

## **CONFIDENTIAL SETTLEMENT AND RELEASE AGREEMENT**

This Confidential Settlement and Release Agreement and its Exhibit (collectively, "Agreement") is made and entered into as of the last date set forth on the signature page ("Effective Date") by and between Fay Servicing, LLC ("Fay") and Havanna Jane Grissom ("Plaintiff") (individually, a "Party," and collectively, the "Parties") for the purpose of resolving by compromise and settlement of all claims, controversies, alleged liabilities, and disputes between them.

### **RECITALS**

This Agreement is entered into with reference to the following facts:

- A. On or about January 26, 2026 Plaintiff executed a \$79,371.83 promissory note ("Note") in favor of Citifinancial Services, Inc. secured by a Deed of Trust encumbering the real property commonly known as 4811 Redwood Road, Durham, NC 27704 ("Property"). The Note, Deed of Trust, and associated origination documents, are collectively referred to as the "Loan Documents", setting forth the terms of the "Loan". Fay is the current servicer of the Loan.
- B. Plaintiff filed for federal bankruptcy protection by filing a Chapter 13 Voluntary Petition In the United States Bankruptcy Court For the Middle District of North Carolina entitled *In Re: Havanna Jane Grissom, Debtor*, bearing Case Number 1:19-bk-80802 hereinafter referred to as the "Bankruptcy".
- C. Certain disputes have arisen between Plaintiff and Fay regarding Fay's servicing of Plaintiff's Loan. Those disputes are more fully set forth in the pleadings of an adversary proceeding filed In the United States Bankruptcy Court For the Middle District of North Carolina, entitled *Havanna Jane Grissom, Plaintiff v. Fay Servicing, LLC, Defendant*, bearing Adversary Proceeding Case Number 1:25-ap-9001 hereinafter to be referred to as the "Action".
- D. 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 Action, and in all other aspects of the dispute between or among the Parties, whether pleaded or not, and possibilities of each action and matter described herein.
- E. Each Party denies all allegations, claims and defenses made by the other Party in the Action.
- F. Notwithstanding the above, solely in order to avoid the cost, delay and uncertainty of further litigation, the Parties desire to compromise and 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 and settle their rights and obligations in connection with the Loan Documents.

### **AGREEMENTS, RELEASES, AND PROMISES**

THEREFORE, in consideration of the facts and general releases and promises contained herein, and for other good and valuable consideration, the sufficiency and receipt of which is acknowledged by each Party hereto, the Parties promise and agree as follows:

1. **Settlement Payment:** Fay will pay to the Plaintiff the sum of Sixteen Thousand Dollars and Zero Cents (\$16,000.00) (herein "Settlement Proceeds"). Fay will pay this sum in good funds by check payable to "Dann Law Firm Co LPA" to be delivered to counsel for the Plaintiff at the mailing address of: 15000 Madison Avenue, Lakewood, OH 44107 within thirty (30) days of the full execution of this Agreement. The Plaintiff shall be responsible for obtaining all orders from the Bankruptcy Court necessary to: approve this settlement, approve the dismissal with prejudice of the Action, and close the Bankruptcy Case. The Settlement Proceeds will be held in trust by counsel for Plaintiff, until such time as this Agreement is fully executed, any orders necessary to approve this settlement Agreement and dismissal with prejudice are entered by the Bankruptcy Court, the stipulation of dismissal with prejudice is filed, accepted by the Bankruptcy Court, and copies of all documents are delivered to counsel for Fay. If this Agreement is not approved by the Bankruptcy Court then the Settlement Proceeds shall be returned to Fay.
2. **Dismissal of Action:** Plaintiff agrees to dismiss all claims in the Action with prejudice and without fees or costs against Fay within five (5) days of entry of the Bankruptcy Court's order approving this Agreement. Plaintiff's counsel and Defendant's counsel shall execute the Joint Stipulation for Dismissal with Prejudice attached hereto as **Exhibit A** to this Agreement simultaneously with the Parties' execution of this Agreement. Plaintiff's counsel will file with the court the executed Joint Stipulation of Dismissal with Prejudice within five (5) days of entry of the Bankruptcy Court's order approving this Agreement.
3. **Attorneys' Fees:** The Plaintiff shall bear her own attorney's fees and cost 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. **Confidentiality:** The Parties and their attorneys represent, warrant and agree that the terms and contents of this Agreement and all information and evidence elicited or exchanged during the Action and in negotiating this Agreement are and shall be treated as confidential and shall not be disclosed, in any way used or described or characterized to any other person or entity except as follows: (a) Plaintiff may only disclose the contents or terms of the Agreement to her accountants and other tax preparers, to the Internal Revenue Service, to her attorneys, or if otherwise compelled by a court of law; (b) Fay may disclose the contents or terms of the Agreement under the same circumstances, to governmental entities to which Fay reports, or as otherwise required in the normal course of its business. This confidentiality provision and agreement is a

material term of this Agreement, breach of which the Parties hereby agree will cause the Parties irreparable harm. If Plaintiff or Plaintiff's attorneys are required by an appropriate order of a competent court to disclose the terms of this Agreement to individuals other than those set forth above, Plaintiff shall notify Fay's counsel, in writing, at least fifteen (15) days prior to such disclosure. In order to protect the confidentiality of this Agreement the Parties agree to file a motion to seal this Agreement if it needs to be an exhibit to the motion for Bankruptcy Court approval of this Agreement. The Parties agree that this Agreement may be viewed internally by Bankruptcy Court personnel including but not necessarily limited to clerks of court, the presiding Judge, the Chapter 13 Trustee, and Bankruptcy Administrator.

5. **Release by Plaintiff:** Except for the obligations and rights expressly set forth and reserved in Paragraph 7 of this Agreement, 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, Plaintiff, for and on behalf of herself and her present and future spouses (and common law spouses), children, parents, relations, successors, beneficiaries, heirs, next of kin, assigns, executors, administrators, and/or estate, or any and all other persons who could claim through her (collectively, the "Releasers") hereby unconditionally, irrevocably, forever and fully releases, acquits, and forever discharges Fay, Wilmington Savings Fund Society, FSB, not in its individual capacity but solely as owner trustee of NYMT Loan Trust 2024-CP1 (the "Trust"), and their respective 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 Loan and their predecessors, heirs or successors in interest and assigns, and each of them (the "Releasees"), 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 Bankruptcy, the Action, the Property, the Note, the Deed of Trust, or the Loan. In addition, Plaintiff covenants not to sue Wilmington Savings Fund Society, FSB, not in its individual capacity but solely as owner trustee of NYMT Loan Trust 2024-CP1, Fay, or any other person or entity for any claim Plaintiff has or may have had as of the Effective Date, relating to or arising out of the Loan, the Property, the Bankruptcy, the Action, the Litigation, or the matters mentioned in the recitals herein. Plaintiff also specifically waives and releases any right of rescission under the federal Truth in Lending Act ("TILA") and any other claims she 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 Equal Credit Opportunity Act ("ECOA"), the Fair Credit Reporting Act ("FCRA"), or their implementing regulations, or any corresponding state law statute or provision concerning the Note, the Deed of Trust, the Loan, the

Bankruptcy, and/or the Action. It is the intention and effect of this release to discharge all claims that the Releasors have against the Releasees up until and including the date of the execution of this Agreement.

6. **Satisfaction of Liens and Medical Bills.** Plaintiff hereby represents and warrants, as a material inducement to cause the Parties to enter into this Agreement, that any claims or liens that exist in favor of any employer, workers' compensation carrier, health care provider, health benefit provider, Medicare, Medicaid or any other person, entity or governmental agency, which would prevent the direct payment of the Settlement Proceeds set forth herein, will be satisfied or otherwise resolved by Plaintiff and or Plaintiff's counsel. Plaintiff specifically acknowledges and represents that all medical liens will be compromised, settled or otherwise resolved prior to the final distribution of the Settlement Proceeds. In the event that any person, firm or corporation released herein shall incur expense or sustain any monetary damage arising out of or relating to such liens or claims, Plaintiff does hereby agree to indemnify, defend, save and hold harmless all such persons, firms and corporations herein released from any and all costs, damages, interest, payment, legal fees or expenses of any nature whatsoever.
7. **Release of Unknown Claims:** Plaintiff acknowledges and agrees that she may hereafter discover facts different from, or in addition to, those facts known to her or which she 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 attorney's fees) existing on the effective date of this Agreement. Plaintiff nevertheless agrees that the releases set forth herein have been negotiated and agreed upon, notwithstanding such acknowledgment and agreement, and hereby expressly waives any and all rights which she 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. Plaintiff understands and acknowledges the significance and consequences of this waiver and assumes full responsibility for any and all damages, losses, costs, and expenses she may incur hereafter as a result of any of the facts, matters, and events referred to in the Recitals set forth above.
8. **Release Limitations:** This Agreement does not alter the rights and obligations of the Plaintiff pursuant to the Note, Deed of Trust and Loan Documents, all of which remain in full force and effect. Nothing herein shall affect the ability to collect the payments due under the Loan by Fay, Wilmington Savings Fund Society, FSB, not in its individual capacity but solely as owner trustee of NYMT Loan Trust 2024-CP1, and their respective successors and assigns. This Agreement does not release claims arising out of the failure of either Party to perform in conformity with the terms of this Agreement and the Parties' continuing relationship as mortgagor and mortgagee.
9. **Opportunity to Cure:** Plaintiff recognizes that Fay is a large organization and services a large number of loans. Plaintiff therefore understands Fay's reasonable efforts will be applied to the obligations created by this Agreement but that some temporary, inadvertent errors may occur. In the event of any such errors by Fay, Plaintiff agrees to provide prompt and clear notice to Fay, and to allow it a reasonable opportunity to cure the error.

Provided Fay cures such error(s) after notice by Plaintiff (which notice shall be a condition precedent to any liability), such errors shall not constitute a material breach under this Agreement.

10. **Warranties and Representations:** The Parties hereto warrant and represent 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.
11. **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. All Parties who are representing themselves are warned to obtain the advice of an attorney before signing this Agreement.
  - 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.
12. **Tax Consequences:** This Agreement is enforceable regardless of its tax consequences. The Parties understand and agree that the consideration and payments set forth in this Agreement reflect the settlement of disputed legal claims and that Fay makes no representations regarding the Agreement's tax consequences. Plaintiff, however, specifically agrees that she is solely responsible for any and all taxes, interest and penalties due and owing, if any, should the payment or any portion thereof, be taxable.
13. **Notice from Plaintiff Regarding Implementation:** Certain terms of the Agreement may require action on the part of Fay for purposes of implementing the Agreement including without limitation Fay adjusting the terms and conditions of the Loan, including payment obligations. As a result, and as a material term of the Agreement, Plaintiff will advise Fay's counsel in writing (the "Notice of Failure") prior to filing suit or seeking other relief related to implementation by Fay. Upon receipt of the Notice of Failure, Fay shall have forty-five (45) days to review the content of the notice and to resolve the issue, if necessary. If at end of the 45-day period, Plaintiff continues to



believe that Fay has continued to fail to implement the terms of the Agreement, Plaintiff may file suit or seek other relief to enforce the terms of this Agreement.

14. **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.
15. **Non-Disparagement:** Plaintiff shall refrain from making any disparaging statements, writings, documents, website postings, or complaints about Fay, Wilmington Savings Fund Society, FSB, not in its individual capacity but solely as owner trustee of NYMT Loan Trust 2024-CP1, or the other Releasees. Without limiting the foregoing, it is expressly warranted and agreed by Plaintiff that Plaintiff has not made, and will not make, any derogatory and/or disparaging comments about Fay or any of their officers, directors or employees or publish or discuss this Agreement or the settlement and compromise evidenced hereby on the internet or with the media. Further, Plaintiff shall not voluntarily assist any other party in the investigation or prosecution of claims against Fay or any of its officers, directors or employees. For purposes of this Section, "disparage" shall mean any negative statement, whether written or oral, about Fay or any of its officers, directors or employees. The Parties agree and acknowledge that this non-disparagement provision is a material term of this Agreement, the absence of which would have resulted in Fay refusing to enter into this Agreement.
16. **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.
17. **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.
18. **Governing Law:** This Agreement shall be governed by the laws of the State of North Carolina and any question arising hereunder shall be construed or determined according to such law. Notwithstanding any such dismissal(s) agreed to herein, the Court in the Action shall retain jurisdiction to enforce this settlement.
19. **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.

20. **Waiver:** The failure of either party to demand performance of any act under the Agreement from the other party shall not be construed as a waiver of any right to demand, at any subsequent time, such performance.
21. **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. Docusign or any other electronic signature process, facsimile signatures, and/or electronically scanned handwritten signatures, delivered by electronic mail shall be as valid and binding as originals.
22. **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.
23. **Time Is Of The Essence:** Time is of the essence with respect to the performance of any and all provisions of this Agreement.
24. **Headings and Captions:** The headings and captions inserted into this Agreement are for convenience only and in no way define, limit or otherwise describe the scope or intent of this Agreement, or any provision hereof, or in any way affect the interpretation of this Agreement.
25. **Effective Date:** This Agreement shall be deemed effective on the Date that it is signed by all Parties hereto.

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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: \_\_\_\_, 20

\_\_\_\_\_  
Plaintiff: Havanna Jane Grissom

Dated: \_\_\_\_, 20

\_\_\_\_\_  
Fay Servicing, LLC

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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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: 6/23/2025

Havanna J. Grissom  
Plaintiff: Havanna Jane Grissom

Dated: 6/25/2025

DocuSigned by:  
Melissa Sequete  
Fay Servicing, LLC  
Name: Melissa Sequete  
Title: VP, Legal

~ signatures continued on next page ~

APPROVED AS TO FORM:

06 / 24 / 2025

Dated: \_\_\_\_, 2025

PLAINTIFF'S COUNSEL

By: Brian D. Flick FOR  
Brent Snyder, Esq.  
Attorney for Plaintiff, Grissom

Dated: 6/25, 2025

LOCAL COUNSEL

By: William E. Hubbard  
William E. Hubbard, Esq.  
Attorney for Defendant, Fay Servicing,  
LLC