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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA – SACRAMENTO DIVISION

EUGENIO AND ROSA CONTRERAS,
WILLIAM PHILLIPS, TERESA BARNEY,
KEITH AND TERESA MARCEL, SHERLIE
CHARLOT, AND JENNIE MILLER, ON
BEHALF OF THEMSELVES AND ALL
OTHERS SIMILARLY SITUATED,

Plaintiffs,

vs.

NATIONSTAR MORTGAGE LLC, a
Delaware Limited Liability Company;
SOLUTIONSTAR HOLDINGS LLC (N/K/A
XOME HOLDINGS LLC), a Delaware
Limited Liability Company; and
SOLUTIONSTAR FIELD SERVICES LLC. a
Delaware Limited Liability Company,

Defendants.

Case No. 2:16-cv-00302-MCE-EFB

**SETTLEMENT AGREEMENT AND
RELEASE**

IT IS HEREBY STIPULATED AND AGREED, by, between, and among plaintiffs
Eugenio and Rosa Contreras, Sherlie Charlot, and Jennie Miller, (“Named Plaintiffs” or
“Plaintiffs”), on behalf of themselves and all Settlement Class Members as defined herein, and
defendants Nationstar Mortgage LLC (“Nationstar”), Solutionstar Holdings LLC and Solutionstar
Field Services LLC (“collectively Solutionstar”) (all collectively “Defendants”) that the lawsuit
originally captioned *Eugenio and Rosa Contreras v. Nationstar Mortgage LLC*, Case No. 2:16-cv-
00302-MCE-EFB, in the United States District Court for the Eastern District of California (the
“Litigation”) and the matters raised by, or which could have been raised by, the Litigation related

1 to the collection of “convenience fees” are settled, compromised, and dismissed on the merits and
2 with prejudice on the terms and conditions set forth in this Settlement Agreement and the Release
3 set forth herein, subject to the approval of the Court.

4 **1. RECITALS**

5 1.1 On February 12, 2016, plaintiffs Eugenio and Rosa Contreras, William and
6 Melva Phillips, Teresa Barney, Keith and Teresa Marcel, Sherlie Charlot, Colleen Ann
7 O’Halloran, Jennie Miller, and Edwin Yager filed a putative class action complaint in the
8 Litigation against Nationstar and Solutionstar. Plaintiffs have filed several different iterations of
9 the complaint, and the operative pleading is plaintiffs’ Third Amended Complaint (“Complaint”)
10 which names Nationstar, Solutionstar Holding LLC and Solutionstar Field Services LLC.

11 1.2 In the Complaint, Plaintiffs alleged that Nationstar collected “pay to pay”
12 fees from borrowers in connection with certain payments on residential mortgage loans that were
13 not properly disclosed and were otherwise improper under applicable law (hereafter “Convenience
14 Fee Claims”). Plaintiffs further alleged that Nationstar improperly charged borrowers for property
15 inspection fees without determining whether the inspections were reasonable or necessary, and
16 that certain property inspection fees were improperly “marked up” because Solutionstar earned a
17 profit for acting as Nationstar’s vendor (“Inspection Fee Claims”).

18 1.3 After the Litigation was filed, plaintiff Colleen O’Halloran negotiated a
19 settlement of her individual claims. Her claims against Defendants were therefore dismissed with
20 prejudice.

21 1.4 Also after the Litigation was filed, plaintiff Melva Phillips passed away, and
22 is thus no longer a party to the Litigation, and Edwin Yager voluntarily removed himself as a
23 named plaintiff.

24 1.5 Motion practice resulted in the dismissal of several claims.

25 1.6 In the Litigation, the parties engaged in substantial discovery including
26 multiple rounds of written discovery, exchange of over 23,000 pages of document production and
27 over 115,000 documents obtained through ESI, and fifteen depositions of individual, corporate
28 representatives and third parties.

1 1.7 The parties also exchanged a first round of expert reports.

2 1.8 On October 10, 2019, the parties attended a mediation before the Hon.
3 Ronald M. Sabraw at JAMS in San Jose, California. That mediation was unsuccessful.

4 1.9 On September 22, 2021, plaintiffs Eugenio and Rosa Contreras, William
5 Phillips, Teresa Barney, Keith and Teresa Marcel, Sherlie Charlot, and Jennie Miller filed a
6 motion for class certification in the Litigation.

7 1.10 On November 17, 2021, Defendants filed their opposition to Plaintiffs’
8 motion for class certification in the Litigation.

9 1.11 On December 27, 2021 the Court entered an order upon the parties’
10 stipulation vacating all deadlines in the Litigation to allow the parties to participate in a second
11 mediation.

12 1.12 On January 26, 2022, the parties attended a mediation at JAMS in San
13 Francisco, California before the Hon. William J. Cahill (Ret.).

14 1.13 With Judge Cahill’s assistance, the parties were able to negotiate a
15 settlement of all the remaining plaintiffs’ claims against Nationstar and Solutionstar.

16 1.14 The parties have entered into separate settlement agreements that resolve
17 some of the plaintiffs’ claims on an individual basis. Plaintiffs Eugenio and Rosa Contreras and
18 Sherlie Charlot have separately settled their Inspection Fee Claims against Nationstar and
19 Solutionstar. Also, plaintiffs William Phillips, Teresa Barney, Keith and Teresa Marcel have
20 separately settled all of their claims against Defendants and dismissed those claims with prejudice.

21 1.15 The parties have filed a separate Stipulation to Dismiss Action in Part
22 pursuant to the individual settlement agreements. The stipulation dismisses these individual
23 claims with prejudice but is without prejudice to such claims that absent putative class members
24 have or may have.

25 1.16 Named Plaintiffs have entered into this proposed class action settlement of
26 their Convenience Fee Claims with Defendants. The terms of the class action settlement are set
27 forth below.

28 1.17 Based on Keller Rohrback L.L.P.’s and Hagens Berman Sobol Shapiro

1 L.L.P.'s ("Class Counsel") experience representing plaintiffs in other putative class actions, Class
2 Counsel believe that the Litigation has significant merit and that the evidence developed supports
3 Named Plaintiffs' claims. Class Counsel recognize and acknowledge, however, that prosecuting
4 the Litigation through the conclusion of fact and expert discovery, a ruling on class certification,
5 dispositive motions, trial, and appeals will involve considerable uncertainty, time, and expense.

6 1.18 Class Counsel have concluded that it is in the best interests of the
7 Settlement Classes that the claims asserted in the Litigation be resolved on the terms and
8 conditions set forth in this Agreement. After extensive consideration and analysis of the factual
9 and legal issues presented in the Litigation, extensive settlement discussions, and two mediation
10 sessions, Class Counsel have concluded that the substantial benefits the Settlement Class Members
11 will receive as a result of this settlement are a very good result in light of the expense, risk, and
12 uncertainty of continued litigation, including the motion for class certification, the expense that
13 would be necessary to prosecute the Litigation through trial, the likelihood of success at trial, and
14 any appeals that might be taken.

15 1.19 Named Plaintiffs have concluded, based on their understanding of the risks
16 of ongoing litigation relative to accepting settlement, that the settlement that has been achieved
17 provides the best outcome for the classes they seek to represent.

18 1.20 Defendants have denied, and continue to deny, each and every allegation of
19 liability, wrongdoing, and damages, and contend that they have substantial factual and legal
20 defenses to all claims and class allegations in the Litigation. Defendants have always maintained,
21 and continues to maintain, that they have acted in accordance with all applicable agreements and
22 governing law. Nonetheless, after extensive consideration and analysis of the factual and legal
23 issues presented in the Litigation, extensive settlement discussions, and mediation, Defendants
24 concluded that the Litigation should be fully and finally settled on a class-wide basis in light of the
25 expense, risk, and uncertainty of continued litigation, including the motion for class certification,
26 the expense that would be necessary to prosecute the Litigation through trial, the likelihood of
27 success at trial, and any appeals that might be taken. Without admitting any liability or
28 wrongdoing whatsoever, Defendants agree to the terms of this Agreement in order to resolve all

1 issues relating to the subject matter of the Litigation.

2 1.21 In 2018, Nationstar entered a class action settlement resolving a case
3 entitled *Juanita Garcia v. Nationstar Mortgage LLC*, Case No. C15-1808 TSZ, in the United
4 States District Court for the Western District of Washington (the “*Garcia*” case). The *Garcia*
5 settlement classes included a nationwide class of certain borrowers who paid convenience fees to
6 Nationstar between November 17, 2014 and May 25, 2018, and a Washington state class of certain
7 borrowers who paid Convenience Fees to Nationstar between November 17, 2011 and May 25,
8 2018. It is the intention of the parties to this Agreement to exclude from this settlement the
9 Convenience Fees that were at issue and resolved through the *Garcia* settlement.

10 **2. DEFINITIONS**

11 2.1 As used herein, the following terms have the meanings set forth below.

12 2.2 “Administrator” or “Settlement Administrator” means, subject to approval
13 of the Court, a third-party administrator selected by Class Counsel, which will oversee the notice
14 process, settlement administration, and payment of settlement relief to Settlement Class Members.
15 The Administrator will have sufficient security protocols in place to ensure the confidential
16 borrower information that Defendants provide it in the course of the administration is protected.

17 2.3 “Agreement” or “Settlement Agreement” means this Stipulation and
18 Settlement Agreement.

19 2.4 “Attorneys’ Fees and Expenses” means the amount of attorneys’ fees and
20 reimbursement of costs and expenses awarded by the Court to Class Counsel from the Settlement
21 Fund.

22 2.5 “Class Counsel” means Keller Rohrback L.L.P. and Hagens Berman Sobol
23 Shapiro L.L.P.

24 2.6 “Class Notice” or “Notice” means the program of notice described in
25 Section 6 of this Agreement to be provided to Settlement Class Members by the Settlement
26 Administrator, including the Email Notice, Postcard Notice, Long Form Notice, and Settlement
27 Website, which will notify Settlement Class Members about, among other things, their rights to
28 opt out and object to the Settlement, the preliminary approval of the Settlement, and the

1 scheduling of the Final Approval Hearing.

2 2.7 The “Class Periods” shall mean February 1, 2012 to February 14, 2022 with
3 respect to Settlement Class Members who reside in California and Florida, and February 1, 2013
4 to February 14, 2022 with respect to Settlement Class Members who reside in Illinois.

5 2.8 “Convenience Fees” means the monetary fees charged by Nationstar to
6 borrowers to make certain payments over the phone or internet.

7 2.9 “Convenience Fees At Issue” means all fees paid by Settlement Class
8 Members during the Class Periods, but excluding fees paid by members of the *Garcia* nationwide
9 class between November 17, 2014 and May 25, 2018, and fees paid by members of the *Garcia*
10 Washington class between November 17, 2011 and May 25, 2018.

11 2.10 “Court” means the United States District Court for the Eastern District of
12 California.

13 2.11 “Days” means calendar days, except that, when computing any period of
14 time prescribed or allowed by this Agreement, the day of the act, event, or default from which the
15 designated period of time begins to run shall not be included. Further, when computing any period
16 of time prescribed or allowed by this Agreement, the last day of the period so computed shall be
17 included, unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until
18 the end of the next day which is not a Saturday, Sunday, or legal holiday. All calculations of days
19 and times shall be adjusted to permit compliance by Defendants with the Class Action Fairness
20 Act of 2005, 28 U.S.C. §§ 1711-1715, including the notifications of appropriate regulators under
21 28 U.S.C. § 1715(b) and expiration of the ninety (90)-day review period in 28 U.S.C. § 1715
22 before the Final Approval Hearing is held in the Litigation to review and approve the Settlement.

23 2.12 “Defendants” means Nationstar Mortgage LLC, Solutionstar Holding LLC
24 and Solutionstar Field Services LLC.

25 2.13 “Defendants’ Counsel” means Severson & Werson APC.

26 2.14 “Email Notice” means the notice that is emailed by the Settlement
27 Administrator to Settlement Class Members, in substantially the form agreed to by the parties and
28 approved by the Court. Email Notice shall be sent promptly after the entry of the Preliminary

1 Approval Order.

2 2.15 “Final” means one business day after all of the following events have
3 occurred: (i) the date upon which the time expires for filing or noticing any appeal of the Court’s
4 Judgment approving this Agreement; (ii) if there is an appeal or appeals, the date of completion, in
5 a manner that finally affirms and leaves in place the Judgment without any material modification,
6 of all proceedings arising out of the appeal or appeals (including, but not limited to, the expiration
7 of all deadlines for motions for reconsideration or petitions for review and/or *certiorari*, all
8 proceedings ordered on remand, and all proceedings arising out of any subsequent appeal or
9 appeals following decisions on remand); and (iii) the date of final dismissal of any appeal or the
10 final dismissal of any proceeding on *certiorari*.

11 2.16 “Final Approval” means the entry of the Judgment approving the Settlement
12 after the Final Approval Hearing is conducted.

13 2.17 “Final Approval Hearing” means the hearing held by the Court to determine
14 whether the terms of this Agreement are fair, reasonable, and adequate for the Settlement Class as
15 a whole, whether the Settlement should be granted final approval, and whether the Judgment
16 should be entered.

17 2.18 “Final Settlement Date” means the date on which the Judgment in this case
18 becomes Final (as defined in Paragraph 2.15).

19 2.19 “Judgment” means the final order and judgment to be entered by the Court
20 in substantially similar form as agreed to by the parties approving the settlement of the Litigation
21 in accordance with this Agreement after the Final Approval Hearing.

22 2.20 “Litigation” means the action captioned *Eugenio and Rosa Contreras v.*
23 *Nationstar Mortgage LLC*, Case No. 2:16-cv-00302-MCE-EFB, pending in the United States
24 District Court for the Eastern District of California.

25 2.21 “Long-Form Notice” means the notice that is available on the Settlement
26 Website, in substantially the form agreed to by the parties and approved by the Court.

27 2.22 “Named Plaintiffs” mean Eugenio and Rosa Contreras, Sherlie Charlot, and
28 Jennie Miller.

1 2.23 “Notice and Administrative Costs” means the reasonable costs and expenses
2 of disseminating and publishing the Class Notice in accordance with the Preliminary Approval
3 Order, and all reasonable costs and expenses incurred by the Settlement Administrator in
4 administering the Settlement, including but not limited to costs and expenses associated with
5 assisting Settlement Class Members, escrowing funds, and issuing and mailing settlement
6 payments or checks, as such costs and expenses are approved by the Court.

7 2.24 “Objection Deadline” means the date identified in the Preliminary Approval
8 Order and Class Notice by which a Settlement Class Member must serve written objections, if
9 any, to the Settlement in accordance with Section 11 of this Agreement to be able to object to the
10 Settlement. The Objection Deadline shall be no earlier than fourteen (14) days after Class Counsel
11 submit their application for Attorneys’ Fees and Expenses and forty-five (45) days after Notice is
12 sent to the Settlement Class or as the Court may otherwise direct.

13 2.25 “Opt-Out” means that a Settlement Class Member has chosen to exclude
14 themselves from the Settlement Class, will not be able to claim any part of the Settlement Funds
15 or Court award that results from the settlement, and will not be bound by the settlement
16 agreement.

17 2.26 “Opt-Out Deadline” means the date identified in the Preliminary Approval
18 Order and Class Notice by which a Request for Exclusion must be filed in writing with the
19 Settlement Administrator in accordance with Section 10 of this Agreement in order for a
20 Settlement Class Member to be excluded from the Settlement Class. The Opt-Out Deadline shall
21 be forty-five (45) days after Notice is sent to the Settlement Class or as the Court may otherwise
22 direct.

23 2.27 “Parties” means Named Plaintiffs and Defendants in the Litigation.

24 2.28 “Postcard Notice” means the notice that is mailed by the Settlement
25 Administrator to Settlement Class Members, in substantially the form agreed to by the parties and
26 approved by the Court. The Postcard Notice shall be sent promptly after the entry of the
27 Preliminary Approval Order.

28 2.29 “Preliminary Approval Application” means Named Plaintiffs’ motion for

1 the Court to preliminarily approve the Settlement and to enter the Preliminary Approval Order,
2 including all exhibits and documents attached thereto. Named Plaintiffs' Preliminary Approval
3 Application shall be filed within thirty (30) days after this Agreement is signed.

4 2.30 "Preliminary Approval Order" means the order in substantially similar form
5 to be agreed upon by the parties and providing for, among other things, preliminary approval of
6 the Settlement as fair, reasonable, and adequate; certification of the Settlement Classes for
7 settlement purposes only; dissemination of the Class Notice to the Settlement Classes; and finding
8 that the proposed Class Notice is reasonably calculated to apprise the Settlement Classes of the
9 pendency of the Litigation, the material terms of the proposed Settlement, and the Settlement
10 Class Members' options and rights with respect thereto.

11 2.31 "Release" or "Releases" means the releases of all Released Claims by the
12 Releasing Persons against the Released Persons, as provided for in Section 9 of the Settlement
13 Agreement.

14 2.32 "Released Claims" means all claims, actions, causes of action, lawsuits,
15 debts, sums of money, payments, obligations, reckonings, promises, damages, penalties, attorney's
16 fees and costs, liens, judgments, demands, and any other forms of liability released pursuant to
17 Section 9 of this Agreement.

18 2.33 "Released Persons" means Defendants and each of their past or present
19 divisions, subsidiaries, members, predecessors, investors, parent companies, acquired companies,
20 and affiliated companies (which shall include any person or entity which controls, is controlled by,
21 or is under common control with any such party), any direct or indirect subsidiary of Defendants
22 and each of their past or present divisions, subsidiaries, members, predecessors, investors, parent
23 companies, acquired companies, and affiliated companies, and all of the officers, directors,
24 employees, insurers, agents, brokers, distributors, representatives, and attorneys of all such
25 entities.

26 2.34 "Releasing Persons" means Named Plaintiffs, all Settlement Class Members
27 who do not properly and timely opt out of the Settlement, and their respective family members,
28 heirs, administrators, successors, and assigns.

1 2.35 “Request for Exclusion” means a written request from a Settlement Class
2 Member that seeks to exclude that Settlement Class Member from the Settlement Class and that
3 complies with all requirements in Section 10 of this Agreement.

4 2.36 “Service Award(s)” means compensation to Named Plaintiffs for their time
5 and effort in the Litigation, as awarded by the Court.

6 2.37 “Settlement Class” or “Settlement Classes” means all members of the
7 classes of borrowers in the Litigation that will be certified by the Court for settlement purposes as
8 more fully described in Paragraph 3.1 of this Agreement.

9 2.38 “Settlement Class Member” means any member of any of the Settlement
10 Classes.

11 2.39 “Settlement Fund” means the eight million six hundred thousand dollar
12 (\$8,600,000.00) non-reversionary settlement fund, from which (i) all Settlement Class Member
13 payments, (ii) all Notice and Administrative Costs, (iii) any Service Award to Named Plaintiffs as
14 class representatives, and (iv) any Attorneys’ Fees and Expenses to Class Counsel shall be paid.
15 The costs of establishing the escrow account shall be deducted from the Settlement Fund. Any
16 interest earned on the escrow account shall be considered part of the Settlement Fund.

17 2.40 “Settlement Website” means the website to be created, launched, and
18 maintained by Class Counsel or the Settlement Administrator, which provides access to relevant
19 case documents including the Notice.

20 2.41 “Settling Parties” means, collectively, Defendants, Named Plaintiffs, and all
21 Releasing Persons.

22 **3. DEFINITION OF CLASSES, CLASS PERIODS, AND CONDITIONS AND**
23 **OBLIGATIONS RELATING TO THE SETTLEMENT EFFECTIVENESS**

24 3.1 The “Settlement Classes” shall be defined as set forth below:

25 (1) California Class: all residents of California, who, from February 1, 2012 to February 14, 2022,
26 made a payment to Nationstar on a residential mortgage loan over the phone or online that
27 included a Convenience Fee at Issue charged by Nationstar for using the phone or internet;

28 (2) Florida Class: all residents of Florida, who, from February 1, 2012 to February 14, 2022,

1 made a payment to Nationstar on a residential mortgage loan over the phone or online that
2 included a Convenience Fee at Issue charged by Nationstar for using the phone or internet; and
3 (3) Illinois Class: all residents of Illinois, who, from February 1, 2013 to February 14, 2022, made
4 a payment to Nationstar on a residential mortgage loan over the phone or online that included a
5 Convenience Fee at Issue charged by Nationstar for using the phone or internet.

6 Excluded from the Settlement Classes are (i) individuals who are or were officers or directors of
7 the Defendants or any of their respective affiliates; (ii) any justice, judge, or magistrate judge of
8 the United States; (iii) all individuals who file a timely and proper request to be excluded from the
9 Settlement Class.

10 3.2 This Settlement Agreement is expressly contingent upon the satisfaction, in
11 full, of the material conditions set forth below.

12 3.3 Condition No. 1: District Court Approval. The Settlement must be
13 approved by the Court in accordance with the following steps:

14 3.3.1 Application for Preliminary Approval of Proposed Settlement, Class
15 Certification, and Class Notice. After good faith consultation with Defendants' Counsel, Class
16 Counsel will present a Preliminary Approval Application to the Court within thirty (30) days of
17 the execution of this Agreement. The Preliminary Approval Application shall include a Class
18 Notice and a proposed Preliminary Approval Order in a form agreed upon by the parties. The
19 Settling Parties shall, in good faith, take reasonable steps to secure expeditious entry by the Court
20 of the Preliminary Approval Order and shall request that the Court schedule a Final Approval
21 Hearing no earlier than ninety (90) days after the service of the required Notices under 28 U.S.C. §
22 1715. Defendant shall be solely responsible for providing such required Notices.

23 3.3.2 Certification of Settlement Classes. In connection with the
24 proceedings on Preliminary and Final Approval of the proposed Settlement, Named Plaintiffs shall
25 seek as part of the Preliminary Approval Application an order certifying the Settlement Classes
26 pursuant to Rule 23(b)(3) of the Federal Rules of Civil Procedure for purposes of this Settlement
27 only. If the Settlement does not become Final, then no Settlement Class will be deemed to have
28 been certified by or as a result of this Settlement Agreement, and the Action will for all purposes

1 revert to its status as of January 24, 2022.

2 3.3.3 Entry of Preliminary Approval Order. The Court shall enter a
3 Preliminary Approval Order in substantially similar form to that agreed to by the parties, which
4 shall, among other things:

5 (a) Preliminarily find the Court is likely to certify the Settlement
6 Classes for purposes of settlement following the Final Approval Hearing;

7 (b) Preliminarily approve Named Plaintiffs as class
8 representatives and appoint Class Counsel, pursuant to Rule 23;

9 (c) Preliminarily approve the Settlement as fair, reasonable and
10 adequate;

11 (d) Order the issuance of Class Notice to the Settlement Classes,
12 and determine that such Notice complies with all legal requirements, including, but not limited to,
13 the Class Action Fairness Act and Due Process Clause of the United States Constitution;

14 (e) Schedule a date and time for a Final Approval Hearing to
15 determine whether the Settlement should be finally approved by the Court, the amount of
16 Attorneys' Fees and Expenses that should be awarded to Class Counsel, and any Service Awards
17 to Named Plaintiffs;

18 (f) Require Settlement Class Members who wish to exclude
19 themselves to submit an appropriate and timely written request for exclusion by the Opt-Out
20 Deadline, as directed in the Settlement Agreement and Settlement Class Notice, and advise that a
21 failure to do so shall bind those Settlement Class Members who remain in the Settlement Classes;

22 (g) Require Settlement Class Members who wish to object to the
23 Settlement Agreement to submit an appropriate and timely written statement by the Objection
24 Deadline, as directed in the Settlement Agreement, Class Notice, and Preliminary Approval Order,
25 and advise that a failure to do so shall prevent those Settlement Class Members from objecting to
26 the Settlement;

27 (h) Require attorneys representing any objecting Settlement
28 Class Member, at the Settlement Class Member's expense, to file a notice of appearance;

- 1 (i) Authorize the Settling Parties to take all necessary and
- 2 appropriate steps to establish the means necessary to implement the Settlement Agreement; and
- 3 (j) Issue related orders to effectuate the preliminary approval of
- 4 the Settlement Agreement.

5 3.3.4 Issuance of Class Notice. Pursuant to the Preliminary Approval

6 Order to be entered by the Court, the Settlement Administrator shall cause the Class Notice to be

7 provided in accordance with Section 6 below.

8 3.3.5 Final Approval Hearing. In connection with the Preliminary

9 Approval Application, Named Plaintiffs shall request that the Court schedule and conduct a

10 hearing after dissemination of Settlement Class Notice, at which it will consider whether the

11 Settlement is fair, reasonable, and adequate pursuant to Rule 23 of the Federal Rules of Civil

12 Procedure. Specifically, after good faith consultation with Defendants, Named Plaintiffs shall

13 request that, on or after the Final Approval Hearing, the Court: (i) enter the final Judgment,

14 granting Final Approval of the Agreement and dismissing with prejudice this Litigation; (ii)

15 determine the amount of Attorneys' Fees and Expenses that should be awarded to Class Counsel

16 as contemplated in the Settlement Agreement; and (iii) determine the Service Awards, that should

17 be awarded as contemplated by the Settlement Agreement. Any application for Attorneys' Fees

18 and Expenses shall be made at least fourteen days prior to the Objection Deadline. The Settling

19 Parties will reasonably cooperate with one another in seeking entry of the final Judgment.

20 3.4 Condition No. 2: Finality of Judgment. The Court shall enter a final Order

21 and Judgment that must become Final in accordance with Paragraph 2.15 above, and shall, among

22 other things:

23 3.4.1 Find that (1) the Court has personal jurisdiction over all Settlement

24 Class Members and subject matter jurisdiction over the claims asserted in this Litigation; and (2)

25 venue is proper;

26 3.4.2 Finally approve the Settlement Agreement, pursuant to Rule 23, as

27 fair, reasonable, and adequate;

28 3.4.3 Find that the form and means of disseminating the Class Notice

1 complied with all laws, including, but not limited to, Rule 23 and the Due Process Clause of the
2 United States Constitution;

3 3.4.4 Enter final Judgment with respect to the claims of all Settlement
4 Class Members and dismiss the claims of all Settlement Class Members and the Litigation with
5 prejudice;

6 3.4.5 Make the Releases in Section 9 of the Settlement Agreement
7 effective as of the Final Settlement Date;

8 3.4.6 Permanently bar and enjoin Named Plaintiffs and all Settlement
9 Class Members who have not opted out of the Agreement, from filing, commencing, prosecuting,
10 intervening in, or participating in (as class members or otherwise) any action in any jurisdiction
11 based on any of the Released Claims or the facts and circumstances relating thereto;

12 3.4.7 Permanently bar and enjoin Named Plaintiffs and all Settlement
13 Class Members who have not opted out of the settlement from organizing Settlement Class
14 Members, or soliciting the participation of Settlement Class Members, in a separate class for
15 purposes of pursuing any action (including by seeking to amend a pending complaint to include
16 class allegations, or seeking class certification in a pending action in any jurisdiction) based on
17 any of the Released Claims or the facts and circumstances relating thereto;

18 3.4.8 Find that, by operation of the entry of the Judgment, Named
19 Plaintiffs and all Settlement Class Members who have not opted out of the Agreement shall be
20 deemed to have forever released, relinquished, and discharged the Released Persons from any and
21 all Released Claims;

22 3.4.9 Authorize the Settling Parties to implement the terms of the
23 Settlement Agreement;

24 3.4.10 Without affecting the finality of the Judgment for purposes of
25 appeal, retain jurisdiction relating to the administration, consummation, enforcement, and
26 interpretation of the Settlement Agreement, the final Judgment, and for any other necessary
27 purpose; and

28 3.4.11 Issue related orders to effectuate the Final Approval of the

1 Agreement and its implementation.

2 3.5 Condition No. 3: Dismissal of Remaining Claims. All claims asserted by
3 Named Plaintiffs in the Litigation individually or on behalf any putative class that were not
4 resolved through this Settlement must be dismissed pursuant to the parties’ separately executed
5 stipulation to dismiss pursuant to Rule 41.

6 **4. SETTLEMENT CONSIDERATION, BENEFITS, AND OTHER RELIEF**

7 4.1 Settlement Fund. In consideration for the Releases set forth in Section 9,
8 and within fourteen (14) days of the entry of Final Approval, Defendants shall deposit into the
9 escrow of the Settlement Administrator the Settlement Fund. Any amounts Defendants have
10 already paid to the Administrator for Notice and Administrative Costs shall be deducted from the
11 total amount of funds Defendants contribute to the Settlement Fund. No amount of the Settlement
12 Fund shall be distributed unless and until the Settlement becomes Final. In the event this
13 Settlement does not become Final for any reason, any amounts Defendants have deposited into the
14 Settlement Fund shall be returned to Defendants. Defendants shall not have any obligation to
15 contribute any additional amounts to the settlement contemplated by this Agreement.

16 4.2 Qualified Settlement Fund. The Settlement Fund at all times shall be
17 deemed a “qualified settlement fund” within the meaning of United States Treasury Reg.
18 § 1.468B-1. All taxes (including any estimated taxes, and any interest or penalties relating to
19 them) arising with respect to the income earned by the Settlement Fund or otherwise, including
20 any taxes or tax detriments that may be imposed on Defendants, Defendants’ counsel, Named
21 Plaintiffs, or Class Counsel with respect to income earned by the Settlement Fund during any
22 period during which the Settlement Fund does not qualify as a “qualified settlement fund” for the
23 purpose of federal or state income taxes or otherwise (collectively “Taxes”), shall be paid out of
24 the Settlement Fund. Defendants will not have any tax reporting obligations, including issuance
25 of any Forms 1099, or be obligated to compute, estimate, or pay any taxes on behalf of Named
26 Plaintiffs, any Settlement Class Member, Class Counsel, and/or the Settlement Administrator.

27 4.3 Payments to Settlement Class Members. The Settlement Administrator
28 shall issue electronic payments or settlement checks to Settlement Class Members that are a pro

1 rata portion of the Settlement Fund, based on the Convenience Fees at Issue paid by that
2 Settlement Class Member as determined by Nationstar's records, after accounting for Notice and
3 Administrative Costs, any Service Awards to Named Plaintiffs, and any award of Attorneys' Fees
4 and Expenses to Class Counsel.

5 4.4 Payments to be Made on a Per-Loan Basis. Payments to Settlement Class
6 Members will be made per loan, such that the Settlement payment on any loan with more than one
7 Settlement Class Member borrower shall be made payable jointly to all Settlement Class Member
8 borrowers on that loan. Where multiple borrowers are on one loan, a single payment will be made
9 based on the Convenience Fees at Issue paid on that loan.

10 4.5 The Settlement Administrator shall issue payments electronically or mail
11 payments to Settlement Class Members no later than fifteen (15) days following the Final
12 Settlement Date. Prior to issuing electronic payments or mailing checks under the Settlement, the
13 Settlement Administrator will attempt to update the last known addresses of the Settlement Class
14 Members through the National Change of Address database. Class Members' checks returned with
15 a forwarding address shall be re-mailed to the new address within twenty-one (21) calendar days.
16 If a Settlement Class Member's check is returned as undeliverable without a forwarding address,
17 the Settlement Administrator may perform a skip trace search and make one attempt to re-mail the
18 check within twenty-one (21) calendar days. Any checks which are not cashed within one hundred
19 and eighty (180) days shall be voided and the money returned to the Settlement Fund.

20 4.6 Secondary Distribution and *Cy Pres*. If there is any amount in the
21 Settlement Fund that remains following the distribution of electronic payments or checks to the
22 members of the Settlement Classes as a result of checks that are returned undeliverable or which
23 are not cashed within 180 days, the parties may, in their discretion and by mutual agreement,
24 authorize a secondary distribution on a pro rata basis to Settlement Class Members who received
25 electronic payments or cashed their checks. If there is any amount in the Settlement Fund that
26 remains following the secondary distribution, or the parties decide that a secondary distribution is
27 not feasible or necessary, then upon approval by the Court, pursuant to the *cy pres* doctrine, the
28 remaining amount shall be paid to the California Bar Foundation, the Florida Bar Foundation and

1 the Illinois Bar Foundation, three *cy pres* recipients approved by the Court within 60 days after the
2 last void date of the checks and upon certification by the Settlement Administrator that the
3 administration of the Settlement is complete.

4 4.7 Deceased Settlement Class Members. If a Settlement Class Member is
5 deceased and a death certificate is provided to the Settlement Administrator prior to the Final
6 Settlement Date, the Settlement Administrator shall pay the applicable Settlement payment to the
7 deceased Settlement Class Member's estate.

8 **5. SETTLEMENT NOTICE AND ADMINISTRATIVE COSTS**

9 5.1 All Notice and Administrative Costs will be paid to the Settlement
10 Administrator from the Settlement Fund. If the Settlement Administrator requires payment of any
11 Notice and Administrative Costs before the Settlement Fund is established, Defendants shall pay
12 those amounts directly to the Settlement Administrator upon request, and the amount Defendants
13 pay to the Settlement Fund shall be reduced by the amount of any Notice and Administrative
14 Costs already so paid.

15 5.2 The Settlement Administrator shall submit a projected budget to Class
16 Counsel and Defendants for preparing and delivering the Notice and issuing payments as required
17 by Sections 6, and Paragraph 4.3-4.6, and shall not make expenditures that exceed the projected
18 budget for preparing and delivering the Notice and payments by more than five percent without
19 the prior approval of Class Counsel and Defendants. Consistent with the requirements of Rule 23
20 and due process, the Settlement Administrator shall administer the Settlement in a cost-effective
21 and timely manner.

22 5.3 The Settlement Administrator shall maintain reasonably detailed records of
23 its activities under this Agreement. The Settlement Administrator shall maintain all such records
24 as are required by applicable law in accordance with its normal business practices and such
25 records will be made available to Class Counsel and Defendants' Counsel upon request. The
26 Settlement Administrator shall also provide reports and other information to the Court as the Court
27 may require. The Settlement Administrator shall provide Class Counsel and Defendants' Counsel
28 with information concerning Notice, administration and implementation of the Settlement

1 Agreement. Should the Court request, the parties, in conjunction with the Settlement
2 Administrator, shall submit a timely report to the Court summarizing the work performed by the
3 Settlement Administrator, including a report of all amounts paid to the Settlement Class Members.

4 Without limiting the foregoing, the Settlement Administrator shall:

5 5.3.1 Forward to Class Counsel and Defendants’ Counsel all documents
6 and other materials received in connection with the administration of the Settlement Agreement;

7 5.3.2 Receive exclusion forms and other requests from Settlement Class
8 Members and promptly provide a copy of such requests to Class Counsel and Defendants’
9 Counsel upon receipt (the “Opt-Out List”). If the Settlement Administrator receives an exclusion
10 form or other request from a Settlement Class Member after the Opt-Out Deadline, the Settlement
11 Administrator shall promptly provide copies thereof to Class Counsel and Defendants’ Counsel;

12 5.3.3 Provide weekly reports to Class Counsel and Defendants’ Counsel,
13 including without limitation, the number of opt-outs and objections received; and

14 5.3.4 Make available for inspection by Class Counsel or Defendants’
15 Counsel any correspondence received by the Settlement Administrator at any time upon
16 reasonable notice.

17 5.3.5 Provide Class Counsel and Defendants’ Counsel with an affidavit or
18 declaration by a competent affiant or declarant, attesting that the Class Notice has been
19 disseminated in accordance with the Preliminary Approval Order and identifying the number of
20 Requests for Exclusion to the Settlement.

21 5.4 Within seven (7) days of the grant of Preliminary Approval, Nationstar shall
22 produce to the Settlement Administrator and Class Counsel a list of all names, addresses and any
23 email addresses that are available based on the information then currently available on
24 Nationstar’s reasonably available computer records. Nationstar shall also provide the amount of
25 Convenience Fees at Issue paid by the Settlement Class Members (the “Class List”).

26 5.5 Because the information about Settlement Class Members in the Class List
27 that will be provided to the Settlement Administrator will consist of confidential information, non-
28 public personal information, and other information protected by privacy laws, the Settlement

1 Administrator will execute a non-disclosure agreement and will take all reasonable steps to ensure
2 that any information provided to it by Nationstar will be used solely for the purpose of effecting
3 this Settlement. The Settlement Administrator shall administer the Settlement in accordance with
4 the terms of this Settlement Agreement and, without limiting the foregoing, shall treat any and all
5 documents, communications, and other information and materials received in connection with the
6 administration of the Settlement as confidential and shall not disclose any or all such documents,
7 communications, or other information to any person or entity except as provided for in this
8 Agreement or by court order.

9 5.6 Forms. The Settlement Administrator shall complete and provide to
10 Defendants' Counsel any forms necessary for Defendants to pay the Settlement Fund and
11 otherwise implement this Settlement.

12 **6. NOTICE TO THE SETTLEMENT CLASS**

13 6.1 Manner of Giving Notice. Subject to Court approval, the Settlement
14 Administrator will provide the Class Notice to all Class Members after the Preliminary Approval
15 Order is entered by the Court. The cost of such Notice shall be paid from the Settlement Fund. No
16 further notice shall be required after the Court enters a judgment finally approving the Settlement
17 of the Litigation.

18 6.1.1 Email Notice. As soon as practicable, but starting no later than
19 fifteen (15) days from entry of the Preliminary Approval Order, the Settlement Administrator shall
20 send the Email Notice to all Class Members for whom Nationstar has provided an email address. It
21 will be conclusively presumed that the intended recipients received the Email Notice if the
22 Settlement Administrator did not receive a hard bounce-back message.

23 6.1.2 Postcard Notice. As soon as practicable, but starting no later than
24 thirty (30) days from entry of the Preliminary Approval Order, the Settlement Administrator shall
25 send the Postcard Notice, by first class mail, to all Settlement Class Members for whom Nationstar
26 has provided a physical address, excepting those for whom Nationstar provided an email address
27 and no hard bounce back message was received. Before mailing the Postcard Notice, the
28 Settlement Administrator will update the addresses provided by Nationstar with the National

1 Change of Address database. If the Postcard Notice is returned as undeliverable, the Settlement
2 Administrator may perform a skip trace search and make one attempt to re-mail the Postcard
3 Notice as soon as possible before the Response Deadline. It will be conclusively presumed that the
4 intended recipients received the Postcard Notice if the mailed Postcard Notices have not been
5 returned to the Settlement Administrator as undeliverable within fifteen (15) days of mailing.

6 6.1.3 Long-Form Notice. The Settlement Administrator shall mail or
7 email the Long-Form Notice to any Settlement Class Member who requests a copy. The Long-
8 Form Notice shall also be available on the Settlement Website.

9 6.2 Settlement Website. No later than the sending of the Email Notice and
10 Postcard Notice, the Settlement Administrator or Class Counsel shall establish the Settlement
11 Website, which shall contain copies of this Settlement Agreement, Exhibits, the Long-Form
12 Notice, Email Notice, and Postcard Notice. The Settlement Website shall remain open and
13 accessible through the payment of all settlement payments to the Settlement Class.

14 6.3 Toll Free Phone Number. Prior to the date on which the Settlement
15 Administrator initiates the Class Notice, the Settlement Administrator or Class Counsel shall
16 establish a toll-free number for Settlement Class Members to call to obtain recorded information
17 about the Settlement and request a mailed or emailed version of the Long-Form Notice.

18 7. COVENANTS

19 The Settling Parties covenant and agree as follows:

20 7.1 Covenants Not to Sue. Named Plaintiffs, as representatives of the
21 Settlement Class, covenant and agree on behalf of the Settlement Class: (i) not to file, commence,
22 prosecute, intervene in, or participate in (as class members or otherwise) any action in any
23 jurisdiction based on any of the Released Claims, or the facts and circumstances relating thereto,
24 against any of the Released Persons; (b) not to organize or solicit the participation of Settlement
25 Class Members in a separate class for purposes of pursuing any action (including by seeking to
26 amend a pending complaint to include class allegations, or seeking class certification in a pending
27 action in any jurisdiction) based on any of the Released Claims or the facts and circumstances
28 relating thereto; and (c) that the foregoing covenants and this Agreement shall be a complete

1 defense to any of the Released Claims against any of the Released Persons.

2 7.2 Cooperation. The parties agree to cooperate reasonably and in good faith
3 with the goal of obtaining entry of a final Judgment as quickly as is reasonably practicable and
4 expeditiously reaching agreement on the matters requiring mutual agreement as set forth in this
5 Agreement, including, but not limited to, the expeditious agreement to the terms of all settlement
6 administration protocols, and the preparation and execution of all other reasonable documents
7 necessary to achieve Final Approval of the Settlement by the Court.

8 **8. REPRESENTATIONS AND WARRANTIES**

9 8.1 Named Plaintiffs' Representations and Warranties.

10 8.1.1 Named Plaintiffs represent and warrant that they are the sole and
11 exclusive owner of all Released Claims and that they have not assigned or otherwise transferred
12 any interest in any of the Released Claims against any of the Released Persons, and further
13 covenant that they will not assign or otherwise transfer any interest in any of Named Plaintiffs'
14 Released Claims.

15 8.1.2 Named Plaintiffs represent and warrant that they have no surviving
16 claim or cause of action against any of the Released Persons with respect to any of the Released
17 Claims.

18 8.2 The Parties' Representations and Warranties. The parties, and each of them
19 on his, her, or its own behalf only, represent and warrant that they are voluntarily entering into the
20 Settlement Agreement as a result of arm's-length negotiations among their counsel, that in
21 executing the Settlement Agreement, they are relying solely upon their own judgment, belief, and
22 knowledge, and the advice and recommendations of their own independently selected counsel,
23 concerning the nature, extent and duration of their rights and claims hereunder and regarding all
24 matters which relate in any way to the subject matter hereof; and that, except as provided herein,
25 they have not been influenced to any extent whatsoever in executing the Settlement Agreement by
26 representations, statements, or omissions pertaining to any of the foregoing matters by any Party
27 or by any person representing any party to the Settlement Agreement. Each of the Settling Parties
28 assumes the risk of mistake as to facts or law.

1 **9. RELEASES**

2 9.1 Released Claims of Named Plaintiffs and the Settlement Class. Upon the
3 Final Settlement Date, Named Plaintiffs and each member of the Settlement Class, other than
4 those Settlement Class Members who have validly opted out, shall, by operation of the final
5 Judgment, be deemed to have fully, conclusively, irrevocably, forever, and finally released,
6 relinquished, and discharged the Released Persons from any and all claims, actions, causes of
7 action, suits, debts, sums of money, payments, obligations, promises, damages, penalties,
8 attorneys' fees and expenses, liens, judgments, and demands of any kind whatsoever that each
9 member of the Settlement Class may have on or before February 14, 2022 or may have had in the
10 past, whether in arbitration, administrative, or judicial proceedings, whether as individual claims
11 or as claims asserted on a class basis, whether past or present, mature or not yet mature, known or
12 unknown, suspected or unsuspected, whether based on federal, state, or local law, statute,
13 ordinance, regulations, contract, common law, or any other source, that were or could have been
14 alleged in the Litigation that relate, concern, arise from, or pertain in any way to the Released
15 Persons' conduct, policies, or practices concerning Convenience Fees at Issue charged by
16 Nationstar to the Settlement Classes during the applicable Class Periods outlined in Paragraph 3.1,
17 including but not limited to claims related to charges for making payments to Nationstar over the
18 phone or internet and claims or causes of action based on such charges for breach of contract,
19 breach of the implied covenant of good faith and fair dealing, unjust enrichment, violation of the
20 Rosenthal Fair Debt Collection Practices Act, violation of the California Unfair Competition Law,
21 violation of the Florida Deceptive and Unfair Trade Practices Act, and violation of the Illinois
22 Consumer Fraud Act.

23 9.2 Without in any way limiting its scope, the Release in Paragraph 9.1 covers
24 by example and without limitation, any and all claims for attorneys' fees, costs, expert fees, or
25 consultant fees, interest, or litigation fees, or any other fees, costs, and/or disbursements incurred
26 by Class Counsel, Named Plaintiffs, or any Settlement Class Members in connection with or
27 related in any manner to the Litigation, the settlement of the Litigation, the administration of such
28 Settlement, and/or the Released Claims, except to the extent otherwise specified in the Settlement

1 Agreement.

2 9.3 Named Plaintiffs and Settlement Class Members may hereafter discover
3 facts other than or different from those they knew or believe to be true with respect to the subject
4 matter of the claims released pursuant to the terms of Paragraph 9.1, but each of those individuals
5 expressly agrees that, upon entry of the Final Judgment, they shall have waived and fully, finally,
6 and forever settled and released any known or unknown, suspected or unsuspected, asserted or
7 unasserted, contingent or non-contingent, claim with respect to the claims released pursuant to
8 Paragraph 9.1, whether or not concealed or hidden, without regard to subsequent discovery of such
9 different or additional facts. Each of those individuals further agrees and acknowledges that they
10 are bound by this Agreement, including the Releases contained in this paragraph and Paragraph
11 9.1, and that all of their claims in the Litigation shall be dismissed with prejudice and released,
12 whether or not such claims are concealed or hidden, without regard to subsequent discovery of
13 different or additional facts and subsequent changes in the law. In connection with the foregoing
14 Releases, Named Plaintiffs and each Settlement Class Member shall be deemed, as of the Final
15 Settlement Date, to have waived any and all provisions, rights, benefits conferred by Section 1542
16 of the California Civil Code, and any statute, rule and legal doctrine similar, comparable, or
17 equivalent to California Civil Code Section 1542, which provides that:

18 **A general release does not extend to claims that the creditor or**
19 **releasing party does not know or suspect to exist in his or her**
20 **favor at the time of executing the release and that, if known by**
21 **him or her, would have materially affected his or her settlement**
22 **with the debtor or released party.**

23 9.4 Upon the Final Settlement Date: (i) enforcement of the Settlement
24 Agreement shall be the exclusive remedy for any and all Settlement Class Members, except those
25 who have validly opted out in accordance with the terms and provisions hereof; (ii) the Released
26 Persons shall not be subject to liability or expense for any of the Released Claims to any such
27 Settlement Class Member(s); (iii) Settlement Class Members who have not opted out shall be
28 permanently barred and enjoined from filing, commencing, prosecuting, intervening in, or
participating in (as class members or otherwise) any action in any jurisdiction based on any of the
Released Claims or the facts and circumstances relating thereto; and (iv) Settlement Class

1 Members who have not opted out shall be permanently barred and precluded from organizing
2 Settlement Class Members, or soliciting the participation of Settlement Class Members, for
3 purposes of pursuing any action (including by seeking to amend a pending complaint to include
4 class allegations, or seeking class certification in a pending action in any jurisdiction) based on
5 any of the Released Claims or the facts and circumstances relating thereto.

6 9.5 Nothing in the Settlement Agreement and Releases shall preclude any
7 action to enforce the terms of the Settlement Agreement, including participation in any of the
8 processes detailed therein. The Releases set forth herein are not intended to include the release of
9 any rights or duties of the Settling Parties arising out of the Settlement Agreement, including the
10 express warranties and covenants contained herein.

11 **10. OPT-OUT RIGHTS**

12 10.1 A Settlement Class Member who wishes to opt out of the Settlement Class
13 must do so in writing. In order to opt out, a Settlement Class Member must complete and send to
14 the Settlement Administrator, at the address listed in the Class Notice and on the Settlement
15 Website for this Settlement, a Request for Exclusion that is postmarked no later than the Opt Out
16 Deadline, as specified in the Class Notice (or as the Court otherwise requires). The Request for
17 Exclusion must: (a) identify the case name; (b) identify the name and address of the Settlement
18 Class Member; (c) be personally signed by the Settlement Class Member requesting exclusion;
19 and (d) contain a statement that indicates a desire to be excluded from the Settlement Class in the
20 Litigation, such as “I hereby request that I be excluded from the proposed Settlement Class in the
21 Class Action.” Mass or class opt outs and electronic or facsimile signatures shall not be allowed.

22 10.2 Any Settlement Class Member who properly opts out of the Settlement
23 Class shall not: (a) be bound by any orders or judgments relating to the Settlement; (b) be entitled
24 to relief under, or be affected by, the Agreement; (c) gain any rights by virtue of the Agreement; or
25 (d) be entitled to object to any aspect of the Settlement.

26 10.3 If the number of Settlement Class Members who properly and timely
27 exercise their right to opt out of the Settlement Class exceeds five percent (5%) of the total
28 number of Settlement Class Members, Defendants shall have the right, at their sole discretion, to

1 terminate this Agreement without penalty or sanction by providing written notice of the election to
2 do so to all other parties hereto within ten (10) days after learning from the Settlement
3 Administrator that the number of valid opt outs exceeds five percent (5%) of the total Settlement
4 Class Members. If Defendants elect this option, the Settlement Class shall be decertified without
5 prejudice to Defendants' right to oppose any later attempt to certify a class, and the rights of all
6 parties will for all purposes revert to their status as of January 24, 2022.

7 10.4 Exclusion Applies to All Borrowers. Any timely written request for
8 exclusion submitted by any co-borrower or joint borrower will have the effect of excluding all
9 other co-borrowers or joint borrowers in that loan, none of whom thereafter will be treated as
10 Settlement Class Members.

11 10.5 Except for those Settlement Class Members who timely and properly file a
12 Request for Exclusion in accordance with Section 10, all other Settlement Class Members will be
13 deemed to be Settlement Class Members for all purposes under the Agreement, and upon the Final
14 Settlement Date, will be bound by its terms.

15 **11. OBJECTIONS**

16 11.1 Overview. Any potential Settlement Class Member who does not opt out of
17 the Settlement may comment upon or object to the Settlement or any of its terms. A Settlement
18 Class Member who submits a Request for Exclusion shall not be entitled to object to the
19 Settlement. If a Settlement Class Member submits both a Request for Exclusion and an objection,
20 the Request for Exclusion shall control and the objection shall be deemed invalid.

21 11.2 Process. Any Settlement Class Member who wishes to object to the
22 Settlement must do so in writing. Any papers submitted in support of said objection shall be
23 considered by the Court at the Final Approval Hearing, only if the Person making an objection
24 shall, on or before the Objection Deadline approved by the Court and specified in the Notice, file
25 notice of their intention to do so and at the same time (a) file copies of such papers they propose to
26 submit at the Final Approval Hearing with the Clerk of the Court, (b) file copies of such papers
27 through the Court's CM/ECF system if the objection is from a Settlement Class Member
28 represented by counsel, who must also file an appearance, and (c) send copies of such papers via

1 mail, hand, or overnight delivery service to both Class Counsel and Defendants' Counsel.

2 11.3 Any papers submitted in support of a Settlement Class Member's objection
3 must set forth: (1) the objecting Settlement Class Member's full name, current address, and
4 telephone number; (2) the last four digits of their loan number; (3) a statement of the position the
5 objector wishes to assert, including the factual and legal grounds for the position; (4) the identity
6 of any witnesses that the objector may call in connection with their objection and a summary of
7 their testimony; (5) the name(s) of any attorney(s) representing the objector; (6) copies of all
8 documents that the objector wishes to submit in support of their position; and (7) a statement
9 whether the objection applies only to the objector, to a specific subset of the class, or to the entire
10 class.

11 11.4 Subject to Court approval, any objecting Settlement Class Member may
12 appear at the Final Approval Hearing, in person or through counsel, to show cause why the
13 proposed Settlement should not be approved. Any Settlement Class Member who fails to timely
14 file a written objection with the Court and notice of their intent to appear at the Final Approval
15 Hearing in accordance with the terms of this Paragraph and as detailed in the Class Notice, and at
16 the same time provide copies to designated counsel for the parties, shall not be permitted to object
17 to this Settlement Agreement at the Final Approval Hearing, and shall be foreclosed from seeking
18 any review of this Settlement Agreement by appeal or other means and shall be deemed to have
19 waived their objections and be forever barred from making any such objections in the Litigation or
20 any other action or proceeding.

21 11.5 Responding to Objections. Named Plaintiffs, Class Counsel, and/or
22 Defendants or Defendants' Counsel may file responses to any timely written objection(s) no later
23 than seven (7) days before the date of the Final Approval Hearing.

24 **12. SETTLEMENT APPROVAL**

25 12.1 Within thirty (30) days of this Agreement's date, Named Plaintiffs shall
26 apply to the Court for entry of the proposed Preliminary Approval Order and setting of a Final
27 Approval Hearing.

28 12.2 Named Plaintiffs shall move for and brief the issue of Final Approval of the

1 Settlement in accordance with the Preliminary Approval Order or such other or further order of the
2 Court.

3 12.3 At the Final Approval Hearing, Named Plaintiffs shall move for entry of the
4 proposed Judgment and present arguments in support thereof.

5 12.4 Named Plaintiffs, on behalf of themselves and the Settlement Class, consent
6 to dismissal of the Litigation with prejudice upon entry of the Judgment and in accordance with
7 the terms of the Agreement.

8 12.5 If the Settlement is not granted final approval, or this Agreement is
9 otherwise terminated or rendered null and void, the certification of the Settlement Classes shall be
10 automatically vacated and shall not constitute evidence or a binding determination that the
11 requirements for certification of a class for trial purposes in this or any other action can be or have
12 been satisfied; in such circumstances, the rights of all parties will for all purposes revert to their
13 status as of January 24, 2022, and Defendants reserve all rights to challenge certification of the
14 Settlement Classes or any other class for trial purposes in the Litigation, or in any other action, on
15 all available grounds as if no Settlement Class had been certified.

16 **13. ATTORNEYS' FEES, EXPENSES, AND NAMED PLAINTIFFS' SERVICE**
17 **AWARD**

18 13.1 Defendants have agreed that Class Counsel shall be entitled to an award of
19 reasonable attorneys' fees and expenses in an amount to be determined by the Court and paid from
20 the Settlement Fund. Should the Court award less than the amount sought by Class Counsel, the
21 difference in the amount sought and the amount ultimately awarded pursuant to this Paragraph
22 shall remain in the Settlement Fund to be distributed to Settlement Class Members.

23 13.2 Named Plaintiffs and Class Counsel agree that the amount of Attorneys'
24 Fees and Expenses awarded by the Court shall compensate them for all legal work in the
25 Litigation up to and including the Final Settlement Date, including any appeal of the Judgment, as
26 well as for all legal work and costs that may be incurred in the Litigation after the Final Settlement
27 Date. This Settlement is not conditioned upon the Court awarding the amounts sought by Class
28 Counsel as an award of Attorneys' Fees and Expenses. In the event the Court awards Class

1 Counsel less than the amount of Attorneys' Fees and Expenses requested by Class Counsel, this
2 Settlement Agreement shall nonetheless remain in full force and effect.

3 13.3 Class Counsel shall be paid the Attorneys' Fees and Expenses awarded by
4 the Court from the Settlement Fund within seven (7) days after the Final Settlement Date.
5 Payment of the Attorneys' Fees and Expenses shall be made via wire transfer to an account
6 designated by Class Counsel after providing necessary information for electronic transfer. If for
7 any reason the final Judgment does not become Final within the meaning of Paragraph 2.15 (i.e.,
8 the Final Settlement Date does not occur), the Settlement Administrator shall not disburse the
9 Attorneys' Fees and Expenses to Class Counsel.

10 13.4 In addition to the relief otherwise due to Settlement Class Members,
11 Defendants agree Named Plaintiffs may seek reasonable Service Awards in an amount determined
12 by the Court that shall be paid from the Settlement Fund. This Settlement is not conditioned upon
13 the Court awarding the amounts sought by Named Plaintiffs as Service Awards. Should the Court
14 award less than the amount sought, the difference in the amount sought and the amount ultimately
15 awarded pursuant to this Paragraph shall remain in the Settlement Fund to be distributed to
16 Settlement Class Members.

17 13.5 Named Plaintiffs shall be paid Service Awards, as determined by the Court,
18 from the Settlement Fund within seven (7) days after the Final Settlement Date. Payment of the
19 Service Awards shall be made via check to Named Plaintiffs, such check to be sent in the care of
20 Class Counsel.

21 **14. CONFIDENTIALITY; COMMUNICATIONS TO MEDIA AND PUBLIC**

22 14.1 The Settling Parties agree that the terms of this Settlement shall remain
23 confidential and not be disclosed by any party, except for the purpose of retaining the Settlement
24 Administrator, until the Settlement Agreement is filed in connection with Named Plaintiffs'
25 Preliminary Approval Application.

26 14.2 The Settling Parties agree further that after Preliminary Approval of the
27 Settlement, any press release or a release on the internet concerning the Settlement shall be limited
28 to a statement in support of the Settlement that correctly conveys the terms of the Settlement,

1 including that Defendants have denied all of the wrongdoing alleged in the Action.

2 14.3 The Settling Parties agree that both before and after Preliminary Approval,
3 if any print or electronic media outlet contacts any party or its counsel seeking information or a
4 statement regarding the Settlement, in the absence of a response agreed upon by all Settling
5 Parties, any response to such inquiries will be in support of the Settlement and only contain
6 information that appears as part of the public record.

7 14.4 Nothing in this agreement shall prevent Class Counsel from maintaining a
8 case page on their websites concerning the Litigation that contains publicly available information
9 and publicly filed documents, such as the Complaint and other publicly filed documents.

10 **15. TERMINATION AND EFFECT THEREOF**

11 15.1 This Agreement shall be terminable by any Party if any of the conditions of
12 Section 3 are not fully satisfied, or by Defendants if the conditions of Section 10.3 occur regarding
13 the number of Opt-Outs, unless they are waived in writing signed by authorized representatives of
14 the Settling Parties.

15 15.2 This Agreement shall be terminable at the discretion of any Settling Party
16 if: (1) the Court, or any appellate court(s), rejects, modifies, or denies approval of any portion of
17 this Agreement that is material, including without limitation, the terms or relief, the findings or
18 conclusions of the Court, the provisions relating to Class Notice, the definition of the Settlement
19 Class, and/or the terms of the Releases; (2) the Court, or any appellate court(s), does not enter or
20 completely affirm, or alters, or restricts, or expands, any portion of the final Judgment, or any of
21 the district court's findings of fact or conclusions of law that is material; or (3) if all of the
22 conditions required to be met before the Final Settlement Date do not occur.

23 15.3 If this Agreement is terminated as provided herein, the Settlement shall be
24 null and void from its inception and the Settling Parties will be restored to their respective
25 positions in the Litigation as of January 24, 2022. In such event, the terms and provisions of this
26 Agreement will have no further force and effect with respect to the Settling Parties and will not be
27 used in the Litigation, or in any other proceeding for any purpose, and any Judgment or order
28 entered by the Court in accordance with the terms of this Agreement will be treated as vacated,

1 *nunc pro tunc.*

2 **16. MISCELLANEOUS PROVISIONS**

3 16.1 The Settling Parties acknowledge that it is their intent to consummate this
4 Agreement, and they agree to cooperate to the extent reasonably necessary to effectuate and
5 implement all terms and conditions of this Agreement and to exercise their best efforts to
6 accomplish the foregoing terms and conditions of this Agreement.

7 16.2 By signing this Settlement Agreement, the parties agree not to serve any
8 discovery, other than reasonable confirmatory discovery related to the Convenience Fees at Issue,
9 or proceed with any motion after the date of this Settlement Agreement, except for motions related
10 to the approval or implementation of the Settlement, unless the parties are ordered to do so by the
11 Court or the Final Approval Order and Judgment is not entered and this Settlement becomes void.

12 16.3 The Settling Parties intend the Settlement to be a final and complete
13 resolution of all disputes between them with respect to the Litigation. The Settlement
14 compromises claims that are contested and will not be deemed an admission by any Settling Party
15 as to the merits of any claim or defense. The Settling Parties agree that the consideration provided
16 to the Settlement Class and the other terms of the Settlement were negotiated in good faith and at
17 arm's length by the Settling Parties and reflect a Settlement that was reached voluntarily after
18 consultation with competent legal counsel. The amounts paid are to compromise the claimants'
19 claims for damages and the amounts paid represent the claimants' compensation for such alleged
20 damages.

21 16.4 Neither this Agreement nor the Settlement, nor any act performed or
22 document executed pursuant to or in furtherance of this Agreement or the Settlement is or may be
23 deemed to be or may be used as an admission or evidence of the validity of any Released Claims,
24 or of any wrongdoing or liability of any Released Persons; or is or may be deemed to be or may be
25 used as an admission of, or evidence of, any fault, omission, wrongdoing, or liability of any
26 Released Persons in any civil, criminal, or administrative proceeding in any court, administrative
27 agency, or other tribunal. Defendants may file this Agreement and/or the Judgment in any action
28 that may be brought against it in order to support any defense or counterclaim, including, without

1 limitation, those based on principles of *res judicata*, collateral estoppel, release, good faith
2 settlement, judgment bar or reduction, or any other theory of claim preclusion, issue preclusion, or
3 similar defense or counterclaim.

4 16.5 All agreements made and orders entered during the course of the Litigation
5 relating to the confidentiality of information will survive this Agreement.

6 16.6 This Agreement may be amended or modified only by a written instrument
7 signed by or on behalf of all Settling Parties or their respective successors-in-interest.

8 16.7 This Agreement constitutes the entire agreement among the Settling Parties,
9 and no representations, warranties, or inducements have been made to any Party concerning this
10 Agreement other than the representations, warranties, and covenants covered and memorialized
11 herein. Except as otherwise provided herein, the Settling Parties will bear their own respective
12 costs.

13 16.8 Class Counsel, on behalf of the Settlement Class, are expressly authorized
14 by Named Plaintiffs to take all appropriate action required or permitted to be taken by the
15 Settlement Class pursuant to this Agreement to effectuate its terms, and are expressly authorized
16 to enter into any modifications or amendments to this Agreement on behalf of the Settlement Class
17 that Class Counsel deem appropriate.

18 16.9 This Agreement may be executed in one or more counterparts. All executed
19 counterparts and each of them will be deemed to be one and the same instrument. Facsimile
20 signatures, electronic signatures, or signatures sent via e-mail shall be treated as original
21 signatures and shall be binding. A complete set of counterparts will be submitted to the Court.

22 16.10 This Agreement will be binding upon, and inure to the benefit of, the
23 successors and assigns of the Settling Parties.

24 16.11 The Court will retain jurisdiction with respect to implementation and
25 enforcement of the terms of this Agreement, and all Settling Parties hereto submit to the
26 jurisdiction of the Court for purposes of implementing and enforcing the Settlement.

27 16.12 None of the Settling Parties, or their respective counsel, will be deemed the
28 drafter of this Agreement for purposes of construing the provisions thereof. The language in all

1 parts of this Agreement will be interpreted according to its fair meaning, and will not be
2 interpreted for or against any Settling Party as the drafter thereof.

3 16.13 The Settling Parties stipulate to stay all proceedings in the Litigation until
4 the approval of this Agreement has been finally determined, except the stay of proceedings shall
5 not prevent the filing of any motions, affidavits, and other matters necessary to obtain and
6 preserve final judicial approval of this Agreement.

7 16.14 Except as to a single copy for law firm record-keeping purposes or agreed
8 by the parties in writing, within thirty (30) days after the Final Settlement Date, the parties shall
9 destroy all electronically stored information, testimony, or other information produced in the
10 Litigation, including the mediation for the Litigation.

11 16.15 The Settlement shall be governed by the laws of the State of California and
12 applicable federal law.

13 16.16 The following principles of interpretation apply to the Agreement: (a) the
14 plural of any defined term includes the singular, and the singular of any defined term includes the
15 plural, as the case may be; (b) references to a person are also to the person’s successor-in-interest;
16 and (c) whenever the words “include,” includes,” or ‘including” are used in the Agreement, they
17 shall not be limiting, but rather shall be deemed to be followed by the words “without limitation.”

18 16.17 The Settlement Agreement shall not be subject to collateral attack by any
19 Settlement Class Member or any recipient of the notices of the Settlement Class after the
20 Judgment is entered.

21 16.18 Headings, captions, and numbers have been set forth in this Agreement for
22 convenience only and are not to be used in construing the Settlement Agreement.

23 **17. NOTICES**

24 17.1 All Notices (other than the Class Notice) required by the Agreement shall
25 be made in writing and communicated by email and mail to the following addresses:

26 All Notices to Class Counsel shall be sent to Class Counsel, c/o:

27 Laura R. Gerber
28 KELLER ROHRBACK L.L.P.

1 1201 Third Avenue, Suite 3200
2 Seattle, WA 98101-3052
3 (206) 623-1900
4 Fax (206) 623-3384

5 and

6 Thomas E. Loeser
7 HAGENS BERMAN SOBOL SHAPIRO L.L.P.
8 1301 Second Avenue, Suite 2000
9 Seattle, WA 98101
10 (206) 623-7292
11 Fax (206) 623-0594

12 All Notices to Defendant shall be sent to Defendants' Counsel, c/o:

13 Mark D. Lonergan
14 Mary Kate Sullivan
15 Erik Kemp
16 Severson & Werson, A Professional Corporation
17 One Embarcadero Center, Suite 2600
18 San Francisco, CA 94111
19 Telephone: (415) 398-3344;
20 Facsimile: (415) 956-0439
21 *Counsel for Defendant Nationstar Mortgage LLC*

22 17.2 The notice recipients and addresses designated above may be changed by
23 written agreement of the Settling Parties.

24 17.3 Each of the Settling Parties agrees to promptly provide, upon the other's
25 request, copies of objections, Requests for Exclusion, or other similar documents received from
26 Settlement Class Members in response to the Settlement Class Notice.

27 IN WITNESS WHEREOF, the Settling Parties have executed and caused this Settlement
28 on the dates set forth below.

Dated: 3/29/2022 _____

By:  _____
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Eugenio Contreras
Plaintiff and Class Representative

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Dated: 3/29/2022

DocuSigned by:
Rosa Contreras
D08421AAD9D14DD

Rosa Contreras
Plaintiff and Class Representative

Dated: _____

By: _____

Sherlie Charlot
Plaintiff and Class Representative

Dated: _____

By: _____

Jennie Miller
Plaintiff and Class Representative

Dated: _____

By: _____

Name: _____

Title: _____

Nationstar Mortgage LLC

Dated: _____

By: _____

Name: _____

Title: _____

Solutionstar Holdings LLC n/k/a Xome Holdings LLC

Dated: _____

By: _____

Name: _____

Title: _____

Solutionstar Field Services LLC

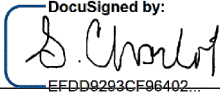
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Dated: _____

By: _____

Rosa Contreras
Plaintiff and Class Representative

Dated: March 29, 2022

By:  _____
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Sherlie Charlot
Plaintiff and Class Representative

Dated: _____

By: _____

Jennie Miller
Plaintiff and Class Representative

Dated: _____

By: _____

Name: _____

Title: _____

Nationstar Mortgage LLC

Dated: _____

By: _____

Name: _____

Title: _____

Solutionstar Holdings LLC n/k/a Xome Holdings LLC

Dated: _____

By: _____

Name: _____

Title: _____

Solutionstar Field Services LLC

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By: _____

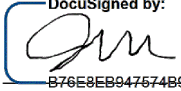
Rosa Contreras
Plaintiff and Class Representative

Dated: _____

By: _____

Sherlie Charlot
Plaintiff and Class Representative

Dated: March 30, 2022

By:  _____
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Jennie Miller
Plaintiff and Class Representative

Dated: _____

By: _____

Name: _____

Title: _____

Nationstar Mortgage LLC

Dated: _____

By: _____

Name: _____

Title: _____

Solutionstar Holdings LLC n/k/a Xome Holdings LLC

Dated: _____

By: _____

Name: _____

Title: _____

Solutionstar Field Services LLC

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Dated: _____

By: _____

Rosa Contreras
Plaintiff and Class Representative

Dated: _____

By: _____

Sherlie Charlot
Plaintiff and Class Representative

Dated: _____

By: _____

Jennie Miller
Plaintiff and Class Representative

Dated: 3/30/2022

By: 

Name: Sr. PRINCIPAL - LITIGATION

Title: ADAM BLUNT

Nationstar Mortgage LLC

Dated: 3/30/2022

By: 

Name: ADAM BLUNT

Title: Sr. PRINCIPAL - LITIGATION

Solutionstar Holdings LLC n/k/a Xome Holdings LLC

Dated: 3/30/2022

By: 

Name: ADAM BLUNT

Title: Sr. PRINCIPAL - LITIGATION

Solutionstar Field Services LLC

1 Approved as to form by:

2

3 March 30, 2022
4 _____, 2022

DocuSigned by:

68872065F9054E2...

Laura R. Gerber
KELLER ROHRBACK L.L.P.
1201 Third Avenue, Suite 3200
Seattle, WA 98101-3052
(206) 623-1900
Fax (206) 623-3384

8 Attorneys for Plaintiffs Eugenio and Rosa Contreras,
9 Sherlie Charlot, and Jennie Miller and the Settlement
10 Classes

11

12 _____, 2022

13 Thomas E. Loeser
14 HAGENS BERMAN SOBOL SHAPIRO L.L.P.
15 1301 Second Avenue, Suite 2000
16 Seattle, WA 98101
17 (206) 623-7292
18 Fax (206) 623-0594

17 Attorneys for Plaintiffs Eugenio and Rosa Contreras,
18 Sherlie Charlot, and Jennie Miller and the Settlement
19 Classes

20

21 _____, 2022

22 Mary Kate Sullivan
23 SEVERSON & WERSON, P.C.
24 One Embarcadero Center, Suite 2600
25 San Francisco, California 94111
26 Phone (415) 398-3344
27 Fax (415) 956-0439

26 Attorneys for Defendants
27 Nationstar Mortgage LLC, Solutionstar Holdings
28 LLC, and Solutionstar Field Services LLC

4890-1449-5001, v. 5

1 Approved as to form by:

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4 _____, 2022

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KELLER ROHRBACK L.L.P.
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Classes

10

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12 3/30 _____, 2022



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21 _____, 2022

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Phone (415) 398-3344
Fax (415) 956-0439

Attorneys for Defendants
Nationstar Mortgage LLC, Solutionstar Holdings
LLC, and Solutionstar Field Services LLC

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1 Approved as to form by:

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March 29, 2022

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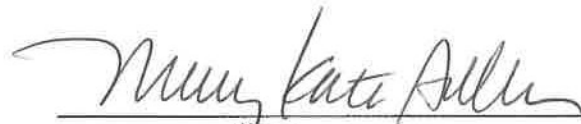
4890-1449-5001, v. 5

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Fax (415) 956-0439

Attorneys for Defendants
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LLC, and Solutionstar Field Services LLC