

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND  
NORTHERN DIVISION

NANNETTE WALLS, et al

*Plaintiffs,*

v.

SIERRA PACIFIC MORTGAGE  
COMPANY, INC.

*Defendant.*

Civil Action No.:1:19-cv-00595-GLR

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**PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION  
SETTLEMENT OF ALL CLAIMS, CONDITIONAL CERTIFICATION OF  
SETTLEMENT CLASS, AND APPOINTMENT OF CLASS REPRESENTATIVE AND  
CLASS COUNSEL FOR THE SETTLEMENT CLASS**

Pursuant to Fed. R. Civ. P. 23, Plaintiffs Nanette Walls, Patricia Cronin, William C. and Heller Batton, Gregory P. Dopkowski, Sr., Samuel and Beverly Patterson, Jr., Raheim and Syreeta Patterson, and Arnold N. and Lois Welsh, Jr., (collectively the "Plaintiffs"), by and through their attorneys, Michael Paul Smith and Melissa L. English of Smith, Gildea & Schmidt, LLC, and Timothy F. Maloney and Veronica B. Nannis of Joseph, Greenwald & Laake, P.A., hereby move this Court to preliminarily approve the class action settlement reached by the parties and embodied in the Settlement Agreement attached as Exhibit 1 to the accompanying Memorandum. The grounds for this Motion are set forth in the accompanying Memorandum and a proposed Order is provided with this Motion.

[SIGNATURES ON FOLLOWING PAGE]

Dated: August 10, 2021

Respectfully submitted,

        /s/          
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**CERTIFICATE OF SERVICE**

I HEREBY certify that on this 10th day of August 2021, I served copies of the foregoing Plaintiffs' Motion for Preliminary Approval of Class Action Settlement, Supporting Memorandum of Law and all Supporting Exhibits, and Proposed Order via this Court's CM/ECF system to counsel of record for the parties.

        /s/          
Melissa L. English, Esq. #19864

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**SIERRA PACIFIC MORTGAGE  
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**MEMORANDUM IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY  
APPROVAL OF CLASS ACTION SETTLEMENT OF ALL CLAIMS, CONDITIONAL  
CERTIFICATION OF SETTLEMENT CLASS, AND APPOINTMENT OF CLASS  
REPRESENTATIVE AND CLASS COUNSEL  
FOR THE SETTLEMENT CLASS**

**I. INTRODUCTION**

This is a class action case where Plaintiffs Nanette Walls, Thomas Scott (deceased)<sup>1</sup> and Patricia Cronin, William C. and Heller Batton, Gregory P. Dopkowski, Sr., Samuel and Beverly Patterson, Jr., Raheim and Syreeta Patterson, and Arnold N. and Lois Welsh, Jr., (collectively the "Plaintiffs") allege that Sierra Pacific Mortgage Company, Inc. ("Sierra Pacific"), and its brokers, employees, and/or agents, participated in an illegal kickback scheme with All Star Title, Inc. ("All Star"). Specifically, Plaintiffs allege that All Star paid, and Sierra Pacific received and accepted, illegal kickbacks in exchange for Sierra Pacific's assignment and referral of residential mortgage loans, refinances, and reverse mortgages to All Star for title and settlement services. Plaintiffs

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<sup>1</sup> Mr. Scott passed away suddenly in April, 2021. Plaintiff Patricia Cronin, Mr. Scott's wife and co-borrower on the subject Sierra Pacific loan, will file the notation of death pursuant to Fed. R. Civ. P. 25(a)(2) shortly.

allege that from roughly January 1, 2012, and December 31, 2016, Sierra Pacific in fact assigned and referred loans under the kickback agreement, including Plaintiffs' loans, and All Star paid Sierra Pacific kickbacks for those loans in violation of the Real Estate Settlement Procedure Act ("RESPA"), 12 U.S.C. § 2601, *et. seq.* Additionally, Plaintiffs alleged that Sierra Pacific's conduct in conjunction with All Star gives rise to claims under the Racketeer Influence and Corrupt Organizations Act ("RICO"), 18 U.S.C. § 1962(a). Sierra Pacific denies all substantive allegations of the Complaint and denies liability under either federal statute.

Recognizing the uncertainties of litigation, in May 2021, Plaintiffs and Sierra Pacific began discussing the possibility of resolving Plaintiffs' disputed claims against Sierra Pacific. After a thorough investigation regarding the litigation asserted against Sierra Pacific, including Plaintiffs' discovery of thousands of records regarding Sierra Pacific and All Star and through Plaintiffs' review of information related to Sierra Pacific residential mortgage loans, refinances, and reverse mortgages closed by All Star between January 1, 2012, and December 31, 2016, the parties reached a proposed settlement with respect to all claims involving Sierra Pacific in this action (the "Settlement") that is reflected in the proposed Settlement Agreement.<sup>2</sup> *See* Ex. 1, Settlement Agreement.

Plaintiffs believe that the Settlement complies with Fed. R. Civ. P. 23(e), and is a fair, reasonable, and adequate resolution to the disputed claims against Sierra Pacific. As such, Plaintiffs respectfully request that this Court enter an order: (1) preliminarily approving the Settlement, (2) approving the proposed Notice and Notice Plan; (3) certifying the Settlement Class for settlement purposes only; (4) designating Plaintiffs' Counsel as Settlement Class Counsel; and (5) establishing deadlines for Objections, Requests for Exclusions, and a Final Fairness Hearing.

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<sup>2</sup> The capitalized terms herein have the meanings defined in the Settlement Agreement.

## **II. THE KEY TERMS OF THE SETTLEMENT**

### **A. The Proposed Class**

Plaintiffs propose that the following class be conditionally certified by the Court for settlement purposes only:

All individuals in the United States who were borrowers on a federally related mortgage loan (as defined under the Real Estate Settlement Procedures Act, 12 U.S.C. § 2602) originated or brokered by Sierra Pacific Mortgage Company, Inc., for which All Star Title, Inc., provided a settlement service, as identified in Section 1100 on the borrower's HUD-1 Settlement Statement (HUD-1), or on the borrower's Closing Disclosure (CD), between January 1, 2012 and December 31, 2016. Exempted from this class is any person who, during the period of January 1, 2012 through December 31, 2016, was an employee, officer, member and/or agent of Sierra Pacific Mortgage Company, Inc., or All Star Title, Inc.; any judicial officer who handles this case, and the immediate family members of such judicial officer(s); and/or any persons who submit a complete and valid Request for Exclusion by the Exclusion Deadline.

(the "Settlement Class"). Ex. 1, Sett. Agreement, ¶ 2.6. The Settlement Class Members are to be specifically identified by the Parties from Sierra Pacific's loan files and data from All Star Title's loan processing software and will be identified on a Final Class List. Ex. 1, Sett. Agreement, ¶ 5.1. The Parties' information and data on the Settlement Class members include information sufficient to facilitate notice to the class, including name, last known address, and mailing address of the secured property, and, in most instances, other identifying information such as telephone number and loan number.

### **B. The Proposed Settlement Benefits**

The proposed Settlement provides for the establishment of a Common Fund of \$990,000, plus the amount of Class Counsel Fees and Expenses and Class Representative Service Awards awarded by the Court for a total funding amount of no more than \$1,272,000.00 (collectively, the

“Funding Amount”). Ex. 1, Sett. Agreement, ¶ 6. Section 7.2 of the Settlement Agreement provides that each member of the Settlement Class who did not file a complete and valid Request for Exclusion by the Exclusion Deadline will receive a proportionate share of the Common Fund remaining after the deduction of court-awarded attorneys’ fees and costs, and Class Representative Service Awards.

To the extent that there is more than one borrower on a Sierra Pacific loan subject to this Settlement, the co-borrowers shall be deemed to be one “class member” and Settlement Benefits shall be paid by check jointly payable to the co-borrowers on such loan. The Parties estimate 307 Settlement Class Members will receive a proportionate share of \$990,000, or Settlement Benefits of approximately \$3,200 each.

**C. Administration of Settlement Benefits**

The above-described Settlement Benefits will be funded by Sierra Pacific into a Common Fund administered by the Settlement Administrator as set forth in the Settlement Agreement. The proposed Settlement is a “direct pay” model, such that Settlement Class Members who did not timely exclude themselves are not required to file a claim to receive the Settlement Benefits, but instead will automatically be paid from the Common Fund after the Settlement reaches Finality and in accordance with the terms of the Settlement Agreement.

Settlement Benefits checks shall be notated as void after seventy-five (75) days from the date on the check. Should any Settlement Benefit check remain un-negotiated after eighty (80) days from the date of the check, the Settlement Administrator shall stop payment on the uncashed Settlement Benefits check, undertake an updated address verification for the primary borrower, and, if that address has changed since the mailing of Notice, the Settlement Administrator shall reissue a replacement Settlement Benefits check to the payee(s) and mail the replacement check

by first-class mail to the updated address for the primary borrower. Any reissued Settlement Benefits check shall also be notated as void after seventy-five (75) days. If the reissued Settlement Benefits check remains un-negotiated after eighty (80) days from the date of the reissued check, the Settlement Administrator shall stop payment on the uncashed Settlement Benefits check.

Pursuant to Section 7.8 of the Settlement Agreement, any funds remaining in the Common Fund more than 215 days after Finality of the Settlement shall be remitted by the Settlement Administrator to Sierra Pacific with interest earned on the Common Fund. This includes any un-negotiated Settlement Benefit checks as of that date.

**D. The Proposed Settlement Administrator**

Under the terms of the Settlement Agreement, the Parties agree that the Settlement Administrator shall be selected by Sierra Pacific and subject to approval by Class Counsel, which will not be unreasonably withheld and subject to court approval. Sierra Pacific has informed Plaintiffs that they intend to use Kroll Settlement Administration Services, and Plaintiffs have no objection.

The Settlement Administrator's duties are defined in Section 10.2 of the Settlement Agreement and include, *inter alia*, undertaking address verifications for members of the Settlement Class and conducting appropriate research to correct an incorrect address and timely mailing a second notice, sending the Notice pursuant to Section 11 of the Settlement Agreement, accepting and reporting on Requests for Exclusion received by the Exclusion Deadline, establishing and maintaining a Settlement Website, opening an account for the deposit of the Common Fund, remitting payment from the Common Fund for Settlement Benefits payable to eligible members of the Settlement Class, Class Representatives, and Class Counsel, preparing declarations and affidavits necessary to present to the Court with respect to the Settlement Administrator's duties

and fulfillment thereof in support of final approval of the Settlement, preparing and issuing applicable tax documents, and other duties as directed by Class Counsel, provided that any modification of the duties referenced in 10.2 must be mutually agreed to by the Parties.

**E. The Proposed Notice Plan**

The proposed Notice Plan for the Settlement is described in Section 11 of the Settlement Agreement and has been designed to provide the best practicable notice of the Settlement, in accordance with Fed. R. Civ. P. 23(e), (“Rule 23”), to the members of the Settlement Class through individual mail notices and postings on the Settlement Website. Notices will be sent by the Settlement Administrator to the Class Members by first-class mail to the Class Member’s last known address reflected on the final Settlement Class List. If there is more than one borrower on a subject loan and the co-borrowers have the same last known address, the Mailed Notice will be mailed to the co-borrowers’ shared last known address. If there is more than one borrower on a subject loan and the co-borrowers have different last known addresses, separate Mailed Notices will be mailed to each co-borrower’s last known address.

The Settlement Administrator shall also establish and maintain a website relating to the Settlement (the “Settlement Website”) on which it will post copies of the Mailed Notice, the Complaint in this Litigation, and, following their issuance, the Preliminary Approval Order, Final Approval Order, and Final Judgment Order pertaining to this Settlement, as well as contact information for the Settlement Administrator. The Settlement Website shall be established not later than twenty (20) days after the issuance of the Preliminary Approval Order and will remain active for one hundred eighty (180) days after the Settlement reaches Finality, unless this Agreement is terminated earlier.



In the settlement context, a notice shall advise the Settlement Class Members of their rights to exclude themselves from the action, but at the same time afford maximum flexibility for the courts, consonant with due process safeguards. 4 H. Newberg & A. Conte, *Newberg on Class Actions*, § 8:17 (5th ed. 2013); *see also Manual for Complex Litigation* § 30.212 (4th ed. 1995). The proposed Notice, Exhibit A to the Settlement Agreement, meets these requirements and has been approved by both Parties.

**F. Class Members' Right to Object to and Opt-Out of the Settlement**

Consistent with Fed. R. Civ. P. 23, any member of the Settlement Class shall have the right to object to the Settlement by filing a written Objection with the Court at the address listed in the mailed Notice and by mailing copies thereof to the Parties' counsel. Such objection shall be filed no later than the Deadline established by the Court, which shall not be more than forty-five (45) days after the date the mailed Notice is mailed to the Settlement Class, or as otherwise ordered by the Court.

In addition, any member of the Settlement Class shall have the right to opt-out of the Settlement by sending a written Request for Exclusion to the Settlement Administrator at the address listed in the mailed Notice. Such opt-out requests must be received by the Settlement Administrator no later than the Exclusion Deadline set by the Court, which shall not be more than forty-five (45) days after the date the mailed Notice is mailed to the Settlement Class, or as otherwise ordered by the Court.

**G. The Proposed Release**

Under the terms of the Settlement Agreement, members of the Settlement Class who do not timely exclude themselves from the Settlement agree to dismiss the class RICO claims alleged in the Complaint with prejudice. Additionally, under Section 16.1 of the Settlement Agreement,

members of the Settlement Class who do not timely exclude themselves from the Settlement and all of their respective spouses, heirs, executors, personal representatives, subrogees, successors, and assigns (together “the Releasers”), release, remise, resolve, waive, acquit, and forever discharge Sierra Pacific, its predecessors, successors, assigns, past and present parents, and subsidiaries, and all of their past and present agents, directors, officers, employees, shareholders, insurers, financial institution bond-issuers, representatives, and attorneys (together “the Releasees”) of and from any and all the Released Claims (as defined in Section 16.2 of the Settlement Agreement).

The term “Released Claims” means any and all claims, causes of action, suits, obligations, debts, demands, agreements, promises, liabilities, damages, losses, controversies, costs, expenses, and attorneys’ fees of any nature whatsoever, whether based on any federal law, state law, common law, territorial law, foreign law, contract, rule, regulation, regulatory promulgation (including, but not limited to, any opinion or declaratory ruling), common law or equity, whether known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, punitive, compensatory, or equitable, including Unknown Claims (as defined below) as of the date of the Final Approval Order, that any of the Releasers have, had, and/or may have against any of the Releasees which in any way concern and/or relate to: (a) the matters alleged and claims asserted in the Litigation and/or claims that could have been alleged therein based on the facts alleged in the complaints filed in the Litigation; (b) All Star’s closing of and/or provision of settlement and/or title services on the loans brokered or made by Sierra Pacific that are the subject of the Settlement; (c) the origination of the loans that are the subject of the Settlement; (d) the Alleged Claims; (e) any benefit(s), payment(s), and/or thing(s) of value received by Sierra Pacific and/or its employees, agents, and/or representatives from All

Star; and (f) any benefit(s), payment(s), and/or thing(s) of value received by All Star from Sierra Pacific and/or its employees, agents, and/or representatives.

The term “Unknown Claims” means any Released Claims which the Class Representatives or any other Class Member does not know or suspect to exist in their favor at the time of the release of such claims which, if known by them might have affected their decision(s) with respect to this Settlement.

#### **H. The Proposed Service Awards and Class Counsel Fees**

Section 12 of the Settlement Agreement grants the Class Representatives the right to file a motion with the Court, no later than thirty (30) days before the Final Fairness Hearing, for Service Awards to each Class Representative not to exceed One Thousand (\$1,000.00) per loan transaction and Seven Thousand Dollars (\$7,000.00) in total. Any Service Awards to the Class Representatives, approved by the Court, shall be paid from the Common Fund and shall be in addition to the Settlement Benefits payable to the Class Representatives.

Additionally, Section 13 of the Settlement Agreement grants Class Counsel the right to petition the Court, no later than thirty (30) days before the Final Fairness Hearing, for an award of attorneys’ fees and expenses in the amount of not more than Two Hundred Seventy-Five Thousand Dollars (\$275,000), for fees and expenses incurred in the prosecution and settlement of the Litigation Claims pursuant to the Local Rules of the Court (a “Petition for Fees and Expenses”). Sierra Pacific will not oppose any Petition for Fees and Expenses that seeks not more than Two Hundred Seventy-Five Thousand Dollars (\$275,000) in fees and expenses. Payment of any award of attorneys’ fees, costs, and expenses shall come from the Common Fund as set forth in Section 7.1 of the Settlement Agreement.

### **III. THE PROPOSED SETTLEMENT MEETS THE PRELIMINARY APPROVAL STANDARD**

The Settlement satisfies the preliminary approval requirements of being fair, adequate, and reasonable. *In re Mid-Atlantic Toyota Antitrust Litig.*, 564 F. Supp. 1379, 1383 (D. Md. 1983).

**A. The Settling Parties' Negotiations Were at Arms-Length and Not Collusive**

In approving a settlement, the court must ascertain that it was reached “as a result of good faith bargaining at arm’s length.” *In re Jiffy Lube Sec. Litig.*, 927 F.2d 155, 159 (4th Cir. 1991). To determine if the proposed terms are fair, the court should consider factors tending to show “the presence or absence of collusion among the parties.” *In re Mid-Atl. Toyota Antitrust Litig.*, 564 F. Supp. 1379, 1383 (D. Md. 1983).

Several factors reflect an informed and vigorous arms-length negotiation, including (i) the parties’ substantial informal discovery and investigation with respect to the transactions that are the subject of the Complaint, (ii) Plaintiffs’ Counsel’s review and analysis of hundreds of thousands of documents related to the causes of action alleged in the Complaint, (iii) Plaintiffs’ and Sierra Pacific’s Counsels’ experience of having previously resolved claims arising out of alleged payment of kickbacks with title companies, and (iv) Plaintiffs’ and Sierra Pacific’s Counsels’ experience in realistically assessing the benefits of resolving the Litigation by settling. *See In re Jiffy Lube Sec. Litig.*, 927 F.2d at 159. In addition, at the settlement conference conducted before a U.S. Magistrate Judge of this Court, both parties asserted competing liability and damage positions both supported by conflicting facts and law.

**B. The Settlement is Adequate and Within the Range of Approvable Settlements**

In evaluating the adequacy of a proposed settlement, the trial court should “weigh the likelihood of the plaintiffs’ recovery on the merits against the amount offered in settlement.” *In re Mid-Atl. Toyota*, 564 F. Supp. at 1384. In so doing, the court should consider:

(1) the relative strength of the plaintiffs' case on the merits; (2) the existence of any difficulties of proof or strong defenses the plaintiffs are likely to encounter if the case goes to trial; (3) the anticipated duration and expense of additional litigation; (4) the solvency of the defendants and the likelihood of recovery on a litigated judgment; and (5) the degree of opposition to the settlement.

*In re Montgomery Cty. Real Estate Antitrust Litig.*, 83 F.R.D. 305, 316 (D. Md. 1979) (internal citations omitted); *accord, Herrera v. Charlotte Sch. of Law*, 818 Fed. Appx. 165, 176-77, n.4 (4th Cir. 2020) (recognizing the Fourth Circuit will continue to apply its traditional adequacy standard because it 'almost completely overlaps with the new Rule 23(e)(2) factors, rendering the analysis the same") (quoting *In re Lumber Liquidators Chinese-Manufactured Flooring Prods. Mktg., Sales Practices & Prods. Liab. Litig.*, 952 F.3d 471, 474, n.8 (4th Cir. 2020)).

Here, the terms of the Settlement Agreement are fair and reasonable, providing significant settlement benefits for the Settlement Class. The gross amount provided for Settlement Benefits - \$990,000 – is substantial. The estimated Settlement Benefit award is expected to exceed \$3,200, which is a substantial amount. *See Ekstrom v. Congressional Bank*, No. 1:20-cv-01501-ELH, ECF Doc. 42 (July 28, 2021) (granting preliminary approval of a class settlement with similar terms and settlement benefits of approximately \$3,000); *Avery v. J.G. Wentworth Home Lending, LLC*, No. 8:19-cv-03303-TJS, ECF No. 41 (D. Md. June 24, 2021) (granting final approval of a class settlement with settlement benefits of approximately \$3,387 per transaction); *Donaldson v. Primary Residential Mortg.*, No. ELH-19-1175, 2021 U.S. Dist. LEXIS 101625, at \*6, \*25 (D. Md. May 28, 2021) (finding that the settlement benefits by plaintiffs' counsel "provides significant and certain benefits for the Settlement Class" where expected recovery was \$2,200); *Singleton v. Domino's Pizza, LLC*, 976 F. Supp. 2d 665, 682-83 (D. Md. 2013) (finding that "class counsel achieved a substantial value on behalf of the classes" where each class member received a pro rata share of a \$2.5 million common fund (citing *Serrano v. Sterling Testing Sys., Inc.*, 711 F. Supp.

2d 402 (E.D. Pa. 2010) (“finding that class counsel in an FCRA case – where claimants also sought statutory damages – achieved a substantial value in establishing a settlement fund of \$975,000, for a maximum recovery of \$1,000 to each claiming class member”)).

The amount recovered is also substantial when considered against what could be recovered at trial. The average recovery per loan under the Settlement Agreement is expected to exceed 2.1 times (or 210%) the amount the Settlement Class Member paid for settlement services on their affected loan, or more than two-thirds of the maximum amount a Settlement Class Member could recover if successful on their RESPA claims at trial. In most instances this award is many times more than the kickbacks paid on the Settlement Class members’ subject transaction, or the increased costs resulting from the conduct alleged in the Complaint.<sup>3</sup>

In addition, these Settlement Benefits are to be paid to the Settlement Class Members under a direct pay model, which courts recognize as a separate and additional benefit to the Settlement Class because it reduces administrative costs and removes all obstacles to participating in the Settlement, ensuring the greatest number of Settlement Class Members will actually participate in the Settlement. *Palombaro v. Emery Fed. Credit Union*, No. 1:15-cv-792, 2018 U.S. Dist. LEXIS 165970, at \*24 (S.D. Ohio Sep. 27, 2018) (granting final approval to settlement of all RESPA

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<sup>3</sup> Courts in this District have approved similar settlement formulas as “fair, reasonable, and adequate” for the purposes of Fed. R. Civ. P. 23(e)(2). See *Ekstrom v. Congressional Bank*, No. 1:20-cv-01501-ELH, ECF Doc. 42 (July 28, 2021); *Avery v. J.G. Wentworth Home Lending, LLC*, No. 8:19-cv-03303-TJS, ECF No. 41 (D. Md. June 24, 2021); *Donaldson v. Primary Residential Mortg.*, No. ELH-19-1175, 2021 U.S. Dist. LEXIS 101625 (D. Md. May 28, 2021); *Perzinski v. Competitive Title Agency, Inc., et. al.*, No.: 1:18-CV-01511-TJS, ECF No. 94 (D. Md. June 25, 2020); *Fangman v. Genuine Title, LLC*, No. RDB-14-0081, 2017 U.S. Dist. LEXIS 126772 (D. Md. Aug. 10, 2017); *Fangman v. Genuine Title, LLC*, No. RDB-14-0081, 2017 U.S. Dist. LEXIS 87135 (D. Md. June 7, 2017); *Fangman v. Genuine Title, LLC*, No. RDB-14-0081, 2017 U.S. Dist. LEXIS 3180 (D. Md. Jan. 10, 2017); *Fangman v. Genuine Title, LLC*, No. RDB-14-0081, 2016 U.S. Dist. LEXIS 160434 (D. Md. Nov. 18, 2016); *Palombaro v. Emery Fed. Credit Union*, No. 1:15-cv-792, 2018 U.S. Dist. LEXIS 165970 (S.D. Ohio Sept. 27, 2018).

claims against defendant lender and concluding “the value of the settlement benefits is high” because “class members will recover approximately \$1,160 per loan through a direct pay structure designed to provide settlement benefits as quickly as possible with less administrative costs”).

Finally, like all complex commercial cases and class actions, this case was not without its associated risks. Although Plaintiffs’ counsel felt confident in its case against Sierra Pacific, had this case proceeded, Defendant would have likely raised potential obstacles to recovery on motions, including, without limitation, the issues of statute of limitations and equitable tolling/fraudulent concealment. While Class Counsel firmly believes this case is strong, no case is full-proof and all cases have inherent risks. Settling now avoids real risk to the Settlement Class and provides them with immediate recovery.

Lastly, settling now avoids certain and significant additional fees, costs, and delay. There is no question that continuing to litigate would result in prolonged, costly, and contentious discovery, as well as complex motions and trial practice and potential appeal to the Fourth Circuit Court of Appeals. All of this likely would add at least two years to the possibility of relief for the Settlement Class, and possibly much longer. The avoidance of certain delay and costs even further weighs in favor of approval now.

#### **IV. THE PROPOSED SETTLEMENT CLASS SATISFIES THE STANDARD FOR CONDITIONAL CERTIFICATION OF A SETTLEMENT CLASS**

“Even before a court has certified a class, putative class plaintiffs may reach an agreement of settlement with defendants. In such cases, plaintiffs may seek to give effect to this settlement through a settlement-only class.” *In re NeuStar, Inc. Sec. Litig.*, 2015 WL 5674798, at \*2 (E.D. Va. Sept. 23, 2015); *see also*, MANUAL FOR COMPLEX LITIG. (4th) § 21.632 (“The judge should make a preliminary determination that the proposed class satisfies the criteria set out in Rule 23(a) and at least one of the subsections of Rule 23(b).”). Since the proposed certification of the

Settlement Class is for settlement only, the typical rigorous class certification inquiry and review by the Court need not be strictly followed. In other words, “[t]he requirements for class certification are more readily satisfied in the settlement context than when a class has been proposed for the actual conduct of the litigation.” *White v. Nat’l Football League*, 822 F. Supp. 1389, 1402 (D. Minn. 1993) (citations omitted); *see also Horton v. Metro. Life Ins. Co.*, No. 93-1849-CIV-T-23A, 1994 U.S. Dist. LEXIS 21395, at \*15 (M.D. Fla. Oct. 25, 1994). A similar settlement class of borrowers arising out of the All Star Scheme was recently certified for settlement purposes by this Court. *See Donaldson v. Primary Residential Mortg., Inc.*, No. 1:19-cv-01175-ELH, ECF No. 49 (D. Md. Jan. 11, 2021).

#### **A. Ascertainability**

Fed. R. Civ. P. 23 contains an implicit threshold requirement of ascertainability; that is, the requirement that “a court can readily identify the class members in reference to objective criteria”. *EGT Prod. Co. v. Adair*, 764 F.3d 347, 358 (4th Cir. 2014). The Parties’ information and data on the Settlement Class Members is sufficient to ascertain the class and facilitate notice.

#### **B. Numerosity**

To satisfy the numerosity requirement for class certification, the proposed settlement class must be “so numerous that joinder of all members is impracticable.” Fed. R. Civ. P. 23(a)(1). Put another way, “the numerosity requirement is satisfied when a class is too numerous to practicably join each individual class member.” *Robinson v. Fountainhead Title Group Corp.*, 252 F.R.D. 275, 278 (D. Md. 2008) (citing *Newsome v. Up-To-Date Laundry, Inc.*, 219 F.R.D. 356, 361 (D. Md. 2004)). While impracticability of joinder is not determined by a numerical test alone, a class of as few as 25 to 30 members raises the presumption that joinder would be impracticable. *See Dameron*



*v. Sinai Hosp. of Balt.*, 595 F. Supp. 1404, 1408 (D. Md. 1987). Here, the proposed Settlement Class consists of over 307 loans with even more borrowers, and easily meets numerosity.

### **C. Commonality**

The second requirement under Fed. R. Civ. P. 23(a) is that class members have questions of law and fact in common. *In re Kirschner Med. Corp. Sec. Litig.*, 139 F.R.D. 74, 78 (D. Md. 1991). Commonality “does not require that all, or even most issues be common, nor that common issues predominate, but only that common issues exist.” *Central Wesleyan College v. W.R. Grace & Co.*, 143 F.R.D. 628, 636 (D.S.C. 1992), *aff’d*, 6 F.3d 177 (4th Cir. 1993). To meet the commonality standard under Rule 23(a)(2), plaintiffs need only “exhibit a common nucleus of operative facts.” *See Brown v. Eckard Drugs, Inc.*, 663 F.2d 1268, 1275 (4th Cir. 1981). Meeting the commonality requirement is not a “high” bar. *Rodriguez v. Nat’l City Bank*, 726 F.3d 372, 382 (3d Cir. 2013). Here, Plaintiffs present issues of fact and law that are common to all Settlement Class members, including, but not limited to:

- Whether Defendant engaged in the All Star Scheme, kickback agreements, and kickback scheme,
- Whether the Defendant’s actions violated RESPA,
- Whether the Defendant’s fraudulently concealed the All Star Scheme, kickback agreements or kickback scheme,
- Whether the Settlement Class Members’ claims are subject to tolling based on the Defendant’s fraudulent concealment, and
- Whether the Settlement Class Members are entitled to damages.

These common issues can be proven on a class-wide basis and, therefore, support a finding of commonality for settlement purposes. *See Ekstrom v. Congressional Bank*, No. 1:20-cv-01501-

ELH, ECF Doc. 42 (July 28, 2021); *Avery v. J.G. Wentworth Home Lending, LLC*, No. 8:19-cv-03303-TJS, ECF No. 41 (D. Md. June 24, 2021); *Donaldson v. Primary Residential Mortg., Inc.*, No. 1:19-cv-01175-ELH, ECF No. 49 (D. Md. Jan. 11, 2021); *James v. Acre Mortg. & Fin., Inc.*, No. SAG-17-1734, 2020 U.S. Dist. LEXIS 96633, at \*18-\*24 (D. Md. June 2, 2020); *Fangman v. Genuine Title, LLC*, No. RDB-14-0081, 2016 U.S. Dist. LEXIS 154582, at \*29 (D. Md. Nov. 8, 2016); *see also Edwards v. First Am. Corp.*, 798 F.3d 1172, 1183 (9th Cir. 2015), *cert dismissed sub nom., First Am. Fin. Corp. v. Edwards*, 136 S. Ct. 1533 (2016) (“This common scheme, if true, presents a significant aspect of First American’s transactions that warrant class adjudication: Whether First American paid a thing of value to get its agreement for exclusive referrals. We vacate the district court’s denial of class certification in part as to these transactions that involved the common scheme.”).

#### **D. Typicality**

Under the typicality requirement, the named class representative must present claims that are “typical” of the class. Generally, a class representative must show that his or her claims “arise[] from the same event or practice or course of conduct that gives rise to the claims of other class members, and that the claims are based upon the same legal theory.” *In re Kirschner Med. Corp. Sec. Litig.*, 139 F.R.D. at 79 (citing *Twyman v. Rockville House. Auth.*, 99 F.R.D. 314, 321 (D. Md. 1983) (quoting *Smith v. Balt. & Ohio R.R. Co.*, 473 F. Supp. 572, 580-81 (D. Md. 1979))) (brackets added). Typicality, however, does not require that the claims of the named representatives be “co-extensive with” or “identical to” those of the other class members. *Id.* Rather, this requirement is satisfied even though varying fact patterns support the claims or defense of individual class members or there is a disparity in the damages claimed by the named parties

and the other members of the class. *Id.* (citing *Nat'l Constructors Ass'n v. Nat'l Elec. Contractors Ass'n*, 498 F. Supp. 510, 545 (D. Md. 1980), *mod.*, 678 F.2d 492 (4th Cir. 1982)).

Here, the claims asserted by Plaintiffs Nanette Walls, Patricia Cronin, William C. and Heller Batton, Gregory P. Dopkowski, Sr., Samuel and Beverly Patterson, Jr., Raheim and Syreeta Patterson, and Arnold N. and Lois Welsh, Jr., are typical of those of the Settlement Class. Plaintiffs brought their claims under RESPA and RICO, which provides the same basis of the claims of the Settlement Class, which all arise from the alleged receipt of kickbacks by Sierra Pacific and/or its employees, agents, and/or managers and the referral of Settlement Class Members to All Star for the closing of their Sierra Pacific residential mortgage loans, refinances, and/or reverse mortgages. Plaintiffs' loans closed with All Star having provided title and settlement services, during the relevant time period. Thus, the typicality requirement is satisfied for settlement purposes. *See Ekstrom v. Congressional Bank*, No. 1:20-cv-01501-ELH, ECF Doc. 42 (July 28, 2021); *Avery v. J.G. Wentworth Home Lending, LLC*, No. 8:19-cv-03303-TJS, ECF No. 41 (D. Md. June 24, 2021); *Donaldson v. Primary Residential Mortg., Inc.*, No. 1:19-cv-01175-ELH, ECF No. 49 (D. Md. Jan. 11, 2021); *Bezek v. First Mariner Bank*, No. SAG-17-2902, 2020 U.S. Dist. LEXIS 183174, at \*23 (D. Md. Oct. 2, 2020) (“Although class members may have worked with different loan officers, proof that the named Plaintiffs’ loan officer received a kickback from Genuine Title based on a referral would tend to advance the argument that other loan officers were similarly involved. Other minor differences, such as the form of kickback received by each loan officer, similarly do not make Plaintiffs’ claims materially different from those of other class members.”).

#### **E. Adequacy**

The fourth prong of Fed. R. Civ. P. 23(a) requires that Class Representatives demonstrate that they will “fairly and adequately protect the interests of the class.” This requirement has two

components: (1) the interests of the proposed Class Representatives and members of the Settlement Class must coincide; and (2) it must appear that Class Representatives and their counsel have and will vigorously protect the interest of the Settlement Class in the Settlement. *In re Kirschner Med. Corp. Sec. Litig.*, 139 F.R.D. at 79 (citing *Disabled in Action v. Bridwell*, 593 F. Supp. 1241, 1245 (D. Md. 1984), *appeal dismissed*, 820 F.2d 1219 (4th Cir. 1987)).

Here, Plaintiffs obtained a residential mortgage loan, refinance, and/or reverse mortgage that was originated by Sierra Pacific for which All Star provided title and settlement services. Plaintiffs' loans closed within the class period. Plaintiffs are thus part of the Settlement Class as they possess the same claim as those of the Settlement Class, and they are not conflicting or antagonistic. Plaintiffs also represent to the Court that they have and will continue to diligently seek to protect the interests of the proposed Settlement Class.

Proposed Settlement Class Counsel, Michael Paul Smith and Melissa L. English of the law firm Smith, Gildea & Schmidt, LLC, and co-counsel, Timothy Maloney and Veronica Nannis of the law firm Joseph, Greenwald & Laake, P.A., have significant experience and routinely practice in the area of complex commercial litigation in this Court and in the federal courts. *See* Ex. 2, Decl. of Michael Paul Smith; Ex. 3, Decl. of Melissa L. English; Ex. 4, Decl. of Timothy P. Maloney; Ex. 5, Decl. of Veronica B. Nannis. Plaintiffs' Counsel have also been approved as class counsel in multiple federal jurisdictions and in numerous RESPA class action cases, all of which obtained final approval. *Accord, Avery v. J.G. Wentworth Home Lending, LLC*, No. 8:19-cv-03303-TJS, ECF No. 41 (D. Md. June 24, 2021); *Donaldson v. Primary Residential Mortg., Inc.*, No. 1:19-cv-01175-ELH, ECF No. 49 (D. Md. Jan. 11, 2021); *Baugh v. Fed. Sav. Bank*, No. SAG-17-1735, 2020 U.S. Dist. LEXIS 226522 (D. Md. Dec. 2, 2020); *First Mariner Bank*, 2020 U.S. Dist. LEXIS 183174; *Acre Mortg. & Fin., Inc.*, 2020 U.S. Dist. LEXIS 96633; *Dobbins v. Bank of Am., N.A.*,

No. SAG-17-0540, 2020 U.S. Dist. LEXIS 156315 (D. Md. Aug. 28, 2020); *Perzinski v. Competitive Title Agency, Inc.*, No. 1:18-cv-01511-TJS, ECF No. 94 (D. Md. June 25, 2020); *Edmondson v. Eagle Nat'l Bank*, No. SAG-16-3938, 2020 U.S. Dist. LEXIS 89690 (D. Md. May 21, 2020); *Conover v. Patriot Land Transfer, LLC*, No. 17-4625(RMB/JS), 2019 U.S. Dist. LEXIS 15471 (D.N.J. Jan. 31, 2019); *Fangman v. Genuine Title, LLC*, 2017 U.S. Dist. LEXIS 92273 (D. Md. June 8, 2017); *Palombaro v. Emery Fed. Credit Union*, No. 1:15-cv-792-SJD, 2018 U.S. Dist. LEXIS 17896 (S.D. Ohio Jan. 25, 2018).

Thus, adequacy of representation requirement for both the proposed Class Counsel and Class Representative under Rule 23 is satisfied for settlement purposes.

**F. Requirements under Rule 23(b)(3)**

In addition to satisfying Fed. R. Civ. P. 23(a), parties seeking class certification must show that the action is maintainable under Rule 23(b)(1), (2), or (3). *Amchem Prods. Inc. v. Windsor*, 521 U.S. 591, 623 (1997). Rule 23(b)(3) sets forth the requirements of predominance and superiority and requires a finding by the court that:

the questions of law and fact common to the members of the class predominate over any questions affecting only individual members and that a class action is superior to other available methods of fair and efficient adjudication of the controversy.

Fed. R. Civ. P. 23(a).

Certification under Rule 23(b)(3) is appropriate when “settling the parties’ differences in a single proceeding serves their interests by achieving ‘economies of time, effort, and expense’ and promoting uniformity of decisions as to similarly situated class members without sacrificing fairness.” *Mitchell-Tracey v. United Gen. Title Ins. Co.*, 237 F.R.D. 551, 559 (D. Md. 2006) (citing *Peoples v. Wendover Funding, Inc.*, 179 F.R.D. 492, 501 (D. Md. 1998) (quoting *Windsor*, 521 U.S. at 615)).

The predominance and superiority requirements ensure that resolution of the case by a class action settlement “achieve[s] economies of time, effort, and expense, and promote[s] . . . uniformity of decision as to persons similarly situated, without sacrificing procedural fairness or bringing about other undesirable results.” *In re Serzone Prod. Liab. Litig.*, 231 F.R.D. 221, 240 (S.D. W.Va. 2005) (quoting *Windsor*, 521 U.S. at 615). To determine if the predominance and superiority requirements are met for certification of a settlement class, courts consider (a) the class members’ interests in individually controlling the prosecution or defense of separate actions; (b) the extent and nature of any litigation concerning the controversy already begun by or against class members; and (c) the desirability or undesirability of concentrating the litigation of the claims in the particular forum. Fed. R. Civ. P. 23(b)(3); *Windsor*, 521 U.S. at 620.

### **1. Predominance**

In determining whether the predominance standard is met, courts focus on whether the settlement resolves common questions which predominate over individual ones. *In re Data Access Sys. Sec. Litig.*, 103 F.R.D. 130, 142 (D.N.J. 1984), *rev’d*, 843 F.2d 1537 (3d Cir. 1988); *Dura-Bilt Corp. v. Chase Manhattan Corp.*, 89 F.R.D. 87, 93 (S.D.N.Y. 1981); *see also Sandberg v. Virginia Bankshares, Inc.*, 891 F.2d 1112, 1119 (4th Cir. 1989). As explained by the Supreme Court in *Amgen Inc. v. Connecticut Retirement Plans & Trust Funds*, 568 U.S. 455 (2013), “Rule 23(b)(3) . . . does *not* require a plaintiff seeking class certification to establish that each element of the asserted claims would be susceptible to classwide proof.” *Id.* at 469 (emphasis in original) (internal brackets and quotation marks omitted).

Here the proposed Settlement Class members were:

All individuals in the United States who were borrowers on a federally related mortgage loan (as defined under the Real Estate Settlement Procedures Act, 12 U.S.C. § 2602) originated or brokered by Sierra Pacific Mortgage Company, Inc., for which All

Star Title, Inc., provided a settlement service, as identified in Section 1100 on the borrower's HUD-1 Settlement Statement (HUD-1), or on the borrower's Closing Disclosure (CD), between January 1, 2012 and December 31, 2016. Exempted from this class is any person who, during the period of January 1, 2012 through December 31, 2016, was an employee, officer, member and/or agent of Sierra Pacific Mortgage Company, Inc., or All Star Title, Inc.; any judicial officer who handles this case, and the immediate family members of such judicial officer(s); and/or any persons who submit a complete and valid Request for Exclusion by the Exclusion Deadline.

Thus, for the purposes of the proposed settlement, predominance can be found.

## **2. Superiority**

The second and final requirement of Rule 23(b)(3) is "that a class action be superior to other methods for the fair and efficient adjudication of the controversy." *In re Kirschner Med. Corp. Sec. Litig.*, 139 F.R.D. at 79-80. While the merits adjudication requirement of superiority need not be met for settlement purposes, the remaining superiority criteria should be weighed. Here, the settling parties are unaware of any other unresolved RESPA, RICO, and/or consumer protection claims against Sierra Pacific arising from All Star's settlement of Sierra Pacific loans in this or any other jurisdiction.

Moreover, the proposed Settlement "achieve[s] economies of time, effort, and expense, and promote[s] . . . uniformity of decision as to persons similarly situated, without sacrificing procedural fairness or bringing about other undesirable results." *In re Serzone Prod. Liab. Litig.*, 231 F.R.D. at 240. Given the complexities of the claims and defenses asserted in this action, the Settlement represents a more favorable resolution to the disputed claims than might have otherwise been recovered if such claims were individually prosecuted by each class member.

## **V. CONCLUSION**





# EXHIBIT 1

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND  
NORTHERN DIVISION**

**NANNETTE WALLS, et al**

*Plaintiffs,*

v.

**SIERRA PACIFIC MORTGAGE  
COMPANY, INC.**

*Defendant.*

Civil Action No.:1:19-cv-00595-GLR

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**CLASS ACTION SETTLEMENT AGREEMENT**

**CLASS ACTION SETTLEMENT AGREEMENT**

This Class Action Settlement Agreement (“Agreement”) is made and entered into as of August 9, 2021, by and between Nanette Walls, Thomas Scott and Patricia Cronin, William C. and Heller Batton, Gregory P. Dopkowski, Sr., Samuel and Beverly Patterson, Jr., Raheim and Syreeta Patterson, and Arnold N. and Lois Welsh, Jr. (the “Class Representatives”), for themselves and as the Representatives of a settlement class to be certified by this Court, their attorneys, Smith, Gildea & Schmidt, LLC, and Joseph, Greenwald & Laake, P.A., (together “Class Counsel”), and Sierra Pacific Mortgage Company, Inc. (“Sierra Pacific” (collectively, with the Class Representatives, the “Parties”)).

**RECITALS**

WHEREAS, claims have been asserted against Sierra Pacific (the “Litigation Claims”) in the above-captioned class action lawsuit titled *Walls v. Sierra Pacific Mortgage Company, Inc.*, in the United States District Court for the District of Maryland, Northern Division, Civil Action No. 1:19-cv-00595-GLR (the “Litigation”), involving the alleged provision of benefits or things of value by All Star Title, Inc. (“All Star”) to Sierra Pacific’s employees, agents, and/or representatives in exchange for the referral of borrowers to All Star for the settlement of their mortgage loans;

WHEREAS, the Class Representatives, through their counsel, have conducted a thorough investigation regarding the Litigation Claims asserted against Sierra Pacific in the Litigation, including through counsel’s discovery of the records of All Star and other persons and entities with which All Star did business, and through their review of discovery from and relating to All Star;

WHEREAS, following the filing of the Complaint, Amended Complaint, dismissal motion practice and ruling on the same, and the filing and granting of a motion for reconsideration of

dismissal and the filing of the Second Amended Complaint, the Parties and their counsel engaged in settlement negotiations to resolve the claims asserted against Sierra Pacific; and

WHEREAS, based on their discovery and investigation of the Litigation Claims, and after the exchange of settlement offers, mediation discovery, negotiations between counsel in writing, and a Settlement Conference with the Honorable A. David Copperthite, U.S.M.J., the Class Representatives and Class Counsel concluded that a settlement with Sierra Pacific, according to the terms set forth below, is in their best interests and the best interests of the members of the Class; and

WHEREAS, while Sierra Pacific disputes the allegations in the Litigation and denies that it is or may be liable for any of the Litigation Claims, it enters into this Agreement solely to avoid the further expense, inconvenience, and distraction of protracted discovery and further proceedings in the Litigation, and does so without any express or implied admission of fact or liability;

**NOW, THEREFORE**, the Parties, in consideration of the promises, covenants, and agreements herein described, and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree as follows:

1. **Recitals:** The foregoing Recitals and defined terms therein are incorporated in this Agreement.

2. **Definitions:**

In addition to the terms defined in the Recitals, the following terms shall have the meanings set forth below:

2.1 “Appellate Courts” refers to the United States Court of Appeals for the Fourth Circuit and the Supreme Court of the United States.

2.2 The term “CAFA Notice” refers to the notice requirements imposed by 28 U.S.C. § 1715(b).

2.3 “Class Counsel Fees and Expenses” refers to the Court-approved award to Class Counsel of their attorney’s fees and expenses, pursuant to Section 13 of this Agreement.

2.4 The term “Common Fund” refers to the monies that will be funded by Sierra Pacific and maintained and disbursed by the Settlement Administrator under the terms of this Agreement from which the Settlement Benefits, Settlement Benefits, Court-awarded Class Counsel Fees and Expenses, and Class Representatives’ Service Awards will be paid.

2.5 The term “Court” refers to the United States District Court for the District of Maryland.

2.6 The term “Class” refers to: All individuals in the United States who were borrowers on a federally related mortgage loan (as defined under the Real Estate Settlement Procedures Act, 12 U.S.C. § 2602) originated or brokered by Sierra Pacific Mortgage Company, Inc., for which All Star Title, Inc., provided a settlement service, as identified in Section 1100 on the borrower’s HUD-1 Settlement Statement (HUD-1), or on the borrower’s Closing Disclosure (CD), between January 1, 2012 and December 31, 2016. Exempted from this class is any person who, during the period of January 1, 2012 through December 31, 2016, was an employee, officer, member and/or agent of Sierra Pacific Mortgage Company, Inc., or All Star Title, Inc.; any judicial officer who handles this case, and the immediate family members of such judicial officer(s); and/or any persons who submit a complete and valid Request for Exclusion by the Exclusion Deadline.

2.7 The term “Effective Date” refers to the date on which the Final Approval Order and Final Judgment Order for this Settlement reach Finality.

2.8 The term “Exclusion Deadline” refers to the date established by the Court and to be set forth in the Mailed Notice for the receipt by the Settlement Administrator of any Requests for Exclusion.

2.9 The term “Final Fairness Hearing” refers to the hearing at which the Court shall: (a) determine whether to grant final approval to this Settlement; (b) consider any timely objections to this Settlement and all responses thereto; and (c) consider requests for an award of Class Counsel Fees and Expenses to the Class Counsel and for Service Awards to the Class Representatives.

2.10 The term “Finality” refers to: (i) the Court’s entry of both a final order approving the Settlement under Federal Rule of Civil Procedure 23(e) (the “Final Approval Order”) and a final Judgment dismissing all Released Claims against Sierra Pacific with prejudice (the “Final Judgment Order”); and (ii) either (a) no Party or other person has initiated a timely appeal or otherwise sought review from the Final Approval Order or Final Judgment Order, or (b) if the Final Approval Order or Final Judgment Order entered by the Court with respect to the Settlement are appealed to one or both of the Appellate Courts, the Final Approval Order and Final Judgment Order have been affirmed in their entirety by the Appellate Court of last resort to which such appeal has been taken and such affirmance is no longer subject to further appeal or review.

2.11 The term “Judge” refers to any United States District Court Judge or Magistrate Judge who is now or later assigned to preside over the Litigation.

2.12 The term “Mailed Notice” refers to the Court-approved Notice regarding the Settlement that is to be mailed by the Settlement Administrator to members of the Class, substantially in the form of **Exhibit A** to this Agreement.

2.13 The term “NCOA Database” shall mean the United States Postal Service’s National Change of Address database.

2.14 The term “Notice” shall mean, collectively, all Court-approved communications by which the Class members are notified of the Settlement and the Court’s approval thereof, including the Mailed Notice.

2.15 The term “Notice Deadline” refers to the Court-approved deadline for the mailing of the Mailed Notice.

2.16 The term “Objection” refers to the timely and complete filing with the Court of a written objection to the Settlement, which includes all information specified in Section 8 of this Agreement.

2.17 The term “Objection Deadline” refers to the date established by the Court and to be set forth in the Mailed Notice for the filing with the Court of any Objections to the Settlement.

2.18 The term “Preliminary Fairness Hearing” refers to the hearing at which the Court shall: (a) determine whether to grant the Motion for Preliminary Approval of this Settlement; and, if such approval is granted, whether to (b) preliminarily approve the Settlement under the terms of this Agreement; (c) approve the proposed Notice and Notice Plan (as set out in Section 11, below); (d) appoint the Settlement Administrator; (e) establish the Objection Deadline and requirements for the filing of Objections to the Settlement; (f) establish the Exclusion Deadline and requirements for the filing of Requests for Exclusion from the Class; (g) establish a date for the Final Fairness Hearing; (h) preliminarily appoint Class Counsel as counsel for the Class; and (i) preliminarily enjoin any member of the Class who does not file a complete and valid Request for Exclusion by the Exclusion Deadline from filing suit or asserting any claim, demand, and/or counterclaim with respect to matters released in Section 16 of this Agreement.

2.19 The term “Releasees” shall have the meaning set forth in Section 16 of this Agreement.

2.20 The term “Releasers” shall have the meaning set forth in Section 16 of this Agreement.

2.21 The term “Alleged Claims” refers to all claims relating in any way to the alleged acts of Sierra Pacific related in any way to the alleged facts and circumstances described in the Complaint and in any Amended Complaints filed in connection with the Litigation.

2.22 The term “Request for Exclusion” refers to a complete written request to be excluded from the Class that includes all information specified in Section 9 of this Agreement and is received by the Settlement Administrator before the Exclusion Deadline approved by the Court.

2.23 The term “Service Awards” refers to Court-approved awards to the Class Representatives, pursuant to Section 12 of this Agreement.

2.24 The term “Settlement” refers to the settlement, release, and final dismissal of claims contemplated by this Agreement.

2.25 The term “Settlement Administrator” refers to the entity engaged to send the Mailed Notice of the Settlement, process Requests for Exclusion, disburse payments to members of the Class from the Common Fund, maintain a website regarding the Settlement, and to perform all other tasks set forth in Section 10 of this Agreement.

2.26 The term “Settlement Benefits” refers to the benefits to be remitted under the terms of this Agreement from the Common Fund to eligible members of the Class as detailed in Section 7 of this Agreement.



2.27 With respect to actions or events which must occur within a certain amount of time, days shall be computed in the manner described in Federal Rule of Civil Procedure 6.

2.28 Definitions used herein shall apply to the singular and plural forms of each term defined.

2.29 Definitions used herein shall apply to the masculine, feminine, and neuter genders of each term defined.

2.30 References to a person or entity under this Agreement include their permitted heirs, personal representatives, executors, affiliates, successors, and assigns.

2.31 Whenever the words “include,” “includes,” or “including” are used in this Agreement, they shall not be limiting, but rather shall be deemed to be followed by the words “without limitation.”

**3. Conditional Nature of Agreement:** This Agreement and the Settlement contemplated hereby are expressly conditioned upon all of the following, which the parties agree are each material conditions precedent to the payment of Settlement Benefits to members of the Class, the payment of any Court-awarded Service Awards, and the payment of any Court-awarded Class Counsel Fees and Expenses to Class Counsel under this Agreement:

3.1 Plaintiffs’ filing with the Court of a Motion for Preliminary Approval of the Settlement;

3.2 The Court’s holding of the Preliminary Fairness Hearing, and issuance of a Preliminary Approval Order: (a) granting the Motion for Preliminary Approval of the Settlement as written in this Agreement; (b) preliminarily approving the Settlement under the terms of this Agreement; (c) approving the proposed Notice and the Notice Plan; (d) appointing the Settlement Administrator; (e) establishing the Objection Deadline and requirements for the filing of

Objections to the Settlement; (f) establishing the Exclusion Deadline and requirements for the filing of Requests for Exclusion from the Class; (g) establishing a date for the Final Fairness Hearing; and (h) preliminarily enjoining the members of the Class who do not file complete and valid Requests for Exclusion by the Exclusion Deadline from filing suit or asserting any claims, demands, and/or counterclaim with respect to matters released in Section 16 of this Agreement;

3.3 The mailing of the approved Mailed Notice to the Class, although the Parties agree that if mail is returned or otherwise not deliverable as addressed, the “Mailed Notice” is still deemed mailed for purposes of satisfying this condition precedent;

3.4 The expiration of the Objection Deadline and Exclusion Deadline;

3.5 That either (a) by the Exclusion Deadline complete and valid Requests for Exclusion are filed with respect to no more than 5% of the loans that the Class obtained that are the subject of the Litigation; or (b) Sierra Pacific elects, at its option, up to ten (10) days after the Exclusion Deadline, to proceed with the Settlement notwithstanding the failure of the condition set forth in Section 3.5(a);

3.6 Plaintiffs’ filing with the Court of a Motion for Final Approval of the Settlement and the Entry of Final Judgment dismissing with prejudice all claims of the Class asserted in the Litigation against Sierra Pacific;

3.7 The Court’s holding of the Final Fairness Hearing and issuance of a Final Approval Order and Final Judgment Order: (a) rejecting or denying any Objections to the Settlement; (b) granting the Motion for Final Approval; (c) granting final approval of the Settlement as written in this Agreement and the release of claims set forth in Section 16 of this Agreement by the Class Representatives and the members of the Class who did not file complete and valid Requests for Exclusion by the Exclusion Deadline; (d) dismissing with prejudice all claims of the Class

asserted in the Litigation against Sierra Pacific by the Class Representatives on behalf of themselves and all members of the Class who did not file a complete and valid Request for Exclusion; and (e) permanently enjoining any members of the Class who did not file complete and valid Requests for Exclusion by the Exclusion Deadline from filing suit or any claim, demand, and/or counterclaim with respect to matters released in Section 16 of this Agreement;

3.8 Class Counsel's filing of a Motion for the Award of Class Counsel Fees and Expenses and a Motion for Service Awards to the Class Representatives, consistent with the terms of this Agreement;

3.9 The Court's issuance of an Order deciding the Motion for the Award of Class Counsel Fees and Expenses and the Motion for Service Awards to the Class Representatives, with the understanding that any order awarding the Class Counsel Fees and Expenses and the Class Representatives' Service Awards shall not exceed the maximum amounts set forth in Sections 12 and 13 of this Agreement, and provided that the Settlement shall not be conditioned on the Court awarding Class Counsel Fees and Expenses and/or Service Awards at or above any particular dollar value;

3.10 The Orders of the Court granting final approval to the Settlement reaching Finality.

Should any of these conditions not be met, the Parties agree that the Settlement and the terms of this Agreement shall terminate and be deemed null and void, except for Sections 5.3, 14, and 17.3 hereof which will survive the termination of this Agreement, and any other provisions or sections of this Agreement which expressly state that they survive termination of this Agreement.

**4. Cooperation By The Parties:** The Parties and their counsel agree to cooperate fully and in good faith with each other to promptly execute all documents and take all steps necessary

to effectuate the Settlement consistent with the terms and conditions of this Agreement. The Class Representatives and Class Counsel agree to support, and Sierra Pacific agrees not to oppose, the preliminary and final approval of this Settlement consistent with the terms and conditions of this Agreement, including with respect to any appeal of the Final Approval Order and Final Judgment Order and any collateral attack on the Settlement or the Final Approval Order and Final Judgment Order, to the extent the Settlement, Final Approval Order, and Final Judgment Order are consistent with the terms and conditions of this Agreement.

**5. Class Member List.**

5.1 Class Counsel have identified approximately 307 borrowers of federally related mortgage loans (as defined under the Real Estate Settlement Procedures Act, 12 U.S.C. § 2602) originated or brokered by Sierra Pacific that were closed through All Star between January 1, 2012, and December 31, 2016, who Class Counsel believe are members of the Class. Sierra Pacific and Class Counsel agree to cooperate in good faith to identify members of the Class and their contact information through reasonable efforts and research of records and information available to the parties. Sierra Pacific and Class Counsel will identify the final Class Member List on or before the mailing of the Mailed Notice, provided that nothing shall preclude the Parties or the Settlement Administrator from asserting, prior to issuance of the Final Approval Order, that any person identified on the Class Member List is not eligible to be a member of the Class.

5.2 The Parties agree and stipulate that the final Class Member List will include all of the potentially eligible members of the Class. Neither the Parties nor Class Counsel are currently aware of any potentially eligible Class members that have not yet been identified for inclusion on the final Class Member List.

5.3 The Parties agree and acknowledge that the Class Member List contains certain confidential information and that the account information identified in the Class List constitutes confidential material. Therefore, the Parties agree to treat the Class Member List as confidential and to use the Class Member List and the information contained therein solely for the purpose of providing the Settlement Benefits offered by this Agreement to members of the Class and otherwise implementing the terms of this Agreement, and for no other purpose whatsoever. Except to the extent authorized by this Agreement, the Parties further agree that they will not disclose the Class Member List or any of the information contained in the Class Member List to members of the Class or any third party, except pursuant to court order. Notwithstanding any contrary language contained in this Agreement, the provisions of this paragraph shall survive any termination or modification of this Agreement and shall continue to be binding regardless of whether or not the Settlement is fully implemented or receives preliminary or final approval. Notwithstanding the foregoing, the confidentiality of the Class Member List, and the information contained therein, does not extend to information that is learned by Class Counsel through legitimate means other than from Sierra Pacific. For the avoidance of any doubt, in the event the Settlement does not reach Finality, Class Counsel may use the Class Member List for purposes of the Litigation (provided, however, that it shall not constitute an admission or waiver by Sierra Pacific of any fact or contention), subject to the Mediation Confidentiality and Non-Disclosure Agreement under which the Class Member List shall be designated Confidential.

**6. Common Fund:**

The Common Fund shall total \$990,000, plus the amount of Class Counsel Fees and Expenses awarded by the Court (which shall not exceed \$275,000), plus the amount of Class Representatives' Service Awards awarded by the Court (which shall not exceed \$7,000), for a total

funding amount of no more than \$1,272,000.00 (collectively, the “Funding Amount”). The Common Fund shall be maintained in an interest-bearing account. In the event this Agreement or the Settlement are terminated or not approved, the balance of the Common Fund, if any, will be refunded to Sierra Pacific.

Within twenty-one (21) days after entry of the Final Approval Order, Sierra Pacific shall remit to the Settlement Administrator the Funding Amount to fully fund the Settlement Benefits, Court-approved Class Counsel Fees and Expenses, and Class Representative Service Awards. The money in the Common Fund shall be maintained to pay all amounts due in accordance with the terms of the Settlement, as approved by the Court. No funds shall be disbursed from the Common Fund until either: a) the Settlement reaches Finality; or b) the Settlement and this Agreement are terminated. Funds shall only be disbursed from the Common Fund as provided for under the terms of this Agreement.

Once Sierra Pacific has deposited the Funding Amount described above into the Common Fund, Sierra Pacific shall not have any other obligation to pay any additional funds into the Common Fund, and shall not be obligated to disburse any additional funds pursuant to the terms of this Agreement, except for the Settlement Administrator’s reasonable fees and expenses as provided for in Section 10.1.

**7. Settlement Benefits:**

7.1 Adjustments to the Common Fund. The following adjustments shall be made to and subtracted from the Common Fund:

- (a) Payment of Class Counsel Fees and Expenses in an amount not to exceed two hundred seventy-five thousand (\$275,000) dollars, subject to Court approval. While Sierra Pacific has no obligation to support any such Petition

for Counsel fees and costs, they agree not to object to a Motion for the Award of Class Counsel Fees and Expenses, provided that it is consistent with Section 13 of this Agreement; and

- (b) Payment of Class Representatives' Service Awards in the amount of up to One Thousand (\$1,000) Dollars (from the Common Fund and in addition to the Settlement Benefit) per each Class Representative (or, in the case of co-borrower Class Representatives, to them jointly) who is appointed as a Class Representative under this Settlement. While Sierra Pacific has no obligation to support any such Petition for Class Service Awards, they agree not to object to a Petition for Service Award filed by the Class Representatives, provided that it is consistent with Section 12 of this Agreement.

7.2 Within fourteen (14) days after Finality of the Settlement, the Common Fund, less the adjustments set forth in Paragraph 7.1, will be distributed to those members of the Class who did not file a complete and valid Request for Exclusion by the Exclusion Deadline. Each of these class members shall receive by check a proportionate share of the Common Fund remaining after deduction of any awards of Class Counsel Fees and Expenses and Service Awards as provided in Paragraph 7.1. The formula for distribution shall be the Common Fund less any awards of Class Counsel Fees and Expenses and Service Awards, divided by the number of members of the Class who did not file a complete and valid Request for Exclusion by the Exclusion Deadline.

7.3 To the extent that there is more than one borrower on a Sierra Pacific loan subject to this Settlement, the co-borrowers shall be deemed to be one member of the Class and the Settlement Benefits shall be paid by check payable jointly to the co-borrowers on such loan.

Sierra Pacific shall have no liability to any co-borrower arising from any claim regarding the division of Settlement Benefits among co-borrowers.

7.4 Settlement Benefits checks shall be mailed by first-class mail by the Settlement Administrator to the last known addresses for those Class members eligible to receive Settlement Benefits under this Settlement. If there is more than one borrower on a subject loan and the co-borrowers have the same last known address, the Settlement Benefits check will be mailed to that last known address, subject to the Settlement Administrator checking the validity of the last known address through the NCOA Database. If there is more than one borrower on a subject loan and the co-borrower's last known address differs from that of the primary borrower, the Settlement Benefits check will be mailed to the last known address for the primary borrower on that loan, and the Settlement Administrator will also send either a letter informing the co-borrower that the check for Settlement Benefits was sent to the primary borrower, or a photocopy of the transmittal letter, to the co-borrower's last-known mailing address, subject to the Settlement Administrator checking the validity of the last known addresses through the NCOA Database.

7.5 Settlement Benefits checks shall be notated as void after seventy-five (75) days from the date on the check. If a Settlement Benefits check remains un-negotiated after eighty (80) days from the date of the check, the Settlement Administrator shall stop payment on the uncashed Settlement Benefits check, undertake an updated address verification for the primary borrower and, if that address has changed since the mailing of original Settlement Benefits check, the Settlement Administrator shall reissue a replacement Settlement Benefits check to the payee(s) and mail the replacement check by first-class mail to the updated address for the primary borrower. Any reissued Settlement Benefits check shall also be notated as void after seventy-five



(75) days. If the reissued Settlement Benefits check remains un-negotiated after eighty (80) days from the date of the reissued check, the Settlement Administrator shall stop payment on the uncashed Settlement Benefits check. Any funds left in the Common Fund after these procedures have been carried out will revert to Sierra Pacific in accordance with Section 7.7.

7.6 On receipt of a joint settlement benefit check, any co-borrower(s) may contact the Settlement Administrator and request that the Settlement Benefits be split evenly between each co-borrower. In such cases, if the original Settlement Benefits check has not already been negotiated, the Settlement Administrator shall stop payment on the original Settlement Benefit check and shall issue new checks to each co-borrower in amounts reflecting an even split of the Settlement Benefits between each co-borrower.

7.7 In the case of deceased class members, the estate of the deceased class member shall be entitled to exercise all of the rights of the deceased class member available under this Settlement, including to receive Settlement Benefits and/or to object to or request exclusion from the Settlement, and the estate of any deceased class member covered by this Settlement will be subject to the release in Section 14 of this Agreement and all other provisions of this Agreement as if the estate were a member of the Class. For purposes of this paragraph, only the person(s) authorized by probate court order to represent the class member's estate, or who are otherwise authorized pursuant to the probate laws applicable to the deceased class member to represent the class member's estate, may act on behalf of the estate. The person(s) authorized to act on behalf of the estate of any deceased class member may contact the Settlement Administrator about any issues related to this Settlement which affect the estate, and the Settlement Administrator, Sierra Pacific, Class Counsel, and the estate shall work together in good faith to resolve any issues related to the applicability of the settlement to deceased class members and their estates,

including the manner in which and to whom Settlement Benefits are distributed. The representative of the estate of a deceased class member shall be required to provide to the Settlement Administrator reasonable proof or other evidence or documentation showing that the class member is deceased and that the representative is authorized to act on behalf of the estate of the deceased class member.

7.8 Any funds remaining in the Common Fund account 215 days after Finality of the Settlement shall be remitted by the Settlement Administrator to Sierra Pacific with interest earned on the Common Fund. This shall include any amounts attributable to un-negotiated Settlement Benefit Checks as of that date. Funds remaining in the Common Fund account 215 days after Finality of the Settlement shall not be subject to cy pres, escheat to the state, or any other process or legal doctrine whereby the funds would be due, owed, or given to any person or entity other than Sierra Pacific.

**8. Right To Object To The Settlement:** Any member of the Class shall have the right to object to the Settlement by filing a written Objection with the Court at the address listed in the Mailed Notice and by mailing copies thereof to the Parties' counsel, not later than the Objections Deadline established by the Court, which shall not be more than forty-five (45) days after the date the Mailed Notice is mailed to the Class, or as otherwise ordered by the Court. All Objections must be signed by the person(s) making the objection, or an attorney, legal guardian, or other person legally authorized to act on their behalf, and must set forth in detail each component of the Settlement to which they object, the reasons for each such objection, and any legal authority that they wish the Court to consider in support thereof. Objections must also include the objector's full name and current address, the full name and current address of any co-borrower(s) on their Sierra Pacific mortgage loan, the address of the property which secured their Sierra Pacific

mortgage loan, and an affirmation, under penalty of perjury, that the person on whose behalf the objection is filed and all of their co-borrower(s), if any, object to the Settlement and intend to appear at the Final Fairness Hearing, at which time their Objections will be considered, if not previously withdrawn.

**9. Right To Be Excluded (Opt-Out) From The Settlement:**

9.1. Any member of the Class shall have the right to opt-out of the Class by sending a written Request for Exclusion from the Class to the Settlement Administrator at the address listed in the Mailed Notice, which must be received by the Settlement Administrator no later than the Exclusion Deadline set by the Court, which shall not be more than forty-five (45) days after the date the Mailed Notice is mailed to the Class, or as otherwise ordered by the Court. Requests for Exclusion must be signed by the person requesting exclusion from the Class and any co-borrower(s) on their Sierra Pacific mortgage loan and must include the requestor's full name and current address, the full name and current address of any co-borrower(s) on their Sierra Pacific mortgage loan, the address of the property which secured their Sierra Pacific mortgage loan, and an affirmation, under penalty of perjury, that the requestor seeking to be excluded from the Class and their co-borrower(s), if any, wish to opt-out of the Class and understand that, in doing so, they will not be entitled to any Settlement Benefits under the Settlement. No single Request for Exclusion shall be effective as to more than one borrower or set of co-borrowers. In no event shall any notice in which a person, who does not possess a valid power of attorney, purports to opt any other person out of the Settlement (including any group, aggregate, or class involving more than one Class member) be considered a valid opt-out. Individuals are not permitted to exclude other individuals, and if there is a group of opt-outs each individual borrower must evidence his or her intent to opt out by complying with the procedures above. Any opt-out submitted by a borrower

on behalf of a group, aggregate, or putative class shall be deemed valid as to that borrower's loan only, and shall be invalid as to the group, aggregate, or putative class.

9.2. No Class Member shall be entitled to both object to the settlement, as provided for in Section 8, and to request exclusion from the class, as provided for in this Section. To the extent any person purports to both object to the settlement and submit a Request for Exclusion from the Class, the objection shall be deemed invalid and of no effect, and the person shall be deemed solely to have opted-out of the class.

**10. Settlement Administrator:**

10.1 Sierra Pacific will select and retain the Settlement Administrator subject to the approval by Class Counsel, which approval shall not be unreasonably withheld, and approval and appointment by the Court. Sierra Pacific shall pay the reasonable fees and expenses of the Settlement Administrator incurred in the Notice and administration of the Settlement, not to exceed \$20,000. Sierra Pacific shall provide a copy of this Agreement to the Settlement Administrator and obtain a quote for the cost of administering the Settlement and discharging the duties described in ¶10.2. Class Counsel may request a copy of this quote from Sierra Pacific as a precondition to providing approval of any Settlement Administrator.

10.2 The Settlement Administrator shall be responsible for administering the Settlement, including:

- (a) in connection with all mailed items sent to members of the Class, including the Mailed Notice and checks containing Settlement Benefits, undertaking address verifications for the members of the Class through the NCOA Database prior to making any such mailings or second mailings;
- (b) sending the Mailed Notice, pursuant to Section 11 of this Agreement;

(c) preparing reports regarding the Mailed Notice, as directed by the Parties' counsel and in accordance with the deadline established by the Court;

(d) accepting and reporting on Requests for Exclusion received by the Exclusion Deadline;

(e) establishing and maintaining a Settlement website;

(f) opening an interest-bearing account for the deposit of the Common Fund, at a federally-insured depository institution with a branch in the District of Maryland, and for remitting payments from the Common Fund to eligible members of the Class, the Class Representatives, and Class Counsel, in such amounts as are provided for under the terms of this Agreement and are approved by the Court;

(g) preparing such declarations or affidavits as are necessary to present to the Court with respect to the Settlement Administrator's duties and fulfillment thereof in support of final approval of the Settlement;

(h) issuing Form 1099s, Form W-9s, and any other tax or governmental forms to the extent required to carry out the terms of the Settlement Class; and

(i) such other duties as directed by Sierra Pacific, provided that any modification of the duties referenced in subparts (a)-(h) of this Section must be mutually agreed to by the Parties.

10.3 The Parties consent to the release to the Settlement Administrator of the names, addresses, and social security numbers for Class Members solely for the purposes of fulfilling the Settlement Administrator's duties under this Agreement, which information shall be securely maintained as confidential by the Settlement Administrator and shall be destroyed by the Settlement Administrator at the conclusion of its duties.

## **11. Notice of The Settlement:**

11.1 Notice of the Settlement shall be provided through a Court-approved plan for Notice, which shall include the mailing of the Mailed Notice to the respective members of the Class under this Settlement by the Notice Deadline and by postings such Notice on the Settlement Website, as set forth in this Section.

11.2 Within twenty (20) days following entry of the Preliminary Approval Order, the Settlement Administrator shall mail to the members of the Class a Court-approved Notice substantially in the form attached as **Exhibit A**.

11.3 The Mailed Notice shall be sent by first-class mail to the class member's last known address reflected on the final Class List. If there is more than one borrower on a subject loan and the co-borrowers have the same last known address, the Mailed Notice will be mailed to the co-borrowers' shared last known address. If there is more than one borrower on a subject loan and the co-borrowers have different last known addresses, separate Mailed Notices will be mailed to each co-borrower's last known address.

11.4 The Settlement Administrator shall also establish and maintain a website relating to the Settlement (the "Settlement Website") on which it will post copies of the Mailed Notice, the Second Amended Complaint in the Litigation, and, following their issuance, the Preliminary Approval Order, Final Approval Order, and Final Judgment Order pertaining to this Settlement, as well as contact information for Class Counsel and the Settlement Administrator. The Settlement Website shall be established not later than twenty (20) days after the issuance of the Preliminary Approval Order and will remain active for one hundred eighty (180) days after the Settlement reaches Finality, unless this Agreement is terminated earlier.

11.5 All costs associated with the Notice and Settlement Website shall be paid by Sierra Pacific.

**12. Class Representatives' Service Awards:** The Class Representatives shall have the right to file a motion with the Court, no later than thirty (30) days before the Final Fairness Hearing, for Service Awards to each Class Representative not to exceed one thousand dollars (\$1,000) per Class Representative or group of Class Representatives who are co-borrowers, and shall not exceed \$7,000 in total. Sierra Pacific agrees not to object to such a motion for Service Awards filed by the Class Representatives, provided that it is consistent with this Section. Any Service Awards to the Class Representatives approved by the Court shall be paid from the Common Fund as provided for in Section 7.1 and shall be in addition to the Settlement Benefits payable to the Class Representatives. Each Class Representative receiving a Service Award will provide Sierra Pacific with a completed Form W-9.

Approval by the Court of the Service Awards shall not be a precondition to approval of the Settlement or entry of the Final Judgment Order in accordance with this Agreement. Class Representatives and Class Counsel may not cancel or terminate the Settlement based on the Court's or any Appellate Court's ruling with respect to the Service Awards or the disbursement thereof. Any appeal relating to Service Awards will not affect the Finality of the Settlement, the entry of the Final Approval Order or the Final Judgment Order, or the release provided in Section 16 of this Agreement. Class Counsels' Motion for Service Awards may be considered separately from the Settlement.

**13. Class Counsels' Attorneys' Fees and Costs:** Plaintiffs' Counsel, if appointed as Class Counsel under this Settlement, shall have the right to file a motion with the Court, no later than thirty (30) days before the Final Fairness Hearing, for an award of Class Counsel Fees and Expenses in an amount not to exceed two hundred seventy-five thousand (\$275,000) Dollars, for fees and expenses incurred in the prosecution and settlement of the Litigation Claims pursuant to

the Local Rules of the Court (a “Motion for Fees and Expenses”). While Sierra Pacific has no obligation to support the Class Counsel’s Motion for Fees and Expenses, Sierra Pacific agrees not to oppose any such Motion if Class Counsel seeks an award of fees and expenses of no more than \$275,000, provided that payment of any fees or expenses awarded shall not be made except out of the Common Fund after the Settlement reaches Finality.

13.1 Payment of any award of attorneys’ fees, costs, and expenses shall come from the Common Fund as set forth in Section 7.1 of the Agreement. No check or other method of transferring the funds for the payment of Court-awarded attorneys’ fees, costs, and expenses will be issued until Class Counsel provides signed and completed Form W-9s (current as of the date of payment) to the Settlement Administrator. The manner or method in which any award of Class Counsel Fees and Expenses is divided among Class Counsel shall be the sole responsibility of Class Counsel, shall not affect Sierra Pacific’s rights and obligations under this Agreement or require any additional payments by Sierra Pacific into the Common Fund or to Class Counsel beyond those described in Sections 6 and 7.

13.2 Approval by the Court of Class Counsels’ Motion for Fees and Expenses shall not be a precondition to approval of the Settlement or entry of the Final Judgment Order in accordance with this Agreement. Class Representatives and Class Counsel may not cancel or terminate the Settlement based on the Court’s or any Appellate Court’s ruling with respect to fees, costs, expenses, or the disbursement thereof. Any appeal relating to Class Counsel’s Motion for Fees and Expenses will not affect the Finality of the Settlement, the entry of the Final Approval Order or the Final Judgment Order, or the release provided in Section 16 of this Agreement. Class Counsels’ Motion for Fees and Expenses may be considered separately from the Settlement.



**14. Restoration of Rights, Claims, and Defenses In the Event of Non-Approval:** In

the event that the Settlement under this Agreement does not receive Preliminary and/or Final Approval by the Court or the orders of the Court approving the Settlement do not reach Finality, this Agreement shall terminate, and all negotiations, filings, documents, orders, and proceedings relating thereto shall not be discoverable or admissible in the Litigation or otherwise, and shall be without prejudice to the rights of the Parties hereto, who shall be restored to their respective positions and retain all of their rights and defenses existing immediately prior to the Settlement. For the avoidance of doubt, if the Common Fund has been funded, and the orders of the Court approving the Settlement do not reach Finality or the Settlement is otherwise terminated, any funds remaining in the Common Fund shall be remitted by the Settlement Administrator to Sierra Pacific. This provision will survive termination of this Agreement.

**15. Mutual Non-Disparagement:**

The Parties agree that the Class Representatives will not disparage Sierra Pacific. Similarly, Sierra Pacific will not disparage the Class Representatives.

**16. Release, Waiver, and Covenant Not to Sue:**

16.1 In consideration of the Settlement Benefits and other payments specified in this Agreement, and for other good and valuable consideration, the Class Representatives, all members of the Class, as identified on the final Class Member List, who do not timely exclude themselves from the Settlement, and all of their respective spouses, heirs, executors, personal representatives, subrogees, successors, and assigns (together “the Releasers”), release, remise, resolve, waive, acquit, and forever discharge Sierra Pacific, its predecessors, successors, assigns, past and present parents, and subsidiaries, and all of their past and present agents, directors, officers, employees, shareholders, insurers, financial institution bond-issuers, representatives,

and attorneys (together “the Releasees”) of and from any and all the Released Claims (as defined below).

16.2 The term “Released Claims” means any and all claims, causes of action, suits, obligations, debts, demands, agreements, promises, liabilities, damages, losses, controversies, costs, expenses, and attorneys’ fees of any nature whatsoever, whether based on any federal law, state law, common law, territorial law, foreign law, contract, rule, regulation, regulatory promulgation (including, but not limited to, any opinion or declaratory ruling), common law or equity, whether known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, punitive, compensatory, or equitable, including Unknown Claims (as defined below) as of the date of the Final Approval Order, that any of the Releasers have, had, and/or may have against any of the Releasees which in any way concern and/or relate to: (a) the matters alleged and claims asserted in the Litigation and/or claims that could have been alleged therein based on the facts alleged in the complaints filed in the Litigation; (b) All Star’s closing of and/or provision of settlement and/or title services on the loans brokered or made by Sierra Pacific that are the subject of the Settlement; (c) the origination of the loans that are the subject of the Settlement; (d) the Alleged Claims; (e) any benefit(s), payment(s), and/or thing(s) of value received by Sierra Pacific and/or its employees, agents, and/or representatives from All Star; and (f) any benefit(s), payment(s), and/or thing(s) of value received by All Star from Sierra Pacific and/or its employees, agents, and/or representatives (collectively the “Released Claims”). The Parties shall request that this Release be included in the Final Order and Judgment entered in this case.

16.3 “Unknown Claims” means any Released Claims which the Class Representatives or any other Class Member do not know or suspect to exist in their favor at the time of the release

of such claims which, if known by them might have affected their decision(s) with respect to this Settlement. The Parties stipulate and agree that, upon the entry of the Final Judgment Order, the Class Representatives shall expressly waive, and each of the Class Members who have not opted out shall be deemed to have waived, and by operation of the judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code § 1542, which provides:

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

The Class Representatives acknowledge, and each of the other Class Members shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement. The Class Representatives further acknowledge, and all Class Members shall be deemed by operation of the Final Judgment Order to have acknowledged, that they are aware that they may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matters of the Released Claims, but that it is their intention upon the Effective Date, to have, fully, finally, and forever settled and released any and all claims within the scope of the Released Claims, whether known or unknown, suspected or unsuspected, contingent or noncontingent, whether or not concealed or hidden, which now exist, may hereafter exist, or may heretofore have existed, without regard to the subsequent discovery or existence of such different or additional facts. All of the foregoing is the definition of “Unknown Claims.”

16.4 The Class Representatives and the Class Members agree and covenant not to sue any of the Releasees with respect to any of the Released Claims, or otherwise to assist others in

doing so, and agree to be forever barred from doing so, in any court of law or equity, or any other forum, except for claims to enforce this Agreement.

16.5 Specifically excluded from this Release are any claims or causes of actions of any nature whatsoever by any member of the Class who timely and validly exclude themselves from the Settlement.

**17. Miscellaneous:**

17.1 This Agreement, whether or not finally approved, or whether or not a final judgment is entered, and any and all negotiations, documents, and discussions associated with it, shall not be deemed or construed to be an admission or evidence of any violation of any statute or law, or of any liability or wrongdoing by Sierra Pacific, or of the truth of any of the claims or allegations made in connection with the Litigation. This provision shall survive the termination of this Agreement.

17.2 Sierra Pacific shall be responsible for serving the requisite CAFA Notice within ten (10) days after the filing of the Motion for Preliminary Approval. Sierra Pacific shall provide Class Counsel notice of any objection received in connection with its CAFA Notice or shall confirm no later than ten days before the deadline to file the Motion for Final Approval that no objections were received in connection with its CAFA Notice.

17.3 The Court shall retain jurisdiction over the implementation, enforcement, and performance of this Agreement, and shall have exclusive jurisdiction over any suit, action, proceeding, or dispute arising out of or relating to this Agreement or the applicability of this Agreement.

17.4 This Agreement shall be governed by and interpreted according to the laws of the State of Maryland, without regard to its choice of law or conflict of laws principles, except as to federal law relating to class action settlements under Fed. R. Civ. P. 23(b)(3).

17.5 This Agreement constitutes the entire agreement among the Parties pertaining to the Settlement and supersedes any and all prior and contemporaneous undertakings in connection therewith.

17.6 Modifications or amendments to this Agreement may only be made through a writing executed by the Parties and Class Counsel, provided that after issuance by the Court of the Preliminary Approval Order, any modifications or amendments to this Agreement which limit or reduce the rights of the Class Members or which conflict with any order of the Court must also be approved by the Court.

17.7 This Agreement was drafted jointly by the Parties after arms-length negotiations. Neither Sierra Pacific, nor the Class Representatives or Class Counsel, shall be considered to be the drafter of this Agreement or any of its provisions for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter of this Agreement.

17.8 Where this Agreement requires any party to provide notice or any other communication or document to any other party, such notice, communication, or document shall be provided by letter by overnight delivery and by e-mail to the following persons:

If to Sierra Pacific: Michael Y. Kieval  
Joseph M. Katz  
Weiner Brodsky Kider PC  
1300 Nineteenth Street, NW, Fifth Floor  
Washington, DC 20036  
kieval@thewbkfirm.com  
katz@thewbkfirm.com

If to Class Counsel: Michael Paul Smith  
Melissa English  
Smith, Gildea & Schmidt, LLC  
600 Washington Ave., Suite 200  
Towson, MD 21204  
mpsmith@sgs-law.com  
menglish@sgs-law.com

Timothy F. Maloney  
Veronica B. Nannis  
Joseph, Greenwald & Laake  
6404 Ivy Lane, Suite 400  
Greenbelt, Maryland 20770  
(301) 220-2200 / (301) 220-1214 (fax)  
tmaloney@jgllaw.com  
vnannis@jgllaw.com

17.9 The Parties have carefully and fully read this Agreement and discussed it with their respective attorneys or have been given the opportunity to do so; they understand all terms and conditions of this Agreement; they accept and execute this Agreement as their own free and voluntary act, and with the intent and capacity to be legally bound.

17.10 This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the Parties shall exchange among themselves signed counterparts. Signatures may be originals, or facsimile or scanned copies. This Agreement may be executed by the Parties using a nationally recognized electronic signature vendor, such as Docu-Sign and/or Hello Sign.

[SIGNATURES ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties have executed this Agreement as follows:

08 / 05 / 2021  
\_\_\_\_\_  
Date:

*Nanette Walls*  
\_\_\_\_\_  
Nanette Walls

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Thomas Scott

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Patricia Cronin

\_\_\_\_\_  
Date:

\_\_\_\_\_  
William C. Batton

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Heller Batton

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Gregory P. Dopkowski, Sr.

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Samuel Patterson, Jr.

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Beverly Patterson

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Raheim Patterson

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Syreeta Patterson

IN WITNESS WHEREOF, the parties have executed this Agreement as follows:

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Nanette Walls

Deceased

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Thomas Scott

08 / 09 / 2021

*Patricia K. Cronin*

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Patricia Cronin

\_\_\_\_\_  
Date:

\_\_\_\_\_  
William C. Batton

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Heller Batton

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Gregory P. Dopkowski, Sr.

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Samuel Patterson, Jr.

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Beverly Patterson

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Raheim Patterson

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Syreeta Patterson



IN WITNESS WHEREOF, the parties have executed this Agreement as follows:

\_\_\_\_\_  
Date: Nanette Walls

\_\_\_\_\_  
Date: Thomas Scott

\_\_\_\_\_  
Date: Patricia Cronin

08 / 02 / 2021



\_\_\_\_\_  
Date: William C. Batton

08 / 02 / 2021



\_\_\_\_\_  
Date: Heller Batton

\_\_\_\_\_  
Date: Gregory P. Dopkowski, Sr.

\_\_\_\_\_  
Date: Samuel Patterson, Jr.

\_\_\_\_\_  
Date: Beverly Patterson

\_\_\_\_\_  
Date: Raheim Patterson

\_\_\_\_\_  
Date: Syreeta Patterson

IN WITNESS WHEREOF, the parties have executed this Agreement as follows:

\_\_\_\_\_  
Date: Nanette Walls

\_\_\_\_\_  
Date: Thomas Scott

\_\_\_\_\_  
Date: Patricia Cronin

\_\_\_\_\_  
Date: William C. Batton

\_\_\_\_\_  
Date: Heller Batton

8-4-2021  
\_\_\_\_\_  
Date:   
Gregory P. Dopkowski, Sr.

\_\_\_\_\_  
Date: Samuel Patterson, Jr.

\_\_\_\_\_  
Date: Beverly Patterson

\_\_\_\_\_  
Date: Raheim Patterson

\_\_\_\_\_  
Date: Syreeta Patterson

IN WITNESS WHEREOF, the parties have executed this Agreement as follows:

Date: \_\_\_\_\_ Nanette Walls

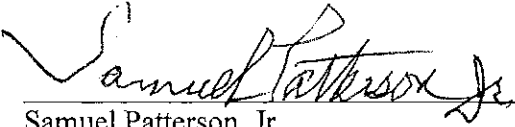
Date: \_\_\_\_\_ Thomas Scott

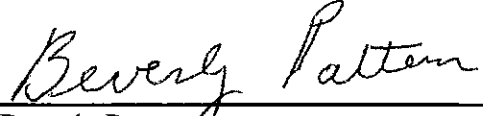
Date: \_\_\_\_\_ Patricia Cronin

Date: \_\_\_\_\_ William C. Batton

Date: \_\_\_\_\_ Heller Batton

Date: \_\_\_\_\_ Gregory P. Dopkowski, Sr.

*Aug 4, 2021*  
Date: \_\_\_\_\_   
Samuel Patterson, Jr.

*Aug 4, 2021*  
Date: \_\_\_\_\_   
Beverly Patterson

Date: \_\_\_\_\_ Raheim Patterson

Date: \_\_\_\_\_ Syreeta Patterson

IN WITNESS WHEREOF, the parties have executed this Agreement as follows:

\_\_\_\_\_  
Date: Nanette Walls

\_\_\_\_\_  
Date: Thomas Scott

\_\_\_\_\_  
Date: Patricia Cronin


\_\_\_\_\_  
Date: William C. Batton


\_\_\_\_\_  
Date: Heller Batton

\_\_\_\_\_  
Date: Gregory P. Dopkowski, Sr.


\_\_\_\_\_  
Date: Samuel Patterson, Jr.

\_\_\_\_\_  
Date: Beverly Patterson

08 / 05 / 2021  
\_\_\_\_\_  
Date:   
Raheim Patterson

08 / 05 / 2021  
\_\_\_\_\_  
Date:   
Syreeta Patterson


08 / 08 / 2021  
\_\_\_\_\_  
Date:

  
\_\_\_\_\_  
Arnold N. Welsh, Jr.

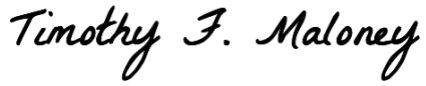
08 / 08 / 2021  
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Date:

  
\_\_\_\_\_  
Lois A. Welsh

08 / 02 / 2021  
\_\_\_\_\_  
Date:

SMITH, GILDEA & SCHMIDT, LLC  
By:   
\_\_\_\_\_  
Michael Paul Smith, Authorized Member

08 / 02 / 2021  
\_\_\_\_\_  
Date:

JOSEPH GREENWALD & LAAKE, P.A.  
By:   
\_\_\_\_\_  
Timothy F. Maloney, Authorized Principal

SIERRA PACIFIC MORTGAGE  
COMPANY, INC.

8/5/2021

\_\_\_\_\_  
Date:

By: Gary Clark  
gary clark , Authorized Agent

<b>TITLE</b>	Walls, et al. v. Sierra Pacific Mortgage - Final Settlement...
<b>FILE NAME</b>	Settlement Agreem...for pltf sigs.pdf
<b>DOCUMENT ID</b>	562369cd556cbb42a5ec1a83f2f60c7751263b47
<b>AUDIT TRAIL DATE FORMAT</b>	MM / DD / YYYY
<b>STATUS</b>	● Out For Signature

## Document History



SENT

**08 / 02 / 2021**

14:50:04 UTC

Sent for signature to Nanette McKelvin (Walls) (nanette.mckelvin@verizon.net), Thomas Scott (tscott89@comcast.net), Patricia Cronin (tscott89@comcast.net), William Batton (bill.batton@zaunerlaw.com), Heller Batton (bill.batton@zaunerlaw.com), Arnold Welsh (loiswelsh1@gmail.com), Lois Welsh (loiswelsh1@gmail.com), Michael Paul Smith (mpsmith@sgs-law.com) and Timothy F. Maloney (tmaloney@jgllaw.com) from sfedak@sgs-law.com  
IP: 71.121.161.122



VIEWED

**08 / 02 / 2021**

14:50:31 UTC

Viewed by Timothy F. Maloney (tmaloney@jgllaw.com)  
IP: 45.41.142.158



SIGNED

**08 / 02 / 2021**

14:50:49 UTC

Signed by Timothy F. Maloney (tmaloney@jgllaw.com)  
IP: 174.198.192.95



VIEWED

**08 / 02 / 2021**

15:18:12 UTC







Viewed by William Batton (bill.batton@zaunerlaw.com)  
IP: 96.86.9.2

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<b>TITLE</b>	Walls, et al. v. Sierra Pacific Mortgage - Final Settlement...
<b>FILE NAME</b>	Settlement Agreem...for pltf sigs.pdf
<b>DOCUMENT ID</b>	562369cd556cbb42a5ec1a83f2f60c7751263b47
<b>AUDIT TRAIL DATE FORMAT</b>	MM / DD / YYYY
<b>STATUS</b>	● Out For Signature

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## Document History

 VIEWED	<b>08 / 02 / 2021</b> 15:18:12 UTC	Viewed by William Batton (bill.batton@zaunerlaw.com) IP: 96.86.9.2
 SIGNED	<b>08 / 02 / 2021</b> 15:25:21 UTC	Signed by William Batton (bill.batton@zaunerlaw.com) IP: 96.86.9.2
 VIEWED	<b>08 / 02 / 2021</b> 15:25:56 UTC	Viewed by Heller Batton (bill.batton@zaunerlaw.com) IP: 96.86.9.2
 SIGNED	<b>08 / 02 / 2021</b> 15:28:00 UTC	Signed by Heller Batton (bill.batton@zaunerlaw.com) IP: 96.86.9.2
 VIEWED	<b>08 / 02 / 2021</b> 16:09:14 UTC	Viewed by Michael Paul Smith (mpsmith@sgs-law.com) IP: 71.121.161.122
 SIGNED	<b>08 / 02 / 2021</b> 16:12:34 UTC	Signed by Michael Paul Smith (mpsmith@sgs-law.com) IP: 107.77.202.108



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<b>TITLE</b>	Walls, et al. v. Sierra Pacific Mortgage - Final Settlement...
<b>FILE NAME</b>	Settlement Agreem...for pltf sigs.pdf
<b>DOCUMENT ID</b>	562369cd556cbb42a5ec1a83f2f60c7751263b47
<b>AUDIT TRAIL DATE FORMAT</b>	MM / DD / YYYY
<b>STATUS</b>	● Out For Signature

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## Document History

**08 / 02 / 2021**  
16:30:31 UTCViewed by Lois Welsh (loiswelsh1@gmail.com)  
IP: 174.192.199.220**08 / 08 / 2021**  
21:16:25 UTCViewed by Arnold Welsh (loiswelsh1@gmail.com)  
IP: 73.86.162.108**08 / 08 / 2021**  
21:22:01 UTCSigned by Arnold Welsh (loiswelsh1@gmail.com)  
IP: 73.86.162.108**08 / 08 / 2021**  
21:22:37 UTCSigned by Lois Welsh (loiswelsh1@gmail.com)  
IP: 73.86.162.108**08 / 08 / 2021**  
21:22:37 UTC**This document has not been fully executed by all signers.**

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<b>TITLE</b>	Walls v. Sierra Pacific Settlement Agreement
<b>FILE NAME</b>	Walls v. Sierra P...xecution Copy.pdf
<b>DOCUMENT ID</b>	315b74a9204463cd5da497d253be5f9773c0bdff
<b>AUDIT TRAIL DATE FORMAT</b>	MM / DD / YYYY
<b>STATUS</b>	● Completed

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## Document History



SENT

**08 / 09 / 2021**

19:47:37 UTC

Sent for signature to Patricia Cronin  
(pcronin2108@gmail.com) from sfedak@sgs-law.com  
IP: 71.121.161.122



VIEWED

**08 / 09 / 2021**

19:57:38 UTC

Viewed by Patricia Cronin (pcronin2108@gmail.com)  
IP: 174.192.195.29



SIGNED

**08 / 09 / 2021**

19:59:57 UTC

Signed by Patricia Cronin (pcronin2108@gmail.com)  
IP: 73.132.97.25



COMPLETED







**08 / 09 / 2021**

19:59:57 UTC

The document has been completed.

<b>TITLE</b>	Sierra Pacific Settlement Terms for Signature
<b>FILE NAME</b>	Settlement Agreem...Patterson Sig.pdf
<b>DOCUMENT ID</b>	79fe6511650e806c755ddefcdf4b25b18c2adacf
<b>AUDIT TRAIL DATE FORMAT</b>	MM / DD / YYYY
<b>STATUS</b>	● Completed

## Document History

 SENT	<b>08 / 05 / 2021</b> 18:03:29 UTC	Sent for signature to Raheim Patterson (raheimpatterson@gmail.com) and Syreeta Patterson (sjpatterson24@gmail.com) from sfedak@sgs-law.com IP: 71.121.161.122
 VIEWED	<b>08 / 05 / 2021</b> 18:17:29 UTC	Viewed by Syreeta Patterson (sjpatterson24@gmail.com) IP: 107.23.239.199
 VIEWED	<b>08 / 05 / 2021</b> 18:28:43 UTC	Viewed by Raheim Patterson (raheimpatterson@gmail.com) IP: 68.134.112.114
 SIGNED	<b>08 / 05 / 2021</b> 18:29:58 UTC	Signed by Syreeta Patterson (sjpatterson24@gmail.com) IP: 107.23.239.199
 SIGNED	<b>08 / 05 / 2021</b> 18:30:52 UTC	Signed by Raheim Patterson (raheimpatterson@gmail.com) IP: 68.134.112.114
 COMPLETED	<b>08 / 05 / 2021</b> 18:30:52 UTC	The document has been completed.

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<b>TITLE</b>	Sierra Pacific Settlement Terms for Signature
<b>FILE NAME</b>	Settlement Agreem...opy - for sig.pdf
<b>DOCUMENT ID</b>	9be201b2755ccca07419bd2166198bc30f627e8a
<b>AUDIT TRAIL DATE FORMAT</b>	MM / DD / YYYY
<b>STATUS</b>	● Completed

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## Document History



SENT

**08 / 05 / 2021**

18:12:15 UTC

Sent for signature to Nanette McKelvin (Walls)  
(nanette.mckelvin@verizon.net) from sfedak@sgs-law.com  
IP: 71.121.161.122



VIEWED

**08 / 06 / 2021**

00:14:18 UTC

Viewed by Nanette McKelvin (Walls)  
(nanette.mckelvin@verizon.net)  
IP: 108.31.79.67



SIGNED

**08 / 06 / 2021**

00:30:17 UTC

Signed by Nanette McKelvin (Walls)  
(nanette.mckelvin@verizon.net)  
IP: 108.31.79.67



COMPLETED

**08 / 06 / 2021**

00:30:17 UTC

The document has been completed.

**Certificate Of Completion**

Envelope Id: 119F0C3DA9B049AA9D7C7BD29FEF5842	Status: Completed
Subject: Please DocuSign: Settlement Agreement - Execution Copy - Clean.pdf	
Source Envelope:	
Document Pages: 33	Signatures: 1
Certificate Pages: 1	Initials: 0
AutoNav: Disabled	Envelope Originator:
Envelopeld Stamping: Disabled	Gary Clark
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	16345471-na2
	Folsom, CA 95630
	gary.clark@sPMC.com
	IP Address: 66.60.165.227

**Record Tracking**

Status: Original	Holder: Gary Clark	Location: DocuSign
8/5/2021 9:17:45 AM	gary.clark@sPMC.com	

**Signer Events**

Signer Events	Signature	Timestamp
Gary Clark gary.clark@sPMC.com Chief Operating Officer Sierra Pacific Mortgage Company, Inc. Security Level: Email, Account Authentication (None)	  Signature Adoption: Pre-selected Style Using IP Address: 66.60.165.227	Sent: 8/5/2021 9:18:09 AM Viewed: 8/5/2021 9:18:16 AM Signed: 8/5/2021 9:19:51 AM Freeform Signing

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

**In Person Signer Events****Signature****Timestamp****Editor Delivery Events****Status****Timestamp****Agent Delivery Events****Status****Timestamp****Intermediary Delivery Events****Status****Timestamp****Certified Delivery Events****Status****Timestamp****Carbon Copy Events****Status****Timestamp**

Michael Kieval  
kieval@thewbkfirm.com  
Security Level: Email, Account Authentication (None)

**COPIED**

Sent: 8/5/2021 9:19:52 AM  
Viewed: 8/5/2021 9:25:01 AM

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

**Witness Events****Signature****Timestamp****Notary Events****Signature****Timestamp****Envelope Summary Events****Status****Timestamps**

Envelope Sent	Hashed/Encrypted	8/5/2021 9:18:09 AM
Certified Delivered	Security Checked	8/5/2021 9:18:16 AM
Signing Complete	Security Checked	8/5/2021 9:19:51 AM
Completed	Security Checked	8/5/2021 9:19:52 AM

**Payment Events****Status****Timestamps**

**NOTICE OF CLASS ACTION AND PROPOSED SETTLEMENT**

This Notice concerns a proposed class action settlement (“Settlement”) in a lawsuit entitled *Walls v. Sierra Pacific Mortgage Company, Inc.*, Civil Action No. 1:19-cv-00595-GLR, pending in the U.S. District Court for the District of Maryland (the “Lawsuit”). If you were a borrower or co-borrower on a residential mortgage loan brokered or originated by Sierra Pacific Mortgage Company, Inc. (“Sierra Pacific”) that was closed by All Star Title, Inc. (“All Star”) between 1/1/12 and 12/31/16, you may be eligible for benefits under the Settlement.

**A FEDERAL COURT AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION FROM A LAWYER.**

**PLEASE READ THIS NOTICE CAREFULLY AS IT AFFECTS YOUR LEGAL RIGHTS**

**What is the Lawsuit about?** The Plaintiffs in the Lawsuit allege that between 1/1/12 and 12/31/16, All Star provided unlawful benefits to certain Sierra Pacific employees and/or agents in exchange for their agreement to refer borrowers to All Star for the settlement of their Sierra Pacific residential mortgage loans, and that Sierra Pacific should be held liable for the alleged improper actions of its employees and/or agents. Sierra Pacific denies the allegations in the Lawsuit and contends that its and its employees’ conduct was at all times lawful and proper. *The Court has not made any judgment or other determination of the liability of Sierra Pacific in the Lawsuit.*

**Why did I get this Notice?** You received this Notice because a Class Action Settlement has been reached in the Lawsuit and because Sierra Pacific’s records show that you may be a member of the Settlement Class described below. This Notice is intended to generally describe the nature of the Lawsuit, the general terms of the proposed Settlement, and your legal rights and obligations.

**Who is part of the Settlement Class?** The Settlement Class includes all individuals in the United States who were borrowers on a federally related mortgage loan (as defined under the Real Estate Settlement Procedures Act, 12 U.S.C. § 2602) originated or brokered by Sierra Pacific for which All Star Title provided a settlement service, as identified in Section 1100 on the HUD-1 or on the borrower’s Closing Disclosure, between January 1, 2012 and December 31, 2016. The Settlement Class does *not* include any person who, during the period of January 1, 2012, through December 31, 2016, was an employee, officer, member and/or agent of Sierra Pacific and/or All Star Title; any judicial officer who handles this case, and the immediate family members of such judicial officer(s); and/or any persons who submit a complete and valid Request for Exclusion by the Exclusion Deadline (defined below).

**You are receiving this notice because you are believed to be a potential member of the Settlement Class**

**YOU DO NOT NEED TO SUBMIT A CLAIM TO RECEIVE SETTLEMENT BENEFITS UNDER THE SETTLEMENT**

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>		
<b>SETTLEMENT CLASS MEMBERS NEED NOT MAKE A CLAIM</b>	If the Court gives final approval to the Settlement, and after all potential appeals are exhausted (if any are filed), members of the Settlement Class will be mailed Settlement Benefits (described below) under the Settlement without submitting a claim.	Anticipated payment date: approximately 40 days after the Settlement obtains Final Approval and the approval of the Settlement is upheld on appeal (if any are filed).
<b>IF YOU WISH TO BE EXCLUDED FROM THE SETTLEMENT, YOU MUST MAIL A REQUEST FOR EXCLUSION BY NO LATER THAN _____, 2021</b>	This is the only option that allows you to retain your rights to independently sue Sierra Pacific about the claims in this Lawsuit. In order to exclude yourself from the Settlement, you must follow the procedure described below and mail your Request for Exclusion to the Settlement Administrator at _____.	The Exclusion Deadline for Requests for Exclusion to be mailed to the Settlement Administrator: _____, 2021

<p><b>IF YOU WISH TO OBJECT TO THE SETTLEMENT, YOU MUST FILE YOUR WRITTEN OBJECTION WITH THE COURT BY NO LATER THAN _____, 2021</b></p>	<p>You may write to the Court about why you object to (i.e., don't like) the Settlement and think it should not be approved. You must follow the procedure described below for objecting to the Settlement and file your written objection with the Court at U.S. District Court for the District of Maryland, Northern Division, 101 West Lombard Street, Baltimore, MD 21201. You must also mail your written objection to Class Counsel, and Counsel for Sierra Pacific.</p> <p>The address for Class Counsel is:</p> <p style="padding-left: 40px;">Michael Paul Smith Melissa English Smith, Gildea &amp; Schmidt, LLC 600 Washington Ave, Ste. 200 Towson, MD 21204</p> <p>The address for Sierra Pacific's Counsel is:</p> <p style="padding-left: 40px;">Michael Y. Kieval Joseph M. Katz Weiner Brodsky Kider PC 1300 Nineteenth Street, NW, Fifth Floor Washington, DC 20036</p> <p>You may not object to the settlement if you submit a Request for Exclusion.</p>	<p>The Objection Deadline for the Filing of Objections with the Court:</p> <p>_____, 2021</p>
<p><b>IF YOU WISH TO ATTEND THE "FINAL FAIRNESS HEARING" ON THE SETTLEMENT</b></p>	<p>The Court will hold a "Final Fairness Hearing" to consider the Settlement, Class Counsel's request for attorneys' fees and expenses, and the Class Representatives' request for service awards. You may, but are not required to, speak at the Final Fairness Hearing if you have filed a timely written objection with the Court. If you intend to speak at the Final Fairness Hearing, you must state your intention to do so in your written objection.</p>	<p>Scheduled Date of Final Fairness Hearing:</p> <p>_____, 2021</p>
<p><b>IF YOU DO NOTHING AND ARE A MEMBER OF THE SETTLEMENT CLASS</b></p>	<p>If you do not timely exclude yourself from the Settlement and the Court gives final approval to the Settlement at or after the Final Fairness Hearing, you will not be able to sue Sierra Pacific for the Released Claims under the Settlement, but you will still be eligible to receive the Settlement Benefits described below.</p>	

These Rights and Options are explained in more detail below.

If you have questions concerning the Settlement, you may contact the Settlement Administrator at: ( ) \_\_\_\_\_ or you can contact Class Counsel for the Settlement at: (410) 821-6705 or mps@sgs-law.com. You may also obtain more information about the Settlement, including a copy of the Settlement Agreement and the Motions and Court Orders relating thereto, through the Settlement Administrator's website at \_\_\_\_\_.

The Court has preliminarily approved the Settlement and will decide later whether to give final approval to the Settlement. The relief provided to Settlement Class Members will be provided only if the Court gives final approval to the Settlement and after any appeals, if any are filed, are resolved in favor of the Settlement. **Please be patient.**

You can also access the filings in the Lawsuit through the Court's public access service, known as PACER, which allows users to obtain case and docket information online through the PACER Case Locator at <https://www.pacer.gov/>.

**PLEASE DO NOT CALL THE COURT FOR INFORMATION ABOUT THE SETTLEMENT.**

**1. What is this lawsuit about?**

The Plaintiffs in the Lawsuit allege that Sierra Pacific and All Star had an agreement by which employees of Sierra Pacific assigned and referred residential mortgage loans to All Star for title and settlement services in exchange for alleged things of value. Plaintiffs contend that this violated certain federal laws and negatively impacted those borrowers who were referred by Sierra Pacific to All Star Title. The Plaintiffs also contend that Sierra Pacific should be held responsible for the conduct of allegedly accepting and that All Star Title should be held responsible for the conduct of allegedly providing unlawful benefits in exchange for an agreement to refer Sierra Pacific borrowers to All Star Title. Sierra Pacific denies the allegations in the Lawsuit and contends that it and its employees' conduct was at all times lawful and proper. Sierra Pacific has agreed to the Settlement solely to avoid the further expense and inconvenience of further proceedings in the Lawsuit and did so without any admission of wrongdoing or liability. *The Court has not made any judgment or other determination of the liability of Sierra Pacific in the Lawsuit.*

**2. What is a class action?**

In a class action lawsuit, one or more people called Plaintiffs sue on behalf of others who may have similar claims. A court can certify a class for purposes of settling claims in a lawsuit. That is what has happened in this case.

**3. Why is there a Settlement?**

To avoid the costs and uncertainties of the Lawsuit, the Plaintiffs, their attorneys, and Sierra Pacific have agreed to resolve the disputed claims involving Sierra Pacific and All Star Title in the Lawsuit through a negotiated settlement. The Settlement allows for the Settlement Class to receive relief through the benefits provided under the Settlement, (as described in Section 5 of this notice) once the Settlement becomes final. Absent this settlement, the Lawsuit could take years to resolve and the members of the Settlement Class could end up receiving nothing, since it is unknown whether the Plaintiffs would succeed in the Lawsuit. In granting preliminary approval to the Settlement, the Court has preliminarily determined that the Settlement is fair and reasonable.

**4. How do I know if I am part of the Settlement?**

The Court has decided that everyone who fits this description is a Settlement Class Member:

All individuals in the United States who were borrowers on a federally related mortgage loan (as defined under the Real Estate Settlement Procedures Act, 12 U.S.C. § 2602) originated or brokered by Sierra Pacific Mortgage Company, Inc., for which All Star Title, Inc., provided a settlement service, as identified in Section 1100 on the borrower's HUD-1 Settlement Statement (HUD-1), or on the borrower's Closing Disclosure (CD), between January 1, 2012 and December 31, 2016. Exempted from this class is any person who, during the period of January 1, 2012 through December 31, 2016, was an employee, officer, member and/or agent of Sierra Pacific Mortgage Company, Inc., or All Star Title, Inc.; any judicial officer who handles this case, and the immediate family members of such judicial officer(s); and/or any persons who submit a complete and valid Request for Exclusion by the Exclusion Deadline (defined below).

**5. What relief does the Settlement provide to the Settlement Class Members?**

The Settlement provides that Sierra Pacific will fund a Settlement Fund of \$990,000.00 plus Class Counsel Fees and Expenses and Class Representative Service Awards (if any are awarded by the Court). The Settlement Fund will be placed into a Common Fund administered by a Court-appointed Settlement Administrator.

The Settlement provides for the following Settlement Benefits:

Each of these class members shall receive by check a proportionate share of the Common Fund remaining after deduction of any awards of Class Counsel Fees and Expenses and Service Awards as provided in [the Settlement Agreement]. The formula for distribution shall be the Common Fund less any awards of Class Counsel Fees and Expenses and Service Awards, divided by the number of members of the Class who did not file a complete and valid Request for Exclusion by the Exclusion Deadline.



To the extent that there is more than one borrower on a Sierra Pacific loan subject to this Settlement, the co-borrowers shall be deemed to be one member of the Class and the Settlement Benefits shall be paid by check payable jointly to the co-borrowers on such loan.

At this time, Class Counsel estimates that each Borrower (jointly with their co-borrowers, if any) will receive approximately \$3,200 in Settlement Benefits, however the ultimate payment could end up being higher or lower. Settlement benefits will be mailed to members of the Settlement Class in the form of a check.

The payment of Settlement Benefits is based upon the Settlement receiving final approval, and such approval being upheld on appeal (if any are filed). Any amount remaining in the Common Fund after the payment of benefits will be returned to Sierra Pacific.

**6. Who represents the Settlement Class in the Lawsuit?**

The Settlement Class is represented by Class Representatives, who are Plaintiffs in the Lawsuit. The appointed Settlement Class Representatives are: Nanette Walls, Thomas Scott and Patricia Cronin, William C. and Heller Batton, Gregory P. Dopkowski, Sr., Samuel and Beverly Patterson, Jr., Raheim and Syreeta Patterson, and Arnold N. and Lois Welsh, Jr.

The Court has also appointed the Plaintiffs' Counsel to serve as Class Counsel for the Settlement Class. Class Counsel for the Settlement Class are: Michael Paul Smith and Melissa L. English, of the law firm Smith, Gildea & Schmidt, LLC, and Timothy F. Maloney and Veronica B. Nannis, of the law firm Joseph Greenwald & Laake, P.A. Class counsel may be contacted as follows:

By telephone to: (410) 821-6705

By email to: [mps@sgs-law.com](mailto:mps@sgs-law.com)

By mail to: Michael Paul Smith, Smith Gildea & Schmidt, LLC, 600 Washington Avenue, Suite 200, Towson, MD 21204.

**7. Will the Settlement Class Representatives receive any compensation for their efforts in bringing this Action?**

The Class Representatives (or each pair of Class Representatives who are co-borrowers) will request a service award of up to \$1,000, and collectively \$7,000, for their services and efforts in bringing the Lawsuit. The Court will make the final decision as to the amount to be paid to the Class Representatives at or after the Final Fairness Hearing. These payments to the Class Representatives will be paid separately and in addition to the Settlement Benefits available to the Class Representatives, and will not reduce the benefit paid to other members of the Settlement Class.

**8. How will Class Counsel be paid?**

Class Counsel will ask the Court to give final approval of the Settlement at the Final Fairness Hearing, and will also ask the Court for an award of attorneys' fees plus expenses in an amount not to exceed Two Hundred Seventy-Five Thousand (\$275,000) Dollars. The Court will make the final decision as to the amounts to be paid to Class Counsel at or after the Final Fairness Hearing. This payment will be deducted from the Common Fund before the payment of Settlement Benefits, and is being paid separate from and in addition to the Settlement Benefits to the Sierra Pacific Class. Any award of fees and expenses to Class Counsel will not reduce the benefit paid to members of the Settlement Class.

**9. How do I get paid Settlement Benefits under the Settlement?**

*If you are a member of the Settlement Class and do not timely exclude yourself from the Settlement, you (and your co-borrower, if any) will be paid the Settlement Benefit described in Section 5 above by the Settlement Administrator from the Common Fund approximately 40 days after the Settlement obtains Final Approval and the approval of the Settlement is upheld on appeal (if any are filed). Settlement Class members who do not timely exclude themselves from the class will not need to submit a claim or take other action in order to receive the Settlement Benefits.*

**10. What do Settlement Class Members give up to obtain relief under the Settlement?**

If the Settlement receives final approval, the Court will enter a Final Order and Judgment dismissing the Action "with prejudice" (i.e., meaning that it cannot be filed again).

The Settlement Agreement provides for Class Counsel and Sierra Pacific's counsel to compile a final Class Member List. Upon the entry of the Final Order and Judgment, the Settlement provides that the Class Representatives, all members of the Class, as identified on the final Class Member List, who do not timely exclude themselves from the Settlement, and all of their respective spouses, heirs, executors, personal representatives, subrogees, successors, and assigns (together "the Releasers"), release, remise, resolve, waive, acquit,

and forever discharge Sierra Pacific, its predecessors, successors, assigns, past and present parents, and subsidiaries, and all of their past and present agents, directors, officers, employees, shareholders, insurers, financial institution bond-issuers, representatives, and attorneys (together “the Releasees”) of and from any and all the Released Claims (as defined below).

“Released Claims” means any and all claims, causes of action, suits, obligations, debts, demands, agreements, promises, liabilities, damages, losses, controversies, costs, expenses, and attorneys’ fees of any nature whatsoever, whether based on any federal law, state law, common law, territorial law, foreign law, contract, rule, regulation, regulatory promulgation (including, but not limited to, any opinion or declaratory ruling), common law or equity, whether known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, punitive, compensatory, or equitable, including Unknown Claims (as defined below) as of the date of the Final Approval Order, that any of the Releasees have, had, and/or may have against any of the Releasees which in any way concern and/or relate to: (a) the matters alleged and claims asserted in the Litigation and/or claims that could have been alleged therein based on the facts alleged in the complaints filed in the Litigation; (b) All Star’s closing of and/or provision of settlement and/or title services on the loans brokered or made by Sierra Pacific that are the subject of the Settlement; (c) the origination of the loans that are the subject of the Settlement; (d) the Alleged Claims; (e) any benefit(s), payment(s), and/or thing(s) of value received by Sierra Pacific and/or its employees, agents, and/or representatives from All Star; and (f) any benefit(s), payment(s), and/or thing(s) of value received by All Star from Sierra Pacific and/or its employees, agents, and/or representatives (collectively the “Released Claims”). The Parties shall request that this Release be included in the Final Order and Judgment entered in this case.

**The release includes “Unknown Claims,” which means any Released Claims which the Class Representatives or any other Class Member do not know or suspect to exist in their favor at the time of the release of such claims which, if known by them might have affected their decision(s) with respect to this Settlement. The Parties stipulate and agree that, upon the entry of the Final Judgment Order, the Class Representatives shall expressly waive, and each of the Class Members who have not opted out shall be deemed to have waived, and by operation of the judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code § 1542, which provides:**

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

The Class Representatives acknowledge, and each of the other Class Members shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement. The Class Representatives further acknowledge, and all Class Members shall be deemed by operation of the Final Judgment Order to have acknowledged, that they are aware that they may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matters of the Released Claims, but that it is their intention upon the Effective Date, to have, fully, finally, and forever settled and released any and all claims within the scope of the Released Claims, whether known or unknown, suspected or unsuspected, contingent or noncontingent, whether or not concealed or hidden, which now exist, may hereafter exist, or may heretofore have existed, without regard to the subsequent discovery or existence of such different or additional facts. All of the foregoing is the definition of “Unknown Claims.”

The Class Representatives and the Class Members agree and covenant not to sue any of the Releasees with respect to any of the Released Claims, or otherwise to assist others in doing so, and agree to be forever barred from doing so, in any court of law or equity, or any other forum, except for claims to enforce this Agreement.

If you exclude yourself from the Settlement Class, you will retain the right to bring a claim against Sierra Pacific relating to the Released Claims, but you would not have representation provided for you through this lawsuit, and you would be responsible for hiring your own attorney, at your own expense.

**11. How do Settlement Class Members exclude themselves from the Settlement?**

Any member of the Settlement Class shall have the right to exclude themselves (i.e., opt out) from the Settlement Class by sending a written Request for Exclusion from the Settlement Class to the Settlement Administrator at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Requests for exclusion must be mailed the Settlement Administrator in a post-marked envelope no later than the Exclusion Deadline of \_\_\_\_\_, 2021, and must be signed by the person requesting exclusion from the Settlement Class and any co-borrower(s) on

their Sierra Pacific loan. Requests for Exclusion must also include the requestor's full name and current address, the full name and current address of any co-borrower(s) on their Sierra Pacific loan, the address of the property which secured their Sierra Pacific loan, and an affirmation, under penalty of perjury, that the requestor seeking to be excluded from the Settlement Class and their co-borrower(s), if any, wish to opt-out of the Settlement Class and understand that, in doing so, they will not be entitled to any Settlement Benefits under the Settlement.

If you submit a timely and valid Request for Exclusion from the Class, you will not be a part of the Settlement, will not be eligible to receive Settlement Benefits, will not be bound by the Final Order and Judgment entered in the Lawsuit, and will not be precluded from suing on the Released Claims at your own cost.

**12. How do I tell the Court that I do not like (object to) the Settlement?**

At the date, time, and location stated below, the Court will hold a Final Fairness Hearing to determine if the Settlement is fair, reasonable, and adequate, and to also consider Class Counsel's request for an award of attorneys' fees and expenses, and service awards to the Class Representatives.

If you have not submitted a timely and valid exclusion request and wish to object to the Settlement, you must file with or mail to the U.S. District Court for the District of Maryland, Northern Division, 101 West Lombard Street, Baltimore, MD 21201, and also mail to Class Counsel, Michael Paul Smith, Smith, Gildea & Schmidt, LLC, 600 Washington Ave, Ste. 200, Towson, MD 21204, and to Sierra Pacific's Counsel, Michael Y. Kieval and Joseph M. Katz, Weiner Brodsky Kider PC, 1300 Nineteenth Street, NW, Fifth Floor, Washington, DC 20036, a written objection ("Objection") by the Objection Deadline of \_\_\_\_\_, 2021, that complies with the following requirements. All Objections must be signed by the person(s) making the objection, or an attorney or legal guardian authorized to act on their behalf, and must set forth in detail each component of the Settlement to which they object, the reasons for each such objection, and any legal authority that they wish the Court to consider in support thereof. Objections must also include the objector's full name and current address, the full name and current address of any co-borrower(s) on their Sierra Pacific loan, the address of the property which secured their Sierra Pacific loan, and an affirmation, under penalty of perjury, that the person on whose behalf the objection is filed and their co-borrower(s), if any, object to the Settlement and intend to appear at the Final Fairness Hearing, at which time their objections will be considered, if not previously withdrawn.

You may, but need not, submit your written objection through an attorney of your choice. If you do make your objection through an attorney, you will be responsible for your own attorney's fees and costs. Objections filed by attorneys registered for e-filing with this Court on behalf of Settlement Class Members must be filed through the Court's electronic court filing ("ECF") system. An objection filed with the Court via ECF may redact the objector's telephone number or email address, so long as the unredacted version is mailed to Class Counsel and counsel for Sierra Pacific.

**IF YOU DO NOT TIMELY AND PROPERLY MAKE YOUR OBJECTION, YOU WILL BE DEEMED TO HAVE WAIVED ALL OBJECTIONS TO THE SETTLEMENT AND WILL NOT BE ENTITLED TO SPEAK AT THE FINAL FAIRNESS HEARING.**

If you file and mail a timely objection that complies with this paragraph, you must appear at the Final Fairness Hearing, either in person or through an attorney of your own choice hired at your expense, to object to the fairness, reasonableness, or adequacy of the Settlement, or to the award of attorneys' fees, expenses, and costs or to the service awards to the Plaintiffs.

**13. What is the difference between excluding myself and objecting to the Settlement?**

Objecting is simply telling the Court that you don't like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you don't want to be part of the Settlement Class. If you timely exclude yourself, you have no basis to object because the Settlement will no longer affect you.

To the extent any person purports to both object to the settlement and submit a Request for Exclusion from the Class, the objection shall be deemed invalid and of no effect, and the person shall be deemed solely to have opted-out of the class.

**14. When and where will the Final Fairness Hearing occur?**

The Court has preliminarily approved the Settlement and will hold a hearing to decide whether to give final approval to the Settlement. The purpose of the Final Fairness Hearing will be for the Court to determine whether the Settlement should be approved as fair,

reasonable, adequate, and in the best interests of the Class; to consider the award of attorneys' fees and expenses to Class Counsel; and to consider the request for a service award to the Class Representatives.

The Final Fairness Hearing will take place at \_\_\_\_\_ .m. on \_\_\_\_\_, 2021 in Courtroom \_\_ of the United States Courthouse, Northern Division, 101 West Lombard Street, Baltimore, MD 21201. The Court may elect to hold the Final Fairness Hearing by telephone or through some other virtual means at the same time and date. The hearing may be postponed to a different date or time or location as may be reflected on the online docket for the Lawsuit accessible through PACER. Please check the Settlement Administrator's website at \_\_\_\_\_ for updates about the Settlement generally or the Final Fairness Hearing specifically.

At that hearing, the Court will be available to consider objections concerning the fairness of the Settlement. As described above in Section 12 of this Notice, you may speak at the Final Fairness Hearing only if: (a) you have timely filed your written objection with the Court and timely mailed your written objection to Class Counsel and Counsel for Sierra Pacific; and (b) followed the procedures set forth above for notifying the Court and the parties that you intend to speak at the Final Fairness Hearing. If you have requested exclusion from the Settlement, however, you may not speak at the Final Fairness Hearing.

#### **GETTING MORE INFORMATION & UPDATED INFORMATION ABOUT THE SETTLEMENT**

To see a copy of the Settlement Agreement (which defines certain capitalized terms used in this notice and provides a brief summary of what has happened in the Lawsuit), the Court's preliminary approval order, the operative complaint filed in the Lawsuit, and other filings regarding the Settlement, please visit the Settlement Website located at: \_\_\_\_\_. Alternatively, you may contact the Settlement Administrator at [postal address].

The above description of the Lawsuit is general and does not cover all of the issues and proceedings that have occurred in the Lawsuit. In order to see the complete file for the Lawsuit, you may access it online through the PACER system at <http://pacer.psc.uscourts.gov/>. You may also contact Class Counsel by calling (410) 821-6705.

**DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT TO THE COURT.**

Dated:

By: Order of the U.S. District Court  
For the Northern District of Maryland  
Honorable George L. Russell, Magistrate Judge

# EXHIBIT 2

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND  
NORTHERN DIVISION

NANNETTE WALLS, et al

*Plaintiffs,*

v.

Civil Action No.:1:19-cv-00595-GLR

SIERRA PACIFIC MORTGAGE  
COMPANY, INC.

*Defendant.*

**CERTIFICATE OF PLAINTIFFS' COUNSEL MICHAEL PAUL SMITH**

1. I am a member of Smith, Gildea & Schmidt, LLC and serve as co-lead counsel for the Plaintiffs in this matter. I am over the age of 18 and am competent to testify.

2. I have personal knowledge of the facts contained in this Declaration.

3. I make this Declaration in support of Plaintiffs' Motion for Preliminary Approval of a Proposed Class Action Settlement of this matter.

4. I received my J.D. from the University of Baltimore and was admitted to the Bar in 1992. In addition to being admitted to this Court, I am admitted to the U.S. District Court for the District of Maryland and the Bar of the State of Maryland.

5. During law school (all 4 years of night school), I clerked for the Honorable Joseph F. Murphy, Jr. in the Circuit Court for Baltimore County, the first 2 years as his courtroom clerk and the second two years as his law clerk. After law school, I joined the law firm of Power & Mosner. In my third year as an associate at Power & Mosner, I was made a partner and contemporaneously therewith the firm became known as Bodie, Nagle, Dolina, Smith and Hobbs, PA. In 2010, I left Bodie and merged with Gildea & Schmidt to form Smith, Gildea & Schmidt as the head of Litigation.

6. I am on the legislative committee of the Maryland Association of Justice.

7. I lecture to other attorneys regarding trial techniques and skills.

8. I have represented plaintiffs for 27 years and have tried over 50 cases in state

and federal courts. I regularly try complex civil cases in the areas of commercial litigation, fraud, and banking/real estate issues. This experience includes serving as lead counsel in multi-plaintiff litigation, *Kober, et al. v. Presidential Bank*, Case Nos. C-10-12707, C-10-13043, C-10-12871, C-10-13041, C-10-13041, and C-10-12705, in the Circuit Court for Baltimore County, as well as litigation involving a \$20 million Ponzi scheme, *Repid v. Sandy Spring Insurance Company*, Case No. 03-C-13-001708, also in the Circuit Court for Baltimore County.

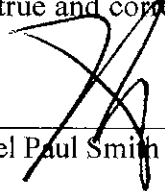
9. I am a member of the Maryland Association for Justice and am an AV-rated attorney by Martindale Hubble. My firm has significant experience in preparing and trying complicated cases, including but not limited to *Mosaic Lounge v. BCR*, Case No. 03-C-14-00449, in the Circuit Court for Baltimore County and *Possidente v. GBMC*, Case No. 03-C-10-003295, also in the Circuit Court for Baltimore County.

10. I was appointed by the court as class counsel in the U.S. District Court for the District of Maryland and the Southern District of Ohio, both of which were certified as well. *Fangman v. Genuine Title, LLC*, Case No. 1:14-cv-00081-RDB, 2016 WL 6600509 (D. Md. Nov. 8, 2016); *Palombaro v. Emery Fed. Credit Union*, No. 1:15-cv-792, 2017 U.S. Dist. LEXIS 6365 (S.D. Ohio Aug. 10, 2017). I also have been accepted by the court and serve as settlement counsel as to five other defendants in that case, all of which have been approved as final by the U.S. District Court for the District of Maryland. *See, e.g., Fangman v. Genuine Title, LLC*, No. 1:14-cv-00081-RDB, 2017 WL 86010 (D. Md. Jan. 10, 2017).

11. I have been appointed class and/or settlement class counsel in RESPA class action cases currently pending in the District of Maryland, as well as in class action cases in other courts. *See Baugh v. Fed Sav. Bank*, No. SAG-17-1735, 2020 U.S. Dist. LEXIS 226522 (D. Md. Dec. 2, 2020); *Bezek v. First Mariner Bank*, No. SAG-17-2902, 2020 U.S. Dist. LEXIS 183174 (D. Md. Oct. 2, 2020); *Dobbins v. Bank of Am., N.A.*, Case No. SAG-17-0540, 2020 U.S. Dist. LEXIS 156315 (D. Md. Aug. 28, 2020); *James v. Acre Mortg. & Fin., Inc.*, No. SAG-17-1734, 2020 U.S. Dist. LEXIS 96633 (D. Md. June 2, 2020); *Edmondson v. Eagle Nat'l Bank*, Case No. SAG-16-3938, 2020 U.S. Dist. LEXIS 89690 (D. Md. May 21, 2020); *Perzinski v. Competitive Title Inc.*, No. cv-01511-TJS, ECF Doc. 86 (Feb. 2, 25, 2020) (Order Granting Preliminary Approval); *Conover v. Patriot Land Transfer, LLC*, No. 1:17-cv-04625-RMB-JS, ECF Doc. 120 (Sept. 21, 2020) (Order Granting Final Approval) (D.N.J.); *Donaldson v. Primary Residential Mortg. Inc.*, No. 1:19-cv-01175-ELH (ECF Doc. 49) (Order Granting Preliminary Approval); *Avery v. J.G. Wentworth Home Lending*, Case No. 8:19-cv-03303-TJS, ECF Doc. 35 (Feb. 2, 2021) (Order Granting Preliminary Approval); *Somerville v. West Town Bank & Trust*, Case No. 8:19-cv-00490-PJM, ECF Doc. 90 (Feb. 4, 2021) (Order Granting Motion to Certify Class); *Ekstrom v. Congressional Bank*, Case No. 1:20-cv-01501-ELH, ECF Doc. 42 (July 28, 2021) (Order Granting Preliminary Approval).

I declare under penalty of perjury that the foregoing is true and correct.

8/9/21  
Date

  
\_\_\_\_\_  
Michael Paul Smith



# EXHIBIT 3

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND  
NORTHERN DIVISION**

**NANNETTE WALLS, et al**

*Plaintiffs,*

v.

**SIERRA PACIFIC MORTGAGE  
COMPANY, INC.**

*Defendant.*

Civil Action No.:1:19-cv-00595-GLR

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**DECLARATION OF PLAINTIFFS' COUNSEL MELISSA L. ENGLISH**

1. I am a partner and director of the Complex Litigation Group at Smith, Gildea & Schmidt, LLC, and serve as co-lead counsel for the Plaintiffs in this matter. I am over the age of 18 and am competent to testify.

2. I have personal knowledge of the facts contained in this Declaration.

3. I make this Declaration in support of Plaintiffs' Motion for Preliminary Approval of a Proposed Class Action Settlement of this matter.

4. I received my J.D. from the University of Arizona in 2004. I am licensed in Maryland and North Carolina, and, in addition to this Court, I am admitted to the Fourth Circuit Court of Appeals, the U.S. District Court for the Middle District of North Carolina, the U.S. District Court for the Western District of North Carolina, the U.S. District Court for the District of Arizona, and the Ninth Circuit Court of Appeals.

5. In addition to practicing complex civil litigation, I have served as an Assistant Professor of Business Law in the College of Business at Western Carolina University.

6. I have practiced in the area of complex civil litigation for over 15 years focusing on complex commercial, banking/real estate, employment, and intellectual property litigation. This experience includes litigating complex commercial matters to verdict in state and federal courts in Arizona, North Carolina, and Maryland.

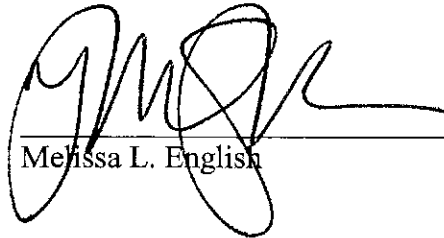
7. I have been appointed class and/or settlement class counsel in RESPA class action cases currently pending in the District of Maryland, as well as in class action cases in

other courts. *See Baugh v. Fed. Sav. Bank*, Case No. SAG-17-1735, 2020 U.S. Dist. LEXIS 226522 (D. Md. Dec. 2, 2020); *Bezek v. First Mariner Bank*, Case No. SAG-17-2902, 2020 U.S. Dist. LEXIS 183174 (D. Md. Oct. 2, 2020); *Dobbins v. Bank of Am., N.A.*, No. SAG-17-0540, 2020 U.S. Dist. LEXIS 156315 (D. Md. Aug. 28, 2020); *James v. Acre Mortg. & Fin., Inc.*, No. SAG-17-1734, 2020 U.S. Dist. LEXIS 96633 (D. Md. June 2, 2020); *Edmondson v. Eagle Nat'l Bank*, No. SAG-16-3938, 2020 U.S. Dist. LEXIS 89690 (D. Md. May 21, 2020); *Perzinski v. Competitive Title Inc.*, Case No. cv-01511-TJS, ECF Doc. 86 (Feb. 2, 25, 2020) (Order Granting Preliminary Approval); *Conover v. Patriot Land Transfer, LLC*, No. 1:17-cv-04625-RMB-JS, ECF Doc. 120 (Sept. 21, 2020) (Order Granting Final Approval) (D.N.J.); *Donaldson v. Primary Residential Mortg. Inc.*, No. 1L19-cv-01175-ELH (ECF Doc. 49) (Order Granting Preliminary Approval); *Avery v. J.G. Wentworth Home Lending*, Case No. 8:19-cv-03303-TJS, ECF Doc. 35 (Feb. 2, 2021) (Order Granting Preliminary Approval); *Somerville v. West Town Bank & Trust*, Case No. 8:19-cv-00490-PJM, ECF Doc. 90 (Feb. 4, 2021) (Order Granting Motion to Certify Class); *Ekstrom v. Congressional Bank*, Case No. 1:20-cv-01501-ELH, ECF Doc. 42 (July 28, 2021) (Order Granting Preliminary Approval).

8. I served as co-counsel on RESPA class actions in the District of Maryland and other Courts, two of which were certified as class actions. *See Fangman v. Genuine Title, LLC*, No. 1:14-cv-00081-RDB, 2016 WL 6600509 (D. Md. Nov. 8, 2016); *Palombaro v. Emery Fed. Credit Union*, No. 1:15-cv-792, 2017 U.S. Dist. LEXIS 6365 (S.D. Ohio Aug. 10, 2017).

I declare under penalty of perjury that the foregoing is true and correct.

Aug. 9, 2021  
Date

  
\_\_\_\_\_  
Melissa L. English

# EXHIBIT 4

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND  
NORTHERN DIVISION**

**NANNETTE WALLS, et al**

*Plaintiffs,*

v.

**SIERRA PACIFIC MORTGAGE  
COMPANY, INC.**

*Defendant.*

Civil Action No.:1:19-cv-00595-GLR

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**DECLARATION OF PLAINTIFFS' COUNSEL TIMOTHY F. MALONEY**

1. I am a shareholder at Joseph, Greenwald & Laake, P.A. ("JGL"), and serve as co-lead counsel for the Plaintiffs in this matter. I am over the age of 18 and am competent to testify.

2. I have personal knowledge of the facts contained in this Declaration.

3. I make this Declaration in support of Plaintiffs' Motion for Preliminary Approval of a Proposed Class Action Settlement of this matter.

4. I am a shareholder of JGL, having joined in 1999 and its complex litigation department and have practiced there ever since. I received my J.D. from the University of Baltimore and was admitted to the Maryland Bar in 1986. I am admitted to the Bars of the State of Maryland, the District of Columbia, the U.S. District Court for the District of Maryland, the U.S. District Court for the District of Columbia, the U.S. Court of Appeals for the District of Columbia Circuit, the U.S. Court of Appeals for the Fourth Circuit and the U.S. Supreme Court.

5. After law school, I clerked for the Honorable Howard S. Chasanow in the Circuit Court for Prince George's County, Maryland, and was then a partner in the firm of Camus & Maloney from 1986 to 1999.

6. I am permanent member of the Fourth Circuit Judicial Conference. I served from 1998–2014 as a member of the Court of Appeals Standing Committee on Rules of Practice and Procedure. I have served on the Md. Appellate Nominating Commission since 2007. I am a member of the Ethics Committee of the Maryland State Bar Association. I also served on numerous governmental commissions and task forces.

7. I am a fellow of the American College of Trial Lawyers. I am also a member of the Maryland Association for Justice and received its Trial Lawyer of the Year award in 2011 for leading the trial team in *Espina v. Jackson*. I regularly argue before the appellate courts.

8. I also regularly lecture to other attorneys regarding trial and appellate techniques and skills, including for classes sponsored by the Maryland Court of Appeals and the U.S. District Court for the District of Maryland.

9. I have represented plaintiffs for more than 34 years and have tried over 100 cases in state and federal courts. I regularly try complex civil cases in the areas of commercial litigation, fraud, and constitutional violations. This includes serving as trial and appellate counsel in two of the largest jury verdicts ever against a municipality in two constitutional violation cases, *Prince George's Cnty. v. Longtin*, 419 Md. 450, 19 A.3d 859 (2011) and *Espina v. Jackson*, 442 Md. 311, 112 A.3d 442 (2015).

10. I have served as plaintiffs' counsel in class action cases before, including in this Court. See *Robert J. England, et al. v. Marriot International, Inc. et al.* Case No. 8:10-cv-01256-RWT; *In re Michelin North America, Inc., PAX System Marketing & Sales Practice Litigation*, Case No. 08:08-md-01911-RWT; *Travis, et al. v. Walden University, LLC, et al.*, Case No. 1:15-cv-00235-MJG; *Stubbs, et al. v. Board of Education of Anne Arundel County*, Case No. C-02-CV-15-003934.

11. I was appointed Class Counsel in nearly identical RESPA cases to this one: *Fangman v. Genuine Title, LLC*, Case No. 1:14-cv-00081-RDB, 2016 U.S. Dist. LEXIS 154582 (D. Md. Nov. 8, 2016); *Frank A. v. Emery Fed. Credit Union*, No. 1:15-cv 792, 2017 U.S. Dist. LEXIS 127022 (S.D. Ohio Aug. 10, 2017).

12. In 2019, this Court, (the Honorable Paul W. Grimm presiding) named me to the Consumer Plaintiffs' Steering Committee ("PSC") in *In re Marriot Int'l Customer Data Security Breach Litig.*, D. Md. MDL No. 19-md-2879. This multi-district litigation is the largest data breach class action ever brought in the United States, and Judge Grimm selected me to the PSC and additionally appointed me to serve as Consumer Plaintiffs' Co-Liaison Counsel from hundreds of plaintiffs' attorneys nationwide who had sought leadership positions. This case is still pending in this Court.

13. My firm has been representing plaintiffs for more than 50 years in the state and federal courts in Maryland and beyond. The firm has decades of experience handling complex commercial and other federal cases. It also has experience handling class actions, including the following recent cases: *Smith v. Washington Post Co.*, 962 F. Supp. 2d 79 (D.D.C. 2013); *Grayson v. Register Tapes Unlimited, Inc.*, No. CIV. RWT 11-887, 2013 WL 1953342 (D. Md. May 9, 2013); *Essame v. SSC Laurel Operating Co. LLC*, 847 F. Supp. 2d 821 (D. Md. 2012); *Doll v. Ford Motor Co.*, 814 F. Supp. 2d 526 (D. Md. 2011); and *Mario*

*Ernesto Amaya et al. v. DGS Construction, LLC et al.*, No. CIV. 8:16-cv-03350-TDC (D. Md. 2017).

I declare under penalty of perjury that the foregoing is true and correct.

8/9/21  
Date \_\_\_\_\_

  
\_\_\_\_\_  
Timothy F. Maloney

**EXHIBIT 5**



IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND  
NORTHERN DIVISION

**NANNETTE WALLS, et al**

*Plaintiffs,*

v.

**SIERRA PACIFIC MORTGAGE  
COMPANY, INC.**

*Defendant.*

Civil Action No.:1:19-cv-00595-GLR

---

**DECLARATION OF PLAINTIFFS' COUNSEL VERONICA B. NANNIS**

1. I am a partner at Joseph, Greenwald & Laake, P.A. ("JGL"), and serve as co-lead counsel for the Plaintiffs in this matter. I am over the age of 18 and am competent to testify.

2. I have personal knowledge of the facts contained in this Declaration.

3. I make this Declaration in support of Plaintiffs' Motion for Preliminary Approval of a Proposed Class Action Settlement of this matter.

4. I received my J.D. and Master's Degree from The Catholic University of America in 2002 and was admitted to the Maryland Bar in 2002. I am also admitted to the Bar of the District of Columbia, the U.S. District Court for the District of Maryland, and the U.S. District Court for the District of Columbia, as well as the U.S. Court of Appeals for the Fourth Circuit. I have a national practice representing whistleblowers in fraud cases in federal court, some involving complex kickback schemes. In addition to my work in Maryland, I am currently leading cases in federal courts in New Jersey, South Dakota, Washington and Indiana.

5. I joined JGL in 2002 and am a partner in their complex civil litigation department, overseeing the department's associates, paralegals and law clerks.

6. I have represented Plaintiffs for 19 years and for the past 13 years have focused on complex fraud cases under the False Claims Act. For unsealed cases that I am able to publicly discuss, I served as lead counsel in a whistleblower action involving kickback allegations that yielded a \$20.5 million settlement for the Government in 2019 (*United States ex rel. Bechtold, et al. v. Asfora, et al.*, No. 4:16-cv-04115-LLP (D.S.D.)).

Similarly, I also served as lead counsel in a whistleblower action alleging a nationwide kickback scheme that resulted in an \$18 million settlement for the government in 2020 (*United States ex rel. Charles Wolf v. Merit Medical*) (D. NJ.). I also worked with co-Class Counsel Timothy Maloney on the trial team of *Espina v. Jackson*, 442 Md 311, 112 A.3d 442 (2015) (the largest jury verdict against the County for an excessive force case). I was one of the lawyers who received its Trial Lawyer of the Year award in 2011 for our work on the *Espina* matter.

7. I was appointed Class Counsel in nearly identical RESPA cases to this one: *Fangman v. Genuine Title, LLC*, Case No. 1:14-cv-00081-RDB, 2016 U.S. Dist. LEXIS 154582 (D. Md. Nov. 8, 2016); *Frank A. v. Emery Fed. Credit Union*, No. 1:15-cv-792, 2017 U.S. Dist. LEXIS 127022 (S.D. Ohio Aug. 10, 2017).

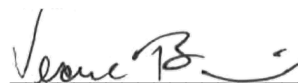
8. In 2019, this Court, (the Honorable Paul W. Grimm presiding) named me to the Consumer Plaintiffs' Steering Committee ("PSC") in *In re Marriot Int'l Customer Data Security Breach Litig.*, D. Md. MDL No. 19-md-2879. This multi-district litigation is the largest data breach class action ever brought in the United States, and Judge Grimm selected me to the PSC and additionally appointed me to serve as Consumer Plaintiffs' Co-Liaison Counsel from hundreds of plaintiffs' attorneys nationwide who sought leadership positions. This case is still pending in this Court.

9. My firm has been representing plaintiffs for more than 50 years in the state and federal courts in Maryland and beyond. The firm has decades of experience handling complex commercial and other federal cases. It also has experience handling class actions, including the following recent cases: *Smith v. Washington Post Co.*, 962 F. Supp. 2d 79 (D.D.C. 2013); *Grayson v. Register Tapes Unlimited, Inc.*, No. CIV. RWT 11-887, 2013 WL 1953342 (D. Md. May 9, 2013); *Essame v. SSC Laurel Operating Co. LLC*, 847 F. Supp. 2d 821 (D. Md. 2012); *Doll v. Ford Motor Co.*, 814 F. Supp. 2d 526 (D. Md. 2011); and *Mario Ernesto Amaya et al. v. DGS Construction, LLC et al.*, No. CIV. 8:16-cv-03350-TDC (D. Md. 2017).

I declare under penalty of perjury that the foregoing is true and correct.

8/9/21

Date



Veronica B. Nannis

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND  
NORTHERN DIVISION

NANNETTE WALLS, et al

*Plaintiffs,*

v.

SIERRA PACIFIC MORTGAGE  
COMPANY, INC.

*Defendant.*

Civil Action No.:1:19-cv-00595-GLR

**[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL OF CLASS ACTION  
SETTLEMENT OF ALL CLAIMS, CONDITIONAL CERTIFICATION OF  
SETTLEMENT CLASS, AND APPOINTMENT OF CLASS REPRESENTATIVE AND  
CLASS COUNSEL FOR THE SETTLEMENT CLASS**

UPON CONSIDERATION of the Motion for Preliminary Approval of Class Action Settlement of All Claims, Conditional Certification of Settlement Class, and Appointment of Class Representatives and Class Counsel for the Settlement Class, ECF No. 45 (the “Motion”), in the above-captioned case, filed herein by Plaintiffs Nanette Walls, and Patricia Cronin, William C. and Heller Batton, Gregory P. Dopkowski, Sr., Samuel and Beverly Patterson, Jr., Raheim and Syreeta Patterson, and Arnold N. and Lois Welsh, Jr., (collectively, the “Class Representatives” or “Plaintiffs”), it is hereby ORDERED, this \_\_\_\_\_ day of \_\_\_\_\_, 2021, that:

1. The Preliminary Approval Motion is GRANTED.
2. The Court preliminarily finds, pursuant to Fed. R. Civ. P. 23(e), that the settlement reflected in the Settlement Agreement dated as of August 9, 2021 (the “Settlement” or “Settlement Agreement”) and filed as Exhibit 1 to Plaintiffs’ Memorandum of Law Supporting Plaintiffs’

Motion for Preliminary Approval of Class Action Settlement, ECF No. 46, constitutes a fair, reasonable, and adequate settlement of disputed and complex claims.

3. The Court further finds, pursuant to Fed. R. Civ. P. 23(e), that the prerequisites have been met for certification of the following class for settlement purposes only, and hereby certifies the following settlement class:

All individuals in the United States who were borrowers on a federally related mortgage loan (as defined under the Real Estate Settlement Procedures Act, 12 U.S.C. § 2602) originated or brokered by Sierra Pacific Mortgage Company, Inc., for which All Star Title, Inc., provided a settlement service, as identified in Section 1100 on the borrower's HUD-1 Settlement Statement (HUD-1), or on the borrower's Closing Disclosure (CD), between January 1, 2012 and December 31, 2016. Exempted from this class is any person who, during the period of January 1, 2012 through December 31, 2016, was an employee, officer, member and/or agent of Sierra Pacific Mortgage Company, Inc., or All Star Title, Inc.; any judicial officer who handles this case, and the immediate family members of such judicial officer(s); and/or any persons who submit a complete and valid Request for Exclusion by the Exclusion Deadline.

(hereinafter the "Settlement Class").

4. Plaintiffs Nanette Walls, Patricia Cronin, William C. and Heller Batton, Gregory P. Dopkowski, Sr., Samuel and Beverly Patterson, Jr., Raheim and Syreeta Patterson, and Arnold N. and Lois Welsh, Jr., are hereby designated as Class Representatives.

5. Plaintiffs' Counsel, Michael Paul Smith and Melissa English of the law firm Smith, Gildea & Schmidt, LLC, and Plaintiffs' co-counsel, Timothy J. Maloney and Veronica Nannis of the law firm Joseph, Greenwald & Laake, P.A., are hereby designated as Settlement Class Counsel for the Settlement Class with Mr. Smith designated as lead counsel for the Settlement Class.

6. The Court finds that the Settlement was reached through an arms-length negotiation after due investigation by Plaintiffs' Counsel, and that the Settlement provides significant benefits for the Settlement Class as described in Section 7 of the Settlement Agreement.

7. The Court appoints Kroll Settlement Administration Services as the Settlement Administrator. The Settlement Administrator shall undertake those duties as are defined in Section 10.2 of the Settlement Agreement, including undertaking address verifications for members of the Settlement Class, conducting appropriate research to correct incorrect addresses and timely mailing second notices where required, sending the Notice pursuant to Section 11 of the Settlement Agreement, accepting and reporting on Requests for Exclusion received by the Exclusion Deadline, establishing and maintaining a Settlement Website, opening an account for the deposit of the Common Fund, remitting payment from the Common Fund for Settlement Benefits and other types of payments payable to eligible members of the Settlement Class, Class Representatives, and Class Counsel, preparing declarations and affidavits necessary to present to the Court with respect to the Settlement Administrator's duties and fulfillment thereof in support of final approval of the Settlement, preparing and issuing applicable tax documents, and such other duties as are provided for under the Settlement Agreement. The Settlement Administrator will be retained by Sierra Pacific and Sierra Pacific will pay the reasonable fees and expenses of the Settlement Administrator not to exceed \$20,000, pursuant to Section 10.1 of the Settlement Agreement.

8. The Court finds that the Notice Plan proposed by the parties in Section 11 of the Settlement Agreement, which requires that a Notice to be mailed to each Settlement Class Member's last known address available for the primary borrower and posted on the Settlement

Website, constitutes a best practicable notice of the proposed Settlement and is thus approved by the Court under Fed. R. Civ. P. 23(e).

9. The Court hereby approves the proposed Notice attached to the Settlement Agreement as Exhibit A for mailing to Settlement Class members, with the instruction that the Settlement Administrator insert the Objection Deadline, Exclusion Deadline, and date and location of the Final Fairness Hearing as specified therein and as established in Sections 15 and 19 of this Order.

10. Members of the Settlement class shall have the right to opt-out of the Settlement Class by sending a written Request for Exclusion from the Settlement Class to the Settlement Administrator at the address listed in the Notice. Requests for Exclusion must be signed by the person requesting exclusion from the Class and any co-borrower(s) on their Sierra Pacific mortgage loan and must include the requestor's full name and current address, the full name and current address of any co-borrower(s) on their Sierra Pacific mortgage loan, the address of the property which secured their Sierra Pacific mortgage loan, and an affirmation, under penalty of perjury, that the requestor seeking to be excluded from the Class and their co-borrower(s), if any, wish to opt-out of the Class and understand that, in doing so, they will not be entitled to any Settlement Benefits under the Settlement.

11. A person who submits a valid and timely Request for Exclusion shall not be bound by the Settlement Agreement, or any Final Approval Order and Judgment relating thereto. Such persons also will not be entitled to receive any Settlement Benefits under the Settlement Agreement.

12. Any Settlement Class member who does not properly and timely submit a Request for Exclusion shall be automatically included in the Settlement Class and shall be bound by all the

terms and provisions of the Settlement Agreement, this Order Granting Preliminary Approval of Settlement, and any Final Approval Order and Judgment, whether or not such Settlement Class member received actual notice or objected to the Settlement. Those Settlement Class members who do not properly and timely submit Requests for Exclusion by the Exclusion Deadline are hereby preliminarily enjoined from filing suit or asserting any claims, demands, and/or counterclaims with respect to matters released in Section 16 of the Settlement Agreement from the date of this Order until the entry of an Order by this Court granting Final Approval to the Settlement.

1. Settlement Class members who do not request to be excluded from the Settlement Class may object to the Settlement. Settlement Class members who choose to object to the Settlement must do so by filing a written objection with the Court at the address listed in the Notice and by mailing a copy thereof to the Parties' counsel. All Objections must be signed by the person(s) making the objection, or an attorney, legal guardian, or other person legally authorized to act on their behalf, and must set forth in detail each component of the Settlement to which they object, the reasons for each such objection, and any legal authority that they wish the Court to consider in support thereof. Objections must also include the objector's full name and current address, the full name and current address of any co-borrower(s) on their Sierra Pacific mortgage loan, the address of the property which secured their Sierra Pacific mortgage loan, and an affirmation, under penalty of perjury, that the person on whose behalf the objection is filed and all of their co-borrower(s), if any, object to the Settlement and intend to appear at the Final Fairness Hearing, at which time their Objections will be considered, if not previously withdrawn.

13. Any Settlement Class members who do not file a timely and adequate Objection in accordance with this Order waive the right to object or to be heard at Final Fairness Hearing and shall be forever barred from making any objection to the Settlement.

14. A Final Fairness Hearing on the Settlement will be held before this Court in Courtroom \_\_\_\_\_ at the United States District Court for the District of Maryland, 101 West Lombard Street, Baltimore, MD 21201, on \_\_\_\_\_, 2021 at \_\_\_\_ a.m./p.m. or such other later date or other location as may be set by the Court and reflected on the online Docket for this case. The Final Fairness Hearing may also be held telephonically, by videoconferencing or other method reasonable under the circumstances and pursuant to any Standing Orders of the Court. Should the Final Fairness Hearing be held by any method other than in person hearing, the Court shall issue notice to the Parties who will in turn cause the Settlement Administrator to publish on the Settlement Website instructions for the Settlement Class Members attendance and participation in the Final Fairness Hearing in accordance with any applicable provisions of the Settlement Agreement.

15. At the Final Fairness Hearing, the Court will consider, *inter alia*, the following: (a) any timely objections to the fairness, reasonableness, and adequacy of the Settlement; (b) the dismissal with prejudice of this action as to Defendant Sierra Pacific; (c) whether Class Counsel's petition for attorneys' fees and expenses should be granted and any objections or opposition thereto; (d) whether the Class Representatives' petition for service awards should be granted and any objections or opposition thereto; (e) whether to grant final approval to the Settlement and to the release of claims as set forth in Section 16 of the Settlement Agreement; (f) whether to permanently enjoin all Settlement Class members who have not submitted timely and valid Requests for Exclusion from filing suit or asserting any claims, demands, and/or counterclaims



with respect to matters released in Section 16 of the Settlement Agreement; and (g) whether the Court should enter an order expressly determining that there is no just reason for delay and expressly directing that any judgment by the Court approving the Settlement should be deemed a final judgment under Fed. R. Civ. P. 54(b) with respect to all Released Claims as defined in Section 16 of the Settlement.

16. In the event that the Settlement does not receive Final Approval or the Orders of the Court approving the Settlement do not reach Finality, the Settlement shall terminate and be deemed of no effect, and all negotiations, filings, documents, orders, and proceedings relating thereto shall not be discoverable or admissible in the Litigation or otherwise, and shall be without prejudice to the rights of the Parties hereto, who shall be restored to their respective positions and retain all of their rights and defenses existing immediately prior to the execution of this Settlement. However, any provisions of the Settlement Agreement which expressly state that they survive termination shall remain in effect as to the named Plaintiffs and the Defendant.

17. Counsel for the Parties are directed to maintain in confidence and shall not produce to any persons or entities who are not a party to the Settlement (other than the Settlement Administrator), any personal, confidential, or financial information relating to Settlement Class members now or hereafter acquired by them absent a specific Court order requiring the production of such information, after using their best efforts to resist the production thereof, and then only if such information is redacted to the extent feasible. This does not restrict Defendant from submitting information required by statute to be included in notices to government officials pursuant to the Class Action Fairness Act.

18. The following dates and deadlines are established by the Court in connection with the Settlement, which may be modified by the court for good cause:

- Deadline for Completion of the Notice Plan: 20 days from the date of this Order;
- Deadline for Requests of Exclusion: 45 days after the date the Notice is mailed to the Settlement Class;
- Deadlines for the filing of Objections: 45 days after the date the Notice is mailed to the Settlement Class;
- Deadline for the filing of the Petition for Class Counsel's Fees and Costs: no later than 30 days before the Final Fairness Hearing;
- Deadline for the filing of the Petition for Class Representatives' Service Awards: no later than 30 days before the Final Fairness Hearing;
- Deadline for filing of the Motion Seeking Final Approval of Settlement: not less than 30 days prior to the Final Fairness Hearing; and
- Deadline for serving the CAFA Notice: within 10 days after the filing of the Motion for Preliminary Approval.
- Final Fairness Hearing: not less than 100 days after the filing of the Motion for Preliminary Approval.

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Hon. George L. Russell, III  
United States District Judge