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11
12 **UNITED STATES DISTRICT COURT**
13 **EASTERN DISTRICT OF CALIFORNIA**
14

15 DAVID WEINER, individually, and on
16 behalf of other members of the public
similarly situated,

17 Plaintiff,

18 v.

19 OCWEN FINANCIAL CORPORATION,
20 a Florida corporation, and OCWEN LOAN
SERVICING, LLC, a Delaware limited
21 liability company,

22 Defendants.

Case No. 2:14-cv-02597-DJC-DB

**DEFENDANTS' BRIEF REGARDING
CLASS SETTLEMENT**

Judge: Hon. Daniel J. Calabretta
Courtroom: 10, 13th Floor

1 Defendants Ocwen Financial Corporation and Ocwen Loan Servicing, LLC (collectively,
2 “Ocwen”) respectfully submit this brief in response to this Court’s Minute Order, issued February
3 23, 2024, requesting additional information regarding the proposed class action settlement
4 agreement entered into between Ocwen and Plaintiff David Weiner (“Plaintiff”) (together, the
5 “Parties”).¹ See ECF 246. Ocwen’s answers to this Court’s questions are as follows:

6 **(1) Gross Settlement Amount**

7 The Parties have not pre-allocated a settlement fund or otherwise set a cap on the gross
8 settlement amount. Instead, the Parties have agreed to a claims-made settlement structure. As such,
9 the final gross settlement amount will be determined based on how many claims are submitted by
10 Class Members and properly verified. However, based on our estimates of the total class sizes and
11 potentially eligible claims, the maximum potential gross settlement award obtainable by Class
12 Members is \$53,826,220. This amount includes the total value of fee “reversals” or “credits” that
13 the California Settlement Sub-Class can obtain, as described in paragraph (4) below.

14 **(2) Size of the Settlement Class, Including the Respective Sizes of the National**
15 **Settlement Class and the California Settlement Sub-Class**

16 After extensive negotiations over legitimate disputes between the Parties, the Parties have
17 agreed to the following settlement class sizes. The total estimated size of the Settlement Class is
18 roughly 330,377 borrowers. Of this total, roughly 322,958 constitute the National Settlement Class
19 and roughly 7,419 constitute the California Settlement Sub-Class. Notably, these numbers include
20 borrowers for whom Ocwen contends never paid for any Brokers Price Opinions (“BPOs”) or
21 Hybrid Valuations assessed to their mortgage accounts, and therefore never suffered any losses.

22 **(3) Expected Attorneys’ Fees and Costs**

23 Class Counsel has represented that they will request Court approval of an estimated amount
24 of \$8,000,000 in attorneys’ fees and up to \$900,000 in reasonable costs and expenses. Additionally,
25 the Settlement Administrator has budgeted \$600,000 for settlement administration costs. Under the
26 Parties’ Settlement Agreement, Ocwen will pay the Court-approved attorneys’ fees and costs.

27 _____
28 ¹ All capitalized words and terms that are not otherwise defined in text have the meaning ascribed
to them in the Settlement Agreement. See ECF No. 244-1, Exhibit 1.

1 See ECF No. 244-1, Exhibit 1 at 6, 15. Lastly, the Parties will not challenge the settlement on the
2 basis that the attorneys' fees and expenses ultimately awarded by the Court are different than the
3 requested amounts. *Id.* at 15.

4 **(4) Portion of the Gross Settlement Amount That Will Be Allocated to Each of the**
5 **National Settlement Class and the California Settlement Sub-Class**

6 As noted above, the total potential settlement award amount is \$53,826,220, which includes
7 the total value of fee "reversals" or "credits" that the California Settlement Sub-Class can obtain.
8 Of this total potential settlement award amount, \$52,895,150 can be allocated to the National
9 Settlement Class, and \$931,070 can be allocated to the California Settlement Sub-Class in the form
10 of fee "reversals" or "credits" of BPOs or Hybrids that were assessed to their mortgage accounts.

11 **(5) Whether Any Part of the Gross Settlement Amount Will Revert to Defendants**

12 There will not be a reversion of the gross settlement amount to Ocwen, as the Parties have
13 not pre-allocated a settlement fund. Instead, the Parties have agreed to an uncapped claims-made
14 settlement, wherein Ocwen will pay for the total amount of submitted and verified claims.

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16 Dated: March 8, 2024

Respectfully Submitted,

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18 By: /s/ Randall S. Luskey
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CERTIFICATE OF SERVICE

I hereby certify that on March 8, 2024, I caused to be electronically filed a true and correct copy of the foregoing with the Clerk of Court using the CM/ECF system and that all counsel of record will be served via the Notice of Electronic Filing generated by CM/ECF.

/s/ Randall S. Luskey
Randall S. Luskey

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