, Third Floor
New York, New York 10007
Facsimile: (212) 637-2786

IF TO DEFENDANTS:

Alexander H. Southwell
Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, New York 10166
Facsimile: (212) 351-6281


26. The effective date of this Stipulation is the date upon which this Stipulation is entered by the Court (the "Effective Date").

Agreed to by:

THE UNITED STATES OF AMERICA

Dated: New York, New York
January 31, 2014

PREET BHARARA
United States Attorney for the
Southern District of New York


By: 

Christopher B. Harwood
Assistant United States Attorney
86 Chambers Street, Third Floor
New York, New York 10007
Telephone: (212) 637-2728
Facsimile: (212) 637-2786

Attorney for the United States of America


JPMORGAN CHASE & CO. and JPMORGAN CHASE BANK, N.A.

Dated: New York, New York
January 31, 2014

By: 
Alexander H. Southwell
Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, New York 10166
Telephone: (212) 351-3981
Facsimile: (212) 351-6281


*Attorneys for JPMorgan Chase & Co. and
JPMorgan Chase Bank, N.A.*

Dated: New York, New York
January 31, 2014

By: 
Title: General Counsel

JPMorgan Chase & Co.

Dated: New York, New York
January 31, 2014

By: 
Title: General Counsel

JPMorgan Chase Bank, N.A.

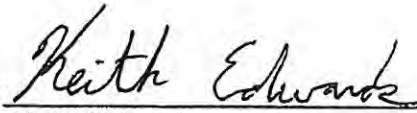
RELATOR

Dated: St. Louis, Missouri
January 30, 2014

By: 
David G. Wasinger
The Wasinger Law Group P.C.
Magna Place, Suite 875
1401 S. Brentwood Blvd.
Saint Louis, MO 63144
Telephone: (314) 961-0400
Facsimile: (314) 961-2726

Attorneys for Relator

Murphy, Texas
Dated: _____
January 30, 2014

By: 
Keith Edwards

Relator

SO ORDERED:



HON. J. PAUL OETKEN
UNITED STATES DISTRICT JUDGE

Dated: New York, New York
Feb. 4, 2014

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA *ex rel.* :
KEITH EDWARDS, :
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 Plaintiff/Relator, :
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 v. :
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JPMORGAN CHASE BANK, N.A., and :
JPMORGAN CHASE & CO., :
 :
 Defendants. :
-----X

13 Civ. 0220

CONSENT JUDGMENT

UNITED STATES OF AMERICA, :
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 Plaintiff, :
 :
 v. :
 :
JPMORGAN CHASE BANK, N.A., and :
JPMORGAN CHASE & CO., :
 :
 Defendants. :
-----X

Upon the consent of plaintiff the United States of America and defendants JPMorgan Chase & Co. and JPMorgan Chase Bank, N.A., following entry of a stipulation and order of settlement and dismissal; it is hereby

ORDERED, ADJUDGED AND DECREED: that plaintiff the United States of America is awarded judgment in the sum of \$614,000,000 as of January 31, 2014, as against defendants JPMorgan Chase & Co. and JPMorgan Chase Bank, N.A., jointly and severally, plus any and all applicable post-judgment interest as permitted by law.

Consented to by:

PREET BHARARA
United States Attorney for the
Southern District of New York

By:



Christopher B. Harwood
Assistant United States Attorney
86 Chambers Street, Third Floor
New York, New York 10007
Telephone: (212) 637-2728
Facsimile: (212) 637-2786

Attorney for the United States of America

GIBSON, DUNN & CRUTCHER LLP


By:



Alexander H. Southwell
Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, New York 10166
Telephone: (212) 351-3981
Facsimile: (212) 351-6281

*Attorneys for JPMorgan Chase & Co. and
JPMorgan Chase Bank, N.A.*

SO ORDERED:



HON. J. PAUL OETKEN
UNITED STATES DISTRICT JUDGE

Dated: New York, New York

Feb. 4, 2014