

UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
Office of Fair Housing and Equal Opportunity



**Conciliation Agreement**

under

Title VIII of the Civil Rights Act of 1968 as amended  
By the Fair Housing Amendments Act of 1988

between

The United States  
Department of Housing and Urban Development

and

Jorge and Digna Suscal  
(Complainants)

and

EMC Mortgage Corporation  
(Respondent)

Case Number: 01-07-0582-8 (Fair Housing Act)  
Conciliator: Russell J. Archibald, Equal Opportunity Specialist

### Preamble

The Parties to this Conciliation Agreement (hereinafter collectively "the Parties") are Complainants Jorge and Digna Suscal (hereinafter: "complainants"; EMC Mortgage Corporation, its related and affiliated entities, companies, subsidiaries, investors, insurers, partnerships, trusts, trustees, beneficiaries, officers, directors, attorneys, agents, employees, representatives, predecessors and successors in interest, assigns, and all persons (natural or corporate) affiliated with or in privity with them or any of them (hereinafter: "Respondent"); and the United States Department of Housing and Urban Development (hereinafter "the Department").

The Complainants, Jorge and Digna Suscal, filed a complaint with the Department on September 28, 2007. The complaint alleged that the Respondent discriminated against them in a residential real estate-related transaction on the basis National Origin in violation of Section 805 of the Fair Housing Act. The complaint was filed under the Fair Housing Act, 42 U.S.C. §§ 3601-19 (hereinafter: "the Act"). The Respondent denied discriminating against the complainants.

The Parties agree that it is in their best interests to avoid further administrative and/or legal proceedings. Accordingly, the Parties enter into this Conciliation Agreement in order to resolve their disputes.

### I. General Provisions

1. It is understood that the Parties enter into this Agreement freely and voluntarily, and that no party has been coerced, intimidated, threatened, or in any way forced to become a party to this Agreement.
2. This Agreement will become effective as of the date signed by the Director of the New England Office of Fair Housing and Equal Opportunity, Complainants, Jorge and Digna Suscal, and Respondent. The Director, acting on behalf of the Secretary of the Department of Housing and Urban Development (hereinafter "the Secretary"), retains authority to approve or disapprove this Agreement.
3. It is understood that this Agreement does not constitute an admission by the Respondent of any violation of the Fair Housing Act or any other federal statute, nor does this Agreement constitute evidence of a determination by the Department of any violation of the Act or other Federal statute. Respondent agrees that the Secretary has the authority to enforce the Fair Housing Act.
4. In exchange for the Respondent's performance of the provisions of this Agreement, the Complainants hereby waive, release and covenant not to file any civil or other action against the Respondent, or to undertake further administrative action against the Respondent, with respect to the matters which were or which might have been alleged in the subject fair housing complaint and with respect to all claims or causes of action of any kind whatsoever that Complainants and has or might have directly or indirectly attributable to any act or omission by Respondent in relation to the origination of Complainant's two residential mortgage loans (loan numbers 2112106424 and 2112106425) in the amounts of \$300,000.00 and \$75,000.00, respectively, and evidenced by notes and mortgages dated January 3, 2006. This release and waiver applies to the complaint existing between the signatories to this Agreement, and applies to any other complaints filed by Complainants which may be pending with the Department, including all matters pending up to the effective date of this Agreement. Additionally, the Department agrees not to take any further action with respect to the complaint or any other complaints filed by the Complainants which may be pending with the Department. This release does not affect any parties who

are not signatories to this Agreement.

5. Subject to paragraph 4 immediately above, this Agreement does not in any way limit or restrict the Department's authority to investigate and act upon any future complaints involving Respondent.
6. The Complainants and Respondents agree to keep confidential the terms of this conciliation agreement, unless otherwise compelled by formal legal process to testify before a government body. The Complainants and Respondents further agree not to publicize to the news media the terms of the Agreement.
7. It is Respondent's policy to make all credit products available to all current and future customers without discriminating on the basis of prohibited characteristics including race, color, religion, sex, sexual orientation, marital or familial status, age, national origin, handicap, receipt of public assistance, age or location of dwelling, or good faith exercise of rights under the Federal Credit Protection Act. Respondent routinely monitors its performance under the applicable laws and regulations that are commonly referred to as Fair Lending Laws, and takes corrective action when indicated by such review.
8. Within nine months of the effective date of this agreement, Respondent will send a communication to its personnel involved in processing and servicing of loans to review its Fair Lending Policy, or provide Fair Lending Training and Respondent will track the employees that have reviewed the policy or have taken the training.

## II. Relief for Complainant

1. To avoid any future costs and expenses and as a goodwill gesture to Complainants, the Respondent agrees to modify the Complainant's two residential mortgage loans as follows:  
Complainants agree that as of July 1, 2008, the principal balances of the loans are \$325,780.74 and \$75,000.00, respectively. These amounts do not include any escrow deficiency amounts due on the loans (e.g., taxes and insurance). Both loans shall be modified to a 5% (five percent) fixed interest rate as set forth in the separate Modification Agreement for each loan resulting in one mortgage loan. The Parties agree that Complainants will execute a Modification Agreement contemporaneous with this Conciliation Agreement and that this Conciliation Agreement is of no effect until Complainant fully executes the Modification Agreement and returns it to Respondent no later than July, 18, 2008 (in addition to full execution of this Conciliation Agreement by all parties). Respondent agrees to waive any and all fees associated with the modification of the loans. Complainants agree to execute all documents necessary to complete these modifications and effectuate this Conciliation Agreement. The lender has agreed to forgive the entire amount of the second loan for a new principal balance of \$325,000.00.
2. In addition to Complainants' Release contained above in the General Provisions and in consideration of the residential mortgage loan refinance, the Complainant hereby withdraws, with prejudice, the Federal Discrimination Complaint filed with the Department against Respondent, its related and affiliated entities, companies, subsidiaries, investors, insurers, partnerships, trusts, trustees, beneficiaries, officers, directors, attorneys, agents, employees, representatives, predecessors and successors in interest, assigns, and all persons (natural or corporate) affiliated with or in privity with them or any of them including, but not limited to, EMC Mortgage Corporation.

SIGNATURES

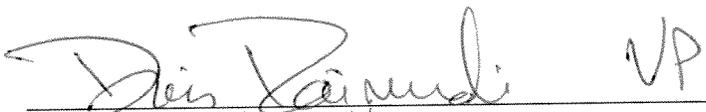
These signatures attest to the approval and acceptance of this Conciliation Agreement:

  
\_\_\_\_\_  
Jorge Suscal  
(Complainant)

7-9-08  
Date

  
\_\_\_\_\_  
Digna Suscal  
(Complainant)

7-9-08.  
Date

  
\_\_\_\_\_  
EMC Mortgage Corporation  
(Respondent)

7-11-08  
Date

\_\_\_\_\_  
Marcella O. Brown, New England Director  
Office of Fair Housing and  
Equal Opportunity

\_\_\_\_\_  
Date