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August 30, 2017

Via Federal Express

Stephen C. Taylor
Commissioner
Government of the District of Columbia
Department of Insurance, Securities and Banking
810 First Street, N.E., Suite 701
Washington, DC 20002

Attention: CAFA Coordinator

Notice of Proposed Class Action Settlement Pursuant to 28 U.S.C. § 1715

Dear Commissioner Taylor:

This supplemental notice is sent pursuant to 28 U.S.C. § 1715 of the Class Action Fairness Act on behalf of defendants American Security Insurance Company, Standard Guaranty Insurance Company, and Voyager Indemnity Insurance Company (collectively “the Assurant Defendants”), relating to the class action styled *Pedro Santos v. The Carrington Companies, LLC*, No. 2:16-cv-03679-WHW-CLW (“*Santos*”) in the United States District Court for the District of New Jersey (“the Court”). As described in the original CAFA notice sent on May 17, 2017, the *Santos* action involves allegations that Plaintiff and other similarly situated borrowers were charged inflated or improper premiums by Defendant, Carrington Mortgage Services, LLC (“Carrington Mortgage”) under a hazard, flood, flood gap or wind-only insurance policy (“LPI”) for Residential Property issued by the Assurant Defendants.

On May 12, 2017, Plaintiffs’ Unopposed Motion and Memorandum in Support of Preliminary Approval of Class Action Settlement, Certifying Class for Settlement Purposes, Directing Issuance of Class Notice, Appointment of Class Counsel and Scheduling Final Approval Hearing (“Preliminary Approval Motion”) was filed in *Santos*. Thereafter, the parties agreed to modify the settlement so that Settlement Class Members that submit a valid and verified Claim Form will now either, at their election, (i) have Carrington credit to the Claimant’s mortgage escrow account for the loan at issue, or (ii) pay to that Claimant through the Settlement Administrator an amount equal to 12.5% of the Net Premium (net of refunds) on the LPI Policy issued during the Class

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Period. This change increases the refund from 10.5% to 12.5% of the Net Premium. Accordingly, on August 11, 2017, Plaintiffs filed a Renewed Preliminary Approval Motion. The modification to the settlement is memorialized in Exhibit 2 to the Declaration of Roosevelt N. Nesmith in Support of the Renewed Preliminary Approval Motion. A hearing on the Renewed Preliminary Approval Motion is set for October 27, 2017 at 10:00 AM before the Honorable William H. Walls at the Martin Luther King Building & U.S. Courthouse, Courtroom 4D, 50 Walnut Street, Newark, NJ 07101.

In connection with this supplemental notice, we enclose herewith a CD containing the following materials relating to the modified proposed settlement of this lawsuit (we will provide a paper copy of these materials upon your request):

- Notice of Plaintiffs' Unopposed Motion for Preliminary Approval of Class Action Settlement, Certifying Class for Settlement Purposes, Directing Issuance of Class Notice, Appointment of Class Counsel and Scheduling Final Approval Hearing ("Renewed Preliminary Approval Motion");
- Memorandum in Support of Renewed Preliminary Approval Motion
- Roosevelt N. Nesmith's Declaration in Support of Renewed Preliminary Approval Motion and Exhibits 1-5;
- Defendants' Response to and Joinder in Plaintiff's Renewed Preliminary Approval Motion and Exhibits A-D; and
- Stipulation and Settlement Agreement, and Exhibits thereto (Exhibit 1 to Roosevelt N. Nesmith's Declaration in Support of Preliminary Approval Motion).

These and other related materials also are electronically available through the Court's PACER service at <https://www.pacer.gov/>.

Unfortunately, it is still not feasible to determine precisely the amount of settlement relief that will be provided by the proposed settlement to the class, to individual class members, or the potential distribution of such settlement relief, because such amounts depend upon factors which cannot be reliably predicted. After the modification to the Settlement Agreement, however, if all class members made valid claims, aggregate settlement claim relief would be approximately \$8.3 million.

If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Burt". The signature is fluid and cursive, with a long horizontal stroke extending to the left.

Enclosures