

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

JACKERLY MCFADDEN, CELINDA LAKE,
MARY MONTGOMERY, and LILLIAN
NELSON, *On Behalf of Themselves and All
Others Similarly Situated,*

Plaintiffs,

v.

Case No. 1:20-cv-00166

NATIONSTAR MORTGAGE LLC,
d/b/a MR. COOPER,

Defendant.

CLASS SETTLEMENT AND RELEASE AGREEMENT

1. PARTIES

This Class Settlement and Release Agreement (the “Agreement”) is made and entered into as of the Effective Date, as defined herein, by and between Plaintiffs Jackerly McFadden, Celinda Lake, Mary Montgomery and Lillian Nelson (“Plaintiffs” or “Class Representatives”) acting individually and as representative of the Settlement Class, as defined herein (the “Settlement Class” or “Class Members”) and Defendant Nationstar Mortgage LLC, d/b/a Mr. Cooper (“Nationstar” or “Defendant”) (collectively the “Parties”) for the purpose of resolving by compromise and settlement all claims, controversies and alleged liabilities arising out of the disputes as set forth below.

2. RECITALS

2.1. On January 22, 2020, Plaintiff McFadden filed her Complaint (the “Complaint”) against Defendant. The Complaint asserted claims for violations of the Federal Fair Debt Collection Practices Act (“FDCPA”), state debt collection laws, and breach of contract.

- 2.2. Plaintiffs Celinda Lake, Mary Montgomery and Lillian Nelson joined the lawsuit, and the four Plaintiffs filed an Amended Complaint against Defendant on December 16, 2022, which Defendant answered on January 6, 2023.
- 2.3. After motions practice and discovery, the parties formally mediated their claims with experienced mediator Stephen Dalesio in person on March 23, 2023, but did not resolve the claims. Over the next several months, the parties exchanged information, additional discovery, and legal argument. The parties again formally mediated the Plaintiffs' claims with Stephen Dalesio through videoconference on July 12, 2023, and thereafter ultimately resolved the case through arms-length negotiations conducted through the mediator.
- 2.4. Defendant denies any and all allegations and claims asserted against it in the Action and denies any and all wrongdoing. Neither the fact nor the terms of this Agreement shall be used, offered, or received in evidence in any action or proceeding for any purpose, except in an action or proceeding to enforce this Agreement.
- 2.5. Notwithstanding the above, solely in order to avoid the cost, burden, expense, and uncertainty of further litigation, the Parties desire to compromise and settle the Action and have reached this Agreement to resolve the disputes between them, pending approval of the Court, and to achieve complete peace.

3. **DEFINITIONS**

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

- 3.1. "Action" means the civil action styled *Jackerly McFadden, et. al. v. Nationstar Mortgage LLC d/b/a Mr. Cooper*, pending in the United States District Court for the District of Columbia.

- 3.2. “Administrative Costs” means all reasonable and authorized costs and expenses of disseminating and publishing the Class Notice in accordance with the Preliminary Approval Order, and all reasonable and authorized costs and expenses incurred by the Settlement Administrator in administering the Settlement, including but not limited to costs and expenses associated with assisting Settlement Class Members, escrowing funds, and issuing and mailing Settlement Payments.
- 3.3. “Affiliate” of an entity means any person or entity which controls, is controlled by, or is under common control with such entity.
- 3.4. “Agreement” or “Settlement Agreement” means this Class Settlement Agreement and Release, including all exhibits thereto.
- 3.5. “Attorneys’ Fees and Expense Award” means such funds as may be awarded to Class Counsel by the Court to compensate them (and all other attorneys for Plaintiffs or the Settlement Class) for their fees and all expenses incurred by Plaintiffs or Class Counsel in connection with the Action.
- 3.6. “Attorneys’ Fee and Service Award Application” means Class Counsel’s application for a Fee and Expense Award and Service Awards.
- 3.7. “Class Accounts” means the 72,555 accounts identified by Defendant as belonging to the Settlement Class Members.
- 3.8. “Class Counsel” means James Kauffman of the law firm of Bailey Glasser, LLP and Kristen Simplicio and Hassan Zavareei of the law firm of Tycko & Zavareei LLP.
- 3.9. “Class Period” means from May 26, 2018 through the date that the Court grants preliminary approval of the settlement.

- 3.10. “Class List” means the confidential list of individuals who are within the Settlement Class, as defined below, together with the relevant information concerning the Class Accounts.
- 3.11. “Common Fund Components” means the three components of the Common Fund: (i) the portion allocated to DC Class (“DC Component”); (ii) the portion allocated to the Nationwide Class (“Nationwide Component”); and (iii) the portion remaining, to be used for Administrative Costs and other court-approved expenses (“Residual Component”), as detailed in section 5.1, *infra*.
- 3.12. “Common Fund Remainder” refers to the balance in the Net Common Fund remaining after all checks associated with Settlement Payments have either timely cleared or expired, i.e. the uncashed checks.
- 3.13. “Contreras Action” means *Contreras, et al. v. Nationstar Mortgage, LLC*, Case No. 16-cv-00302, pending in the United States District Court for the Eastern District of California until a class settlement received final approval from the court on November 15, 2022.
- 3.14. “Common Fund” means the \$3,587,254 in funds to be paid by Defendant pursuant to Section 5 of this Agreement.
- 3.15. “Court” means the United States District Court for the District of Columbia.
- 3.16. “Effective Date” means the latest of (1) the date the Final Approval Order is entered; (2) thirty-one (31) days after the date of Final Approval, if a Class Member objects to the Settlement but no appeal by a Class Member is filed; or (3) thirty-one (31) days after the final termination of any appeal from the Final Approval Order.

- 3.17. “Email Notice” means the notice to be emailed to Settlement Class members by the Settlement Administrator, substantially in the form of Exhibit A1, provided that the Preliminary Approval Order prescribes Class Notice by email.
- 3.18. “Fee” or “Fees” means the 391,892 separate fees paid by the Settlement Class Members for optional payment services.
- 3.19. “Final Approval Hearing” or “Final Fairness Hearing” means the hearing at which the Court shall (1) determine whether to grant final approval to this Settlement; (2) consider any timely objections to this Settlement and all responses thereto; and (3) consider requests for incentive awards to the Plaintiffs and for an award of attorneys’ fees and expenses.
- 3.20. “Final Approval Order” means the order approving the Settlement and certifying the Settlement Class as final.
- 3.21. “Lawsuit” or “Litigation” means the Action.
- 3.22. “Long Form Notice” means the notice to be posted on the Settlement Website and mailed to Settlement Class members upon request that discloses the terms of the Settlement Agreement, substantially in the form of Exhibit A3.
- 3.23. “Net Settlement Fund” means the Common Fund minus any Attorneys’ Fee and Expense Award, any Service Awards, and all Administrative Costs.
- 3.24. “Notice Program” means the program of notice via email and postcard described in Section 10 of this Agreement to be provided to potential Settlement Class Members, which will notify potential Settlement Class Members about, among other things, their rights to opt out or object to the Settlement, the preliminary approval of the

Settlement, and the scheduling of the Final Approval Hearing. It includes the Email Notice, the Postcard Notice, and the Long Form Notice.

- 3.25. “Parties” shall mean the Class Representatives, all Settlement Class Members, and Defendant.
- 3.26. “Plan of Allocation” means the terms and procedures for allocating the Common Fund among, and for distributing amounts to Class Members as proposed in the Class Notice and approved by the Court.
- 3.27. “Postcard Notice” means the notice to be mailed to Settlement Class Members by the Settlement Administrator, substantially in the form of Exhibit A2.
- 3.28. “Preliminary Order” means the order entered by the Court preliminarily approving the Settlement, provisionally certifying the Settlement Class, and approving the Settlement, provisionally certifying the Settlement Class, and approving notice to Settlement Class Members. A copy of a proposed Preliminary Approval Order is attached hereto as **Exhibit B**.
- 3.29. “Released Claim” or “Released Claims” “Released Claim” or “Released Claims” means any and all actual or potential claims, actions, causes of action, suits, counterclaims, crossclaims, third-party claims, contentions, allegations, and assertions of wrongdoing, and any demands for any and all debts, obligations, liabilities, damages (whether actual, compensatory, treble, punitive, exemplary, statutory, or otherwise), attorneys’ fees, costs, restitution, disgorgement, injunctive relief, and any other type of equitable, or legal statutory relief, any other benefits, or any penalties of any type whatsoever, whether known or unknown, suspected or unsuspected, contingent or non-contingent, or discovered or undiscovered, whether

asserted in federal court, state court, arbitration, or otherwise, and whether triable before a judge or jury or otherwise, arising from any violation of FDCPA, or any other state, federal or local law, statute, regulation or common law based on the allegations in the Civil Action, which relate to convenience fees identified in the Amended Complaint.

- 3.30. “Settlement” or “Stipulation of Settlement” means the settlement set forth in this Agreement.
- 3.31. “Settlement Administrator” means a third-party agent or administrator selected by Class Counsel.
- 3.32. “Settlement Class” or “Class” means the class of persons that will be certified by the Court for settlement purposes only. The full definition is set forth in Section 4, *infra*.
- 3.33. “Settlement Class Member” means any person who falls within the definition of the Settlement Class and who has not opted out of the Settlement Class.
- 3.1. “Settlement Class Recovery” means the amount of the Common Fund available for distribution to Claimants after payment of Administrative Costs and any Court-approved Attorney’s Fees and Expenses and incentive award.
- 3.2. “Settlement Payment” means the payment to be made from the Common Fund to Settlement Class Members.
- 3.3. “Settlement Website” means an internet website to be established and maintained by the Settlement Administrator for purposes of administering the Settlement. The URL of the Settlement Website shall be <http://www.MortgageFeeClassAction.com>.

3.4. “Vannest Action” means the lawsuit *Vannest. v. Nationstar Mortgage, LLC*, Case No. 21-cv-0086 that was pending in the United States District Court for the Northern District of West Virginia until a class settlement received final approval from the court on October 19, 2022.

4. SETTLEMENT CLASS MEMBERS

4.1. The Settlement Class is defined as all persons in the D.C. Class and Nationwide Classes, which excludes deceased class members, class members in bankruptcy and class members included in the settlements reached in the Contreras Action or the Vannest Action.

- a. The D.C. Class is defined as all persons (1) with a residential mortgage loan securing a property in the District of Columbia, (2) serviced or sub-serviced by Nationstar, (3) who paid a fee to Nationstar for making a loan payment by telephone or interactive voice recognition (IVR) during the applicable statute of limitations. The D.C. Class consists of borrowers on 780 accounts, who in 5,767 instances paid convenience fees to make payment by telephone.
- b. The Nationwide Class is defined to include all borrowers on residential mortgage loans secured by properties in the United States (other than the District of Columbia) which were:
 - (i) 30 days or more delinquent on loan payment obligations when Mr. Cooper acquired servicing rights;
 - (ii) 30 days or more delinquent on loan payment obligations when any of Mr. Cooper’s predecessors in interest acquired servicing rights; and/or
 - (iii) insured by the Federal Housing Administration.

- c. The Nationwide Class consists of borrowers who paid convenience fees to make payment by telephone, less refunds in the amount of \$5,617,750.
- 4.2. The terms, effectiveness and validity of this Agreement are subject to the entry of a Preliminary Approval Order granting a Motion for Preliminary Approval of Class Settlement, and Entry of Scheduling Order (“Preliminary Approval Motion”), and the entry of an order granting a Motion for Final Approval of Class Settlement (“Final Approval Motion”). The Agreement becomes effective as of the Effective Date as defined in Paragraph 3.14 of this Agreement.

5. **SETTLEMENT AMOUNT**

- 5.1. Nationstar, its successors, and assigns will pay three million, five hundred eighty-seven thousand, two hundred and fourteen dollars (\$3,587,254) (the “Settlement Amount”) to a “Common Fund” in full settlement of all class claims that were asserted or could have been asserted in the Action. The Common Fund consists of three Components:
 - a. “DC Component” of \$1,441,750, which represents \$250 for each of the 5,767 instances in which a DC Class Member paid a Fee that are known Defendants to at the time of settlement;
 - b. “Nationwide Component” of \$1,966,213, which represents 35% of the \$5,617,750 in Fees known to Defendant to have been paid by members of the Nationwide Class at the time of settlement.
 - c. “Residual Component” of \$179,291 to be used to cover Administrative Costs as discussed in Section 8, and other court-approved attorneys’ expenses. In the event any funds remain after payment of all such costs and expenses, the

amount shall be distributed cy pres.

- 5.2. The Settlement Amount is an “all-in” payment. In no event shall Nationstar be liable for any amount greater than the Settlement Amounts listed in Section 5.1.

6. COMMON FUND

- 6.1. The Common Fund shall be maintained as set forth in Section 6.2 and established by Nationstar within ten (10) business days of the Court granting preliminary approval to the Settlement. The Parties shall have joint control of the Common Fund.
- 6.2. The Court shall retain continuing jurisdiction over the Common Fund sufficient to satisfy the requirements of 26 C.F.R. § 1.468B-1. The Settlement Administrator shall at all times seek to have the Common Fund treated as a “qualified settlement fund” as that term is defined in 26 C.F.R. § 1.468B-1. The Settlement Administrator shall cause any taxes imposed on the earnings of the Common Fund, if any, to be paid out of such earnings and shall comply with all tax reporting and withholding requirements imposed on the Common Fund under applicable tax laws. The Settlement Administrator shall be the “administrator” of the Common Fund pursuant to 26 C.F.R. § 1.468B-2(k)(3).
- 6.3. Should the Settlement be denied for any reason, or otherwise not approved by the Court, then all monies placed into the Common Fund shall be returned to Nationstar.
- 6.4. Should the Settlement be approved, and any monies remain in the Common Fund after disbursement of funds in accordance with the terms of this Agreement, the remaining principal funds shall not revert to Nationstar. Any such remaining funds

shall be donated as a *cy pres* award Habitat for Humanity.

7. **DISTRIBUTION OF SETTLEMENT AMOUNT**

The Settlement Amount shall be distributed as follows:

7.1. Plaintiffs' Attorney's Fees and Expenses, Administrative Costs, and the incentive awards to Plaintiffs shall be deducted from the Common Fund as follows:

- a. Attorneys' Fees and Expenses shall be applied and subtracted from the Common Fund as a whole.
- b. In the event Administrative Costs exceed the Residual Component, they shall be apportioned such that 20% are paid out of the DC Component and 80% are paid out of the Nationwide Component, after applying the Residual Component.
- c. Plaintiff McFadden's incentive award shall be paid out of the Nationwide Component and the other three Plaintiffs' incentive award shall be paid out of the DC Component.

7.2. Each Settlement Class Member shall receive a distribution after payment of fees, costs and incentive awards, as set forth in section 7.1, as follows:

- a. DC Settlement Class Members shall be entitled to a pro rata share of the remaining DC Component, based on the number of Fees each Class Member paid.
- b. Nationwide Settlement Class Members shall be entitled to a pro rata share of the remaining Nationwide Component, based on the amount of Fees each Class Member paid, except that no Class Member shall receive a payment of less than \$5.

7.3. Settlement Payments shall be disseminated via check, unless the Settlement Class

Member opts into receiving payment via electronic payment. The Settlement Administrator shall make available to all Settlement Class Members an array of electronic payment options, including Zelle, PayPal, and Venmo.

- 7.4. Pursuant to Section 10, *infra*, All Settlement Class Members shall be informed via the Notice Program that any Common Fund Remainder shall be distributed pro rata to those electing to receive their distributions via electronic payment. Periodic reminders shall be disseminated via email to Settlement Class Members to urge them to elect electronic payment options. Such payments shall be distributed within 60 days of the latest expiration date of any Settlement Checks.
- 7.5. No interest shall be included as an element of, or be payable or paid on, any Settlement Payment.
- 7.6. Co-borrowers shall be treated as a single Settlement Class Member and receive a single, shared Settlement Payment. Whenever possible, the Settlement Administrator shall issue payment jointly to co-borrowers. Settlement Class Members who receive a Settlement Payment shall be solely responsible for distributing or allocating such payment between or among all co-borrowers.
- 7.7. As payment for Attorney's Fees and Expenses, Plaintiff's counsel shall apply to the Court for a distribution of no more than one third (33.33%) of the Common Fund, plus expenses, which sum (one-third of the Common Fund plus expenses) shall include all Attorney's Fees and Expenses incurred by Plaintiffs.
- 7.8. Plaintiffs will each receive an incentive award of seven thousand dollars (\$7,000), subject to approval by the Court, in addition to each Plaintiff's distribution of the Settlement Class Recovery. Plaintiffs' incentive awards shall be paid out of the

Common Fund as set forth in Section 7.1, *supra*.

8. RETENTION OF SETTLEMENT ADMINISTRATOR AND COSTS

- 8.1 The Parties agree that a Settlement Administrator selected by Class Counsel will handle notice pursuant to the Class Action Fairness Act, process claims, field calls and correspondence from Settlement Class Members, and disburse amounts from the Common Fund.
- 8.2 All the costs associated with providing notice to the Settlement Class Members and disbursement of the Common Fund (“Administrative Costs”), including all costs and expenses related to class notice, distribution of settlement proceeds, reasonable measures to locate potential Settlement Class Members, and retaining any class or claims administrator will be paid from the Common Fund, as set forth in Section 7.1, *supra*. Nationstar’s only responsibility regarding such costs is to fund the Common Fund.
- 8.3 The Settlement Administrator shall administer the Settlement in a cost-effective and timely manner. Without limiting any of its other obligations as stated herein, the Settlement Administrator shall be responsible for mailing the class notice, as defined below, administration of the Common Fund, and providing all other related support, reporting, and administration as further stated in this Agreement.
- 8.4 Defendant will coordinate with the Settlement Administrator to provide the class notice to the potential Settlement Class Members, as provided in this Settlement Agreement, with Class Counsel’s participation and oversight. Because the information about potential Settlement Class Members that will be provided to the Settlement Administrator will consist of confidential information, non-public personal information, and other information protected by privacy laws, any such

information shall be deemed “Confidential-Attorneys’ Eyes Only,” and shall be used only for the purpose of administering this Settlement.

8.5 W9 Forms. The Settlement Administrator shall complete and provide to Nationstar any W9 forms as to the Common Fund necessary for Nationstar to implement this Settlement.

9. PRELIMINARY APPROVAL MOTION

Plaintiffs will submit to the Court a Motion for Preliminary Approval of Class Settlement and Entry of Scheduling Order (“Preliminary Approval Motion”) no later than thirty (30) days after full execution of this Agreement. The Preliminary Approval Motion will request that the Court:

- 9.1 Find that the Settlement Class representative, and Settlement Class counsel, fairly and adequately represent the interests of the Settlement Class;
- 9.2 Find preliminarily that the Agreement is fair, reasonable and adequate to the Settlement Class;
- 9.3 Schedule a Final Approval Hearing one hundred (100) days after entry of the Preliminary Approval Order granting the Preliminary Approval Motion; and
- 9.4 Approve the form of notice to be provided to members of the Settlement Class.

10. NOTICE TO CLASS MEMBERS

- 10.1 If the Court grants the Preliminary Approval Motion, the Administrator will, within twenty-one (21) days of entry of the Preliminary Approval Order, email to each Settlement Class Member at his or her last known email address the Email Notice, or if no email address is available, mail to each Settlement Class Member at his or her own mailing address, the Postcard Notice. Nationstar shall provide the

Administrator and Class Counsel with the name, last known address, email address, fees paid, and social security number of each Class Member subject to and governed by the Protective Order entered in the Action as Doc. No. 70. Any Settlement Class Member whose Email Notices are returned as undeliverable shall be promptly mailed a Postcard Notice. Any Postcard Notices returned as undeliverable, but with a forwarding address, shall be promptly re-mailed to the forwarding address. The Administrator shall perform a National Change of Address Registry and LexisNexis/Death Records Search for all postcard Notices returned as undeliverable, without a forwarding address. Such Postcard Notices shall be re-mailed upon discovery of a valid mailing address for the Settlement Class Member.

- 10.2 The Notices shall apprise the Settlement Class Members of his/her right to elect to receive their Settlement Payment via an electronic payment method (PayPal, Zelle, Venmo, etc.). Any Settlement Class Member who elects electronic payment shall be eligible to receive a secondary distribution in the event funds remain in the Common Fund after payment of all Attorneys' Fees and Expenses, Administrative Costs, Incentive Awards, and the clearance/expiration of any payments and checks associated with the Settlement Payments. Any funds remaining in the Common Fund after the secondary distribution will be distributed to the *cy pres* designee.
- 10.3 The Notices shall also apprise the Settlement Class Members of his/her right to opt out of the Settlement Class, of his/her right to object to the Class Settlement, of the fact that any objections or opt outs must be sent to the Administrator and postmarked no later than twenty-one (21) days prior to the Final Approval Hearing, and that any failure to object or to opt out in accordance with applicable deadlines

for opt outs and objections constitutes a knowing and voluntary waiver of any right to opt out of the Settlement Class or to appeal from the Final Approval Order.

10.4 In addition to the initial sending of Notices, Class Counsel and the Settlement Administrator shall be permitted to undertake reasonable efforts to disseminate follow up reminders to encourage Settlement Class Members to elect to receive their Settlement Payment via a digital payment option. Reasonable efforts include sending an additional reminder email prior to final approval and/or directing online advertising to Settlement Class Members.

10.5 This Agreement does not impose on any Party or the Administrator an obligation to make extraordinary efforts to locate a potential Settlement Class Member.

11. SERVICE OF NOTICE OF OPT OUT

At least fourteen (14) days prior to the Final Approval Hearing, the Administrator shall notify Class Counsel and Nationstar's counsel of any persons who have objected to the Class Settlement or opted out of the Settlement Class, and shall serve Nationstar's counsel, Plaintiffs' counsel, and the Court with copies of all objections, notices of opt out, and supporting documentation.

12. FINAL APPROVAL MOTION

12.1 Prior to the Final Approval Hearing, Plaintiffs will file a Motion for Final Approval of Class Settlement ("Final Approval Motion"). The Final Approval Motion will request that the Court approve the Settlement and enter a Final Order and Judgment that will, among other things:

12.2 Adjudge and approve in all respects the settlement of the Action on the terms described in this Agreement;

- 12.3 Dismiss on the merits and with prejudice all class and individual claims in the action;
- 12.4 Include all relief to be provided as part of this Settlement; and
- 12.5 Retain jurisdiction of all matters relating to the interpretation and enforcement of the Settlement and this Agreement.

13. EFFECT OF DISAPPROVAL/DENIAL OF SETTLEMENT

If the Court disapproves this Agreement or any part thereof for any reason or declines to enter a Final Approval Order as described in this Agreement, then this Agreement, including all releases contained within the Agreement, shall become null and void and the Action shall proceed as though no settlement had been negotiated or achieved, unless Plaintiffs and Defendant agree otherwise or jointly appeal the order disapproving this Settlement.

14. REVERSAL, VACATION, OR MODIFICATION OF AGREEMENT BY APPELLATE COURT

In the event that a court of appeals or other reviewing court sets aside, reverses, vacates or modifies the Final Approval Order as described in this Agreement in any material way, then this Agreement, including all releases contained within the Agreement, shall become null and void and the action shall proceed as though no settlement had been negotiated or achieved unless the Parties otherwise agree.

15. PAYMENT OF SETTLEMENT AMOUNT

- 15.1 As soon as practicable after entry of the Final Approval Order, the Administrator shall distribute the Settlement Amount to Settlement Class Members as provided in Section 7 of this Agreement, less that portion of the Settlement Amount the Court awards as Attorney's Fees and Expenses, Administrative Costs, and the incentive award to Plaintiffs. Distributions to Settlement Class Members will be made to their last known address by first class mail, postage prepaid, unless the Settlement Class Member elects to receive electronic distribution pursuant to Section 10.2
- 15.2 Checks made payable to each Settlement Class Member shall become stale and all right to payment on any such check shall end upon expiration of three (3) months from the date of the check (which will be within one calendar week of the date such check is mailed) and shall include a statement to inform the bearer of this validity period.
- 15.3 Any check that becomes stale may be re-issued one time. Right to payment on any re-issued check shall similarly become stale upon the expiration of two (2) months from the date of the re-issued check (which will be within one calendar week of the date such check is mailed) and shall include a statement again informing the bearer of this validity period. The funds represented by any re-issued checks that become stale shall be applied to Administrative Costs first and, if any sums remain after payment of Administrative Costs, donated as set forth in Paragraph 6.4 of this Agreement. Any such donation will have no effect on the validity of this Agreement against those Class Members who do not receive a Settlement Payment following reasonable efforts to deliver a payment to them.

16. FINAL AND BINDING AGREEMENT

The Parties acknowledge that this Agreement is a full and final accord and satisfaction and shall be binding upon and inure to the benefit of Defendant, the named Plaintiffs, the Members of the Settlement Class, their counsel, and each of their respective trustees, heirs, executors, administrators, beneficiaries, representatives, agents, successors, and assigns.

17. RELEASE

17.1 Class Release and Released Claims. Each Member of the Settlement Class, for and on behalf of the Class Member and the Class Member's present and future spouses (and common law spouses), children, parents, relations, successors, beneficiaries, heirs, next of kin, assigns, attorneys, executors, administrators, and/or estate, or any and all other persons who could claim through them, other than those Settlement Class Members who have validly opted out, shall, by operation of the final judgment, be deemed to have fully, conclusively, irrevocably, forever, and finally released, relinquished, and discharged the Released Persons from any and all claims, actions, causes of action, suits, debts, sums of money, payments, obligations, promises, damages, penalties, attorneys' fees and costs, liens, judgments, and demands of any kind whatsoever that each member of the Settlement Class may have on or before the Final Settlement Date or may have had in the past, whether in arbitration, administrative, or judicial proceedings, whether as individual claims or as claims asserted on a class basis, whether past or present, mature or not yet mature, known or unknown, suspected or unsuspected, whether based on federal, state, or local law, statute, ordinance, regulations, contract, common law, or any other source, that were or could have been sought or alleged

in the litigation that relate, concern, arise from, or pertain in any way to the Released Persons' conduct, policies, or practices concerning Convenience Fees charged by Nationstar, including but not limited to claims related to charges for making payments over the phone or internet and claims or causes of action under, without limitation, the D.C. Consumer Protection Procedures Act, under the federal Fair Debt Collection Practices Act, for breach of contract, for unjust enrichment, and for violation of any other law.

17.2 Released Persons. "Released Persons" means Nationstar Mortgage LLC and any current and prior servicers, sub-servicers, owners, and investors for the class loans, and for each of the foregoing each of their past, present and future members, direct and indirect parents, direct and indirect subsidiaries, divisions, affiliates, predecessors, successors, and assigns, clients, future, present and former directors, officers (whether acting in such capacity or individually), employees, managers, lenders, masters, servants, principals, agents, subagents, master servicers, subservicers, insurers, reinsurers, shareholders, investors, attorneys, advisors, consultants, representatives, partners, joint venturers, independent contractors, vendors, wholesalers, resellers, distributors, retailers, divisions, subdivisions, predecessors, successors, and assign owners, trustees, creditors, law firms, departments, corporations in common control, or any agent acting or purporting to act for any of the foregoing.

17.3 In connection with the Released Claims, each Settlement Class Member is releasing past or currently existing claims that existed up until the Effective Date and is aware that he or she may hereafter discover claims that existed in the past

or present, that may be unknown or unsuspected but discoverable based on reasonable investigation, or facts in addition to or different from those which he or she now knows or believes to be true with respect to the allegations and subject matter in the Action. Nevertheless, it is the intention of each Settlement Class Member to fully, finally and forever settle and release all Released Claims against Released Persons, which exist or might have existed (whether or not previously or currently asserted in this Action).

17.4 Each Party to this Agreement understands, acknowledges, and agrees that if any fact now believed to be true is found hereafter to be other than, or different from, that which is now believed, each expressly assumes the risk of such difference in fact and agrees that this Agreement shall be, and will remain, in effect notwithstanding any such difference in fact.

18. NO ADMISSION OF LIABILITY OR CERTIFICATION OF CLASS

18.1 Neither this Agreement nor the fact of settlement nor the payment of the Settlement Amount is, may be construed as, or may be used as, an admission on the part of Nationstar of any fault, wrongdoing, or liability whatsoever, or that any class asserted by Plaintiffs merit certification. Nationstar expressly denies any wrongdoing under any federal, state, or local statute, public policy, tort law, contract law, or common law and expressly denies the truth or validity of any claim made against it or the propriety of certification of any class on the merits.

18.2 Further, neither this Agreement nor any drafts hereof nor any documents leading to or relating to the Settlement set forth herein, including, but not limited to, any proposed order, Preliminary Approval Motion, Final Approval Motion, or

memoranda in support thereof, constitutes an admission of liability or of any fact by the Plaintiffs or Nationstar.

18.3 The Parties agree that the foregoing documents will not be offered as or received against Nationstar as evidence of, or construed as or deemed to be evidence of any admission or concession of any liability, negligence, fault or wrongdoing, or in any way referred to for any other reason as against any of the Parties to this Agreement in any other civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Agreement; provided, however, that if this Agreement is approved by the Court, Nationstar may rely upon or use this Agreement as necessary to effectuate the liability protection granted Nationstar hereunder; and

18.4 The Parties agree that the foregoing documents will not be offered or received as an admission or concession that the consideration to be given to Settlement Class Members hereunder represents the amount which could be or would have been recovered by any such persons after trial.

19. NON-ADMISSIBILITY OF SETTLEMENT NEGOTIATIONS

The settlement negotiations resulting in this Agreement have been undertaken by Plaintiffs and Defendant and their respective counsel in good faith and for settlement purposes only pursuant to Federal Rule of Evidence 408, and no evidence of negotiations or discussions underlying this Agreement shall be offered or received in evidence in any action or proceeding for any purpose. Nor shall the Agreement be offered or received in evidence in any action or proceeding for any purpose, except only for purposes of enforcing the terms and conditions of this Agreement.

20. NO ORAL MODIFICATION

This Agreement shall not be altered, amended, or modified by oral representation made before or after the execution of this Agreement. No amendment, modification, waiver, termination, or discharge of any provision of this Agreement shall be effective unless it is in a written agreement duly executed by all of the Parties hereto.

21. COMPLETE AGREEMENT

This Agreement constitutes a single, integrated, written contract expressing the entire understanding and agreement between the Parties, and the terms of the Agreement are contractual and not merely recitals. This Agreement supersedes all prior negotiations. No other agreement, written or oral, expressed or implied, exists between the Parties with respect to the subject matter of this Agreement, and the Parties declare and represent that no promise, inducement, or other agreement not expressly contained in this Agreement has been made conferring any benefit upon them.

22. COMPETENCY; INDEPENDENT COUNSEL

Each Party to this Agreement represents and warrants that it is competent to enter into the Agreement and in doing so is acting upon its independent judgment and upon the advice of its own counsel and not in reliance upon any warranty or representation, express or implied, of any nature or kind by any other Party, other than the terms set forth in or contemplated by this Agreement.

24. CONSTRUCTION OF AGREEMENT

The language and terms of this Agreement shall be construed as a whole, according to fair and ordinary meaning, as if both Parties jointly prepared it, and shall not be strictly construed for or against any party to this Agreement.

25. CONTINUING JURISDICTION

The United States District Court for the District of Columbia will have continuing jurisdiction over the Lawsuit for the purpose of implementing the Settlement until the Lawsuit and all related matters are fully resolved, and for enforcement of the Settlement, the Agreement, and the Final Order thereafter. Any dispute regarding the Parties' obligations pursuant to this Agreement or interpretation of the terms of this Agreement or the Final Order will be resolved by the Court.

26. CHOICE OF LAW

This Agreement will be governed by federal law and the internal laws of the District of Columbia without regard to its choice of law principles.

27. CHOICE OF FORUM

The Parties consent to jurisdiction and venue in the United States District Court for the District of Columbia for any dispute arising in any way out of this Agreement.

28. ADDITIONAL ACTS TO EFFECTUATE THE AGREEMENT

The Parties shall execute all documents and perform all acts necessary and proper to effectuate the terms of this Agreement and to obtain the benefits of the Agreement.

29. WAIVER

The provisions of this Agreement may be waived only by an instrument in writing executed by the waiving Party. The waiver by any Party of any breach of this Agreement shall not be deemed to be or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Agreement.

30. PRESERVATION OF PRIVILEGE

Nothing contained in this Agreement or any Order of this Court, and no act required to be performed pursuant to this Agreement or any Order of this Court, is intended to constitute, cause

or effect any waiver, in whole or in part, of any attorney client privilege, work product protection, or common interest or joint defense privilege, and each Class Member agrees not to make or cause to be made in any form any assertion to the contrary.

31. AUTHORITY OF CLASS COUNSEL

Class Counsel unconditionally warrant and represent that they are authorized by Plaintiffs, for whom they are attorneys of record, and the attorneys of record for Nationstar warrant and represent that they are authorized by Nationstar to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel shall cooperate with each other and use their best efforts to affect the implementation of the Settlement.

32. TAX CONSEQUENCES

32.1 This Agreement is enforceable regardless of its tax consequences. The Parties understand and agree that the payments set forth in this Agreement reflect the settlement of disputed legal claims and that Defendant makes no representations regarding the Agreement's tax consequences.

32.2 No opinion concerning the tax consequences of the Settlement to individual Class Members is being given or will be given by the Parties or their counsel, nor is any representation or warranty in this regard made by virtue of this Agreement. Class Members must consult their own tax advisors regarding the tax consequences of the Settlement, including any payments provided hereunder and any tax reporting obligations they may have with respect thereto.

32.3 Each Class Member's tax obligations, and the determination thereof, are the sole responsibility of the Class Member, and it is understood that the tax consequences may vary depending on the particular circumstances of each individual Class Member.

32.4 Each Class Member specifically agrees that he or she is solely responsible for any and all taxes, interest, and penalties due and owing, if any, should the payments or any portion thereof, be taxable.

33. RELEASE, LIMITATIONS

This Agreement does not release claims arising out of the failure of either Party to perform in conformity with the terms of this Agreement.

34. JURY WAIVER

The Parties voluntarily and intentionally waive any right that they may have to a trial by jury in any action, proceeding or litigation directly or indirectly arising out of, or relating to, this Agreement.

35. KNOWING AND VOLUNTARY ASSENT

The Parties acknowledge that this Agreement is executed voluntarily by each of them, without any duress or undue influence on the part of, or on behalf of any of them. The Parties further acknowledge that they have had the opportunity for representation in the negotiations for, and in the performance of, this Agreement by counsel of their choice and that they have read this Agreement and/or have had it fully explained to them by their counsel and that they are fully aware of the contents of this Agreement and its legal effect.

36. COUNTERPARTS AND FACSIMILE SIGNATURES

This Agreement may be executed in any number of counterparts and with facsimile signatures, and all such counterparts shall be construed together and constitute a single form of this Agreement.

37. HEADINGS AND CAPTIONS

The headings and captions inserted into this Agreement are for convenience only and in no way define, limit or otherwise describe the scope or intent of this Agreement, or any provision hereof, or in any way affect the interpretation of this Agreement.

IN WITNESS HEREOF, counsel for the parties and the named plaintiffs have executed this Class Settlement Agreement and Release as of August __, 2023.

PLAINTIFF JACKERLY MCFADDEN

Jackerly McFadden

PLAINTIFF CELINDA LAKE

Celinda Lake


PLAINTIFF MARY MONTGOMERY

Mary Montgomery

PLAINTIFF LILLIAN NELSON

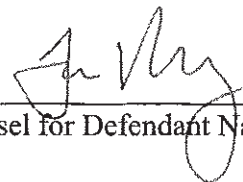
Lillian Nelson

DEFENDANT NATIONSTAR MORTGAGE LLC

By: *Edward M. Jigne* 
ASSISTANT SECRETARY and
Its: *PRINCIPAL LITIGATION AMBASSADOR*

[Signature]

Counsel for Plaintiffs and Settlement Class

A handwritten signature in black ink, appearing to be "J. V. King", is written above a horizontal line.

Counsel for Defendant Nationstar