

Background on Today Show story on Captain John Rowles

On January 16, NBC's the Today Show ran a story about our mishandling of a mortgage loan for an active duty serviceman named John Rowles. Interest and fees on loans to members of the military are supposed to be capped at 6% during their period of military service.

The Today Show interviewed Captain Rowles' wife who spoke about problems they had being mistakenly charged the wrong amounts on their Chase loan.

We deeply regret any difficulty this has caused Captain Rowles and his fellow members of our armed forces. There is no finer group of people than the men and women in the military who fight to protect our country every day, and there is no excuse for the problems they encountered with their loans. We are working to make this right for everyone who experienced problems.

Several months ago, Chase initiated a review of how we handle service member mortgage loans. We reviewed servicemember mortgage loans to ensure we understood the root causes of the issues, to verify we had correctly calculated their payments and, if not, that we had correctly calculated any refunds due. That review will remain ongoing to ensure we have identified and cured every problem and are satisfied that they won't recur.

We believe we have fixed the issues that caused problems for Captain Rowles and other service members. We are issuing approximately \$2 million in refunds to more than 4,000 Chase customers.

14 customers were foreclosed on in error. We have resolved 13 of these cases and are working to solve the remaining case.

As one of the fixes, we now have a dedicated, trained team within our Home Lending business focused on military customers. They deserve nothing less. Any Chase customer in the military who has an issue with their mortgage should call our dedicated hotline at **877-469-0110**.

We would be pleased to meet with Captain Rowles and any others service members to talk through the issues.

Chase has a very strong history of supporting military and veterans' organizations, which makes the mistakes we made here particularly painful. We apologize for letting the men and women of our military down and are committed to making this right.

VETERANS/MILITARY

Programs & Services Chase Offers

- **ChaseMilitary.com** – a website designed specifically for members and families of the U.S. armed forces
- **Military Mortgage Program** – specialized consultants, unique services such as \$0 down payment loan, first-time homebuyer programs, 1% cash back
 - **Low to Moderate Income Subsidy Program** helps eligible homebuyers in designated areas

- **Mortgage Revenue Bond Partnership** provides affordable mortgage rates and low down payment options
- **Community Empower Program** specifically helps Military members buying their first home
- **Local Housing Assistance Programs** provide down payment or closing cost assistance
- **1% Cash Back** on military mortgages, annually for the life of the program, when signed up for automatic mortgage payments from a Chase checking account

Organizations Chase Supports

- **Wounded Warrior Project** – Chase has donated \$250,000 to Wounded Warrior Project, which raises awareness for, and offers assistance to, injured service members.
- **Military Warriors Support Foundation (MWSF)** – Since February 2010, Chase has donated six 100% mortgage-free homes to wounded veterans and their families across the U.S. through the Military Warriors Support Foundation. MWSF provides homes for wounded service members and their families, educational opportunities, job placement and training, and life skills programs.
- **Morale, Welfare & Recreation Programs (MWR Programs)** – Chase has contributed nearly \$4 million toward MWR programs, which improve the quality of life for soldiers, veterans and their families through wholesome and constructive recreation and social activities. Chase's contributions include recreational and day care centers, fitness facilities, movie theatres, sporting events such as golf and bowling, and music programs like the Army Concert Series on bases across the U.S.