

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

SHARON EUL, et al., on behalf of themselves and a putative class,)	
)	
)	
Plaintiffs,)	Honorable Judge Ruben Castillo
)	
v.)	Case No.: 1:15-cv-07755
)	
TRANSWORLD SYSTEMS INC., et al.,)	Magistrate Judge Maria Valdez
)	
Defendants.)	

CLASS SETTLEMENT AGREEMENT

This class settlement agreement dated as of April 26, 2017, (the “Agreement”), is made and entered into by and among the following parties, as those terms are defined herein: (i) plaintiffs, Sharon Eul, Stephen Knox, Sr., Stacy Clark, Ricardo Herrera, Leonor Herrera, Michael Gnesin, Bridgette Thomas, Yvonne Thomas, Thomas Rosen, Rupali Patel, Juan Castano, Esther Castano, Cesar Afuang, Terry Rocco, Shaundel Hill, Stanley McCool, Shannon O’Neill, Laura Timbario, and Werner Gruber (collectively “Plaintiffs”), on behalf of themselves and each of the settlement class members, by and through Plaintiffs’ counsel; and (ii) defendants, Transworld Systems Inc. (“TSI”), EGS Financial Care Inc. f/k/a NCO Financial Systems, Inc. (“EGS”); Weltman, Weinberg & Reis Co., L.P.A. (“WWR”) Blitt and Gaines, P.C. (“B&G”), National Collegiate Student Loan Trust 2003-1 (“NCSLT 2003-1”); National Collegiate Student Loan Trust 2004-1 (“NCSLT 2004-1”); National Collegiate Student Loan Trust 2006-2 (“NCSLT 2006-2”); National Collegiate Student Loan Trust 2006-3 (“NCSLT 2006-3”); National Collegiate Student Loan Trust 2006-4 (“NCSLT 2006-4”); National Collegiate Student Loan Trust 2007-1 (“NCSLT 2007-1”); National Collegiate Student Loan Trust 2007-2 (“NCSLT 2007-2”); National Collegiate Student Loan Trust 2007-3 (“NCSLT 2007-3”); National

Collegiate Student Loan Trust 2007-4 (collectively “Defendants”)¹ by and through their counsels of record in this lawsuit. This Agreement is intended by the parties to fully, finally, and forever resolve, discharge, and settle all released rights and claims, as set forth below, subject to the terms and conditions set forth herein.

RECITALS

1. **Parties.** Defendants, TSI, EGS, WWR, B&G, NCSLT 2003-1, NCSLT 2004-1, NCSLT 2006-2, NCSLT 2006-3, NCSLT 2006-4, NCSLT 2007-1, NCSLT 2007-2, NCSLT 2007-3, NCSLT 2007-4 and Plaintiffs Sharon Eul, Stephen Knox, Sr., Stacy Clark, Ricardo Herrera, Leonor Herrera, Michael Gnesin, Bridgette Thomas, Yvonne Thomas, Thomas Rosen, Rupali Patel, Juan Castano, Esther Castano, Cesar Afuang, Terry Rocco, Shaundel Hill, Stanley McCool, Shannon O’Neill, Laura Timbario, and Werner Gruber, individually, and as representatives of the class of persons defined below in ¶ 8 (the “Settlement Class”), enter into this Agreement as to the claims of Plaintiffs and the Settlement Class arising from Defendants’ collection of debts alleged in Plaintiffs’ Consolidated Amended Complaint in this Lawsuit. Dkt. 79. Plaintiffs and Defendants are collectively referred to hereinafter as the “Parties.”

2. **Nature of the Lawsuit.** On September 2, 2015, Sharon Eul, individually and on behalf of a purported class, filed a lawsuit in the United States District Court for the Northern District of Illinois captioned *Sharon Eul v. Transworld Systems Inc., et al.* Case No. 1:15-cv-07755 (the “Lawsuit”). Dkt. 1. On January 27, 2016, on the defendants’ motion to reassign for relatedness and to consolidate, the court consolidated 7 class action complaints with this matter: 15 C 8328, 15 C 8409, 15 C 8701, 15 C 9276, 15 C 9624, 15 C 10549, and 15 C 11339. Dkt. 64.

¹ For purposes of this agreement and settlement only, the following unnamed trusts shall be included: (1) National Collegiate Master Student Loan Trust-I; (2) National Collegiate Student Loan Trust 2004-2; (3) National Collegiate Student Loan Trust 2005-1; (4) National Collegiate Student Loan Trust 2005-2; (5) National Collegiate Student Loan Trust 2005-3; and (6) National Collegiate Student Loan Trust 2006-1.

On August 17, 2016, a Consolidated Amended Complaint was filed by the Plaintiffs against the Defendants alleging violations, individually and behalf of purported classes, of the Fair Debt Collection Practices Act, 15 U.S.C. § 1692, *et seq.* (“FDCPA”), the Illinois Interest Act, 815 ILCS § 205, *et seq.* (“IIA”), the Illinois Collection Agency Act, 225 ILCS § 425, *et seq.* (“ICAA”), the Illinois Consumer Fraud Act, 815 ILCS § 505, *et seq.* (“ICFA”) and in tort for unauthorized filing of lawsuits.

On May 6, 2016, the Defendants’ filed a motion to dismiss the Consolidated Amended Complaint. Dkt. 72-73. On February 28, 2017, the Parties filed a Joint Motion to Stay Proceedings pending private mediation with Judge James F. Holderman (ret.). Dkt. 90.

On March 30, 2017, Chief Judge Ruben Castillo ruled on the motion to dismiss, and entered an opinion and order (1) dismissing Count I with prejudice as to any claim under 15 U.S.C. § 1692f, but the remainder of the claim under 15 U.S.C. § 1692e survived; (2) dismissing Count III with prejudice; (3) dismissing Count V with prejudice as to any claim under 15 U.S.C. § 1692e(5) and any FDCPA claim that is derivative of the ICAA; (4) dismissing Count VI with prejudice; (5) dismissing Count VII without prejudice; (5) dismissing Count VIII with prejudice as to any ICAA claim against B&G and/or WWR; however, the remainder of the claim survived the dismissal to the extent that it alleged an independent tort against B&G and/or WWR; (6) dismissing Count IX with prejudice as to claims made under 15 U.S.C. §§ 1692e, e(2) and e(10), specifically, but the remainder of the claim under 15 U.S.C. § 1692e(8) survived the motion to dismiss; (7) dismissing Count X with prejudice; (8) dismissing Count XII without prejudice; and (9) dismissing Count XIII with prejudice. Dkt. 93-94.

On April 26, 2017, the mediation was held with Judge James F. Holderman (ret.). The Parties reached agreement on a term sheet and memorandum of understanding, the terms of which are more expressly provided for below.

3. **Denial of Liability.** By entering into this Agreement, Defendants do not admit that they are liable to Plaintiffs or the Settlement Class, nor do Defendants concede that, absent a settlement, Plaintiffs' putative classes may properly be certified under the Federal Rules of Civil Procedure. Defendants desire to settle the claims brought solely to avoid the expense, burden, and uncertainty of further litigation, and to put to rest all claims which have or could have been asserted by Plaintiffs against Defendants in the litigation. The Defendants deny all liability to Plaintiffs and the Settlement Class.

4. Plaintiffs, individually and on behalf of the Settlement Class, desire to settle their claims against Defendants, having taken into account through Plaintiffs' counsel the risks, delay, and difficulties involved in establishing a right to recovery in excess of that offered by this settlement and the likelihood that the Lawsuit will be further protracted and expensive.

5. Plaintiffs' counsel has conducted an extensive investigation of the facts and applicable law, including, but not limited to, obtaining discovery on issues pertaining to class size and damages. Based on the foregoing, and upon an analysis of the benefits afforded by this Agreement, Plaintiffs' counsel considers it to be in the best interest of the Settlement Class to enter into this Agreement.

6. In consideration of the foregoing and other valuable consideration, Plaintiffs, Plaintiffs' counsel, Defendants, and Defendants' counsel collectively agree to settle the claims of the Plaintiffs and the Settlement Class arising from the Defendants' collection of debts as alleged in Plaintiffs' Consolidated Amended Complaint in the Lawsuit, subject to the Court's approval, on the following terms and conditions.

TERMS

7. **Effective Date.** This Agreement shall become effective (hereinafter the "Effective Date") upon the occurrence of the following events: (1) the Court enters a Final Approval Order

which: (a) approves this Agreement as fair, reasonable, and adequate to the Settlement Class; (b) finds that this Agreement is fair and made in good faith; and (c) dismisses without prejudice the claims alleged by Plaintiffs and the Settlement Class in the Consolidated Complaint (to the extent the claim has not already been dismissed with prejudice pursuant to the order dated March 30, 2017), and, (2) (a) if no objections are filed, the expiration of thirty three days after the Court's entry of the Final Approval Order; (b) if any objections are filed, the expiration of three business days after the time in which to appeal the Final Approval Order has passed without any appeal having been filed (which date shall be deemed to be 33 days following the entry of the Final Approval Order, unless the date to take such an appeal shall have been extended by Court order or otherwise, or unless the 33rd day falls on a weekend or a Court holiday, in which case the date for purposes of this Agreement shall be deemed to be the next business day after such 33rd day); or (c) if such motion to alter or amend is filed, or if an appeal is taken, three business days after a determination of any such motion or appeal that permits the consummation of the Settlement in substantial accordance with the terms and conditions of this Agreement.

8. **Certification of Settlement Class**. For the purposes of settlement, the Parties stipulate to the certification of the Settlement Class, which is defined as:

All persons that currently have addresses in the State of Illinois according to Defendants' records that owe on a defaulted NCSLT² loan and where the date of delinquency or last payment was made less than 10 years prior to the date of this Agreement.

² For purposes of this agreement and settlement, "NCSLT" shall refer to and include collectively the following 15 trusts: (1) National Collegiate Master Student Loan Trust-I, (2) National Collegiate Student Loan Trust 2003-1; (3) National Collegiate Student Loan Trust 2004-1; (4) National Collegiate Student Loan Trust 2004-2; (5) National Collegiate Student Loan Trust 2005-1; (6) National Collegiate Student Loan Trust 2005-2; (7) National Collegiate Student Loan Trust 2005-3; (8) National Collegiate Student Loan Trust 2006-1; (9) National Collegiate Student Loan Trust 2006-2; (10) National Collegiate Student Loan Trust 2006-3; (11) National Collegiate Student Loan Trust 2006-4; (12) National Collegiate Student Loan Trust 2007-1; (13) National Collegiate Student Loan Trust 2007-2; (14) National Collegiate Student Loan Trust 2007-3 and (15) (14) National Collegiate Student Loan Trust 2007-4.

9. **Class Size.** Defendants have provided informal discovery to Plaintiffs' counsel concerning the number of class members. A class list will be prepared and preserved.

10. **Relief to Plaintiffs and the Settlement Class.** In exchange for the release and in Paragraph 17, the Defendants' agree to the following:

- (a) TSI will request that the credit bureaus delete the tradeline furnished by TSI for all Plaintiffs and for each member of the Settlement Class, and TSI will use a commercially reasonable effort to ensure that requests are made to any other servicer of the defaulted loans owed to NCSLT for the Plaintiffs and the Settlement Class, including AES, that any tradelines furnished by them be deleted.
- (b) As it relates to the defaulted loans owed to NCSLT by Plaintiffs and a Settlement Class member, NCSLT will agree that, going forward from the Effective Date, the maximum interest rate to be applied on the underlying defaulted NCSLT loan will not exceed the lesser of the contracted loan rate or 9% per annum.
- (c) Plaintiffs and Settlement Class members will have the option of enrolling into a Higher Education Loan Program ("HELP"). See paragraph 14 below. For those Plaintiffs and Settlement Class members electing to enroll in HELP, Defendants will agree to the following:
 - i. Each HELP Settlement Class member shall be permitted to begin repayment on each of their defaulted NCSLT loans by making 9 payments over a 10-month period, with the aggregate amount of the required payments to equal 2% of the outstanding balance, provided that each of the separate 9 payments shall be no less than \$25, and shall not exceed \$500.

- ii. Upon the making of the 9 payments within the 10-month period, each Plaintiff and HELP Settlement Class member shall be permitted to satisfy in full, and settle the defaulted NCSLT debt for 62.5% of the outstanding balance (“negotiated balance”), provided however that the HELP Settlement Class member does not have a judgment on the underlying defaulted NCSLT loan.
- iii. If the HELP Settlement Class member has a judgment on the underlying defaulted NCSLT loan, then the loan shall be permitted to be satisfied in full by making payments totaling 75% of the balance (“negotiated balance”) after the making of the 9 payments.
- iv. The negotiated balance of any defaulted NCSLT loan shall be repaid over a period of 120 months (subject to the minimum payment requirement) beginning after the 10-month period where the 9 payments were made. The minimum amount of the monthly payment will be \$50 per month. During the repayment period, Defendants agree to forego and will not assess any interest provided that payments are made no later than 15 days after they are due and the HELP Settlement Class member remains current in the repayment plan.
- v. For purposes of this Agreement, reasonably timely payments will include any payment made within 15 days of the monthly due date.
- vi. Any co-borrower shall have the right to participate jointly in the HELP plan identified in 10(c) above, and in the event that a joint obligor or co-borrower shall default, or fail to make timely payments under the plan, the joint obligor or co-borrower shall receive written notice of the breach of

the repayment plan within thirty (30) days of the missed payment, and will be given the opportunity to assume the repayments and make payments to bring the account repayment plan current by making a payment within thirty (30) days of the sending of the written notice.

- vii. Borrowers or co-borrowers that currently have a payment agreement will not be permitted to enroll in the HELP plan.
 - viii. Borrowers or co-borrowers that currently are in active Chapter 7, Chapter 11, or Chapter 13 bankruptcy cases will not be permitted to enroll in the HELP plan and will be excluded from the settlement class.
 - ix. In the event of default, and failure to cure, as provided for in 10(c), the full balance, crediting for payments made, will become due and owing, and interest will accrue on that amount from the date of default to the extent not treated otherwise in paragraph 10(d) below.
- (d) For those Plaintiffs and Settlement Class members who do not opt out of the Settlement Class, NCSLT will agree to the following:
- i. If the date of delinquency or last payment is more than 10 years prior to the date of Preliminary Approval, the individual is not a Settlement Class member and is unaffected by this Agreement.
 - ii. If the date of delinquency or last payment is more than 5 years, but less than 10 years from the date of Preliminary Approval, NCSLT will agree to suppress all interest charges and will not impose, assess or accrue any further interest charges for the 48 months following the date of Preliminary Approval on the Settlement Class members' defaulted NCSLT loan.

- iii. If the date of delinquency or last payment is less than 5 years from the date of Preliminary Approval, NCSLT will agree to suppress all interest charges and will not impose, assess or accrue any further interest charges for the 24 months following the date of Preliminary Approval on the Settlement Class members' defaulted NCSLT loan.
- (e) Payment to Class Representatives: Plaintiffs Sharon Eul, Stephen Knox, Sr., Stacy Clark, Ricardo Herrera, Leonor Herrera, Michael Gnesin, Bridgette Thomas, Yvonne Thomas, Thomas Rosen, Rupali Patel, Juan Castano, Esther Castano, Cesar Afuang, Terry Rocco, Shaundel Hill, Stanley McCool, Shannon O'Neill, Laura Timbario, and Werner Gruber shall each receive \$1,500 as an incentive award and for their service as Class Representatives, subject to court approval. Defendants also agree no collection lawsuit will be filed against any of the Class Representatives or any co-obligor of any Class Representative related to any NCSLT loan. Defendants agree not to object to the Court awarding these amounts to Plaintiffs. The payment(s) contemplated by this paragraph shall be made to Plaintiffs' Counsel within thirty (30) days from the Effective Date.
- (f) Payment to Plaintiffs' Counsel: Plaintiffs' counsel shall petition the Court for approval of an award of fees and costs in an amount not to exceed \$290,000, with \$250,000 payable within thirty (30) days from the Effective Date as defined in the Agreement, and the remainder of \$40,000 due 6 months thereafter. Defendants shall pay Plaintiffs' counsel that amount which the Court deems reasonable, but not to exceed \$290,000 as attorneys' fees and costs. Defendants agree not to object to Plaintiffs' counsel petitioning the Court for an award of reasonable fees and costs up to this amount.

11. **Attorney's Fees and Costs.** Upon payment of the court-approved amount to Plaintiffs' counsel, Defendants shall have no further obligation with respect to Plaintiffs' counsel's fees, costs, and expenses, or the fees, costs, or expenses of any other attorney on behalf of the Plaintiffs, or any Settlement Class member.

12. Settlement Class members shall have seventy-five (75) days from entry of the Preliminary Approval Order to submit a HELP enrollment form, exclude themselves from, or object to, the Settlement.

13. **Class Notice.** If, by entering the Preliminary Approval Order, the Court provides authorization to provide the Class Notice to Settlement Class members, Class Notice shall be given as follows:

A. **Direct Mail.** A third-party settlement administrator shall cause notice to the Settlement Class to be mailed within thirty (30) days after entry of a Preliminary Approval Order in the form and substance set forth in Exhibit 1. Prior to mailing the Notice, the third-party administrator shall obtain current addresses for Settlement Class members by running their addresses through the National Change of Address database. In the event that a Class Notice is returned as undeliverable and a forwarding address is provided, a Class Notice shall be sent to the forwarding address as soon as practicable. Online notice will also be provided via the creation and maintenance of a settlement website by the third-party settlement administrator or TSI.

14. **Claims and Claim Procedure.** Any Settlement Class member may seek to be included as a HELP Settlement Class member by submission of an enrollment form online via a system to be created and maintained by the third-party settlement administrator or TSI, as servicer of the loans. The enrollment form shall require the HELP Settlement Class members to list their name, mailing address, and the telephone number on which they can be reached.

Notwithstanding anything to the contrary provided for by the express terms of this Agreement, Plaintiffs, and Plaintiffs' counsel, acknowledge and agree that normal collection activity can continue on Settlement Class members' accounts by the Defendants and/or their agents or representatives until the Settlement Class members submit an enrollment form for the HELP program.

15. **Opting-Out.** Any Settlement Class member may seek to be excluded from the Settlement Class by opting out within the time period set by the Court. A request for exclusion must be in writing and include the name of the case. The request must also include the name, address, phone number and signature of the person(s) or entity seeking exclusion. The request must be mailed to Plaintiffs' counsel at the address provided in the Class Notice and the envelope must be postmarked no later than such date set by the Court for opting-out. The parties agree to recommend the deadline be 75 days from the date of entry of the Preliminary Approval Order. A request for exclusion that does not include all of the foregoing information, or that is sent to an address other than one designated in the Class Notice, or that is not received within the time specified shall be invalid and the person(s) serving such request shall remain a Settlement Class member and shall be bound as a Settlement Class member to the Agreement, if approved. Plaintiffs' counsel shall forward copies of all requests for exclusion to Counsel for Defendants no later than seven days after receipt. Any Settlement Class member who opts out of the Settlement Class and the Agreement shall not be bound by any prior court order or the terms of the Agreement. Defendants reserve the right to declare this Agreement null and void if more than 10% of Settlement Class members opt-out of the Agreement.

16. **Objecting to the Settlement.** Any Settlement Class member may object to this Agreement by sending said objection to the Clerk of the Court and serving copies of the objection on Plaintiffs' counsel within the time period set by the Court. The parties agree to

recommend the deadline be 75 days from the date of entry of the Preliminary Approval Order. All objections must be in writing and personally signed by the Settlement Class member and include: (1) the objector's name, address, and telephone number; (2) the name and number of the case; and (3) the factual basis and legal grounds for the objection to the Settlement. The written objection must indicate whether the Settlement Class member and/or their lawyer(s) intend to appear at the Final Fairness Hearing. Any lawyer who intends to appear at the Final Fairness Hearing also must enter a written Notice of Appearance of Counsel with the Clerk of the Court no later than the last day of the exclusion/objection deadline set by the Court and shall include the full caption and case number of each previous class action case in which that lawyer(s) has represented an objector. Plaintiffs' counsel shall forward copies of all objections to Counsel for Defendants no later than 7 days after receipt.

17. **Release.** Upon the Effective Date, the Plaintiffs and Settlement Class members grant the following release:

- (a) Plaintiffs Sharon Eul, Stephen Knox, Sr., Stacy Clark, Ricardo Herrera, Leonor Herrera, Michael Gnesin, Bridgette Thomas, Yvonne Thomas, Thomas Rosen, Rupali Patel, Juan Castano, Esther Castano, Cesar Afuang, Terry Rocco, Shaundel Hill, Stanley McCool, Shannon O'Neill, Laura Timbario, and Werner Gruber, including each and every one of their respective agents, representatives, attorneys, heirs, assigns, or any other person acting on their behalf or for their benefit (in their capacities as such), and any person claiming through them, along with each member of the Settlement Class who does not opt out of the Settlement Class (collectively "Releasers"), release Defendants and their predecessors, successors, affiliates, assigns, agents, parents, subsidiaries, divisions, departments, insurers, attorneys, and any and all of their past, present, and future

officers, directors, employees, stockholders, predecessors, successors, attorneys, subrogees (in their capacity as such) of any of the foregoing (collectively “Released Parties”), of any and all claims of the Settlement Class arising out of, or related to, the collection of the defaulted NCSLT loans, and the claims alleged in the Lawsuit.

- (b) In addition, Plaintiffs and the Settlement Class will agree to, and have waived all defenses to the validity of the underlying defaulted NCSLT loans alleged, or that could have been alleged, by any of the Plaintiffs or Settlement Class in any collection lawsuits, including the ability to contest ownership of the debts, but not released are the school fraud exception, individual payment disputes, accounting issues, forgery or any unique, individual capacity defenses. Plaintiffs and the Settlement Class expressly reserve the statute of limitations defense in any collection lawsuits; however, the statute of limitations defense for collections lawsuits related to Plaintiff and/or the Settlement Class shall be subject to the 10-year limitations period provided for in 735 ILCS 5/13-206. This release shall not be construed to limit or release any benefit (“Benefits”) made available to any member of the settlement class as a result of any consent order entered into between any NCSLT entity and the Consumer Financial Protection Bureau (arising out of *Consumer Financial Protection Bureau v. National Collegiate Student Loan Trust, et al.*, 1:17-cv-01323-GMS (D. De.)) and/or Transworld and the Consumer Financial Protection Bureau (arising out of *In the Matter of Transworld Systems Inc.*, File No. 2017-CFPB-0018, Doc. 1). Any Benefits shall supersede any and all waivers described in this paragraph.

- (c) For purposes of this release, the term Released Parties shall also include the entities identified in footnote 1.

18. The releases set forth herein are conditioned upon the Court's approval of the Agreement and Defendants meeting their obligations herein. If this Agreement is not approved by the Court or for any reason does not become effective, it shall be deemed null and void and shall be without prejudice to the rights of the Parties hereto and shall not be used in any subsequent proceedings in this or any other Lawsuit, or in any manner whatsoever.

19. **Notice Costs and Related Matters.** The cost of class notice shall be paid by Defendants.

20. **Notice.** No later than seven (7) calendar days after entry of the Preliminary Approval Order, Defendants shall provide Plaintiffs' counsel and third-party settlement administrator with a spreadsheet containing the names and last known mailing addresses of the Settlement Class members, according to TSI's business records.³ No later than thirty (30) days after entry of the Preliminary Approval Order, the third-party settlement administrator shall cause actual notice in the form of Exhibit 1 to be sent to Settlement Class members using Defendants' foregoing spreadsheet and submitting the address through the National Change of Address registry.

The third-party settlement administrator shall distribute the notice via any form of U.S. Mail providing address forwarding. Each notice shall be sent with a request for forwarding addresses. In the event that a notice is returned as undeliverable and a forwarding address is provided, the third-party settlement administrator shall cause to be forwarded any such returned notice to the address provided within four (4) days of receipt. Plaintiffs' counsel shall be

³ The spreadsheet shall be considered produced as Confidential pursuant to the confidentiality agreement entered in this matter. The information shall not be used for any commercial purpose (aside from providing notice in this matter), or for the purpose of soliciting clients to be represented in any litigation.

responsible for directing the third-party settlement administrator and shall retain any documents generated in connection with the settlement for one year from the void date and may destroy the documents after that date.

21. Defendants shall provide notice of this proposed class settlement to the appropriate state and federal authorities in compliance with the Class Action Fairness Act, 28 U.S.C. § 1715(b) (“CAFA”) and file a notice of compliance with the Court.

22. **Preliminary Approval.** As soon as practicable after execution of this Agreement, the Parties shall make application to the Court for the Preliminary Approval Order, attached as Exhibit 2, which:

- (a) Preliminarily approves this Agreement;
- (b) Certifies the Settlement Class defined in ¶ 8 for settlement purposes;
- (c) Appoints EDELMAN, COMBS, LATTURNER & GOODWIN LLC as Class Counsel;
- (d) Appoints Plaintiffs, Sharon Eul, Stephen Knox, Sr., Stacy Clark, Ricardo Herrera, Leonor Herrera, Michael Gnesin, Bridgette Thomas, Yvonne Thomas, Thomas Rosen, Rupali Patel, Juan Castano, Esther Castano, Cesar Afuang, Terry Rocco, Shaundel Hill, Stanley McCool, Shannon O’Neill, Laura Timbario, and Werner Gruber, as representatives of the Settlement Class;
- (e) Sets dates for Settlement Class members to submit an enrollment form to join the HELP plan, opt-out, or to object;
- (f) Schedules a hearing for final approval of this Agreement;
- (g) Approves Exhibit 1 hereto as notice to the Settlement Class, to be directed to the last known address of Settlement Class members as shown in Defendants’ business records;

(h) Finds that mailing of the Settlement Class notice and the other measures specified in ¶ 13 are the only notice required to the Settlement Class and that such notice satisfies the requirements of due process, the Federal Rules of Civil Procedure including Rule 23, the United States Constitution, and any other applicable laws.

23. The Parties agree to request the form of notice attached hereto as Exhibit 1 and propose the form of preliminary approval order attached hereto as Exhibit 2. The fact that the Court may require non-substantive changes in the proposed class notice or preliminary approval order does not invalidate this Agreement.

24. **Final approval.** At the conclusion of, or as soon as practicable after, the hearing on the fairness, reasonableness and adequacy of this Agreement, and the expiration of at least ninety (90) days from the date notice is provided under ¶ 13, Plaintiffs and Plaintiffs' counsel shall, on consent of Defendants and their counsel, request that the Court enter a Final Order:

- (a) approving the terms of this Agreement as fair, reasonable, and adequate;
- (b) providing for the implementation of its terms and provisions;
- (c) certifying the Settlement Class for settlement purposes;
- (d) finding that the notice given to the Settlement Class satisfies the requirements of due process, the Federal Rules of Civil Procedure including Rule 23, the United States Constitution, and any other applicable laws; and
- (e) dismissing the claims of Plaintiffs and the Settlement Class alleged in the Consolidated Complaint without prejudice (to the extent the claim has not already been dismissed with prejudice pursuant to the order dated March 30, 2017).

25. The Parties agree to request the form of final order attached hereto as Exhibit 3. Any non-substantive changes in the final order do not invalidate this Agreement.

26. **Release of Attorneys' Lien.** In consideration of this Agreement, Plaintiff's counsel hereby discharges and releases the "Released Parties," as defined in ¶ 17 above, of and from any and all claims for attorneys' fees or costs, by lien or otherwise, other than the amount of Plaintiffs' counsels' fees and costs to be determined and distributed pursuant to ¶ 10(f).

27. **Miscellaneous Provisions.** The Parties and their attorneys agree to fully cooperate with one another in seeking approval of this Agreement and to use their best efforts to affect the consummation of this Agreement and settlement provided for herein prior to the fairness hearing.

28. **Destruction of Documents.** The Parties and their Counsel shall retain all documents and records generated during the administration of the settlement including Notice given to the Settlement Class members, records of undelivered mail, objections, requests for exclusion, Claim Enrollment Forms and payments to any Settlement Class member for a period of one year following entry of the Final Approval Order. After one year, the Parties and their Counsel are free to destroy documents generated in connection with this Agreement.

29. The foregoing constitutes the entire agreement between the Parties with regard to the subject matter hereof and may not be modified or amended except in writing, signed by all Parties hereto, and approved by the Court. Each of the parties hereto has jointly participated in the negotiation and drafting of this Agreement. In the event an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by each of the parties hereto and no presumptions or burdens of proof shall arise favoring any party by virtue of the authorship of any provisions of this Agreement.

30. This Agreement may be executed in multiple counterparts; in which case the various counterparts shall constitute one instrument for all purposes. The several signature pages

may be collected and annexed to one or more documents to form a complete counterpart. Photocopies of executed copies of this Agreement may be treated as originals.

31. Each and every term of this Agreement shall be binding upon and inure to the benefit of the Plaintiffs, the Settlement Class, and any of their successors and personal representatives, and shall bind and shall inure to the benefit of the Released Parties, all of which persons and entities are intended to be beneficiaries of this Agreement.

32. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Illinois.

33. The Parties have relied upon the advice and representation of counsel, selected by them, concerning their respective legal liability for the claims hereby released. The Parties have read and understand fully the above and foregoing agreement and have been fully advised as to the legal effect thereof by counsel of their own selection and intend to be legally bound by the same.

IN WITNESS WHEREOF, the Parties hereto, acting by and through their respective counsel of record, have so agreed.

Sharon Eul

Stephen Knox, Sr.,

Date

Date

Stacy Clark

Ricardo Herrera

Date

Date

Leonor Herrera

Michael Gnesin

Date

Date

Bridgette Thomas

Yvonne Thomas

Date

Date

Thomas Rosen

Rupali Patel

Date

Date

Juan Castano

Esther Castano

Cesar Afuang

Terry Rocco

Date

Date

Shaundel Hill

Stanley McCool

Date

Date

Shannon O'Neill

Laura Timbario

Date

Date

Werner Gruber

Date

Transworld Systems Inc.

EGS Financial Care Inc.

By:
Its:
Date:

By:
Its:
Date:

Weltman, Weinberg & Reis Co., L.P.A.

Blitt and Gaines, P.C.

By:
Its:
Date:

By:
Its:
Date:

National Collegiate Master
Student Loan Trust-I

National Collegiate Student Loan Trust 2003-1

By:
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National Collegiate Student
Loan Trust 2004-1

National Collegiate Student Loan Trust 2004-2

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National Collegiate Student
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National Collegiate Student Loan Trust 2005-2

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National Collegiate Student
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Loan Trust 2007-4

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National Collegiate Student Loan Trust 2006-1

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National Collegiate Student Loan Trust 2006-3

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Date:

National Collegiate Student Loan Trust 2007-1

By:
Its:
Date:

National Collegiate Student Loan Trust 2007-3

By:
Its:
Date:

AS TO FORM ONLY:

/s/

James K. Schultz
Daniel W. Pisani
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120 S. LaSalle St., Ste. 1960
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