

## SETTLEMENT AND RELEASE AGREEMENT

### RECITALS

- A. On or about August 24, 2007, Ocwen Loan Servicing, LLC, ("OLS") successor in interest to Ocwen Federal Bank, FSB, began servicing mortgage Loan Number [REDACTED] ("1<sup>st</sup> Loan") and mortgage Loan Number [REDACTED] ("2<sup>nd</sup> Loan")(collectively "the Loans") which were secured by the real property (the "Property") described as follows:

Legal Description: See attached **Exhibit "A"**

Property Address: [REDACTED]

- B. The name of the Borrower on the Loan is Arsyal Pranajaya and shall be referred to as "Borrower".
- C. OLS services the Loan on behalf of the current investor U.S. Bank National Association, as Indenture Trustee for the Registered Holders of Aegis Asset Backed Securities Trust [REDACTED] Mortgage Backed Notes hereinafter referred to as "Investor".
- D. OLS and Investor shall be collectively referred to as "Ocwen" throughout this Settlement and Release Agreement.
- E. Certain disputes have arisen between Borrower and Ocwen regarding origination of the Loans, servicing of the Loans, default and foreclosure of the Loans. Those disputes are more fully set forth in the pleadings filed in Orange County Superior Court, California entitled *Arsyal Pranajaya v. U.S. Bank National Association, as Indentured Trustee for the Registered Holders of Aegis Asset Backed Securities Trust 2005-2, Mortgage Backed Notes; Ocwen Loan Servicing, LLC; Aztec Foreclosure Corporation; and Does 1-10*, bearing Case Number [REDACTED] hereinafter to be referred to as the "Action".
- F. This Settlement and Release Agreement ("Agreement") is made and executed by and between Borrower and Ocwen. Where appropriate, Borrower and Ocwen may also be collectively referred to as "Parties."
- G. Each Party to this Agreement is fully apprised of the facts set forth in these Recitals and of the facts and contentions raised in the above-referenced action, and in all other aspects of the dispute between or among the Parties, whether plead or not, and possibilities of each action and matter described herein.
- H. The Parties desire to settle all disputes and claims which exist or which may exist between and among them arising out of the facts, matters, and events set forth above, without admitting any liability.

## AGREEMENT

The Parties to this agreement, for and in consideration of the mutual covenants, promises, and conditions set forth herein and subject to the terms and provisions hereof, agree to the following terms:

### **1. Modification of 1<sup>st</sup> Loan:**

The parties agree that Borrower's 1<sup>st</sup> Loan shall be modified by way of a loan modification agreement, in the form attached hereto as **Exhibit "B"**, for the subject 1<sup>st</sup> Loan. The key terms of the modification are as follows:

a. **New Principal Balance:** The new principal balance that the Borrower now owes with respect to the 1<sup>st</sup> Loan shall be \$587,925.19 (Five Hundred Eighty Seven Thousand Nine Hundred Twenty-Five Dollars and Nineteen Cents) (the "New Principal Balance").

b. **Interest Rate:** Borrower shall owe interest on the unpaid New Principal Balance beginning January 1, 2010 through the Maturity Date of May 1, 2035 as follows:

Years	Interest Rate	Interest Rate Change Date	Monthly Principal and Interest Payment Amount	Monthly Escrow Payment Amount	Total Monthly Payment	Payment Begins On	Number of Monthly Payments
1-5	2.000%	1/1/2010	\$1,847.16	\$445.31, adjusts annually after year 1	\$2,292.47, adjusts annually after year 1	1/1/2010	60
6	3.000%	12/1/2014	\$2,129.23	Adjusts annually	Adjusts annually	1/1/2015	12
7	4.000%	12/1/2015	\$2,425.54	Adjusts annually	Adjusts annually	1/1/2016	12
8	5.000%	12/1/2016	\$2,733.83	Adjusts annually	Adjusts annually	1/1/2017	12
9-Loans Maturity	5.250%	12/1/2017	\$2,811.86	Adjusts annually	Adjusts annually	1/1/2018	209

c. **New Maturity Date and Balloon Payment:** The new Maturity Date on the New Principal Balance is May 1, 2035, at which time a final balloon payment in an amount equal to all remaining amounts owed under the New Principal Balance will be due.

d. **New Monthly Payment:** Borrower's new **total** monthly payment amount will be as provided for in the schedule referenced in paragraph 1b of this Agreement. The escrow payments may be adjusted periodically in accordance with applicable law and therefore the total monthly payment may change accordingly.

e. **Payment Term:** The first New Monthly Payment will be due on January 1, 2010, with all of Borrower's subsequent New Monthly Payments due on the first day of each month following this date and continuing for 305 months until May 1, 2035, when your remaining New Principal Balance, as defined, additional interest, charges, advances, and other fees and costs related to the Modification of 1<sup>st</sup> Loan which Ocwen has not yet collected, will be due.

f. **Force Place Insurance:** If Borrower fails to obtain insurance and Ocwen shall be required to force place insurance in order to protect its security interest, then the escrow portion of the total monthly payment may increase. Additionally, Borrower releases Ocwen from any liability in connection with said force place insurance being inadequate as to the amount of coverage obtained by Ocwen.

g. **Remaining Terms of original note and mortgage control:** All other terms of the original Note shall be maintained and all remedies provided by Note and Mortgage are preserved should borrowers not pay the mortgage or fail to maintain the taxes and insurance on the 1<sup>st</sup> Loan.

h. **Waiver:** Borrower waives any and all Truth in Lending Claims in connection with the original subject loan and Modification of 1<sup>st</sup> Loan.

i. **Clear Title Contingency:** Acceptance of the Loan Modification Agreement is contingent upon clear title with respect to the subject Property. Specifically, the Investor shall be the senior lienholder with respect to the above-referenced Property and there shall be no issues with respect to the marketability of title. If it is discovered at any time that title to the Property is not clear, then Ocwen shall have the right to deem the instant Settlement Agreement null and void as if it never existed and the parties shall be restored to their original positions as if this Settlement Agreement and Loan Modification Agreement attached never existed.

j. **Dismissal of Action:** Plaintiff shall file a dismissal with prejudice of the Action within five (5) days of the Settlement Agreement and Release and the Loan Modification Agreement being fully executed by all Parties. The dismissal that Plaintiff shall file with the Court is attached as **Exhibit "C"**.

k. **Release of Lis Pendens:** Plaintiff shall file with the Court and record in the Official Records of Orange County a Release of the Lis Pendens on the Property within five (5) days of the Settlement Agreement and Release and the Loan Modification Agreement being fully executed by all Parties.

2. **Discounted Payoff of 2<sup>nd</sup> Loan:**

a. **Total Amount Due on 2<sup>nd</sup> Loan:** The Total Amount due on the 2<sup>nd</sup> Loan as of December 18, 2009 is \$111,699.23 (One Hundred Eleven Thousand Six Hundred Ninety-Nine Dollars and Twenty-Three Cents.

b. **Discounted Payoff:** In full and final settlement of this matter, Ocwen has agreed to accept the Discounted Payoff Amount of \$1,000.00 (One Thousand Dollars). This constitutes a discount of \$110,699.23 (One Hundred Ten Thousand Six Hundred Ninety-Nine Dollars and Twenty-Three Cents) from the total amount due on the 2<sup>nd</sup> Loan. It is this discount which constitutes consideration for the Release contained herein. Plaintiff shall pay in certified funds, payable to Ocwen Loan Servicing, LLC, the sum of \$1,000.00 (One Thousand Dollars) to Ocwen with respect to the above-referenced 2<sup>nd</sup> Loan. This payment must be received by counsel of record for Ocwen, [REDACTED]

[REDACTED] no later than 5:00 p.m. Pacific Standard Time on or before December 18, 2009. There shall be no extensions of time in which to make said payment.

c. **Conditions of Acceptance by Ocwen:** This Discounted Payoff Amount will only be accepted by Ocwen if the following conditions are met:

i. Counsel for Ocwen receives the Discounted Payoff Amount no later than 5:00 p.m. Pacific Standard Time on or before December 18, 2009;

ii. This Settlement Agreement and Release has been signed by the Borrower prior to the Discounted Payoff Amount due date. If Ocwen receives the Discounted Payoff Amount but does not receive the original signed Settlement Agreement and Release, then Ocwen shall have the right to return the monies received and demand the Total Amount due on the 2<sup>nd</sup> Loan.

iii. Plaintiff shall file a dismissal with prejudice of the Action within five (5) days of the Settlement Agreement and Release and Loan Modification Agreement being fully executed by all Parties. The dismissal that Plaintiff shall file with the Court is attached as Exhibit "C".

d. **Reconveyance of the 2<sup>nd</sup> Loan Deed of Trust:** Within 30 (thirty) days of Ocwen accepting the Discounted Payoff Amount, Ocwen will file and record a full reconveyance of the 2<sup>nd</sup> Loan deed of trust.

e. **Dismissal of Action:** Plaintiff shall file a dismissal with prejudice of the Action within five (5) days of the Settlement Agreement and Release and Loan Modification Agreement being fully executed by all Parties. The dismissal that Plaintiff shall file with the Court is attached as Exhibit "C".

f. **Release of Lis Pendens:** Plaintiff shall file with the Court and record in the Official Records of Orange County a Release of the Lis Pendens on the Property within five (5) days of the Settlement Agreement and Release and the Loan Modification Agreement being fully executed by all Parties

g. **In event that Borrower fails to submit Discounted Payoff Amount:** If the Borrower fails to submit the Discounted Payoff Amount in the time designated by the instant

Settlement and Release Agreement, then Borrower agrees that Ocwen may proceed to foreclosure for the total debt due and owing on the 2<sup>nd</sup> Loan.

3. **Attorneys' Fees:** Each Party shall bear their own attorneys' fees and costs incurred. If any Party hereto commences any action arising out of this Agreement, including, without limitation, any action to enforce or interpret this Agreement, the prevailing party or parties in such action shall be entitled to recover its reasonable attorney's fees and other expenses incurred in such action. Any award of attorney's fees hereunder shall not be computed according to any court schedule, but, instead, shall be in such amount as to fully reimburse all attorney's fees actually incurred in good faith, regardless of the size of the judgment, since it is the intention of all Parties to compensate fully the prevailing party for all attorney's fees paid or incurred in good faith.
4. **Release by Borrower:** In consideration of the recitals, covenants and agreements set forth in this Agreement, and other good and valuable consideration, receipt of which is hereby acknowledged, upon the Effective Date of this Agreement, Borrower hereby forever and fully releases, acquits, and forever discharges Ocwen and its/their predecessors, principals, parents, heirs, successors, assigns, subsidiaries, affiliates, commonly controlled entities, companies, enterprises, ventures, partners, insurers, investors, attorneys, officers, shareholders, directors, agents, representatives employees, clients, administrators, executors, personal representatives, the beneficiary and investor in the subject loan, who is U.S. Bank National Association, as Indenture Trustee for the Registered Holders of Aegis Asset Backed Securities Trust 2005-2, Mortgage Backed Notes, and their predecessors, heirs or successors in interest and assigns, and each of them, of and from any and all claims, demands, actions, causes of action, suits, liens, debts, obligations, promises, agreements, costs, damages, liabilities, and judgments of any kind, nature, or amount whether in law or equity, whether known or unknown, anticipated or unanticipated, liquidated or unliquidated, including any and all claimed or unclaimed compensatory damages, consequential damages, interest, costs, expenses and fees (including reasonable or actual attorneys' fees) which were or could have been raised in, arise out of, relate to, or in any way, directly or indirectly, involve the Action, the Note or the Mortgage. The Borrower also specifically waives and releases any right of rescission under the federal Truth in Lending Act (TILA) and any other claims they may have, whether known or unknown, fixed or contingent, under TILA, the Home Ownership and Equity Protection Act (HOEPA), the Real Estate Settlement and Procedures Act (RESPA), the Fair Debt Collection Practices Act (FDCPA), the Fair Credit Reporting Act (FCRA), or any corresponding state law statute or provision concerning the Note, the Mortgage, and/or the Action.
5. **Waiver of Civil Code Section 1542:**  
The Borrower acknowledges and agrees that he may hereafter discover facts different from, or in addition to, those facts known to him or which he now believes to be true with respect to any and all of the claims, demands, actions, causes of action, suits, liens, debts, obligations, damages, liabilities, judgments, costs, expenses, and fees (including reasonable attorneys' fees) existing at the time of execution of this Agreement including the releases hereinabove. Borrower further acknowledges and agrees that there is a risk that, subsequent

to the time of execution of this Agreement including the releases hereinabove, he will incur or suffer damage, loss or injury to persons or property which is in some way caused by or connected with the Action, but which is unknown or unanticipated as of the time of execution of this Agreement including the releases hereinabove. Nevertheless, except as specifically provided herein, Borrower assumes such risk and agrees that the releases set forth hereinabove have been negotiated and agreed upon, notwithstanding such acknowledgement and agreement, and upon execution of this Agreement including the releases hereinabove, Borrower hereby expressly waives any and all rights which they may have under any federal or state statute or common law principle which may provide that a general release does not extend to claims which are not known to exist at the time of execution, including, without limitation, California Civil Code §1542, which provides that:

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

Borrower acknowledges that he has read and understands and acknowledges the significance and consequences of their waiver of California Civil Code §1542, and assumes full responsibility for any and all damages, losses, costs and expenses they may incur hereafter as a result of any of the facts, matters, and events referred to in the Recitals set forth above. Borrower further waives any rights he might have to invoke said statute or common law principle now or in the future with respect to the releases hereinabove.

6. **Change of Circumstances:** Borrower agrees that if any facts, claims or circumstances relating to or with respect to the action of which this Agreement is executed are at any time later found, suspected, or claimed to be other than or different from the facts, claims and circumstances now believed by Borrower to be true, that Borrower expressly accepts and assumes the risk of such possible differences of facts, claims and circumstances and agree that the releases set forth herein shall be and remain effective notwithstanding any such differences in any facts, claims or circumstances.

In addition, Borrower acknowledges the risk and the possibility that other claims not known may develop or be discovered or consequences or results of claims may develop or be discovered in the future. Borrower expressly acknowledges the risk that there may be claims released herein, which they may not know or suspect to exist, whether through ignorance, oversight, error, negligence, or otherwise, and which, if known would affect his decision to enter into this Agreement.

7. **Warranties and Representations:** The Parties hereto warrants and represents that (a) he, she, or it is the sole owner of all rights, claims, damages, actions, causes of action, suits and defenses, as the case may be, at law or in equity, he, she, or it has or may have or that were asserted or could have been asserted in the action, and (b) he, she, or it has not assigned, transferred, conveyed, or purported to assign, transfer, or convey to any person or entity any right, claim, action, cause of action, suit (at law or in equity), defense, demand, debt, liability, account, or obligation herein released, or any part thereof, or which would, absent such

assignment, transfer or conveyance, be subject to the releases set forth in this Agreement.

8. **Acknowledgments:** Each of the Parties acknowledge and agree that:
  - a. This Agreement is entered into and executed voluntarily by each of the Parties hereto and without any duress or undue influence on the part of, or on behalf of, any such Party.
  - b. Each of the Parties hereto has been represented by counsel of its/their own choice, or has had the opportunity to be represented by counsel and to seek advice in connection with the negotiations for, and in the preparation of, this Agreement and that he, she, or it has read this Agreement and that he, she or it is fully aware of its contents and legal effects; and
  - c. The drafting and negotiation of this Agreement has been undertaken by all Parties hereto and their respective counsel. For all purposes, this Agreement shall be deemed to have been drafted jointly by all of the parties hereto with no presumption in favor of one party over another in the event of any ambiguity.
9. **Compromise of Disputed Claims:** It is understood and agreed that this Agreement is the compromise of disputed claims, and that the terms of settlement contained herein and the releases executed are not intended to be and shall not be construed as admissions of any liability or responsibility whatsoever and each released Party expressly denies any liability or responsibility whatsoever.
10. **Severability:** If any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions shall not be affected thereby.
11. **Binding Effect:** This Agreement shall be binding on, and shall inure to the benefit of, the Parties hereto and their respective administrators, representatives, successors, and assigns.
12. **Governing Law:** This Agreement shall be governed by the laws of the State of California and any question arising hereunder shall be construed or determined according to such law.
13. **Representation of Parties:** The Parties each represent and warrant that the attorney signing this Agreement as his, her, or its attorney is the chosen attorney employed to represent his, her or it with respect to this Agreement and all matters covered by this Agreement, including the Releases contained herein; and that he, she or it has been fully advised by said attorney with respect to his, her or its rights with respect to the execution of this Agreement and the Releases contained herein. **All Parties who are representing themselves are warned to obtain the advice of an attorney before signing this Agreement.**
14. **Further Assurances:** The Parties agree to do all acts and things and to make, execute, acknowledge and deliver such written documents, instructions and/or instruments in such

form as shall from time to time be reasonably required to carry out the terms and provisions of this Agreement, including but not limited to, the execution, filing or recording of any reporting documents, affidavits, deeds or agreements. The Parties further agree to give reasonable cooperation and assistance to any other party or parties hereto in order to enable such other Party or Parties to secure the intended benefits of this Agreement.

15. **Counterparts:** This Agreement may be executed by the Parties in any number of counterparts, including by way of facsimile, and each of which shall be deemed to be an original and all of which, collectively, shall be deemed to be one and the same instrument.
16. **Confidentiality:** The terms and conditions of this Agreement and the facts of this settlement shall be confidential. Except as provided above or required by law, court order, the enforcement of the provisions hereof, or as may be reasonably required by creditors, beneficiaries, bureaus, auditors, accountants or tax consultants of the respective Parties, or any regulatory or governmental agency, the Parties and their counsel shall maintain in strict confidence and shall not disclose the substance or contents of this Agreement to any third party without the written consent of the Parties herein.
17. **Integration Clause:** This Agreement contains the entire agreement between and among the Parties hereto, and supercedes all prior and contemporaneous discussions, negotiations, understandings and agreements, whether oral or written, express or implied, between or among them relating to the subject matter of this Agreement. This Agreement may not be amended orally, nor shall any purported oral amendment (even if accompanied by partial or complete performance in accordance therewith) be of any legal force or effect or constitute an amendment of this Agreement, but rather this Agreement may be amended only by an agreement in writing signed by the parties.
18. **Time Is Of The Essence:** Time is of the essence with respect to the performance of any and all provisions of this Agreement.

19. **Effective Date:** This Agreement shall be deemed to be effective on the Date that it is signed by all Parties hereto.

IN WITNESS WHEREOF, each of the Parties hereto has executed this Agreement on the date set forth opposite his, her or its name below. **The undersigned hereby certify that they have read and fully understand all of the terms, provisions, and conditions of this Agreement and have executed this Agreement voluntarily.**

Dated: 12/15/, 2009

[Redacted Signature]

ARSYAL F [Redacted]

[Large Redacted Signature Block]

Dated: \_\_\_\_\_, 2009

\_\_\_\_\_  
Authorized Representative of  
Ocwen Loan Servicing, LLC, Successor in  
Interest to Ocwen Federal Bank, FSB

Dated: \_\_\_\_\_, 2009

\_\_\_\_\_  
Authorized Representative of U.S. Bank  
National Association, as Indenture Trustee for  
the Registered Holders of Aegis Asset Backed  
Securities Trust [Redacted], Mortgage Backed  
Notes

APPROVED AS TO FORM AND CONTENT:

Dated: December 15, 2009

HOWARD NASSIRI, PC

By: Naveen Madala  
Naveen Madala, Esq.  
Attorneys for Plaintiff

Dated: \_\_\_\_\_, 2009

By: \_\_\_\_\_  
\_\_\_\_\_, Esq.  
Attorneys for Ocwen Loan Servicing,  
LLC and U.S. Bank National  
Association, as Indenture Trustee for  
the Registered Holders of Aegis  
Asset Backed Securities Trust \_\_\_\_\_  
\_\_\_\_\_, Mortgage Backed Notes