

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT ("Settlement Agreement") is entered into and made effective as of the 25th day of May 2012 ("Effective Date"), by and between FEDERAL DEPOSIT INSURANCE CORPORATION, as Receiver for INDYMAC BANK, F.S.B. ("FDIC-R") and ROBERT DEMBROWSKI dba LAKEVIEW APPRAISALS ("DEMBROWSKI"). The FDIC-R and DEMBROWSKI may hereinafter be referred to individually as a "Party" or collectively as the "Parties".

1. RECITALS

1.1 On or about July 6, 2011, the FDIC-R filed a lawsuit entitled FEDERAL DEPOSIT INSURANCE CORPORATION AS RECEIVER FOR INDYMAC BANK, F.S.B. v. JENNIFER ESCOBEDO, *et. al.*, in the United States District Court for the Central District of California Case No. 2:11-cv-05625-DSF-JCG (hereinafter "Action"). The FDIC-R sought damages from DEMBROWSKI arising out of a mortgage loan purchased by IndyMac Bank, F.S.B. ("IndyMac") that had been issued to Jianhuang Wang ("Loan"). The Complaint included claims for breach of contract and negligent misrepresentation. In his answer, DEMBROWSKI denied he was liable to the FDIC-R for damages.

1.2 The Parties desire and have agreed to settle all claims between the FDIC-R and DEMBROWSKI relating the Loan. By entering into this Settlement Agreement, the parties are not admitting the allegations as set forth in the Complaint.

2. AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties, intending to be legally bound, agree as follows:

2.1 Recitals. The Recitals set forth above are incorporated into the body of this Settlement Agreement as though fully set forth herein.

2.2 Payment to the FDIC. Payment of Seventy-Two Thousand Five Hundred Dollars and no/cents (\$72,500.00) (the "Settlement Payment") shall be paid on behalf of DEMBROWSKI to the FDIC-R no later than twenty-one (21) days after this Agreement is fully executed by all parties. The Settlement Payment shall be made payable to the Mortgage Recovery Law Group Client Trust Account DEMBROWSKI shall deliver the payment to the FDIC-R c/o Helen Gaeta, Mortgage Recovery Law Group, LLP, 700 North Grand Avenue, Glendale, California 91203.

2.3 In the event DEMBROWSKI defaults by failing to make a timely payment to the FDIC-R as set forth in paragraph 2.2 above ("Settlement Payment Due Date"), the FDIC-R, in its sole discretion, shall have the right to enforce this Agreement pursuant to, among other provisions of law, California Code of Civil Procedure §664.6.

Any extension of time for delivery of the Settlement Payment shall no prejudice the FDIC-R's right to take other action or seek any relief during or after such period of extension, including the right to bring an action to enforce the Settlement Agreement, or declare the Settlement Agreement null and void.

2.4 Upon receipt of a copy of this Agreement which has been signed by defendant, the Parties shall execute a Stipulation for Dismissal with the Court Retaining Jurisdiction to enforce the terms of the Settlement in the form of Exhibit "A" hereto and which Plaintiff shall file with the United States District Court for the Central District of California together with a proposed Order in the form of Exhibit "B" hereto.

2.5 Each Party agrees that Section 664.6 of the Code of Civil Procedure of the State of California shall apply to this Settlement Agreement and requests that the court retain jurisdiction over the Parties to enforce this Settlement.

2.6 The Parties shall bear their own costs and attorneys' fees incurred in the Action.

3. RELEASE

3.1 **Known and Unknown Claims.** The FDIC-R and DEMBROWSKI acknowledge and agree that the release they give to each other upon executing this Settlement Agreement applies to all claims for injuries, damages, or losses of any type or nature (whether those injuries, damages, or losses are known or unknown, foreseen or unforeseen, patent or latent) arising from or in conjunction with or related to the facts and circumstances giving rise to the Action.

3.2 The Parties hereby expressly waive application of *California Civil Code §1542* as it relates to the Action. The Parties certify that they have read and understood the following provisions of *California Civil Code §1542* which states in pertinent part as follows:

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

3.3 The Parties understand and acknowledge that the significance and consequence of its waiver of *California Civil Code §1542* is that even if either Party should eventually suffer additional damages arising from or in conjunction with the Action or any facts or circumstances related to the Action, that Party will not be able to make any claim against any other Party for those damages. Furthermore, each Party acknowledges that they consciously intend these consequences even as to claims for damages that may exist as of the date of this release relating to the Action, but which that Party does not know exists, and which, if known, would materially affect that Party's decision to execute this release, regardless of whether that Party's lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

3.4 Except for the rights, duties, and obligations set forth in this Settlement Agreement, the Parties each hereby fully, finally, and forever release and discharge the other Parties, and any and all of its respective, employees, brokers, investors, members, partners, joint venturers, independent contractors, attorneys, accountants, insurers, agents, investors, representatives, officers, directors, and any corporation, partnership or limited liability company which was or is at any time the parent or wholly owned subsidiary of such entity, and any such corporation's, partnership's or limited liability company's officers, directors, employees and/or agents, or any corporation, partnership or limited liability company which was or is an affiliate of such entity by virtue of common ownership or control, and any such corporation's, partnership's or limited liability company's, officers, directors, employees and/or agents of and from any and all actions, causes of action, claims, demands, damages, debts, losses, costs, expenses, attorney fees or other liabilities of every kind and nature whatsoever, whether legal or equitable and whether known or unknown, arising out of, resulting from, or relating to, in any manner, to any damages, loss, or liability arising from, in conjunction with, or related to the Action or any facts or circumstances related to the Action.

3.5 Notwithstanding any other provision of this Settlement Agreement, the FDIC-R does not release, and expressly preserves fully and to the same extent as if the Settlement Agreement had not been executed (a) any claims or causes of action that do not arise from or relate to loans issued by IndyMac, (b) any right, title and interest of IndyMac in and to the property at 11310 Meeker Avenue, El Monte, California, (c) any claims brought on behalf of another failed institution or other governmental entity; or any claims arising from the Loan against any other transaction participant concerning the Loan including but not limited to DEMBROWSKI, Lakeview Appraisals, David Ho, and John Martynec. This Agreement does not waive or release any claim Plaintiff may have relating to or arising from any Loan issued by one or more lending institutions other than IndyMac. against DEMBROWSKI arising out of existing or failed financial institutions other than IndyMac. The FDIC-R represents and DEMBROWSKI agrees that IndyMac retains the rights to pursue any claims arising out of or related to the Loan against other parties.

3.6 Notwithstanding any other provision, of this Settlement Agreement, this Settlement Agreement does not purport to waive, nor is it intended to waive, any claims which could be brought by the United States through either the Department of Justice, the United States Attorney's Office, in any federal judicial district, including any rights, if appropriate, to court ordered restitution pursuant to the relevant provisions of the Victim and Witness Protection Act, 18 U.S.C. § 3663, *et seq.*

4. MISCELLANEOUS

4.1 Conditions of Execution. Each Party acknowledges and warrants that its execution of this Settlement Agreement is free and voluntary.

4.2 No Admission. It is agreed that no Party hereto admits liability or wrongdoing of any nature, and that this Settlement Agreement is made as a compromise of disputed claims.

4.3 Fair Meaning. The Parties hereto further agree that the language of all parts of this Settlement Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the Parties

4.4 Governing Law. The Parties agree to submit to the Courts of the City and County of Los Angeles, California, for any dispute arising out of this Settlement Agreement, or related thereto, and consent to the jurisdiction of said Courts and further agree that any and all matters of dispute shall be adjudicated, governed and controlled under California law.

4.5 Attorneys Fees and Costs. Should any action be commenced to enforce, interpret, or seek damages, injunctive relief, or specific performance for violation of this Settlement Agreement, the prevailing party shall, in addition to any other available relief, be entitled to an award of reasonable attorney's fees and litigation expenses incurred in the prosecution or defense of the action, including any appeal.

4.6 Severability. The Parties hereto agree that if any provision of this Settlement Agreement is declared by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby, and such illegal or invalid part, term or provision shall be deemed not to be part of this Settlement Agreement.

4.7 Binding Effect. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, personal representatives, successors, and assigns.

4.8 Review and Understanding. The Parties have entered into this Settlement Agreement voluntarily, having fully read and fully understood the meaning and effect of all of its terms and provisions, and fully understanding its and their costs and risks. Each of the Parties has consulted with legal counsel concerning this Settlement Agreement and has conducted such inquiry as they deem necessary and advisable prior to entering into this Settlement Agreement. The Parties enter into this Settlement Agreement understanding that facts or other circumstances may exist which are presently unknown or undisclosed, or which are different from or other than those which they believe to be the case, and the Parties voluntarily assume all risks attendant to such unknown, undisclosed, different, or additional facts or other circumstances.

4.9 Number. Whenever applicable, the singular shall include the plural, and the plural shall include the singular.

4.10 Counterparts/Execution. This Settlement Agreement may be executed in one or more counterparts, all of which shall form a single agreement. A Party's signature on this Settlement Agreement by facsimile or e-mail shall be valid and effective for all purposes as an original signature, provided, however, that the original signature shall be produced upon request.

4.11 Waiver. No term or condition of this Settlement Agreement shall be deemed to have been waived, nor shall there be an estoppel against the enforcement of

any provision of this Settlement Agreement, except by written instruments signed by the Party charged with the waiver or estoppel. No written waiver shall be deemed a continuing waiver unless specifically stated therein, and the written waiver shall operate only as to the specific term or condition waived, and not for the future or as to any other act than that specifically waived.

4.12 Headings. The headings of paragraphs herein are intended solely for the convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Settlement Agreement.

4.13 Subsequent Agreements. The Parties agree that, upon the reasonable request of the other Party, they shall execute, acknowledge, and deliver any additional instruments or documents that may reasonably be required to carry out the intentions of this Settlement Agreement, including such instruments as may be required by the laws of any jurisdiction, now in effect or hereinafter enacted, that may affect the rights of the Parties as between themselves or others with respect to their rights and obligations created by this Settlement Agreement.

4.14 Entire Agreement. The Parties hereto further agree and promise that this Settlement Agreement sets forth the entire agreement between and among the Parties and fully supersedes any and all prior negotiations, agreements or understandings made between or among the Parties. This Settlement Agreement shall not be modified except in a writing signed by the Parties or their authorized representatives.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the Parties have executed this Settlement Agreement as of the date set forth in the opening paragraph of this Settlement Agreement.

DATED: July __, 2012
APPROVED AS TO FORM

Schaffer Lax McNaughton & Chen LLP

(b)(6)

[Redacted Signature]

Katrina Joy Valencia
Attorney for Defendant ROBERT DEMBROWSKI d/b/a
LAKEVIEW APPRAISALS

DATED: July 21, 2012

ROBERT DEMBROWSKI d/b/a LAKEVIEW
APPRAISALS

By [Redacted Signature]

Robert Dembrowski

(b)(6)

DATED: July __, 2012
APPROVED AS TO FORM

MORTGAGE RECOVERY LAW GROUP LLP

By: _____

Paul Levin

Attorneys for Plaintiff FEDERAL DEPOSIT
INSURANCE CORPORATION, as Receiver for
INDYMAC BANK, F.S.B.

DATED: July 30, 2012

FEDERAL DEPOSIT INSURANCE
CORPORATION, as Receiver for INDYMAC
BANK, F.S.B.

(b)(6)

By: _____

Signature

Richard S. Gill, Counsel
Type/Print Name and Title

(b)(6)

MORTGAGE RECOVERY LAW GROUP LLP

[Redacted Signature]

By:

(b)(6)

Paul Edwin Dan Clasen

Attorneys for Plaintiff FEDERAL DEPOSIT INSURANCE CORPORATION, as Receiver for INDYMAC BANK, F.S.B.

(b)(6)

DATED: July __, 2012
APPROVED AS TO FORM

DATED: July 30, 2012

FEDERAL DEPOSIT INSURANCE CORPORATION, as Receiver for INDYMAC BANK, F.S.B.

[Redacted Signature]

By:

(b)(6)

Signature

Richard S. Gill, Counsel
Type/Print Name and Title