

EXHIBIT B

DISTRIBUTION OF FUNDS

1. *Federal Payment Settlement Amount.* The forty million and five hundred thousand dollars (\$40,500,000.00) Federal Payment Settlement Amount is to be paid to the United States in accordance with instructions to be provided by the United States.

2. *State Payment Settlement Amounts.* In accordance with written instructions from the State members of the Monitoring Committee, the Escrow Agent shall make fifty nine million and three hundred thousand (\$59,300,000.00) of the Direct Payment Settlement Amount available to the Administrator to provide cash payments to borrowers whose homes were finally sold or taken in foreclosure by Defendants between and including January 1, 2008 and December 31, 2012; who submit claims arising from the Covered Conduct; and who otherwise meet criteria set forth by the State members of the Monitoring Committee, and to pay the reasonable costs and expenses of the Administrator. Any amounts made available hereunder remain a part of the Qualified Settlement Fund until distributed to borrowers and shall be administered in accordance with the terms set forth in Exhibit C.

In accordance with written instructions from the State members of the Monitoring Committee, the Escrow Agent shall distribute a total of two hundred thousand dollars (\$200,000.00) to the Ameriquest Financial Services Fund (“AMFSF”) for reimbursement of costs and attorneys’ fees incurred during the investigation of this case and the settlement negotiations and for costs related to future enforcement cases.

3. Any interest earned on funds held by the Escrow Agent may be used, at the discretion of the State members of the Monitoring Committee, to pay the costs and expenses of the escrow or the costs and expenses of administration, including taxes, or for any other housing related purpose.