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Attorneys for Plaintiffs and the Proposed Class

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

OAKLAND DIVISION

MAUDER and ALICE CHAO; DEOGENESO and GLORINA PALUGOD; and MARITZA PINEL, individually and on behalf of all others similarly situated,

Plaintiffs,

vs.

AURORA LOAN SERVICES, LLC,

Defendant.

Case No.: CV-10-3118-SBA

CLASS ACTION

DECLARATION OF PLAINTIFF ALICE CHAO

Date: January 13, 2015
Time: 1:00 p.m.
Place: Courtroom 210
Judge: Hon. Saundra B. Armstrong

I, Alice Chao, hereby declare as follows:

1. This declaration is based upon my personal knowledge.

2. My husband Mauder and I are named plaintiffs and class representatives in the above referenced action.

3. I initiated this case because Mauder and I felt that Defendant Aurora Loan Services, LLC ("Aurora"), our mortgage servicer, tricked us into entering a "Workout Agreement," which appeared to offer a loan modification, but in truth and fact was merely a ruse through which Aurora duped us into paying it tens of thousands of dollars immediately before losing our home to foreclosure.

4. In late 2008, Mauder and I were suffering financial hardship as a result of failed investments and a drop in income as a result of Mauder being temporarily laid off from his employment as an engineer. I was also unemployed at that time. This loss of income resulted in our seeking to reduce our expenses and to seek help from our creditors in reducing these expenses, including the Note.

5. Beginning in January and throughout the following months in 2009, I contacted Aurora, seeking review of my loan for possible modification. Aurora offered a Workout Agreement.

6. The Workout Agreement was drafted in its entirety by Aurora and presented as non-negotiable. I was given no opportunity to suggest different or alternate terms. I was not advised to seek legal counsel or advised that Aurora would offer the Workout Agreement if I retained counsel.

7. The Workout Agreement required us to make an initial payment of $5,668 with the return of the executed agreement by October 15, 2009. Thereafter, we were required to make payments of $3,100 by the 20th of each month, including October 20, 2009, until February 20, 2010.

8. We were also required to provide certain documents and information to Aurora, which we did; and under the terms of the Workout Agreement, we waived certain legal rights and admitted certain liabilities to Aurora.

9. Aurora agreed in return not to foreclose for the duration of the Workout Agreement.

10. I made each of the payments as I had promised and provided all of the written materials and documents that Aurora sought for evaluating my loan.

11. After the Workout Agreement term ended on February 20, 2010, Aurora asked me to continue making the payment set forth in the Workout Agreement while it claimed it continued its review for possible loan modification.

12. I made additional payments of $3,100 on or about March 12, 2010, and April 20, 2010.

13. Aurora confirmed that all required documents were received and, as late as May 12, 2010, told me that foreclosure was "on hold" while the loan was reviewed for modification.

14. I made my ninth payment under the Workout Agreement (as extended by Aurora) on May 18, 2010.

15. On May 28, 2010, Mauder and I were served with a Notice to Vacate, indicating that our home had been sold in foreclosure on May 24, 2010.

16. I received no notice whatsoever that the foreclosure process had been reinstated nor, in fact, completed.

17. Importantly, I was not notified that I had been denied a modification or another workout option and—lacking notice of Aurora's intent to foreclose—was not given an opportunity to cure through reinstatement or pay-off.

18. I was not informed by Aurora of the remaining amount of arrearage on the Note such that it could be reinstated by me, and I was not informed of the amount required to pay off the loan in its entirety.

19. Had I known that Aurora would not notify me that they was denied a modification and not provide an opportunity to cure, as promised in the Workout Agreement, I would not have entered into the Workout Agreement. Instead, I would have let the already initiated foreclosure run its course, and would not have paid $33,568 in return for Aurora's illusory promise of an opportunity to cure.

20. Shortly after receiving the Note to vacate, Mauder and I contacted our attorney, Andrew M. Oldham, to rescind the sale.

21. My attorney and I tried to work out the situation with Aurora amicably by offering alternative solutions. However, its dismissive responses forced us to pursue legal action.

22. My attorney, Andrew M. Oldham, contacted Thomas Loeser, Esq. of Hagens Berman Sobol Shapiro LLP, who agreed to become a co-counsel and they both took the case on a purely contingent basis as a class action if I would agree to serve as a representative plaintiff. I had never been a representative in a class action before. Other than this case, I have never been a plaintiff in a lawsuit before to my recollection.

23. I decided to serve as a class representative because I felt that I was mistreated by Aurora and that this would likely be the only way that Mauder and I could recover money that Aurora duped us into paying it for the illusory promises of avoiding the foreclosure.

24. Based on my communications with my attorneys, and our written agreement, I understood and agreed that my duty as a class representative was to represent the interests of the Class as a whole, and that I could receive no special treatment compared to other Class members. I was generally informed of the possibility that I could receive a modest extra award (an "service award") for my efforts and initiative as class representative if the case was successful and the judge determined it was appropriate, but I was never promised anything and no particular dollar amount was discussed. I understood it would be a modest amount and depend on how the case proceeded. I never asked for, was offered, or expected anything in this regard, except fair and customary treatment.

25. I agreed to the proposed settlement based on the high dollar amount recovered and the advice of my attorneys, which included information about the proportion of potential damages that it recovered, their efforts to obtain it, and the like. I was never pressured to agree to the settlement if I did not think it was right. My motivation to sign the Settlement Agreement had nothing to do with the possibility of a service award. I understood I had the right to support, object to, or comment upon the proposed settlement without affecting the possibility of a service award. I

am satisfied by the settlement, I believe it sends an important message, and I am proud to have played a role in achieving this outcome. My support for the settlement is in no way contingent on whether the Court elects to grant me a service award.

26. I would, of course, appreciate and accept any extra award that the Court deems fair and appropriate for the time and effort I spent on this case. I do believe that I showed initiative and took on risk in bringing this case for the benefit of the larger class of persons affected by Aurora's illusory and unconscionable "Workout Agreements." Getting involved in a lawsuit with a huge company like Aurora is inherently risky even in the hands of good lawyers, and engaging the lawyers had risks of its own as I barely knew them when the case began. I did not take lightly the fact that I would be suing my loan servicer, which foreclosed and took away my home. But I really wanted to step up and do something about what I perceived as unfair policies and practices. In taking on the role of class representative, I was fully committed to seeing the case through, knowing that it could involve a substantial investment of time and subject me to rigorous personal examination and other potential legal ramifications that I really had no way of assessing.

27. I understand that the Court also considers the extent of my activities in support of the litigation in considering an appropriate service award, so I recite them to the best of my ability as follows: I believe I met with Mr. Oldham in person a total of 10-20 times over the course of the case, and also communicated routinely with him and/or Mr. Loeser by phone and email. After the first meeting, I went through the process of gathering my loan related documents for their review. I recall spending significant time going over these documents and other facts with them as the lawyers prepared the case. The significant legal documents I reviewed and discussed with my attorneys over the course of the case included the agreement I entered with the attorneys, (which included a description of my rights and responsibilities as a class representative), the complaint they prepared to initiate this action, motions to dismiss the complaint and responses, a second "consolidated" complaint that joined our case with another, motions to dismiss the second complaint, motions to make our case a class action, the settlement agreement that I eventually signed, the class notice, and this declaration. I was also required to prepare for and have my

deposition taken. It took several days to prepare for and attend the deposition in Berkeley. I also attended the settlement conference in San Francisco. In connection with each event, I engaged with my attorneys by telephone and email as necessary to ensure I understood what was going on and any decisions I was making or actions I was authorizing. I otherwise communicated with my attorneys regarding the case status from time to time, including over the course of the mediation that led to the settlement.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: November 14, 2014

/s/ Alice Chao
Alice Chao, Plaintiff

LOCAL RULE 5-1(i)(3) ATTESTATION

In accordance with Local Rule 5-1(i)(3), concurrence in the filing of this document has been obtained from each of the signatories and I shall maintain records to support this concurrence for subsequent production for the court if so ordered or for inspection upon request by a party.

DATED: November 14, 2014

HAGENS BERMAN SOBOL SHAPIRO LLP

By: /s/ Thomas E. Loeser

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