

SETTLEMENT AGREEMENT AND RELEASE

This Confidential Settlement Agreement and Release ("Agreement") is made and entered into as of as of the date all signatories below have executed the agreement by and between XXXX XXXXXXXX XXXXXXXXXXXX XXXX (whether one or more, "Plaintiff(s)") and NATIONSTAR MORTGAGE, LLC (whether one or more, "Defendant(s)"). Plaintiff(s) and Defendant(s) are collectively referred to as the "Parties," and each of the Plaintiff(s) or Defendant(s) may be referred to individually as a "Party."

RECITALS

This Agreement is entered into with reference to the following facts and recitals, which are true to the best of the Parties' knowledge and belief, and are made part of this Agreement:

WHEREAS, Plaintiff(s) reside at real property located at 1234 5th Street, Bumpass, VA (the "Property");

WHEREAS, on or about July X, 20XX, Plaintiff(s) executed a promissory note in the amount of \$XXX,000.00 in favor of INTERGALACTIC MORTGAGE, INC. (whether one or more, the "Note");

WHEREAS, in connection with the Note, Plaintiff(s), on or about July X, 20XX, executed and delivered a document entitled DEED OF TRUST (whether one or more, the "Security Instrument") related to the Property;

WHEREAS, the Note and Security Instrument are in relation to a mortgage loan secured by the Property (the "Loan");

WHEREAS, NATIONSTAR MORTGAGE, LLC is the current servicer of the Loan;

WHEREAS, on or about April XX, 20XX, Plaintiff(s) filed a Chapter 13 Bankruptcy Petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court"), Case No. XX-1XXXX (the "Bankruptcy Case");

WHEREAS, the Plaintiff(s) received a bankruptcy discharge on or about May XX, 20XXX;

WHEREAS, on or about October XX, 20XX, Plaintiff(s) filed a Motion for Contempt in the Bankruptcy Case, which, along with any amendments, counterclaims, cross-claims, third-party claims, interventions, removals and appeals, shall be referred to as the "Litigation"; and

WHEREAS, the Parties agree that it is in their mutual interests to avoid the uncertainty and expense of the Litigation by reaching a settlement and accommodation of the certain matters encompassed herein, without any admission of law or fact;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties covenant and agree as follows:

TERMS AND RELEASES

1. SETTLEMENT PROVISIONS

- A. **Agreement Execution.** Within seven (7) business days from the date of request by Defendant(s)' Counsel, Plaintiff(s) shall execute two original counterparts of this Agreement, and XXXXXXXXXXXX and Plaintiff(s)' counsel as identified below shall each deliver one original counterpart and a completed W-9 tax form to Defendant(s)' counsel as identified below.
- B. **Bankruptcy Court Approval.** Within three (3) business days of the execution of this Agreement, Plaintiff shall file with the Bankruptcy Court a Consent Order seeking approval pursuant to Local Bankruptcy Rule 9019-1.
- C. **Settlement Payment.** Within ten (10) business days of the Effective Date (as defined herein), following Defendant(s)' receipt of completed W-9 tax forms for both Plaintiff (s) and Plaintiff (s)' counsel, Defendant(s) shall deliver to counsel for Plaintiff(s) the sum of XXX THOUSAND XX HUNDRED AND XX/100 DOLLARS (\$X,XXX.XX) (the "Payment") by check made payable to XXXXXXXXXXXX and Plaintiff(s)' counsel. Plaintiff(s)' Consent Order seeking approval of this Agreement filed in the Bankruptcy Case shall set forth any restrictions on Plaintiff (s)' use/application of the Payment.
- D. **Full Satisfaction.** The Payment is in full satisfaction of the Released Matters (as defined herein), and it includes attorneys' fees in the amount of \$X,X00.00 and costs that Plaintiff(s) may have incurred in connection with the Litigation.
- E. **Application of Funds.** Within ten (10) business days of the Effective Date, Defendant(s) shall apply funds in the amount of XXX THOUSAND XX HUNDRED XXX AND XX/100 DOLLARS to the account associated with the Loan.
- F. **Release.** For consideration of the Payment and other covenants contained herein, the receipt and sufficiency of which are hereby expressly acknowledged, Plaintiff(s), for themselves and each of their present, former, and future heirs, executors, administrators, partners, co-obligors, co-guarantors, guarantors, sureties, family members, spouses, attorneys, insurers, agents, representatives, predecessors, successors, assigns, and all those who claim through them or could claim through them (collectively, "Releasers") unconditionally and irrevocably remise, waive, satisfy, release, acquit, and forever discharge Defendant(s) and each of their present, former, and future parents, predecessors, successors, assigns, assignees, affiliates, conservators, divisions, departments, subdivisions, owners, partners, principals, trustees, creditors, shareholders, joint ventures, co-venturers, officers, and directors (whether acting in such capacity or individually), attorneys, vendors, accountants, nominees, agents (alleged, apparent, or actual), representatives, employees, managers, administrators, and each person or entity acting or purporting to act for them or on their behalf, as well as any past, present, or future person or any entity that held or holds any interest in the Loan and the underlying Note or Security Instrument, including, but not limited to, Nationstar Mortgage, LLC and all of its subsidiaries and affiliates (collectively, "Releasees"), and each of them, respectively, from and against any and all past and present claims, counterclaims, actions, suits, rights, causes of action, lawsuits, set-offs, costs, losses, controversies, agreements, promises and demands, or liabilities, of whatever kind or character, direct or indirect, whether known or unknown or capable of being known, arising at law or in equity, by

right of action or otherwise, including, but not limited to, suits, debts, accounts, bills, damages, judgments, executions, warranties, attorney's fees, costs of litigation, expenses, claims, and demands whatsoever that the Releasors or their attorneys, agents, representatives, predecessors, successors, and assigns have or may have against the Releasees, for, upon, or by reason of any matter, cause, or thing, whatsoever, in law or equity, including, without limitation, the claims made or which could have been made by Plaintiff(s) arising from the origination or servicing of the Loan as well as in any way related to the Property, Note, or Security Instrument, any servicing act or omission thereon as well as any claim or issue which was or could have been brought in the Litigation (collectively, the "Released Matters").

- G. **Confidentiality and Notices.** As a material inducement and an indivisible part of the consideration to be received by Defendant(s) to enter into this Agreement, the **Parties agree that it is appropriate to maintain the allegations made in the Litigation, this Agreement**, the terms of this Agreement, and the settlement provided for herein (collectively, the "Information") as confidential on a going forward basis as of the date of this Agreement. Toward that end, Plaintiff(s) **agree that they and their attorneys will neither disclose nor reveal to any person or entity** or directly or indirectly publish, publicize, disseminate, **or communicate to any person** or entity the Information on a going forward basis as of the date of this Agreement, including but not limited to a prohibition on Plaintiff(s) and their attorneys posting or otherwise disclosing Information on the Internet or any other paper or electronic media outlet (including but not limited to news organizations websites or newspapers, email, blogs, Facebook, MySpace, Twitter, etc.). The only permitted disclosure of Information hereunder is to the persons or entities specifically identified in subparagraphs (i) through (vi) below, and the confidentiality obligation of Plaintiff(s)' attorneys is intended to provide for confidentiality to the full extent of, but no further than permitted by, the applicable attorney ethics or disciplinary rules.
- (i) **The Parties may provide a copy of this Agreement and/or describe the terms and conditions of this Agreement** within any lawsuit before a United States court of competent jurisdiction **only in response to a Court order** to that effect. The Parties further agree that, to the extent they or their attorneys receive legal process designed to disclose any Information deemed confidential under this Agreement, the disclosing Party will provide advance written notice to counsel for the non-disclosing Party within three (3) business days of receiving such subpoena, court order, or other legal process, so that the non-disclosing Party has the option of taking steps to protect the confidentiality of this Agreement, its terms, or any Information deemed confidential under this Agreement;
 - (ii) The Parties may provide a copy of this Agreement and/or describe the terms and conditions of this Agreement to their respective officers, directors, employees, attorneys, financial advisors, accountants, insurers, auditors, and other professional advisors who regularly have access to Information of this type in order to perform their duties, or with whom the Parties may consult regarding any aspect of this Agreement, provided that such persons or entities first agree to maintain this Agreement, the terms of this Agreement, and the settlement provided for herein as confidential;
 - (iii) The Parties may provide a copy of this Agreement and/or describe the terms and conditions of this Agreement to any federal, state, or other regulatory agency, body, or governmental authority, including but not limited to the United States Securities and Exchange Commission ("SEC") or the

Settlement Agreement and Release

In re xxxxxx

U.S. Bankruptcy Court, Eastern District of Virginia, Case No. XX-1XXXXX

Page 3 of 10

Office of the Comptroller of the Currency, to which the Parties are required to report Information of this type, or when such disclosure is specifically requested or demanded by such regulatory agency, body, or governmental authority;

- (iv) The Parties may provide a copy of this Agreement or describe the terms and conditions of this Agreement to any investor, servicer, or sub-servicer with respect to the Loan, and any trustee, beneficiary, or nominee (including their successors or assigns) identified in the Note, Security Instrument, or any assignment thereof pertaining to the Loan, provided that such persons or entities first agree to maintain this Agreement, the terms of this Agreement, and the settlement provided for herein as confidential;
- (v) In the event any Releasee (as defined herein) is named in an action pertaining to any Released Matter (as defined herein), the Parties may provide a copy of this Agreement or describe the terms and conditions of this Agreement to said Releasee for the purpose of defending against any claims that may be subject to the Release provided for in this Agreement, and said Releasee may disclose so much of this Agreement as may be necessary to defend against such claims;
- (vi) The Parties may provide a copy of this Agreement and/or describe the terms and conditions of this Agreement if it is required by the SEC to be included in public filings (such as, for example, in annual reports filed on Form 10-K or quarterly reports filed on form 10-Q);
- (vii) The Parties may provide a copy of this Agreement and/or describe the terms and conditions of this Agreement to federal, state, and local taxing authorities (such as, for example, the United States Internal Revenue Service), as necessary, in tax returns or other tax reporting documents, or in response to an audit or similar inquiry; and
- (viii) The Parties may provide a copy of this Agreement and/or describe the terms and conditions of this Agreement to a Court of competent jurisdiction to enforce this Agreement or maintain its confidentiality (any such proceeding to be filed under seal if possible).

H. **Excluded Claims.** This Agreement does not apply to any separate and continuing contractual or equitable obligations that may currently exist between or among the Parties, including, for example, existing loans encumbering other property of Plaintiff(s), credit cards held by Plaintiff(s) or any other banking, credit card, or investment relationship with the Defendant(s), including but not limited to Nationstar Mortgage, LLC or its affiliated entities.

2.

ADDITIONAL TERMS

- A. **Adequate Consideration.** The consideration received in connection with this Agreement is fair, adequate, and substantial, and it consists only of the terms set forth in this Agreement.
- B. **Covenant Not to Sue.** Plaintiff(s) agree not to cause claims to be made in any court or other forum against the Releasees for any matter within the scope of the releases contained herein.
- C. **Further Assurances.** Each Party agrees to take all reasonable steps necessary to effectuate the terms of this Agreement.
- D. **No Admission of Liability.** Each of the Parties understands and agrees that this Agreement and the settlement provided for herein, are intended to compromise disputed claims and defenses, to avoid litigation and to buy peace, and that this Agreement and the settlement provided for herein shall not be

construed or viewed as an admission by any Party of liability or wrongdoing, such liability being expressly denied. This Agreement, and the settlement provided for herein, shall not be admissible in any lawsuit, administrative action, or any judicial or administrative proceeding if offered to show, demonstrate, evidence or support a contention that any of the Parties acted illegally, improperly, or in breach of law, contract, or proper conduct.

- E. **Waiver.** The failure of Plaintiff(s) to demand from Defendant(s) performance of any act under the Agreement shall not be construed as a waiver of Plaintiff(s)' right to demand, at any subsequent time, such performance. The failure of Defendant(s) to demand from Plaintiff(s) performance of any act under the Agreement shall not be construed as a waiver of Defendant(s)' right to demand, at any subsequent time, such performance.
- F. **Tax Consequences.** Plaintiff(s) agree that if it is later determined by the Internal Revenue Service or any other taxing body that taxes of any type should have been paid in connection with any benefit they receive pursuant to this Agreement, they will be solely responsible for paying such taxes. Defendant(s) make no representations or warranties regarding the legal effect or tax consequences of this Agreement, or of any such filing or reporting by Defendant(s). Plaintiff(s) further expressly acknowledge that they neither received nor relied upon any tax advice from Defendant(s) or their representatives and attorneys.
- G. **Choice of Law.** This Agreement shall be construed in accordance with and all disputes hereunder shall be controlled by the laws of the State of Virginia without regard to its choice of law rules.
- H. **Parties' Counsel.** As used in this Agreement, the phrase "Plaintiff(s)' Counsel" means Robert R. Weed, Esq., 45575 Shepard Drive, Suite 201, Sterling, VA 20164, and any and all of their current and former owners, predecessors, successors, partners, shareholders, agents (alleged or actual), representatives, employees and affiliates. Plaintiff(s) represent and warrant that: (i) the term "Plaintiff(s)' Counsel," as defined above, includes all persons (natural or legal) and entities having any interest in any award of attorney's fees or litigation costs to Plaintiff(s)' Counsel in connection with the Litigation; or (ii) that, to the extent there are other persons or entities having any interest in any award of attorney's fees or litigations costs in connection with the Litigation, they will be satisfied by Plaintiff(s)' Counsel. As used in this Agreement, the phrase "Defendant(s)' Counsel" means XXXXXX X. XXXXX, Esq., TallBuildingLaw, LLP, 201 North Tall Building Plaza Street, Suite 3000, Beachwood, AB 45789
- I. **No Interpretation of Captions or Headings.** The captions and headings within this Agreement are for ease of reference only and are not intended to create any substantive meaning or to modify the terms and clauses either following them or contained in any other provision of this Agreement.
- J. **Severability.** If any provision of the Agreement or the application thereof is held invalid by a court, arbitrator, or government agency of competent jurisdiction, the Parties agree that such a determination of invalidity shall not affect other provisions or applications of the Agreement which can be given effect without the invalid provisions and thus shall remain in full force and effect or application.
- K. **Neutral Interpretation and Counterparts.** The Parties shall be deemed to have cooperated in the drafting and preparation of this Agreement. Hence, any construction to be made of this Agreement

Settlement Agreement and Release

In re xxxxxx

U.S. Bankruptcy Court, Eastern District of Virginia, Case No. XX-1XXXXX

Page 5 of 10

shall not be construed against any Party. This Agreement may be executed in counterparts and each executed counterpart shall be effective as the original. All faxed, emailed, or electronic signatures affirming this Agreement constitute an original signature.

- L. **Integration / Single 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. There is no other agreement, written or oral, expressed or implied 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 or upon which they have relied in any way. The terms and conditions of this Agreement may not be contradicted by evidence of any prior or contemporaneous agreement, and no extrinsic evidence may be introduced in any judicial proceeding to interpret this Agreement. This provision does not apply either to any other business relations between the Parties (*e.g.*, a credit card, investment, or bank account) not related to the subject matter of the Agreement or to the Loan, Note, or Security Instrument at issue herein unless they have been otherwise invalidated or modified by the terms of this Agreement.
- M. **Amendments to the Agreement.** This Agreement shall not be altered, amended, or modified by oral representation made before or after the execution of this Agreement. All amendments or changes of any kind must be in writing, executed by all Parties.
- N. **Negotiations.** All negotiations have been conducted in English. If necessary, Plaintiff(s) have had this document translated by a translator of Plaintiff(s)' choice to Plaintiff(s)' satisfaction. Plaintiff(s) represent and warrant that that Plaintiff(s) have had all terms explained to them, and that by signing below, Plaintiff(s) fully understand and agree to those terms.
- O. **Authority.** Plaintiff(s) represent and warrant that they have not sold, transferred, conveyed, assigned, or otherwise disposed of any right, title, or interest in any of the Released Matters herein to any person or entity, and that Plaintiff(s) are not aware of any other person or entity who may have or who has asserted or can assert a right, title, or interest in any of the Released Matters covered by this Agreement. Plaintiff(s) further affirm that they are fully capable of executing this Agreement and understand its contents, and further that they have legal counsel of their own choice or that they have had an opportunity to obtain such legal counsel to explain the legal effect of executing this Agreement.
- P. **Advice of Counsel.** Each Party to this Agreement acknowledges that it has had the benefit of advice of competent legal counsel or the opportunity to retain such counsel with respect to its decision to enter into this Agreement. The individuals whose signatures are affixed to this Agreement in a personal or representative capacity represent that they are competent to enter into this Agreement and are doing so freely and without coercion by any other Party or non-party hereto.
- Q. **Successors.** This Agreement shall inure to the benefit of the respective heirs, successors, and assigns of the Parties, and each and every one of the Releasees shall be deemed to be intended third-party beneficiaries of this Agreement.
- R. **Attorney's Fees.** Unless otherwise expressly set forth herein, each of the Parties shall bear its own attorney's fees, costs, and expenses in connection with the matters set forth in the Agreement, including, but not limited to, the Litigation and the negotiation and preparation of this Agreement. Nothing in this Agreement, however, shall alter or supercede any prior existing agreements between Defendant(s) regarding the payment of costs or attorney's fees.

- S. **Waiver of Trial by Jury.** The Parties knowingly, voluntarily, and intentionally waive any right they may have to a trial by jury in respect to any litigation based hereon, or arising out of, under, or in connection with this Agreement, any document contemplated to be executed, or any underlying matter, course of dealing, statement (whether verbal or written), or action of the Parties.
- T. **Other Accounts / Future Events.** The Parties understand and agree that this Agreement shall not, under any circumstances, be deemed to prohibit Defendant(s) or any other person or entity from continuing to take any actions with regard to any other bank, credit, investment, mortgage or other account obtained by Plaintiff(s) from Defendant(s), including but not limited to such actions as acceleration and foreclosure as may be appropriate in the event of a future default on any other mortgage or credit obtained by Plaintiff(s) from Defendant(s). To the extent that this Agreement keeps the Loan and underlying Note or Security Instrument in force (as modified or otherwise herein), this Agreement shall not alter the rights, duties and obligations of said Loan by the Parties, including but not limited to such actions as acceleration and foreclosure as may be appropriate in the event of a future default.

3. Conditions Precedent and Effectiveness

- A. **Conditions Precedent.** As express conditions to the enforceability of this Agreement, the following shall have occurred: (a) the Parties hereto shall each have executed and delivered to the other one (1) fully executed original copy of this Agreement, and (b) the Bankruptcy Court shall have entered a final non-appealable order in the Litigation approving the terms and conditions set forth in this Agreement.
- B. **Effective Date.** The Effective Date of this Agreement is the date on which all conditions precedent set forth in Section 3(A) are satisfied.

SIGNATURE PAGES TO FOLLOW

IN WITNESS WHEREOF, the Parties hereto evidence their agreement as a sealed instrument and have executed this Agreement as of the day and year first below written.

Date Executed: _____

_____(Seal)

State of (_____)

County of (_____)

On this, the ____ day of _____, 2014, before me, _____, a notary public, personally appeared **XXXXXXXX XXXXXXXX**, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained. In witness hereof, I hereunto set my hand and official seal.

Notary Public

My Commission Expires: _____

IN WITNESS WHEREOF, the Parties hereto evidence their agreement as a sealed instrument and have executed this Agreement as of the day and year first below written.

Date Executed: _____

_____(Seal)
XXXXXXXX X XXXXXXXX

State of (_____)

County of (_____)

On this, the ____ day of _____, 2014, before me, _____, a notary public, personally appeared **XXXXXXXX X XXXXXXXX**, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that she executed the same for the purposes therein contained. In witness hereof, I hereunto set my hand and official seal.

Notary Public

My Commission Expires: _____

Date Executed: _____

Nationstar Mortgage LLC

By: _____ (Seal)

Title: _____

State of (_____)

County of (_____)

Before me, _____, the undersigned officer, on this, the ____ day of _____, 2014, personally appeared _____, known to me or, through production of _____ as identification, who identified her/himself to be the _____ of _____, the person and officer whose name is subscribed to the foregoing instrument, and being authorized to do so, acknowledged that (s)he had executed the foregoing instrument as the act of such corporation for the purpose and consideration described and in the capacity stated.

(seal)

Print Name: _____
Notary Public, State of _____
Commission No.: _____

My Commission Expires: _____