

**UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Washington, D.C.**

In the Matter of:)	
)	
BANK OF AMERICA, N.A.,)	Docket No. 12-1657-MR
)	
Respondent.)	
)	

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into between the United States Department of Housing and Urban Development (“Department” or “HUD”) and Bank of America, N.A. (“Bank of America”), collectively referred to as the “Parties.”

WHEREAS, HUD received allegations that borrowers seeking an FHA-insured loan at a Bank of America location in Indialantic, Florida for a property located on Mike Street in South Daytona, Florida, were denied a loan based upon the marital status and/or sexual orientation of the proposed occupants of the property;

WHEREAS, both HUD and Bank of America desire to avoid further expense and administrative proceedings and to reach a satisfactory resolution of this matter; and

WHEREAS, this Settlement Agreement shall not constitute an admission of liability or fault on the part of any party.

NOW, THEREFORE, HUD and Bank of America agree as follows:

1. This Settlement Agreement shall become effective upon its execution by the Acting Assistant Secretary for Housing – Federal Housing Commissioner or her duly authorized designee, the date of which shall be referred to as the “Effective Date”.

2. Bank of America shall make an administrative payment to HUD in the amount of Seven Thousand Five Hundred Dollars (\$7,500) due upon Bank of America's submission of this Agreement to HUD. Payment shall be by certified check made payable to the *U.S. Department of Housing and Urban Development*. Payment shall be sent to Joel Foreman, U.S. Department of Housing and Urban Development, at the following address:

If by Regular Mail

451 Seventh Street, S.W.
Room B-133 -Portals 200
Washington, DC 20410

If by Courier or Express Mail

1250 Maryland, Ave, S.W.
Portals Building, Suite 200
Washington, DC 20024
(202) 708-2350 (phone)

3. Within 120 days of the Effective Date of this Settlement Agreement, Bank of America shall inform residential mortgage loan originators, processors, and underwriters ("Applicable Employees") of this Settlement Agreement (including providing, through an Internet link or attachment, access to the Settlement Agreement and HUD's final rule on *Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity* ("*Equal Access Rule*")), and also remind Applicable Employees that they are prohibited from discriminating against applicants of FHA-insured loans on the basis of sexual orientation, gender identity, or marital status.

Additionally, Bank of America shall update its existing fair lending training program for Applicable Employees to include information on the Equal Access Rule's prohibition against discriminating on the basis of sexual orientation or gender identity, and shall communicate such update during the next scheduled fair lending training session(s). Within 30 days of first providing this training, Bank of America shall send written confirmation to HUD that the requirements of this paragraph have been completed.

4. Any breach of the terms and provisions of this Settlement Agreement by Bank of America shall constitute independent grounds for imposition of administrative sanctions by the Mortgagee Review Board against Bank of America pursuant to 24 C.F.R. Part 25.

5. This Settlement Agreement is for the purpose of settling this administrative action only and shall be used for no other purpose. This Settlement Agreement shall not affect any individual or entity other than Bank of America.

6. This Settlement Agreement is voluntary and entered into by Bank of America after due consideration of the terms contained herein. Bank of America will not seek the termination or reconsideration of this Settlement Agreement, directly or indirectly, after the Effective Date.

7. Bank of America hereby agrees to waive, release, and remit any and all claims, directly or indirectly, against HUD or HUD employees with respect to this administrative action.

8. HUD hereby releases and discharges Bank of America, its predecessors and successors, and its current and former directors, officers, agents, shareholders and employees from any and all claims, pursuant to 24 C.F.R. Parts 25 and 30, for the allegations referenced in this Agreement.

9. This Agreement does not waive any rights or responsibilities of HUD or any other Federal agency to investigate or initiate other actions pursuant to its lawful authority except as explicitly waived herein.

10. This Agreement is binding on Bank of America's successors, transferees, and assigns.

11. This Agreement may not be altered, amended, or modified, except by writing duly executed by authorized representatives of all Parties.

12. The individual signing this Agreement on behalf of Bank of America (“Authorized Representative”) represents and warrants that he or she has the power, consent, and authorization of Bank of America to execute this Agreement.

13. This Agreement constitutes the complete agreement between the Parties, and supersedes and replaces all prior negotiations and agreements, whether written or oral, regarding the resolution of this matter.

14. Each of the parties warrants that it has been represented by, and/or has sought and obtained the advice of, independent legal counsel with regard to the nature, purpose, and effect of the Agreement.

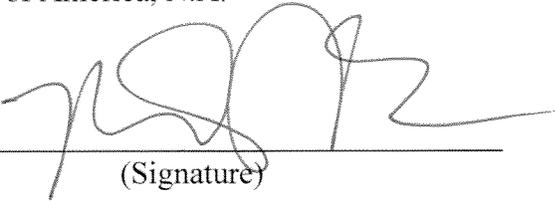
15. Each side to bear its own costs and legal fees.

[signature blocks contained on next page]

WHEREFORE, the parties hereto have duly executed this Settlement Agreement.

Bank of America, N.A.

Date: 8/15/12

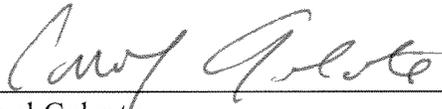
By: 
(Signature)

Name: Mark D. Bucher
(Print or Type Name)

Title: Senior Vice President
(Print or Type Title)

UNITED STATES DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT

Date: 11/1/12

By: 
Carol Galante
Acting Assistant Secretary for Housing –
Federal Housing Commissioner