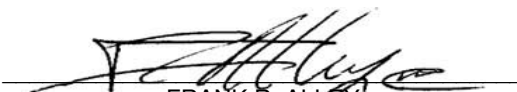


Below is a Judgment of the Court. If the judgment is for money, the applicable judgment interest rate is: see below


FRANK R. ALLEY
U.S. Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF OREGON**

In re:) Bankr. Case No.: 12-63109-FRA-7
)
SHANTI A. MCMANUS,) Chapter 7
)
Debtor.)

_____) Adv. Proc. No.: 13-06139-FRA
SHANTI A. MCMANUS,)
)
Plaintiff,)

v.) **STIPULATED JUDGMENT IN**
) **SETTLEMENT OF ADVERSARY**
) **PROCEEDING BETWEEN PLAINTIFF**
U.S. DEPARTMENT OF EDUCATION,) **AND NAVIENT SOLUTIONS, INC. AND**
) **FOR DISMISSAL OF NAVIENT**
YOUNOMICS PRIVATE STUDENT LOAN) **SOLUTIONS, INC. AND SALLIE MAE,**
TRUST, SALLIE MAE, INC., UNIVERSITY) **INC. AS DEFENDANTS IN THIS**
OF OREGON, and JEFFERSON CAPITAL) **ADVERSARY PROCEEDING**
SYSTEMS, LLC.)
Defendants.)

The Plaintiff, Shanti A. McManus (“the Plaintiff”), and Navient Solutions, Inc. f/k/a Sallie Mae, Inc. (“Navient”), by and through their undersigned counsel, hereby agree to entry of this Stipulated Judgment, as follows:

1 **RECITALS**

2 A. On July 12, 2012, Plaintiff filed a voluntary petition for relief under Chapter 7 of
3 the United States Bankruptcy Code. A discharge of eligible debts was entered on October 15,
4 2012.

5
6 B. On October 3, 2013, the Plaintiff filed a Complaint naming, *inter alia*, Sallie Mae,
7 Inc., now known as Navient, as a Defendant, seeking a discharge of educational loan debt
8 pursuant 11 U.S.C. §523(a)(8). An Amended Complaint was filed on March 20, 2014.

9
10 C. On October 30, 2013, Sallie Mae, now known as Navient, filed its Answer to the
11 Plaintiff’s Complaint. Sallie Mae, now known as Navient, filed an Answer to the Plaintiff’s
12 Amended Complaint on April 4, 2014.

13 D. The Plaintiff is indebted to Navient pursuant to the applicable terms of three (3)
14 educational loan Promissory Notes (“Promissory Notes”) executed by the Plaintiff to obtain
15 educational loans (“Student Loans”) with approximate balances, as of the filing of this adversary
16 proceeding, as follows:

- 17 a. one (1) educational loan disbursed on September 11, 2006, with a balance including
18 principal and interest, totaling \$6,460.53;
- 19 b. one (1) educational loan disbursed on February 7, 2007, with a balance including
20 principal and interest, totaling \$20,066.49; and
- 21 c. one (1) educational loan disbursed on June 18, 2007, with a balance including principal
22 and interest, totaling \$17,028.30.

23 E. As of the filing of this adversary proceeding, there was a balance due and owing under
24 the Plaintiff’s Promissory Notes, including principal and interest, in the aggregate amount of
25 \$43,555.32 (“Outstanding Balance”), with variable interest rates, and with interest accruing thereafter
26 pursuant to the Promissory Notes.
27
28

1 F. The Outstanding Balance is currently due and owing on the Promissory Notes and the
2 Student Loans evidenced by the Promissory Notes are nondischargeable educational loans, pursuant to
3 11 U.S.C. §523(a)(8).
4

5 G. The parties desire to resolve this matter and enter into this Stipulated Judgment of this
6 adversary proceeding, incorporating the foregoing recitals by reference, and agree as follows:

7 Based upon the Stipulated Judgment of the parties set forth below, good cause having been
8 shown, IT IS HEREBY ORDERED AS FOLLOWS:
9

10 1. For so long as the Plaintiff does not default under this Stipulated Judgment, the
11 Outstanding Balance shall be reduced to \$26,000.00 (“Reduced Balance”), and the variable interest
12 rates shall be reduced to a fixed rate of 1% (“Reduced Interest”), and the Plaintiff shall repay the
13 Reduced Balance at the Reduced Interest rate as follows: \$97.98 per month for a period of three-
14 hundred (300) consecutive months. The first monthly payment is due to be received by Navient on or
15 before **May 11, 2015**, with subsequent payments to be received on or before the **eleventh (11th)** day of
16 each month thereafter. Upon receipt by Navient of the \$26,000.00 Reduced Balance as contemplated
17 herein, any remaining balance shall be considered as included within the general discharge entered in
18 the Plaintiff’s main bankruptcy case.
19
20

21 2. All payments pursuant to this Stipulated Judgment shall note the Plaintiff’s ten digit
22 account number, *****2593 (redacted here for privacy reasons) on the payment and shall be mailed
23 to, “**Navient Solutions, Inc., P.O. Box 13611, Philadelphia, PA 19101-3611,**” or to any other
24 address provided to the Plaintiff by Navient in writing.
25

26 3. The following shall be Events of Default hereunder: (a) the Plaintiff shall fail to make
27 any payment due hereunder within thirty (30) days of the due date without securing Navient’s
28

1 agreement to a forbearance of such payment(s); or (b) the Plaintiff commences any further legal
2 proceedings against Navient, its predecessors, successors or assigns, seeking discharge of educational
3 loan debt.

4
5 4. Upon the occurrence of an Event of Default under this Stipulated Judgment, pursuant to
6 Paragraph 3 of this Stipulated Judgment, any forgiveness of the principal and interest is revoked, and
7 the Plaintiff will be liable for the full amount of the Outstanding Balance, as referenced in Paragraph E
8 above, plus interest pursuant to the applicable terms of the Promissory Notes for the Plaintiff's Student
9 Loans (less any payments made hereunder which, following default shall be applied first to interest
10 that would have accrued had this Stipulated Judgment not been in effect, and then to principal).

11
12 5. There is no penalty for prepayment under this Stipulated Judgment but any prepayment,
13 unless it is payment in full, does not relieve the Plaintiff of the obligation to make ongoing monthly
14 payments.

15
16 6. In the event the Plaintiff, pursuant to applicable Navient policy and the terms of the
17 Promissory Notes, qualifies for, or the parties agree to, any deferment or forbearance of payment
18 obligations, after this Stipulated Judgment is approved, interest will continue to accrue during the time
19 of any such deferment or forbearance, at the interest rate stated herein, so that the total amount to be
20 repaid, and the monthly payments required, may increase from that stated herein.

21
22 7. Should any issues arise, related to billing or repayment of the loans subject to this
23 agreement, wherein the Plaintiff believes that billing or collection efforts related to the loans subject to
24 this agreement are not in accordance with this Stipulated Judgment, the Plaintiff agrees that such
25 issues should be directed to a Supervisor or Manager in Navient's Bankruptcy Litigation Unit, who
26 may be reached at 1-800-251-4127, or to any other telephone number provided by Navient in writing,
27 or in response to a specific borrower inquiry. The parties understand that any such communications, if
28

1 not directed as specified in this Paragraph, may not be addressed in a timely manner, or in a manner
2 specifically in accordance with this Stipulated Judgment.

3 8. Except as provided in this Stipulated Judgment, all other terms of the Promissory Notes
4 remain in effect and are hereby incorporated by reference.
5

6 9. Any amendment, modification, or waiver of any term or condition of this Stipulated
7 Judgment must be made in writing and signed by all parties hereto.

8 10. This Stipulated Judgment may be executed in counterparts, or by facsimile, each of
9 which shall constitute an original, but all of which together shall constitute one and the same
10 Stipulated Judgment.
11

12 11. The parties will bear their own costs and fees associated with this Adversary
13 Proceeding.
14

15
16 *[THIS SPACE INTENTIONALLY LEFT BLANK]*
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1 12. The parties agree to a dismissal of Navient Solutions, Inc. and Sallie Mae, Inc. as
2 Defendants in this adversary proceeding, subject to the terms of this Stipulated Judgment, and Navient
3 Solutions, Inc. and Sallie Mae, Inc. are hereby dismissed as Defendants.
4

5
6 ###

7 Presented by:

8
9 By: /s/ Marilyn R. Podemski
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Attorneys for Navient Solutions, Inc.

15 Agreed as to form and content:

16
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22 Copies to:

23 All those parties receiving ECF Notice and

24 Shanti A. McManus
25 POB 40924
26 Eugene, OR 97404
27
28