

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Agreement”) is entered into by and between Plaintiff Eboni Washington (“Plaintiff” or “Ms. Washington”), individually, and in her representative capacity on behalf of all others similarly situated, on the one hand, and Defendant Navy Federal Credit Union (“Navy Federal” or “Defendant”) on the other hand.

RECITALS

WHEREAS, on or about August 30, 2019, Plaintiff Eboni Washington filed a putative class action entitled *Washington v. Navy Federal Credit Union*, Case No. 2019 CA 5735 B (D.C. Super. Ct.) in the Superior Court of the District of Columbia in which she asserted claims against Defendant for alleged violations of District of Columbia statutes and regulations on behalf of herself and a putative class of those similarly situated (the “Action”). The claims arose from Navy Federal’s repossession of Ms. Washington’s vehicle, which served as collateral for a purchase money loan provided by Navy Federal.

WHEREAS, the parties engaged in substantial formal and informal discovery in order to provide them with sufficient information to attempt to reach a settlement of this lawsuit;

WHEREAS, Plaintiff alleged in the Action that, in connection with Defendant’s repossession of the vehicle, Plaintiff was assessed excessive storage and repossession fees;

WHEREAS, Plaintiff also has alleged that her vehicle was towed to an improper location in violation of D.C. law;

WHEREAS, Plaintiff also has alleged that the content of Defendant’s redemption letter violated D.C. law by failing to provide the address where her vehicle was stored and by failing to provide an accurate statement of the amount Plaintiff owed Defendant;

WHEREAS, Plaintiff alleges that these practices affected a sizable number of individuals in addition to herself;

WHEREAS, Defendant generally and specifically denies the allegations in the Action and that Plaintiff or the putative class have been damaged in any sum whatsoever, and that Plaintiff or the putative class are entitled to any relief;

WHEREAS, the Parties exchanged documents and data underlying the claims and defenses, including information disclosed by Defendant to Plaintiff’s counsel regarding the number of potential class members, the redemption letters and notices associated with the repossession of putative class members’ vehicles, the location of where putative class members’ vehicles were towed, the fees assessed by Defendant in connection with the repossession of the vehicles, and the deficiency amounts owed by putative Class Members whose vehicles were sold by Defendant after repossession;

WHEREAS, the Parties conducted a factual investigation and analyzed the relevant legal issues with regard to the Claims, as defined below, and potential defenses asserted in the Action. Plaintiff and her Counsel contend that the Action has merit. Defendant and its Counsel contend that the Action does not have merit and that Defendant has defenses that could eliminate or reduce liability and monetary recovery in the Action. The Parties also have each considered the uncertainties of trial and the benefits to be obtained under the proposed settlement and have considered the costs, risks, and delays associated with the continued prosecution of this time-

consuming litigation and the likely appeals of any rulings in favor of either Plaintiff or Defendant;

WHEREAS, the Parties engaged in lengthy arms-length negotiations, a day-long remote mediation before Mediator Jonathan Marks, Esq, and additional subsequent negotiations facilitated by Mr. Marks, and have reached a settlement, which is embodied in this Agreement;

WHEREAS the Parties recognize and agree that it is in their mutual best interests to resolve their differences as set forth herein. The Parties also recognize and agree that none admit to any wrongdoing and that the agreements and releases set forth below represent the Parties' compromise of disputed matters in order to avoid the delay and uncertainties of litigation and the further disruption and expense of the Action;

WHEREAS the Parties wish to fully, finally, and completely resolve all claims, causes of action, demands, liabilities, losses and damages as alleged in the Complaint, including Plaintiff's rights to be compensated for such Claims and the propriety of injunctive relief.

NOW, THEREFORE, in exchange for the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

In consideration of the covenants and agreements set forth herein, Plaintiff, the Settlement Class, and Defendant, themselves and through their undersigned counsel, agree to settle the Action and Claims, subject to Court approval, under the following terms and conditions.

1. DEFINITIONS. Unless otherwise indicated, the following shall be defined terms for purposes of this Agreement. Some definitions use terms that are defined later in the section.

1.1. The term "**Claims**" means the claims set out or the claims that could have been set out in the Complaint filed in this Action, excluding claims expressly not released in Section 4 of this Agreement.

1.2. The term "**Settlement Class**" means all members of any of the following three classes

The Deficient Notification Class

All individuals who are or were a party to a secured auto loan agreement with Navy Federal from three years prior to the filing of the Complaint through the date the Complaint was filed by which Navy Federal provided financing for the purchase of a motor vehicle, from a dealer, for personal use, which (1) Navy Federal repossessed and (2) which Navy Federal, or its agent, failed to deliver to the individual written notice of the amount due and payable and/or the exact address where the motor vehicle is stored and/or the time and place of the disposition of the vehicle and/or (3) which Navy Federal, or its agent, failed to provide individuals with written notice of its intent to sell their vehicle through an auction, the location of the auction, and/or the time and date of the auction.

The Improper Storage Class

All individuals who are or were a party to a secured auto loan agreement with Navy Federal from three years prior to the filing of the Complaint through the date the

Complaint was filed by which Navy Federal provided financing for the purchase of a motor vehicle, from a dealer, for personal use, which (1) Navy Federal repossessed and (2) which Navy Federal, or its agent, retained or stored the repossessed vehicle outside of the District of Columbia or the state and county where the consumer resides, or the state and county where the vehicle was repossessed.

Excessive Storage Fee Class

All individuals who are or were a party to a secured auto loan agreement with Navy Federal from three years prior to the filing of the Complaint through the date the Complaint was filed by which Navy Federal provided financing for the purchase of a motor vehicle, from a dealer, for personal use, which (1) Navy Federal repossessed and (2) which Navy Federal, or its agent, conditioned the redemption of, reinstatement of, or release upon the payment of a “repossession fee” or other fees related to the repossession of the motor vehicle, other than storage fees, which alone or in combination, exceeded \$100.

Excluded from the **Settlement Class** are Defendant, its parent companies, affiliates or subsidiaries, or any employees thereof, and any entities in which any of such companies has a controlling interest; the judge to whom the Action is assigned; and, any member of the judge’s staffs and immediate family.

1.3. The term “**Settlement Class Member**” means any person who is included in the Settlement Class.

1.4. The term “**Class Notice**” means the Class Notice of the proposed Settlement terms, as approved by Plaintiff’s Counsel, Defendant’s Counsel, and the Court to be provided pursuant to Section 3.1 of this Agreement.

1.5. The term “**Class Representative**” means Plaintiff Eboni Washington in her representative capacity on behalf of the Settlement Class.

1.6. The term “**Court**” means the Superior Court of the District of Columbia.

1.7. The term “**Defendant’s Counsel**” means Amanda R. Lawrence and Timothy Coley and the law firm of Buckley LLP.

1.8. The term “**Effective Date**” means the date on which the Judgment approving the Settlement becomes Final.

1.9 “**Final**” means the date on which all appellate rights with respect to the Judgment have expired or have been exhausted in such a manner as to affirm the Judgment and when no further appeals are possible, including review by the Supreme Court of the United States.

1.10 The term “**Final Approval Hearing**” means the hearing the Court may hold in its discretion to make a final decision whether to approve this Agreement as fair, reasonable and adequate. The Court is not required to hold a **Final Approval Hearing** to decide to approve this Agreement as fair, reasonable and adequate.

1.11. The term “**Final Judicial Approval**” means the date upon which any of the following events occurs: (1) the expiration of the time for filing an appeal if there are any objections filed by any Settlement Class Member; (2) the conclusion of any appeal taken if there are any objections filed by any Settlement Class Member; (3) the withdrawal of the last

objection to the Settlement; or (4) the entry of the Final Order if there are no objections filed by any Settlement Class Member.

1.12. The term “**Final Order**” means the order approving the Settlement and this Agreement.

1.13. The term “**General Release**” means the release identified in Section 4.7 of this Agreement.

1.14. The term “**Parties**” means Defendant and Plaintiff, individually and in her representative capacity on behalf of the Class.

1.15. The terms “**Plaintiff’s Counsel**” and “**Class Counsel**” mean Nicholas E. Migliaccio; Jason S. Rathod; and Erick Quezada and the law firm of Migliaccio & Rathod LLP.

1.16. The term “**Preliminary Approval Order**” means the order certifying the Settlement Class for Settlement purposes only, approving the proposed Class Notice, and setting the date and time of the Final Approval Hearing.

1.17. The term “**Released Claims**” shall mean the Claims identified in Sections 4.5 and 4.6 of this Agreement.

1.18. The term “**Released Parties**” shall mean the parties identified in Sections 4.5 and 4.6 of this Agreement.

1.19. The term “**Settlement**” means the settlement of the Action and related claims effectuated by this Agreement.

1.20. The term “**Award Deadline**” means three (3) months from Final Judicial Approval.

1.21. The term “**Settlement Administrator**” shall mean RG/2 Claims Administration.

2. SETTLEMENT TERMS.

2.1. Certification of the Settlement Class. For the purposes of the Settlement only and the proceeding contemplated herein, the Parties stipulate and agree that: (1) the Settlement Class shall be certified in accordance with the definition contained in Section 1.2 above; (2) Plaintiff shall represent the Settlement Class for settlement purposes and shall be the Class Representative; and (3) Plaintiff’s Counsel shall be appointed as Class Counsel.

2.2. Settlement Sum and Allocation: The Plaintiff and her counsel will have the right to, as consideration for the settlement of this Lawsuit, **EIGHT HUNDRED THOUSAND DOLLARS AND ZERO CENTS (\$800,000)** (the “**Settlement Payment**”). Within fourteen (14) days of the Court’s preliminary approval of the Settlement, Navy Federal shall make the Settlement Payment to the Settlement Administrator, RG/2 Claims Administration who shall set up a qualified settlement fund to hold the Settlement Fund in escrow for ultimate disbursement after Final Judicial Approval, which Settlement Payment shall then be allocated as follows:

- a. **Named Plaintiff:** In addition to her share of the Settlement Class Consideration detailed below, Defendant will not oppose a service award to Ms. Washington of seven thousand five hundred dollars (\$7,500) for the Action in recognition of her willingness to step forward, participate in an investigation, file suit, and otherwise commit time and effort as a Class Representative, including

frequently conferring with Class Counsel and providing crucial information to support the prosecution of the litigation. This amount was determined to be appropriate only after an agreement had been reached on the award to the Settlement Class and other terms of this Agreement. In the event the incentive award is not finally approved by the Court, the rest of this Agreement shall remain in full force and effect. However, in no event shall Navy Federal be responsible to pay any sum of money in excess of the Settlement Payment stated in 2.2. In addition, within seven (7) days of entry of the Final Approval Order, Navy Federal will submit requests to the three major credit reporting agencies to which it reports (Experian, Equifax and TransUnion) to delete the tradeline associated with Ms. Washington's auto loan account with Navy Federal. In addition, within seven (7) days of entry of the Final Approval Order, Navy Federal will forgive Ms. Washington's remaining balance on her vehicle loan and release any security interest in Ms. Washington's vehicle.

b. **Administration:** \$11,000, which is a capped amount.

c. **Attorneys' Fees and Costs:** The Parties agree that Class Counsel shall be entitled to total fees and costs for the Action in the amount of \$266,666.66 in fees and \$11,346.50 in reimbursable expenses to be paid by Defendant (the "Fees and Expenses Award"). This amount was determined to be appropriate only after an agreement had been reached on all Class Settlement terms and was the product of arms-length negotiations. The Parties agree that Class Counsel will request attorneys' fees and costs of no more than \$266,666.66 in fees and \$11,346.50 in expenses, to which Defendant will not object, to be approved by the Court. In the event the attorneys' fees and expenses are not approved by the Court, the rest of this Agreement shall remain in full force and effect. However, in no event shall Navy Federal be responsible to pay any sum of money in excess of the Settlement Payment stated in 2.2.

d. **Settlement Class Consideration:** the remaining \$503,486.84 will be divided among all Settlement Class Members in the following manner: the Settlement Class Consideration will be divided on an equal pro rata basis for the total number of alleged violations of provisions of the D.C. Municipal Regulations and the D.C. Uniform Commercial Code for the Settlement Class Members. Defendant has provided significant, confidential pre-settlement discovery, which Plaintiff has analyzed, and which reveal that there are 243 class members. Defendant represents and warrants that to the best of its knowledge and belief, the data supplied is accurate. Defendant further understands this representation is a material term of the settlement. Settlement Class Members will recover one pro rata share for each violation associated with the repossession of their vehicle. Defendant's records will be used to determine the number of violations per class member. However, in no event shall Navy Federal be responsible to pay any sum of money in excess of the Settlement Payment stated in 2.2. Payment checks will be mailed to Settlement Class Members within thirty (30) days of the Effective Date. However, no checks will be mailed to Settlement Class Members for whom the Settlement Administrator was unable to obtain a

valid mailing address and for whom the Class Notice was returned as undeliverable with no forwarding address. Each mailed check shall become void ninety (90) days after issuance. Any checks not cashed or funds not disbursed pursuant to this section shall be deposited with the District of Columbia Office of the Chief Financial Officer Unclaimed Property Unit.

All funds received by Class Members from the Settlement Payment according to the final report of the Settlement Administrator (described below) shall be reported to the IRS and all applicable state or local taxing authorities by means of an IRS Form 1099.

On completion of the administration of the Settlement, Settlement Administrator shall provide or cause to be provided to the Court and Navy Federal a final report on its administration of the Settlement, which final report shall identify all Class Members who cashed settlement payment checks and the amounts of each cashed settlement payment check. In no event shall Navy Federal be responsible to pay costs of notice and administration beyond that amount stated above in 2.2(b). Class Counsel and Defendant's Counsel shall have reasonable access to all documents to ensure compliance and administration of the Settlement, with the right, but not the obligation, to review and audit the documents to determine full compliance with the terms of the Settlement.

2.3. Injunctive Relief. Prior to Final Judicial Approval of this action, Navy Federal shall confirm that it has modified its repossession practices and procedures as follows:

- a. Navy Federal will ensure that post-repossession notifications accurately state the intended manner of disposition, including the time and place of a public sale as required by D.C. Code § 28:9-614.
- b. Navy Federal will ensure that its repossession agents performing services for Navy Federal in D.C. comply with DCMR § 341.5;
- c. For members of the Deficient Notification Class who received notice that their vehicle would be sold at a private sale but whose vehicle was actually to be sold at a public auction, Navy Federal will ensure that no further collection action will be taken on any deficiency judgments. This provision does not include those members of the Deficient Notification Class (i) who redeemed his/her repossessed vehicle the same day Navy Federal received notice of repossession and (ii) whose repossessed vehicles were not registered in D.C.;
- d. Without affecting in any way the finality of the judgment, the Court reserves continuing and exclusive jurisdiction over the Parties, including all Settlement Class Members, related to the Settlement and the execution, consummation, administration, and enforcement of the terms of the Settlement Agreement.

2.4 Modification of Credit Reporting. The Class Notice will inform class members of the Deficient Notification Class who are receiving the Injunctive Relief set forth in Section 2.3.c., that a tradeline deletion request regarding the account at issue in this litigation will be made on their behalf unless they submit a form indicating that they do not want such a request made. Unless such a class member chooses to not have a tradeline deletion requested, within thirty (30) calendar days

after entry of the Final Approval Order, Navy Federal will submit requests to the three major credit reporting agencies to which it reports (Experian, Equifax and TransUnion) to delete the report for those class members' accounts that are the subject of this litigation. If at any time following ninety (90) calendar days after entry of the Final Approval Order, a class member in the Deficient Notification Class receiving the Injunctive Relief set forth in Section 2.3.c. determines that one or more of the credit bureaus has not complied with Navy Federal's request as set forth above, the class member will provide prompt written notice to Navy Federal, and provide copies of any credit bureau reports to which the class member contends the trade line was not deleted, as noted above. In that event, Navy Federal will, within thirty (30) days following receipt of such notice and reports, re-contact the credit bureau(s) that have not updated the class member's credit reports and again request that the Account be deleted from the report. Navy Federal shall not, in the future, change its credit reporting for any class member in the Deficient Notification Class who received the Injunctive Relief set forth in Section 2.3.c. related to the account at issue in this litigation to report something other than that the Account should be deleted. The parties acknowledge that Navy Federal can only request that the credit bureaus delete tradelines. Navy Federal has no ability to delete tradelines itself. Further, Navy Federal has no control over the effect of a tradeline deletion on a member's overall credit score.

3. CLASS SETTLEMENT PROCEDURES.

3.1. Class Notice. Subject to Court approval, the Parties agree that after entry of the Preliminary Approval Order, Notice will be provided to the Class of the proposed Settlement by the following methods:

- (a) Class Counsel shall establish a website (www.nfreposettlement.com). The mailed notice will reference the website address. The website will contain relevant court documents, frequently asked questions, and the Notice. The website, Notice, and frequently asked questions will be prepared by Class Counsel with approval of Navy Federal's counsel.
- (b) Within seven (7) days of the Court's entry of the Preliminary Approval Order, Navy Federal will deliver to the Settlement Administrator and Class Counsel its completed list of class members and the following personal identifiers: full name, last known address, telephone number, and email address in encrypted format. Should any mailings come back undeliverable Navy Federal, the Settlement Administrator, and Class Counsel shall confer regarding any additional necessary personal identifiers. Consistent with its contractual, statutory, and regulatory obligations to maintain the security of and protect its members' personal information, Navy Federal only will provide that information that is necessary. Class Counsel and the Settlement Administrator agree to maintain the confidentiality of that personal information, to employ reasonable security measures, and to destroy the personal information once it is no longer necessary to effectuate the Settlement.
- (c) Within thirty (30) days of the Court's entry of the Preliminary Approval Order (the "Mailing Deadline"), the Settlement Administrator shall mail the Class Notice to each Class Member by U.S. mail, postage prepaid, notifying him or her of his or her right to participate in the Settlement or to object to or opt out of the Settlement. The Class Notice shall be sent to the last known address and email

address of each member of the Settlement Class. When a mailing comes back as “undeliverable,” the Settlement Administrator shall exercise reasonable means to locate an updated mailing address and mail to that address. Those reasonable means include performing reasonable address traces or “skip traces.”

3.2. Objections. Any Class Member who wishes to object to the Settlement must mail a written objection to Plaintiff’s and Defendant’s Counsel by the Exclusion Deadline, which the Parties will request be set for 60 days from the date the preliminary approval order is entered, but which will ultimately be determined by the Court (the “Objection/Exclusion Deadline”). The objection must set forth, in clear and concise terms, the legal and factual arguments supporting the objection. Unless otherwise requested by the Court, Settlement Class Members shall not be entitled to speak at the Final Approval Hearing unless they have submitted a timely written objection pursuant to this Section and indicating their intent to appear at the Final Approval Hearing. Counsel for the Parties will jointly file any objections they receive with the Court prior to the Final Approval Hearing.

3.3. Exclusion from the Class. The Class Notice shall inform Settlement Class Members of their right to elect not to be part of the Settlement Class and not to be bound by this Agreement, provided that the affected person mails a request for exclusion from the Class to Defendant’s counsel at the following address on or before the Objection/Exclusion Deadline, with a copy to Class Counsel: Amanda R. Lawrence, Buckley LLP, 2001 M St NW, Suite 500, Washington DC 20036. No later than seven (7) days after the Objection/Exclusion Deadline, Defendant shall prepare a list of the persons who, pursuant to the Class Notice, have excluded themselves from the Class in a valid and timely manner and shall deliver that list to Class Counsel. In no event, however, shall persons who purport to opt-out of this Agreement as a group, on an aggregate basis, or as a class involving more than one Settlement Class Member be considered valid opt-outs. However, this exclusion does not apply to any person who is a borrower or co-borrower with another person on an account at issue in this Action. If an account has more than one borrower and if one or more borrowers excludes him/herself from the Settlement Class, then all borrowers shall be deemed to have excluded themselves from the Settlement Class, and no borrower shall be entitled to payment under the Settlement. Requests for exclusion that do not comply with any of the foregoing requirements are invalid.

3.4. No Solicitation of Settlement Objections or Exclusions. The Parties agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to submit written objections to the Settlement or to request exclusion from the Settlement Class, or to encourage persons to appeal from the Court’s Final Judgment.

3.5. Option to Void or Renegotiate Agreement if Sufficient Exclusions. To the extent 10% or more of the Settlement Class Members exclude themselves from the Class, the Parties stipulate and agree that Navy Federal shall have the right to void or renegotiate this Agreement without penalty or sanction.

4. FINAL JUDGMENT AND RELEASES.

4.1. Preliminary Settlement Hearing. Upon execution of this Agreement by all Parties, Plaintiff will move the Court, unopposed by Defendant, for the entry of a Preliminary Approval Order. The proposed Preliminary Approval Order that will be attached to the motion

shall be in a form agreed upon by Class Counsel and Navy Federal's counsel. The motion for preliminary approval shall, among other things, request that the Court: (i) approve the terms of the Settlement as within the range of fair, adequate, and reasonable; (ii) provisionally certify the Settlement Class for settlement purposes only; (iii) approve the Class Notice and procedures set forth below; (iv) approve the procedures for Class Members to exclude themselves from the Settlement Class or to object to the Settlement; (v) stay the Action pending Final Approval of the Settlement; and (iv) if necessary, schedule a Final Approval Hearing.

4.2. Approval of this Agreement. The Parties will jointly take all necessary and appropriate steps to secure the Court's final approval of this Agreement, with Class Counsel to prepare and submit all briefs to the Court. The Parties agree to seek a Final Approval Hearing date approximately ninety (90) days from the date of preliminary approval of the settlement. No later than fourteen (14) days before the Final Approval Hearing, Class Counsel shall file a motion for an Order granting final approval of this Agreement and a Judgment in favor of Plaintiff and the Settlement Class, together with any supporting papers, all of which will be unopposed by Defendant. Pursuant to the Superior Court rules, a Final Approval Hearing need not necessarily be held if there are no objections to the Settlement.

4.3 Order and Judgment. The Judgment shall provide for Plaintiff and the Settlement Class to take according to this Agreement and nothing else and shall include provisions that the Action is concluded pursuant to the entry of the Judgment. Notwithstanding the conclusion of the Action, the Parties stipulate that the Judgment will include a provision for the Court to retain jurisdiction to enforce this Agreement.

4.4. Effect of Agreement if Settlement is not Approved. This Agreement was entered into only for the purpose of Settlement. For whatever reason, should the Settlement not be approved as to any material part, not be implemented in its entirety, or not become final, then the Parties at either of their sole discretion, shall each have the right to terminate the Settlement and this Agreement by written notice. The fact that the Parties were willing to stipulate to class certification for purposes of this Settlement shall have no bearing on, and shall not be admissible in connection with, the issue of whether a class should be certified in a non-settlement context in this Action or any other action or proceeding. Defendant expressly reserves its right to oppose class certification should this Settlement not become final. In the event that the Settlement and this Agreement are terminated as provided for herein, then (a) this Agreement shall be null and void and of no further force and effect; (b) the Parties shall be restored to their respective positions in the action immediately prior to the execution of this Agreement; (c) the entire Settlement Payment shall be refunded from Class Counsel to Navy Federal; and (d) any judgment or order entered by the Court in accordance with the terms of the Agreement shall be treated as vacated, nunc pro tunc.

4.5. Release of Defendant by All Settlement Class Members. Upon the Effective Date, Plaintiff and each Settlement Class Member, and each of their, his, or her, as the case may be, respective successors, assigns, legatees, heirs, parents, divisions, subsidiaries, affiliates, predecessors, partners, successors, assigns, officers, directors, shareholders, employees, investigators, attorneys, contractors, subcontractors, agents, insurers and representatives and all persons acting by, through, under or in concert with them, or any of them, releases and forever discharges Defendant, and each of their past and present parents, divisions, subsidiaries, affiliates, predecessors, partners, successors, assigns, officers, directors, shareholders, employees, investigators, attorneys, contractors, subcontractors, agents, insurers and

representatives and all persons acting by, through, under or in concert with them, or any of them, and all other persons whether herein named and referred to or not (the “Released Parties”), of and from the Claims. Subject to the Court’s approval, this Agreement shall bind all Settlement Class Members and all of the Released Claims shall be dismissed with prejudice and released as against the Released Parties, even if the Settlement Class Member never received actual notice of the Settlement prior to the Final Judicial Approval, or failed to negotiate the settlement check in the time required in 2.2(d).

4.6. Defendant’s Release of Plaintiff, the Settlement Class, and Plaintiff’s Counsel. Effective upon the date of Final Judicial Approval, Defendant releases and forever discharges Plaintiff, the Settlement Class, and Class Counsel and each of their, his, or her, as the case may be, respective successors, assigns, legatees, heirs, parents, divisions, subsidiaries, affiliates, predecessors, partners, successors, assigns, officers, directors, shareholders, employees, investigators, attorneys, contractors, subcontractors, agents, insurers and representatives and all persons acting by, through, under or in concert with them, or any of them from any claims related to the repossession of vehicles at issue in this Action as well as claims relating to the institution or prosecution or settlement of the Action, as well as any and all claims for contribution, indemnification, or any other claims relating to the Award to the Settlement Class pursuant to Section 2.2 above. For the avoidance of doubt, the Released Claims do not include a release of the right of Navy Federal to take or continue any further collection action on any deficiency judgment related to the vehicles at issue in this Action with respect to any Settlement Class Members other than those set forth in Section 4.7.

4.7. Defendant’s Release of the Deficient Notification Class Members who received notice that their vehicle would be sold at a private sale but whose vehicle was actually to be sold at a public auction. In addition to the release set forth in Section 4.6, Navy Federal will ensure that no further collection action will be taken on any deficiency judgments for all Deficient Notification Class Members who received notice that their vehicle would be sold at a private sale but whose vehicle was actually to be sold at a public auction. This provision does not include those members of the Deficient Notification Class (i) who redeemed his/her repossessed vehicle the same day Navy Federal received notice of repossession and (ii) whose repossessed vehicles were not registered in D.C.

5. ADDITIONAL PROVISIONS.

5.1. No Admission of Liability or Wrongdoing. This Agreement reflects the compromise and settlement of disputed claims between the Parties. Its constituent provisions, and any and all drafts, communications and discussions relating thereto, shall not be construed as or deemed to be evidence of an admission or concession of any point of fact or law (including, but not limited to, matters respecting class certification) by any person or entity, and shall not be offered or received in evidence or requested in discovery in the Action or any other action or proceeding as evidence of an admission or concession. Defendant denied and continues to deny each of the claims and contentions alleged by Plaintiff in the Claims. Defendant has repeatedly asserted and continues to assert defenses thereto and has expressly denied and continues to deny any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Claims.

5.2. Investigation. The Parties have conducted significant investigation of the facts and law during the pendency of this Action. Such discovery and investigation has included, *inter alia*, the exchange of hundreds of pages of Navy Federal documents relating to the repossession

practices of Navy Federal and its agents, voluminous data relating to Navy Federal's practices, numerous telephonic and video conferences between and among representatives of the Parties. Counsel for the Parties have further investigated the applicable law as applied to the facts discovered with respect to the alleged claims of the Class Members and potential defenses thereto, and the damages that could be claimed by the Class Members.

5.3. Fair, Adequate and Reasonable Settlement. The Parties believe this Settlement is fair, adequate, and reasonable, and arrived at this Settlement in arms-length negotiations, taking into account all relevant factors, present and potential.

5.4. Real Parties in Interest. In executing this Agreement, the Parties warrant and represent that they, including Plaintiff Eboni Washington in her representative capacity on behalf of the Settlement Class, are the only persons having any interest in any of the claims that are described or referred to herein, or in any of the pleadings, records, and papers in the Action, and, except as provided herein, neither said claims nor any part thereof have been assigned, granted or transferred in any way to any other person, firm or entity.

5.5. Voluntary Agreement. This Agreement is executed voluntarily and without duress or undue influence on the part of or on behalf of the Parties, or of any other person, firm or entity.

5.6. Binding on Successors. This Agreement shall bind and inure to the benefit of the respective successors, assigns, legatees, heirs, and personal representatives of each of the Parties.

5.7. Parties Represented by Counsel. The Parties acknowledge that they have been represented in negotiations for and in the preparation of this Agreement by independent counsel of their own choosing, that they have read this Agreement and have had it fully explained to them by such counsel, and that they are fully aware of the contents of this Agreement and of its legal effect.

5.8. Authorization. Each of the Parties warrants and represents that there are no liens or claims of lien or assignments in law or equity or otherwise of or against any of the Claims or causes of action released herein and, further, that each party is fully entitled and duly authorized to give this complete and final general release and discharge.

5.9. Construction and Interpretation. Neither the Parties nor any of the Parties' respective Attorneys shall be deemed the drafter of this Agreement for purposes of interpreting any provision hereof in any judicial or other proceeding that may arise between or among them.

5.10. Headings. The various headings used in this Agreement are solely for the convenience of the Parties and shall not be used to interpret this Agreement.

5.11. Modifications and Amendments. No amendment, change or modification of this Agreement or any part thereof shall be valid unless in writing and signed by the Parties.

5.12. Entire Agreement/No Representations. This Agreement and any attached Exhibits constitute the entire agreement among the Parties, and no oral or written representations, warranties or inducements have been made to any Party concerning this Agreement or its Exhibits other than the representations, warranties and covenants contained and memorialized in such documents. In addition, the Parties represent and warrant that they are not relying on any representations, warranties or statements, oral or otherwise, not contained in this Agreement.

5.13. Governing Law. This Agreement is entered into in accordance with the laws of the District of Columbia and shall be governed by and interpreted in accordance with the laws of the District of Columbia, without regard to its conflict of law principle.

5.14. Further Assurances. The Parties shall execute and deliver any and all additional papers, documents and other assurances and shall do any and all acts or things reasonably necessary in connection with the performance of its, her, or his, as the case may be, obligations hereunder to carry out the express intent of the Parties.

5.15. Execution Date. This Agreement shall be deemed executed upon the last date of execution by all of the undersigned.

5.16. Continuing Jurisdiction. The Court shall retain jurisdiction over the interpretation, effectuation, and implementation of this Agreement.

5.17. Counterparts. This Agreement may be executed in two or more counterparts, which together shall constitute one and the same instrument.

5.18. Severability. Should any paragraph, sentence, clause or provision of this Agreement be held invalid or unenforceable, such provision shall be ineffective to the extent of such invalidity or unenforceability, without invalidating the remainder of such provision or the remaining portions of this Agreement.

5.19. Confidentiality. It is further understood and agreed and made a part hereof, that all negotiations leading up to this Agreement, and all information, records or documentation (whether verbal, written or electronic) provided by the Parties in connection with the Action or this Agreement, shall be kept strictly confidential by the Parties and their Counsel, and they shall not disclose, publicize, disseminate, or encourage or permit any person or entity, to disclose, publicize or disseminate any fact with respect to the negotiations or investigation leading up to this Agreement.

The Parties further agree that, upon receipt of any subpoena or notice of any proceeding to obtain a court order seeking to compel a party's testimony or the production or documents relating to this Agreement, such party shall, within five (5) calendar days thereof, and in any event within a reasonable period of time prior to the time within which production or testimony is required by the terms of said subpoena or court order, provide written notice to the Parties' counsel of any such request to disclose. The Parties shall use their best efforts to prevent any further dissemination or publication of the information disclosed. In the event that the Parties receive an inquiry from any third-party concerning the negotiations leading up to this Agreement, the Parties may disclose to such third-party only that the parties have "settled their differences and decline further comment." The Parties further agree to refrain from taking any action related to this matter designed to harm the public perception of one another regarding any issue related to this case, except they may provide sworn testimony if required by an order from a court of competent jurisdiction. In addition, the terms of this Agreement and all negotiations concerning this Agreement shall be deemed within the protection afforded to compromises and offers to compromise under Rule 408 of the Federal Rules of Evidence and any analogous state laws and principles. Nothing in this Agreement shall constitute precedent or evidence in any other proceeding, with the exception that this Agreement shall be admissible in any proceeding to enforce the terms hereof.

This paragraph shall not be construed to encompass any publicly available information, including the existence of the Settlement and its terms. Nor shall this paragraph be construed to prevent Plaintiff's counsel posting publicly available information about the case and Settlement on its firm's respective websites or in other promotional materials. All terms herein and throughout the agreement shall be construed to be consistent with operative ethical rules, including but not limited to, Rule 5.6 of the District of Columbia's Rules of Professional Conduct.

5.20. Class Representative's Waiver of Right to be Excluded and Object. The Class Representative agrees to sign this Agreement and by signing this Agreement are bound by the terms herein stated, and further agree not to request to be excluded from the and agree not to object to any of the terms of this Agreement. Any such request for exclusion or objection shall therefore be void and of no force or effect.

AGREED AND ACCEPTED:

Eboni Washington

Date: _____

AGREED AND ACCEPTED:

Nicholas A. Migliaccio, Esq.
Jason S. Rathod, Esq.
Erick Quezada, Esq.
MIGLIACCIO & RATHOD LLP
412 H Street N.E., Suite 302
Washington, D.C. 20002
Counsel for Plaintiff

Date: _____

AGREED AND ACCEPTED:

Navy Federal Credit Union

By: _____

Date: _____

AGREED AND ACCEPTED:

Amanda R. Lawrence, Esq.
Timothy J. Coley, Esq.
BUCKLEY LLP
2001 M Street NW, Suite 500
Washington, DC 20036
Counsel for Navy Federal Credit Union

Date: _____