

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”) is made and entered into as of this 3rd day of December, 2020 (the “Effective Date”), by and between Nationstar Mortgage LLC (“Nationstar”), an indirect, wholly-owned operating subsidiary of Mr. Cooper Group Inc., and the Executive Office for United States Trustees (the “EOUST”), a component within the Department of Justice, together with the United States Trustees and Acting United States Trustees for Regions 1 through 21 (collectively the “United States Trustee Program” or “USTP”).

This MOU is the culmination of numerous discussions and meetings dating back to May 2013 regarding issues concerning Nationstar’s historical bankruptcy servicing practices for Borrowers in Bankruptcy Cases and is intended to set forth a summary of the mutual understanding between the USTP and Nationstar (collectively, the “Parties”) and detail corrective actions providing approximately \$40.68 million in credits and refunds to impacted Borrowers.

I. Definitions

“Bankruptcy Case(s)” shall mean or refer to a Chapter 13 bankruptcy case that: (a) was in active Chapter 13 bankruptcy on Nationstar’s system of record as of June 30, 2016 with the automatic stay still in effect as to Nationstar for a Mortgage Account, or (b) reflected the entry of a Chapter 13 discharge order applicable to the Mortgage Account as of June 30, 2016.

“Bankruptcy Review” shall mean the privileged review conducted by Nationstar and its outside counsel regarding its bankruptcy servicing policies, processes, and procedures.

“Bankruptcy Servicing Issues” shall mean, collectively, Missed RNOFCs; Missed and Untimely PCNs and PPFNs; Inaccurate PCNs; and Delayed Escrow Analyses as those terms are defined herein.

“Borrower(s)” shall mean the named debtor(s) of record in the Bankruptcy Cases that have an Account subject to this MOU and shall not mean any non-debtor co-obligor(s).

“Delayed Escrow Analysis” shall mean an escrow analysis in a Bankruptcy Case during the Relevant Period where more than 12 months has elapsed since the effective date of the escrow analysis run for purposes of the Borrower’s proof of claim.

“Inaccurate PCN” shall mean a PCN filed for a Mortgage Account filed in a Bankruptcy Case during the Relevant Period that did not provide the correct new total payment amount.

“Material Status Change” shall mean one of the following events occurred: (1) the Borrower’s Mortgage Account was modified, paid off, or refinanced, (2) the lien securing repayment of the Mortgage Account was released, foreclosed, the subject of a short sale, or the subject of a deed in lieu of foreclosure, (3) the Mortgage Account was service released, (4) the Bankruptcy Case was dismissed or transferred, or (5) relief from the automatic stay was granted as to the Mortgage Account in a Bankruptcy Case.

“Missed RNOFC” shall mean a RNOFC for a Mortgage Account that was required to be filed by Nationstar in a Bankruptcy Case during the Relevant Period but was not filed, and that did not have adjustments to any account delinquency or the escrow account.

“Missed PCN” shall mean a PCN for a Mortgage Account that was required to be filed by Nationstar in a Bankruptcy Case during the Relevant Period but was not filed.

“Missed PPFN” shall mean a PPFN for a Mortgage Account that was required to be filed by Nationstar in a Bankruptcy Case during the Relevant Period but was not filed.

“Mortgage Account” or “Account” shall mean a debt evidenced by a promissory note or other evidence of indebtedness serviced by Nationstar, the repayment of which is secured by a first position security interest or lien on residential real property; provided, however, Mortgage Account shall not include any such account that was subject to a Material Status Change.

“Motion to Deem Current” shall mean a motion filed in a Bankruptcy Case to determine the status of a loan.

“NOFC” shall mean Notice of Final Cure Payment as described in Bankruptcy Rule 3002.1(f).

“Operational Enhancements” shall mean the enhancements described in Article VI that have been or will be implemented by Nationstar.

“PCN” shall mean a Notice of Mortgage Payment Change as described in Bankruptcy Rule 3002.1(b).

“PPFN” shall mean a Notice of Post-Petition Mortgage Fees, Expenses and Charges as described in Bankruptcy Rule 3002.1(c).

“Properly Filed PCN” shall mean a PCN: (a) that is timely filed with the Bankruptcy Court; (b) that provides the Borrower with the accurate new payment change amount and the accurate date that the new payment change will go into effect; and (c) that is otherwise in compliance with the requirements of the Bankruptcy Code and Bankruptcy Rules.

“Relevant Period” shall mean the time period between December 1, 2011 and June 30, 2016.

“RNOFC” shall mean a response by Nationstar to a NOFC filed in a Bankruptcy Case during the Relevant Period.

“Untimely PCN” shall mean a PCN for a Mortgage Account that reflects a payment increase, and that was filed in a Bankruptcy Case during the Relevant Period but was filed less than twenty-one (21) days before the effective date of the new payment amount or after the effective date of the new payment amount.

“Untimely PPFN” shall mean a PPFN for a Mortgage Account that was filed in a Bankruptcy Case during the Relevant Period but was filed more than 180 days after the date on which the applicable fees, expenses, or charges contained in the PPFN were incurred.

II. Background

Without waiving any privilege, Nationstar represents that the following facts are accurate to the best of its knowledge and belief:

Nationstar conducted a comprehensive Bankruptcy Review of its bankruptcy processes and identified the historic Bankruptcy Servicing Issues. During the Relevant Period, Nationstar ran an escrow analysis in connection with the preparation of a proof of claim, but, thereafter, did not always run an annual post-petition escrow analysis while the Borrower’s Account was in an active Bankruptcy Case. Additionally, Nationstar made inadvertent errors regarding PCN and PPFN transactions, resulting in Inaccurate, Untimely and Missed PCNs and Missed and Untimely PPFNs. Finally, Nationstar did not always receive or properly process NOFCs and Motions to Deem Current, and, as a result, some Borrowers’ Accounts were not adjusted to waive outstanding amounts at discharge.

To address the Bankruptcy Servicing Issues, Nationstar implemented new policies, processes, and procedures, and Nationstar continues to make additional modifications and improvements on an ongoing basis. These Operational Enhancements, set forth in more detail in Article VI herein, included improving oversight of key bankruptcy processes, automating certain processes, improving the training of staff, developing more systemic tracking of key bankruptcy processes, and enhancing quality assurance reviews and quality control procedures.

Except as otherwise provided herein, as of the Effective Date of this MOU, Nationstar completed the necessary system adjustments and remedial action, as appropriate and as described herein.

III. Missed, Inaccurate, and Untimely PCNs and PPFNs in Bankruptcy Cases

A. Statement of Facts

Without waiving any privilege, Nationstar represents that the following facts are accurate to the best of its knowledge and belief:

Between May 2013 and May 2016, Nationstar relied on a vendor, 4S Technologies, to effectuate the filing of its PCNs and PPFNs. A Nationstar employee reviewed and validated for accuracy Nationstar’s payment change data or fee data prior to filing. However, the persons whose names were affixed to Nationstar’s PCNs and PPFNs as signatories may not have personally reviewed the PCNs and PPFNs, and/or may not have had knowledge of their contents. Further, Nationstar’s PCNs and PPFNs may have been filed using the e-filing credentials of persons who did not review or otherwise did not possess knowledge of the underlying documents.

During the Relevant Period, Nationstar missed or filed untimely PCNs and PPFNs in some Bankruptcy Cases due to its inability to timely review business records. Additionally, Nationstar filed a number of Inaccurate PCNs. The inaccuracies are attributable to human error and the lack

of a secondary level of review. The practices described directly above are defined as the “PCN Practices” and the “PPFN Practices.” Not all Mortgage Accounts had Missed, Untimely or Inaccurate PCNs or Missed or Untimely PPFNs, and nothing herein should be construed to imply that the PCN Practices or the PPFN Practices applied to all Mortgage Accounts.

B. Population & Remediation

Nationstar provided remediation for approximately 6,664 Inaccurate, Untimely and Missed PCN transactions during the Relevant Period. The final remediation for Inaccurate, Untimely and Missed PCNs is comprised of approximately \$9.98 million in credits and refunds. Nationstar has undertaken corrective action as described in **Appendix 1**¹ to address the PCN Practices.

Nationstar provided remediation for approximately 7,092 Missed and Untimely PPFN transactions during the Relevant Period. The final remediation for Missed and Untimely PPFNs is comprised of approximately \$6.96 million in credits and refunds. Nationstar has undertaken corrective action as described in **Appendix 2** to address the PPFN Practices.

IV. Missed RNOFCs in Bankruptcy Cases

A. Statement of Facts

Without waiving any privilege, Nationstar represents that the following facts are accurate to the best of its knowledge and belief:

During the Relevant Period, Nationstar, in some Bankruptcy Cases, failed to respond to or properly address NOFCs and Motions to Deem Current. As a result, certain outstanding amounts were not waived at discharge. Notwithstanding the Missed RNOFCs, it was Nationstar’s policy to file timely RNOFCs during the Relevant Period. Nationstar determined that the Missed RNOFCs were generally caused by lack of automated processes, lack of consistency in practices across servicing teams, human error in the manual data entry by staff with insufficient training, and/or lack of adequate quality controls.

The practices described directly above are collectively defined as the “RNOFC Practices.” Not all Mortgage Accounts had Missed RNOFCs, and nothing herein should be construed to imply that the RNOFC Practices applied to all Mortgage Accounts.

B. Population & Remediation

Nationstar provided remediation to approximately 72 accounts with Missed RNOFCs during the Relevant Period. The final remediation for Missed RNOFCs is comprised of approximately \$900,000 in credits and refunds. Nationstar has undertaken corrective action as described in **Appendix 3** to address the RNOFC Practices.

¹ Appendices 1-5 reflect Nationstar’s representations as to the corrective action and remediation undertaken with respect to the Bankruptcy Servicing Practices in keeping with the statements set forth in the MOU.

V. Delayed Escrow Analyses in Bankruptcy Cases

A. Statement of Facts

Without waiving any privilege, Nationstar represents that the following facts are accurate to the best of its knowledge and belief:

During the Relevant Period, Nationstar did not always prepare annual, post-petition escrow analyses for loans of Borrowers in certain Bankruptcy Cases, resulting in a Delayed Escrow Analysis. When Borrowers received a discharge in a Bankruptcy Case, Nationstar did not always adjust escrow accounts to address unnoticed escrow shortages that may have accrued.

The practices described directly above are collectively defined as the “Delayed Escrow Practices.” Not all Mortgage Accounts had a Delayed Escrow Analysis, and nothing herein should be construed to imply that the Delayed Escrow Practices applied to all Mortgage Accounts.

B. Population & Remediation

Nationstar provided remediation to approximately 8,066 accounts in which there was at least one Delayed Escrow Analysis resulting in a shortage. The final remediation for Delayed Escrow is comprised of approximately \$22.84 million in credits and refunds. Nationstar has undertaken corrective action as described in **Appendix 4** to address the Delayed Escrow Practices.

VI. Operational Enhancements

Without waiving any privilege, Nationstar represents that the following facts are accurate to the best of its knowledge and belief:

Nationstar has implemented certain operational enhancements to address and prevent future recurrence of the Bankruptcy Servicing Issues described above (the “Operational Enhancements”). These Operational Enhancements, among others, are designed to minimize manual processing and resulting errors; increase staff expertise through improved training, policies, and procedures; and provide enhanced quality control measures in order to identify and correct any errors prior to filing of documents in Bankruptcy Courts.

Nationstar has implemented the following specific Operational Enhancements to address the Bankruptcy Servicing Issues outlined in Articles III to V above:

A. PCNs & PPFNs

1. Implemented two levels of review for PCNs and PPFNs in order to ensure their accuracy prior to filing.
2. Enhanced Nationstar’s technology so that fees, expenses, and charges are systemically queued up for review and tracked by the number of days until the PPFN must be filed.

3. Adopted a multi-point checklist for PCNs and PPFNs to ensure the accuracy of the notice by comparing and validating the notice information with Nationstar's system of record and the attachments to the notice.
4. Implemented technical upgrades, including a workflow with an interactive systemic control checklist that prompts the bankruptcy employee to validate each task.
5. Improved exception reporting.
6. Enhanced audit functions to validate PCNs and PPFNs for accuracy and compliance.
7. Discontinued use of 4S Technologies and enhanced procedures by retaining counsel to review and file documents only upon approval from Nationstar.

B. RNOFCs

1. Subscribed to an electronic docket monitoring service that monitors Nationstar's portfolio to ensure that it is timely notified of the filing of NOFCs and Motions to Deem Current.
2. Implemented exception reporting.
3. Upgraded its technical processes and instituted new system controls to closely monitor the timeliness of its responses.
4. Adopted enhanced quality control and quality analysis reviews, including a second level of review and post-audit quality review of closing process.

C. Escrow

1. Instituted a new automated process to run annual, post-petition escrow analyses.
2. Began waiving escrow shortages identified in response to the filing of a NOFC.
3. Enhanced the review of draft escrow-related PCNs prior to giving counsel approval to file.

VII. Nationstar's Validation Review and Validation Report

A. Validation Review

1. Within 90 calendar days of the Effective Date (or as otherwise agreed upon between the Parties), Nationstar's internal audit group, which is independent from the line of business ("Internal Audit"), shall validate whether Nationstar has satisfied the following three (3) conditions: (a) Nationstar identified the Bankruptcy Cases as described in Article I above, (b) Nationstar provided the corrective action contemplated by the PCN Remediation, PPFN Remediation, RNOFC Remediation

and Delayed Escrow Remediation as detailed on Appendices 1-5, and (c) Nationstar implemented the Operational Enhancements as demonstrated via a review of current policies and procedures, checklists, and job aides, and internal audit results (the "Validation Review").

2. Internal Audit shall have the appropriate authority, privileges, and knowledge to effectively implement and conduct the reviews, validations, and compliance assessments contemplated herein. Internal Audit shall have personnel skilled at evaluating and validating processes, decisions, and documentation utilized through the implementation of the Operational Enhancements. Internal Audit may include non-employee consultants or contractors working at Nationstar's direction. In performing its Validation Review, Internal Audit shall rely on a statistically relevant sampling of populations or sub-populations of accounts, and shall utilize transaction testing and compliance/controls testing; Internal Audit's testing shall be conducted in the ordinary course of Nationstar's business and consistent with industry standards.

B. Validation Report

1. If, upon completion of its Validation Review, Internal Audit determines that Nationstar has not satisfactorily fulfilled conditions (a), (b) and (c) in paragraph A(1) above, Nationstar shall perform a root cause analysis, determine whether corrective action, including a plan for remediation of any consumer harm, is warranted, and effectuate the relief called for by any remediation plan.
2. If, upon completion of its Validation Review, Internal Audit determines that Nationstar has satisfactorily fulfilled conditions (a), (b) and (c) in paragraph A(1) above, Nationstar shall deliver to the EOUST a written report prepared by Internal Audit, setting forth the results of Internal Audit's assessments, findings and conclusions (the "Validation Report"). The Validation Report must be delivered no later than 30 calendar days from the completion of Internal Audit's Validation Review (or as otherwise agreed upon between the Parties), and shall include the background of the Validation Review, Internal Audit's population approach and sampling methodology, and Internal Audit's conclusions with respect to the PCN Remediation, PPFN Remediation, RNOFC Remediation, and Delayed Escrow Remediation, and Operational Enhancements.
3. Following Nationstar's submission of the Validation Report or the Supplemental Validation Report, the USTP shall have 60 calendar days (or as otherwise agreed upon between the Parties) to submit questions, concerns, or otherwise respond to Nationstar in writing concerning the Validation Review, Validation Report, or Supplemental Validation Report. If the USTP raises questions or concerns, Nationstar shall submit a response to the USTP within 45 calendar days (or as otherwise agreed upon between the Parties) in writing. Alternatively, if the USTP does not raise questions or concerns, except as otherwise provided in Articles VIII and IX.J and Appendix 4 below, Nationstar shall have no further obligations under this MOU.

VIII. USTP's Access to Information and Nationstar's Designation of Confidential Information

A. Upon reasonable notice to be made within 180 calendar days of the Effective Date (except as provided on Appendix 4, and unless otherwise agreed upon between the Parties), Nationstar shall permit the USTP to inspect and copy non-privileged records pertinent to this MOU, except as they relate to the Operational Enhancements. Nationstar, if appropriate, may designate documents, information, or portions of a document or other tangible thing (except this MOU, the Appendices, and the Validation Report) provided by Nationstar to the USTP which Nationstar asserts contains a trade secret or confidential research, development, or commercial information subject to protection under applicable state or federal laws as Confidential (collectively, "Confidential Information").

B. The USTP agrees to protect Confidential Information to the extent permitted by law. However, this agreement shall not prevent or in any way limit the ability of USTP to comply with any subpoena, Congressional demand for documents or information, court order, request under the Right to Financial Privacy Act, or a public records or a Freedom of Information Act request; provided, however, that in the event that the USTP receives such a subpoena, Congressional demand, court order or other request for the production of any Confidential Information covered by this MOU, the USTP shall, unless prohibited under applicable law or unless the USTP would violate or be in contempt of the subpoena, Congressional demand, or court order, (1) notify Nationstar of such request as soon as practicable and in no event more than ten (10) calendar days of its receipt or three (3) calendar days before the return date of the request, whichever is sooner, and (2) allow Nationstar ten (10) calendar days from the receipt of the notice to obtain a protective order or stay of production for the documents or information sought, or to otherwise resolve the issue, before the USTP discloses such documents or information. In all cases covered by this provision, the USTP shall inform the requesting party that the documents or information sought were produced subject to the terms of the MOU and these requirements.

IX. Miscellaneous Provisions

A. This MOU (and its contents) is not and shall not be used as an admission of liability, violation, or wrongdoing by Nationstar to any person or entity or on any legal or equitable theory. This MOU is made without trial or adjudication of any issue of fact or law and does not contain any injunctive measures against Nationstar.

B. This MOU sets forth all the terms of the understanding between the Parties relating to the subject matter reflected herein and may not be modified except in writing executed and delivered by the Parties hereto. However, should Nationstar become engaged in a dispute, including an actual or threatened contested matter, adversary proceeding or other litigation with an individual Borrower, then Nationstar shall have the discretion to provide different relief to such a Borrower with his or her written consent and to take other customary litigation precautions.

C. This MOU is intended to be solely for the benefit of the Parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the Parties hereto. This MOU will not bind or prejudice the rights and claims of non-Parties, including

but not limited to the rights and claims of debtors, case trustees, or Chapter 13 trustees, any component of the United States Department of Justice (other than the USTP), any other federal agencies, or any state, local or foreign law enforcement or regulatory agencies, or any other authorities. Notwithstanding any other provision of this MOU, claims with respect to any criminal liability are especially reserved and are not released.

D. In the event that Nationstar previously resolved any objection, inquiry, motion, adversary proceeding, or other dispute or contested matter regarding a PCN, PPFN, RNOFC or Delayed Escrow during the Relevant Period, and the dispute was related to the accuracy or timeliness of a PCN, PPFN, RNOFC, or Delayed Escrow, Nationstar shall have no further obligation under this MOU to pay any Borrower or Chapter 13 trustee on account of such PCN, PPFN, RNOFC or Delayed Escrow.

E. For purposes of the corrective action contemplated in this MOU, to the extent an account was not open on Nationstar's system of record, not administratively open on the bankruptcy docket of the Bankruptcy Case, or was dismissed, discharged, subject to a Motion for Relief from Stay, subject to a NOFC, or otherwise administratively closed at the time the corrective action was sought to be implemented on a given account, Nationstar is not obligated under the MOU to make a filing (corrective or otherwise).

F. In certain limited circumstances, Nationstar may have sent, or may send, a check to the Borrower or Chapter 13 trustee in lieu of a credit, and such payment shall be considered sufficient and satisfactory corrective action for purposes of this MOU.

G. Any payments required to be made under this MOU shall be deemed made when deposited in the United States mail, postage prepaid, address correction service requested, and addressed to the last known notice address for a loan. For any Borrower whose remediation check is returned, Nationstar will make reasonable attempts to obtain a current address using standard address search methodologies, including a standard address search using the National Change of Address database, and promptly reissue all returned checks to current addresses, if any. Any payee's failure or refusal to accept such payment shall not be deemed a breach of Nationstar's obligations under this MOU. Nationstar shall reissue a check that the payee failed to timely negotiate in accordance with Nationstar's existing policies and procedures. Uncashed checks shall go to escheat in accordance with Nationstar's standard policies and procedures, that Nationstar represents comply with applicable state and federal law.

H. This MOU imposes no obligation on Nationstar to make payment to any Chapter 13 trustee, any non-debtor co-obligors, or non-debtor accountholders, or authorized users, any joint debtor(s) not associated with an impacted account or any non-Borrower. In the event of the death of a Borrower, the divorce of joint Borrowers, or any other event, occurrence, or circumstance that might call into question to whom payment should be made, Nationstar shall have the discretion, to be exercised reasonably, to decide the disposition and direction of such payment. In no event shall Nationstar be required to make a payment or take any other action with respect to a payment if such payment has already been made to the individual(s) listed on the account.

I. Nationstar consents and agrees to fully and finally release the USTP and its current and former employees from claims under the Equal Access to Justice Act, 28 U.S.C. § 2412, based

on the USTP's investigation and prosecution of claims related to the facts and circumstances set forth in this MOU.

J. If the USTP believes that there has been a failure by Nationstar to perform in a timely manner any act required by this MOU, or otherwise to act in conformance with any provision thereof, the USTP will notify Nationstar in writing and provide Nationstar 90 calendar days to cure or otherwise purge the conduct deemed by the USTP to constitute the violation. The Parties may agree to extend Nationstar's time to respond to the violation notice. The Parties shall endeavor in good faith to resolve any disputes regarding interpretation of, or compliance with this MOU prior to initiating any action. In the event the Parties are unable to resolve any dispute, the Parties each reserve all rights to take whatever action they deem appropriate in any appropriate forum.

K. Nationstar recognizes that the USTP may seek discovery and corrective action in individual Bankruptcy Cases, to the extent permitted by law, formally or informally to address material inaccuracies relating to Nationstar's mortgage-related filings based on the Bankruptcy Servicing Issues, subject to providing reasonable notice to Nationstar and opportunity for Nationstar to respond.

L. Nationstar recognizes that the USTP is entering into this MOU in reliance on the material accuracy and material completeness of the factual representations set forth herein and that in the event of fraud or misrepresentation of material facts, the USTP reserves all rights to take whatever action it deems appropriate in any appropriate forum, subject to providing reasonable notice to Nationstar and opportunity for Nationstar to respond.

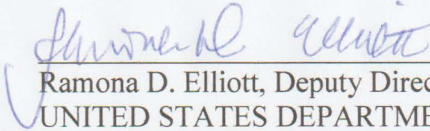
M. Nothing in this MOU shall relieve Nationstar of its obligation to comply with applicable state and federal laws. Nationstar shall in no event be required to provide any information hereunder to the USTP which shall constitute a violation of any federal or state law, including, but not limited to, privacy laws, the Fair Debt Collection Practices Act, the Real Estate Settlement Procedures Act and the Truth in Lending Act, without an express order compelling such delivery to the Court. To the extent any provision contained herein is determined to be invalid or unenforceable under applicable law, such provisions shall be limited or eliminated only to the minimum extent necessary so that this MOU shall otherwise remain in full force.

N. This MOU may be executed in counterparts, each of which shall be deemed an original but all of which, taken together, shall constitute one and the same agreement. The exchange of copies of this MOU and of signature pages by facsimile or electronic transmission shall constitute effective execution and delivery of this MOU as to the Parties and may be used in lieu of the original MOU for all purposes. Signatures of the Parties provided by electronic transmission shall be deemed their original signatures for all purposes.

O. This MOU, the Appendices, and the Validation Report shall be publicly posted.

The undersigned agree to the terms of this MOU.

EXECUTIVE OFFICE FOR UNITED STATES TRUSTEES:



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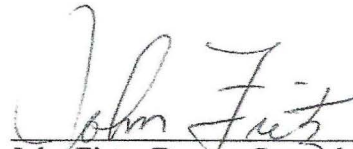
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A handwritten signature in cursive script, appearing to read "John Fietz", is written over a horizontal line.

John Fietz, Deputy General Counsel
NATIONSTAR MORTGAGE LLC

REMEDIATION SUMMARY²

Issue	Impacted Transactions and Accounts	Total Approximate Credit or Refund
PCN Practices	6,664 transactions	\$9.98 million
PPFN Practices	7,092 transactions	\$6.96 million
RNOFC Practices	72 accounts	\$900,000
Delayed Escrow Practices	8,066 accounts	\$22.84 million
		\$40.68 million

² This summary chart is for general information purposes only. The language of the MOU and Appendices control over this summary.

APPENDICES

The Appendices that follow describe the steps taken to complete the remediation set forth in the MOU. The Appendices set forth the representations of Nationstar, and are subject to validation per this MOU.

Appendix 1

PCN CORRECTIVE ACTION

For Bankruptcy Cases with Missed or Untimely PCN transactions during the Relevant Period, Nationstar reviewed each impacted Borrower's Account and took one or more of the following actions, as appropriate:

- (1) provided a credit or refund for the difference between the amount of the last-noticed post-petition payment and the amount of the improperly-noticed payment increase associated with the Missed or Untimely PCN, multiplied by the number of months that the payment change was not properly noticed; and/or
- (2) reviewed the Borrower's Account as a whole in and around the time of (a) the filing of the NOFC, (b) discharge, (c) dismissal (after March 31, 2016), and/or (d) the filing of a Motion for Relief from Stay, and provided credits as warranted.

In the event of multiple Missed PCNs, the credit provided was offset by any unnoticed decreases in payment.

For Bankruptcy Cases with Inaccurate PCN transactions during the Relevant Period that sought a total new payment amount less than the total new payment amount on Nationstar's system of record, Nationstar reviewed each impacted Borrower's Account and took one or more of the following actions, as appropriate:

- (1) provided a credit or refund for the difference between the total new payment amount identified in Nationstar's system of record and the inaccurately-noticed total new payment amount, multiplied by the number of months that the new total payment amount was effective in Nationstar's system of record; and/or
- (2) reviewed the Borrower's Account as a whole in and around the time of (a) the filing of the NOFC, (b) discharge, (c) dismissal (after March 31, 2016), and/or (d) the filing of a Motion for Relief from Stay, and provided credits as warranted.

The corrective action described in this Appendix ("PCN Remediation") does not include any Mortgage Account that was subject to a Material Status Change.

The PCN Remediation was undertaken on or before the Effective Date, unless a later date is agreed to by the Parties in writing.

Appendix 2

PPFN CORRECTIVE ACTION

For Bankruptcy Cases with Missed or Untimely PPFNs during the Relevant Period, Nationstar took one or more of the following actions, as appropriate: (1) deemed as non-recoverable from the Borrower any unpaid portion of the post-petition fee, expense, or cost, (2) provided a credit in the amount of any paid portion of the post-petition fee, expense, or cost, and/or (3) issued a refund to the Borrower in the amount of any paid portion of the post-petition fee, expense or cost.

The corrective action described in this Appendix ("PPFN Remediation") does not include any Mortgage Account that was subject to a Material Status Change.

The PPFN Remediation was undertaken on or before the Effective Date, unless a later date is agreed to by the Parties in writing.

Appendix 3

RNOFC CORRECTIVE ACTION

For Bankruptcy Cases with a Missed RNOFC during the Relevant Period, Nationstar reviewed each impacted Borrower's Account, and credited any account delinquency in order to bring the account current as of the date of the discharge.

The corrective action described in this Appendix ("RNOFC Remediation") excludes the following: (1) any Bankruptcy Case that did not receive a discharge or received a discharge after March 31, 2016; (2) any Mortgage Account that was current on Nationstar's system of record at the time of the discharge or the bankruptcy workstation end date; (3) any Bankruptcy Case where the Mortgage Account was acquired within 60 days of discharge; or (4) any Mortgage Account that was subject to a Material Status Change.

The RNOFC Remediation was undertaken on or before the Effective Date, unless a later date is agreed to by the Parties in writing.

Appendix 4

DELAYED ESCROW CORRECTIVE ACTION

For Bankruptcy Cases with a Delayed Escrow Analysis during the Relevant Period that were active on Nationstar's bankruptcy workstation at the time of remediation, Nationstar ran a new escrow analysis or preview, and in the event that the new escrow analysis or preview reflected an escrow shortage, Nationstar credited the Borrower's escrow account in the amount of that escrow shortage.

For Bankruptcy Cases with a Delayed Escrow Analysis during the Relevant Period that were no longer active on Nationstar's bankruptcy workstation at the time of remediation, Nationstar reviewed the first escrow analysis after the closing of the bankruptcy workstation, and in the event that the escrow analysis reflected an escrow shortage, Nationstar credited the Borrower's escrow account in the amount of that escrow shortage.

The corrective action described in this Appendix ("Delayed Escrow Remediation") excludes the following: (1) any Bankruptcy Case where the subsequent escrow analysis or escrow preview has an escrow surplus or no change in the new escrow payment amount; (2) any Bankruptcy Case that (a) has no escrow line, (b) is not secured by a first lien, or (c) has an escrow analysis performed after April 30, 2016; (3) any Bankruptcy Case filed after June 1, 2014, or discharged after March 31, 2016; or (4) any Mortgage Account that was subject to a Material Status Change.

The Delayed Escrow Remediation was undertaken on or before the Effective Date, except as to 1,253 accounts, which shall be remediated by June 1, 2021 or unless a later date is agreed to by the Parties in writing. On or before September 1, 2021 (or as otherwise mutually agreed upon by the Parties), Nationstar will provide a supplemental validation report to EOUST, confirming that Nationstar provided the corrective actions referenced above to complete the Delayed Escrow Remediation ("Supplemental Validation Report").

Appendix 5

CUMULATIVE APPLICATION OF CORRECTIVE ACTION

Appendices 1 through 4 detail corrective actions that have been undertaken, or will be undertaken, by Nationstar to address the Missed RNOFCs; Missed and Untimely PCNs and PPFNs; Inaccurate PCNs; and Delayed Escrow Analyses. In the event that an impacted account is eligible to receive corrective action pursuant to more than one Appendix, the Borrower, or the Chapter 13 trustee, as applicable, will receive the cumulative benefit of such corrective action described in the respective Appendix. However, a Borrower who receives a benefit under one Appendix is not eligible to receive a duplicative benefit under another Appendix for the same error or omission that led to the first benefit. Such corrective action shall not be unwound by Nationstar, unless ordered by a court, requested by a Borrower, a Chapter 13 trustee, a regulator, or required under a settlement with a Borrower.