

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

<b>REGINALD REDDICK, ANGELA</b>	§	
<b>REDDICK, JOSE PALACIOS, NERI</b>	§	
<b>URBINA, LEONILA URBINA, PHILLIP</b>	§	
<b>LEE, and PATTI LEE on behalf of</b>	§	
<b>themselves and all others similarly situated,</b>	§	
	§	
<b>Plaintiffs,</b>	§	<b>Civil Action No. 3:19-CV-02193-N</b>
	§	
<b>v.</b>	§	
	§	
<b>FREEDOM MORTGAGE CORPORATION,</b>	§	
	§	
<b>Defendant.</b>	§	

**If you paid Freedom Mortgage a fee to make a mortgage payment by telephone or the internet between September 14, 2017 and August 3, 2021 a class action settlement may affect your rights.**

*A court authorized this Notice. Please read it carefully. Your legal rights will be affected whether or not you act. This is not a solicitation from a lawyer.*

**Your rights may be affected by the proposed settlement (“Settlement”) of this class action lawsuit if you are a borrower on a residential mortgage loan on properties in the United States whose loans were serviced by Freedom Mortgage Corporation (“Freedom”) and you paid a fee to Freedom for making a loan payment by telephone or the internet on or after September 14, 2017 (the “Settlement Class” or “Settlement Class Members”). Freedom’s records identify you as a Settlement Class Member.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
Do Nothing And Receive A Payment	If you are entitled to payment under the Settlement, you do not have to do anything to receive it. If the Court approves the Settlement and it becomes final and effective, and you remain in the Settlement Class, you will automatically receive a payment. You will give up your right to bring your own lawsuit against Freedom about the claims in this case.
Exclude Yourself From The Settlement Deadline: November 16, 2021	Instead of doing nothing, you may ask to be excluded from the lawsuit. If you do so, you will receive no benefit from the Settlement, but you retain your right to sue on your own. Should you exclude yourself from the Settlement, you should understand that Freedom will have the right to assert all defenses it may have to any claims that you may seek to assert.
Object Deadline: November 16, 2021	You may object to the Settlement and have your objections heard at the December 17, 2021 at 10:00 a.m. CT Final Approval Hearing.

- These rights and options **and the deadlines to exercise them** – are explained in this Notice.

The following is a summary of the Settlement and of your rights. A full copy of the Settlement Agreement is available at [www.freedomconveniencefees.com](http://www.freedomconveniencefees.com).

Questions? Call 833-765-2107 or visit [www.freedomconveniencefees.com](http://www.freedomconveniencefees.com)

## Basic Information

Lawsuits have been filed against Freedom in Texas and California (“the Lawsuits”). The Lawsuits allege that Freedom charged borrowers fees to make mortgage payments online or over the phone, including through the telephonic automated “IVR” (interactive voice response) system, and that these fees (referred to as “Convenience Fees”) violated various state debt collection laws, and breached the terms of certain loan agreements. Freedom denies it violated the law or did anything wrong and has asserted several defenses. The Court has not ruled on the merits of the claims or defenses.

The U.S. District Court for the Northern District of Texas is overseeing the Settlement of the Lawsuits in one combined proceeding, referred to here as the “Action.”

The Action is called a “class action” because Reginald Reddick, Angela Reddick, Jose Palacios, Phillip Lee, Patti Lee, Neri Urbina, and Leonila Urbina (the “Class Representatives”) are suing on behalf of other people with similar claims, called “Settlement Class Members.” The Parties have agreed to treat the Action as a class action for settlement purposes only. Both sides have agreed to a proposed settlement. A settlement avoids the expense and delay of a trial and provides relief to Settlement Class Members quickly. The Class Representatives and the attorneys for the Settlement Class think the Settlement is best for all Settlement Class Members.

The Amended Complaint in this Action is posted on [www.freedomconveniencefees.com](http://www.freedomconveniencefees.com) and contains all of the allegations and claims asserted against Freedom.

## Who Is In the Settlement Class?

The Court has determined that every person who fits the following description is a Settlement Class Member:

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 August 3, 2021.

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.

Freedom’s records reflect that you may be a Settlement Class Member.

## Why is there a Settlement?

Both sides agreed to the Settlement. By agreeing to the Settlement, the Parties avoid the costs and uncertainty of a trial, and Settlement Class Members receive the benefits described in this Notice. The Class Representatives and their attorneys think the Settlement is best for everyone who is affected.

## The Settlement Benefits – What You Can Get

In the proposed Agreement, Freedom has agreed to create a \$2,250,000 Common Fund (the “Common Fund”). All Administrative Costs, any Court-awarded attorneys’ fees and expenses to Class Counsel, and any Service Awards to the Class Representatives will be paid out of the Common Fund first. The remaining balance of the Fund (the “Net Settlement Fund”) will be distributed on a pro rata basis among all Settlement Class Members who do not exclude themselves from the Settlement Class, as set forth below. If the Court awards all Administrative Costs, attorneys’ fees and expenses, and Service Awards requested by the Parties, the Net Settlement Fund will be approximately \$1,472,500.

Also, as part of the Settlement, Freedom has also agreed to stop charging fees for payments made online or by telephone, including through the use of IVR system for a period of at least one year.

Allocations of the Net Settlement Fund will be calculated on a borrower-by-borrower basis, such that each Settlement Class Member will receive a pro rata share of the monetary benefits, based on the total amount of Convenience Fees the borrower paid relative to the Fees paid by all borrowers. Settlement Class Members who receive a Settlement Payment are solely responsible for distributing or allocating their payment between or among all co-account holders.

### **You do NOT need to do anything to receive these benefits.**

As long as you do not exclude yourself from the Settlement, you will automatically receive cash benefits from the Settlement, and you do not need to take further action. The Settlement Administrator will issue you a check automatically if the Settlement is approved by the Court.

The complete terms of the proposed Settlement are set forth in a formal Settlement Agreement which is on file with the Court, and which is also available on the Settlement Website at: [www.freedomconveniencefees.com](http://www.freedomconveniencefees.com). This Notice is only a summary of the Agreement, and in case of any conflict between this Notice and the Agreement, the terms of the Agreement will control.

As described below, the Court will hold a Final Approval Hearing on December 17, 2021 at 10:00 a.m. CT, to decide whether to grant final approval of the Settlement. The Court must finally approve the Settlement before any payments will be distributed, and it will only do so after finding that the Settlement is fair, reasonable, and adequate. In addition, any Final Approval Order the Court may enter may be subject to appeal. If there are any such appeals, resolving them takes time. Payments to Settlement Class Members will only be made after the time for any appeals expires. **Please be patient.**

## Who Represents Me?

The Court has appointed the following lawyers and firms as Class Counsel to represent the interests of all Settlement Class Members:

James L. Kauffman

Bailey & Glasser LLP  
1055 Thomas Jefferson Street NW  
Suite 540  
Washington, DC 20007

Elizabeth Ryan

Bailey & Glasser LLP  
176 Federal Street, 5th Floor  
Boston, MA 02110

Randy Pulliam

Lee Lowther  
Carney Bates & Pulliam, PLLC  
519 W 7th Street  
Little Rock, AR 72201

You will not be charged for these lawyers; they will seek to be paid out of the Common Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

**Attorneys' Fees and Expenses, and Service Awards.** Lawyers for the Class will ask the Court to award attorneys' fees of up to one third (33.33%) of the Common Fund, or \$750,000, plus litigation costs and expenses, and Service Awards for the Class Representatives of up to \$5,000 each. That request will be filed with the Court and posted on the Settlement Website at least 21 days prior to the deadline to exclude yourself or object to the Settlement. The Court will determine the appropriate amount of the attorneys' fees and awards to be paid.

## The Settlement Release – What You Will Give Up

In exchange for the benefits described in this Notice, Settlement Class Members will give Freedom a release and will agree to be bound by all court orders in the Litigation. You will be bound by the terms of the Settlement, once it is final, unless you exclude yourself. **A release means you can't sue or be part of any other lawsuit against Freedom (or the other "Released Entities" as defined in the Settlement Agreement) for claims related to the charging, collection, or attempted collection of Convenience Fees at any time prior to August 3, 2021.** To view the full release, you may consult the Settlement Agreement, which is on file with the Court and can also be viewed at [www.freedomconveniencefees.com](http://www.freedomconveniencefees.com).

Questions? Call 833-765-2107 or visit [www.freedomconveniencefees.com](http://www.freedomconveniencefees.com)

## Your Rights – Exclude Yourself

If you do not want benefits from the Settlement and you want to keep the right to sue or continue to sue Freedom on your own about the legal issues in this Action, then you must take steps to exclude yourself from the Settlement. To exclude yourself from the Settlement, send a request for exclusion to the Settlement Administrator at the address listed at the end of this Notice. Your request for exclusion must be postmarked no later than November 16, 2021 and contain all of the following information: (1) the name of the Action, *Caldwell v. Freedom Mortgage*, (2) your full name, current address, and telephone number, (3) a statement that you want to exclude yourself from the Settlement, such as “I wish to be excluded from the Settlement in *Freedom Mortgage Corporation*,” and (4) your signature and the date you signed it. If there are co-borrowers on the loan, all co-borrowers must sign the request for exclusion. If you do not follow these procedures, your rights will be determined in this Action if this Settlement receives final judicial approval.

## Your Rights – Object to the Settlement

If you are a Settlement Class Member and have not requested to be excluded from the Settlement Class, you can object to any part of the Settlement, the Settlement as a whole, Class Counsel’s requests for fees and expenses, and/or Class Counsel’s request for Service Awards for the Class Representatives.

To object, you must send a letter saying that you object to the settlement of *Caldwell v. Freedom Mortgage* to the Court at the address provided below. Be sure to include: (1) your name, address, email address (if any), telephone number, and signature, (2) the case caption; (3) the specific factual basis and legal grounds for the objection; (4) a list of all cases in which you have objected to a class action settlement, including case name, court, and docket number; (5) if you are 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.

Your objection must be postmarked on or before November 16, 2021 to the Court c/o the Class Action 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 November 16, 2021 at any location of the United States District Court for the Northern District of Texas, and you must mail a copy to Class Counsel and Freedom’s Counsel.

Any Settlement Class Member who has not excluded themselves from the Settlement 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.

## The Final Approve Hearing

The Court will hold a “Final Approval Hearing” on December 17, 2021, at 10:00 a.m. CT, to hear any objections and to consider whether to give final approval to the Settlement. Further information about how to attend that hearing, including whether the hearing will be held in person at the courthouse or online via Zoom videoconferencing, will be available on the Settlement Website at [www.freedomconveniencefees.com](http://www.freedomconveniencefees.com). The hearing may be moved to a different date or time without additional notice, so it is a good idea to check the website for updates.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will hear objections at the hearing only from those who timely object to the Settlement, as described above. You may participate in the Final Approval Hearing with or without an attorney, but if you choose to be represented by an attorney, you must do so at your own expense.

**YOU DO NOT HAVE TO APPEAR AT THE HEARING TO RECEIVE THE BENEFITS OF THE SETTLEMENT.**

## Further Information

This Notice is only a summary of the Settlement and the Agreement. More details can be found in the Settlement Agreement. You can obtain a copy of the Settlement Agreement, and additional court documents related to the Settlement, at [www.freedomconveniencefees.com](http://www.freedomconveniencefees.com). You can also contact Class Counsel or the Settlement Administrator.

### IMPORTANT ADDRESSES:

<b>Administrator:</b>	<b>Class Counsel:</b>	<b>Freedom’s Counsel</b>
Caldwell v. Freedom Mortgage c/o Settlement Administrator PO Box 225391 New York, NY 10150-5391	James L. Kauffman Bailey & Glasser LLP 1055 Thomas Jefferson Street NW Suite 540 Washington, DC 20007  Randy Pulliam Lee Lowther Carney Bates & Pulliam, PLLC 519 W 7th Street Little Rock, AR 72201	Michael W. McTigue Jr. Cozen O'Connor One Liberty Place 1650 Market Street Suite 2800 Philadelphia, PA 19103

**PLEASE DO NOT TELEPHONE THE COURT, THE JUDGE, OR THE CLERK OF THE COURT.**