

STIPULATION AND AGREEMENT OF SETTLEMENT

This Stipulation and Agreement of Settlement (the “Stipulation”) is entered into by and between Plaintiffs Edward Huyer, Connie Huyer, Carlos Castro and Hazel P. Navas-Castro (together, “Plaintiffs”), for themselves and the Class defined herein, on the one hand, and, on the other hand, Wells Fargo Bank, N.A. and Wells Fargo & Co. (collectively, “Wells Fargo”). Plaintiffs and Wells Fargo are referred to collectively in this Stipulation as the “Parties.”

I. RECITALS

1.01 On August 5, 2008, Edward and Connie Huyer, along with former plaintiffs Gregory and Odetta Young, filed a putative class action complaint against Wells Fargo in the United States District Court for the Northern District of California (the “Action”). Gregory and Odetta Young were later dismissed as plaintiffs in the Action.

1.02 On December 17, 2008 the Action was transferred to the Southern District of Iowa and docketed as Case No. 4:08-cv-00507-RP-CFB.

1.03 Over the course of the litigation, the Parties briefed various motions. On October 3, 2008, Wells Fargo moved to dismiss the original complaint, and on March 6, 2009, Plaintiffs filed a First Amended Complaint. Wells Fargo filed a motion to dismiss the First Amended Complaint and, on October 27, 2009, the Court granted in part and denied in part Wells Fargo’s motion to dismiss the First Amended Complaint.

1.04 On July 5, 2011, Plaintiffs filed a Third Amended Complaint (“TAC”) that added Carlos Castro and Hazel Navas-Castro as plaintiffs. The TAC is the operative complaint in the Action, and generally challenges Wells Fargo’s practices in ordering and charging delinquent mortgage borrowers for property inspections. Plaintiffs allege that property inspections ordered by Wells Fargo are not reasonably necessary to protect its interests or the interests of investors;

that Wells Fargo's practices fail to comply with the guidelines of government sponsored enterprises ("GSEs") and/or investors; that an excessive number of property inspections are ordered by Wells Fargo; that Wells Fargo conducts "drive-by" inspections that are not reasonably designed to make sure that properties are secure; that inspection reports are not read by Wells Fargo or used for any legitimate purpose; and, that Wells Fargo has generated substantial revenue through these practices. The TAC also alleges that Wells Fargo improperly assesses late fees on delinquent mortgage borrowers' accounts.

1.05 The TAC seeks monetary and other relief on behalf of borrowers whose mortgages are or were serviced by Wells Fargo and asserts claims for violation of California's Unfair Competition Law or "UCL" (Cal. Bus. & Prof. Code, §§17200 et seq.) and for violation of the Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. §1964(c) ("RICO").

1.06 On July 22, 2011, Wells Fargo filed an answer to the TAC.

1.07 Wells Fargo contends that all of its property inspection policies and procedures complied with the law; that property inspections and related charges to borrowers were reasonable and necessary to protect Wells Fargo's interests or the interests of investors; that Wells Fargo's practices comply with GSE and investor guidelines; that the number of property inspections ordered by Wells Fargo was not excessive; that property inspections, including "drive-by" inspections, are reasonably designed to make sure that properties are secure; that inspection reports are reviewed by Wells Fargo and used for legitimate purposes; and, that Wells Fargo has not generated revenue through these practices, but has instead charged borrowers only the amounts paid by Wells Fargo for the property inspections. Further, Wells Fargo has denied and continues to deny the allegations of the TAC, and, more generally, denies all of Plaintiffs' allegations regarding Wells Fargo's practices in ordering and charging borrowers for property

inspections and/or charging borrowers late fees. Wells Fargo further denies any and all liability with respect to the facts and claims alleged in the Action, and denies that Plaintiffs and/or the members of the Class (as defined below) have suffered any damage. Nevertheless, Wells Fargo desires to settle the Action on the terms and conditions set forth herein for the purposes of avoiding the burden, expense, and uncertainty of continuing litigation.

1.08 Beginning in March 2009, the Parties exchanged written discovery. Plaintiffs have taken the deposition of numerous Wells Fargo employees, and Wells Fargo has taken the depositions of the Plaintiffs.

1.09 On November 9, 2012, Plaintiffs filed a motion for class certification, which motion was limited to their claims related to property inspections. Plaintiffs have not sought to certify as a class action their claims related to late fees, and they have elected not to pursue those claims in the Action.

1.10 On October 23, 2013, the Court granted Plaintiffs' motion for class certification. The Court certified three classes: (1) a nationwide RICO Damages Class of borrowers who paid fees for property inspections automatically ordered as a result of a late payment; (2) a California UCL Class of California borrowers who paid fees for property inspections automatically ordered as a result of a late payment; and (3) a nationwide Injunctive Relief Class of borrowers who owe fees for property inspections automatically ordered as a result of a late payment.

1.11 Contested issues of both fact and law exist and remain concerning the allegations and claims made against Wells Fargo.

1.12 In an effort to resolve this dispute, the Parties have participated in multiple mediations and settlement conferences over the course of this lawsuit. On April 25, 2012, the Parties participated in a mediation before retired Magistrate Judge Edward Infante of the

Northern District of California. On June 29, 2012, the Parties participated in a second mediation before Judge Infante. The Parties also engaged in several follow-up calls with Judge Infante. On August 20, 2013, the Parties participated in a settlement conference before Magistrate Judge Celeste Bremer of the Southern District of Iowa. On February 17, 2015, the Parties participated in a mediation before retired Magistrate Judge Arthur J. Boylan of the District of Minnesota and engaged in several follow-up calls and an additional face-to-face meeting with Judge Boylan on May 15, 2015, resulting in the present Settlement.

1.13 Plaintiffs' Counsel (as defined below) have fully analyzed and evaluated the merits of all Parties' contentions and this Settlement as it impacts upon all Parties, including the individual members of the Class. After taking into account the foregoing along with the substantial risks of continued litigation and the likelihood that the Action—if not settled now—will be protracted and expensive, Plaintiffs' Counsel are satisfied that the terms and conditions of this Stipulation are fair, reasonable and adequate, and that the Settlement is in the best interests of the Plaintiffs and Class.

1.14 In consideration of the covenants and agreements set forth herein, the Plaintiffs, the Class and Wells Fargo, themselves and through their undersigned counsel, agree to the Settlement of the Action, subject to Court approval, under the following terms and conditions.

II. DEFINED TERMS

2.01 “Active” refers to loans with an unpaid principal balance greater than zero.

2.02 “Agreement” or “Settlement Agreement” means this Stipulation and each and every exhibit attached hereto.

2.03 “CAFA Notice” refers to the notice required by the Class Action Fairness Act, 28 U.S.C. § 1715(b), to be provided by Wells Fargo under paragraph 3.08.

2.04 “Cash Award” means a monetary payment by means of a check to an eligible Class Member.

2.05 “Claims Administrator” means Garden City Group, LLC or such other entity as the parties agree upon and propose to the Court for approval.

2.06 “Class” and “Class Members” mean, for the purposes of this Settlement only, all Persons who have or had a mortgage serviced by Wells Fargo and owe or paid a property inspection fee assessed during the period August 1, 2004 through December 31, 2013, inclusive. Excluded from the Class are Defendants, any entity in which a Defendant has a controlling interest or is a parent or subsidiary of, or any entity that is controlled by a Defendant, and any of Defendants’ officers, directors, employees, affiliates, legal representatives, heirs, predecessors, successors, and assigns. Also excluded from the Class are those Persons who timely and validly request exclusion from the Class.

2.07 “Class Period” means from August 1, 2004 through December 31, 2013.

2.08 “Class Representatives” means Plaintiffs Edward Huyer, Connie Huyer, Carlos Castro and Hazel Navas-Castro.

2.09 “Court” means the United States District Court for the Southern District of Iowa.

2.10 “Effective Date” means the date when all of the following events shall have occurred: (a) the contribution to the Settlement Fund has been made pursuant to the Stipulation; (b) entry of the Order for Notice and Hearing in all material respects in the form attached hereto as Exhibit A; (c) no party has exercised his, her, or its rights to terminate the Stipulation pursuant to paragraph 3.01 below; and (d) following notice to the Class and a hearing, entry by the Court of the Final Judgment, substantially in the form of Exhibit B annexed hereto, including a final ruling by the Court on Plaintiffs’ Fee and Expense Application, and the Final Judgment becomes

Final. In the event that the Court enters a final judgment in a form other than that provided above (“Alternative Judgment”) and neither Plaintiffs nor Wells Fargo elects to terminate this Settlement as provided for in paragraph 3.01, then the Effective Date shall be the date on which the Alternative Judgment becomes Final, including a final ruling by the Court on Plaintiffs’ Fee and Expense Application, and provided that all of the other events set forth in subparagraphs (a) through (c) have also occurred.

2.11 “Escrow Account” means an escrow account to be created by the Claims Administrator at JP Morgan Chase Bank, National Association or such other national bank as the Parties agree upon, for the purpose of holding and investing the Settlement Funds as set forth in paragraph 5.01.

2.12 “Fee and Expense Application” means the application for an award of attorneys’ fees and reimbursement of litigation expenses by Plaintiffs’ Counsel.

2.13 “Final” means when the last of the following with respect to the Final Judgment or any Alternative Judgment (as defined in paragraph 2.10 above) shall occur: (i) the expiration of the time to file a motion to alter or amend the Final Judgment or Alternative Judgment under Federal Rule of Civil Procedure 59(e) without any such motion having been filed, or if such a motion is filed, the final determination of that motion in such a manner as to permit the consummation of the Settlement, in accordance with the terms and conditions of this Stipulation; (ii) if there is an appeal or petition for review from the Final Judgment or Alternative Judgment, the date of final affirmance on appeal or review of the Final Judgment or Alternative Judgment in such a manner as to permit the consummation of the Settlement, in accordance with the terms and conditions of this Stipulation, and the expiration of the time for any further judicial review whether by appeal, reconsideration, petition for rehearing, or a petition for a writ of certiorari;

(iii) if there is no appeal or petition for review from the Final Judgment or Alternative Judgment, the expiration of the time for the filing or noticing of any appeal or petition for review from the Final Judgment or Alternative Judgment; and (iv) no other appeal or petition for rehearing or review is pending, and the time period during which further petition for rehearing, review, appeal, or certiorari could be taken has finally expired and relief from a failure to file same is not available. In the event that the Court makes a ruling on the Fee and Expense Application of Plaintiffs' Counsel and that ruling is set forth other than in the Final Judgment, then such ruling must become final and no longer subject to appeal, as set forth in this paragraph, in order for the Settlement, the Final Judgment, or the Alternative Judgment to be Final as specified in this Stipulation.

2.14 "Final Judgment" means the proposed judgment to be entered by the Court approving the Settlement, substantially in the form of the Final Approval Order and Judgment of Dismissal with Prejudice attached hereto as Exhibit B.

2.15 "Notice" means the Notice of Pendency and Proposed Settlement of Class Action (the "Notice"), which is to be posted on the Claims Administrator's website and sent to all Class Members who request it, substantially in the form attached hereto as Exhibit A-1 to Exhibit A.

2.16 "Notice Database" means the database described in paragraph 3.04 containing the names and last known addresses of Class Members that Wells Fargo produced pursuant to the Court's Order dated May 8, 2014, which has been provided to the Claims Administrator.

2.17 "Order for Notice and Hearing" means the Proposed Order Preliminarily Approving Settlement and Providing for Notice, attached hereto as Exhibit A.

2.18 "Paid-In-Full" refers to loans that were paid-in-full by the borrower.

2.19 "Person" means an individual, corporation, partnership, limited partnership,

limited liability partnership, association, joint stock company, limited liability company or corporation, professional corporation, estate, legal representative, trust, unincorporated association, and any business or legal entity and his, her or its spouses, heirs, predecessors, successors, representatives, or assignees.

2.20 “Plaintiffs” means Edward Huyer, Connie Huyer, Carlos Castro, and Hazel Navas-Castro only, and is not intended herein to include the entire “Class” or all “Class Members.”

2.21 “Plaintiffs’ Counsel” means the law firms of Scott+Scott, Attorneys at Law, LLP, Reese LLP, Roxanne Conlin & Associates, P.C., Strom Law Firm, L.L.C., and Finkelstein, Blankinship, Frei-Pearson & Garber, LLP.

2.22 “Plaintiffs’ Co-Lead Class Counsel” means the law firms of Scott+Scott, Attorneys at Law, LLP and Reese LLP.

2.23 “Plan of Allocation” means the plan described in the Notice or any alternate plan approved by the Court, with the consent of the Parties, whereby the Net Settlement Fund (defined below) shall be distributed to eligible Class Members.

2.24 “Postcard Notice A” means the postcard notice which is to be sent to Class Members whose loans fall into the Active or Paid-in-Full categories, which notice shall be substantially in the form attached hereto as Exhibit A-3 to Exhibit A.

2.25 “Postcard Notice B” means the postcard notice which is to be sent to Class Members whose loans fall into the Post-Sale category, which notice shall be substantially in the form attached hereto as Exhibit A-4 to Exhibit A.

2.26 “Post-Sale” refers to loans with respect to which there had been a foreclosure sale, short sale, deed-in-lieu, or charge-off.

2.27 “Proof of Claim” means the Proof of Claim and Release to be submitted by certain Class Members as provided in paragraph 6.03 below, substantially in the form attached hereto as Exhibit A-5 to Exhibit A.

2.28 “Released Claims” means, as to Class Members and Plaintiffs, all actions, claims, debts, demands, causes of action and rights and liabilities whatsoever (including, but not limited to, any claims for violations of RICO, California’s UCL, state unfair and deceptive acts and practices statutes, and claims based upon the alleged breach or other violation of any statute, regulation, servicing guideline or investor guideline, including regulations or guidelines promulgated by the U.S. Department of Housing and Urban Development, the Federal Housing Administration, Fannie Mae, Freddie Mac, and any other government sponsored enterprise or private investor), at law or in equity, matured or unmatured, foreseen or unforeseen, known or unknown, suspected or unsuspected, contingent or non-contingent, whether class or individual in nature, against the Released Defendants, belonging to Plaintiffs and/or any or all Class Members and/or their respective heirs, assigns, beneficiaries, and successors, and any other Person claiming through or on behalf of them (collectively, the “Releasing Parties”), arising under federal, state, local, statutory, or common law, or any other law, rule or regulation, based upon, arising out of, or relating to, in any way, property inspection fees assessed on a mortgage serviced by Wells Fargo, or Wells Fargo’s practices in ordering or charging borrowers for property inspections, during the Class Period. “Released Claims” include “Unknown Claims” as defined below, but do not include claims to enforce any of the terms of this Stipulation.

2.29 “Released Defendants” means Wells Fargo Bank, N.A., Wells Fargo & Co., and each of their present and former parents, subsidiaries, divisions, affiliates, predecessors, successors and assigns, and the present and former directors, officers, employees, principals,

investors, agents, insurers, shareholders, attorneys, advisors, consultants, representatives, partners, joint venturers, independent contractors, wholesalers, resellers, distributors, retailers, predecessors, successors, and assigns of each of them.

2.30 “Settlement” means the Settlement into which the Parties have entered to resolve the Action. The terms of the Settlement are set forth in this Stipulation and the attached exhibits.

2.31 “Settlement Fairness Hearing” means the hearing scheduled by the Court to review the Settlement and determine whether it is fair, reasonable and adequate, and should be approved.

2.32 “Settlement Fund” means the fund in the amount of \$25,750,000 to be created by Wells Fargo as set forth in paragraph 5.01. In no event shall Wells Fargo be required to pay more than this amount under this Settlement.

2.33 “Summary Notice” means the Summary Notice of Proposed Settlement of Class Action and Hearing for publication substantially in the form attached as Exhibit A-2 to Exhibit A.

2.34 “Settlement Website” means the Internet website operated by the Claims Administrator as described in paragraph 3.05.

2.35 “Taxes” means (i) all taxes or other similar imposts or charges (including any estimated taxes, interest, penalties, or additions to tax) arising with respect to the income earned by the Settlement Fund, including any taxes or tax detriments that may be imposed upon the Released Defendants with respect to any income earned by the Settlement Fund for any period during which the Settlement Fund does not qualify as a “Qualified Settlement Fund” within the meaning of Treasury Regulation §1.468B-1 (or any relevant equivalent for state tax purposes); and (ii) other taxes or tax expenses imposed on or in connection with the Settlement Fund.

2.36 “Unknown Claims” means any and all claims that a releasing party does not know or suspect to exist in his, her, or its favor as of the Effective Date, and includes claims which, if known by the releasing party, might have affected his, her, or its decision(s) with respect to the Settlement. The Parties stipulate and agree that, upon the Effective Date, any party releasing claims pursuant to this Stipulation, and any party on behalf of whom claims are being released, including Class Members, expressly waives the provisions, rights and benefits of Cal. Civ. Code §1542, which provides:

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,

and any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code §1542. If any subsequently discovered facts are different from those which a releasing party now knows or believes to be true with respect to the subject matter of a claim being released by this Settlement, the party releasing his, her or its claim, including Class Members on whose behalf claims are being released, nevertheless fully, finally and forever settles the claims being released by this Stipulation, whether or not the subsequently discovered facts were concealed or hidden. The Parties acknowledge, and Class Members shall be deemed to have acknowledged, that the settlement of “Unknown Claims” was separately bargained for and was a key element of the Settlement.

2.37 “Wells Fargo’s Counsel” shall mean Mark D. Lonergan and Rebecca Saelao of Severson & Werson, A Professional Corporation, and Jesse Linebaugh of Faegre Baker Daniels LLP.

III. GENERAL TERMS OF THE SETTLEMENT

3.01 Right To Terminate. (a) Plaintiffs and Wells Fargo, through their respective counsel, shall, in each of their separate discretions, have the right to terminate the Settlement and this Stipulation, as to themselves, by providing written notice of their election to do so (“Termination Notice”) to all other Parties hereto within thirty (30) days of the date on which: (a) the Court files an order declining to enter the Order for Notice and Hearing in any material respect; (b) the Court files an order refusing to approve this Stipulation or any material part of it; (c) the Court files an order declining to enter the Final Judgment in any material respect; (d) the Final Judgment is modified or reversed by a court of appeal or any higher court in any material respect; (e) an Alternative Judgment is modified or reversed by a court of appeal or any higher court in any material respect; or (f) the Claims Administrator notifies Plaintiffs’ Co-Lead Class Counsel and Wells Fargo’s Counsel that more than 50,000 Class Members have timely requested to be excluded from the Class.

(b) In the event the Settlement is terminated in accordance herewith, is vacated, is not approved, or the Effective Date fails to occur for any reason, then the Parties to this Stipulation shall be deemed to have reverted to their respective status in the Action as of February 17, 2015, and, except as otherwise expressly provided herein, the Parties shall proceed in all respects as if this Stipulation and any related orders had not been entered, and any portion of the Settlement Fund previously paid by or on behalf of Defendants, together with any interest earned thereon, less any Taxes due, if any, with respect to such income, and less costs of administration and notice actually incurred and paid or payable from the Settlement Fund (not to exceed \$3,250,000 without the prior approval of the Court) shall be returned to Wells Fargo within ten (10) business days from the date of the event causing such termination. In the event

the Settlement is terminated, the Claims Administrator shall apply for any Tax refund owed on the Settlement Fund and pay the proceeds to Wells Fargo.

3.02 Preliminary Approval. Promptly upon execution of this Stipulation, Plaintiffs shall apply to the Court by motion on notice for entry of the Order for Notice and Hearing, substantially in the form annexed hereto as Exhibit A.

3.03 Obligations of Claims Administrator. (a) The Claims Administrator shall be responsible for:

i. preparing, printing and disseminating to members of the Class identified in the Notice Database the Postcard Notice A and Postcard Notice B, substantially in the forms attached hereto as Exhibits A-3 and A-4, respectively, to Exhibit A;

ii. setting up and maintaining the Settlement Website and toll-free number;

iii. promptly furnishing to Plaintiffs' Co-Lead Class Counsel and Wells Fargo's Counsel copies of any requests for exclusion, objections or other written or electronic communications from Class Members;

iv. evaluating and, where appropriate, approving claims received from Class Members;

v. preparing and mailing distributions to Class Members in accordance with this Agreement;

vi. paying Service Awards to Plaintiffs and paying Plaintiffs' Counsel their fees, expenses and costs, if and to the extent ordered by the Court;

vii. performing any tax reporting duties required by federal, state, or local law and paying any Taxes owed out of the Settlement Fund;

viii. referring to Plaintiffs' Co-Lead Class Counsel and Wells Fargo's Counsel

all inquiries by Class Members regarding matters not specified herein;

ix. maintaining adequate records of all its activities, including the dates of each mailing of class notices, returned mail, and other communications and attempted written or electronic communications with Class Members;

x. preparing a report listing all payments to Class Members and providing copies of this report to Plaintiffs' Co-Lead Class Counsel and Wells Fargo's Counsel for review;

xi. confirming in writing its completion of the administration of the Settlement;

xii. preparing a final report summarizing requests for exclusion, objections, and disputes filed and the resolution thereof, as well as the number and amount of checks cashed, returned, or not returned and not negotiated;

xiii. providing to the Court prior to the Settlement Fairness Hearing a declaration describing the provision of class notice as provided herein;

xiv. opening the Escrow Account for the purpose of holding and investing the Settlement Funds as set forth in paragraph 5.01; and

xv. such other tasks as to which Plaintiffs' Co-Lead Class Counsel and Wells Fargo's Counsel mutually agree.

(b) The Claims Administrator agrees to be subject to the jurisdiction of the Court with respect to the administration of the Settlement and the distribution of the Settlement Fund pursuant to the terms of this Stipulation. The Released Defendants shall have no role in, or responsibility for, the administration of the Settlement and shall have no liability to Plaintiffs, the Class or any other Person in connection with, as a result of, or arising out of such administration.

3.04 Identification of Class Members. Wells Fargo has identified those persons who

appear to be Class Members based upon mortgage servicing records it keeps in the ordinary course of its business, and it has provided Plaintiffs' Co-Lead Class Counsel with a database identifying those borrowers and including their last known addresses based upon Wells Fargo's business records.

3.05 Notice. (a) Within 45 days after the Court enters the Order for Notice and Hearing substantially in the form of the order attached hereto as Exhibit A, the Claims Administrator shall cause to be mailed, by first class mail, postage prepaid: (1) Postcard Notice A, substantially in the form attached hereto as Exhibit A-3, to all Class Members identified in the Notice Database whose loans fall into the Active or Paid-in-Full categories; and (2) Postcard Notice B, substantially in the form attached hereto as Exhibit A-4, to all Class Members identified in the Notice Database whose loans fall into the Post-Sale category. Prior to mailing Postcard Notice A and Postcard Notice B, the last known addresses of Class Members as reflected in the Notice Database will be subject to confirmation or updating by the Claims Administrator by checking each address against the United States Post Office National Change of Address Database. Thereafter, the addresses of Class Members will be updated based on (i) any forwarding information received from the United States Post office; or (ii) any requests received from persons in the Class.

(b) The Claims Administrator shall also cause the Summary Notice to be published once in the national edition of the *Wall Street Journal*, and once over the *PR Newswire*, within ten (10) calendar days after the mailing of the Notice.

(c) The Notice, Proof of Claim and Stipulation shall also be posted on the Settlement Website www.____.com, that the Claims Administrator will establish for this Action.

3.06 Exclusion. (a) Any Class Member (other than the Class Representatives) may elect to be excluded from the Class by submitting a request for exclusion to the Claims Administrator. Such request must be postmarked no later than thirty (30) calendar days prior to the date of the Settlement Fairness Hearing set forth in the Order for Notice and Hearing. To be valid, a request for exclusion must be in writing and must contain all of the following: (i) evidence of the Class Member's membership in the Class; (ii) name; (iii) address; (iv) telephone number; (v) signature; and (vi) a statement clearly indicating the Class Member's desire to be excluded from the Class. Any Class Member who timely and properly requests exclusion in compliance with these requirements will not be a member of the Class, will not have any rights under this Settlement, will not be entitled to object to the settlement, will not be entitled to receive a settlement payment, and will not be bound by this Stipulation or the Final Judgment.

(b) Within five (5) business days after the deadline for requesting exclusion from the Class, the Claims Administrator shall inform Plaintiffs' Co-Lead Class Counsel and Wells Fargo's Counsel in writing of the total number of requests for exclusion, and provide copies of the exclusion requests and a list of those Class Members who have requested exclusion from the Class.

3.07 Objection. Any Class Member (other than the Class Representatives and those Class Members who have requested exclusion from the Class) may object to the Settlement, the Plan of Allocation, or the Fee and Expense Application by submitting an objection to the Court, Plaintiffs' Co-Lead Class Counsel, and Wells Fargo's Counsel. Wells Fargo's Counsel and Plaintiffs' Counsel shall promptly furnish each other with copies of any and all objections that come into their possession. To be valid, an objection must be in writing, must be postmarked no later than thirty (30) calendar days prior to date of the Settlement Fairness Hearing set forth in the

Order for Notice and Hearing, and must include the following: (i) evidence of the Class Member's membership in the Class; (ii) name; (iii) address; (iv) telephone number; (v) signature; and (vi) a statement clearly setting forth the nature of and reason(s) for the objection(s). Class Members do not need to appear at the hearing or take any other action to indicate their approval of the Settlement.

3.08 CAFA Notice. Not later than ten (10) days after this Stipulation is filed with the Court, Wells Fargo shall provide notice of the proposed Settlement consistent with the requirements of the Class Action Fairness Act of 2005, 28 U.S.C. § 1715.

IV. FINAL APPROVAL

4.01 Motion for Final Approval. (a) The Order for Notice and Hearing shall set a date for the Settlement Fairness Hearing. At least fourteen (14) calendar days prior to the deadline for filing objections, Plaintiffs' Co-Lead Class Counsel shall file a motion in support of the Settlement, the Plan of Allocation, the request of Plaintiffs for service awards and Plaintiffs' Counsel's Fee and Expense Application. The motion will request that the Court (a) approve the Settlement and Plan of Allocation as fair, reasonable and adequate and binding on all members of the Class, and (b) enter a Final Judgment substantially in the form annexed hereto as Exhibit B.

(b) If for any reason this Settlement is not approved or does not become final, this Stipulation shall be void. In that event, anything said or done pursuant to this Stipulation, or as part of negotiations leading hereto, shall not be used in any other proceeding for any purpose.

V. THE SETTLEMENT CONSIDERATION

5.01 The Settlement Fund. (a) In consideration of the releases provided herein and in full settlement of the Released Claims, Wells Fargo shall cause the payment of \$25,750,000

(the "Settlement Fund"), which includes \$3,250,000 toward the cost of providing notice to the Class and administration of the Settlement, to be transferred to the Claims Administrator for deposit into the Escrow Account, within thirty (30) calendar days of the Court's entry of the Order for Notice and Hearing. Upon entry of the Court's Order for Notice and Hearing preliminarily approving this Settlement, up to \$3,250,000 may be disbursed from the Escrow Account to the Claims Administrator to pay the costs of providing notice to the Class and administration of the Settlement. Except in the event of termination under paragraph 3.01, no portion of the \$25,750,000 paid by Wells Fargo, including the \$3,250,000 paid towards the cost of notice and administration, shall revert to Wells Fargo. To the extent the costs of notice and administration are less than \$3,250,000, any remaining funds will be available for distribution to Class Members in accordance with the Plan of Allocation and the terms of this Stipulation. The Settlement Fund shall be used to pay all distributions to Class Members, any service awards to the Plaintiffs, and all attorneys' fees, costs and expenses awarded to Plaintiffs' Counsel. In no event shall the amount paid by Wells Fargo in Settlement of the Released Claims exceed \$25,750,000.

(b) Plaintiffs and Class Members shall look solely to the Settlement Fund as full, final, and complete satisfaction of all Released Claims. Except as set forth in paragraph 5.01(a) above, Wells Fargo shall have no obligation under this Stipulation or the Settlement to pay or cause to be paid any amount of money, or to pay or reimburse any fees, expenses, costs, liability, losses, Taxes, or damages whatsoever alleged or incurred by Plaintiffs, by any Class Member, or by any Releasing Party, including but not limited to by their attorneys, experts, advisors, agents or representatives, with respect to the Action and the Released Claims. Plaintiffs and Class Members acknowledge that, as of the Effective Date, the releases given herein shall become

effective immediately by operation of the Final Judgment and shall be permanent, absolute and unconditional.

(c) The Parties agree that the Settlement Fund is intended to be a Qualified Settlement Fund within the meaning of Treasury Regulation §1.468B-1. The Settlement Fund, less any amounts incurred for notice, administration, and/or Taxes, plus any accrued interest thereon, shall revert to Wells Fargo, as provided in paragraph 3.01 above, if the Settlement does not become effective for any reason.

(d) The Settlement Fund, net of any Taxes, if any, on the income thereof, shall be used to pay: (i) the notice and administration costs of the Settlement; (ii) any award made by the Court pursuant to the Fee and Expense Application; (iii) any service awards to Plaintiffs; and (iv) the remaining administration expenses and any other attorney and administrative costs, fees, payments or awards subsequently approved by the Court. The balance of the Settlement Fund after the above payments shall be the "Net Settlement Fund," which shall be distributed to Class Members as provided in paragraph 6.02-6.07 hereof. The Escrow Account and Settlement Funds deposited therein shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until such time as the Net Settlement Fund shall be distributed to Class Members, or returned to Wells Fargo pursuant to this Stipulation and/or further order of the Court. The Settlement Funds, including any portion thereof, shall not be disbursed from the Escrow Account except as provided in this Stipulation, or upon Order of the Court.

(e) The Settlement Fund shall be invested in short term (up to one year maturity) United States agency or Treasury securities or other instruments backed by the full faith and credit of the United States Government or an agency thereof, or fully insured by the United States Government or an agency thereof, including a U.S. Treasury Money Market Fund or a

bank account that is either: (i) fully insured by the Federal Deposit Insurance Corporation (“FDIC”); or (ii) secured by instruments backed by the full faith and credit of the United States Government. The proceeds of these instruments or accounts shall be reinvested in similar instruments or accounts at their then-current market rates as they mature. In the event that the yield on securities identified herein is negative, in lieu of purchasing such securities, all or any portion of the Settlement Fund held may be deposited in a non-interest bearing account that is fully insured by the FDIC. All risks related to the investment of the Settlement Fund in accordance with the investment guidelines set forth in this paragraph shall be borne by the Settlement Fund.

(f) For the purpose of §1.468B of the Code and the Treasury regulations thereunder, the Claims Administrator shall be designated as the “administrator” of the Settlement Fund. The Claims Administrator shall timely and properly file all income, informational and other Tax returns necessary or advisable with respect to the Settlement Fund (including, without limitation, the returns described in Treas. Reg. §1.468B-2(k)). Such returns shall be consistent with this paragraph 5.01 and in all events shall reflect that all Taxes on the income earned by the Settlement Fund shall be paid out of the Settlement Fund as provided herein.

(g) All: Taxes as defined in section 2.32 shall promptly be paid out of the Settlement Fund by the Claims Administrator without prior order from the Court. The Claims Administrator shall also be obligated to, and shall be responsible for, withholding from distribution to Class Members any funds necessary to pay such amounts, including the establishment of adequate reserves for any Taxes. The Parties agree to cooperate with the Claims Administrator, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this paragraph.

(h) Neither the Parties nor their counsel shall have any responsibility for or liability whatsoever with respect to: (i) any act, omission or determination of the Claims Administrator, or any of the Claims Administrator's designees or agents, in connection with the administration or escrowing of the Settlement Fund or otherwise; (ii) the Plan of Allocation; (iii) the determination, administration, calculation, or payment of any claims asserted against the Settlement Fund; (iv) any losses suffered by, or fluctuations in the value of, the Settlement Fund; or (v) the payment or withholding of any Taxes, expenses, and/or costs incurred in connection with the taxation of the Settlement Fund or the filing of any returns. The Claims Administrator shall indemnify and hold harmless the Released Defendants out of the Settlement Fund from and against any claims, liabilities, or losses relating to the matters addressed in the preceding sentence.

VI. DISTRIBUTION OF THE NET SETTLEMENT FUND TO CLASS MEMBERS

6.01 Loan Categories. During the litigation, Wells Fargo produced to Plaintiffs loan level data reflecting assessments, waivers, and certain payments and credits of property inspection fees and other charges with respect to more than 2.7 million loans belonging to Class Members. These loans were categorized as (A) Active – *i.e.*, loans with an unpaid principal balance greater than zero; (B) Paid-In-Full – *i.e.*, loans that were paid-in-full by the borrower; or (C) Post-Sale – *i.e.*, loans with respect to which there had been a foreclosure sale, short sale, deed-in-lieu, or charge-off.

6.02 Cash Awards Without Claims. Class Members whose loans are categorized as “Active” or “Paid-in-Full” in the loan level data that was produced by Wells Fargo in the litigation need not submit a claim to receive a distribution from the Net Settlement Fund. The Claims Administrator shall distribute settlement checks to these Class Members as set forth in

paragraph 6.04 and 6.07.

6.03 Cash Awards Based Upon Proofs of Claim. (a) Class Members whose loans are categorized as “Post-Sale” in the loan level data that was produced by Wells Fargo in the litigation must submit a timely and valid Proof of Claim (in substantially the form annexed hereto as Exhibit A-5 to Exhibit A) attested to under penalty of perjury and supported by proof of payment of the property inspection fees claimed in order to obtain a cash award from the Net Settlement Fund. Plaintiffs’ Lead Counsel shall have the right, but not the obligation, to advise the Claims Administrator to waive what Plaintiffs’ Co-Lead Class Counsel reasonably deems to be formal or technical defects in any Proofs of Claim submitted, including, without limitation, failure to submit a document by the submission deadline, in the interests of achieving substantial justice.

(b) All Proofs of Claim must be submitted by the date specified in the Postcard Notice, unless such period is extended by Order of the Court. Any Class Member required to submit a Proof of Claim who fails to do so by such date shall be forever barred from receiving any payment pursuant to this Stipulation (unless, by Order of the Court, a later submitted Proof of Claim by such Class Member is approved), but shall in all other respects be bound by all of the terms of this Stipulation and the Settlement including the terms of the Final Judgment to be entered in the Action and the releases provided for herein, and will be barred from bringing any action against the Released Defendants concerning the Released Claims. Provided that it is received before the motion for the Class Distribution Order is filed, a Proof of Claim shall be deemed to have been submitted when posted, if received with a postmark indicated on the envelope and if mailed by first-class mail and addressed in accordance with the

instructions thereon. In all other cases, the Proof of Claim shall be deemed to have been submitted when actually received by the Claims Administrator;

(c) Each Proof of Claim shall be submitted to and reviewed by the Claims Administrator, who shall determine, in accordance with this Stipulation, the approved Plan of Allocation, and any applicable orders of the Court, the extent, if any, to which each claim shall be allowed, subject to review by the Court pursuant to subparagraph (e) below. The Released Defendants shall not have any role in, or responsibility or liability to any person or entity for, the solicitation, review or evaluation of Proofs of Claim;

(d) Proofs of Claim that do not meet the submission requirements may be rejected. Prior to rejection of a Proof of Claim, the Claims Administrator shall communicate with the claimant in order to remedy any curable deficiencies in the Proof of Claim submitted. The Claims Administrator shall notify, in a timely fashion and in writing, all claimants whose Proofs of Claim they propose to reject in whole or in part, setting forth the reasons therefor, and shall indicate in such notice that the claimant whose claim is to be rejected has the right to a review by the Court if the claimant so desires and complies with the requirements of subparagraph (e) below;

(e) If any claimant whose claim has been rejected in whole or in part desires to contest such rejection, the claimant must, within twenty (20) days after the date of mailing of the notice required in subparagraph (d) above, serve upon the Claims Administrator a notice and statement of reasons indicating the claimant's grounds for contesting the rejection along with any supporting documentation, and requesting a review thereof by the Court. If a dispute concerning a claim cannot be otherwise resolved, Plaintiffs' Co-Lead Class Counsel shall thereafter present the request for review to the Court; and

(f) The administrative determinations of the Claims Administrator accepting and rejecting claims shall be presented to the Court by Plaintiffs' Co-Lead Class Counsel, on notice to Wells Fargo's Counsel, for approval by the Court in the Class Distribution Order.

6.04 Calculation of Cash Awards. (a) The Claims Administrator shall process the Settlement based upon Recognized Claim calculations performed based upon (i) Wells Fargo's loan level data (for loans categorized as Active or Paid-In-Full), and (ii) Proofs of Claim, which may be submitted in connection with this Settlement (for loans categorized as Post-Sale), and, after entry of the Class Distribution Order (as defined below), distribute the Net Settlement Fund in accordance with the Class Distribution Order.

(b) Each Class Member's pro rata share of the "Net Settlement Fund" shall be determined based upon each Class Member's Recognized Claim as defined in the Plan of Allocation described in the Notice annexed hereto as Exhibit A-1 to Exhibit A. Any material modification to the Plan of Allocation shall require the consent of the Parties.

(c) Each Class Member shall be allocated a *pro rata* share of the Net Settlement Fund based on his or her Recognized Claim compared to the total Recognized Claims of all accepted claimants. The Settlement is non-recapture – *i.e.*, Wells Fargo shall not be entitled to get back any of the settlement monies, or interest earned thereon, once the Settlement and Final Judgment become Final. The Released Defendants shall have no involvement in reviewing, evaluating or challenging claims and shall have no responsibility or liability for determining the allocation of payments to individual Class Members.

6.05 Payment Pursuant to Stipulation Final and Conclusive. Payment pursuant to this Stipulation shall be deemed final and conclusive against all Class Members. All Class Members whose claims are not approved by the Court shall be barred from any participation in

distributions from the Net Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Final Judgment to be entered in the Action and the releases provided for herein, and will be barred from bringing any action against the Released Defendants concerning the Released Claims.

6.06 Claimants Subject to the Jurisdiction of the Court. (a) Each claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to the claimant's claim, and the claim will be subject to investigation and discovery pursuant to the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to that claimant's status as a Class Member and the validity and amount of the claimant's claim.

(b) All proceedings with respect to the administration, processing and determination of claims and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of claims, shall be subject to the jurisdiction of the Court.

6.07 Class Distribution Order. (a) The Net Settlement Fund shall be distributed by the Claims Administrator to, or for the account of, Class Members, as the case may be, only after the Effective Date and after: (i) all claims have been processed, and all claimants whose claims have been rejected or disallowed, in whole or in part, have been notified and provided the opportunity to be heard concerning such rejection or disallowance; (ii) all objections with respect to all rejected or disallowed claims have been resolved by the Court, and all appeals therefrom have been resolved or the time therefor has expired; (iii) all matters with respect to the Fee and Expense Application have been resolved by the Court, all appeals therefrom have been resolved or the time therefor has expired; and (iv) all fees and costs of administration have been paid.

(b) Plaintiffs' Co-Lead Class Counsel will apply to the Court for an order (the "Class Distribution Order") approving the Claims Administrator's administrative determinations concerning the acceptance and rejection of the claims submitted herein and approving any fees and expenses of the Claims Administrator not previously applied for, and directing payment, after the occurrence of the Effective Date, of the Net Settlement Fund to or for the account of Class Members, as the case may be.

(c) Checks issued to Class Members pursuant to paragraph 6.04 will remain valid for a period of ninety (90) days after issuance but will be cancelled as stale after such period. If there is any balance remaining in the Settlement Fund after six months from the date of distribution of the Settlement Fund (whether by reason of Tax refunds, uncashed checks or otherwise), such funds shall be re-distributed to eligible Class Members who have cashed their initial distributions and who would receive, based on their Recognized Claim, a *pro rata* share of at least \$25.00 from such re-distribution, after payment of any unpaid costs or fees incurred in administering the Net Settlement Fund for such re-distribution. If, six (6) months after such redistribution, any funds remain in the Net Settlement Fund, then such balance shall be contributed to the United Way, with the funds earmarked for financial education classes.

VII. FEE AND EXPENSE APPLICATION

7.01 Attorneys' Fees and Costs and Service Awards. Plaintiffs' Co-Lead Class Counsel will submit an application or applications (the "Fee and Expense Application") to the Court for an award from the Settlement Fund of: (i) attorneys' fees not to exceed 33-1/3% of the Settlement Fund; (ii) reimbursement of litigation expenses, plus interest, incurred in connection with the prosecution of the Action; and (iii) service awards for Plaintiffs relating to their representation of the Class in this litigation not to exceed \$10,000 each. The aforementioned

attorneys' fees shall be allocated by Plaintiffs' Co-Lead Class Counsel in a manner which in their good faith judgment reflects each counsel's contribution to the institution, prosecution, and resolution of the Action. Provided that Plaintiffs' Counsel's request for an award of attorneys' fees, costs and expenses complies with this paragraph and the other terms of this Agreement, Wells Fargo agrees not to oppose Plaintiffs' Counsel's motion for attorneys' fees and expenses or for service awards to Plaintiffs and it agrees not to appeal the Court's ruling on such matters. Any attorneys' fees, costs and expenses awarded to Plaintiffs' Counsel and any Service Awards to Plaintiffs shall be paid out of the Settlement Fund by the Claims Administrator only after the Effective Date of the Settlement, and only after the receipt by the Claims Administrator of a W-9 from each payee.

7.02 Attorneys' Fees and Costs and Service Awards Separate and Apart From Settlement. Notwithstanding any other provision of this Stipulation to the contrary, the Court's failure to approve, in whole or in part, any award of attorneys' fees, costs and expenses sought by Plaintiffs' Counsel or any service awards sought by Plaintiffs, shall not preclude the enforcement of the remaining terms of this Stipulation, nor shall it be grounds for termination of the settlement. In the event the Court declines to approve, in whole or in part, the payment of attorneys' fees, costs or expenses to Plaintiffs' Counsel or the payment of service awards to Plaintiffs, the remaining provisions of this Stipulation shall remain in full force and effect. However, the Settlement will not be Final nor shall the Effective Date occur until the Court's rulings on attorneys' fees and service awards has become final and immune from attack, whether on appeal or otherwise, as set forth in paragraphs 2.10 and 2.13 above. The Released Defendants shall have no responsibility for, and no liability whatsoever with respect to any payment of (i) attorneys' fees or expenses to Plaintiffs' Counsel, or (ii) service awards to Plaintiffs.

VIII. RELEASES

8.01 Scope and Effect of Settlement. The obligations incurred pursuant to this Stipulation shall be in full and final disposition of: (i) the Action against Defendants; (ii) any and all Released Claims as against all Released Defendants; and (iii) any and all claims by Wells Fargo relating to the institution, prosecution or settlement of: (a) the Action or (b) the Released Claims, as set forth below.

8.02 Release By Plaintiffs and Class Members. Upon the Effective Date of this Settlement, Plaintiffs and all Class Members, on behalf of themselves and each of the Releasing Parties: (i) shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever waived, released, relinquished, and discharged all Released Claims against the Released Defendants, regardless of whether such Class Member cashes an award check or executes and delivers a Proof of Claim; (ii) shall forever be enjoined from prosecuting any Released Claim against any of the Released Defendants; and (iii) agree and covenant not to sue any of the Released Defendants on the basis of any Released Claims or to assist any third party in commencing or maintaining any suit related to any Released Claims.

8.03 Release By Wells Fargo. Upon the Effective Date of this Settlement, Wells Fargo and Wells Fargo's counsel shall fully, finally and forever release and discharge Plaintiffs and Plaintiffs' Counsel from any and all claims relating to the institution, prosecution or settlement of: (a) the Action or (b) the Released Claims, and further agree and covenant not to sue Plaintiffs or Plaintiffs' Counsel for any such claims. The claims released by this paragraph shall include Unknown Claims relating to the institution, prosecution or settlement of: (a) the Action or (b) the Released Claims, but do not include claims to enforce any of the terms of this Stipulation.

8.04 No Release By Defendants of Amounts Owed by Plaintiffs, Class Members, or Plaintiffs' Counsel. Nothing in this Stipulation shall operate or be construed to release any claims or rights Wells Fargo has to recover any past, present or future amounts that may be owed by Plaintiffs, Class Members, or Plaintiffs' Counsel on his/her accounts, loans, or any other debts owed to or serviced by Wells Fargo, pursuant to the terms and conditions of such accounts, loans, or any other debts.

8.05 Releases Effective Immediately Upon Occurrence of the Effective Date. The releases provided in this Stipulation shall become effective immediately upon occurrence of the Effective Date without the need for any further action, notice, condition or event.

IX. NO ADMISSION OF LIABILITY

9.01 No Admission of Liability. (a) Wells Fargo contends that all of its property inspection policies and procedures complied with the law, and that property inspections and related charges to borrowers were reasonable and necessary. Wells Fargo disputes the claims alleged in the Action and does not admit any liability or wrongdoing of any kind. Wells Fargo has agreed to enter into this Agreement to avoid the further expense, inconvenience, risk and distraction of burdensome and protracted litigation, and to be completely free of the Released Claims.

(b) Plaintiffs' Counsel and Plaintiffs believe that the claims asserted in the Action have merit, and they have examined and considered the benefits to be obtained under the proposed Settlement set forth in this Stipulation, the risks associated with the continued prosecution of this complex, costly and time-consuming litigation, the risk of maintaining class certification through trial, and the likelihood of success on the merits of the Action. Plaintiffs' Counsel have fully investigated the facts and law relevant to the merits of the claims, have

conducted extensive discovery, have engaged consultants and experts, and have conducted an independent investigation of the challenged practices. Plaintiffs' Counsel and Plaintiffs have concluded that the proposed Settlement set forth in this Stipulation is fair, reasonable and adequate, and in the best interests of all Class Members.

(c) The Parties understand and acknowledge that this Stipulation constitutes a compromise and settlement of disputed claims. No action taken by the Parties either previously or in connection with the negotiations or proceedings connected with this Stipulation shall be deemed or construed to be an admission of the truth or falsity of any claims or defenses heretofore made, or an acknowledgment or admission by any party of any fault, liability or wrongdoing of any kind whatsoever.

(d) Neither the Settlement, nor any act performed or document executed pursuant to or in furtherance of the Settlement: (i) is or may be deemed to be, or may be used as, an admission of, or evidence of, the validity of any claim made by the Plaintiffs or Class Members, or of any wrongdoing or liability of Wells Fargo or any of the Released Defendants; (ii) is or may be deemed to be, or may be used as, an admission of, or evidence of, any fault or omission of Wells Fargo or any of the Released Defendants in the Action, or in any proceeding in any court, administrative agency or other tribunal; or (iii) is or may be deemed to be, or may be used as, an admission of, or evidence of, the validity of any claim against Plaintiffs or any of the Class Members that any of their claims are without merit, or that any defenses asserted by Wells Fargo have any merit, or that damages recoverable under the TAC would not have exceeded the Settlement Fund.

(e) Notwithstanding the foregoing, following the Effective Date, Wells Fargo, Plaintiffs, Class Members, and/or the Released Defendants may file the Stipulation and/or the

Final Judgment in any action that may be brought against them in order to support a defense or counterclaim based on principles of res judicata, collateral estoppel, release, good faith settlement, judgment bar, accord and satisfaction, or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

(f) Paragraphs 9.01(a) through (d) shall survive any termination of this Stipulation.

X. MISCELLANEOUS PROVISIONS

10.01 Court Retains Jurisdiction. The administration and consummation of the Settlement as embodied in this Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the purpose of entering orders relating to the Fee and Expense Application, the Plan of Allocation and enforcing the terms of this Stipulation.

10.02 Each Party Is Represented by Counsel. The Parties warrant that each of them has been advised and is represented by legal counsel of their own choice throughout all of the negotiations which preceded the execution of this Stipulation, and that they have executed this Stipulation after being so advised, and without reliance upon any promise or representation of any person or persons acting for or on behalf of the other, except as expressly set forth herein. The Parties further acknowledge that they and their counsel have had an adequate opportunity to make whatever investigation or inquiry they may deem necessary or desirable in connection with the subject matter of this Stipulation prior to the execution of this Stipulation. Each Party has read and approved the language of this Stipulation, with the assistance of counsel.

10.03 Entire Agreement/Construction And Interpretation. This Settlement Agreement embodies the entire agreement and understanding between the Parties and supersedes all prior agreements and understandings relating to the subject matter hereof. No course of prior

dealing between the Parties, no usage of the trade, and no extrinsic evidence of any nature shall be used or be relevant to supplement, explain or modify any term used herein. This Stipulation is a product of negotiation and preparation by and among each Party and their attorneys. Therefore, each Party expressly waives the provisions of California Civil Code Section 1654, or any similar provision under the laws of other jurisdictions, and acknowledges and agrees that this Stipulation should not be deemed prepared or drafted by one party or the other and shall be construed accordingly.

10.04 Counterpart Originals. This Stipulation may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and may be executed and transmitted to any other party by email, telefacsimile or pdf, which email, telefacsimile or pdf shall be deemed to be, and utilized in all respects as, an original wet-inked document.

10.05 Modification Only In Writing. Neither this Stipulation nor any provision hereof may be changed, waived, discharged, or terminated, save and except by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge, or termination is sought.

10.06 Headings. Captions, paragraph headings and numbers have been set forth in this Stipulation for convenience only and are not to be used in construing this Stipulation.

10.07 Confidential Documents. All agreements made and orders entered during the course of this Action relating to the confidentiality of documents and information shall survive the Stipulation pursuant to their terms.

10.08 Gender and Plurals. As used in this Stipulation, the masculine, feminine or neuter gender, and the singular or plural number, shall each be deemed to include the others whenever the context so indicates.

10.09 Tax Consequences. The Parties understand and acknowledge that no Party has warranted or represented any tax consequences of this Stipulation whether to any other Party, to Class Members, or to any other person or entity, and each Party agrees that it is relying on its own legal and/or tax advisors and not on any other Party with respect to any tax consequences of this Stipulation.

10.10 Binding Effect. This Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns of the Releasing Parties and the Released Defendants.

10.11 Cooperation of Parties. The Parties to this Stipulation agree to cooperate in good faith to prepare and execute all documents, to seek Court approval, defend Court approval, and to do all things reasonably necessary to complete and effectuate the Settlement described in this Agreement.

10.12 Obligation To Meet And Confer. Before filing any motion in the Court raising a dispute arising out of or related to this Stipulation, the Parties shall consult with each other and certify to the Court that they have consulted.

10.13 Governing Law. This Stipulation shall be governed and interpreted under the laws of the State of California without regard to conflicts of laws, except to the extent that federal law requires that federal law governs, and in accordance with the laws of the United States.

10.14 Stay of Proceedings. Pending approval by the Court of this Stipulation, all proceedings in this Action shall be stayed and Class Members shall be barred and enjoined from prosecuting any of the Released Claims against any of the Released Defendants.

10.15 Exhibits Incorporated By Reference. All of the exhibits attached hereto are hereby incorporated by reference as though fully set forth herein and are material and integral


parts hereof.

10.16 Compliance with Rule 11. The Parties to this Stipulation intend the Settlement to be a final and complete resolution of all disputes asserted or which could be asserted by Plaintiffs and/or any Class Member against the Released Defendants with respect to the Action and the Released Claims. Accordingly, Plaintiffs and Wells Fargo agree not to assert in any judicial proceeding that the Action was brought by Plaintiffs or defended by Wells Fargo in bad faith or without a reasonable basis. The Parties further agree not to assert in any judicial proceeding that any Party violated Rule 11 of the Federal Rules of Civil Procedure. The Parties agree that the amount paid and the other terms of the Settlement were negotiated at arm's length in good faith by the Parties, and reflect a settlement that was reached voluntarily after consultation with experienced legal counsel.

10.17 Authority to Act. All counsel and any other Person executing this Stipulation and any of the exhibits hereto, or any related Settlement documents, warrant and represent that they have the full authority to do so and that they have the authority to take appropriate action required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

IN WITNESS HEREOF the undersigned, being duly authorized, have caused this Agreement to be executed on the dates shown below.


Dated: August 20, 2015

By: 
Edward Huyer, individually and on behalf of the
Class


Dated: August 20, 2015

By: 
Connie Huyer, individually and on behalf of the
Class

Dated: August 21, 2015

By: 
Carlos Castro, individually and on behalf of the
Class

Dated: August 21, 2015

By: 
Hazel P. Navas-Castro, individually and on behalf of
the Class

Dated: August __, 2015

By: _____
Name: _____
Title: _____
For Wells Fargo Bank, N.A.

Dated: August __, 2015

By: _____
Name: _____
Title: _____
For Wells Fargo & Co.

Dated: August __, 2015

By: _____
Carlos Castro, individually and on behalf of the
Class

Dated: August __, 2015

By: _____
Hazel P. Navas-Castro, individually and on behalf of
the Class

Dated: August 19, 2015

By: MJH
Name: MICHAEL J HEID
Title: EVP
For Wells Fargo Bank, N.A.

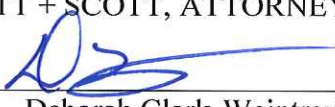
Dated: August 19, 2015

By: MJH
Name: MICHAEL J HEID
Title: EVP
For Wells Fargo & Co.

APPROVED AS TO FORM AND CONTENT:

Dated: August 21, 2015

SCOTT + SCOTT, ATTORNEYS AT LAW, LLP

By: 
Deborah Clark-Weintraub

Plaintiffs' Co-Lead Class Counsel

Dated: August __, 2015

REESE LLP

By: _____
Michael R. Reese

Plaintiffs' Co-Lead Class Counsel

Dated: August __, 2015

ROXANNE CONLIN & ASSOCIATES, P.C.

By: _____
Roxanne Conlin

Local Counsel for Plaintiffs

Dated: August __, 2015

STROM LAW FIRM, LLC

By: _____
Mario Pacella

Counsel for Plaintiffs

Dated: August __, 2015

Finkelstein, Blankinship, Frei-Pearson & Garber,
LLP

By: _____
Todd S. Garber

Counsel for Plaintiffs

APPROVED AS TO FORM AND CONTENT:

Dated: August __, 2015

SCOTT + SCOTT, ATTORNEYS AT LAW, LLP

By: _____
Deborah Clark-Weintraub

Plaintiffs' Co-Lead Class Counsel

Dated: August __, 2015

REESE LLP

By: 
Michael R. Reese

Plaintiffs' Co-Lead Class Counsel

Dated: August __, 2015

ROXANNE CONLIN & ASSOCIATES, P.C.

By: _____
Roxanne Conlin

Local Counsel for Plaintiffs

Dated: August __, 2015

STROM LAW FIRM, LLC

By: _____
Mario Pacella

Counsel for Plaintiffs

Dated: August __, 2015

Finkelstein, Blankinship, Frei-Pearson & Garber,
LLP

By: _____
Todd S. Garber

Counsel for Plaintiffs

APPROVED AS TO FORM AND CONTENT:

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SCOTT + SCOTT, ATTORNEYS AT LAW, LLP

By: _____
Deborah Clark-Weintraub

Plaintiffs' Co-Lead Class Counsel

Dated: August __, 2015

REESE LLP

By: _____
Michael R. Reese

Plaintiffs' Co-Lead Class Counsel

Dated: August __, 2015

ROXANNE CONLIN & ASSOCIATES, P.C.

By:  _____
Roxanne Conlin

Local Counsel for Plaintiffs

Dated: August __, 2015

STROM LAW FIRM, LLC

By: _____
Mario Pacella

Counsel for Plaintiffs

Dated: August __, 2015

Finkelstein, Blankinship, Frei-Pearson & Garber,
LLP

By: _____

Todd S. Garber

Counsel for Plaintiffs

APPROVED AS TO FORM AND CONTENT:

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SCOTT + SCOTT, ATTORNEYS AT LAW, LLP

By: _____
Deborah Clark-Weintraub

Plaintiffs' Co-Lead Class Counsel

Dated: August __, 2015

REESE LLP

By: _____
Michael R. Reese

Plaintiffs' Co-Lead Class Counsel

Dated: August __, 2015

ROXANNE CONLIN & ASSOCIATES, P.C.

By: _____
Roxanne Conlin

Local Counsel for Plaintiffs

Dated: August __, 2015

STROM LAW FIRM, LLC

By: _____
Mario Pacella

Counsel for Plaintiffs

Dated: August __, 2015

Finkelstein, Blankinship, Frei-Pearson & Garber,
LLP

By: _____
Todd S. Garber

Counsel for Plaintiffs

APPROVED AS TO FORM AND CONTENT:

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SCOTT + SCOTT, ATTORNEYS AT LAW, LLP

By: _____
Deborah Clark-Weintraub

Plaintiffs' Co-Lead Class Counsel

Dated: August __, 2015

REESE LLP

By: _____
Michael R. Reese

Plaintiffs' Co-Lead Class Counsel

Dated: August __, 2015

ROXANNE CONLIN & ASSOCIATES, P.C.

By: _____
Roxanne Conlin

Local Counsel for Plaintiffs

Dated: August __, 2015

STROM LAW FIRM, LLC

By: _____
Mario Pacella

Counsel for Plaintiffs

Dated: August 20 2015

Finkelstein, Blankinship, Frei-Pearson & Garber,
LLP

By:  _____

Todd S. Garber

Counsel for Plaintiffs

APPROVED AS TO FORM AND CONTENT:

Dated: August 19, 2015

SEVERSON & WERSON, A Professional Corporation

By: Mark D. Lonergan

Mark D. Lonergan
Rebecca S. Saelao

Counsel for Wells Fargo Bank, N.A. and Wells Fargo & Co.

Dated: August __, 2015

FAEGRE BAKER DANIELS

By: Jesse Linebaugh

Counsel for Wells Fargo Bank, N.A. and Wells Fargo & Co.

APPROVED AS TO FORM AND CONTENT:

Dated: August __, 2015

SEVERSON & WERSON, A Professional Corporation

By: _____

Mark D. Lonergan
Rebecca S. Saelao

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Dated: August 20, 2015

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Jesse Linebaugh

Counsel for Wells Fargo Bank, N.A. and Wells Fargo & Co.