

## **SETTLEMENT AND RELEASE AGREEMENT**

This Settlement and Release Agreement (“Agreement”) is made by, between, and among the following undersigned parties:

The Plaintiff Federal Deposit Insurance Corporation as Receiver for Washington Mutual Bank (“FDIC-R”) and The Mortgage Link, Inc. (“Mortgage Link”) (individually, the FDIC-R and Mortgage Link may be referred to herein as “Party” and collectively as the “Parties”). This Settlement Agreement shall be effective as of the date last executed by any Party (“Effective Date”).

### **RECITALS**

WHEREAS:

Prior to September 25, 2008, Washington Mutual Bank (“WaMu” or the “Bank”) was a depository institution organized and existing under the laws of the United States;

On September 25, 2008, the Office of Thrift Supervision closed the Bank and pursuant to 12 U.S.C. § 1821(c), the Federal Deposit Insurance Corporation was appointed Receiver. In accordance with 12 U.S.C. § 1821(d), the FDIC-R succeeded to all rights, titles, powers and privileges of the Bank, including those with respect to its assets;

Among the assets to which the FDIC-R succeeded were all of WaMu’s claims, demands, and causes of action against mortgage brokers;

On August 14, 2023, the FDIC-R filed a complaint for money damages against Mortgage Link. Those claims for damages are now pending in the United States District Court for the Central District of California in *Federal Deposit Insurance Corporation as Receiver for Washington Mutual Bank v. The Mortgage Link, Inc.*, No. 8:23-cv-1500 (“Action”). Mortgage Link has denied liability in the Action; and

The undersigned Parties deem it in their best interests to enter into this Agreement to avoid the uncertainty and expense of further litigation;

NOW, THEREFORE, in consideration of the promises, undertakings, payments, and

releases stated herein, the sufficiency of which consideration is hereby acknowledged, the undersigned Parties agree, each with the other, as follows:

**SECTION I: Payment to FDIC-R**

A. As an essential covenant and condition to this Agreement, Mortgage Link shall pay the FDIC-R the sum of Six Hundred Fifty Thousand Dollars (\$650,000.00) (“the Settlement Payment”) in the following installments:

1. Twenty Thousand Dollars (\$20,000.00) payable on June 3, 2024; and
2. Six Hundred Thirty Thousand Dollars (\$630,000.00) payable in 35 monthly installments of Eighteen Thousand Dollars (\$18,000.00) per month, due on the first of each month (or, where the first of the month falls on a weekend or federal holiday, on the next business day), commencing on July 1, 2024.

The Settlement Payment shall constitute a debt due and owing the FDIC-R, an instrumentality, agency and/or other entity of the United States, on the Effective Date. The debt shall be discharged by payment in full to the FDIC-R.

B. Mortgage Link shall deliver each installment to the FDIC-R by electronic funds transfer pursuant to written instructions, including a tax identification number, that the FDIC-R will provide.

C. If the FDIC-R does not receive each installment in full on or before its respective due date, then Mortgage Link shall be in default of its payment obligations (“Default”). Upon Default, the FDIC-R may declare the entire unpaid portion of the Settlement Payment immediately due and payable, and interest shall accrue at the rate of five percent (5% ) per annum or the rate calculated in accordance with 26 U.S.C. § 6621(a)(2), whichever rate is higher (“Default Interest Rate”) on the unpaid total (i.e. unpaid amount of Settlement Payment together with all accrued interest) until paid in full or until superseded by the interest rate specified in the Stipulation for Entry of Judgement pursuant to Section I.D, below, and the FDIC-R, in its sole discretion, shall have the right to:

1. Waive the Default and extend the period of time for the payment of any

installment in writing, including interest at the Default Interest Rate accruing from the date determined by subsection A above;

2. Enforce this Agreement, in which case Mortgage Link waives and covenants not to plead, argue, or otherwise assert any defense, claim or counterclaim of any kind whatsoever except the defense of payment of the Settlement Payment, in part or in full, to an action or motion to enforce this Agreement, and agrees to exclusive jurisdiction and venue in the United States District Court in the Central District of California; or

3. Enforce the Stipulation for Entry of Judgment pursuant to Section I.D, Below; and/or

4. Seek any other relief available to it in law or equity.

Any decision by the FDIC-R to extend the time, and any extension of time, under Section I.C.1 for delivery of any installment or any decision by the FDIC-R to accept a portion of the Settlement Payment, and any acceptance of a portion of the Settlement Payment, shall not prejudice the FDIC-R's rights to take any of the actions set forth in Section I.C.1 through I.C.4 at any time prior to receipt of Settlement Payment (including all accrued interest) in full.

D. Simultaneously with the full execution of this Agreement by all Parties, the Parties agree to execute the Stipulation for Entry of Judgment for the full amount of the Settlement Payment, attached hereto as Exhibit B. If Mortgage Link defaults on any installment, the FDIC-R may seek to enforce the Stipulation for Entry of Judgment in the United States District Court for the Central District of California on an *ex parte* basis, subject to the Federal Rules of Civil Procedure and the Local Rules of the United States District Court for the Central District of California; provided, however, that prior to seeking to enforce the Stipulation for Entry of Judgment, the FDIC-R shall provide Mortgage Link with notice of a default of a payment due under the Settlement Payment and allow Mortgage Link a ten (10) day opportunity to cure the default. Notice of default is required solely to enforce the Stipulation for Entry of Judgment and shall not otherwise impact any of the FDIC-R's rights and/or remedies under this Agreement in any way. If any portions of the Settlement Payment are received prior to default,

the FDIC-R shall file a Notice of Partial Satisfaction of Judgment concurrently with the Stipulation of Entry of Judgment to set forth the amount of the Settlement Payment already paid. The FDIC-R shall be entitled to recover reasonable attorneys' fees and costs incurred in connection with enforcing the Stipulation for Entry of Judgment.

## **SECTION II: Stipulation and Dismissal**

Within ten business days after the full execution of this Agreement by all of the Parties, the FDIC-R shall file a stipulation of dismissal and joint motion for order of dismissal retaining jurisdiction pursuant to Federal Rule of Civil Procedure 41, executed by the attorneys for all Parties hereto, in the form attached hereto as Exhibit A.

## **SECTION III: Releases**

### **A. The FDIC-R's Releases.**

Upon receipt of the Settlement Payment in full and except as provided in Section III.C., the FDIC-R, for itself and its successors and assigns, hereby releases and discharges Mortgage Link and its respective parents, subsidiaries, and affiliates, and their respective officers, agents, representatives, successors, and assigns from any and all claims, demands, obligations, damages, actions, and causes of action, direct or indirect, in law or in equity, belonging to the FDIC-R, that arise from or relate to Mortgage Link's broker activities for WaMu, including without limitation the claims alleged in the Action.

### **B. Mortgage Link's Reciprocal Release.**

Effective simultaneously with the release granted in Section III.A. above, Mortgage Link, on behalf of itself individually, and its respective parents, subsidiaries, and affiliates, and their respective successors and assigns hereby release and discharge the FDIC-R, and its employees, officers, directors, representatives, attorneys, successors and assigns, from any and all claims, demands, obligations, damages, actions, and causes of action, direct or indirect, in law or in equity, that arise from or relate to Mortgage Link's broker activities for WaMu, including without limitation the claims alleged in the Action.

C. Exceptions from Releases by FDIC-R.

1. Notwithstanding any other provision of this Agreement, the FDIC, in any capacity, does not release, and expressly preserves fully and to the same extent as if this Agreement had not been executed, any claims or causes of action:

a. Against Mortgage Link or any other person or entity for liability, if any, incurred as the maker, endorser or guarantor of any promissory note or indebtedness payable or owed by them to the FDIC-R, WaMu, other financial institutions, or any other person or entity, including without limitation any such claims acquired by FDIC-R as successor in interest to WaMu or any person or entity other than WaMu;

b. by the FDIC in any capacity other than as Receiver for WaMu; or

c. Against any person or entity not expressly released by the FDIC-R in this Agreement.

2. Notwithstanding any other provision of this Agreement, nothing in this Agreement shall be construed or interpreted as limiting, waiving, releasing, or compromising the jurisdiction and authority of the Federal Deposit Insurance Corporation in the exercise of its supervisory or regulatory authority or to diminish its ability to institute administrative enforcement or other proceedings seeking removal, prohibition, or any other relief it is authorized to seek pursuant to its supervisory or regulatory authority against any person or entity.

3. Notwithstanding any other provision of this Agreement, this Agreement shall not be construed or interpreted as waiving, or intending to waive, any claims that could be brought by the United States or any department, agency or instrumentality thereof (other than the FDIC-R), including, but not limited to, through the United States Department of Justice or any United States Attorney's Office.

**SECTION IV: Representations and Acknowledgements**

A. Authorized Signatories. All of the undersigned persons represent and warrant that they are Parties hereto or are authorized to sign this Agreement on behalf of the respective Party, and that they have the full power and authority to bind such Party to each and every provision of

this Agreement. This Agreement shall be binding upon and inure to the benefit of the undersigned Parties and their respective heirs, executors, trustees, administrators, representatives, successors and assigns.

B. Advice of Counsel. Each Party hereby acknowledges that he, she, or it has consulted with and obtained the advice of counsel prior to executing this Agreement, and that this Agreement has been explained to that Party by his or her counsel.

#### **SECTION V: Reasonable Cooperation**

A. The Parties agree to cooperate in good faith to effectuate all the terms and conditions of this Agreement, including doing, or causing their agents and attorneys to do, whatever is reasonably necessary to effectuate the signing, delivery, execution, filing, recording, and entry, of any documents necessary to conclude the Action and to otherwise perform the terms of this Agreement.

#### **SECTION VI: Other Matters**

A. No Admission of Liability. The undersigned Parties each acknowledge and agree that the matters set forth in this Agreement constitute the settlement and compromise of disputed claims and defenses, that this Agreement is not an admission or evidence of liability or infirmity by any of them regarding any claim or defense, and that the Agreement shall not be offered or received in evidence by or against any Party except to enforce its terms.

B. Counterparts and Digital Signatures. This Agreement may be executed digitally by DocuSign or similar services that use public key cryptography or by hand, in any number of counterparts, and delivered electronically or physically. Each original or electronic copy thereof will be deemed an original, and all of which when taken together constitute one and the same Agreement.

C. Choice of Law/Jurisdiction. This Agreement shall be interpreted, construed and enforced according to applicable federal law, or in its absence, the laws of the State of California. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any

Party for that reason in any subsequent dispute. All Parties hereto submit to the personal jurisdiction of the United States District Court for the Central District of California for purposes of implementing and enforcing the settlement embodied in this Agreement.

D. Notices. Any notices required hereunder shall be sent by nationally recognized overnight delivery service (e.g. FedEx or UPS), and by email, to the following:

If to the FDIC-R: Joshua H. Packman  
Federal Deposit Insurance Corporation  
3501 Fairfax Drive  
Arlington, Virginia 22226  
Email: [jpackman@fdic.gov](mailto:jpackman@fdic.gov)  
(703) 474-1435

If to Mortgage Link: Steve Summers  
The Mortgage Link, Inc.  
3 Research Place, Suite 103  
Rockville, MD 20850  
[summers@themortgagelink.com](mailto:summers@themortgagelink.com)

with copy to:  
Mark H. Wittstadt, Esquire  
[mwittstadt@ltxcompanies.com](mailto:mwittstadt@ltxcompanies.com)

E. Entire Agreement and Amendments. This Agreement, including Exhibits, constitutes the entire agreement and understanding between and among the undersigned Parties concerning the matters set forth herein and supersedes any prior agreements or understandings. This Agreement may not be amended or modified, nor may any of its provisions be waived, except in writing signed by the Parties bound thereby, or by their respective authorized attorney(s), or other representative(s).

F. Titles and Captions. All section titles and captions contained in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

G. No Confidentiality. The undersigned Parties acknowledge that this Agreement shall not be confidential and will be disclosed pursuant to the Federal Deposit Insurance Corporation's applicable policies, procedures, and other legal requirements.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by each of them or their duly authorized representatives on the dates hereinafter subscribed.

FEDERAL DEPOSIT INSURANCE  
CORPORATION AS RECEIVER FOR  
WASHINGTON MUTUAL BANK

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

BY: \_\_\_\_\_  
TITLE: Counsel  
PRINT NAME: Joshua H. Packman

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

THE MORTGAGE LINK, INC.

BY: \_\_\_\_\_  
TITLE: Chief Executive Officer  
PRINT NAME: Steve Summers

G. No Confidentiality. The undersigned Parties acknowledge that this Agreement shall not be confidential and will be disclosed pursuant to the Federal Deposit Insurance Corporation's applicable policies, procedures, and other legal requirements.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by each of them or their duly authorized representatives on the dates hereinafter subscribed.

FEDERAL DEPOSIT INSURANCE  
CORPORATION AS RECEIVER FOR  
WASHINGTON MUTUAL BANK

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

BY: \_\_\_\_\_

TITLE: Counsel

PRINT NAME: Joshua H. Packman

Date: 05/08/2024

THE MORTGAGE LINK, INC.

BY

**b6**

TITLE: Chief Executive Officer

PRINT NAME: Steve Summers

G. No Confidentiality. The undersigned Parties acknowledge that this Agreement shall not be confidential and will be disclosed pursuant to the Federal Deposit Insurance Corporation's applicable policies, procedures, and other legal requirements.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by each of them or their duly authorized representatives on the dates hereinafter subscribed.

FEDERAL DEPOSIT INSURANCE  
CORPORATION AS RECEIVER FOR  
WASHINGTON MUTUAL BANK

Date:

5/8/24

BY:  
TITLE:

**b6**

PRINT NAME: Joshua H. Packman

Date:

05/08/2024

THE MORTGAGE LINK, INC.

BY:

TITLE: Chief Executive Officer  
PRINT NAME: Steve Summers

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1 **EXHIBIT A**

2  
3 **MARK MIGDAL & HAYDEN**

4 PAUL A. LEVIN (State Bar No. 229077)

5 LAUREN M. GIBBS (State Bar No. 251569)

6 11150 Santa Monica Blvd., Suite 1670

7 Los Angeles, California 90025

8 Telephone: (305) 374-0440

9 e-mail: paul@markmigdal.com

10 lauren@markmigdal.com

11 **FEDERAL DEPOSIT INSURANCE CORPORATION**

12 JOSHUA H. PACKMAN (admitted pro hac vice)

13 3501 Fairfax Drive, E-7006

14 Arlington, Virginia 22226

15 Telephone: (703) 562-2816

16 e-mail: jpackman@fdic.gov

17 Attorneys for Plaintiff Federal Deposit

18 Insurance Corporation as Receiver

19 for Washington Mutual Bank

20 **UNITED STATES DISTRICT COURT**  
21 **CENTRAL DISTRICT OF CALIFORNIA**

22 FEDERAL DEPOSIT INSURANCE  
23 CORPORATION AS RECEIVER FOR  
24 WASHINGTON MUTUAL BANK,

25 Plaintiff,

26 vs.

27 THE MORTGAGE LINK, INC.,

28 Defendant.

Case No. 8:23-cv-01500-FWS-DFM

**STIPULATION AND JOINT  
MOTION TO DISMISS WITHOUT  
PREJUDICE  
PURSUANT TO FED.R. CIV.P. 41  
WITH RETAINED JURISDICTION**

Hon Fred W. Slaughter

**STIPULATION AND JOINT MOTION TO DISMISS**

Pursuant to Federal Rule of Civil Procedure 41(a), Plaintiff Federal Deposit Insurance Corporation as Receiver for Washington Mutual Bank and Defendant The Mortgage Link, Inc., agree to and jointly move for entry of an order (1) dismissing this case without prejudice pursuant to the Settlement Agreement attached to this stipulation, (2) incorporating this stipulation and the attached Settlement Agreement into the dismissal order, and (3) retaining the Court's jurisdiction to enforce the terms of the Settlement Agreement. This Parties agree that such dismissal without prejudice is conditioned upon this Court's retention of jurisdiction over the Settlement Agreement.

NOW THEREFORE, THE PARTIES STIPULATE TO AND AGREE that this case should be dismissed without prejudice pursuant to the attached Settlement Agreement, that the Settlement Agreement be incorporated into the dismissal order, and that this Court should retain jurisdiction to enforce the Settlement Agreement.

WE SO MOVE:

Dated: May \_\_\_, 2024

Respectfully Submitted,

/s/  
Paul A. Levin  
Mark Migdal & Hayden  
11150 Santa Monica Blvd  
Suite 1670  
Los Angeles, CA 90025  
213-344-1793  
paul@markmigdal.com  
*Counsel for Plaintiff*

/s/  
Mark H. Wittstadt  
Wittstadt & Wittstadt PA  
dba LTX Law Group  
1966 Greenspring Dr., LL2  
Lutherville, MD 21093  
410-238-2840  
mwittstadt@ltxcompanies.com  
*Counsel for Defendant*

Pursuant to Civil L.R. 5-4.3.4(a)(2)(i), I attest that all other signatories listed, and on whose behalf this filing is submitted, concur in the filing's content and have authorized the filing.

/s/  
Paul A. Levin

STIPULATION AND JOINT MOTION TO DISMISS

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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

FEDERAL DEPOSIT INSURANCE  
CORPORATION AS RECEIVER  
FOR WASHINGTON MUTUAL  
BANK,

Plaintiff,

vs.

THE MORTGAGE LINK, INC.,

Defendant.

Case No. 8:23-cv-1500-FWS-JDE

**[PROPOSED] ORDER GRANTING  
STIPULATION AND JOINT  
MOTION TO DISMISS WITHOUT  
PREJUDICE  
PURSUANT TO FED.R. CIV.P. 41  
WITH RETAINED JURISDICTION**

Pursuant to Federal Rule of Civil Procedure 41(a), Plaintiff Federal Deposit Insurance Corporation as Receiver for Washington Mutual Bank and Defendant The Mortgage Link, Inc., have agreed to and jointly moved for entry of an order (1) dismissing this case without prejudice pursuant to a Settlement Agreement attached to their stipulation, (2) incorporating the stipulation and the attached Settlement Agreement into the dismissal order, and (3) retaining the Court's jurisdiction to enforce the terms of the Settlement Agreement. The Parties further agreed that such dismissal without prejudice is conditioned upon this Court's retention of jurisdiction over the Settlement Agreement.

For the aforementioned reasons, it is hereby

**ORDERED** this case is **DISMISSED** pursuant to Federal Rule of Civil Procedure 41(a)(1) in accordance with the Parties' stipulation, and it is further

**ORDERED** that this Court shall retain jurisdiction over this case for the purpose of enforcing the terms of the Settlement Agreement attached to the Parties'

**[PROPOSED] ORDER GRANTING STIPULATION AND JOINT MOTION TO  
DISMISS**

1 stipulation, and such Settlement Agreement is further incorporated into this Order.  
2 Each party shall bear its/their own costs and attorneys' fees. If reopening of the  
3 action to enforce Settlement Agreement becomes necessary, it shall be reopened as  
4 though it had never been closed.

5 **It is SO ORDERED.**

6 DATED: \_\_\_\_\_

7 \_\_\_\_\_  
United States District Judge

**EXHIBIT B**

**MARK MIGDAL & HAYDEN**

PAUL A. LEVIN (State Bar No. 229077)

LAUREN M. GIBBS (State Bar No. 251569)

11150 Santa Monica Blvd., Suite 1670

Los Angeles, California 90025

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**FEDERAL DEPOSIT INSURANCE CORPORATION**

JOSHUA H. PACKMAN (admitted pro hac vice)

3501 Fairfax Drive, E-7006

Arlington, Virginia 22226

Telephone: (703) 562-2816

e-mail: jpackman@fdic.gov

Attorneys for Plaintiff Federal Deposit  
Insurance Corporation as Receiver  
for Washington Mutual Bank

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

FEDERAL DEPOSIT INSURANCE  
CORPORATION AS RECEIVER FOR  
WASHINGTON MUTUAL BANK,

Plaintiff,

vs.

THE MORTGAGE LINK, INC.,

Defendant.

Case No. 8:23-cv-01500-FWS-DFM

**STIPULATION FOR ENTRY OF  
JUDGMENT**

Hon Fred W. Slaughter

1           **1. PARTIES**

2           This Stipulation for Entry of Judgment (“Stipulation”) is entered into by and  
3 between plaintiff Federal Deposit Insurance Corporation as Receiver for  
4 Washington Mutual Bank (“FDIC-R”) and defendant The Mortgage Link, Inc.  
5 (“Mortgage Link”). The persons and entities entering into this Stipulation are at  
6 times referred to individually as a “Party” and collectively as the “Parties.”

7           **2. RECITALS:**

8           The Parties enter into this Stipulation with reference to and in  
9 acknowledgment of the following facts:

10           2.1 On August 14, 2023, the FDIC-R filed a complaint in the United  
11 States District Court for the Central District of California, Case No.  
12 8:23-cv-1500 (the “Action”), alleging certain claims against Mortgage  
13 Link.

14           2.2 Subsequent to the filing of the Action, the parties entered into a  
15 Settlement Agreement contemplating entry of judgment on the terms  
16 stated herein, upon the satisfaction of certain conditions.

17           2.3 The conditions for entry of judgment set forth in the Settlement  
18 Agreement have been satisfied.

19           **3. STIPULATED JUDGMENT.**

20           3.1 Mortgage Link stipulates to the entry of judgment in the sum of  
21 Six Hundred Fifty Thousand Dollars (\$650,000.00) in favor of the  
22 FDIC-R.

23           3.2 Any amounts paid by Mortgage Link to the FDIC-R under the  
24 Settlement Agreement shall be set forth in a Notice of Partial  
25 Satisfaction of Judgment, to be filed concurrently herewith by the  
26 FDIC-R.

1           3.3    Interest shall accrue at the legal rate of 10 percent per annum  
2           from the date of entry of judgment.

3           3.4    The FDIC-R shall be entitled to recover its reasonable attorneys'  
4           fees incurred in connection with enforcement of this Stipulation for  
5           Entry of Judgment.

6           **4.    ENFORCEMENT**

7           The United States District Court for the Central District of California shall  
8   retain jurisdiction after entry of the Stipulated Judgment to hear and determine all  
9   matters related to this Action and to enforce this Stipulation.

10          **5.    UNDERSTANDING OF TERMS**

11          The Parties represent that they have read this Stipulation, that its terms have  
12   been fully explained to them by their attorneys, and that they understand and agree  
13   with its terms.

14          **6.    AUTHORITY TO ENTER INTO STIPULATION.**

15          Each signatory to this Stipulation represents that he or she is fully authorized  
16   by the Party he or she represents to enter into this Stipulation, to execute it on behalf  
17   of the Party represented, and to legally bind that Party.

18          **7.    EXECUTION IN COUNTERPARTS.**

19          This Stipulation may be executed in counterparts, each of which shall be  
20   deemed an original. Said counterparts shall constitute but one and the same  
21   document, and when a copy is signed by an authorized representative of each Party,  
22   the Stipulation shall be effective as if a single document were signed by all Parties.

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26          \_\_\_\_\_  
27          Counsel for Plaintiff

\_\_\_\_\_  
Counsel for Defendant

28          Date: \_\_\_\_\_

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