

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

Case No. 13-60749-CIV-JIC

CARINA HAMILTON f/k/a LISA MONTI
and DAVID S. WIEDER on behalf of themselves
and all others similarly situated,

Plaintiffs,

v.

SUNTRUST MORTGAGE INC., QBE
SPECIALTY INSURANCE COMPANY,
and STERLING NATIONAL INSURANCE
AGENCY n/k/a QBE FIRST INSURANCE
AGENCY,

Defendants.

SETTLEMENT AGREEMENT

IT IS HEREBY AGREED, by, between, and among Carina Hamilton and David Wieder (“Plaintiffs”); SunTrust Mortgage, Inc. (“SunTrust”); QBE Specialty Insurance Company; and Sterling National Insurance Agency n/k/a QBE FIRST Insurance Agency, Inc. (collectively the “QBE Defendants,”)¹ that the lawsuit originally captioned *Hamilton v. SunTrust Mortgage Inc., et al.*, Case No. 13-60749-CIV-JIC, in the United States District Court for the Southern District of Florida (the “Hamilton Litigation” or the “Litigation”), and the matters raised by, or which could have been raised by, the Litigation, are settled, compromised, and dismissed on the merits and with prejudice on the terms and conditions set forth in this Settlement Agreement and the Release set forth herein, subject to the approval of the Court.

¹ The parties refer to all defendants collectively as “Defendants.”

1. RECITALS

1.1. On April 1, 2013, Plaintiff Hamilton filed the instant putative nationwide class action complaint. On November 27, 2013, Plaintiff Hamilton was granted leave to file a Third Amended Complaint. On November 27, 2013, a Third Amended Complaint was filed which added Plaintiff Wieder to this litigation. Class Counsel had been investigating and litigating LPI class cases against the QBE Defendants before this Court for over two years prior to filing the complaint in the Hamilton Litigation. Class Counsel advises that over 30 combined depositions have been taken in this action and in those cases, and over two million pages of documents have been produced and reviewed.

1.2. In the Hamilton Litigation, Plaintiffs asserted claims for breach of the implied covenant of good faith and fair dealing, unjust enrichment, and tortious interference with a business relationship, and sought to certify a Florida class of all borrowers who were charged for lender-placed insurance ("LPI") by SunTrust.

1.3. In response to the Third Amended Complaint, the Defendants filed, *inter alia*, very extensive motions to dismiss pursuant to Rule 12(b)(1) and Rule 12(b)(6). SunTrust also requested the Court abstain from adjudicating the claims of Plaintiff Hamilton. Further, SunTrust also sought to stay discovery, which was denied.

1.4. The parties conducted discovery, with SunTrust and the QBE Defendants producing thousands of pages of documents to add to the more than two million pages of documents previously produced in parallel lender placed insurance litigation involving the QBE Defendants before this Court and across the country.

1.5. On February 21, 2014, Plaintiffs filed their motion for class certification with an extensive Appendix and an Expert Report. Defendants intended to oppose the motion.

1.6 On March 25, 2014, this Court denied SunTrust's Motion to Dismiss.

1.7 On March 28, 2014, this Court denied the QBE Defendants' Motion to Dismiss.

1.8 On March 31, 2014, this Court denied SunTrust's Motion to Strike Plaintiffs' Jury Demand without prejudice to renew.

1.9 Trial in this matter has been set for October 20, 2014.

1.10 The parties held a formal mediation session of this matter on March 14, 2014, with Jonathan Marks as the mediator ("Hamilton Mediation").

1.11 In advance of and during the mediation, SunTrust and the QBE Defendants provided Plaintiffs and Class Counsel additional information concerning SunTrust's LPI program, including aggregate LPI premium information across the country for all programs.

1.12 The Hamilton Mediation involved an in-person mediation session, numerous conference calls, and the exchange of extensive written information concerning the claims raised in the Hamilton Litigation. It also included the collection, production, and review of large volumes of electronically-stored data concerning LPI Policies.

1.13 On or about April 9, 2014, weeks after starting the mediation process, the Settling Parties reached a settlement in principle and the Settling Parties' counsel executed a term sheet that identified the material terms for this Settlement Agreement.

1.14 Class Counsel has significant experience litigating LPI claims, having represented plaintiffs in numerous putative class actions brought in the Southern District of Florida, including, but not limited to, *Williams v. Wells Fargo Bank, N.A.*, No. 11-cv-21233, *Herrick v. JP Morgan, N.A.*, No. 13-21107, *Kunzelmann v. Wells Fargo Bank, N.A.*, No. 11-cv-81373, *Fladell v. Wells Fargo Bank, N.A.*, No. 13-cv-60721, *Diaz v. HSBC Bank USA, N.A.*, No. 13-cv-21104, *Hall, et al. v. Bank of America, N.A., et al.*, No. 12-cv-22700, *Popkin v. Citibank*,

N.A., No. 13-cv-60722, *Lee v. Ocwen Loan Servicing*, No. 14-60649, *Montoya v. PNC Bank, N.A.*, No. 14-20474, *Braynen v. NationStar Mortgage, LLC*, No. 14-20726-KMW, *Jackson v. U.S. Bank, N.A.*, et al., No. 14-21252, and the Hamilton Litigation. Based on this experience, Class Counsel believes that the Hamilton Litigation has significant merit and that the evidence developed supports Plaintiffs' claims. Class Counsel recognizes and acknowledges, however, that prosecuting the Hamilton Litigation through further fact and expert discovery, class certification, dispositive motions, trial, and appeals will involve considerable uncertainty, time, and expense.

1.15 Class Counsel has concluded that it is in the best interests of the Class as a whole that the claims asserted in the Hamilton Litigation be resolved on the terms and conditions set forth in this Agreement. After extensive consideration and analysis of the factual and legal issues presented in the Hamilton Litigation, and an extensive mediation, Class Counsel has reached the conclusion that the substantial benefits the Settlement Class Members will receive as a result of this Settlement are a very good result in light of the risks and uncertainties of continued litigation, including a decision on the motion for class certification, the expense that would be necessary to prosecute the Hamilton Litigation through trial and any appeals that might be taken, and the likelihood of success at trial.

1.16 Defendants have denied, and continue to deny each and every allegation of liability, wrongdoing, and damages, as they have substantial factual and legal defenses to all claims and class allegations in the Hamilton Litigation. Defendants have always maintained, and continue to maintain, that they have acted in accordance with all applicable agreements and governing law. Nonetheless, Defendants have concluded that because the continuation of the Hamilton Litigation potentially would be protracted and expensive, it is therefore desirable that

the Hamilton Litigation be fully and finally settled on a class-wide basis in the manner and upon the terms set forth in this Agreement.

1.17 Without admitting any liability or wrongdoing whatsoever, Defendants agree to the terms of this Agreement, provided that all Released Claims are settled, compromised, and released, in order to resolve all issues relating to the subject matter of the Hamilton Litigation.

2. DEFINITIONS

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

2.1. “Administrator” or “Settlement Administrator” means a third-party agent or administrator selected by Defendants (with the consent of the Class Counsel, which consent shall not be unreasonably withheld) to help implement and effectuate the terms of this Settlement Agreement.

2.2. “Agreement” or “Settlement Agreement” means this Settlement Agreement, including all exhibits thereto.

2.3. “Attorneys’ Fees and Expenses” means such funds as may be awarded to Class Counsel to compensate them (and all other attorneys for Named Plaintiffs or the Settlement Class) for their fees and all expenses in connection with the Hamilton Litigation.

2.4. “Borrowers Who Were Charged But Did Not Pay And Still Owe Their LPI Premium” refers to those Settlement Class Members who were charged a Net Premium for an LPI Policy (as defined below) by SunTrust during the Class Period and who still owe some or all of those charges, but who did not make one or more full monthly mortgage loan payment(s) to SunTrust after either: (a) their Existing Escrow Account was adjusted to charge the premium for the LPI Policy; or (b) their Newly Created Escrow Account was charged the premium for the LPI Policy. This definition captures all Settlement Class Members who were charged for an LPI

Policy by SunTrust during the Class Period and who still owe some or all of those charges, but who are not Borrowers Who Paid Their LPI Premium (as defined in Paragraph 2.5 below).

a. “Existing Escrow Account” refers to an escrow account for a borrower that existed prior to the placement of the LPI Policy. SunTrust sent notice informing the borrower that the Existing Escrow Account was being adjusted to account for the charge for the LPI Policy.

b. “Newly Created Escrow Account” refers to an escrow account that was created for a borrower who did not have an escrow account prior to the placement of the LPI Policy. SunTrust sent notice informing the borrower that the Newly Created Escrow Account had been established to account for the charge for the LPI Policy.

2.5. “Borrowers Who Paid Their LPI Premium” refers to those Settlement Class Members who were charged a Net Premium for an LPI Policy by SunTrust during the Class Period and who made one or more full monthly mortgage loan payment(s) to SunTrust after either: (a) their Existing Escrow Account was charged for the LPI Policy; or (b) their Newly Created Escrow Account was charged for the LPI Policy. “Existing Escrow Account” and “Newly Created Escrow Account” have the same definitions as Paragraph 2.4.a. and Paragraph 2.4.b., respectively.

2.6. “Case Contribution Award” means compensation for the Named Plaintiffs in the Hamilton Litigation who are a part of the settlement class for their time and effort undertaken in the Hamilton Litigation.

2.7. “Claim” means a written request for Claim Settlement Relief submitted by a Settlement Class Member to the Settlement Administrator, pursuant to the Claim Form Instructions in substantially the form of Exhibit B to this Agreement or as ultimately approved

by the Court, using a Claim Form in substantially the form of Exhibit C to this Agreement or as ultimately approved by the Court.

2.8. "Claim Deadline" means the last date by which a Claim submitted to the Settlement Administrator by a Settlement Class Member for Claim Settlement Relief must be postmarked, which shall be set by the Court to occur on a date no later than ninety (90) days after the Final Approval Hearing. All Claims postmarked on or before the Claim Deadline shall be timely, and all Claims postmarked after the Claim Deadline shall be untimely and barred from entitlement to any Claim Settlement Relief.

2.9. "Claimant" means any Settlement Class Member who submits a Claim pursuant to this Settlement Agreement.

2.10. "Claim Form" means the documents in substantially the form attached as Exhibit C to this Agreement and/or as ultimately approved by the Court.

2.11. "Claim Form Instructions" means the documents in substantially the form attached as Exhibit B to this Agreement and/or as ultimately approved by the Court.

2.12. "Claim Settlement Relief" means the payment or credit to be made to Settlement Class Members who submit properly completed and timely Claim Forms to the Settlement Administrator pursuant to the Claim Form Instructions, and who qualify for such relief under this Settlement Agreement.

2.13. "Class Counsel" means the law firms of Kozyak, Tropin, & Throckmorton, P.A., Podhurst Orseck, P.A., and Harke Clasby & Bushman LLP.

2.14. "Class Notice" or "Notice" means the program of notice described in Section 6 of this Agreement to be provided to Settlement Class Members, including the Mail Notice and Internet site, which will notify Settlement Class Members, among other things, about their rights

to opt out of or object to the Settlement, the preliminary approval of the Settlement, the manner by which to submit a Claim, and the scheduling of the Final Approval Hearing.

2.15. "Class Period" means the period of time defined in Paragraph 3.1 below.

2.16. "Court" means the United States District Court for the Southern District of Florida.

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

2.18. "Defendants" mean all named defendants in the Hamilton Litigation, including SunTrust and the QBE Defendants.

a. "SunTrust" means SunTrust Mortgage, Inc., in its own capacity.

b. "The QBE Defendants" means QBE Specialty Insurance Company and Sterling National Insurance Agency n/k/a QBE FIRST Insurance Agency, Inc., and any other QBE or related entities which become a party to this action through the filing of a Fourth

Amended Complaint, including but not limited to QBE Insurance Corporation, QBE Financial Institution Risk Services, Inc., and Praetorian Insurance Company.

2.19. "Defense Counsel" means Defendants' counsel of record in the Hamilton Litigation.

2.20. "Final Approval" means the entry of the Judgment approving the Settlement after the Final Approval Hearing is conducted.

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

2.22. "Final Settlement Date" means the date on which the Judgment in this case becomes final, which means that one of the following has occurred: (i) if no appeal was taken from the Judgment, the time for appeal or writ review has expired; or (ii) if any appeal has been taken from the Judgment, all appellate remedies, including petitions for rehearing, petitions for rehearing *en banc*, and petitions for certiorari or any other form of review, have been finally disposed of in a manner that affirms the Judgment.

2.23. "Judgment" means the final Order and Judgment to be entered by the Court pursuant to the Settlement and in substantially similar form as Exhibit E.

2.24. "Last Known Coverage Amount" or "LKCA" refers to the amount of coverage that is available and known to SunTrust (or available and known to any of SunTrust's agents for tracking voluntary insurance or placing LPI) from the borrower's prior voluntary insurance policy on the property securing the loan.

2.25. “Lender-Placed Insurance” or “LPI” means hazard, flood, and/or wind insurance placed pursuant to a mortgage loan agreement, home equity loan agreement, or home equity line of credit serviced by SunTrust to cover a borrower’s failure to maintain the required insurance coverage on the residential property securing the loan.

2.26. “Litigation” or “Hamilton Litigation” means the action originally captioned *Hamilton v. SunTrust Mortgage Inc., et al.*, Case No. 13-60749-CIV-JIC, pending before Judge Cohn in the Southern District of Florida.

2.27. “LPI Policy” means a lender-placed residential hazard, flood, and/or wind insurance policy placed pursuant to a mortgage loan agreement, home equity loan agreement, or home equity line of credit serviced by SunTrust to cover a borrower’s failure to maintain the required hazard, flood, or wind insurance coverage on the residential property securing the loan.

2.28. “Mail Notice” means the “Notice” that is mailed by the Settlement Administrator to Settlement Class Members, in substantially the form attached as Exhibit A to this Agreement and/or as ultimately approved by the Court. Mail Notice shall be mailed not less than ninety (90) days before the date set by the Court for the Final Approval Hearing.

2.29. “Motion for Preliminary Approval” means Named Plaintiffs’ motion for the Court to preliminarily approve the Settlement and to enter the Preliminary Approval Order, including all exhibits and documents attached thereto. Named Plaintiffs’ Motion for Preliminary Approval shall be filed by May 2, 2014, pursuant to the Court’s Order dated April 9, 2014

2.30. “Named Plaintiffs” or “Plaintiffs” mean Carina Hamilton and David Wieder.

2.31. “Net Premium” means the amount of premium charged to a Settlement Class Member for an LPI Policy during the Class Period less any refund paid or credited to the Settlement Class Member.

2.32. "Notice and Administrative Costs" means the reasonable and authorized costs and expenses of disseminating and publishing the Class Notice in accordance with the Preliminary Approval Order, and all reasonable and authorized costs and expenses incurred by the Settlement Administrator in administering the Settlement, including but not limited to costs and expenses associated with assisting Settlement Class Members, evaluating and processing claims, escrowing funds and issuing and mailing Settlement Payments. Notice and Administrative Costs do not include costs associated with Class Counsel's interactions with the Settlement Administrator, as detailed in Paragraph 7.4.

2.33. "Objection Deadline" means the date identified in the Preliminary Approval Order and Class Notice by which a Settlement Class Member must serve written objections, if any, to the Settlement in accordance with Section 12 of this Agreement to be able to object to the Settlement. The Objection Deadline shall be no later than thirty (30) days prior to the Final Approval Hearing or as the Court may otherwise direct.

2.34. "Opt-Out Deadline" means the date identified in the Preliminary Approval Order and Class Notice by which a Request for Exclusion must be filed in writing with the Settlement Administrator in accordance with Section 11 of this Agreement in order for a Settlement Class Member to be excluded from the Settlement Class. The Opt-Out Deadline shall be no later than thirty (30) days prior to the Final Approval Hearing or as the Court may otherwise direct.

2.35. "Parties" means Named Plaintiffs and all Defendants in the Litigation.

2.36. "Preliminary Approval Order" means the order in substantially similar form as Exhibit D and providing for, among other things, preliminary approval of the Settlement as fair, reasonable, and adequate; preliminary certification of the Settlement Class for settlement purposes only; dissemination of the Class Notice to the Settlement Class; and finding that the

proposed Class Notice is reasonably calculated to apprise the Settlement Class Members of the pendency of the Hamilton Litigation, the material terms of the proposed Settlement, and the Settlement Class Members' options and rights with respect thereto.

2.37. "Premium" means the amount charged to a borrower by SunTrust for an LPI Policy.

2.38. "Refund" means the amount of money paid or credited to a borrower when an LPI Policy is cancelled.

2.39. "Release" or "Releases" means the releases of all Released Claims by the Releasing Persons against the Released Persons, as provided for in Section 10 of the Settlement Agreement.

2.40. "Released Claims" means all claims, actions, causes of action, lawsuits, debts, sums of money, payments, obligations, reckonings, promises, damages, penalties, attorney's fees and costs, liens, judgments, demands, and any other forms of liability released pursuant to Section 10 of the Settlement Agreement.

2.41. "Released Persons" means: (a) Defendants and each of their respective past or present divisions, parents, subsidiaries, predecessors, investors, parent companies, acquired companies, and affiliated companies (which shall include any person or entity which controls, is controlled by, or is under common control with any such party), any direct or indirect subsidiary of any of Defendants and each of their respective past or present divisions, parents, subsidiaries, predecessors, investors, parent companies, acquired companies, and affiliated companies, and all of the officers, directors, employees, agents, brokers, distributors, representatives, and attorneys of all such entities; and (b) any other insurance carriers or other entities that are related to the QBE Defendants that issued or may have issued or tracked and/or monitored insurance coverage

and LPI insuring real property owned by any Settlement Class Member for SunTrust and/or for any of SunTrust's past or present divisions, parents, subsidiaries, investors, parent companies, acquired companies, predecessors in interest, and affiliated companies (which shall include any person or entity which controls, is controlled by, or is under common control with any such party), including, but not limited to, any direct or indirect subsidiary of any of them, and all of the officers, directors, employees, agents, brokers, distributors, representatives, and attorneys of all such entities.

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

2.43. "Request for Exclusion" means a written request from a Settlement Class Member that seeks to exclude the Settlement Class Member from the Settlement Class and that complies with all requirements in Section 11 of this Agreement.

2.44. "Settlement" means the settlement set forth in this Agreement.

2.45. "Settlement Class" or "Class" means all members of the class of borrowers in the Hamilton Litigation that will be certified by the Court for settlement purposes as more fully described in Section 3.1 through 3.2 herein.

2.46. "Settlement Class Member" means any member of the Settlement Class.

2.47. "Settlement Website" means the Internet site created by the Settlement Administrator pursuant to this Agreement to provide information about the Settlement, which shall have the Uniform Resource Locator of www._____.

2.48. "Settling Parties" means, collectively, Defendants, Named Plaintiffs, and all Releasing Persons.

3. CLASS DEFINITION, CLASS PERIOD AND CONDITIONS, AND OBLIGATIONS RELATING TO THE EFFECTIVENESS OF THE SETTLEMENT

3.1. The "Settlement Class" is defined as follows:

All borrowers in the United States who had mortgage loans serviced by SunTrust Mortgage, Inc. who were charged a premium for lender-placed hazard, wind, or flood insurance coverage issued by the QBE Defendants, or one of their affiliates, within the Class Period, which shall be defined as the period of time from April 1, 2008 through the date of preliminary approval of the settlement.² Class Members will have the right to opt out of the Settlement Agreement consistent with the terms of Fed. R. Civ. P. 23(b)(3).

3.2. Excluded from the Class are: (i) individuals who are or were during the Class Period officers, directors, or employees of the Defendants or any of their respective affiliates; (ii) any justice, judge, or magistrate judge of the United States or any State, their spouses, and persons within the third degree of relationship to either of them, or the spouses of such persons; (iii) borrowers whose LPI Policy was cancelled in its entirety such that any premiums charged and/or collected were fully refunded to the borrower; (iv) all borrowers who file a timely and proper request to be excluded from the Class; (v) any borrowers who have settled or otherwise released any LPI claims; and (vi) any borrowers for whom SunTrust has otherwise written-off or released the borrower from his or her LPI repayment obligation.

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

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

3.4.1. Motion for Preliminary Approval of Proposed Settlement, Class Certification, and Class Notice. After good faith consultation with counsel for Defendants, Class Counsel will present a Motion for Preliminary Approval to the Court by May 2, 2014. The Motion for Preliminary Approval shall include a Class Notice, in substantially similar form as Exhibit A,

² The lender placed insurance agreements between SunTrust and the QBE Defendants terminated as of January 2013 and no lender placed insurance policies were issued by the QBE Defendants or their affiliates for SunTrust after January 2013.

and a Preliminary Approval Order, in substantially similar form as Exhibit D. The Settling Parties shall, in good faith, take reasonable steps to secure expeditious entry by the Court of the Preliminary Approval Order and shall request that the Court schedule a Final Approval Hearing no earlier than ninety (90) days after the service of the required Notices under 28 U.S.C. § 1715.

3.4.2. Settlement Class Certification. In connection with the proceedings on Preliminary and Final Approval of the proposed Settlement, the Named Plaintiffs shall seek orders (preliminary and final, respectively) certifying the Settlement Class pursuant to Rule 23 of the Federal Rules of Civil Procedure for purposes of this Settlement only.

3.4.3. Entry of Preliminary Approval Order. The Court shall enter a Preliminary Approval Order in substantially similar form as Exhibit D, which shall, among other things:

- a. Certify for purposes of a settlement a nationwide Settlement Class, approving the Named Plaintiffs as class representatives and appointing Class Counsel, pursuant to Fed. R. Civ. P. 23;
- b. Preliminarily approve the Settlement as fair, reasonable, and adequate;
- c. Order the issuance of Class Notice to the Settlement Class, and determine that such Notice complies with all legal requirements, including, but not limited to, the Due Process Clause of the United States Constitution;
- d. Schedule a date and time for a Final Approval Hearing to determine whether the Preliminary Approval Order should be finally approved by the Court;
- e. Require Settlement Class Members who wish to exclude themselves to submit an appropriate and timely written Request for Exclusion by the Opt-Out

Deadline, as directed in the Settlement Agreement and Class Notice, and advise that a failure to do so shall bind those Settlement Class Members who remain in the Settlement Class;

f. Require Settlement Class Members who wish to object to the Settlement Agreement to submit an appropriate and timely written statement by the Objection Deadline, as directed in the Settlement Agreement and Class Notice, and advise that a failure to do so shall prevent those Settlement Class Members from doing so;

g. Require attorneys representing any Settlement Class Member, at the Class Member's expense, to file a notice of appearance;

h. Authorize the Settling Parties to take all necessary and appropriate steps to establish the means necessary to implement the Settlement Agreement; and

i. Issue related orders to effectuate the preliminary approval of the Settlement Agreement.

3.4.4. Issuance of Class Notice. Pursuant to the Preliminary Approval Order to be entered by the Court, the Settlement Administrator shall cause the Class Notice to be issued in accordance with Section 6 below.

3.4.5. Final Approval Hearing. In connection with the Motion for Preliminary Approval, the Settling Parties shall request that the Court schedule and conduct a hearing after dissemination of Class Notice, at which it will consider whether the Settlement is fair, reasonable, and adequate pursuant to Rule 23 of the Federal Rules of Civil Procedure. Specifically, Named Plaintiffs, after good faith consultation with counsel for all Defendants, shall request that, on or after the Final Approval Hearing, the Court: (i) enter the final Judgment, granting Final Approval of the Settlement and dismissing with prejudice this Litigation; (ii) determine the legal fees and expenses that should be awarded to Class Counsel as contemplated

in the Settlement Agreement; and (iii) determine the Case Contribution Award, if any, that should be awarded as contemplated by the Settlement Agreement. Any application for Attorneys' Fees and Expenses shall be made at least forty-five (45) days prior to the Final Approval Hearing. The Settling Parties will reasonably cooperate with one another in seeking entry of the final Judgment.

3.5. Condition No. 2: Finality of Judgment. The Court shall enter a final Judgment in substantially similar form as Exhibit E. The final Judgment must be final in accordance with Paragraph 2.22 above, and shall, among other things:

a. Find that (1) the Court has personal jurisdiction over all Settlement Class Members; (2) the Court has subject matter jurisdiction over the claims asserted in this Litigation; and (3) venue is proper;

b. Finally approve the Settlement Agreement, pursuant to Fed. R. Civ. P. 23, as fair, reasonable, and adequate;

c. Finally certify the Settlement Class for settlement purposes only;

d. Find that the form and means of disseminating the Class Notice complied with all laws, including, but not limited to, the Due Process Clause of the United States Constitution;

e. Enter final Judgment with respect to the claims of all Settlement Class Members and dismiss the claims of all Settlement Class Members and the Hamilton Litigation with prejudice;

f. Make the Releases in Section 10 of the Settlement Agreement effective as of the Final Settlement Date;

g. Permanently bar and enjoin Named Plaintiffs and all Settlement Class Members who have not opted out of the settlement, and any person actually or purportedly acting on their behalf, from filing, commencing, prosecuting, intervening in, continuing in, or participating in (as class members or otherwise) any action in any jurisdiction based on or relating to any of the Released Claims or the facts and circumstances relating thereto;

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

i. Find that, by operation of the entry of the Judgment, Named Plaintiffs and all Settlement Class Members shall be deemed to have forever released, relinquished, and discharged the Released Persons from any and all Released Claims, including all claims arising out of, relating to, or in connection with the initiation, settlement, prosecution, or dismissal of the Hamilton Litigation;

j. Authorize the Settling Parties to implement the terms of the Settlement Agreement;

k. Retain jurisdiction relating to the administration, consummation, enforcement, and interpretation of the Settlement Agreement, the final Judgment, and for any other necessary purpose; and

I. Issue related orders to effectuate the Final Approval of the Settlement Agreement and its implementation.

4. SETTLEMENT CONSIDERATION, BENEFITS, AND OTHER RELIEF

4.1. In consideration for the Releases set forth in Section 10, Defendants will provide the following benefits.

4.2. Prospective Relief Relating to SunTrust.

4.2.1. Subject to Paragraph 4.3 below, and commencing no later than 120 days after the Final Settlement Date and continuing for the periods enumerated below, SunTrust agrees to the following restrictions with respect to the placement of LPI:

- a. SunTrust-affiliated agents or brokers will not accept commissions on LPI Policies for six (6) years;
- b. SunTrust will not enter into LPI quota-share captive reinsurance arrangements on new or renewal LPI Policies for six (6) years;
- c. SunTrust will not place LPI through an LPI insurer affiliated with SunTrust for six (6) years.

4.2.2. For six (6) years, SunTrust agrees to establish LPI coverage at the last known coverage amount ("LKCA"), replacement cost value ("RCV"), or the unpaid principal balance ("UPB"), for any coverage for which SunTrust attempts to recoup from borrowers any LPI premiums paid by SunTrust to the LPI insurer.

4.2.3. For six (6) years, SunTrust shall advance funds to maintain a borrower's voluntary policy in force, if the voluntary policy otherwise will lapse because the borrower has not paid the premium, provided that (a) the policy is eligible to be renewed by the borrower, (b) the loan is escrowed for insurance with SunTrust, and (c) SunTrust receives notice stating that

the voluntary insurance premiums have not been paid and the borrower has not secured voluntary insurance from another carrier. The borrower shall be responsible for all funds advanced pursuant to this paragraph.

4.2.4. For six (6) years, SunTrust agrees to credit a borrower's escrow account with any LPI refund that is due to the borrower within fifteen (15) days of receipt of required evidence of acceptable voluntary insurance coverage for the property that is subject to the LPI Policy.

4.2.5. The foregoing shall be subject to changes in applicable law or changes in investor requirements that would prevent SunTrust from implementing such prospective relief. SunTrust is not aware of any state, federal, or investor statute, regulation, rule, order, regulatory directive, or requirement that is inconsistent with the provisions of Paragraph 4.2 above and any of its subparagraphs.

4.2.6. The QBE Defendants have represented that they no longer provide SunTrust with any lender placed insurance services or coverage.

4.3. Conflict. Should any provision of Sections 4.1 or 4.2 conflict or be inconsistent with any existing or subsequently adopted state or federal statute, regulation, rule, order, or regulatory directive, or any existing or subsequently adopted agency or investor rule or requirement, such statute, regulation, rule, order, regulatory directive, or requirement shall control. In that event, the Settlement Agreement and any final Judgment confirming the Settlement Agreement shall be deemed amended to conform to such statute, regulation, rule, order, agency or investor rule or requirement, or regulatory directive. SunTrust shall not be liable for engaging in any practice or failing to engage in any practice during the 6-year period

for a prospective prohibitory relief where such conduct was authorized by state or federal statute, regulation, rule, order, or regulatory directive or by any investor rule or requirement.

4.4. Settlement Monetary Consideration. Those Settlement Class Members who submit a timely, valid, and verified Claim Form, substantially in the form of Exhibit C, by the Claim Deadline in the manner required by this Settlement Agreement, shall receive Claim Settlement Relief under the following terms and conditions.

4.4.1. Settlement Class members will be eligible for a payment or account credit based on a timely-submitted Claim Form, calculated as the sum equal to 10.5% of the net premium amount that SunTrust charged such Class Member for lender-placed hazard, flood, or wind insurance within the Class Period.

4.4.2. There will be two categories of Claim Settlement Relief available to Settlement Class Members, with differing claim requirements: (1) Settlement Class Members who are Borrowers Who Were Charged But Did Not Pay And Still Owe Their LPI Premium; and (2) Settlement Class Members who are Borrowers Who Paid Their LPI Premium. As reflected in the Claim Form (Exhibit C), Claimants making Claims must check a box on the Claim Form representing and affirming that they qualify for one of these two categories (and for one of the categories meet certain additional identity confirmation requirements).

4.4.3. Eligible borrowers whose loans are no longer serviced by SunTrust and who timely submit a claim form will receive payment by check or, at SunTrust's option, a credit towards any uncollected post-foreclosure deficiency that is still eligible for enforcement and collection by SunTrust.

4.4.4. Payment to Borrowers Who Paid Their LPI Premium. For those

Borrowers Who Paid Their LPI Premium who submit a timely, valid, and verified Claim Form, Defendants shall pay to each such Settlement Class Member via check if they (i) do not have an escrow account, (ii) their escrow payments are current, or (iii) SunTrust no longer services the Settlement Class Member's loan subject to SunTrust's option to apply a credit as set forth in Paragraph 4.4.3. If not, the Defendants shall have the option, at their discretion, of either crediting to the mortgage escrow account for the Settlement Class Member's loan at issue, or paying to that Settlement Class Member via check, in the amount described in Paragraph 4.4.1.

4.4.5. Credit or Payment to Borrowers Who Were Charged But Did Not Pay And Still Owe Their LPI Premium. For those Borrowers Who Were Charged But Did Not Pay And Still Owe Their LPI Premium who submit a timely, valid, and verified Claim Form, Defendants shall have the option, at their discretion, of either crediting to the mortgage escrow account for the Settlement Class Member's loan at issue, or paying to that Settlement Class Member via check, in the amount described in Paragraph 4.4.1. However, Borrowers whose loans are no longer serviced by SunTrust will receive payment by check subject to SunTrust's option to apply a credit as set forth in Paragraph 4.4.3.

4.4.6. Compensation to Class Members who were or are subject to bankruptcy proceedings shall conform to all applicable bankruptcy laws and rules.

5. RETENTION OF SETTLEMENT ADMINISTRATOR AND COSTS

5.1. All Notice and Administrative Costs will be paid by Defendants.

5.2. The Settlement Administrator shall administer the Settlement in a cost-effective and timely manner. Without limiting any of its other obligations as stated herein, the Settlement Administrator shall be responsible for Mail Notice, administration of Claim Settlement Relief, and providing all other related support, reporting, and administration as further stated in this

Agreement. Defendants may direct the Settlement Administrator to assist with various additional administrative tasks in implementing the Settlement as Defendants shall deem appropriate in their sole discretion.

5.3. Defendants will coordinate with the Settlement Administrator to provide Mail Notice to the Settlement Class, as provided in this Settlement Agreement. Because the information about Settlement Class Members that will be provided to the Settlement Administrator will consist of confidential information, non-public personal information, and other information protected by privacy laws, the Settlement Administrator will execute a non-disclosure agreement and will take all reasonable steps to ensure that any data and information provided to it by Defendants are maintained with appropriate security protocols and will be used solely for the purpose of effecting this Settlement. Any such information provided to the Settlement Administrator will not be provided to Named Plaintiffs or Class Counsel, except as permitted by Paragraphs 7.3.2 and 7.4. The Settlement Administrator shall administer the Settlement in accordance with the terms of this Settlement Agreement and, without limiting the foregoing, shall treat any and all documents, communications, and other information and materials received in connection with the administration of the Settlement as confidential and shall not disclose any or all such documents, communications, or other information to any person or entity except as provided for in this Settlement Agreement or by court order.

5.4. W9 Forms. The Settlement Administrator shall complete and provide to Defendants any W9 forms necessary for Defendants to pay for the Notice and Administrative Costs and to otherwise implement this Settlement.

6. NOTICE TO THE CLASS

6.1. **Mail Notice:** Subject to the requirements of the Preliminary Approval Order, Notice to those members of the Settlement Class for whom the electronic records of SunTrust reflect a last known mailing address, shall be by means of separate first class mailings to those names and addresses. The Notices shall be mailed not less than ninety (90) days before the date set by the Court for a Final Approval Hearing regarding the settlement. The Mail Notice of Class Action, Proposed Settlement, Final Approval Hearing, Right to Appear, Instructions, and Class Action Claim Form shall detail how those Class members so desiring may opt out or object to the Settlement, and how members of the Class may make a claim for Settlement Relief as described in Section 7. The Mail Notice shall include Instructions and a Claim Form described in Section 6.4 of this Settlement Agreement, substantially in the forms of Exhibits B and C attached (provided that the font size, folding, and other printing elements or presentation may be adjusted to accommodate a booklet format and for efficient envelope and postage considerations). The Notice also will contain a provision directing Spanish-speaking class members to the settlement website, which will include the relevant settlement information in Spanish. The Spanish versions of the Notice shall also be available upon request by calling the toll-free number on the Notice. After posting of the Mail Notice by the Settlement Administrator with the United States Postal Service, for any Mail Notices returned as undeliverable, the Settlement Administrator shall utilize the National Change of Address database (the "NCOA") in an attempt to obtain better addresses for such returned Notices, and should the NCOA show a more current address, the Settlement Administrator shall post the returned Mail Notice to the more current address; *provided however*, if a determination is made in good faith by the Settlement Administrator that it is not possible to further update any particular Class Member's address(es) in sufficient time to repost the Class Notice(s) at least twenty (20) days before the

scheduled Final Approval Hearing, then the Settlement Administrator need make no further efforts to provide further Mail Notice to such person(s).

6.2 **Internet Site:** No later than the posting of the Mail Notice, the Settlement Administrator shall establish an Internet site which shall contain copies of the Settlement Agreement and Exhibits and the Mail Notice (including a Spanish-language translation of the Mail Notice). The Internet site shall also contain Instructions and a Class Action Claim Form (including a Spanish-language translation of the Claim Form Instructions and Claim Form) which may be downloaded or printed from the Internet site. The Internet site shall have a Uniform Resource Locator which identifies the Internet site as the _____ site. The Internet site shall remain open and accessible at least through the last day for Class Members to submit a Claim for Settlement Relief. Class Members may upload and file their claim forms through the website.

6.3 **Publication:** A similar but abbreviated Summary Publication Notice of Class Action, Proposed Settlement, Final Approval Hearing, and Right to Appear, substantially in the form of Exhibit F, shall be published within seven (7) days of the posting of the Mail Notice set forth in Paragraph 6.1. The abbreviated Summary Publication Notice shall not be less than 1/8 page in size, and shall be published once in *USA Today* (on a date falling on Monday through Thursday). The abbreviated Summary Publication Notice shall detail how those Class members so desiring may opt out or object to the settlement, how Class members may access an internet address where they may download a Claim Form necessary to make a Claim for Settlement Relief, and toll-free phone number where they may call to request further information on the Settlement. The form of the Summary Publication Notice shall be agreed upon by the Parties,

and the font size, layout, and other presentation elements shall be adjusted to accommodate publication considerations.

6.4. Claim Form. As reflected in Exhibits B and C, for Settlement Class Members (both Borrowers Who Were Charged But Did Not Pay And Still Owe Their LPI Premium and Borrowers Who Paid Their LPI Premium) to submit a valid Claim, they must provide all of the following information and make the following written affirmations on the Claim Form: (a) Claimant's current address, phone number, date of birth, and the last four numbers of Claimant's Social Security Number (if the Claimant has one); (b) that improvements to the Claimant's real property are or were insured under an LPI Policy during the Class Period; (c) that Claimant was charged a Net Premium by SunTrust for an LPI Policy; (d) that since the issuance of the LPI Policy, Claimant has not filed a Petition under Chapter 7 of the United States Bankruptcy Code, and the Claimant's indebtedness on their residence secured by their deed of trust or mortgage has not been compromised or discharged in bankruptcy; and (e) that Claimant attests and affirms all of the foregoing information under the following declaration: "I declare (or certify, verify, or state) under penalty of perjury that the information provided by me on this Claim Form is true and correct." A separate Claim Form must be submitted for each LPI Policy for which the Settlement Class Member seeks Claim Settlement Relief. All borrowers with interest in the property insured on the LPI Policy must complete and sign the Claim Form.

6.4.1. In order for Borrowers Who Paid Their LPI Premium to submit a valid Claim, they must make the affirmations set forth in Paragraph 6.4 and also confirm their identity by one of the following methods:

a. The signature of a witness who is 18 years of age or older representing and affirming that they have witnessed the Claimant sign the Claim Form, and this

witness affirmation shall include the following: "I declare (or certify, verify, or state) under penalty of perjury that I witnessed the signing of this Claim Form by the Claimant and the foregoing is true and correct;" or

b. Provide a copy of a form of identification that contains a signature and photograph of the Claimant; or

c. Provide a copy of a SunTrust monthly mortgage statement issued to the Claimant; or

d. Provide a notarial signature affirming that the Claimant executed the Claim Form making the required affirmations under oath in the presence of the notary, and bearing evidence of the notarial authority in compliance with the law of the state in which it is being executed (*e.g.*, a seal, *etc.*).

7. CLAIM FILING, REVIEW, AND APPROVAL PROCESS

7.1. Claim Filing Process. Settlement Class Members shall be permitted to make a Claim for Claim Settlement Relief by mailing (either through posting with the United States Postal Service or through a private mail carrier, such as UPS or FedEx, provided that proof of the mail date is reflected on the label of the mailing) a written Claim Form providing the information, affirmations, and where appropriate, the identity confirmation required in Paragraph 6.4.1 above, to the Settlement Administrator, on a date no later than the Claim Deadline. In addition, a written Claim Form will be available on the Settlement Website for Settlement Class Members to download or print out and mail to the Settlement Administrator pursuant to this Section. Settlement Class Members will be permitted to upload and file completed Claims Forms and any required confirmations of identity as identified in Paragraph 6.4 of this Agreement through the website. Any Settlement Class Member who does not mail, or properly

upload, a completed Claim Form by the Claim Deadline shall be deemed to have waived any claim to Claim Settlement Relief and any such Claim Settlement Form will be rejected.

7.2. Claim Review Process. Following approval of the Settlement at the Final Approval Hearing, the Settlement Administrator shall confirm that each Claim Form submitted is in the form required, that each Claim Form includes the required affirmations, information, and, where appropriate, identity confirmation detailed in Paragraph 6.4.1 above, that each Claim Form was submitted in a timely fashion, and that the Claimant is a member of the Settlement Class. Full compliance with the requirements of Section 6 and the Claim Form shall be necessary for the submission of a valid Claim, and the absence of any of these requirements shall invalidate the proffered Claim. All such Claim criteria shall be strictly enforced. Any Claimant's failure to provide any of the required affirmations, information, or where appropriate, identity confirmation on the Claim Form, shall result in the putative Claim being deemed invalid, and no Settling Defendant (or any other Defendant) shall have any further obligation to process or make any settlement payment or account credit on such invalid Claim. The Settlement Administrator shall not receive any incentive for denying claims.

7.2.1. To aid in the completion and processing of Claims, the Settlement Administrator shall establish a toll-free interactive voice response phone number with script recordings of information about this Settlement, including information about the Claim Form, utilizing the relevant portions of the language contained in the Notice and Claim Form. The phone number shall remain open and accessible through the last day for Settlement Class Members to submit a Claim. The Settlement Administrator shall also provide for a live-person to answer any Class Member question or concerns. The Settlement Administrator shall make reasonable provision for Class Counsel to be promptly advised of and Class member concerns

which the Settlement Administrator cannot answer or any recorded messages left on the phone number by Settlement Class Members concerning the Hamilton Litigation and/or this Settlement which cannot be handled appropriately by the Settlement Administrator so that Class Counsel may timely and accurately respond to such inquiries.

7.3. Claim Payment. Upon confirmation by the Settlement Administrator that the Claim Form is valid, SunTrust shall review the loan servicing records for Class members who return a valid Claim Form to preliminary determine, according to a standard protocol and subject to Class Counsel's review, whether the Class Members are entitled to compensation and in what form. SunTrust will provide sufficient information to the Settlement Administrator for the Settlement Administrator to make a final determination as to the amount of the Claim in accordance with the Net Premium information appearing in the Defendants' electronic records and the formula for providing the Claim Settlement Relief set forth in Paragraph 4.4 (including its subparagraphs) above.

7.3.1. Notification Regarding Claimants. Within sixty (60) days after the Final Settlement Date, the Settlement Administrator shall provide the Settling Parties with a list of all Settlement Class Members who filed a Claim, whether the Claim was rejected or accepted as a result of the review set forth in Paragraph 7.2, and if rejected, the reason it was rejected. The Parties will use their best efforts to amicably resolve any dispute about the processing of any Claim.

7.3.2. SunTrust's Review of Claim Forms. SunTrust shall review the loan servicing records for Class Members who return a valid Claim Form to determine: (i) whether SunTrust still services the Class Member's loan; (ii) whether the Class Member has paid the LPI charges charged to him or her as defined by Paragraph 2.5; (iii) whether the Class Member

currently has an escrow account; (iv) whether the Class Member is current on his or her escrow payments; (v) whether the borrower still owes some or all of the LPI charges as defined by Paragraph 2.4; (vi) whether the Class Member had previously settled and released his or her claims relating to LPI or SunTrust has otherwise written-off or released the Class Member from his or her LPI repayment obligation; and (vii) the net amount of LPI charges falling into each category set forth in Paragraph 4.4 that were charged to the Class Member. SunTrust shall provide the results of their review to the Settlement Administrator, the QBE Defendants, and Class Counsel no later than one hundred fifty (150) days after the Final Settlement Date.

7.3.2. Right to Audit. Defendants shall additionally have the right to audit each Claim Form, including reviewing the individual loan and/or insurance files for each Claimant who submits a Claim Form. If Defendants' audit reveals that a Claim Form contains inaccurate information, Defendants shall notify the Settlement Administrator as to the inaccuracy of the Claim prior to the deadline for processing the Claim pursuant to Paragraphs 7.3.4 and 7.3.5 below, while also providing written notification of the inaccurate Claim to Class Counsel. At Defendants' discretion, the Claim shall be processed in accordance with the information from Defendants' records (rather than the inaccurate information on the Claim Form), and may, if necessary, be denied. Defendants shall complete their audit of Claims no later than one hundred and fifty days (150) days after the Final Settlement Date, and shall have the right to request from the Settlement Administrator any and all information necessary to conduct and complete their audit.

7.3.3. Notification Regarding Claim Payment. Within one hundred eighty (180) days after the Final Settlement Date, the Settlement Administrator shall provide the Settling Parties with a list of all Settlement Class Members who returned a valid Claim Form, whether

the Claim was rejected or accepted, and if rejected, the reason it was rejected, and if accepted, the amount to be paid by the Defendants or to be credited by SunTrust to the Claimant's escrow account. The Parties will use their best efforts to amicably resolve any dispute about the processing or payment of any Claim.

7.3.4. Claimants who are Borrowers Who Paid Their LPI Premium. The Settlement Administrator shall have two hundred and ten (210) days after the Final Settlement Date within which to process the Claims and remit the appropriate amounts by check to the Claimants who are Borrowers Who Paid Their LPI Premium. Any check that is remitted to a Claimant who falls within the group of Borrowers Who Paid Their LPI Premium and that is not negotiated within ninety (90) days after issuance shall be cancelled (the checks shall state "void after 90 days"), and Defendants shall not have any further obligation to continue efforts to distribute Claim Settlement Relief to such Claimant. The Settlement Administrator shall refund to the Defendants all funds on deposit to fund checks that become "void after 90 days." No interest shall be included as an element of, or be payable or paid on, any claimed amount.

7.3.5. Claimants who are Borrowers Who Were Charged But Did Not Pay And Still Owe Their LPI Premium. The Defendants shall have two hundred and ten (210) days after the Final Settlement Date within which to either credit the appropriate amount to the escrow accounts of Claimants who are Borrowers Who Were Charged But Did Not Pay And Still Owe Their LPI Premium or to cause the Settlement Administrator to issue checks in the appropriate amount, in the sole discretion of SunTrust. Any check that is remitted to a Claimant who falls within the group of Borrowers Who Were Charged But Did Not Pay And Still Owe Their LPI Premium and that is not negotiated within ninety (90) days after issuance shall be cancelled (the checks shall state "void after 90 days"), and Defendants shall not have any further obligation to

continue efforts to distribute Claim Settlement Relief to such Claimant. The Settlement Administrator shall refund to the Defendants all funds on deposit to fund checks that become "void after 90 days." No interest shall be included as an element of, or be payable or paid, on any credited amount.

7.3.6. Funding. Defendants shall fund all amounts required by the Settlement Administrator for distribution of Claim Settlement Relief to Claimants no later than fifteen (15) days after the date the Settlement Administrator provides the required Notification under Paragraph 7.3.3 of this Agreement.

7.4. Information Available to Class Counsel. Class Counsel shall have the right to interact directly with the Settlement Administrator regarding the administration of this Settlement, provided that: (a) Class Counsel pay for any costs associated with such interactions; and (b) Defendants are notified of all such interactions. Upon the reasonable request of Class Counsel, the Settlement Administrator shall inform Class Counsel, among other things and with the exception of confidential information, non-public personal information, and other information protected by privacy laws, of the amount of any Settlement Class Member's LPI premium associated with a Claimant's LPI Policy reflected in the electronic information provided to the Settlement Administrator by Defendants. Nothing in this Paragraph or this Settlement Agreement shall authorize the Settlement Administrator to disclose to Class Counsel any confidential information, non-public personal information, and other information protected by privacy laws.

8. COVENANTS

The Settling Parties covenant and agree as follows:

8.1. Covenants Not to Sue. Named Plaintiffs and the Settlement Class covenant and agree: (i) not to file, commence, prosecute, intervene in, continue in, or participate in (as class members or otherwise) any action in any jurisdiction based on or relating to any of the Released Claims, or the facts and circumstances relating thereto, against any of the Released Persons; (ii) not to organize or solicit the participation of Settlement Class Members in a separate class for purposes of pursuing any action (including by seeking to amend a pending complaint to include class allegations, or seeking class certification in a pending action in any jurisdiction) based on or relating to any of the Released Claims or the facts and circumstances relating thereto; and (iii) that the foregoing covenants and this Agreement shall be a complete defense to any of the Released Claims against any of the Released Persons.

8.2. Cooperation. The Settling Parties agree to cooperate reasonably and in good faith with the goal of obtaining entry of a final Judgment as quickly as is reasonably practicable and expeditiously reaching agreement on the matters requiring mutual agreement as set forth in this Settlement Agreement, including, but not limited to, the expeditious agreement to the terms of all class notice documents and settlement administration protocols, and the preparation and execution of all other reasonable documents necessary to achieve Final Approval of the Settlement by the Court. Further, the Settling Parties shall consult with mediator Jonathan Marks as necessary in effectuating this Paragraph.

9. REPRESENTATIONS AND WARRANTIES

9.1. Representations and Warranties.

9.1.1. Named Plaintiffs represent and warrant that they are the sole and exclusive owner of all Released Claims and that they have not assigned or otherwise transferred any interest in any of the Released Claims against any of the Released Persons, and further covenant

that they will not assign or otherwise transfer any interest in any of Named Plaintiffs' Released Claims.

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

9.2. The Settling Parties' Representations and Warranties. The Settling Parties, and each of them on his, her, or its own behalf only, represent and warrant:

9.2.1. That they are voluntarily entering into the Settlement Agreement as a result of arm's-length negotiations among their counsel, that in executing the Settlement Agreement, they are relying solely upon their own judgment, belief, and knowledge, and the advice and recommendations of their own independently selected counsel, concerning the nature, extent and duration of their rights and claims hereunder and regarding all matters which relate in any way to the subject matter hereof; and that, except as provided herein, they have not been influenced to any extent whatsoever in executing the Settlement Agreement by representations, statements, or omissions pertaining to any of the foregoing matters by any Party or by any person representing any party to the Settlement Agreement. Each of the Settling Parties assumes the risk of mistake as to facts or law.

10. RELEASES

10.1. Released Claims of Settlement Class. Upon the Final Settlement Date, each member of the Settlement Class (other than the Named Plaintiffs) and their family members, executors, representatives, guardians, wards, heirs, estates, bankruptcy estates, bankruptcy trustees, successors, predecessors, guardians, wards, joint tenants, tenants in common, tenants by the entirety, co-mortgagors, co-obligors, co-debtors, attorneys, agents and assigns, and all those

who claim through them or who assert claims (or could assert claims) on their behalf, shall, by operation of the final Judgment, be deemed to have fully, conclusively, irrevocably, forever, and finally released, relinquished, and discharged the Released Persons from any and all claims, defenses, actions, causes of action, suits, debts, sums of money, payments, obligations, promises, damages, penalties, attorney's fees and costs, liens, judgments, and demands of any kind whatsoever that each member of the Settlement Class may have on or before the Final Settlement Date or may have had in the past, whether in arbitration, administrative, or judicial proceedings, whether as individual claims or as claims asserted on a class basis, whether past or present, mature or not yet mature, known or unknown, suspected or unsuspected, whether based on federal, state, or local law, statute, ordinance, regulations, contract, common law, or any other source, that were or could have been sought or alleged in the Litigation or that relate, concern, arise from, or pertain in any way to the Released Persons' conduct, policies, or practices concerning LPI Policies placed or charged by SunTrust during the Class Period.

10.1.1. The Release in Paragraph 10.1 shall include, but not be limited to: all claims related to charges for SunTrust's placement of LPI Policies during the Class Period; SunTrust's insurance requirements; the relationship, whether contractual or otherwise, between SunTrust and the QBE Defendants and other Released Persons, regarding LPI, including, but not limited to, the procuring, underwriting, placement, insurance tracking, or costs of LPI Policies; the coverage amount, duration, issue date, alleged "backdating," or alleged excessiveness, either in coverage amount or cost, of any LPI Policies placed or charged by SunTrust; the payment or receipt of commissions, expense reimbursements, alleged "kickbacks," or any other compensation under any LPI Policies placed or charged by SunTrust; any alleged "tying" arrangement involving any Defendant relating to LPI; any alleged participation in an enterprise

engaged in racketeering activity as defined by the Racketeer Influenced Corrupt Organizations Act relating to LPI; any alleged breach of fiduciary duty or aiding and abetting such breach of fiduciary duty by any Defendant relating to LPI; any alleged tortious interference by the QBE Defendants and other Released Persons with mortgage contracts serviced by SunTrust; the disclosure or non-disclosure of any payment, expenses, fees, charges, or feature pertaining to or under any LPI Policies placed or charged by SunTrust; the receipt or non-disclosure of any benefit under any LPI Policies placed or charged by SunTrust; any alleged unjust enrichment received by any Defendant relating to LPI; the content, manner, or accuracy of any communications regarding the placement of any LPI Policies by SunTrust; and to the regulatory approval or non-approval of any LPI Policy, or the premium thereon, placed or charged by SunTrust.

10.1.2. The Release in Paragraph 10.1 shall not cover claims arising after the Final Settlement Date, or claims for insurance coverage proceeds made under any LPI Policy placed or charged by SunTrust. Nothing in Paragraph 10.1 shall be deemed a release of any Settlement Class Member's respective rights and obligations arising under this Agreement.

10.2. Released Claims of Named Plaintiffs. Upon the Final Settlement Date, Named Plaintiffs, on behalf of themselves, their family members, executors, representatives, guardians, wards, heirs, estates, bankruptcy estates, bankruptcy trustees, successors, predecessors, guardians, wards, joint tenants, tenants in common, tenants by the entirety, co-mortgagors, co-obligors, co-debtors, attorneys, agents and assigns, and all those who claim through them or who assert claims (or could assert claims) on their behalf, hereby release and discharge the Released Persons from any and all claims, actions, causes of action, suits, debts, sums of money, payments, obligations, reckonings, promises, damages, penalties, attorney's fees and costs, liens,

judgments, and demands of any kind whatsoever that the Named Plaintiffs may have on or before the Final Settlement Date or may have had in the past, whether in arbitration, administrative, or judicial proceedings, whether as individual claims or as claims asserted on a class basis, whether past or present, mature or not yet mature, known or unknown, suspected or unsuspected, whether based on federal, state, or local law, statute, ordinance, regulations, contract, common law, or any other source. In agreeing to this Release, Named Plaintiffs explicitly acknowledge that unknown losses or claims could possibly exist and that any present losses may have been underestimated in amount or severity.

10.2.1. The Release in Paragraph 10.2 shall include, but not be limited to: all claims related to charges for SunTrust's placement of LPI Policies; SunTrust's insurance requirements; the relationship, whether contractual or otherwise, between SunTrust and the QBE Defendants and other Released Persons, regarding LPI, including, but not limited to, the procuring, underwriting, placement, insurance tracking, or costs of LPI Policies; the coverage amount, duration, issue date, alleged "backdating," or alleged excessiveness, either in coverage amount or cost, of any LPI Policies placed or charged by SunTrust; payment or receipt of commissions, expense reimbursements, alleged "kickbacks," or any other compensation under any LPI Policies placed or charged by SunTrust; any alleged "tying" arrangement involving any Defendant relating to LPI; any alleged participation in an enterprise engaged in racketeering activity as defined by the Racketeer Influenced Corrupt Organizations Act relating to LPI; any alleged breach of fiduciary duty or aiding and abetting such breach of fiduciary duty by any Defendant relating to LPI; any alleged tortious interference by the QBE Defendants and other Released Persons with mortgage contracts serviced by SunTrust, to the extent related to LPI; the disclosure or non-disclosure of any payment, expenses, fees, charges, or feature pertaining to or

under any LPI Policies placed or charged by SunTrust; the receipt or non-disclosure of any benefit under any LPI Policy placed or charged by SunTrust; any alleged unjust enrichment received by any Defendant relating to LPI; the content, manner, or accuracy of any communications regarding the placement of any LPI Policy by SunTrust; and the regulatory approval or non-approval of any LPI Policy, or the premium thereon, placed or charged by SunTrust during the Class Period.

10.2.2. This Release in Paragraph 10.2 shall not release claims arising after the Final Settlement Date or claims for insurance coverage proceeds made under any LPI Policy placed or charged by SunTrust. Nothing in Paragraph 10.2 shall be deemed a release of Named Plaintiffs' respective rights and obligations arising under this Agreement.

10.2.3. The Named Plaintiffs and Class Counsel further represent that there are no outstanding liens or claims against the Hamilton Litigation, it being recognized that the Named Plaintiffs will solely be charged with the responsibility to satisfy any other liens or claims asserted in the Hamilton Litigation.

10.3. Without in any way limiting their scope, these Releases cover by example and without limitation, any and all claims for attorneys' fees, costs, expert fees, or consultant fees, interest, or litigation fees, or any other fees, costs, and/or disbursements incurred by Class Counsel, the Named Plaintiffs, or any Settlement Class Members in connection with or related in any manner to the Hamilton Litigation, the settlement of the Hamilton Litigation, the administration of such Settlement, and/or the Released Claims, except to the extent otherwise specified in the Settlement Agreement.

10.4. In connection with the foregoing Releases, the Named Plaintiffs and each Settlement Class Member shall be deemed, as of the entry of the final Judgment, to have waived

any and all provisions, rights, benefits conferred by Section 1542 of the California Civil Code, and any statute, rule and legal doctrine similar, comparable, or equivalent to California Civil Code Section 1542, which provides that:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

To the extent that anyone might argue that these principles of law are applicable— notwithstanding that the Settling Parties have chosen Florida law to govern this Settlement Agreement—the Named Plaintiffs hereby agree, and each Settlement Class Member will be deemed to agree, that the provisions of all such principles of law or similar federal or state laws, rights, rules, or legal principles, to the extent they are found to be applicable herein, are hereby knowingly and voluntarily waived, relinquished, and released. The Named Plaintiffs recognize, and each Settlement Class Member will be deemed to recognize, that, even if they may later discover facts in addition to or different from those which they now know or believe to be true, they nevertheless agree that, upon entry of the final Judgment, they fully, finally, and forever settle and release any and all claims covered by these Releases. The Settling Parties acknowledge that the foregoing Releases were bargained for and are a material element of the Agreement.

10.5. This Agreement and the Releases herein do not affect the rights of Settlement Class Members who timely and properly submit a Request for Exclusion from the Settlement in accordance with the requirements in Section 11 of this Settlement Agreement.

10.6. The administration and consummation of the Settlement as embodied in this Settlement Agreement shall be under the authority of the Court. The Court shall retain jurisdiction to protect, preserve, and implement the Settlement Agreement, including, but not

limited to, enforcement of the Releases contained in the Agreement. The Court shall retain jurisdiction in order to enter such further orders as may be necessary or appropriate in administering and implementing the terms and provisions of the Settlement Agreement.

10.7. Upon the Final Settlement Date: (i) the Settlement Agreement shall be the exclusive remedy for any and all Settlement Class Members, except those who have properly requested exclusion (opted out) in accordance with the terms and provisions hereof; (ii) the Released Persons shall not be subject to liability or expense for any of the Released Claims to any Settlement Class Member(s); (iii) Settlement Class Members who have not opted out, and any person actually or purportedly acting on behalf of such Settlement Class Members, shall be permanently barred and enjoined from filing, commencing, prosecuting, intervening in, continuing in, or participating in (as class members or otherwise) any action in any jurisdiction based on or relating to any of the Released Claims or the facts and circumstances relating thereto; and (iv) Settlement Class Members who have not opted out, and any person actually or purportedly acting on behalf of such Settlement Class Members, shall be permanently barred and precluded from organizing Settlement Class Members, or soliciting the participation of Settlement Class Members, for purposes of pursuing any action (including by seeking to amend a pending complaint to include class allegations, or seeking class certification in a pending action in any jurisdiction) based on or relating to any of the Released Claims or the facts and circumstances relating thereto.

10.8. Nothing in this Settlement Agreement and Releases shall preclude any action to enforce the terms of the Settlement Agreement, including participation in any of the processes detailed therein. The Releases set forth herein are not intended to include the release of any

rights or duties of the Settling Parties arising out of the Settlement Agreement, including the express warranties and covenants contained herein.

10.9 Nothing in this Settlement Agreement and Releases shall be deemed to alter, amend, or change the terms and conditions of any residential mortgage loan as to which any Class member is or was a party, or to provide a defense to any such residential mortgage loan, including but not limited to, a defense based on the so-called "one action" rule; in the event this Agreement is so construed as to a particular Settlement Class Member, it can be declared by SunTrust to be null and void as to that Class Member only (and, in such latter event, the Releases as to that Class Member shall also be void).

11. OPT-OUT RIGHTS

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

11.1.1. Any Settlement Class Member who does not opt out of the Settlement in the manner described herein shall be deemed to be part of the Settlement Class, and shall be bound by all subsequent proceedings, orders, and judgments.

11.1.2. A Settlement Class Member who desires to opt out must take timely affirmative written action pursuant to this Section (Section 11), even if the Settlement Class Member desiring to opt out of the Class (a) files or has filed a separate action against any of the Released Persons, or (b) is, or becomes, a putative or actual class member in any other class action filed against any of the Released Persons.

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

11.3. The Settlement Administrator shall provide Class Counsel and Defense Counsel with a list of all timely Requests for Exclusion within seven (7) days after the Opt Out Deadline.

11.4. If the number of Settlement Class Members who properly and timely exercise their right to opt out of the Settlement Class exceeds one percent (1%) of the total number of Settlement Class Members, the Settling Parties stipulate and agree that Defendants shall have the right to terminate this Agreement without penalty or sanction.

11.5 Except for those Settlement Class Members who timely and properly file a Request for Exclusion in accordance with Section 11, all other Settlement Class Members will be deemed to be Settlement Class Members for all purposes under the Agreement, and upon the Final Settlement Date, will be bound by its terms, regardless of whether they receive any monetary relief or any other relief.

12. OBJECTIONS

12.1. Overview. Any potential Settlement Class Member who does not opt out of the Settlement may object to the Settlement. To object, the Settlement Class Member must comply with the procedures and deadlines in this Agreement.

12.2. Process. Any potential Settlement Class Member who wishes to object to the Settlement must do so in writing on or before the Objection Deadline, as specified in the Class Notice and Preliminary Approval Order. The written objection must be filed with the Clerk of Court, and mailed (with the requisite postmark) to Class Counsel and Defense Counsel (at the addresses identified in Section 19), no later than the Objection Deadline.

12.2.1. The requirements to assert a valid written objection shall be set forth in the Class Notice and on the Settlement Website, and, to be valid, the written objection must include: (a) the case name and number; (b) the name, address, telephone number of the Settlement Class Member objecting and, if represented by counsel, of his/her counsel; (c) the basis for the objection; and (d) a statement of whether he/she intends to appear at the Final Approval Hearing, either with or without counsel.

12.2.2. Any Settlement Class Member who fails to object to the Settlement in the manner described in the Class Notice and consistent with this Section shall be deemed to have waived any such objection, shall not be permitted to object to any terms or approval of the Settlement at the Final Approval Hearing, and shall be foreclosed from seeking any review of the Settlement or the terms of the Agreement by appeal or other means.

12.3. Appearance. Subject to approval of the Court, any Class Member who files and serves a written objection in accordance with Paragraph 12.2 and the Class Notice may appear, in person or by counsel, at the Final Approval Hearing held by the Court, to show cause why the

proposed Settlement should not be approved as fair, adequate, and reasonable, but only if the objecting Settlement Class Member: (a) files with the Clerk of the Court a notice of intention to appear at the Final Approval Hearing by the Objection Deadline (“Notice of Intention to Appear”); and (b) serves the Notice of Intention to Appear on all counsel designated in the Class Notice by the Objection Deadline.

12.3.1. The Notice of Intention to Appear must include copies of any papers, exhibits, or other evidence that the objecting Settlement Class Member will present to the Court in connection with the Final Approval Hearing.

12.3.2. Any Settlement Class Member who does not file a Notice of Intention to Appear in accordance with the deadlines and other specifications set forth in the Agreement and Class Notice shall not be entitled to appear at the Final Approval Hearing and raise any objections.

13. SETTLEMENT APPROVAL

13.1. By May 2, 2014, Named Plaintiffs shall move the Court for entry of the proposed Preliminary Approval Order and the scheduling of a Final Approval Hearing.

13.2. Not later than fifteen (15) days before the Final Approval Hearing, the Settlement Administrator will provide Defense counsel with an affidavit or declaration by a competent affiant or declarant, attesting that the Class Notice has been disseminated in accordance with the Preliminary Approval Order and identifying the number of Requests for Exclusion to the Settlement. Not later than ten (10) days before the Final Approval Hearing, Defense Counsel shall file the affidavit or declaration with the Court prior to the Final Approval Hearing.

13.3. Plaintiff shall move for and brief the issue of Final Approval of the Settlement in accordance with the Preliminary Approval Order or such other or further order of the Court.

13.4. At the Final Approval Hearing, Plaintiff shall move for entry of the proposed Judgment and present arguments in support thereof.

13.5. Not later than ten (10) days after the Final Settlement Date, Settlement Class Members shall dismiss with prejudice all claims, actions, or proceedings that have been brought by or involve any Settlement Class Member in any other jurisdiction and that are released pursuant to this Settlement Agreement.

14. CERTIFICATION OF NATIONWIDE SETTLEMENT CLASS FOR SETTLEMENT PURPOSES

14.1. After the Preliminary Approval Order is entered, Named Plaintiffs shall move for Final Approval of the Settlement and entry of final Judgment, and shall request that the preliminary certification of the nationwide Settlement Class for settlement purposes only be made final. Named Plaintiffs will also promptly seek leave to amend the Third Amended Complaint, which Defendants will not oppose, to add any additional parties, including QBE Insurance Corporation, QBE Financial Institution Risk Services, Inc., and Praetorian Insurance Company, and conform their alleged class to the nationwide class contemplated in this Agreement.

14.2. If the Settlement is not granted final approval, or this Agreement is otherwise terminated or rendered null and void, the certification of the above-described nationwide Settlement Class shall be automatically vacated and shall not constitute evidence or a binding determination that the requirements for certification of a class for trial purposes in this or any other action can be or have been satisfied; in such circumstances, Defendants reserve and shall have all rights to challenge certification of a nationwide Settlement Class or any other Class for

trial purposes in the Litigation, or in any other action, on all available grounds as if no nationwide Settlement Class had been certified.

15. ATTORNEYS' FEES, EXPENSES, AND NAMED PLAINTIFFS' CASE CONTRIBUTION AWARD

15.1. Any application for Attorneys' Fees and Expenses shall not exceed \$3,600,000.

15.2. Defendants agree not to oppose or otherwise object to an application by Class Counsel for the award of Attorneys' Fees and Expenses in this Litigation in an amount not to exceed \$3,600,000. Provided any award of Attorneys' Fees and Expenses does not exceed \$3,600,000, Defendants shall pay the Attorneys' Fees and Expenses made by the Court in the final Judgment in the Hamilton Litigation within thirty (30) days after the Final Settlement Date. Defendants shall not be obligated to pay any award of Attorneys' Fees and Expenses that exceeds \$3,600,000. If for any reason an award of Attorneys' Fees and Expenses exceeds \$3,600,000, the Named Plaintiffs and Class Counsel expressly disclaim any and all right to collect the amount that exceeds \$3,600,000 from any person or entity, and agree, upon demand, to execute a release of any person's or entity's obligation to pay such sums. In the event the Court awards Class Counsel less than \$3,600,000 in Attorneys' Fees and Expenses, this Settlement Agreement shall remain in full force and effect.

15.3. Class Counsel shall provide to Defendants a completed W9 form within ten (10) days after the entry of Judgment as defined in Paragraph 2.23. Within thirty (30) days after the entry of Judgment, Defendants shall deposit the amount of Attorneys' Fees and Expenses awarded by the Court (not to exceed \$3,600,000) in an interest-bearing account of Defendants' choosing. In no event shall Defendants be required to deposit the Attorneys' Fees and Expenses less than twenty (20) days after receipt of a properly executed W9. The Attorneys' Fees and

Expenses (not to exceed \$3,600,000), along with any interest earned, shall be disbursed to Kozyak, Tropin, & Throckmorton, P.A.'s Firm Trust Account within ten (10) business days after the Final Settlement Date. If for any reason the Judgment does not become Final within the meaning of Paragraph 2.22 (*i.e.*, the Final Settlement Date does not occur), all money in the interest-bearing account, including the interest accumulated, shall be returned to the Defendants within five (5) days after the occurrence of the condition or event that prevents the Judgment from becoming final.

15.4. In addition to the Claim Settlement Relief otherwise due to a Settlement Class Member of the Settlement Class, Defendants agree to pay each Named Plaintiff a Case Contribution Award as awarded by the Court not to exceed the sum of \$5,000.00 each (for a total of \$10,000.00), and shall deliver to Named Plaintiffs' Counsel a check made payable to each Named Plaintiff, within thirty (30) days after the Final Settlement Date.

15.4.1. If the Court awards Named Plaintiffs a Case Contribution Award, Named Plaintiffs shall provide to Defendants a completed W9 form for each Named Plaintiff within ten (10) business days after the Final Settlement Date. In no event shall Defendants be required to pay a Case Contribution Award less than ten (10) days after receipt of a properly executed W9.

15.5. The procedure for and the grant or denial or allowance or disallowance by the Court of the Attorneys' Fees and Expenses and Case Contribution Awards are to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement, and any order or proceedings relating to the applications for Attorneys' Fees and Expenses and Case Contribution Award, or any appeal from any order relating thereto or reversal or modification thereof, will not operate to terminate or cancel this

Agreement, or affect or delay the finality of Judgment approving the Agreement and the Settlement, except as provided for in Paragraph 15.2.

16. CONFIDENTIALITY: COMMUNICATIONS TO MEDIA AND PUBLIC

16.1 The Settling Parties agree that the terms of this Settlement shall remain confidential and not be disclosed by any party until the Settlement Agreement is filed in connection with Named Plaintiffs' Motion for Preliminary Approval. Notwithstanding this provision, the Settling Parties agree that Defendants may discuss the terms of this Agreement with their respective attorneys, regulators, taxing authorities and insurers before the Settlement Agreement is filed.

16.2 The Settling Parties agree further that both before and after Preliminary Approval of the Settlement, they shall not publish any press release, advertisement, Internet posting, or similar document concerning the Litigation; the facts and circumstances that were the subject of, or disclosed during discovery in the Litigation; or the Settlement of the Litigation, or make any extrajudicial statements concerning the Litigation; the facts and circumstances that were the subject of, or disclosed during discovery in the Litigation; or the Settlement of the Litigation, excepting only that such statements may be made to individual Settlement Class Members in one-on-one communications. General statements concerning the fact of the Settlement and its terms and otherwise public information about the Litigation may be made on the firm websites of Class Counsel or Defense Counsel, provided that such counsel obtains the prior approval of all other Settling Parties, which approval shall not be unreasonably withheld or delayed. Notwithstanding any limitation within this provision, the Settling Parties agree that Defendants may discuss the terms of this Agreement with their respective attorneys, regulators, taxing authorities and insurers.

16.3. The Settling Parties agree that both before and after Preliminary Approval, if any print or electronic media outlet contacts any party or its counsel seeking information or a statement regarding the Settlement, in the absence of a response agreed upon by all Settling Parties, no information will be provided in response to such inquiries.

17. TERMINATION AND EFFECT THEREOF

17.1. This Agreement shall be terminable by any Party if any of the conditions of Section 3, Section 10, and Paragraph 11.4 are not fully satisfied, unless they are waived in writing signed by authorized representatives of the Settling Parties.

17.2. This Agreement shall also terminate at the discretion of any Party if: (1) the Court, or any appellate court(s), rejects, modifies, or denies approval of any portion of this Agreement or the proposed Settlement that is material, including without limitation, the terms or relief, the provisions relating to Class Notice, the definition of the Settlement Class, the Preliminary and Final Approval Order, and/or the terms of the Releases; (2) the Court, or any appellate court(s), does not enter or completely affirm, or alters, or restricts, or expands, any portion of the final Judgment, or any of the District Court's findings of fact or conclusions of law, in a material way; or (3) if all of the conditions required to be met before the Final Settlement Date do not occur.

17.3. If this Agreement is terminated as provided herein, either automatically or by a Party, the Settlement shall be null and void from its inception and the Settling Parties will be restored to their respective positions in the Hamilton Litigation as of the date of Preliminary Approval. In such event, the terms and provisions of this Agreement will have no further force and effect with respect to the Settling Parties and will not be used in the Hamilton Litigation, or

in any other proceeding for any purpose, and any Judgment or order entered by the Court in accordance with the terms of this Agreement will be treated as vacated, *nunc pro tunc*.

18. MISCELLANEOUS PROVISIONS

18.1. Named Plaintiffs and Settlement Class Members who have made or who make a claim for benefits in the future on their LPI Policy will not be affected in any way as a result of their participation in this Settlement, and may participate in this Settlement to the same extent as Named Plaintiffs or Settlement Class Members who have not made a claim on their LPI Policy.

18.2. There will be no offset to any amounts received by any Named Plaintiffs or Settlement Class Member under this Settlement to account for any payments to Named Plaintiffs or Settlement Class Members under the National Mortgage Settlement or any other settlement between SunTrust and any governmental or private entity. Nor will any payments to any Named Plaintiffs or Settlement Class Member be an offset against any payments to Named Plaintiffs or Settlement Class Members under the National Mortgage Settlement or any other settlement between SunTrust and any governmental or private entity.

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

18.4. The Settling Parties intend the Settlement to be a final and complete resolution of all disputes between them with respect to the Hamilton Litigation. The Settlement compromises claims that are contested and will not be deemed an admission by any Settling Party as to the merits of any claim or defense. The Settling Parties agree that the consideration provided to the Settlement Class and the other terms of the Settlement were negotiated in good faith and at arm's

length by the Settling Parties, and reflect a Settlement that was reached voluntarily after consultation with competent legal counsel. The amounts paid are to compromise the claimants' claims for damages and the amounts paid represent the claimants' compensation for such alleged damages.

18.5. Neither this Agreement nor the Settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the Settlement is or may be deemed to be or may be used as an admission or evidence of the validity of any Released Claims, or of any wrongdoing or liability of any Settling Defendant; or is or may be deemed to be or may be used as an admission of, or evidence of, any fault, omission, wrongdoing, or liability of any Settling Defendant in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal. Defendants may file this Agreement and/or the Judgment in any action that may be brought against them in order to support any defense or counterclaim, including, without limitation, those based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion, issue preclusion, or similar defense or counterclaim.

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

18.7. All of the Exhibits to this Agreement are material and integral parts hereof and are fully incorporated herein by this reference.

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

18.9. This Agreement and the Exhibits attached hereto constitute the entire agreement among the Settling Parties, and no representations, warranties, or inducements have been made

to any Party concerning this Agreement or its Exhibits other than the representations, warranties, and covenants covered and memorialized herein. Except as otherwise provided herein, the Settling Parties will bear their own respective costs.

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

18.11. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument. A complete set of counterparts will be submitted to the Court.

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

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

18.14. None of the Settling Parties, or their respective counsel, will be deemed the drafter of this Agreement or its Exhibits for purposes of construing the provisions thereof. The language in all parts of this Agreement and its Exhibits will be interpreted according to its fair meaning, and will not be interpreted for or against any Settling Party as the drafter thereof.

18.15. The Parties stipulate to stay all proceedings in the Hamilton Litigation until the approval of this Agreement has been finally determined, except the stay of proceedings shall not

prevent the filing of any motions, affidavits, and other matters necessary to obtain and preserve final judicial approval of this Agreement.

18.16. Except as agreed by the Parties in writing, within thirty (30) days after the Final Settlement Date, Class Counsel shall destroy all physical and electronically stored information, testimony, or other information produced by Defendants in the Hamilton Litigation, including the mediation for the Hamilton Litigation, and shall so certify in writing.

18.17. The Settlement shall be governed by the laws of the State of Florida, except to the extent that the law of the United States governs any matters set forth herein, in which case such federal law shall govern.

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

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

19. NOTICES

19.1. All Notices (other than the Class Notice) required by the Agreement shall be made in writing and communicated by fax and mail to the following addresses:

All Notices to Class Counsel shall be sent to Class Counsel, c/o:
Adam M. Moskowitz
Kozyak Tropin & Throckmorton, P.A.

2525 Ponce de Leon Blvd., 9th Floor
Coral Gables, FL 33134
Telephone: (305) 372-1800
Fax: (305) 372-3508

Counsel for Named Plaintiffs and Class

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

Marc J. Gottlieb, Esq.
AKERMAN LLP
350 East Las Olas Blvd., Suite 1600
Fort Lauderdale, Florida 33301
Telephone: (954) 463-2700
Fax: (954) 463-2224

Counsel for SunTrust

Robyn C. Quattrone
BuckleySandler LLP
1250 24th Street, NW
Suite 700
Washington, DC 20037
Telephone: (202) 349-8035
Fax: (202) 349-8080

Counsel for the QBE Defendants

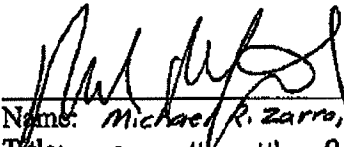
19.2. The notice recipients and addresses designated above may be changed by written agreement of the Settling Parties.

19.3. Upon the request of any of the Settling Parties, the Settling Parties agree to promptly provide each other with copies of objections, Requests for Exclusion, or other similar documents received from Settlement Class Members in response to the Class Notice.

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

Dated: 4/30/14

By:


Name: Michael R. Zarro, Jr.
Title: Executive Vice President
Mortgage Operations
SunTrust Mortgage, Inc.

Dated: _____

By:

Name: James P. Novak
Title: Program Manager for QBE Specialty Insurance Company

QBE Specialty Insurance Company

Dated: _____

By:

Name: James P. Novak
Title: SVP, QBE FIRST Insurance Agency, Inc.

Sterling National Insurance Agency n/k/a
QBE FIRST Insurance Agency, Inc.

Dated: _____

By:

Name: James P. Novak
Title: SVP, QBE FIRST Insurance Agency, Inc., agent for QBE Insurance Corporation

QBE Insurance Corporation

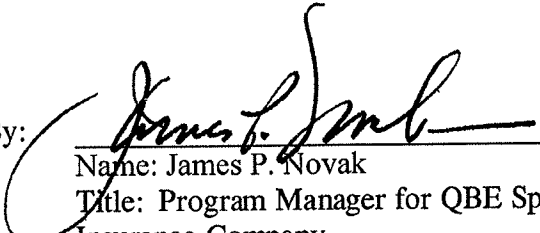
IN WITNESS WHEREOF, the Settling Parties have executed and caused this Settlement
on the dates set forth below.

Dated: _____

By: _____
Name:
Title:

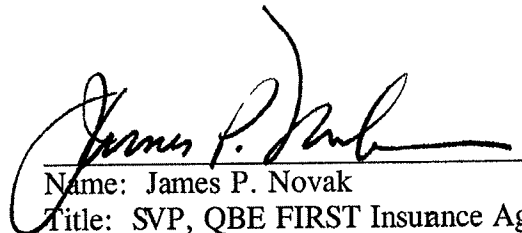
SunTrust Mortgage, Inc.

Dated: 4/30/14

By: 
Name: James P. Novak
Title: Program Manager for QBE Specialty
Insurance Company

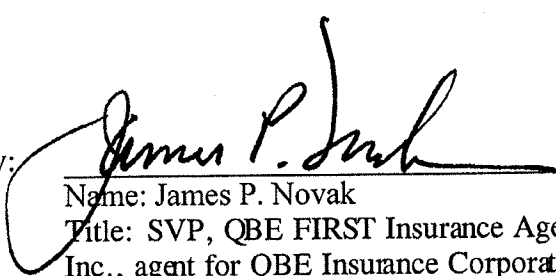
QBE Specialty Insurance Company

Dated: 4/30/14

By: 
Name: James P. Novak
Title: SVP, QBE FIRST Insurance Agency,
Inc.

*Sterling National Insurance Agency n/k/a
QBE FIRST Insurance Agency, Inc.*

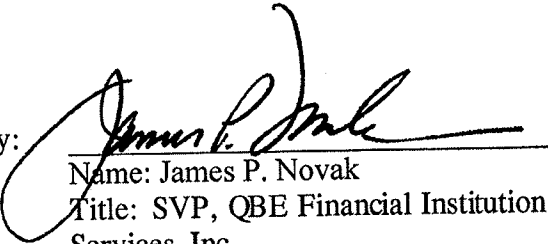
Dated: 4/30/14

By: 
Name: James P. Novak
Title: SVP, QBE FIRST Insurance Agency,
Inc., agent for QBE Insurance Corporation

QBE Insurance Corporation

Dated: 4/30/14

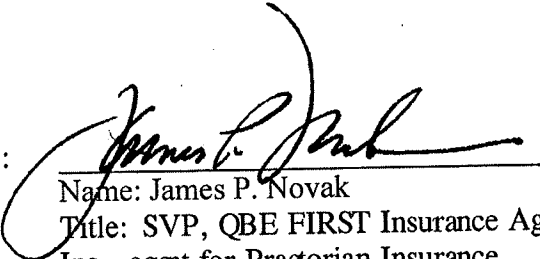
By:


Name: James P. Novak
Title: SVP, QBE Financial Institution Risk Services, Inc.

QBE Financial Institution Risk Services, Inc.

Dated: 4/30/14

By:


Name: James P. Novak
Title: SVP, QBE FIRST Insurance Agency, Inc., agent for Praetorian Insurance Company

Praetorian Insurance Company

Dated: _____

By:

Carina Hamilton
Plaintiff

Dated: _____

By:

David Wieder
Plaintiff

Dated: _____

By: _____
Name: James P. Novak
Title: SVP, QBE Financial Institution Risk
Services, Inc.

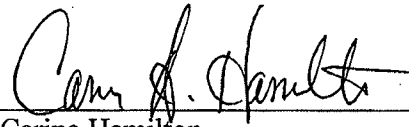
*QBE Financial Institution Risk Services,
Inc.*

Dated: _____

By: _____
Name: James P. Novak
Title: SVP, QBE FIRST Insurance Agency,
Inc., agent for Praetorian Insurance
Company

Praetorian Insurance Company

Dated: 5/2/14

By: 
Carina Hamilton
Plaintiff

Dated: _____

By: _____
David Wieder
Plaintiff

Dated: _____

By: _____

Name: James P. Novak
Title: SVP, QBE Financial Institution Risk
Services, Inc.

*QBE Financial Institution Risk Services,
Inc.*

Dated: _____

By: _____

Name: James P. Novak
Title: SVP, QBE FIRST Insurance Agency,
Inc., agent for Praetorian Insurance
Company

Praetorian Insurance Company

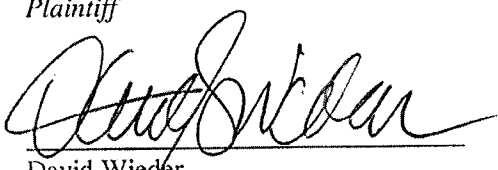
Dated: _____

By: _____

Carina Hamilton
Plaintiff

Dated: 4/29/14

By: _____


David Wieder
Plaintiff