

and to resolve the Released Claims (as defined in the Agreement) against Freedom and the Released Entities.

2. **Definitions.** This Order incorporates by reference the definitions in the Agreement, and all capitalized terms used, but not defined herein, shall have the same meanings as in the Agreement.

3. **Jurisdiction.** This Court has jurisdiction over the subject matter of the Action and over all parties to the Action, including all members of the Class, and venue in this Court is proper.

4. **Preliminary Approval.** The Court hereby preliminarily approves the Settlement Agreement as fair, reasonable, and adequate, subject to further consideration at the Final Approval Hearing described below. The Court finds on a preliminary basis that the Settlement Agreement falls within the range of reasonableness and was the product of informed, good-faith, arm's-length negotiations between the Parties and their counsel, and therefore meets the requirements for preliminary approval.

5. **Settlement Class.** The Court conditionally certifies, for settlement purposes only (and for no other purpose and with no other effect upon the Action, including no effect upon the Action should the Agreement not receive Final Approval or should the Effective Date not occur), a class defined as:

All persons who (1) were borrowers on residential mortgage loans on properties in the United States whose loans were serviced by Freedom, and (2) paid a fee to Freedom for making a loan payment by telephone, IVR, or the internet, between September 14, 2017 and the Effective Date. Excluded from the Settlement Class are the Honorable David Godbey, counsel to the Parties, the Honorable Diane Welsh, and their employees, legal representatives, heirs, successors, assigns, or any members of their immediate family; any government entity; Freedom, any entity in which Freedom has a controlling interest, any of Freedom's subsidiaries, parents, affiliates, and officers, directors, employees, legal representatives, heirs, successors, or assigns, or any members of their immediate family; and any persons who timely opt-out of the Settlement Class.

6. The Court finds, for settlement purposes only, that class certification under Fed. R. Civ. P. 23(b)(3) is appropriate in that, in the settlement context: (a) the members of the Class are so numerous that joinder of all Settlement Class Members in the class action is impracticable; (b) there are questions of law and fact common to the Settlement Class which predominate over any individual question; (c) the claims of the Class Representatives are typical of the claims of the Settlement Class; (d) the Class Representatives and their counsel will fairly and adequately represent and protect the interests of the Settlement Class Members; (e) the Settlement Class is ascertainable; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

7. **Designation of Class Representatives and Class Counsel.** The Court appoints, solely for the purposes of settlement, the Plaintiffs Reginald Reddick, Angela Reddick, Jose Palacios, Phillip Lee, Patti Lee, Neri Urbina, and Leonila Urbina as Class Representatives, and the law firms of Bailey & Glasser LLP and Carney Bates & Pulliam, PLLC, as Class Counsel for the Settlement Class.

8. **Final Approval Hearing.** A hearing (the “Final Approval Hearing”) shall be held before this Court, on December 17, 2021, at 10:00 a.m., at the United States District Court for the Northern District of Texas, 100 Commerce Street, Room 1505, Dallas, TX 75242 to determine, among other things: (i) whether the proposed Settlement of the Action on the terms and conditions provided for in the Agreement is fair, reasonable, and adequate to the Settlement Class and should be approved by the Court; (ii) whether Settlement Class Members should be bound by the Release set forth in the Agreement; and (iii) any amount of fees and expenses that should be awarded to Class Counsel and any award to the Class Representatives for their representation of the Settlement

Class. The Parties shall include the date of the Final Approval Hearing in the Class Notice to be mailed and emailed to the Settlement Class.

9. **Class Notice.** The Court approves the form, substance and requirements of the proposed Class Notice, attached to the Settlement Agreement as Exhibits A1 and A2. The Court further finds that the form, content and mailing and emailing of the Class Notice meet the requirements of Fed. R. Civ. P. 23 and due process. The Court further finds that this is the best notice practicable under the circumstances and is reasonably calculated, under all the circumstances, to apprise potential Settlement Class Members of the pendency of the Action, to apprise persons who would otherwise fall within the definition of the Settlement Class of their right to exclude themselves from the proposed Settlement Class, and to apprise Settlement Class Members of their right to object to the proposed Settlement and their right to appear at the Final Approval Hearing. The Court further finds that the Class Notice constitutes valid, due and sufficient notice to all persons entitled to notice.

10. **Settlement Administrator.** The Court appoints Kroll Settlement Administration (“Settlement Administrator”) to supervise and administer the notice procedure as more fully set forth below:

(a) No later than fourteen days after entry of the Preliminary Approval Order, Defendant shall provide the Settlement Administrator the Settlement Class Member List in an electronic format.

(b) No later than thirty days from the entry of this Order (“the Email Notice Date”), the Settlement Administrator shall email the Class Notice, substantially in the form of Exhibit A1 to the Agreement (though the Settlement Administrator shall have discretion to format the Class

Notice in a reasonable manner) to all Settlement Class Members for whom the Settlement Class Member List includes an email address.

(c) No later than thirty days after the date that the Defendant provides the Settlement Class Member List to the Settlement Administrator, the Settlement Administrator shall cause the Mailed Notice to be sent to all Settlement Class Members for whom no email address appears on the Settlement Class Member List. Prior to mailing Class Notice, the Settlement Administrator will update the last known addresses of the members of the Settlement Class using the National Change of Address database.

(d) No later than the Email Notice Date, the Settlement Administrator shall establish a website. The Settlement Website shall contain: (1) the Mailed Notice in downloadable PDF format in both English and Spanish; (2) a contact information page with contact information for the Settlement Administrator, and addresses and telephone numbers for Class Counsel and Defendant's Counsel; (3) the Settlement Agreement; (4) the signed Preliminary Approval Order and publicly filed motion papers and declarations in support thereof; (5) the operative complaints in each of the Actions; and (6) when they become available, the Fee and Service Award Application, the motion for entry of the Final Approval Order, and any motion papers and declarations filed publicly in support thereof. The Settlement Website shall remain accessible until thirty (30) days after the Settlement Administrator has completed its obligations under the Settlement Agreement.

(e) Following the issuance of the Class Notice, the Settlement Administrator shall provide counsel with written confirmation of the mailing;

(f) The Settlement Administrator shall ensure that timely notice is provided to any state and federal officials as required by the Class Action Fairness Act, 28 U.S.C. § 1715; and

(g) The Settlement Administrator shall otherwise carry out its duties as set forth in the Agreement.

11. **Exclusion from the Class.** Any Settlement Class Member may seek to be excluded from the Settlement Class by opting out by the Response Deadline. A request for exclusion must be in writing, postmarked on or before the Response Deadline, and include the name of the case. The request must also include the name, address, phone number and signature of the borrowers(s) seeking exclusion, as well as language clearly indicating a request for exclusion, such as “I wish to be excluded from the Settlement in *Freedom Mortgage Corporation*.” If there are co-borrowers on the loan, all co-borrowers must sign the request for exclusion. The request must be mailed to the address provided in the Class Notice. A request for exclusion that does not include all of the foregoing information, or that is sent to an address other than one designated in the Class Notice, or that is not received within the time specified shall be invalid and the person(s) serving such request shall remain a Settlement Class Member and shall be bound as a Settlement Class Member to the Agreement, if approved. The Settlement Administrator shall forward copies of all requests for exclusion to all counsel of record no later than seven days after receipt. Any Settlement Class Member who opts out of the Settlement Class and the Agreement shall not be bound by any prior court order or the terms of the Agreement. Any person who opts out of this Settlement is prohibited from objecting to the Settlement.

12. **Copies of Opt Out Requests.** The Settlement Administrator shall provide Class Counsel and Defense Counsel with a list of all timely notices of intention to opt out within five business days after the Response Deadline.

13. **Entry of Appearance.** Any member of the Settlement Class who does not exclude himself or herself may enter an appearance in the Action, at his or her own expense, individually

or through counsel of his or her own choice. If he or she does not enter an appearance, he or she will be represented by Class Counsel.

14. **Binding Effect on Class.** No person who has opted out of the Settlement may object to it. Any Settlement Class Member who does not provide a timely written objection or who does not make a record of his or her objection at the Final Approval Hearing shall be deemed to have waived any objection and shall forever be foreclosed from making any objection to the fairness, reasonableness, or adequacy of the proposed Settlement, fee and Service Awards application, or the fee and expense award or Service Awards.

15. **Objections.** Any Settlement Class Member may object to this Agreement by mailing a written objection, postmarked on or before the Response Deadline, to the Court c/o the Civil Clerk, United States District Court for the Northern District of Texas, 100 Commerce Street, Room 1452, Dallas, TX 75242 or by filing it in person on or before the Response Deadline at any location of the United States District Court for the Northern District of Texas. All objections must be in writing and personally signed by the Settlement Class Member and include: (1) the objector's name, address, email address if any, and telephone number; (2) the case caption; (3) the specific factual basis and legal grounds for the objection; (4) a list of all cases in which the objector has objected to a class action settlement, including case name, court, and docket number; (5) if the objector is represented by counsel, a list of all cases in which the objector's counsel has represented an objector in objecting to a class action settlement, case name, court, and docket number; (6) a statement indicating whether the Settlement Class Member and/or their lawyer(s) intend to appear at the Final Approval Hearing; (7) a list of witnesses, if any, that the objecting Settlement Class Member intends to call; (8) whether the objection relates only to the objector, or to a subset of the Settlement Class, or to the entire Settlement Class; and (9) serve the objection pursuant to Federal

Rule of Civil Procedure 5 on Class Counsel and Defendant's Counsel. The objector should also comply with Local Rule 3.2(e) and promptly file a Certification of Interested Entities or Persons in the docket.

The Class Representatives, Class Counsel, and/or Defendant may file responses to any timely written objections no later than 7 days prior to the Final Approval Hearing.

16. **Appearance of Objectors at Final Approval Hearing.** Any Settlement Class Member who has not submitted a timely request for exclusion may appear at the Final Approval Hearing either in person or through an attorney. However, if the Settlement Class Member intends to appear through counsel, the Settlement Class Member must have submitted a written objection pursuant to this section. Any lawyer who intends to appear at the Final Approval Hearing also must enter a written Notice of Appearance of Counsel with the Clerk of the Court no later than the Response Deadline. Any Settlement Class Member who intends to request the Court to allow him or her to call witnesses at the Final Approval Hearing must make such a request in a written brief, which contains a list of such witnesses and a summary of their requested testimony.

17. **Service of Motion for Final Approval.** Plaintiffs will also submit, by November 9, 2021, a motion (1) seeking entry of the Final Approval Order; (2) confirming certification of the Settlement Class for settlement purposes; (3) finding the Notice Program was the best notice practicable under the circumstances and comported with all applicable requirements of law and due process; (4) confirming the release of the Released Claims; (5) identifying those who have timely and validly requested exclusion; and (6) confirming the retention of jurisdiction relating to the administration, consummation, validity, enforcement, and interpretation of the Agreement, the Final Approval Order, and any order granting any fee and expense award and Service Awards, and

for any other necessary purpose. Solely for the purposes of the Settlement, Defendant will not oppose the motion and may file a statement of non-opposition.

18. **Fees, Expenses, and Awards.** Neither Freedom nor the Released Parties shall have any responsibility for any application for attorneys' fees and expenses submitted by Class Counsel, and such matters will be considered separately from the fairness, reasonableness, and adequacy of the Settlement. At or after the Final Approval Hearing, the Court shall determine whether any application for attorneys' fees and expenses, and any award to the Class Representatives for their representation of the Settlement Class, should be approved.

19. **Releases.** If the Settlement is finally approved, the Class Representatives and all Settlement Class Members shall release the Released Entities from all Released Claims and all Settlement Class Members will be bound by the Final Approval Order as set forth in Section V of the Agreement.

20. **Use of Order.** Neither this Order, the fact that a settlement was reached and filed, the Agreement, nor any related negotiations, statements, or proceedings shall be construed as, offered as, admitted as, received as, used as, or deemed to be an admission or concession of liability or wrongdoing whatsoever or breach of any duty on the part of the Released Entities. This Order is not a finding of the validity or invalidity of any of the claims asserted or defenses raised in the Action. In no event shall this Order, the fact that a settlement was reached, the Agreement, or any of its provisions or any negotiations, statements, or proceedings relating to it in any way be used, offered, admitted, or referred to in the Action, in any other action, or in any judicial, administrative, regulatory, arbitration, or other proceeding, by any person or entity, except by the Parties and only the Parties in a proceeding to enforce the Agreement.

21. **Continuance of Final Approval Hearing.** The Court reserves the right to continue the date of the Final Approval Hearing without further notice to Settlement Class Members, and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement. The Court may approve the Settlement, with such modifications as may be agreed to by the Parties, if appropriate, without further notice to the Settlement Class.

22. **Stay of Proceedings.** All proceedings in this Action are stayed until further Order of this Court, except as may be necessary to implement the Settlement or comply with the terms of the Agreement.

23. **Preliminary Injunction.** Pending final determination of whether the Settlement should be approved, and upon expiration of the Response Deadline, all Settlement Class Members who do not timely and validly exclude themselves, and anyone who purports to act on their behalf, are preliminarily enjoined from directly or indirectly maintaining, commencing, prosecuting, or pursuing directly, representatively, or in any other capacity, Released Claims, including in any court or arbitration forum.

24. **Termination of Settlement.** If the Agreement is not finally approved, or is terminated or cancelled or fails to become effective for any reason whatsoever, then this Order may not be introduced as evidence or referred to in any actions or proceedings by any person or entity and shall be treated as vacated, *nunc pro tunc* (except paragraph 20 of this Order shall remain in effect), and each party shall be restored to his, her, or its respective position in the Action as it existed prior to the execution of the Agreement and the further amended complaint in the *Caldwell* Lawsuit shall be deemed withdrawn. By five business days after such termination or disapproval, the principal and interest in the Escrow Account (the amount deposited plus interest less any funds

ordered by the Court to be retained by the Settlement Administrator) shall be returned by the Settlement Administrator to Freedom.

25. **No Merits Determination.** By entering this Order, the Court does not make any determination as to the merits of this case.

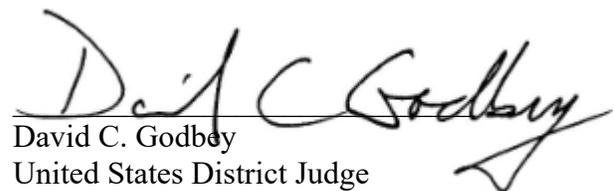
26. **Authority.** The Court hereby authorizes the Parties to take such further steps as necessary and appropriate to establish the means necessary to implement the terms of the Agreement.

27. **Jurisdiction.** This Court retains jurisdiction over the Action to consider all further matters arising out of or connected with the Agreement and the Settlement.

28. The Second Amended Complaint, filed as Exhibit 1 to Plaintiffs' Motion for Preliminary Approval, is deemed filed as of the entry of this Order.

IT IS SO ORDERED.

Signed: August 3, 2021.


David C. Godbey
United States District Judge