

This SETTLEMENT AND RELEASE AGREEMENT (“Agreement”) is made subject to approval by the Court, as defined herein, by James Baker, Jill Baker, Jeffrey Cox, Michelle Cox, William Springer and Linda Springer (the “Named Plaintiffs”), as proposed representatives of the “PPB Settlement Class,” as defined herein, and Pacific Premier Bank (originally Life Bank) (hereinafter the “Settling Defendant”). The Named Plaintiffs, the Settling Defendant and the PPB Settlement Class are referred to in this Agreement as a “Party” or the “Parties” as the context may require.

WHEREAS, the Named Plaintiffs are prosecuting the civil class action lawsuit currently pending before the Circuit Court of Clay County, Missouri (the “Court”), styled *James and Jill Baker, et al., v. Century Financial Group, Inc.*, and numbered 7CV-100-4294 (the “Litigation”); and

WHEREAS, the Named Plaintiffs are asserting claims in the Litigation against Century Financial Group, Inc. (“CFG”), the Settling Defendant and certain other entities for alleged violations of the Missouri Second Mortgage Loans Act (“MSMLA”), §§ 408.231-408.241 RSMo, both for themselves and for a class of similarly-situated Missouri second mortgage borrowers who, like the Named Plaintiffs, obtained a second or other subordinate lien mortgage loan secured by residential real estate situated in Missouri from CFG on or after July 28, 1994 (the “CFG Loans”); and

WHEREAS, the Named Plaintiffs seek to recover the following pursuant to the MSMLA and § 408.562 RSMo: (a) the amount of the loan fees that the Named Plaintiffs alleged had been directly or indirectly charged, contracted for or received in connection with the CFG Loans in violation of § 408.233.1; (b) all of the interest paid on the CFG Loans in violation of § 408.236; (c) all of the interest payable on the CFG Loans (discounted to present value); (d) pre-judgment

interest on the fee and interest paid amounts recovered or disgorged; (e) punitive damages pursuant to § 408.562; and (f) reasonable attorneys' fees and other relief pursuant to § 408.562; and

WHEREAS, on January 2, 2003, the Court certified a litigation class in the Litigation comprised of those individuals who obtained a CFG Loan (the "Litigation Class"); and

WHEREAS, notice of the Litigation, the Court's certification order, and the right to opt out of the Litigation Class was given to the members of the Litigation Class pursuant to Mo. Rule 52.08; and

WHEREAS, the Settling Defendant denies the claims and causes of action being asserted against it in the Litigation and denies any and all liability to the Named Plaintiffs, the members of the proposed PPB Settlement Class, and the "Non-PPB Plaintiff Borrowers," as defined herein; and

WHEREAS, counsel for the Named Plaintiffs ("Plaintiffs' Counsel") and counsel for the Settling Defendant ("Counsel for the Settling Defendant") have thoroughly investigated the facts related to the claims alleged in the Litigation and the events and transactions underlying those claims, through formal and informal discovery, and have made a thorough study of the legal principles applicable to the claims being asserted against both CFG and the Settling Defendant; and

WHEREAS, the Parties have reached an agreement, subject to Court approval, to resolve the Litigation and all remaining claims and motions as between the Named Plaintiffs and the PPB Settlement Class on the one hand and the Settling Defendant on the other hand in accordance with the terms set forth herein; and

WHEREAS, Plaintiffs' Counsel and Counsel for the Settling Defendant have engaged in

arm's length negotiations concerning the settlement of the claims being asserted against the Settling Defendant in the Litigation by the Named Plaintiffs on behalf of the PPB Settlement Class; and

WHEREAS, the Named Plaintiffs, on behalf of the PPB Settlement Class, and Plaintiffs' Counsel have concluded that a settlement with the Settling Defendant as stated herein will be fair, just, equitable, reasonable, adequate and in the best interests of the members of the PPB Settlement Class based upon their investigation, study, negotiations and discovery taken in the Litigation, and taking into account the contested issues involved, the expense and time necessary to prosecute the Litigation against the Settling Defendant through trial and any appeals, the delays and the risks and costs of further prosecution of the Litigation against the Settling Defendant, the uncertainties of complex litigation in general, the benefits to be received as a result of this Settlement, and the fact that the Named Plaintiffs and other "Non-PPB Plaintiff Borrowers," as defined herein, will continue to pursue their claims on the "CFG Loans," as defined herein, against CFG and the various other defendants and other non-released persons; and

WHEREAS, the Settling Defendant desires to settle the claims being asserted against it in the Litigation on the terms and conditions set forth herein for the purpose of avoiding the burden, expense, and uncertainty of continuing litigation, and for the purpose of putting to rest all controversies arising from or related to the CFG-PPB Loans, as defined in this Agreement, that have been or could be raised against the Settling Defendant or its parent or subsidiaries, affiliated or predecessor companies, or its attorneys in the Litigation; and

WHEREAS, the Parties acknowledge and agree that this Agreement constitutes a compromise in settlement of the claims and causes of action that have been or could be raised by

the Named Plaintiffs and the PPB Settlement Class against the Settling Defendant and other “Released Persons,” as defined herein, as to the “CFG-PPB Loans” as defined herein, but shall in no way release or affect the existing or future claims, causes of action, remedies, and/or rights to relief of any of the Named Plaintiffs or other members of the Litigation Class, including without limitation, the PPB Settlement Class and/or any of the “Non-PPB Plaintiff Borrowers,” against any person, association or entity with respect to the “CFG Loans,” except for the claims of the PPB Settlement Class Members against the “Released Persons” with respect to the CFG-PPB Loans.

NOW THEREFORE, the Parties, each intending to be legally bound and acknowledging the sufficiency of the consideration and undertakings set forth herein, do hereby agree, subject to approval of the Court of this Agreement and the provisions contained herein, that the Litigation and the “Released Claims,” as defined herein, against the Settling Defendant and other Released Persons are finally and fully compromised and settled and that the claims of the PPB Settlement Class Members against the Released Persons shall be dismissed with prejudice as against the Released Persons as follows:

1. Denial of Liability; No Admissions

The Parties are entering into this Agreement in the interests of avoiding the burdens, expense, and risk of continued litigation and in order to resolve all of the vigorously disputed claims that remain undecided as between them. By entering into preliminary settlement discussions, agreeing to the terms of this Agreement, and/or seeking the approval of the “Settlement,” as defined herein, the Parties are not making any admissions or concessions, whatsoever, with respect to any of the factual or legal assertions or any claims or defenses being alleged, made or asserted in the Litigation. Neither this Agreement nor any of its terms or

provisions nor any of the negotiations between the Parties or their counsel shall be construed as an admission or concession by any of the Parties or their counsel of anything whatsoever, including, but not limited to, any alleged violation or breach of contract or duty, any alleged fraud, misrepresentation or deception, or any alleged violation of any federal, state, or local law, rule, regulation, guideline or legal requirement (or any other applicable law, rule, regulation, guideline or legal requirement), any alleged conduct that could be or has been asserted as the basis for punitive damages or sanctions, the merits of any defenses that the Settling Defendant have asserted or could assert, or the propriety of class certification of the PPB Settlement Class if the Litigation were to be litigated rather than settled. Except as necessary in a proceeding to enforce the terms of this Agreement, or to challenge and refute any assertions that the Settlement and/or the debt(s) arising from the Settlement and/or the compromised claims are dischargeable in bankruptcy, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish: (a) any liability or admission on the part of the Settling Defendant or its respective parents or subsidiaries, affiliated or predecessor companies, or its attorneys, to establish the existence of any condition constituting a violation of or non-compliance with any federal, state, local or other applicable law, rule, regulation, guideline or other legal requirement or any condition that has been or could be asserted as the basis for punitive damages or sanctions; (b) the truth or relevance of any fact alleged by the Named Plaintiffs; (c) the existence of any class alleged by the Named Plaintiffs; (d) the propriety of class certification if the Litigation were to be litigated rather than settled; (e) the validity of any claim or any defense that has been or could have been asserted in the Litigation or in any other litigation; (f) that the consideration to be given to the PPB Settlement Class Members hereunder represents the amount which could be or would have been recovered by any such persons after

trial; or (g) the propriety of class certification in any other proceeding or action. The Parties expressly agree that, in the event the Settlement does not become final and effective in accordance with Paragraph 12 hereof, no Party will use or attempt to use any conduct or statement of any other Party in connection with the Settlement, or any effort to seek approval of the Agreement, to affect or prejudice any other Party's procedural or substantive rights in any further proceedings in the Litigation or any related action. The Settling Defendant expressly reserves all procedural and substantive rights and defenses to all claims and causes of action and does not waive any such rights or defenses in the event that the Settlement is not approved for any reason.

2. Definitions

As used in this Agreement, the following terms shall be defined as set forth below:

2.1 **Agreement.** "Agreement" means this Settlement and Release Agreement.

2.2 **CFG.** "CFG" means Defendant Century Financial Group, Inc., as identified in the Fourth Amended Petition in the Litigation.

2.3 **CFG Loan.** "CFG Loan" means any "Second Mortgage Loan," as defined in § 408.231.1 RSMo, secured by a mortgage or a deed of trust on residential real property situated in the State of Missouri, that was made by Century Financial Group, Inc., as lender, on or after June 28, 1994.

2.4 **CFG-PPB Loan.** "CFG-PPB Loan" means any of the 15 CFG Loans that were purchased by and/or assigned to Life Bank (now known as Pacific Premier Bank) and which are identified for each of the members of the PPB Settlement Class on **Schedule A**.

2.5 **Class Counsel.** "Class Counsel" shall mean Plaintiffs' Counsel, Walters Bender Strohbehn & Vaughan, P.C., 2500 City Center Square, 1100 Main Street, Kansas City, Missouri

64105.

2.6 **Class Mail Notice.** “Class Mail Notice” means a document in a form substantially the same as that attached hereto as **Exhibit A**.

2.7 **Counsel for the Settling Defendant.** “Counsel for the Settling Defendant” means, collectively, Holland & Knight, 400 South Hope Street, 8th Floor, Los Angeles, CA 90071.

2.8 **Effective Date.** The “Effective Date” of this Agreement means the date when all of the conditions set forth in Paragraph 12 have occurred and the Settlement thereby becomes effective in all respects.

2.9 **Escrow Agent.** “Escrow Agent” means Missouri Bank and Trust Company of Kansas City, 1044 Main Street, Kansas City, Missouri, or some other insured depository institution in Missouri selected by Plaintiffs’ Counsel, which shall escrow the Settlement Payment as stated in Paragraph 4.

2.10 **Final Approval Order and Judgment.** “Final Approval Order and Judgment” means an Order and Judgment of the Court in a form substantially the same as that attached hereto as **Exhibit C**, finally approving this Agreement and the Settlement pursuant to Mo. Rule 52.08.

2.11 **Final Approval Hearing.** “Final Approval Hearing” (or “Fairness Hearing”) means the hearing on final approval of the partial class action settlement memorialized by this Agreement.

2.12 **Final Hearing Date.** “Final Hearing Date” means the date set by the Court for the Final Approval Hearing.

2.13 **Litigation Class.** “Litigation Class” means the class of Missouri borrowers

defined by the Court in the Litigation in the Order Certifying Plaintiffs' Class, entered January 2, 2003.

2.14 Master Financial Defendants. "Master Financial Defendants" means all of the persons and entities involved and/or participating in the acquisition and/or securitization of mortgage loans by or through Master Financial, Inc., including without limitation the persons and entities involved and/or participating in the Master Financial Asset Securitization Trust 1997-1, Master Financial Asset Securitization Trust 1998-1, and Master Financial Asset Securitization Trust 1998-2, with each such "Master Financial Defendant" being identified individually and together with its respective officers, directors, owner trustees, indenture trustees, agents, parents, subsidiaries, affiliates, predecessors, successors or assigns. The following is a non-exclusive list of "Master Financial Defendants": Master Financial, Inc., Bear Stearns Asset Backed Securities, Inc., PaineWebber Mortgage Acceptance Corp. IV, and The Bank of New York Mellon (f/k/a The Bank of New York) and Wilmington Trust Company as the purchaser(s), assignee(s), owner(s)/holder(s) and/or trustee(s) of the mortgage loans acquired from and/or securitized by one or more of the Master Financial Defendants, and/or as the agent, trustee, owner trustee, co-owner trustee, indenture trustee, paying agent, custodian, administrator, servicer and/or master servicer of any one or more of the Master Financial Asset Securitization Trusts listed above and any other trust, fund or pool that is not a Settling Defendant.

2.15 Named Plaintiffs. "Named Plaintiffs" means James Baker, Jill Baker, Jeffrey Cox, Michelle Cox, William Springer and Linda Springer, and any person(s) claiming by, through and/or under them.

2.16 Net Distributable Settlement Fund. "Net Distributable Settlement Fund" means

the “Net Settlement Fund” less: (a) the amount of any awards for attorneys’ fees or attorney compensation approved by the Court and awarded to Plaintiffs’ Counsel, and (b) any interest earned and attributable to the amount of such awards while in escrow.

2.17 **Net Settlement Fund.** “Net Settlement Fund” means the “Settlement Fund” less: (a) the amount of any litigation expenses and/or costs approved by the Court and awarded to Plaintiffs’ Counsel; (b) the amount of any incentive award approved by the Court and paid to the Named Plaintiffs; and (c) any interest earned and attributable to these awards, respectively, while in escrow.

2.18 **Non-PPB Plaintiff Borrower.** “Non-PPB Plaintiff Borrower” means the Named Plaintiffs and the members of the Litigation Class whose “CFG Loan” was not a “CFG-PPB Loan,” as defined above. “Non-PPB Plaintiff Borrower” includes, but is not limited to the Named Plaintiffs, and each of them.

2.19 **Plaintiffs’ Counsel.** “Plaintiffs’ Counsel” means, collectively, Walters Bender Strohhahn & Vaughan, P.C., 2500 City Center Square, 1100 Main Street, Kansas City, Missouri 64105.

2.20 **PPB.** “PPB” means Pacific Premier Bank (originally Life Bank) and as used in this Agreement refers specifically to the 15 CFG Loans that were purchased by and/or assigned to PPB.

2.21 **PPB Settlement Class.** “PPB Settlement Class” shall have the meaning set forth in Paragraph 3(a) below. The “PPB Settlement Class” does not include any of the Named Plaintiffs or any of the other “Non-PPB Plaintiff Borrowers.”

2.22 **PPB Settlement Class Member.** “PPB Settlement Class Member” means any member of the PPB Settlement Class who does not timely opt out of the Settlement pursuant to

Paragraph 9.a below. If any PPB Settlement Class Member has died, filed for bankruptcy, or otherwise voluntarily or involuntarily transferred his or her rights under a CFG-PPB Loan, the person's heir, representative, successor or assign shall be deemed a PPB Settlement Class Member. If more than one borrower is on a CFG-PPB Loan, any co-borrower shall also be considered a PPB Settlement Class Member.

2.23 PPB Settlement Class Member Payment. "PPB Settlement Class Member Payment" means the portion of the "Net Distributable Settlement Fund" shown on **Schedule A** to be paid to the respective PPB Settlement Class Member(s) pursuant to the Settlement, plus any interest earned and attributable to such sum while in escrow.

2.24 Preliminary Approval Order. "Preliminary Approval Order" means an Order of the Court preliminarily approving the Settlement, conditionally or preliminarily certifying a class for settlement purposes, directing the issuance of a class notice and scheduling a final approval hearing in accordance with Mo. Rule 52.08, in a form substantially similar to that attached hereto as **Exhibit B**.

2.25 Releasers. "Releasers" means the PPB Settlement Class Members, and each of their respective heirs, executors, administrators, assigns, predecessors, and successors, and any other person claiming by or through any or all of them. The Releasers shall not include any of the following: (a) any members of the PPB Settlement Class who opt out of the Settlement in accordance with Paragraph 9 below; (b) any person(s) not identified as a member of the PPB Settlement Class on **Exhibit D**; or (c) the Named Plaintiffs and any other Non-PPB Plaintiff Borrowers.

2.26 Released Persons. "Released Persons" shall mean, specifically, the Settling Defendant and any partners, affiliates, predecessor companies, parent companies, subsidiaries,

divisions, or other organizational units of any kind doing business in their own names, or doing business under any other names, and any entity now or in the past controlled by, controlling or under the common control with any of the foregoing and doing business under any other names, and any and all respective affiliates and subsidiaries, and shall also mean PaineWebber Mortgage Acceptance Corporation IV, but solely in its capacity as the Depositor of Life Financial Home Loan Owner Trust 1997-3, Wilmington Trust Company, but solely in its capacity as Owner Trustee of Life Financial Home Loan Owner Trust 1997-3, and Wells Fargo Bank NA, as successor by merger to Norwest Bank Minnesota, N.A., but solely in its capacities as the Indenture Trustee, Paying Agent Custodian and Administrator of Life Financial Home Loan Owner Trust 1997-3, and EMC Mortgage Corporation, but solely in its capacity as servicer of Life Financial Home Loan Owner Trust 1997-3, and the joint or respective predecessors, successors and assigns of each (collectively, the “LFHLO Trust Parties”), and shall also mean the past and present officers, directors, shareholders, partners, associates, trustees, employees, agents, attorneys, accountants, representatives, beneficial owners, investment advisors, investment bankers, insurers, independent contractors, and the heirs, executors, predecessors, successors, and assigns of the Settling Defendant and the LFHLO Trust Parties; provided, however, that anything in this Agreement to the contrary notwithstanding, and regardless of any prior or current relationship or affiliation with the Settling Defendant, the term “Released Persons” **does not include any of the following**: (a) Century Financial Group, Inc. (“CFG”); (b) the “Master Financial Defendants”; (c) The Bank of New York Mellon (f/k/a The Bank of New York); (d) JP Morgan Chase Bank, NA; (e) Wilmington Trust Company, except as the Owner Trustee of Life Financial Home Loan Owner Trust 1997-3; (f) Wells Fargo Bank, N.A., except as successor by merger to Norwest Bank Minnesota, N.A., but solely as the Indenture Trustee,

Paying Agent Custodian and Administrator of Life Financial Home Loan Owner Trust 1997-3; (g) any current and/or former defendant named in the Litigation, other than the Settling Defendant; (h) any person, association or entity that serviced any of the CFG-PPB Loans prior to the sale, assignment, transference or conveyance to the Settling Defendant; (i) any person, association or entity to whom any of the loans of any of the Non-PPB Plaintiff Borrowers were sold, assigned or otherwise transferred or conveyed; (j) any person, association or entity that serviced any of the loans of any of the Non-PPB Plaintiff Borrowers; or (k) any person, association or entity to whom any of the CFG-PPB Loans were sold, assigned, transferred and/or conveyed prior to the sale, assignment, transference or conveyance to the Settling Defendant or any of the LFHLO Trust Parties.

2.27 **Released Claims.** “Released Claims” means any and all claims, demands, actions, causes of action, rights, offsets, setoffs, suits, damages, lawsuits, liens, costs, surcharges, losses, attorneys’ fees, expenses or liabilities of any kind whatsoever, in law or in equity, for any relief available to the Releasers under § 408.562 RSMo in connection with the CFG-PPB Loans, whatsoever, including monetary, injunctive or declaratory relief, rescission, general, compensatory, special, liquidated, indirect, incidental, consequential or punitive damages, as well as any and all claims for treble damages, penalties, sanctions, attorneys’ fees, costs or expenses, whether known or unknown, alleged or not alleged in the Litigation, suspected or unsuspected, contingent or vested, accrued or not accrued, liquidated or unliquidated, matured or unmatured, that in any way concern, relate to, or arise out of the CFG-PPB Loans and which any of the Releasers have had, or now have, from the beginning of time up through and including the Effective Date, against the Released Persons (“Claims”), including, but not limited to, any and all Claims arising out of or relating to: (1) allegations that were or could have been asserted against the Released Persons in the Litigation in any way relating to the PPB Settlement Class Members’ CFG-PPB Loans; (2) any activities that any of the Released Persons took with respect

to the CFG-PPB Loans including, without limitation, any alleged representations, misrepresentations, disclosures, incorrect disclosures, failures to disclose, acts (legal or illegal), omissions, failures to act, deceptions, acts of unconscionability, unfair business practices, breaches of contract, usury, unfulfilled promises, breaches of warranty or fiduciary duty, conspiracy, excessive fees collected, or violations of any consumer protection statute or merchandising practices act, any state unfair trade practice statute, or any other body of case, statutory or common law, rule or regulation, federal or state, including, but not limited to, the Missouri Second Mortgage Loans Act, §§ 408.231, *et seq.* RSMo, or any other similar state statute; the Truth in Lending Act, 15 U.S.C. § 1601, *et seq.*, and its implementing regulations, 12 C.F.R. part 226; the Home Ownership and Equity Protection Act, 15 U.S.C. § 1639, *et seq.*, and its implementing regulation, 12 C.F.R. part 226.31-32; the Real Estate Settlement Procedures Act, 12 U.S.C. § 2601, and its implementing regulation, 24 C.F.R. part 3500; the Equal Credit Opportunity Act, 15 U.S.C. § 1691, *et seq.*, and its implementing regulation, 12 C.F.R. part 202; the Home Mortgage Disclosure Act, 12 U.S.C. § 2801, *et seq.*, and its implementing regulation, 12 C.F.R. part 203; the Fair Housing Act, 42 U.S.C. §§ 3601, *et seq.*; the Fair Credit Reporting Act, 15 U.S.C. §§ 1681, *et seq.*; the Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692, *et seq.*; the Federal Trade Commission Act, 15 U.S.C. §§ 45, *et seq.* and any applicable rule issued by the Consumer Financial Protection Bureau or applicable provision of the Dodd-Frank Wall Street Reform and Consumer Protection Act; and/or (3) any conduct undertaken by any of the Released Persons to defend the Litigation, including, but not limited to, any alleged improper discovery conduct and/or any request for sanctions in the Litigation. The term “Released Claims” also includes, without limitation, any allegation that any Released Person has conspired with, aided and abetted, or otherwise acted in concert with any other third parties with respect to any of the facts, acts, events, transactions, occurrences, courses of conduct, business practices, representations, omissions, circumstances, or other matters related to the Litigation or the conduct of the Litigation. It is the intention of the Releasers to provide a general release of the Released Claims against the Released Persons; provided, however, that anything in this

Agreement to the contrary notwithstanding, the term Released Claims **does not include**: (1) any claims of any kind or type by the Releasers against any person, association or entity that is not a Released Person, whether such claims arise out of or relate to CFG-PPB Loans or some other conduct, transaction, loan or occurrence; (2) any claims of any kind or type by the Releasers against any person, association or entity in connection with a loan and/or loan transaction originated or made by a person, association or entity other than CFG, notwithstanding the fact that the loan, in whole or in part, was purchased by and/or assigned to Life Bank (now known as Pacific Premier Bank); (3) any claims of any kind or type against The Bank of New York Mellon (f/k/a The Bank of New York) and/or any of the other Master Financial Defendants; (4) any claims of any kind or type against any one or more of the Released Persons as defined in Paragraph 2.26, and including but not limited to the LFHLO Trust Parties as defined in this Paragraph 2.27, except for the claims relating to the 15 CFG-PPB Loans being released pursuant to this Agreement; and/or (5) any claims of any kind or type by any Non-PPB Plaintiff Borrower(s).

2.28 **Settlement.** “Settlement” means the compromise in settlement memorialized by this Agreement.

2.29 **Settlement Fund.** “Settlement Fund” means the amount to be delivered by the Settling Defendant in accordance with Paragraph 4.a below. In no event shall the Settling Defendant be obligated to pay more than the amount of the Settlement Fund (\$1,700,000.00), including all attorneys’ fees, costs, administration expenses, incentive award, and any other amounts whatsoever.

2.30 **Settling Defendant.** “Settling Defendant” means Pacific Premier Bank (originally Life Bank).

3. Certification of the PPB Settlement Class

a. The Named Plaintiffs and Plaintiffs’ Counsel shall file a motion requesting that

the Court preliminarily and finally certify a settlement for a class of persons for purposes of settlement only (referred to and defined herein as the “PPB Settlement Class”), to be defined as follows:

All persons who, on or after June 28, 1994, obtained a “Second Mortgage Loan,” as defined in § 408.231.1 RSMo, that was secured by a mortgage or a deed of trust on residential real property situated in the state of Missouri, originated by Century Financial Group, Inc., and purchased by and/or assigned to Life Bank (now known as Pacific Premier Bank) and who did not timely exercise their right and option to exclude themselves from the litigation class that the Court previously certified on January 2, 2003.

b. A list of the members of the PPB Settlement Class for which preliminary and final approval of the Settlement will be sought is attached hereto as **Exhibit D**, but said Exhibit shall be filed under seal with the Court pursuant to the terms of the Stipulated Protective Order dated November 18, 2009 to protect the privacy of the names and addresses of the members of the PPB Settlement Class.

c. If this Agreement is not approved by the Court pursuant to the proposed Final Approval Order and Judgment, or if for any reason this Settlement fails to become effective pursuant to Paragraph 12, this Agreement, any preliminary and/or final approval of a settlement class provided herein, the Settlement (including any modifications made with the consent of the Parties), and any action(s) taken or to be taken in connection therewith, shall be terminated and shall become null and void and have no further force or effect, any Preliminary Approval Order, Final Approval Order and Judgment shall be vacated, the Parties shall be restored to their respective positions existing prior to the execution of this Agreement, and the Parties’ rights and obligations with respect to the use of this Agreement and the settlement contemplated hereby will be subject to Paragraph 1 hereof. In addition, if this Agreement is not approved by the Court pursuant to the proposed Final Approval Order and Judgment, or if for any reason this Settlement

fails to become effective pursuant to Paragraph 12, neither this Agreement, the preliminary certification of the PPB Settlement Class, the Preliminary Approval Order, nor any other document relating in any way to any of the foregoing, shall be relied on, referred to or used in any way for any purpose in connection with any further proceedings in the Litigation or any related action. In such case, or in the event that this Agreement shall terminate or the settlement embodied herein does not become effective for any reason, the Agreement and all negotiations, court orders and proceedings relating thereto shall be without prejudice to the rights of the Parties, and each of them, who shall be restored to their respective positions existing prior to the execution of this Agreement and any Party may reassert its claims and/or defenses against any other Party or Parties as provided in Paragraph 13 and in such event evidence relating to the Agreement, and all negotiations, shall not be discoverable or admissible in the Litigation or otherwise.

4. Settlement Consideration and Distribution of the Settlement Fund to the PPB Settlement Class Members

a. Subject to Paragraph 4.d, and provided the Agreement has not been terminated or rescinded pursuant to Paragraph 9.b, the Settling Defendant shall pay the sum of \$1,700,000.00 (the “Settlement Payment”) within three (3) business days after entry of the Final Approval Order and Judgment. The Settling Defendant shall deliver the Settlement Payment to the Escrow Agent for deposit into the escrow account as stated in Paragraph 4.b by wire transfer at its own expense after receipt by Settling Defendant’s Counsel in writing of appropriate wiring instructions and a completed IRS Form W-9 from Plaintiffs’ Counsel.

b. The Settlement Payment shall be deposited into an interest-bearing escrow account that the Parties shall establish, pursuant to mutually-agreeable terms, at Missouri Bank & Trust, 1044 Main Street, Kansas City, Missouri, or some other insured depository institution in

Missouri selected by Plaintiffs' Counsel (the "Escrow Agent") and shall thereafter comprise the "Settlement Fund." All interest earned on the Settlement Fund while in escrow shall be added to and included within the definition of "Settlement Fund" and shall be allocated to the persons identified on **Schedule A** in proportion to his, her or their share of the Net Distributable Settlement Fund. The Settlement Fund, including any interest earned in escrow, shall be returned to Settling Defendant in the event that the Settlement is rescinded, terminated, vacated, or the Effective Date does not arrive for any other reason. The Settlement Fund while in the escrow account shall be invested in a manner that generates the highest return that can be obtained without risk to the principal. Any risk of loss of the Settlement Fund and liability related to the selection of the Escrow Agent or the actions of the Escrow Agent shall reside solely with Plaintiffs and Plaintiffs' Counsel.

c. The Parties' escrow agreement shall provide that the Escrow Agent shall release the Settlement Fund to Class Counsel the first business day after the Effective Date. Class Counsel, subject to such supervision and direction of the Court as may be necessary, shall be responsible for and shall administer and oversee the distribution of the Settlement Fund, Net Settlement Fund, and Net Distributable Settlement Fund in accordance with the terms of the Final Approval Order and Judgment, this Agreement and **Schedule A**, which also shall be filed under seal with the Court pursuant to the terms of the Stipulated Protective Order dated November 18, 2009 to protect the privacy and rights of the members of the PPB Settlement Class.

d. If any member(s) of the PPB Settlement Class timely opt out and exclude themselves from the Settlement and the Settling Defendant does not terminate this Agreement pursuant to Subparagraph 9.b, the name(s) of the "opt out" class member(s) shall be removed

from **Schedule A** and the portion of the Net Distributable Settlement Fund attributable to said “opt outs” shall remain a part of the Net Distributable Settlement Fund and will be reallocated to the PPB Settlement Class Members pro rata. Class Counsel shall submit any required revisions to **Schedule A** to the Court under seal prior to the Final Hearing Date.

e. The amount of the Settlement Fund shall not be reduced as a result of any member(s) of the PPB Settlement Class electing to opt out or exclude themselves from the Settlement pursuant to Subparagraph 4.d, or for any other reason.

f. Upon release of the Settlement Fund by the Escrow Agent to Class Counsel, Class Counsel shall calculate the Net Settlement Fund and Net Distributable Settlement Fund and distribute the Net Distributable Settlement Fund, plus any interest earned on said fund while in escrow, to the PPB Settlement Class Members (i.e., those members of the PPB Settlement Class, if any, who did not timely opt out) in the amounts and to the addresses shown on **Schedule A**, or as the Court may otherwise determine and approve. Such distributions to the PPB Settlement Class Members are referred to and defined as the “PPB Settlement Class Member Payments.” Class Counsel shall distribute the PPB Settlement Class Member Payments to the PPB Settlement Class Members within 30 days of the Effective Date by checks mailed to the PPB Settlement Class Members or, in the event of a PPB Settlement Class Member bankruptcy under Chapter 7, to the Chapter 7 bankruptcy trustee for said PPB Settlement Class Member, with notice of said mailing to said PPB Settlement Class Member. Class Counsel will re-mail any returned checks to any new address disclosed. To the extent any check is returned a second time, Class Counsel shall undertake reasonable efforts to locate a current address for said PPB Settlement Class Member. If any PPB Settlement Class Member refuses to accept receipt of a PPB Settlement Class Member Payment check, or does not cash a PPB Settlement Class Member

Payment check within thirty (30) days of receipt, Class Counsel shall undertake reasonable efforts to locate and/or contact the PPB Settlement Class Member and inquire about receiving and/or cashing the check. A PPB Settlement Class Member's right to a PPB Settlement Class Member Payment pursuant to this Agreement is a conditional right that terminates if a PPB Settlement Class Member to whom a PPB Settlement Class Member Payment is mailed fails to cash such check within one hundred eighty (180) days from the date of issuance of said check. In such case, the check shall be null and void, the Parties shall have no further obligations to said PPB Settlement Class Member, and said PPB Settlement Class Member shall nonetheless be bound by the Release, and the Final Approval Order and Judgment. Within two hundred ten (210) days of the Effective Date, Class Counsel shall file a report with the Court confirming that the entirety of the Net Distributable Settlement Fund/PPB Settlement Class Member Payments were distributed to the PPB Settlement Class Members pursuant to the original or any revised **Schedule A** and checks cashed or, if such a confirmation cannot be provided, outlining the steps that remain to distribute any unclaimed portion of the Net Distributable Settlement Fund to the PPB Settlement Class Members. Class Counsel shall reallocate the amounts of any unclaimed or uncashed checks to the paid PPB Settlement Class Members pro rata based on their allocable share of their total paid distributions of claimed checks at such time as Class Counsel determines appropriate in their sole discretion, but which in any event shall be prior to the expiration of any period of escheatment.

g. Class Counsel shall be responsible for preparing, filing and addressing any requisite IRS Form 1099s. PPB Settlement Class Members shall be responsible for any taxes due or any tax liability arising out of the distribution of the Settlement Fund.

h. The Released Persons shall have no responsibility for, interest in, or liability

whatsoever with respect to or arising out of the investment, allocation or distribution of the Settlement Fund, the determination, administration, calculation, or payment of claims, the payment or withholding of taxes, or any losses incurred in connection therewith.

i. Any PPB Settlement Class Member who receives a payment pursuant to the Settlement shall be solely responsible for distributing or allocating such payment between or among all co-borrowers on his, her, or their CFG-PPB Loan, regardless of whether a payment check has been made out to all or only some of the PPB Settlement Class Members' co-borrowers.

j. No person shall have any claim against the Released Persons, Class Counsel, or any agent designated pursuant to this Agreement based upon any distributions made substantially in accordance with this Agreement or any Orders of the Court.

5. Incentive Award and Common Fund Attorneys' Fees and Costs

a. The Named Plaintiffs may petition the Court for the payment of an incentive award in a total amount not to exceed **\$2,000** per couple (**\$6,000 total**) in recognition of their services and commitment to the PPB Settlement Class and the claims that have resulted in a substantial benefit to the PPB Settlement Class Members. The amount of any incentive award approved by the Court, and any interest attributable to said amount while in escrow, shall be deducted from the Settlement Fund to determine the "Net Settlement Fund" from which any award of attorneys' fees to Plaintiffs' Counsel to be paid from the common fund recovery shall be deducted before the balance is distributed to the PPB Settlement Class Members as the "Net Distributable Settlement Fund" in accordance with **Schedule A**. The Settling Defendant will not object to the Named Plaintiffs applying to the Court for and/or receiving an incentive award in the above-stated amount. To the extent the Court approves an incentive award in an amount less

than the not-to-exceed amount stated above, the difference, and any interest attributable to the amount of the difference while in escrow, shall be included in and treated as a part of the Net Settlement Fund.

b. Plaintiffs' Counsel and/or the Named Plaintiffs may petition the Court for an award of litigation expenses and/or court costs not to exceed \$4,468.20. The amount of any such award, and any interest attributable to said amount(s) while in escrow, shall also be deducted from the Settlement Fund to determine the Net Settlement Fund from which any award of attorneys' fees to Class Counsel to be paid from the common fund recovery shall be deducted before the balance is distributed to the PPB Settlement Class Members as the "Net Distributable Settlement Fund" in accordance with **Schedule A**. The Settling Defendant will not object to Plaintiffs' Counsel and/or the Named Plaintiffs applying to the Court for, and receiving, an award of expenses and/or costs in the above amount. To the extent the Court awards expenses and/or costs in an amount that is less than the not-to-exceed amount stated above, the difference and any interest attributable to the amount of the difference while in escrow, shall be included in and treated as a part of the Net Settlement Fund.

c. Plaintiffs' Counsel and/or the Named Plaintiffs may also petition the Court for an award of attorneys' fees not to exceed forty-five percent (45%) of the Net Settlement Fund (as a common fund recovery), which award of attorneys' fees is estimated to be \$760,289.31 if the Court approves the award as proposed. The amount of any such fee award approved by the Court, and any interest attributable to said amount while in escrow, shall be deducted from the Net Settlement Fund to determine the Net Distributable Settlement Fund and the individual PPB Settlement Class Member Payments. The Settling Defendant will not object to Plaintiffs' Counsel and/or the Named Plaintiffs applying to the Court for, and receiving, an award of

attorneys' fees in the above amount. To the extent the Court awards attorneys' fees in an amount that is less than the not-to-exceed amount stated above, the difference and any interest attributable to the amount of the difference while in escrow, shall be included in and treated as a part of the Net Distributable Settlement Fund.

d. Except as provided in this Paragraph 5, each of the Parties shall bear its own attorneys' fees, court costs, and expenses incurred in the prosecution, defense, and/or settlement of the Litigation, and specifically, without limitation, the Settling Defendant shall bear no other attorneys' fees, court costs or expenses. In no event shall the Settling Defendant be obligated to pay more than the amount of the Settlement Fund (\$1,700,000.00), including all attorneys' fees, costs, administration expenses, incentive awards, and any other amounts whatsoever.

6. Releases

a. On the Effective Date, in exchange for the payment by the Settling Defendant of the \$1,700,000.00 Settlement Fund as provided in Paragraph 4.a, and for other good and valuable consideration, Releasers, by operation of this Release and the judgment set forth in the Final Approval Order and Judgment, shall be deemed without further action by any person or the Court: (i) to have fully, finally and forever released, settled, compromised, relinquished, and discharged any and all of the Released Persons of and from any and all Released Claims; (ii) to have consented to dismiss with prejudice the Released Claims of the Releasers against the Released Persons in the Litigation; and (iii) to be forever barred and enjoined from instituting or further prosecuting the Released Claims in any forum whatsoever including, but not limited to, any state, federal, or foreign court, or regulatory agency. The Parties agree that the Released Persons will suffer irreparable harm if any PPB Settlement Class Member takes action inconsistent with this Paragraph 6.a, and that, in such event, the Released Persons may seek an

injunction as to such action or proceeding without further showing of irreparable harm. The Parties further agree that any injunction sought by the Released Persons may be issued without bond or other security.

b. The Named Plaintiffs, on behalf of the PPB Settlement Class Members, acknowledge and agree that they are aware that they may hereafter discover material or immaterial facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of the Releases, but that it is their intention to, and they do hereby on behalf of all PPB Settlement Class Members, upon the Effective Date of this Agreement, fully, finally and forever settle and release each and every of the Released Persons from each and every Released Claim, known or unknown, suspected or unsuspected, accrued or not accrued, contingent or matured, which now exists, may hereafter exist, or may heretofore have existed, without regard to the subsequent discovery or existence of such different or additional facts.

c. Subject to Court approval, each PPB Settlement Class Member shall be bound by this Agreement and all of their claims against the Settling Defendant and other Released Persons with respect to his or her CFG-PPB Loan shall be dismissed with prejudice and released as to the Released Persons even if such PPB Settlement Class Member never received actual, prior notice of the Litigation or the Settlement in the form of the Class Mail Notice or otherwise. When effective, the Releases and agreements contained in this Paragraph 6 shall apply to and bind all PPB Settlement Class Members, including those PPB Settlement Class Members whose Class Mail Notices are returned as undeliverable, and those for whom no current address can be found, if any.

7. Representations and Stipulations

a. The Settling Defendant represents, warrants and declares that: (i) they have acted in good faith and have used their best efforts in identifying the members of the PPB Settlement Class and in producing the loan documents and loan payment and payoff information on which they understand the distribution of the individual PPB Settlement Class Member Payments shown on **Schedule A** is based; (ii) based on said best efforts, the Settling Defendant is not aware of other members of the PPB Settlement Class other than those identified on **Exhibit D**; and (iii) based on said best efforts, the Settling Defendant did not purchase, receive an assignment of, become the successor in interest to, or service or collect any CFG Loans other than the CFG-PPB Loans. The Settling Defendant additionally represents, warrants and acknowledges that each of the CFG-PPB Loans, other than the CFG-PPB Loan made to (1) Marty Joe Bolin and Dolores Bolin and (2) Samuel Tucker and Beverly D. Tucker, has been fully repaid and satisfied or is otherwise resolved such that no debt or other amount remains due and/or owing from any obligor on any of the CFG-PPB Loans. As for the Bolin and Tucker loans, the Settling Defendant hereby agrees to treat the loans as having been fully repaid and satisfied or otherwise resolved such that no debt or other amount remains due and/or owing from the obligors. The Settling Defendant, for itself and for any person claiming by, through and/or under it, hereby agrees and covenants not to sue or initiate any type of proceeding against the obligors, or their heirs, personal representatives, successors or assigns, of the CFG-PPB Loans in order to collect, recover on or obtain any relief in connection with the CFG-PPB Loans. If any demand, suit, claim or proceeding is made, filed, commenced or otherwise initiated against the obligor(s) on any CFG-PPB Loan, including but not limited to the Bolin and Tucker CFG-PPB Loans, by anyone in order to collect, recover on or obtain any relief in connection with the CFG-

PPB Loan, including without limitation any demands or claims to collect any unpaid principal, interest or other amounts, the Settling Defendant shall indemnify and hold the obligor(s) harmless from and against any and all liability, loss, expense, damage, cost, or payment of any kind, including but not limited to attorneys' fees and expenses, that said obligor(s) incur(s), sustain(s) or make(s) as a result the demand, suit, claim or proceeding, and any related appeal(s).

b. Upon the Effective Date, the following stipulations shall be made:

i. No Privilege Waiver. Each Party stipulates and acknowledges that neither this Agreement nor a Party's decision to negotiate and/or execute the Agreement can be used to show or establish that a Party's conduct during this Litigation or otherwise, including that of counsel, gives rise to or constitutes a waiver of the attorney-client, common interest or joint defense privilege or work product doctrines.

ii. Claims of the Non-PPB Plaintiff Borrowers. The Parties stipulate and agree for purposes of this Agreement and the Settlement that, based on the loan files, payment histories and other information and documents produced in the case, the CFG Loans of the Non-PPB Plaintiff Borrowers are not CFG-PPB Loans, and thus, the Non-PPB Plaintiff Borrowers cannot recover any damages, penalties or other relief from the Settling Defendant with respect to the CFG-PPB Loans. The Parties further agree that a finding and/or conclusion to this effect shall be included in the Final Approval Order, but such a finding and/or conclusion by the Court shall not in any way be deemed a holding that the Non-PPB Plaintiff Borrowers, or any of them, have released any claims of any kind or type against any person or entity with respect to the CFG Loans.

iii. Use of Discovery Information. The Parties agree to comply with the terms of the Stipulated Protective Order, except as the Parties have previously agreed or may hereafter agree.

c. Plaintiffs' Counsel represent and warrant to PPB that they have not been informed of an intention on the part of any member of the PPB Settlement Class to opt out of the Settlement and that they have not been retained by any existing client or contacted by any potential client to commence a new lawsuit or pursue any claims or right of relief against the Settling Defendant or other Released Persons with respect to any of the Released Claims. In addition, Plaintiffs' Counsel agree that they will not solicit the right to legally represent any person, including any member or members of the PPB Settlement Class who opt(s) out of the PPB Settlement Class and Settlement, with respect to the Released Claims, but this agreement does not (and shall not) in any way prohibit or restrict Plaintiffs' Counsel from undertaking such representation if requested by any such person or persons.

8. Preliminary Approval Order

The Parties shall promptly move the Court in the Litigation for a Preliminary Approval Order substantially similar to **Exhibit B** that accomplishes the following:

- a. Certifying the proposed PPB Settlement Class pursuant to Mo. Rule 52.08 for settlement purposes;
- b. Preliminarily approving the Settlement as fair, reasonable and adequate under Mo. Rule 52.08 subject to a final determination by the Court;
- c. Approving the appointment of the Named Plaintiffs as representatives of the PPB Settlement Class for settlement purposes;
- d. Approving the appointment of Plaintiffs' Counsel as counsel for the PPB Settlement Class for settlement purposes;
- e. Approving a form of mailed notice substantially similar to the Class Mail Notice attached as **Exhibit A** to be sent to the members of the PPB Settlement Class;

f. Directing Plaintiffs' Counsel to mail the Class Mail Notice promptly after entry by the Court of the Preliminary Approval Order to the PPB Settlement Class by first-class mail to the last known address of such persons;

g. Establishing a procedure for members of the PPB Settlement Class to opt out and setting a date, approximately thirty (30) days after the mailing of the Class Mail Notice, after which no member of the PPB Settlement Class shall be allowed to opt out of the PPB Settlement Class;

h. Establishing a procedure for the members of the PPB Settlement Class to appear and/or object to the Settlement and setting a date, approximately thirty (30) days after the mailing of the Class Mail Notice, after which no member of the PPB Settlement Class shall be allowed to object; and

i. Establishing a procedure for motions to intervene in the Litigation and setting a date, approximately thirty (30) days after the mailing of the Class Mail Notice, after which no one shall be allowed to intervene;

j. Scheduling a hearing on final approval of this Agreement and establishing a procedure for the PPB Settlement Class Members to appear at the hearing;

k. Staying the Litigation as against the Settling Defendant until further order of the Court, other than as may be necessary to effectuate the Settlement and carry out the terms of the Agreement or the responsibilities related or incidental thereto; and

l. Containing such other and further provisions consistent with the terms and provisions of this Agreement as the Court may deem advisable.

9. Opt Outs, Class Member Objections and Intervention

a. Procedure for Opt Outs. The deadline for opt out requests shall be set forth by the Court in the Preliminary Approval Order. Any request to opt out must be in writing and must include the name, address, telephone number, and last four digits of the Social Security Number of the class member seeking to opt out and a statement that the class member and all other borrowers named on the class member's promissory note are seeking exclusion. Any opt out request must be personally signed by each person who was a party to the promissory note in connection with the class member's CFG-PPB Loan, unless such person is deceased or legally incompetent. In the event a party to the promissory note is deceased or legally incompetent, the personal representative or guardian must sign the opt out request. Any opt out request must include a reference to "Baker v. Century Financial Group, Case No. 7CV 100-4294" and be mailed to:

R. Frederick Walters
Kip D. Richards
Walters Bender Strohbehn & Vaughan, P.C.
2500 City Center Square
1100 Main Street
Kansas City, MO 64105
(on behalf of the PPB Settlement Class)

and

Joel Athey
Holland & Knight
400 South Hope Street, 8th Floor
Los Angeles CA 90071
(on behalf of the Settling Defendant)

To be considered timely and effective, any opt out request must be received on or prior to the date established by the Court in the Preliminary Approval Order. No person may opt out of the PPB Settlement Class by having a request to opt out submitted by an actual or purported agent or

attorney submit an opt out request on said person's behalf. Nor may an opt out request be submitted or made on behalf of a group of class members. Each member of the PPB Settlement Class who does not submit an opt out request substantially in compliance with this Paragraph 9 shall be included in the PPB Settlement Class and deemed a PPB Settlement Class Member. For purposes of determining timeliness, an opt out request shall be deemed to have been submitted when received by either Class Counsel or Counsel for the Settling Defendant. Plaintiffs' Counsel shall notify Counsel for the Settling Defendant upon receipt of any opt out requests and shall provide the Court with a list of any persons who timely and adequately file a request to opt out and be excluded from the Settlement on or before the date of the Final Approval Hearing.

b. Effect of Opt Outs By Members of the PPB Settlement Class. If class member opt outs result in the exclusion from the Settlement of (i) more than 2 of the loans that would otherwise be included in the Settlement or (ii) more than 20% of the Net Distributable Settlement Fund, the Settling Defendant, acting in its sole discretion, may rescind this Agreement, in which event each and every obligation under the Agreement shall cease to be of any force and effect, and this Agreement and any orders entered in connection therewith shall be vacated, rescinded, canceled, and annulled. If the Settling Defendant exercises their option to rescind the Agreement, the Parties shall return to the status quo in the Litigation as if the Parties had not entered into this Agreement and any Party may reassert its/their claims and/or defenses against the other Party or Parties as provided in Paragraph 13. In addition, and in such event, this Agreement and all negotiations, Court orders and proceedings related thereto, shall be without prejudice to the rights of the Parties, and each of them, and evidence of or relating to the Agreement and all negotiations shall not be admissible or discoverable in the Litigation or otherwise. The Settling Defendant must exercise their option to rescind the Agreement

collectively pursuant to this Paragraph 9.b at least ten (10) business days prior to the Final Hearing Date, by giving written notice of such exercise to Plaintiffs' Counsel.

c. Bankruptcy Trustees. In instances where a member of the PPB Settlement Class has filed for bankruptcy under Chapter 7 after obtaining his, her, or their CFG-PPB Loan, if the member of the PPB Settlement Class opts out of the Settlement, the Chapter 7 bankruptcy trustee shall be deemed to have opted out of the Settlement. Conversely, if the Chapter 7 bankruptcy trustee opts out of the Settlement, the member of the PPB Settlement Class shall be deemed to have opted out of the Settlement. If neither the member of the PPB Settlement Class nor the Chapter 7 bankruptcy trustee opts out of the Settlement, both shall be bound by the Release provisions of Paragraph 6.

d. Procedure for Objections to Settlement. Any PPB Settlement Class Member who wishes to object to the Settlement or to the incentive awards or the awards of expenses, costs or attorneys' fees must file a written notice of objection with the Court as provided below (the "Notice of Objection") on or before the date established by the Court in the Preliminary Approval Order. For purposes of determining timeliness, a Notice of Objection shall be deemed to have been submitted when received and filed with the Clerk of the Court. Copies of the Notice of Objection must also be mailed or delivered to the following on or before the date for filing a Notice of Objection:

R. Frederick Walters
Kip D. Richards
Walters Bender Strohbehn & Vaughan, P.C.
2500 City Center Square
1100 Main Street
Kansas City, MO 64105
(on behalf of the PPB Settlement Class)

and

Joel Athey
Holland & Knight
400 South Hope Street, 8th Floor
Los Angeles CA 90071
(on behalf of the Settling Defendant)

The Notice of Objection must be in writing, and shall specifically include:

- (i) The name, address, and telephone number of the class member filing the objection;
- (ii) A statement of each objection asserted;
- (iii) A detailed description of the facts underlying each objection;
- (iv) Any loan documents in the possession or control of the objector and relied upon by the objector as a basis for the objection;
- (v) If the objector is represented by counsel, a detailed description of the legal authorities supporting each objection;
- (vi) If the objector plans to utilize expert opinion and/or testimony as part of the objection(s), a written expert report from all proposed experts;
- (vii) If the objector plans to call a witness or present other evidence at the hearing, the objector must state the identity of the witness and identify any documents by attaching them to the objection and provide any other evidence that the objector intends to present;
- (viii) A statement of whether the objector intends to appear at the hearing;
- (ix) A copy of any exhibits which the objector may offer during the hearing; and
- (x) A reference to “Baker v. Century Financial Group, Case No. 7CV 100-4294.”

Attendance at the final hearing is not necessary. Any PPB Settlement Class Member who does not make his or her objection in the manner provided above shall be deemed to have waived such objection and shall forever be foreclosed and barred from making any objection to the fairness, adequacy, or reasonableness of the Settlement or this Agreement.

- e. Intervention. Any person who wishes to intervene in the Litigation must file and

serve his or her motion to intervene with the Court in accordance with the Missouri Rules of Civil Procedure on or before the date prescribed in the Preliminary Approval Order. To the extent any such PPB Settlement Class Member intervenes, such PPB Settlement Class Member shall be bound by this Agreement and will be entitled to receive only a pro rata payment from the Net Distributable Settlement Fund. Any intervening PPB Settlement Class Member shall be responsible for his or her own attorneys' fees and costs.

10. Final Approval Order and Judgment

a. The Named Plaintiffs and Plaintiffs' Counsel agree that they will request the Court to enter, after the hearing on final approval of this Agreement, a Final Approval Order and Judgment substantially in the form attached as **Exhibit C**.

b. In accordance with **Exhibit C**, the Final Approval Order and Judgment will certify the PPB Settlement Class and find that the Settlement and this Agreement are fair, reasonable, and adequate and in the best interests of the PPB Settlement Class, dismiss all claims and motions of the Named Plaintiffs on behalf of the PPB Settlement Class Members pending against the Settling Defendant in the Litigation on the merits and with prejudice as to the Releasers, declare that the PPB Settlement Class Members are bound by the Releases set forth in Paragraph 6 of this Agreement as of the Effective Date, find and/or conclude that the Non-PPB Plaintiff Borrowers cannot recover any damages, penalties, sanctions, or other relief from the Settling Defendant with respect to the CFG Loans because the CFG Loans of the Non-PPB Plaintiff Borrowers are not CFG-PPB Loans (which finding and/or conclusion shall not be deemed a holding that the Non-PPB Plaintiff Borrowers have released any claims of any kind or type with respect to the CFG Loans), contain an express determination by the Court that "there is no just reason for delay," reserve continuing jurisdiction over the enforcement of this

Agreement, the administration and distribution of the Settlement Fund and, if necessary, vacating and/or setting aside the Final Judgment in the event the Settlement does not (or cannot) become effective pursuant to Paragraph 12 below, and require the Parties to carry out the provisions of this Agreement.

11. Certifications to the Court

a. On or before the Final Hearing Date, Plaintiffs' Counsel shall file with the Court in the Litigation an affidavit verifying that the Court-approved Class Mail Notices have been sent by first-class mail.

b. On or before the Final Hearing Date, Plaintiffs' Counsel shall file with the Court an affidavit verifying that they have complied with the procedures described in Paragraph 14.a with respect to all Class Mail Notices returned as undeliverable.

12. Effectiveness of Settlement Agreement

a. The "Effective Date" of this Agreement shall be the date when each and all of the following conditions have occurred, at which point the Settlement shall be deemed effective in all respects:

i This Agreement has been signed by the Named Plaintiffs, the Settling Defendant, Plaintiffs' Counsel, and Counsel for the Settling Defendant;

ii. A Preliminary Approval Order has been entered by the Court in a form substantially similar to that attached as **Exhibit B**, granting preliminary approval of this Agreement, and approving a form of Class Mail Notice, as provided in Paragraph 8;

iii. The court-approved Class Mail Notice has been duly mailed to the PPB Settlement Class as ordered by the Court;

iv. A Final Approval Order and Judgment has been entered by the Court in a

form substantially similar to that attached as **Exhibit C** as provided in Paragraph 10;

vi. The Final Approval Order and Judgment entered as provided in Paragraph 10 has become final, binding, and no longer subject to appellate review, which shall be one (1) business day following the latest of the following events: (a) the date upon which the time expires for filing or noticing any appeal of the Final Approval Order and Final Judgment without any appeal having been taken or, (b) if there is an appeal or appeals, the date of completion, in a manner that finally affirms and leaves in place the Final Approval Order and Final Judgment without any material modification, of all proceedings arising out of the appeal (including, but not limited to, the expiration of all deadlines for motions for reconsideration or petitions for review and/or certiorari, all proceedings ordered on any remand), and all proceedings arising out of any subsequent appeal or appeals following decisions on remand; or (c) the date of final dismissal of any appeal or the final dismissal of any proceeding on certiorari.

b. If any material portion of the Agreement, the Final Approval Order and Judgment is vacated, voided, modified, or otherwise altered by the Court or on appeal, any Party may, in its sole discretion, within five (5) business days of such ruling, declare that the Agreement has failed to become effective and in such circumstances the Agreement shall cease to be of any force and effect as provided in Paragraph 13.

13. Failure of Condition

If, for any reason, this Agreement fails to become effective as provided in Paragraphs 3, 9 and/or 12, each and every obligation under the Agreement shall cease to be of any force and effect, and this Agreement, any dismissal entered pursuant to this Agreement, the Final Judgment and any orders entered in connection with the Settlement, dismissal order or Final Judgment,

shall be vacated, rescinded, canceled, annulled and deemed “void” and/or “no longer equitable” for purposes of Mo. Rule 74.06 and the Parties shall be returned to the status quo prior to entering into the Settlement and Agreement with respect to the Litigation as if this Agreement had never been entered into, except that the provisions of Paragraph 1 hereof shall survive and remain binding on the Parties and effective in all respects regardless of the reasons for such failure of condition and any Party may reassert its claims and/or defenses against the other Party or Parties in the Litigation; provided, however, that if at such time the Litigation is terminated or has been otherwise concluded or if the Named Plaintiffs and/or the PPB Settlement Class Members are otherwise precluded from reasserting their claims against the Settling Defendant or any of the other Released Persons in the Litigation after requesting the Court to allow them to do so, then the Named Plaintiffs and the PPB Settlement Class Members may commence a new lawsuit or proceeding against the Settling Defendant and/or the other Released Persons, or any one or more of them in the same or separate proceedings, to pursue the claims and causes of action that they are currently asserting in the Litigation as if the claims had been reasserted in the Litigation as stated herein. In such event, the Agreement and all negotiations, court orders and proceedings relating thereto shall be without prejudice to the rights of any and all of the Parties, and evidence relating to the Agreement and all negotiations shall not be admissible or discoverable in the Litigation or otherwise.

14. Class Notice Forms

a. **Exhibit D** constitutes a list of the members of the PPB Settlement Class to whom notice pursuant to this Agreement shall be provided. Prior to mailing, Plaintiffs’ Counsel will update the addresses by use of the United States Postal Service’s National Change of Address database or another address database service (e.g., Accurint, Intelius, TransUnion/TLO).

Plaintiffs' Counsel will re-mail any returned notices to any new address disclosed. To the extent any notice is returned a second time, Plaintiffs' Counsel shall undertake reasonable efforts to locate current addresses for said class member(s). The notices shall be mailed within five (5) days of the Preliminary Approval Order.

b. Subject to Court approval, all PPB Settlement Class Members shall be bound by this Agreement and the Released Claims shall be dismissed with prejudice and deemed released as of the Effective Date, even if a PPB Settlement Class Member did not receive actual notice of the Litigation or the Settlement. Further, the Parties expressly acknowledge and agree that a Final Judgment shall be entered by the Court dismissing the Released Claims and barring the re-litigation of the Released Claims as provided herein, regardless of whether such Released Claims were actually asserted, to the fullest extent of the law and that any dismissal order or judgment shall be entitled to full faith and credit in any other court, tribunal, forum, including arbitration fora, or agency.

15. Public Comments and Press Releases

a. The Named Plaintiffs and Plaintiffs' Counsel agree that they will not issue any press release without giving Counsel for the Settling Defendant an opportunity to review and comment on any such release prior to it being made public.

b. Before the Motion for Preliminary Approval of Class Action Settlement is filed, neither the Parties nor any of their counsel shall issue any press release or have other communications with the media regarding the Agreement or the Settlement, except as required by law.

c. It is expressly understood and agreed that a Party's website is not the "press" and that the publication and/or a description of information and documents on a Party's website is

not a “press release.”

d. No Party and no counsel shall make any public comments, including any posting on the Party’s website, that would undermine the Settlement, adversely affect the ability of the Parties to obtain final approval of the Settlement, or disparage any other Party or counsel for any Party.

e. Nothing in this Section shall prohibit counsel from providing legal advice to any of the individual PPB Settlement Class Members and/or any other client.

16. General Provisions

a. Entire Agreement. This Agreement, together with the attached exhibits, constitutes the full, complete and entire understanding, agreement and arrangement of and between the Named Plaintiffs and the PPB Settlement Class Members on the one hand and the Settling Defendant on the other hand with respect to the Settlement and the Released Claims against the Released Persons. This Agreement supersedes any and all prior oral or written understandings, agreements, and arrangements between the Parties with respect to the Settlement and the Released Claims against the Released Persons. Except for those set forth expressly in this Agreement, there are no agreements, covenants, promises, representations or arrangements between the Parties with respect to the Settlement and/or the Released Claims against the Released Persons.

b. Severability. This Agreement shall be enforced in its entirety to the maximum extent allowed by law. If any provision contained in this Agreement shall be determined to be invalid, illegal, unenforceable or contrary to law in any respect for any reason, such provision or portion of such provision shall be of no force or effect; but, subject to Paragraph 12.b hereof, the validity, legality, and enforceability of the provision in any other respect and of any and all of the

remaining provisions of this Agreement shall continue in full force and effect and shall not be impaired in any way. The Parties agree that, to the extent allowed by law, they shall meet and confer in good faith with respect to any provision found to be in contravention of the law in order to agree on a substitute provision.

c. Modification in Writing. This Agreement may be altered, amended, modified or waived, in whole or in part, only in a writing signed by all Parties. This Agreement may not be amended, altered, modified or waived, in whole or in part, orally.

d. Ongoing Cooperation. The Parties hereto shall execute all documents and perform all acts necessary and proper to effectuate the terms of this Agreement. The execution of documents must take place prior to the Final Hearing Date.

e. Duplicate Originals/Execution in Counterpart. All Parties, Plaintiffs' Counsel and Counsel for the Settling Defendant shall sign two (2) copies of this Agreement and each such copy shall be considered an original. This Agreement may be signed in one or more counterparts. All executed copies of this Agreement, and photocopies thereof (including facsimile and .pdf copies of the signature pages), shall have the same force and effect and shall be as legally binding and enforceable as the original.

f. No Reliance. Each Party to this Agreement warrants that he, she or it is acting upon his, her, or its independent judgment and upon the advice of his, her, or its own counsel and not in reliance upon any warranty or representation, express or implied, of any nature or kind by any other Party, other than the warranties and representations expressly made in this Agreement.

g. Governing Law. This Agreement shall be interpreted, construed, enforced, and administered in accordance with the laws of the State of Missouri, without regard to conflict of laws rules. This Agreement shall be enforced in the Circuit Court of Clay County, Missouri.

The Settling Defendant, the Named Plaintiffs and the PPB Settlement Class Members waive any objection that each such Party may now have or hereafter have to the venue of such suit, action, or proceeding and irrevocably consent to the jurisdiction of the Clay County Court in any such suit, action or proceeding, and agree to accept and acknowledge service of any and all process which may be served in any such suit, action or proceeding.

h. Reservation of Jurisdiction. Notwithstanding the dismissal of and entry of a judgment on the Released Claims, the Court shall retain jurisdiction for purposes of enforcing the terms of this Agreement and implementing the Settlement, including the issuance of injunctions against actions brought by PPB Settlement Class Members in violation of the Final Judgment.

i. Binding on Successors. This Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors, assigns, executors, administrators, heirs and legal representatives.

j. Mutual Preparation. This Agreement shall not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that because of the arm's length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

k. Usage. The following rules apply to the construction of this Agreement:

i. All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders.

ii. The singular includes the plural and the plural includes the singular.

iii. "Include" and "including" are not limiting.

iv. The headings of the sections and subsections are for convenience only and

shall not constitute a part of this Agreement and shall not affect the meaning, construction, or effect of the applicable provisions of this Agreement.

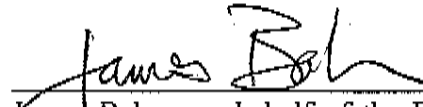
v. Words such as "hereunder," "hereto," "hereof," and "herein," and other words of like import shall, unless the context clearly indicates to the contrary, refer to the whole Agreement and not to any particular section, subsection, or clause hereof.

l. Authority. With respect to themselves, each of the Parties to this Agreement represents, covenants and warrants that (i) they have the full power and authority to enter into and consummate all transactions contemplated by this Agreement and have duly authorized the execution, delivery and performance of this Agreement and (ii) the person executing this Agreement has the full right, power and authority to enter into this Agreement on behalf of the Party or Parties for whom he/she is executing this Agreement, and the full right, power and authority to execute any and all necessary instruments in connection herewith, and to fully bind such Party or Parties to the terms and obligations of this Agreement.

m. Exhibits. The exhibits attached to this Agreement are incorporated herein as though fully set forth.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have caused this Agreement to be executed as of the earliest date and year written below.

Dated: 3/23, 2015


James Baker, on behalf of the PPB Settlement
Class Members.

Dated: _____, 2015

Jill Baker, on behalf of the PPB Settlement
Class Members.

shall not constitute a part of this Agreement and shall not affect the meaning, construction, or effect of the applicable provisions of this Agreement.

v. Words such as "hereunder," "hereto," "hereof," and "herein," and other words of like import shall, unless the context clearly indicates to the contrary, refer to the whole Agreement and not to any particular section, subsection, or clause hereof.

1. Authority. With respect to themselves, each of the Parties to this Agreement represents, covenants and warrants that (i) they have the full power and authority to enter into and consummate all transactions contemplated by this Agreement and have duly authorized the execution, delivery and performance of this Agreement and (ii) the person executing this Agreement has the full right, power and authority to enter into this Agreement on behalf of the Party or Parties for whom he/she is executing this Agreement, and the full right, power and authority to execute any and all necessary instruments in connection herewith, and to fully bind such Party or Parties to the terms and obligations of this Agreement.

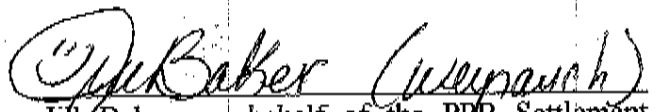
m. Exhibits. The exhibits attached to this Agreement are incorporated herein as though fully set forth.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have caused this Agreement to be executed as of the earliest date and year written below.

Dated: _____, 2015

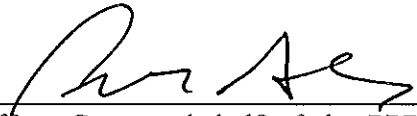
Dated: 3/22, 2015

James Baker, on behalf of the PPB Settlement Class Members.



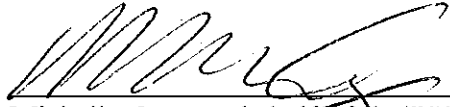
Jill Baker, on behalf of the PPB Settlement Class Members.

Dated: 3-20, 2015



Jeffrey Cox, on behalf of the PPB Settlement
Class Members.

Dated: 3-20, 2015



Michelle Cox, on behalf of the PPB Settlement
Class Members.

Dated: _____, 2015

William Springer, on behalf of the PPB
Settlement Class Members.

Dated: _____, 2015

Linda Springer, on behalf of the PPB Settlement
Class Members.

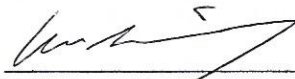
Dated: _____, 2015

Jeffrey Cox, on behalf of the PPB Settlement
Class Members.

Dated: _____, 2015

Michelle Cox, on behalf of the PPB Settlement
Class Members.

Dated: _____, 2015



William Springer, on behalf of the PPB
Settlement Class Members.

Dated: _____, 2015

Linda Springer, on behalf of the PPB Settlement
Class Members.

Dated: _____, 2015

Jeffrey Cox, on behalf of the PPB Settlement
Class Members.

Dated: _____, 2015

Michelle Cox, on behalf of the PPB Settlement
Class Members.

Dated: _____, 2015

William Springer, on behalf of the PPB
Settlement Class Members.

Dated: _____, 2015

Linda A. Babcock (formerly Linda A. Springer)

Linda Springer, on behalf of the PPB Settlement
Class Members.

PACIFIC PREMIER BANK (ORIGINALLY
LIFE BANK)

Dated: _____, 2015

By: _____
Kent Smith, Chief Financial Officer

Dated: March 23, 2015

Plaintiffs' Counsel
By: Roy Frederick Walters

Counsel for the Settling Defendant

Dated: _____, 2015

By: _____

PACIFIC PREMIER BANK (ORIGINALLY
LIFE BANK)

Dated: 3/24, 2015

By: 
Kent Smith, Chief Financial Officer

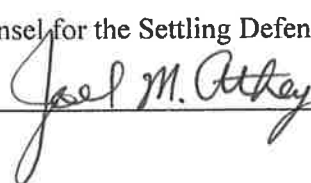
Plaintiffs' Counsel

Dated: _____, 2015

By: _____

Counsel for the Settling Defendant

Dated: 3/24, 2015

By: 

SCHEDULES AND EXHIBITS

Schedule A – Proposed Distribution Schedule of Net Distributable Settlement Fund/PPB
Settlement Class Member Payments

Exhibit A – Class Mail Notice

Exhibit B – Preliminary Approval Order

Exhibit C – Final Approval Order and Judgment

Exhibit D – PPB Settlement Class List

SCHEDULE A
to Settlement Agreement dated March 20, 2015

**ORIGINAL EXHIBIT FILED
UNDER SEAL**

EXHIBIT A: PROPOSED CLASS MAIL NOTICE

IN THE CIRCUIT COURT OF CLAY COUNTY, MISSOURI
AT LIBERTY

JAMES AND JILL BAKER, et al.,

Plaintiffs,

v.

CENTURY FINANCIAL GROUP, INC., et
al.,

Defendants.

Case No. CV100-4294 CC

Division 3

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT
AND SETTLEMENT HEARING**

*A Missouri Court has authorized this Notice. This is not a solicitation from a lawyer.
Please read this Notice carefully and completely.*

THIS NOTICE APPLIES TO YOU BECAUSE (1) YOU ARE A MEMBER OF THE CLASS OF PERSONS CERTIFIED IN THIS LAWSUIT ON JANUARY 2, 2003 AND (2) THE MISSOURI SECOND MORTGAGE LOAN THAT YOU OBTAINED FROM CENTURY FINANCIAL GROUP, INC. (“CFG”) WAS PURCHASED BY AND/OR ASSIGNED TO LIFE BANK (NOW KNOWN AS PACIFIC PREMIER BANK). FOR PURPOSES OF THIS NOTICE AND THE OTHER DOCUMENTS RELATED TO THE SETTLEMENT, PACIFIC PREMIER BANK (ORIGINALLY LIFE BANK) IS REFERRED TO AS THE “SETTLING DEFENDANT”.

AS A MEMBER OF THE “PPB SETTLEMENT CLASS,” YOU ARE ELIGIBLE TO RECEIVE A PAYMENT OF MONEY WITH REGARD TO YOUR CFG LOAN PURSUANT TO THE SETTLEMENT DESCRIBED IN THIS NOTICE. IF APPROVED BY THE COURT, THE SETTLEMENT WILL RESOLVE ALL OF YOUR CLAIMS AGAINST THE SETTLING DEFENDANT WITH REGARD TO YOUR CFG LOAN. THOSE MEMBERS OF THE PPB SETTLEMENT CLASS WHO DO NOT OPT OUT OF AND EXCLUDE THEMSELVES FROM THE SETTLEMENT WILL RECEIVE A PAYMENT OF MONEY RANGING FROM AN ESTIMATED \$9,276.65 TO \$168,371.94 (\$61,949.50 ON AVERAGE) IN EXCHANGE FOR A DISMISSAL OF THEIR CLAIMS AGAINST THE SETTLING DEFENDANT. YOU CAN SEE WHAT PLAINTIFFS’ COUNSEL CURRENTLY ESTIMATES THE AMOUNT OF YOUR “PPB CLASS MEMBER PAYMENT” TO BE BY VISITING www.wbsvlaw.com AND CLICKING ON THE LINK “BAKER PPB SETTLEMENT.”

1. WHY SHOULD I READ THIS NOTICE?

This Notice has been mailed to you because the Parties’ records show that (1) you obtained a second mortgage loan that was originated by Century Financial Group, Inc. (“CFG”) on or after

THIS NOTICE MAY AFFECT YOUR RIGHTS. PLEASE READ IT CAREFULLY.

June 28, 1994 that was secured by your Missouri residence; (2) your loan was purchased by and/or assigned to the Settling Defendant; (3) you are a member of the “Litigation Class” that the Circuit Court of Clay County, Missouri certified in the lawsuit styled *James and Jill Baker, et al., v. Century Financial Group, Inc. et al.*, Case No. CV 100-4294 (the “Lawsuit” or “Litigation”); and (4) you did not timely opt out of and exclude yourself from the Litigation Class.

You (and any co-borrower(s) on your second mortgage loan) are now eligible to receive payment of money in connection with your second mortgage loan pursuant to a proposed settlement (the “Settlement”) entered into on March __, 2015 by James C. Baker, Jill S. Baker, Jeffrey A. Cox, Michelle A. Cox, William L. Springer, and Linda A. Springer, the “Named Plaintiffs” in the Lawsuit, and the Settling Defendant.

The Named Plaintiffs and the Settling Defendant are collectively referred to in this Notice as the “Parties.”

This Notice generally describes your rights under the proposed Settlement, which has been preliminarily approved by the Circuit Court of Clay County, Missouri (the “Court”) and provides notice to you of the date and time of the “Fairness Hearing” that the Court will conduct to consider whether Settlement should be finally approved. Please share this Notice with any co-borrower(s) on your loan(s).

2. WHAT IS THE SETTLEMENT ABOUT?

A class action lawsuit was commenced on June 28, 2000 in the Circuit Court of Clay County, Missouri, styled *James and Jill Baker, et al., v. Century Financial Group, Inc. et al.*, Case No. CV 100-4294. The plaintiffs filed the lawsuit on their own behalf, and on behalf of a proposed class of other borrowers who obtained second mortgage loans secured by Missouri residential real estate from Century Financial Group, Inc. (“CFG”). Once made, CFG sold and assigned its Missouri second mortgage loans and the purchasers, assignees and servicers of the CFG Loans are also Defendants in the case.

The plaintiffs allege that CFG violated the Missouri Second Mortgage Loans Act (“MSMLA”), §§ 408.231-408.241 RSMo by directly or indirectly charging, contracting for and/or receiving a number of different fees in connection with its Missouri second mortgage loans in violation of the MSMLA, § 408.233.1 RSMo. The plaintiffs also allege that the entities that purchased or received the Missouri loans are derivatively liable to the borrowers for CFG’s violations of Missouri law. In addition, the plaintiffs allege that the entities that purchased and/or serviced the loans violated the MSMLA by directly or indirectly charging, contracting for and/or receiving the illegal settlement charges and loan fees, as well as interest, on the unlawful loans that CFG made.

On January 2, 2003, the Court certified a litigation class in the Lawsuit comprised of those persons who obtained a second mortgage loan from CFG on or after June 28, 1994 (the “Litigation Class”). Notice was thereafter provided to the members of the Litigation Class apprising them of the Lawsuit, the Certification Order, and of the right to be excluded from the

Litigation Class.

A copy of the Notice of Class Action Lawsuit was mailed to you in 2003. If you do not have or cannot locate the Notice of Class Action Lawsuit, a copy is available online at the website of Plaintiffs' Counsel, www.wbsvlaw.com (click on the link "Our Cases" then "Class Action Settlements" then "Baker PPB Settlement"). You can also obtain a copy of the Notice of Class Action Lawsuit by contacting Plaintiffs' Counsel at the address listed in Section 7 of this Notice.

On March __, 2015, the Named Plaintiffs, as representatives of the members of the Litigation Class whose second mortgage loans from CFG were sold and/or assigned to the Settling Defendant (the "PPB Settlement Class"), and the Settling Defendant agreed to settle and resolve the Lawsuit as between the PPB Settlement Class and the Settling Defendant. The Settlement and its terms are summarized in this Notice. The CFG Loans covered by the Settlement are referred to as the "CFG-PPB Loans." If approved by the Court, the Settlement will bring an end to the claims that the Named Plaintiffs are pursuing in the Lawsuit on behalf of the PPB Settlement Class with regard to CFG-PPB Loans. Complete details of the Settlement are contained in a written "Settlement Agreement and Release" (the "Agreement") filed with the Court.

On _____, 2015, the Court preliminarily approved the Settlement as fair, reasonable, and adequate. The Court will conduct a "fairness hearing" **on [@ 60 Days after Entry of Preliminary Approval], 2015** to consider, among other things, whether the Settlement should be finally approved as fair, reasonable, and adequate. The proposed Settlement will become effective only if it is finally approved by the Court, provided all the other terms and conditions of the Settlement as stated in the Agreement are met.

3. WHO IS COVERED BY THE PROPOSED SETTLEMENT?

The Settlement will only apply to the "PPB Settlement Class Members" as defined in the Agreement. The "PPB Settlement Class" is comprised of those persons who, on or after June 28, 1994, obtained a "Second Mortgage Loan," as defined in § 408.231.1 RSMo, from Century Financial Group, Inc. on real property situated in Missouri, that was purchased by and/or assigned to the Settling Defendant, and who did not timely exclude themselves from the litigation class that the Court certified on January 2, 2003.

4. WHAT ARE THE TERMS OF THE PROPOSED SETTLEMENT?

The following is only a summary of some of the terms and conditions of the proposed Settlement. For more information, you may obtain a copy of the executed Agreement by contacting Plaintiffs' Counsel at the address listed in Section 7 of this Notice, or by visiting the website of Plaintiffs' Counsel, www.wbsvlaw.com, and clicking on the link "Our Cases" then "Class Action Settlements" then "Baker PPB Settlement."

- A. The total amount that the Settling Defendant has agreed to pay in settlement (the "Settlement Fund") is \$1,700,000.00. If the Court approves the Settlement, the members of the PPB Settlement Class who do not exclude themselves from the Settlement will receive

a settlement payment ranging from an estimated \$9,276.65 to \$168,371.94 (\$61,949.50 on average) per loan. The amount of each such “PPB Settlement Class Member Payment” represents a pro rata share of the “Net Distributable Settlement Fund” recovered via the Settlement and is determined per loan based on the following: (a) the total amount of the allegedly illegal loan fees that were charged, contracted for or received in connection with the loan; (b) the actual and/or estimated amount of interest paid on the loan; and (c) prejudgment interest on the fee and interest amounts.

The “Net Distributable Settlement Fund” is a percentage of the “Net Settlement Fund.” The “Net Settlement Fund” is determined by deducting the following from the Settlement Fund: (a) the amount of any incentive fees that the Court awards to the Named Plaintiffs for their services, time and commitment in representing the PPB Settlement Class; and (b) the amount of any litigation expenses and court costs that the Court awards to Plaintiffs’ Counsel pursuant to the Agreement. As proposed, the “Net Distributable Settlement Fund” will total \$929,242.49, or fifty-five percent (55%) of the “Net Settlement Fund.” The Named Plaintiffs and Plaintiffs’ Counsel will ask the Court to award the remaining forty-five percent (45%) of the “Net Settlement Fund” (\$760,289.31), as attorneys’ fees to Plaintiffs’ Counsel for their services and work in pursuing the claims against the Settling Defendant and in procuring the \$1,700,000.00 Settlement Fund for the PPB Settlement Class. The bases for the proposed incentive, expense and attorneys’ fees awards that the Named Plaintiffs and Plaintiffs’ Counsel will ask the Court to approve are explained in Section 10 of this Notice.

If approved by the Court, each PPB Settlement Class Member Payment will compensate the PPB Settlement Class Members – net of the proposed attorneys’ fee award – for the following: (1) all (100%) of the allegedly illegal loan fees sought in the Lawsuit, which totals \$45,736.38; (2) all (100%) of the interest that the PPB Settlement Class paid (or have yet to pay) on their second mortgage loans, which totals \$373,568.80; and (3) prejudgment interest on the above fee and interest amounts at the legal rate of 9% per year, calculated from the date of the Notes and interest payment dates over the past 14 or more years, which totals \$509,937.31.

PPB Settlement Class Members can review what Plaintiffs’ Counsel currently estimates the amount of their particular PPB Settlement Class Member Payment to be by visiting the website of Plaintiffs’ Counsel, www.wbsvlaw.com, and clicking on the link “Our Cases” then “Class Action Settlements” then “Baker PPB Settlement.”

- B. If the Court approves the Settlement and it becomes effective in accordance with the terms and conditions of the Agreement, the members of the PPB Settlement Class who do not exclude themselves from the Settlement will receive their PPB Settlement Class Member Payment for the loan by check. The check will be mailed by first-class mail, postage prepaid, to the PPB Settlement Class Members, or to the bankruptcy trustee for those PPB Settlement Class Members who filed a Chapter 7 bankruptcy after obtaining their loan. The check will be mailed by Plaintiffs’ Counsel and will not come from the Settling Defendant directly.

Joint borrowers, such as a husband and wife, will receive a single payment per loan, even if they are separated or divorced. Any PPB Settlement Class Member who receives a payment under the Settlement is personally and solely responsible for distributing or allocating the payment between or among any co-borrower(s), regardless of whether the check is made payable to all or only some of the PPB Settlement Class Member's co-borrowers. PPB Settlement Class Members will also be responsible for paying any taxes due on any PPB Settlement Class Member Payment received. PPB Settlement Class Members are strongly encouraged to consult with their own tax advisor concerning the tax effects of any money received pursuant to this Settlement. Plaintiffs' Counsel cannot provide you with any tax advice.

Note: A PPB Settlement Class Member's right to a settlement payment is a conditional right that terminates if a PPB Settlement Class Member to whom a PPB Settlement Class Member Payment check is mailed fails to cash his or her check within six (6) months of the date of the check. In such case, the check shall be null and void (the checks shall be stamped or printed with a notice to such effect), and the Parties shall have no further obligation to make any payment to such PPB Settlement Class Member.

- D. As a part of the Settlement, the Settling Defendant has made certain representations and acknowledgements concerning the CFG-PPB Loans including, but not limited to, a representation, warranty and acknowledgment that 13 of the 15 CFG-PPB Loans have been fully repaid and satisfied or is otherwise such that no debt or other amount remains due and/or owing from any obligor on any of these 13 CFG-PPB Loans. The Settling Defendant has agreed to treat the 2 remaining CFG-PPB Loans as having been fully repaid and satisfied or otherwise resolved such that no debt or other amount remains due and/or owing from the obligors. The Settling Defendant will not seek to collect, recover on, or obtain any relief in connection with the CFG-PPB Loans and has agreed to indemnify and hold the PPB Settlement Class Members harmless from and against any and all liability, loss, expense, damage, cost, or payment of any kind, including but not limited to attorneys' fees and expenses, they incur, sustain or make as a result any demand, suit, claim or proceeding, and any related appeals, made, filed, commenced or otherwise initiated by anyone in order to collect, recover on or obtain any relief in connection with the CFG-PPB Loans.
- E. The proposed Settlement will be enforceable regardless of its tax consequences. All PPB Settlement Class Members will be responsible for paying and/or reporting any and all federal, state and local taxes due on the consideration received by [payments made to] them pursuant to the Settlement.
- F. The proposed Settlement will become effective only if approved by the Court and all of the other terms and conditions as to effectiveness as stated in the Agreement are met. If the Settlement is approved and becomes effective, the Court will enter a Final Approval Order and Judgment that releases and discharges the Settling Defendant and its affiliates and other related persons as of the "Effective Date" from certain claims that were or could have

been asserted against them in the Lawsuit. The Releases are further discussed and set out in Section 11 of this Notice.

5. WHAT DO I NEED TO DO TO PARTICIPATE IN THE SETTLEMENT?

NOTHING. You are already a member of the PPB Settlement Class and will participate in the Settlement and will receive a PPB Settlement Class Member Payment as stated above. **If you filed for Chapter 7 bankruptcy protection after you obtained your loan from CFG, you are still a member of the PPB Settlement Class, but the Settlement Payment will be made payable to you and your Chapter 7 bankruptcy trustee, who will also receive this Notice.** If you filed for bankruptcy protection, you should consult with a bankruptcy attorney about this Notice.

If you change your address, please contact Plaintiffs' Counsel at the address provided in Section 7 below.

6. CAN I EXCLUDE MYSELF FROM THE SETTLEMENT?

Yes. However, if you exclude yourself from the Settlement, you will **not** receive any payment from the Settlement Fund.

If you wish to receive your "PPB Settlement Class Member Payment" as described in Section 4.A of this Notice, **DO NOTHING.**

If, on the other hand, you wish to exclude yourself from the Settlement, you must send a request for exclusion by first-class mail, postage prepaid, to Plaintiffs' Counsel and Counsel for the Settling Defendant (the names and addresses are provided in Section 7 below). To be effective, your request for exclusion must be **in writing** and be **received** by Plaintiffs' Counsel and Counsel for the Settling Defendant at the addresses below on or before [**@ 30 Days after Entry of Preliminary Approval**], 2015. The request for exclusion must include: (a) your name, address, telephone number and the last four digits of your social security number; (b) a statement that you and all other borrowers named on the promissory note for your loan are seeking exclusion from the Settlement; (c) your signature and the signature of any other borrower(s) named on the promissory note for your loan; and (d) a reference to "Baker v. Century Financial Group, Inc., Case No. CV100-4294." The request for exclusion must be signed personally by you and any other borrower(s) named on the promissory note for your loan or the personal representative of any such person if deceased or legally incompetent. No request for exclusion may be made on behalf of a group of PPB Settlement Class members. Nor may any member(s) of the PPB Settlement Class opt out or exclude themselves from the PPB Settlement Class by having an agent or attorney sign and submit an exclusion request form on their behalf. A request for exclusion form must be signed personally by you and any other borrower(s) named on the promissory note for your loan. If there is more than one borrower on your loan, all borrowers on your loan must sign and submit an exclusion request to exclude you from the PPB Settlement Class. Your request for exclusion must be timely **received** to be effective.

If you do exclude yourself from the Settlement, you will not be bound by any Order or Judgment entered with respect to the PPB Settlement Class. You will be free to continue with your claims against the Settling Defendant.

7. WHY, WHEN, AND WHERE WILL A FAIRNESS HEARING BE HELD?

A hearing on whether to grant final approval of the Settlement will be held before the Honorable K. Elizabeth Davis of the Circuit Court of Clay County, Missouri (Division 3) on [**@ 60 Days after Entry of Preliminary Approval**], **2015**, at _____ **.m.**, at the Clay County Courthouse, 11 S. Water, Liberty, MO 64068 (the "Fairness Hearing"). There is no need for you to attend the Fairness Hearing if you simply wish to benefit from the Settlement.

The purpose of the Fairness Hearing is to determine, among other things: (a) whether the terms and conditions of the Settlement are fair, reasonable, and adequate; (b) whether the Named Plaintiffs are adequate representatives of the proposed PPB Settlement Class; (c) whether the Named Plaintiffs are entitled to a payment for their time, work, services and commitment as representatives of the PPB Settlement Class and, if so, how much; (d) whether Plaintiffs' Counsel are entitled to attorneys' fees and expenses in connection with the Settlement and, if so, how much; and (e) whether a Final Approval Order and Judgment should be entered to dismiss the Lawsuit with prejudice and on the merits as to the Settling Defendant. Note: The Court has the power to adjourn or reschedule the Fairness Hearing from time to time without further notice of any kind.

Entry of Appearance

Any member of the PPB Settlement Class who does not submit a timely written request for exclusion has the right to appear at the Fairness Hearing. Attendance at the Fairness Hearing is not required. If you wish to appear, you or your attorney must: (a) file a Notice of Appearance with the Clerk of Court, Clay County Courthouse, 11 S. Water, Liberty, MO 64068, no later than [**30 Days after Entry of Preliminary Approval**], **2015**; and (b) serve the Notice of Appearance on Plaintiffs' Counsel and Counsel for the Settling Defendant in compliance with the Missouri Rules of Civil Procedure. The Court will consider the statements of the parties and any objections that may have been filed at the Fairness Hearing.

Objections

Any member of the PPB Settlement Class who has not submitted a timely written Request for Exclusion has the right to object to the Settlement. If you wish to object to the Settlement, you must file your objection in writing with the Clerk of Court, Clay County Courthouse, 11 S. Water, Liberty, MO 64068, no later than [**30 Days after Entry of Preliminary Approval**], **2015**. All persons wishing to object must also send a copy of their written objection to Plaintiffs' Counsel and Counsel for the Settling Defendant (the names and addresses are stated below). The objection must include: (a) your name, address, and telephone number; (b) a statement of each objection to the proposed Settlement that you wish to assert; (c) a detailed description of the facts supporting each of the objections; (d) copies of any loan documents in your possession or control that you rely on as a basis for your objections; (e) the names of all witnesses, and the report(s)

from any proposed experts you intend to call at the Fairness Hearing; (f) copies of any exhibits that you intend to rely on at the hearing; (g) a reference to “Baker v. Century Financial Group, Inc., Case No. CV 100-4294”; (h) a statement of whether you intend to appear at the Fairness Hearing in person or through an attorney; (i) if you are represented by an attorney, a detailed description of the legal authorities supporting each of your objections; and (j) any other matter to be raised.

The addresses for Plaintiffs’ Counsel and the Counsel for the Settling Defendant are as follows:

Plaintiffs’ Counsel

R. Frederick Walters, Esq.
Kip D. Richards, Esq.
Walters Bender Strohhahn & Vaughan, P.C.
2500 City Center Square
1100 Main Street
Kansas City, MO 64105

Counsel for the Settling Defendants

Joel Athey
Holland & Knight
400 South Hope Street, 8th Floor
Los Angeles CA 90071

Any member of the PPB Settlement Class who does not comply with the above requirements shall be deemed to have waived all objections to and shall be forever barred from challenging the Settlement.

Intervention

Any member of the PPB Settlement Class who has not filed a timely written request for exclusion may request to intervene in the Lawsuit, in person or through an attorney retained at the PPB Settlement Class Member’s own expense. A request or motion to intervene must be in writing and reference “Baker v. Century Financial Group, Inc., Case No. CV 100-4294” and otherwise comply with the Missouri Rules of Civil Procedure and applicable law. A request to intervene must be filed with the Clerk of Court, Clay County Courthouse, 11 S. Water, Liberty, MO 64068, no later than **[30 Days after Entry of Preliminary Approval], 2015**. Any persons wishing to intervene must also send a copy of their written request to intervene to Plaintiffs’ Counsel and Counsel for the Settling Defendant at the addresses above.

8. WHO REPRESENTS THE PPB SETTLEMENT CLASS?

The PPB Settlement Class is represented by Plaintiffs’ Counsel: R. Frederick Walters, Kip D. Richards, David M. Skeens, J. Michael Vaughan, and Garrett M. Hodes of the law firm Walters Bender Strohhahn & Vaughan, P.C. If you have questions regarding the Settlement, this Notice or your options, you can contact Plaintiffs’ Counsel without charge by writing to them at the address provided above, or by calling 1-877-472-6620 (or 816-421-6620 in the Kansas City Metro Area) or by visiting the website of Plaintiffs’ Counsel, www.wbsvlaw.com and clicking on the link “Our Cases” then “Class Action Settlements” then “Baker PPB Settlement.”

9. WHAT ARE THE REASONS FOR SETTLEMENT?

The Named Plaintiffs and the Settling Defendant have agreed to the Settlement after considering, among other things, (i) the substantial benefits to be made available to the PPB Settlement Class under the Agreement; (ii) the attendant risks and uncertainty of litigation, especially in complex litigation such as this; (iii) the difficulties and considerable delays inherent in such litigation; (iv) the vigorousness of the defenses asserted by the Settling Defendant; and (v) the desirability of consummating the Settlement promptly to provide effective relief to the PPB Settlement Class.

The Settling Defendant has denied and continues to deny the claims and all charges of wrongdoing being made against it. Nonetheless, the Settling Defendant has concluded that further litigation and a trial of the Lawsuit would be protracted, burdensome, and expensive, and that it is desirable that the Lawsuit be fully and finally settled and resolved as between the Settling Defendant and the PPB Settlement Class in the manner and on the terms set forth in the Agreement.

10. WILL THE NAMED PLAINTIFFS OR PLAINTIFFS' COUNSEL RECEIVE COMPENSATION?

Yes. The Named Plaintiffs, as representatives of the PPB Settlement Class, will make an application to the Court for approval of what is called an "incentive award." Such awards are made in class action lawsuits to provide an "incentive" to individuals like the Named Plaintiffs to file and prosecute class action lawsuits for the benefit of a class of people they do not know. The award also compensates the representatives of a class for their work and time (nearly 15 years of service in this case) as class representatives (being interviewed and deposed, reviewing documents, meeting and conferring with Class Counsel, etc.). The Named Plaintiffs will ask the Court to approve a separate incentive award of up to \$2,000 per couple for their time, services, expenses and dedication to the PPB Settlement Class, based on the recovery to be obtained for the PPB Settlement Class under the Settlement. The Settling Defendant will not object to the Named Plaintiffs' application, but the Court must still determine and approve the amount of any incentive awards to be made as "reasonable." Any incentive awards made to the Named Plaintiffs will be paid from the Settlement Fund in order to determine the "Net Settlement Fund" and "Net Distributable Settlement Fund," the latter of which will be distributed to the PPB Settlement Class Members as "PPB Settlement Class Member Payments" as described in Section 4 above.

Plaintiffs' Counsel and/or the Named Plaintiffs will make an application to the Court to approve and award up to \$4,468.20 to reimburse Plaintiffs' Counsel for the costs and expenses incurred and advanced on behalf of the PPB Settlement Class in connection with the Lawsuit from June 28, 2000 through February 25, 2015. The \$4,468.20 amount represents approximately 2.4% of the \$184,473.96 in total costs and expenses that Plaintiffs' Counsel have incurred and advanced on behalf of the entire Litigation Class through February 25, 2015. The \$4,468.20 amount represents an allocable share of the "common" costs and expenses fairly attributable to the claims against all defendants calculated on a per loan basis, plus all of the expenses and advances directly attributable to the claims against the Settling Defendant alone. The Settling Defendant will not object to the proposed award of costs and expenses, but the Court must still consider and approve the amount of the proposed award as "reasonable." Like any incentive award made to the Named Plaintiffs, the amount of any expense award to Plaintiffs' Counsel will be paid from

the Settlement Fund in order to determine the “Net Settlement Fund” and “Net Distributable Settlement Fund” as described in Section 4 above.

Plaintiffs’ Counsel and/or the Named Plaintiffs will also make an application to the Court to approve and award \$760,289.31 of attorneys’ fees to Plaintiffs’ Counsel for their services and work in pursuing the Lawsuit against the Settling Defendant, and in procuring the \$1.7 million Settlement Fund for the PPB Settlement Class. The Settling Defendant will not object to the proposed award of attorneys’ fees, but the Court also must still determine and approve the amount of any such award to be made to Plaintiffs’ Counsel as “reasonable” based on a number of factors including, but not limited to, the nature and extent of the work involved, the difficulty of the case and the issues presented, the skill needed to conduct the case properly, the experience, reputation and ability of the lawyers, the contingency or certainty of compensation, the customary charges for similar work, the amount involved in the controversy, and the benefits to the client.

If approved by the Court, the \$760,289.31 amount will constitute forty-five percent (45%) of the Net Settlement Fund and the amount of any such award made to Plaintiffs’ Counsel will be deducted and paid from the Net Settlement Fund to calculate the Net Distributable Settlement Fund to be distributed to the PPB Settlement Class Members, which as proposed will equal fifty-five percent (55%) of the Net Settlement Fund. Under this proposal, the amount of the Net Settlement Fund to be paid to the PPB Settlement Class Members will compensate the PPB Settlement Class Members for the following: (1) all (100%) of the allegedly illegal loan fees sought in the Lawsuit; (2) all (100%) of the interest that the Class Members paid (or have yet to pay) on their second mortgage loans; and (3) prejudgment interest on both the fee and interest amount at the legal rate of 9% per year, calculated from the date of the Notes and interest payment dates over the past 14 or more years.

The Named Plaintiffs and Plaintiffs’ Counsel believe that the percentage fee amount and amount of the attorneys’ fees being proposed as a part of the Settlement are reasonable for a number of reasons including, among others, the considerable length and complexity of the case, the nature and extent of the legal work provided by Plaintiffs’ Counsel in connection with the claims against the Settling Defendant, the defenses raised by the Settling Defendant in response to the claims, the commitment of and work performed by Plaintiffs’ Counsel in prosecuting and continuing to prosecute the claims, the contingency fee percentages charged and/or approved in similar cases in the community, the timing of the Settlement, the amount and risks involved in this controversy, the attorneys’ fees previously awarded to Plaintiffs’ Counsel pursuant to other settlements, the extraordinary benefits obtained for the members of the PPB Settlement Class, including but not limited to the fact that the PPB Settlement Class Members will receive all (100%) of the recoverable fee and interest damages, plus an additional amount of pre-judgment interest, under the Settlement.

The range and average of the PPB Settlement Class Member Payments described in Section 4 of this Notice have been estimated with the expectation that the Court will approve as reasonable the applications for the above stated incentive, expense and attorneys’ fees awards. If the Court approves an incentive award or awards costs and expenses or attorneys’ fees in amounts that are

less than that applied for, the difference will be reallocated to the Net Settlement Fund or the Net Distributable Fund, as applicable.

11. WHAT CLAIMS WILL BE RELEASED UNDER THE SETTLEMENT?

If approved by the Court and effective in accordance with its terms, the proposed Settlement will be legally binding upon all members of the PPB Settlement Class who do not timely request to be excluded from the PPB Settlement Class. The Settlement will fully, finally and forever release, settle, compromise, relinquish and discharge any and all of the Released Persons, as defined in the Agreement, from the Released Claims, as defined in the Agreement, as of the Effective Date.

The Releases mean that you as a “Releasor” cannot bring any lawsuit against the Settling Defendant or any of the other “Released Persons” identified in the Agreement for any reason whatsoever relating to the “Released Claims,” as defined in the Agreement. You will of course be able to enforce your rights under the Agreement, if necessary.

Accordingly, if you are currently litigating any other claims against the Settling Defendant or any other “Released Person” in any other lawsuit or proceeding, either individually or as part of a class, you may be barred from continuing to pursue those claims if you do not timely exclude yourself from the PPB Settlement Class in this case. If you are currently litigating any such claims, you should consult with an attorney concerning your rights and claims immediately.

The term “**Releasors**” is defined in the Agreement at paragraph 2.25 as:

[T]he PPB Settlement Class Members, and each of their respective heirs, executors, administrators, assigns, predecessors, and successors, and any other person claiming by or through any or all of them. The Releasors shall not include any of the following: (a) any members of the PPB Settlement Class who opt out of the Settlement in accordance with Paragraph 9 below; (b) any person(s) not identified as a member of the PPB Settlement Class on **Exhibit D**; or (c) the Named Plaintiffs and any other Non-PPB Plaintiff Borrowers.

The term “**Released Persons**” is defined in the Agreement at paragraph 2.26 as:

[T]he Settling Defendant and any partners, affiliates, predecessor companies, parent companies, subsidiaries, divisions, or other organizational units of any kind doing business in their own names, or doing business under any other names, and any entity now or in the past controlled by, controlling or under the common control with any of the foregoing and doing business under any other names, and any and all respective affiliates and subsidiaries, and shall also mean PaineWebber Mortgage Acceptance Corporation IV, but solely in its capacity as the Depositor of Life Financial Home Loan Owner Trust 1997-3, Wilmington Trust Company, but solely in its capacity as Owner Trustee of Life Financial Home Loan Owner Trust 1997-3, and Wells Fargo Bank NA, as successor by merger to Norwest Bank Minnesota, N.A., but solely in its capacities as the Indenture Trustee, Paying Agent Custodian and Administrator of Life Financial Home Loan Owner Trust 1997-3, and EMC Mortgage Corporation, but solely in its capacity as servicer of Life Financial Home Loan Owner Trust 1997-3, and the joint or respective predecessors,

successors and assigns of each (collectively, the “LFHLO Trust Parties”), and shall also mean the past and present officers, directors, shareholders, partners, associates, trustees, employees, agents, attorneys, accountants, representatives, beneficial owners, investment advisors, investment bankers, insurers, independent contractors, and the heirs, executors, predecessors, successors, and assigns of the Settling Defendant and the LFHLO Trust Parties; provided, however, that anything in this Agreement to the contrary notwithstanding, and regardless of any prior or current relationship or affiliation with the Settling Defendant, the term “Released Persons” **does not include any of the following**: (a) Century Financial Group, Inc. (“CFG”); (b) the “Master Financial Defendants”; (c) The Bank of New York Mellon (f/k/a The Bank of New York); (d) JP Morgan Chase Bank, NA; (e) Wilmington Trust Company, except as the Owner Trustee of Life Financial Home Loan Owner Trust 1997-3; (f) Wells Fargo Bank, N.A., except as successor by merger to Norwest Bank Minnesota, N.A., but solely as the Indenture Trustee, Paying Agent Custodian and Administrator of Life Financial Home Loan Owner Trust 1997-3; (g) any current and/or former defendant named in the Litigation, other than the Settling Defendant; (h) any person, association or entity that serviced any of the CFG-PPB Loans prior to the sale, assignment, transference or conveyance to the Settling Defendant; (i) any person, association or entity to whom any of the loans of any of the Non-PPB Plaintiff Borrowers were sold, assigned or otherwise transferred or conveyed; (j) any person, association or entity that serviced any of the loans of any of the Non-PPB Plaintiff Borrowers; or (k) any person, association or entity to whom any of the CFG-PPB Loans were sold, assigned, transferred and/or conveyed prior to the sale, assignment, transference or conveyance to the Settling Defendant or any of the LFHLO Trust Parties.

The term “**Released Claims**” is defined in the Agreement at paragraph 2.27 as:

[A]ny and all claims, demands, actions, causes of action, rights, offsets, setoffs, suits, damages, lawsuits, liens, costs, surcharges, losses, attorneys’ fees, expenses or liabilities of any kind whatsoever, in law or in equity, for any relief available to the Releasers under § 408.562 RSMo in connection with the CFG-PPB Loans, whatsoever, including monetary, injunctive or declaratory relief, rescission, general, compensatory, special, liquidated, indirect, incidental, consequential or punitive damages, as well as any and all claims for treble damages, penalties, sanctions, attorneys’ fees, costs or expenses, whether known or unknown, alleged or not alleged in the Litigation, suspected or unsuspected, contingent or vested, accrued or not accrued, liquidated or unliquidated, matured or unmatured, that in any way concern, relate to, or arise out of the CFG-PPB Loans and which any of the Releasers have had, or now have, from the beginning of time up through and including the Effective Date, against the Released Persons (“Claims”), including, but not limited to, any and all Claims arising out of or relating to: (1) allegations that were or could have been asserted against the Released Persons in the Litigation in any way relating to the PPB Settlement Class Members’ CFG-PPB Loans; (2) any activities that any of the Released Persons took with respect to the CFG-PPB Loans including, without limitation, any alleged representations, misrepresentations, disclosures, incorrect disclosures, failures to disclose, acts (legal or illegal), omissions, failures to act, deceptions, acts of unconscionability, unfair business practices, breaches of contract, usury, unfulfilled promises, breaches of warranty or fiduciary duty, conspiracy, excessive fees collected, or violations of any consumer protection statute or merchandising practices act, any state unfair trade practice statute, or any other body of case, statutory or common law, rule or regulation, federal or state,

including, but not limited to, the Missouri Second Mortgage Loans Act, §§ 408.231, *et seq.* RSMo, or any other similar state statute; the Truth in Lending Act, 15 U.S.C. § 1601, *et seq.*, and its implementing regulations, 12 C.F.R. part 226; the Home Ownership and Equity Protection Act, 15 U.S.C. § 1639, *et seq.*, and its implementing regulation, 12 C.F.R. part 226.31-32; the Real Estate Settlement Procedures Act, 12 U.S.C. § 2601, and its implementing regulation, 24 C.F.R. part 3500; the Equal Credit Opportunity Act, 15 U.S.C. § 1691, *et seq.*, and its implementing regulation, 12 C.F.R. part 202; the Home Mortgage Disclosure Act, 12 U.S.C. § 2801, *et seq.*, and its implementing regulation, 12 C.F.R. part 203; the Fair Housing Act, 42 U.S.C. §§ 3601, *et seq.*; the Fair Credit Reporting Act, 15 U.S.C. §§ 1681, *et seq.*; the Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692, *et seq.*; the Federal Trade Commission Act, 15 U.S.C. §§ 45, *et seq.* and any applicable rule issued by the Consumer Financial Protection Bureau or applicable provision of the Dodd-Frank Wall Street Reform and Consumer Protection Act; and/or (3) any conduct undertaken by any of the Released Persons to defend the Litigation, including, but not limited to, any alleged improper discovery conduct and/or any request for sanctions in the Litigation. The term “Released Claims” also includes, without limitation, any allegation that any Released Person has conspired with, aided and abetted, or otherwise acted in concert with any other third parties with respect to any of the facts, acts, events, transactions, occurrences, courses of conduct, business practices, representations, omissions, circumstances, or other matters related to the Litigation or the conduct of the Litigation. It is the intention of the Releasors to provide a general release of the Released Claims against the Released Persons; provided, however, that anything in this Agreement to the contrary notwithstanding, the term Released Claims **does not include**: (1) any claims of any kind or type by the Releasors against any person, association or entity that is not a Released Person, whether such claims arise out of or relate to CFG-PPB Loans or some other conduct, transaction, loan or occurrence; (2) any claims of any kind or type by the Releasors against any person, association or entity in connection with a loan and/or loan transaction originated or made by a person, association or entity other than CFG, notwithstanding the fact that the loan, in whole or in part, was purchased by and/or assigned to Life Bank (now known as Pacific Premier Bank); (3) any claims of any kind or type against The Bank of New York Mellon (f/k/a The Bank of New York) and/or any of the other Master Financial Defendants; (4) any claims of any kind or type against any one or more of the Released Persons as defined in Paragraph 2.26, and including but not limited to the LFHLO Trust Parties as defined in this Paragraph 2.27, except for the claims relating to the 15 CFG-PPB Loans being released pursuant to this Agreement; and/or (5) any claims of any kind or type by any Non-PPB Plaintiff Borrower(s).

12. WHAT IF THE SETTLEMENT IS NOT APPROVED BY THE COURT OR DOES NOT BECOME EFFECTIVE?

If the proposed Settlement is not approved by the Court at the Fairness Hearing as fair, reasonable and adequate, or if the Settlement does not become effective in accordance with the terms and conditions of the Agreement, the Settlement and the Agreement will be null and void and the Named Plaintiffs will proceed with their claims against the Settling Defendant and other Defendants in the Lawsuit. In that event, no payments will be made under the terms of the Agreement; however, the Settling Defendant and the Named Plaintiffs could attempt to enter into another settlement.

13. WHERE DO I GET ADDITIONAL INFORMATION?

This Notice is only a summary of the proposed Settlement and does not describe all of the terms and conditions of the Agreement. You are encouraged to review the Agreement and other related documents, all of which are available upon request from Plaintiffs' Counsel, or by visiting the website of Plaintiffs' Counsel, www.wbsvlaw.com and clicking on the link "Our Cases" then "Class Action Settlements" then "Baker PPB Settlement."

14. WHAT ARE THE RELEVANT DATES?

The relevant dates are:

- **Deadline for mailing a request for exclusion (must be received by): [@ 30 Days after Entry of Preliminary Approval], 2015**
- **Deadline for filing and serving any notice of appearance, written objection, or motion to intervene (must be received by the court by): @ 30 Days after Entry of Preliminary Approval], 2015**
- **Date and time of the Fairness Hearing: [@ 60 Days after Entry of Preliminary Approval], 2015 at ____ .m.**

This Notice provides only a summary of matters about the Lawsuit. If you have any questions or concerns, please contact Plaintiffs' Counsel in writing at the address listed in Section 7 of this Notice or call 816-421-6620.

PLEASE DO NOT CALL OR CONTACT THE COURT FOR INFORMATION.

This notice is sent pursuant to Rule 52.08 of the Missouri Rules of Civil Procedure and
BY ORDER OF THE COURT

DATED: _____, 2015

EXHIBIT B: PROPOSED PRELIMINARY APPROVAL ORDER

THE CIRCUIT COURT OF CLAY COUNTY, MISSOURI
AT LIBERTY

JAMES AND JILL BAKER,

Plaintiffs,

v.

CENTURY FINANCIAL GROUP, INC.,
et al.,

Defendants.

Case No. CV100-4294 CC

Division 3

**ORDER PRELIMINARILY APPROVING
CLASS ACTION SETTLEMENT**

WHEREAS, a class action petition was filed in the above-entitled action (the “Litigation”) on June 28, 2000; and

WHEREAS, on January 2, 2003, the Court certified a litigation class in the Litigation, comprised of those persons who obtained a Missouri residential second mortgage loan from Century Financial Group, Inc. (“CFG”) on or after June 28, 1994, and which is particularly described in the Court’s *Order Certifying Plaintiff Class* (the “Litigation Class”); and

WHEREAS, notice of the Litigation and of the *Order Certifying Plaintiff Class* was provided to the members of the Litigation Class, who were also notified of their right to opt out and exclude themselves from the Litigation Class; and

WHEREAS, the borrowers and co-borrowers on ten (10) of the Missouri residential second mortgage loans that CFG made timely excluded themselves from the Litigation Class; and

WHEREAS, Named Plaintiffs James C. and Jill S. Baker, Jeffrey A. and Michelle A. Cox, William L. Springer and Linda A. Springer (“the Named Plaintiffs”), are representatives of

the members of the Litigation Class whose second mortgage loans from CFG were purchased by and/or assigned to Life Bank (now known as Pacific Premier Bank) (the “PPB Settlement Class”); and

WHEREAS, the Named Plaintiffs and Pacific Premier Bank (originally Life Bank) (hereinafter the “Settling Defendant”) have entered into a “Settlement Agreement and Release” dated March __, 2015 (the “Agreement”), which memorializes the negotiated and agreed-upon settlement of the Litigation as between the Named Plaintiffs and a proposed PPB Settlement Class, on one hand, and the Settling Defendant on the other, subject to the approval of the Court (“the Settlement”); and

WHEREAS, the Named Plaintiffs have filed a *Motion for Preliminary Approval of Class Action Settlement as to the “CFG-PPB Loans,”*

NOW THEREFORE, upon careful consideration of the *Motion for Preliminary Approval of Class Action Settlement as to the “CFG-PPB Loans,”* and after reviewing the Agreement, and for good cause shown,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. The terms of the Agreement, and the Settlement as provided therein, are approved preliminarily as fair, reasonable and adequate to the PPB Settlement Class as defined in the Agreement, subject to further consideration at the Fairness Hearing described in Paragraph 14 below.
2. The definitions set forth in the Agreement are hereby incorporated by reference into this Order (with capitalized terms as set forth in the Agreement).
3. The Named Plaintiffs and the Settling Defendant have executed the Agreement in order to settle and resolve the Litigation as between them and the proposed PPB Settlement

Class, subject to approval of the Court.

4. Accordingly, for the purpose of a settlement in accordance with the Agreement, and upon review of *Plaintiffs' Motion for Preliminary Approval of Class Action Settlement as to the "CFG-PPB Loans,"* this Court hereby preliminarily certifies the following class of persons as the "PPB Settlement Class":

All persons who, on or after June 28, 1994, obtained a "Second Mortgage Loan," as defined in § 408.231.1 RSMo, that was secured by a mortgage or a deed of trust on residential real property situated in the state of Missouri, originated by Century Financial Group, Inc., and purchased by and/or assigned to Life Bank (now known as Pacific Premier Bank) and who did not timely exercise their right and option to exclude themselves from the litigation class that the Court previously certified on January 2, 2003.

5. Pursuant to the Agreement, and for purposes of the Settlement only, the Court finds preliminarily as to the PPB Settlement Class that:

- a. The PPB Settlement Class is so numerous that joinder of all members is impracticable;
- b. There are questions of law or fact common to the PPB Settlement Class that predominate over questions affecting only individual members of the PPB Settlement Class;
- c. The claims of the Named Plaintiffs are typical of those of the members of the PPB Settlement Class;
- d. The Named Plaintiffs and Plaintiffs' Counsel will fairly and adequately represent and protect the interests of the members of the PPB Settlement Class; and
- e. Certification of the PPB Settlement Class as proposed is an appropriate method for the fair and efficient adjudication of the controversies between the PPB Settlement Class and the Settling Defendant.

6. For the purpose of this preliminary approval, and for all matters relating to the Settlement, until further order of the Court, the Court appoints the Named Plaintiffs as Representatives of the PPB Settlement Class and R. Frederick Walters, Kip D. Richards, David M. Skeens, J. Michael Vaughan, and Garrett M. Hodes of the law firm Walters Bender Strohbehn & Vaughan, P.C., as Counsel for the PPB Settlement Class (“Plaintiffs’ Counsel” or “Class Counsel”).

7. By this Order, the Court hereby exercises subject matter and personal jurisdiction over the PPB Settlement Class for purposes of evaluating the final certification of the PPB Settlement Class and the fairness and adequacy of the Settlement.

8. The Class Mail Notice, as set forth in Exhibit A to the Agreement, is hereby approved.

9. The Class Mail Notice in a form substantially the same as that set forth in Exhibit A to the Agreement shall be mailed by Class Counsel by first-class mail, postage prepaid, to all members of the PPB Settlement Class (as identified on Exhibit D of the Agreement, which was filed under seal) and any known Chapter 7 bankruptcy trustees of any member of the PPB Settlement Class for any Chapter 7 bankruptcy filed after origination of said individual class member’s loan. Such mailing shall be made within five (5) days of this Preliminary Approval Order.

10. The Agreement contemplates a notice methodology that (a) protects the interests of the Named Plaintiffs, the PPB Settlement Class, and the Settling Defendant, (b) is the best notice practicable under the circumstances, and (c) is reasonably calculated to apprise the PPB Settlement Class of the pendency of the Litigation and proposed Settlement, the Agreement, and the class members’ right to opt out and exclude themselves from or object to the proposed

Settlement. In addition, the Court finds that the notice methodology stated in the Agreement is reasonable and constitutes due, adequate and sufficient notice to all persons entitled to receive notice of the proposed Settlement and meets all applicable requirements of law, including, but not limited to, Mo. Rule 52.08 and the Due Process Clause of the Fourteenth Amendment of the United States Constitution.

11. Prior to the Fairness Hearing, Class Counsel shall serve and file a sworn statement of a person with knowledge, evidencing compliance with the provisions of this Order concerning the mailing of the Class Mail Notice.

12. Any member of the PPB Settlement Class desiring exclusion from the PPB Settlement Class shall mail a request for exclusion (“Request for Exclusion”) to the Parties’ respective counsel. To be valid, the Request for Exclusion must be **received** on or before **[30 Days after Entry of Preliminary Approval], 2015**. Such Request for Exclusion must be in writing and include: (a) the name, address, telephone number and the last four digits of the social security number of the class member seeking to opt out; (b) a statement that the class member and all other borrowers named on the class member’s promissory note are seeking exclusion; (c) the signature of each person who was a party to the promissory note made in connection with the class member’s loan, unless such person is deceased or legally incompetent, in which event the opt out submission shall be signed by said deceased or legally incompetent person’s personal representative or guardian; and (d) a reference to “Baker v. Century Financial Group, Case No. CV 100-4294.” Any member of the PPB Settlement Class who does not properly and timely request exclusion from the PPB Settlement Class in full compliance with these requirements shall be included in the PPB Settlement Class and be bound by any judgment entered in this action with respect to said Settlement Class. If there is more than one borrower on any CFG-

PPB Loan, all borrowers on such loan must sign and submit an exclusion request to exclude the borrowers from the PPB Settlement Class.

13. Within seven (7) days after the deadline for submitting Requests for Exclusion, Class Counsel shall file with the Court a sworn statement listing those persons who submitted timely Requests for Exclusion. The Parties shall retain the originals of all Requests for Exclusion and shall promptly furnish each other with copies of any Requests for Exclusion that come into their possession.

14. A hearing (the “Fairness Hearing”) shall be held before the undersigned at _____.m. on **[60 Days after Entry of Preliminary Approval], 2015**, in Division 03 at the Clay County Courthouse, 11 S. Water, Liberty, MO 64068. At the Fairness Hearing, the Court will consider: (a) the fairness, reasonableness, and adequacy of the Settlement; (b) the entry of any final order or judgment in the Litigation with respect to the PPB Settlement Class; (c) the application for an incentive awards for the services rendered by the Named Plaintiffs; (d) the application for attorney’s fees and for reimbursement of expenses by Class Counsel; and (e) other related matters. The Fairness Hearing may be postponed, adjourned or continued by Order of the Court without further notice to the PPB Settlement Class.

15. To be considered at the Fairness Hearing, any person desiring to file an objection or other comment on the Settlement shall be required to file all such objections and comments and all supporting pleadings on or before **[30 Days after Entry of Preliminary Approval], 2015**, with service upon Class Counsel and Counsel for the Settling Defendant as required by the Missouri Rules of Civil Procedure. The objections of any objecting PPB Settlement Class Member must be in writing and must specifically include the following: (a) the full name, address, and telephone number of the class member filing the objection; (b) a statement of each

objection asserted; (c) a detailed description of the facts underlying each objection; (d) any loan documents in the possession or control of the objector and relied upon as a basis for the objection; (e) if represented by counsel, a detailed description from the objector of the legal authorities supporting each objection; (f) if the objector plans to utilize expert opinion and/or testimony as part of the objection, a written expert report from all proposed experts; (g) if the objector plans to call a witness or present other evidence at the hearing, the objector must state the identity of the witness and identify any documents by attaching them to the objection and provide any other evidence that the objector intends to present; (h) a statement of whether the objector intends to appear at the hearing; (i) a copy of any exhibits that the objector may offer during the hearing; and (j) reference to “Baker v. Century Financial Group, Case No. CV 100-4294.”

16. No objection to or other comment concerning the Settlement shall be heard unless timely filed in accordance with the requirements specified above. Class Counsel and Counsel for the Settling Defendant shall promptly furnish each other with copies of any objections that come into their possession.

17. Any PPB Settlement Class Member who does not make his or her objection in the manner provided in this Order shall be deemed to have waived any such objection and shall forever be barred from making any objection to the Settlement, including but not limited to, the propriety of class certification, the adequacy of any notice, or the fairness, adequacy or reasonableness of the Settlement.

18. Any attorney hired by a PPB Settlement Class Member at the Class Member’s expense for the purpose of making an objection shall file his or her entry of Appearance on or before **[30 Days after Entry of Preliminary Approval], 2015** with service upon Class Counsel

and Counsel for the Settling Defendant as required by the Missouri Rules of Civil Procedure.

19. Submissions of the Parties relative to the Settlement, including memoranda in support of the Settlement, applications for attorney's fees and reimbursement of expenses by Class Counsel, and any applications for the payment of services rendered by the Named Plaintiffs shall be filed with the Clerk of the Court on or before **[45 Days after Entry of Preliminary Approval], 2015**.

20. Any PPB Settlement Class Member may appear at the Fairness Hearing in person, or by counsel if an appearance is filed and served as provided in the Class Mail Notice, and such person will be heard to the extent allowed by the Court. No person shall be permitted to be heard unless, on or before **[30 Days after Entry of Preliminary Approval], 2015**, unless such person has (a) filed with the Clerk of the Court a notice of such person's intention to appear; and (b) served copies of such notice upon Class Counsel and Counsel for the Settling Defendant as required by the Missouri Rules of Civil Procedure.

21. Any PPB Settlement Class Member may seek to intervene in the Litigation in person, or by counsel, if a motion to intervene is filed and served as provided in the Notice. No person shall be permitted to intervene unless, on or before **[30 Days after Entry of Preliminary Approval], 2015**, such person has (a) filed with the Clerk of the Court a valid motion to intervene and (b) served copies of such notice upon Class Counsel and Counsel for the Settling Defendant as required by the Missouri Rules of Civil Procedure.

22. All other events contemplated under the Agreement to occur after entry of this Order and before the Fairness Hearing shall be governed by the Agreement and the Class Mail Notice, to the extent not inconsistent herewith. Class Counsel and Counsel for the Settling Defendant shall take such further actions as are required by the Agreement.

23. The Parties shall be authorized to make non-material changes to the Class Mail Notice so long as Class Counsel and Counsel for the Settling Defendant agree and one of the Parties files a notice thereof with the Court prior to the Fairness Hearing. Neither the insertion of dates nor the correction of typographical or grammatical errors shall be deemed a change to the Class Mail Notice.

24. All claims against and motions involving the Settling Defendant as to the CFG-PPB Loans are hereby stayed and suspended until further order of this Court, other than such as may be necessary to carry out the terms and conditions of the Agreement or the responsibilities related or incidental thereto.

25. The claims of the Named Plaintiffs, the members of the PPB Settlement Class and/or the remaining members of the Litigation Class against any Defendant and/or person or entity other than the Settling Defendant are **not** suspended or stayed by the Agreement or otherwise. Such claims include but are not limited to any and all claims of the Named Plaintiffs and other Non-PPB Plaintiff Borrowers with respect to the CFG Loans and all individual and class claims against (1) Century Financial Group, Inc., (2) the Master Financial Defendants as defined in the Agreement, and (3) any more or more of the “LFHLO Trust Parties” as defined in the Agreement, except for the claims relating to the 15 CFG-PPB Loans being released. Only the “Released Claims” of the “Releasers” as against the “Released Persons,” all as defined in the Agreement, are suspended and stayed.

26. If Final Approval of the Settlement does not occur, or if the Settlement does not become effective on or before the Effective Date as provided in the Agreement, or if the Settlement is rescinded or terminated for any reason, the Settlement and Agreement and all proceedings had in connection therewith shall be null and void and without prejudice to the

rights of the Parties before the Agreement was made, and this Order and all Orders issued pursuant to the Agreement shall be vacated, rescinded, canceled, annulled and deemed “void” and/or “no longer equitable” for purposes of Mo. Rule 74.06, as provided in and subject to paragraph 13 of the Agreement.

27. Neither this Order, the Agreement, nor any of their terms or provisions, nor any of the negotiations between the Parties or their counsel (nor any action taken to carry out this Order), is, may be construed as, or may be used as an admission or concession by or against any of the Parties or the Released Persons of (a) the validity of any claim or liability, any alleged violation or failure to comply with any law, any alleged breach of contract or duty, any legal or factual argument, contention or assertion, or any clam for sanctions; (b) the truth or relevance of any fact alleged by the Named Plaintiffs, (c) the existence of any class alleged by the Named Plaintiffs, (d) the propriety of class certification if the Litigation were to be litigated to conclusion rather than settled, (e) the validity of any claim or any defense that has been or could have been asserted in the Litigation or in any other litigation; (f) that the consideration to be given to PPB Settlement Class Members hereunder represents the amount which could be or would have been recovered by any such persons after trial; or (g) the propriety of class certification in any other proceeding or action. Entering into or carrying out the Agreement, and any negotiations or proceedings related to it, shall not in any way be construed as, or deemed evidence of, an admission or concession as to the denials, defenses, or factual or legal positions of the Settling Defendant, and shall not be offered or received in evidence in any action or proceeding against any party in any court, administrative agency or other tribunal for any purpose whatsoever, except as is necessary in a proceeding to enforce the terms of this Order and the Agreement; provided, however, that this Order and the Agreement may be filed by the

Settling Defendant in any action filed by or against the Settling Defendant or any other Released Person to support a defense of *res judicata*, collateral estoppel, release, waiver, good faith settlement, judgment bar or reduction, full faith and credit, or any other theory of claim preclusion, issue preclusion or similar defense or counterclaim. The Settling Defendant expressly reserves all rights and defenses to any claims and do not waive any such rights or defenses in the event that the Agreement is not approved for any reason.

IT IS SO ORDERED

Date: _____

K. Elizabeth Davis, Circuit Judge

EXHIBIT C: PROPOSED FINAL APPROVAL ORDER AND JUDGMENT

IN THE CIRCUIT COURT OF CLAY COUNTY, MISSOURI
AT LIBERTY

JAMES AND JILL BAKER, et al.,

Plaintiffs,

v.

CENTURY FINANCIAL GROUP, INC., et
al.,

Defendants.

Case No. CV100-4294 CC

Division 3

**ORDER AND JUDGMENT FINALLY APPROVING CLASS ACTION
SETTLEMENT AND CERTIFYING A CLASS FOR SETTLEMENT PURPOSES**

Upon careful review and consideration of the Parties' Settlement and Release Agreement dated March __, 2015 (the "Agreement"), the evidence and arguments of counsel as presented at the Fairness Hearing held on _____, **2015**, the memoranda filed with this Court, [and the timely objections to the proposed Settlement], and all other filings in connection with the Parties' settlement as memorialized in the Agreement (the "Settlement"); and for good cause shown,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

1. **Incorporation of Other Documents.** This Order incorporates and makes the following a part hereof:

- a. The Agreement, filed with the Court on or about March __, 2015; and
- b. The following exhibits to the Agreement: (i) Schedule A (Proposed Distribution Schedule of "Net Distributable Settlement Fund," **filed under seal**); (ii) Exhibit A (Proposed Class Mail Notice); (iii) Exhibit B (Proposed Order Preliminarily Approving the Class Action Settlement); (iv) Exhibit C (Proposed Final Approval Order

and Judgment); and (v) Exhibit D (list of members of the PPB Settlement Class, **filed under seal**).

Unless otherwise provided herein, all capitalized terms in this Order shall have the same meaning as those terms in the Agreement.

2. **Jurisdiction.** Because adequate notice was disseminated and all potential members of the PPB Settlement Class (as defined below) were given notice of and an opportunity to opt out of the Settlement (as found below), the Court has personal jurisdiction over all members of the PPB Settlement Class. The Court has subject matter jurisdiction over the Litigation, including, without limitation, jurisdiction to approve the proposed Settlement, to grant final certification of the PPB Settlement Class, and to dismiss the Litigation against the Settling Defendant (as defined in the Agreement) with prejudice.

3. **Final Class Certification.** The PPB Settlement Class, which this Court previously certified preliminarily, is hereby finally certified for settlement purposes pursuant to Mo. Rule 52.08, the Court finding for purposes of settlement that the PPB Settlement Class fully satisfies all of the applicable requirements of Mo. Rule 52.08 and due process. The PPB Settlement Class is defined as follows:

All persons who, on or after June 28, 1994, obtained a “Second Mortgage Loan,” as defined in § 408.231.1 RSMo, that was secured by a mortgage or a deed of trust on residential real property situated in the state of Missouri, originated by Century Financial Group, Inc., and purchased by and/or assigned to Life Bank (now known as Pacific Premier Bank) and who did not timely exercise their right and option to exclude themselves from the litigation class that the Court previously certified on January 2, 2003.

[No members of the PPB Settlement Class timely requested to be excluded from or “opted out” of the PPB Settlement Class.] OR [A list of those persons who have timely excluded themselves from the PPB Settlement Class, and who therefore are not bound by the Settlement and this Final

Approval Order and Judgment, is hereto attached as **Exhibit 1** and incorporated herein and made a part hereof.]

4. **Adequacy of Representation.** There are no apparent conflicts of interest between the Named Plaintiffs and the PPB Settlement Class, or among the members of the PPB Settlement Class. Plaintiffs' Counsel will fairly and adequately represent and protect the interests of the PPB Settlement Class. Accordingly, the Named Plaintiffs and R. Frederick Walters, Kip D. Richards, David M. Skeens, J. Michael Vaughan, and Garrett M. Hodes of the firm Walters Bender Strohbehn & Vaughan, P.C. ("Plaintiffs' Counsel" or "Class Counsel"), have satisfied the requirements of Mo. Rule 52.08 and are hereby appointed and approved as representatives of the PPB Settlement Class and Counsel for the PPB Settlement Class, respectively.

5. **Class Notice.** The Court finds that the Class Mail Notice and its distribution to the PPB Settlement Class as implemented pursuant to the Agreement and the Preliminary Approval Order:

a. Constituted the best practicable notice to the members of the PPB Settlement Class under the circumstances of this Litigation;

b. Constituted notice that was reasonably calculated, under the circumstances, to apprise the members of the PPB Settlement Class of the following: (i) the pendency of this Litigation and the proposed Settlement; (ii) their right to exclude themselves from the PPB Settlement Class and the proposed Settlement; (iii) their right to object to any aspect of the proposed Settlement if they did not timely exclude themselves (including, but not limited to, final certification of the PPB Settlement Class, the fairness, reasonableness or adequacy of the Settlement as proposed, the adequacy of the Named

Plaintiffs and/or Class Counsel's representation of the PPB Settlement Class, the proposed awards of attorneys' fees and expenses, and the proposed incentive awards to the Named Plaintiffs); (iv) their right to appear at the Fairness Hearing if they did not timely exclude themselves from the PPB Settlement Class; and (v) the binding effect of this Final Approval Order and Judgment on all members of the PPB Settlement Class who do not timely exclude themselves from the Settlement;

c. Constituted due, adequate, sufficient and reasonable notice to all persons and entities entitled to be provided with notice; and

d. Constituted notice that fully satisfied the requirements of Mo. Rule 52.08, due process, and other applicable law.

6. **Final Settlement Approval.** The terms and provisions of the Agreement, including all exhibits, have been entered into in good faith and as a result of arm's length negotiations, and the Agreement is fully and finally approved as fair, reasonable and adequate as to, and in the best interests of, each of the Parties and the PPB Settlement Class Members, and in full compliance with all applicable requirements of the laws of the state of Missouri, the United States Constitution (including the Due Process Clause), and all other applicable laws. The Parties are hereby directed to implement and consummate the Agreement according to its terms and provisions.

7. **Binding Effect.** The terms of the Agreement and this Final Approval Order and Judgment shall be forever binding on the PPB Settlement Class Members and the Named Plaintiffs as representatives of the PPB Settlement Class, as well as their respective heirs, executors, administrators, assigns, predecessors, and successors, and any other person claiming by or through any or all of them. The terms of the Agreement and this Final Approval Order and

Judgment shall have *res judicata* and other preclusive effect as to the “Releasers” for the “Released Claims” as against the “Released Persons,” all as defined in the Agreement.

8. **Releases Effective.** The Releasers, as defined in Paragraph 2.25 of the Agreement, shall be bound by the Releases provided in Paragraph 6 of the Agreement, which is incorporated herein in all respects, regardless of whether such Releasers received any compensation under the Agreement and Settlement. The Releases shall become effective as of the Effective Date specified in Paragraph 12 of the Agreement. As of the Effective Date specified in Paragraph 12 of the Agreement, the Releasers, as defined in Paragraph 2.25 of the Agreement, are permanently barred and enjoined from asserting, commencing, prosecuting or continuing any of the Released Claims, as defined in Paragraph 2.27 of the Agreement, against the Released Persons, as defined in Paragraph 2.26 of the Agreement. The Court expressly adopts all defined terms in Paragraph 6 of the Agreement, including but not limited to, the definitions of the persons and claims covered by the Releases (which are set forth at Paragraphs 2.25, 2.26 and 2.27 of the Agreement).

9. **Additional Payment to the Named Plaintiffs.** The Court hereby awards \$2,000.00 per couple (\$6,000.00 total) to be paid from the Settlement Fund to the Named Plaintiffs as incentive awards for their services as representatives of the PPB Settlement Class in the Litigation.

10. **Attorneys’ Fees and Expenses.** Plaintiffs’ Counsel are awarded \$4,468.20, representing an allocated share of the litigation expenses and court costs that Plaintiffs’ Counsel has incurred and advanced as of February 25, 2015 in connection with the Litigation and the Settlement, which shall be deducted from the “Settlement Fund” as defined in the Agreement. In addition, the Court awards Plaintiffs’ Counsel common fund attorneys’ fees of \$760,289.31,

representing 45% of the “Net Settlement Fund” as defined in the Agreement. The Court finds and concludes that both the expense and fee awards to Plaintiffs’ Counsel for their work and services in connection with the Litigation and Settlement are reasonable. **[Plaintiffs may include additional language for the Court to consider including in the final order in support of Plaintiffs’ fee award.]**

11. **No Other Payments.** The preceding paragraphs of this Final Approval Order and Judgment cover, without limitation, any and all claims for attorneys’ fees and expenses, costs or disbursements incurred by Plaintiffs’ Counsel and any other counsel representing the Named Plaintiffs as representatives of the PPB Settlement Class and/or incurred by the PPB Settlement Class Members in connection with or related in any manner to this Litigation, the Settlement of this Litigation, the administration of the Settlement, and/or the Released Claims, except to the extent otherwise specified in the Agreement or this Final Approval Order and Judgment.

12. **No Admissions.** Neither this Final Approval Order, nor the accompanying Final Judgment, nor the Agreement, nor any of its terms or provisions, nor any of the negotiations between the Parties or their counsel, nor any action taken to carry out this Order or the Final Judgment, is, may be construed as, or may be used as an admission or concession by or against any of the Parties or the Released Persons of: (i) the validity of any claim or liability, any alleged violation or failure to comply with any law, any alleged breach of contract, any legal or factual argument, contention or assertion; (ii) the truth or relevance of any fact alleged by Plaintiffs; (iii) the existence of any class alleged by Plaintiffs; (iv) the propriety of class certification if the Litigation were to be litigated rather than settled; (v) the validity of any claim or any defense that has been or could have been asserted in the Litigation or in any other litigation; (vi) that the consideration to be given to PPB Settlement Class Members hereunder represents the amount

that could be or would have been recovered by any such persons after trial; or (vii) the propriety of class certification in any other proceeding or action. Entering into or carrying out the Agreement, and any negotiations or proceedings related to it, shall not in any event be construed as, or deemed evidence of, an admission or concession as to the denials, defenses, factual or legal positions of the Settling Defendant and shall not be offered or received in evidence in any action or proceeding against any party in any court, administrative agency or other tribunal for any purpose whatsoever, except as necessary in a proceeding to enforce the terms of this Order and the Agreement or to prove or show that a compromise in settlement of the Released Claims per the Agreement, in fact, was reached; provided, however, that the Agreement and Final Approval Order and Judgment may be filed by the Settling Defendant in any action against or by the Settling Defendant or other Released Person to support a defense of *res judicata*, collateral estoppel, release, waiver, good faith settlement, judgment bar or reduction, full faith and credit, or any other theory of claim preclusion, issue preclusion or similar defense or counterclaim.

13. **Dismissal of Litigation Against the Settling Defendant.** The Litigation against the Settling Defendant, Pacific Premier Bank (formerly Life Bank), including any individual and all class claims arising from the CFG-PPB Loans, is dismissed with prejudice, without fees or costs to any Party, except as provided in the Agreement and/or this Final Approval Order and Judgment, subject to the Court's retention of jurisdiction to vacate, rescind, cancel, annul and deem "void" and/or "no longer equitable" for purposes of Mo. Rule 74.06 this Final Approval Order and/or the Final Judgment and reinstate the claims of the Named Plaintiffs and the PPB Settlement Class Members against the Settling Defendant pursuant to the Agreement in the event the Settlement does not (or cannot) become effective as provided in Paragraph 12 of the Agreement. Said dismissal of the Settling Defendant is entered with respect to the 15 CFG-PPB

Loans and as to the PPB Settlement Class Members. The Litigation and all other individual and class claims and causes of action shall remain pending including, but not limited to: (a) the claims of the Named Plaintiffs and other Non-PPB Plaintiff Borrowers with respect to the CFG Loans, (b) any and all claims of the Named Plaintiffs and other Non-PPB Plaintiff Borrowers against Century Financial Group, Inc., The Bank of New York Mellon (f/k/a The Bank of New York) and/or any of the other Master Financial Defendants, and any one or more of the “LFHLO Trust Parties” as defined in Paragraph 2.27 of the Agreement; and (c) any and all claims of the PPB Settlement Class Members against Century Financial Group, Inc. and any other person or entity that is not a Released Person.

14. **Claims of Non-PPB Plaintiff Borrowers.** The Court finds and concludes that the “CFG Loans” of the “Non-PPB Plaintiff Borrowers” as defined in Paragraph 2.18 of the Agreement were not purchased by and/or assigned to Life Bank (now known as Pacific Premier Bank), the Settling Defendant, or any Released Person, and that, given this fact, as stipulated by the Parties, the Non-PPB Plaintiff Borrowers cannot recover any damages, penalties or other relief from the Settling Defendant or other Released Persons with respect to the CFG-PPB Loans. This finding and/or conclusion shall not be deemed or construed as a holding that any of the Non-PPB Plaintiff Borrowers have in any way released any claims, of whatever type or kind, with respect to the CFG Loans or otherwise.

15. **Claims Reserved.** The dismissal of the Litigation and claims against the Settling Defendant as provided in the Agreement and this Final Approval Order and Judgment shall in no way stay, bar, preclude, abate or otherwise operate as a dismissal, release, discharge or other adjudication of the Litigation or any motions and/or claims or causes of action other than the Released Claims as to the Released Persons by the Releasers.

16. **Enforcement of Settlement.** Nothing in this Final Approval Order and Judgment shall preclude any action by any Party to enforce the terms of the Agreement.

17. **Retention of Jurisdiction.** The Court has jurisdiction to enter this Final Approval Order and Judgment. Without in any way affecting the finality of this Final Approval Order and Judgment, the Court expressly retains jurisdiction as to all matters relating to the administration and enforcement of the Agreement and Settlement and of this Final Approval Order and Judgment, and for any other necessary purpose as permitted by Missouri law, including, without limitation:

a. enforcing the terms and conditions of the Agreement and Settlement and resolving any disputes, claims or causes of action that, in whole or in part, are related to the administration and/or enforcement of the Agreement, Settlement, this Final Approval Order and Judgment (including, without limitation, whether a person is or is not a member of the PPB Settlement Class or a PPB Settlement Class Member; and whether any claim or cause of action is or is not barred by this Final Approval Order and the Final Judgment);

b. entering such additional orders as may be necessary or appropriate to protect or effectuate the Court's Final Approval Order and the Final Judgment and/or to ensure the fair and orderly administration of the Settlement and distribution of the Settlement Fund; and

c. entering any other necessary or appropriate orders to protect and effectuate this Court's retention of continuing jurisdiction.

18. **No Just Reason for Delay.** The Court expressly determines that there is no just reason for delay under Mo. Rule 74.01.

IT IS SO ORDERED.

Dated: _____

K. Elizabeth Davis, Circuit Judge

EXHIBIT D
to Settlement Agreement dated March 20, 2015

**ORIGINAL EXHIBIT FILED
UNDER SEAL**