

STATE OF MAINE
KENNEBEC, S.S.

SUPERIOR COURT
CIVIL ACTION
DOCKET No. CV-06-

STATE OF MAINE AND
MAINE OFFICE OF CONSUMER CREDIT
REGULATION

Plaintiffs,

v.

AMERIQUEST MORTGAGE COMPANY, a
Delaware corporation; ACC CAPITAL
HOLDINGS CORPORATION, a Delaware
corporation; TOWN AND COUNTRY
CREDIT CORPORATION, a Delaware
corporation; and AMC MORTGAGE
SERVICES, INC., formerly known as Bedford
Home Loans, a Delaware corporation,

Defendants.

STIPULATED PERMANENT
INJUNCTION AND FINAL
JUDGMENT

It appearing to this Court that the State of Maine, by and through Attorney General G. Steven Rowe and Director of Consumer Credit Regulation William N. Lund ("The State") and Defendants ACC Capital Holdings Corporation ("ACCCH"), and its subsidiaries Ameriquest Mortgage Company ("AMQ"), Town & Country Credit Corporation ("TCCC"), and AMC Mortgage Services, Inc., formerly known as Bedford Home Loans (hereafter "AMC"), on behalf of themselves and their successors, assigns, predecessors, and any future acquired or created corporations or other business entities of ACCCH, AMQ, TCCC or AMC, engaged in the Retail Based origination and funding of real estate secured, owner-occupied, residential mortgage loans, have resolved the matters in controversy between them and have consented to the terms of this judgment, and good cause having been shown, the Court hereby enters this Stipulated Permanent Injunction and Final Judgment ("Judgment").

I. DEFINITIONS

For purposes of this Permanent Injunction and Final Judgment, the following Definitions apply (capitalized terms used in a definition are themselves defined below):

A. "Adjustable Rate Mortgage" means a Loan that has "a variable rate feature" as used in 12 C.F.R. § 226.18(f).

B. "Ameriquest Party(ies)" means, as the context requires, any ACCCH subsidiary, including those acquired or formed in the future, involved in the Retail Based origination and funding of real estate secured, owner-occupied, residential mortgage loans, and also including its current Retail Based real estate lending subsidiaries AMQ, AMC and TCCC, and the respective successors and assigns and all the respective employees, officers and directors (solely in their respective official capacities during the term of their employment or directorship and not in their individual capacities) of these subsidiaries. This term does not include ACCCH or any subsidiaries that are not involved in the Retail Based origination and funding of real estate secured, owner-occupied, residential mortgage loans.

C. "Annual Percentage Rate" and "APR" mean the measure of the cost of credit expressed as a yearly rate, calculated according to the provisions of TILA.

D. "Appraisal" means a written or electronic analysis by an appraiser licensed or certified under the laws or regulations of Maine or any political subdivision of Maine to conduct Appraisals of the value or worth of a single-family or 1-4 unit residential property proposed to serve as collateral for a Loan. The term does not include reports that estimate the value of residential property by means of an Automated Valuation Model or AVM.

E. "Appraisal Department" means that department of an Ameriquest Party housing employees with responsibility for ordering and reviewing appraisals, which is located at the regional or headquarters office of the Ameriquest Party. It includes members of the Appraisal and Business Control Groups but does not include any employees who are Sales Personnel.

F. "Borrower" means an individual who has consummated a Loan with an Ameriquest Party.

G. "Closing" means the process during which a Borrower executes a note and

security instrument regarding a lien on real property in connection with a Loan. In some Settling States a Closing is referred to as a "settlement" and in others as an "escrow."

H. "Covered Transactions" means any Loans originated by any Ameriquest Party during the period January 1, 1999 through and including December 31, 2005.

I. "Debt Collector" means a person or entity who is a debt collector as that term is defined at 15 U.S.C. § 1692a (6) and 32 M.R.S.A. § 11002.

J. "Discount Points" means fees or charges paid by the Borrower to an Ameriquest Party at the time of origination of a Loan for the purpose of reducing the interest rate applicable to the Loan.

K. "District Attorneys" means the District Attorneys of Alameda, Los Angeles, Merced, Monterey, San Francisco and San Mateo Counties, California.

L. "Effective Date" means March 21, 2006.

M. "Financial Regulator" means the administrative agency or agencies within any Settling State, which at any time between January 1, 1999 through and including December 31, 2005, exercised regulatory, licensing, examination, supervisory or other administrative enforcement authority over the Ameriquest Parties with respect to any of the Covered Transactions.

N. "Fixed Rate Mortgage" means a Loan that is not an Adjustable Rate Mortgage.

O. "Good Faith Estimate" and "GFE" mean an estimate of charges, prepared in accordance with section 5 of RESPA, which a Borrower is likely to incur in connection with the Closing of a proposed Loan.

P. "Independent Loan Closer" means any person who is not an employee of the branch office where the Loan is originated, a spouse, parent, sibling, or child of a branch office employee, or a spouse of any such person, who has no financial interest in the Loan being closed other than payment of standard settlement fees and charges, and who is present at the time of Closing for the purpose of procuring the Borrower's execution of documents related to the Closing process.

Q. "Lending Practices" means any representations, misrepresentations, omissions,

disclosures or any other acts, events, facts, transactions, occurrences, or conduct, whether oral, written or otherwise, by an Ameriquest Party, including its employees or agents, arising out of, in connection with, or relating to any of the following:

1. Loan types and terms, including Discount Points, interest rates, origination-related fees, monthly payment amounts, terms of Adjustable Rate and Fixed Rate Mortgages and Prepayment Penalties;
2. Written disclosures, including the GFE and other documents required to be provided to a Potential Borrower by any law or otherwise, provided by an Ameriquest Party;
3. The Borrower benefits of obtaining a Loan from an Ameriquest Party or from a repeat Refinancing with an Ameriquest Party;
4. Coordination with Debt Collectors;
5. The timely completion of the Underwriting functions and funding of a Loan;
6. Closing of a Loan;
7. Appraisals;
8. Stated Income Loans;
9. Disclosures to non-English speaking Borrowers and Potential Borrowers, including but not limited to, any of the claims set forth in the Complaint filed in the above-referenced action.

R. "Loan" means a Retail Based, real estate secured, owner-occupied, residential mortgage loan originated and funded by an Ameriquest Party.

S. "Material Change in Terms" means:

1. An increase in the interest rate of the Loan of thirty (30) basis points or more or any increase in Discount Points, other than as the result of trading Discount Points for interest rate at the affirmative request of the Borrower;
2. Any increase in the repayment term of the Loan;
3. A decrease in the Loan amount greater than one percent (1%);