

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

A class action settlement may affect your rights if you paid Nationstar Mortgage LLC, d/b/a Mr. Cooper (“Nationstar”) a fee to make a loan payment by telephone or interactive voice recognition (“IVR”) between May 26, 2018, and November 8, 2023.

THIS NOTICE COULD AFFECT YOUR RIGHTS. PLEASE READ IT CAREFULLY.

A court authorized this Notice. This is not a solicitation from a lawyer.

- Nationstar’s records identify you as a Class Member.
- A proposed settlement requires Nationstar to pay \$3,587,254 to make payments to Class Members and to pay other fees and expenses.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
Do Nothing and Receive a Paper Check Payment	<p>If you are entitled under the Settlement to payment, 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 (<i>i.e.</i>, you do nothing and do not otherwise exclude yourself from the Settlement), you will automatically receive a payment via a paper check mailed to you. This option means that you give up your right to bring your own lawsuit against Nationstar about the claims in this case.</p>
Elect to Receive an Electronic Payment and if Available, a Secondary Distribution	<p>If you are entitled under the Settlement to payment, you may elect to receive your payment electronically via Zelle, PayPal, Venmo, etc. via the Settlement Website at www.MortgageFeeClassAction.com.</p> <p>If the Court approves the Settlement and it becomes final and effective, and you remain in the Settlement Class (<i>i.e.</i>, you do nothing and do not otherwise exclude yourself from the Settlement), you will automatically receive a payment via the digital payment option you elected. This option means that you give up your right to bring your own lawsuit against Nationstar about the claims in this case.</p> <p>In the event funds remain after distribution of all settlement payments to the Settlement Class, such as in the event checks remain uncashed, you will be eligible to receive a secondary distribution.</p>
Exclude Yourself from the Settlement Deadline: February 16, 2024	<p>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.</p>

Object Deadline: February 16, 2024	You may object to the terms of the Settlement Agreement and have your objections heard at the March 8, 2024 Final Approval Hearing.
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These rights and options – **and the deadlines to exercise them** – are explained in this notice.

The United States District Court for the District of Columbia (the “Court”) authorized 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.MortgageFeeClassAction.com**.

THIS IS NOT A SUIT AGAINST YOU. The purpose of this Notice is to advise you that a Settlement has been reached in a class action lawsuit (the “Lawsuit”) against Nationstar Mortgage LLC, d/b/a Mr. Cooper (“Defendant” or “Nationstar”). The Notice is being sent to you because the parties’ records indicate that you are included in the Settlement and entitled to a cash payment.

This notice summarizes the proposed settlement and your rights. The precise terms and conditions of the settlement are set forth in the settlement agreement, which may be viewed by accessing the following website www.MortgageFeeClassAction.com or by contacting the Settlement Administrator at 1-866-709-2460, contacting class counsel at the addresses listed below, or by accessing the Court docket in this case, for a fee, through the Court’s Public Access to Court Electronic Records (PACER) system at www.pacer.gov.

1. What is This Lawsuit About?

The lawsuit alleges that Defendant violated the Fair Debt Collection Practices Act by improperly assessing fees for optional payment services when settlement Class Members made mortgage payments by telephone or interactive voice recognition (“IVR”). Defendant denies any and all wrongdoing. Defendant has agreed to the Settlement solely to avoid the burden, expense, risk, and uncertainty of continuing the Lawsuit.

2. Who is Included in the Settlement

The parties’ records indicate that you are a Class Member. The Settlement Class is defined as all persons in the D.C. Class and Nationwide Class, defined as follows:

The D.C. Class is defined as all persons (1) with a residential mortgage loan securing a property in the District of Columbia, (2) serviced or sub-serviced by Nationstar, (3) who paid a fee to Nationstar for making a loan payment by telephone or IVR during the applicable statute of limitations. The D.C. Class consists of borrowers on 780 accounts, who in 5,767 instances paid convenience fees to make payment by telephone.

The Nationwide Class is all borrowers on residential mortgage loans on properties in the United States (other than the District of Columbia) which were: (i) 30 days or more delinquent on loan payment obligations when Nationstar acquired servicing rights; (ii) 30 days or more delinquent on loan payment obligations when any of Nationstar’s predecessors in interest acquired servicing rights; and/or (iii) insured by the Federal Housing Administration. The Nationwide Class consists of borrowers who paid convenience fees to make payments by telephone, after refunds, in the amount of \$5,617,750.

3. What Does the Settlement Provide?

(1) **Payment to Class Members.** Nationstar will establish a Settlement Fund in the amount of \$3,587,254 from which Class Members will receive payments by check or by electronic payment method. The Settlement Fund, net of any settlement notice and administration costs,

service awards, and attorneys' fees and expenses awarded by the Court will be distributed to Class Members as follows: \$1,441,750 will be distributed to the DC Class members, *pro rata* based on the number of Convenience Fees each Class member paid; \$1,966,213 will be distributed to Nationwide Class members, *pro rata*; and the balance will be used to cover administrative expenses and costs of notice. Each Class Member will receive a Settlement Payment from the Settlement Fund of no less than \$5.

Class Members may visit the Settlement Website at www.MortgageFeeClassAction.com to elect to receive their Settlement Payment via an electronic payment method (PayPal, Zelle, Venmo, etc.). Any Class Member who elects to receive their Settlement Payment via an electronic payment method shall be eligible to receive a secondary distribution in the event Settlement Funds remains after expiration of any checks paid to Settlement Class members and payment of all attorneys' fees and expenses, administrative costs, and incentive awards.

Class Members who do not elect to receive their Settlement Payment via an electronic payment method will be mailed a check. Checks will be valid for 90 days. Settlement Class Members may request that the Settlement Administrator reissue a check for one additional 90-day period for good cause shown.

Please understand that these sums may be taxable, that such tax consequences are further described in the settlement agreement, and that counsel is not giving you any tax advice. You are encouraged to seek tax advice without delay from a tax professional.

(2) **Service Award.** The Plaintiffs who brought this lawsuit will each request a service award of \$7,000 for serving as class representatives.

(3) **Attorney's Fees and Costs.** Class counsel are Bailey Glasser, LLP and Tycko & Zavareei. They will request attorneys' fees of no more than one-third of the total amount of the Settlement Fund, plus their litigation expenses. The Court will determine the appropriate amount of the attorneys' fees and awards to be paid. The Settlement is not conditioned upon approval of any of the attorneys' fees, costs, or service award amounts.

(4) **Opinion of Class Counsel.** Class counsel considers it to be in the best interest of the class to enter into this Settlement on the terms described in light of the potential recovery, Defendant's defenses, and the uncertainties of continued litigation.

(5) **Release.** Each person who remains in the Settlement Class and receives Settlement benefits will, if the Settlement is approved, release Defendants from any and all actual or potential claims, actions, causes of action, suits, counterclaims, crossclaims, third-party claims, contentions, allegations, and assertions of wrongdoing, and any demands for any and all debts, obligations, liabilities, damages (whether actual, compensatory, treble, punitive, exemplary, statutory, or otherwise), attorneys' fees, costs, restitution, disgorgement, injunctive relief, and any other type of equitable, or legal statutory relief, any other benefits, or any penalties of any type whatsoever, whether known or unknown, suspected or unsuspected, contingent or non-contingent, or discovered or undiscovered, whether asserted in federal court, state court, arbitration, or otherwise, and whether triable before a judge or jury or otherwise, arising from any violation of FDCPA, or any other state, federal or local law, statute, regulation or common law based on the allegations in the Civil Action, which relate to convenience fees identified in the Amended Complaint.

(6) **Binding Effect of Class Judgment.** Upon conclusion of the settlement, the judgment of the Court will be binding upon all class members who do not opt out of the Settlement.

4. The Court's Fairness Hearing

The U.S. District Court for the District of Columbia will hold a hearing in this case on March 8, 2024 at 1:00 p.m. in the Courtroom of Judge Emmet G. Sullivan at 333 Constitution Avenue N.W. Washington, D.C. 20001. Unless you opt-out of the Settlement, you may appear at the hearing, but you do not have to attend. You may also hire your own attorney, at your own expense, to appear or speak for you at the hearing. The hearing date and time may be changed without further notice. If you wish to attend the hearing, you should call the Settlement Administrator in advance to confirm the day and time.

5. What Are Your Options?

(1) **Do Nothing.** To accept the Settlement and **receive a payment via paper check, you do not need to do anything.** If the Settlement is approved, you will be bound by all of its terms, and a check will be mailed to you. If you change your address, please inform the Settlement Administrator at the address below;

(2) **Elect An Electronic Payment.** To accept the Settlement, and receive an electronic payment in lieu of a paper check, you must visit the Settlement Website at www.MortgageFeeClassAction.com and opt in to receive a payment via Zelle, Venmo, PayPal, etc. In the event funds remain after distribution of all settlement payments to the Settlement Class, such as in the event checks remain uncashed, you will be eligible to receive a secondary distribution.

(3) **Exclude Yourself.** You may “opt out” and exclude yourself from the Settlement. If you opt out, you will not receive any cash payment, and you will not release any claims you may have against Defendant. If you opt out, you will be free to pursue whatever legal rights you may have by pursuing your own lawsuit against Defendant at your own risk and expense. To exclude yourself from the Settlement, you must mail a letter to the Settlement Administrator (address below) stating that you wish to do so. Your letter must include your name, address, telephone number, the last four digits of your Social Security Number, and a statement that you are seeking exclusion. You must postmark your letter no later than **February 16, 2024**; OR

(4) **Object to the Settlement.** If you object to the Settlement, you must file with the Court a signed notice of your intention to appear; a statement saying that you object to the Settlement in *McFadden v. Nationstar*, Civil Action No. 1:20-cv-00166; submit documentary proof that you are a member of the Settlement Class; provide your name, address and telephone number; specifically state the basis for your objection(s); identify whether the objection applies to the entire Settlement Class, a specific subset of the Settlement Class, or only to the objector; and serve copies of the foregoing and all other papers in support of such objection(s) upon the following:

Court:

Clerk, U.S. District Court
333 Constitution Avenue, NW
Washington, D.C. 20001

Administrator:

Nationstar Mortgage Settlement Administrator
P.O. Box 3654
Baton Rouge, LA 70821

Class Counsel:

James L. Kauffman
Bailey Glasser, LLP
1055 Thomas Jefferson Street, NW, Suite 540
Washington, D.C. 20007

Hassan A. Zavareei
Kristen Simplicio
Tycko & Zavareei LLP
2000 Pennsylvania Avenue NW, Suite 1010
Washington, D.C. 20006

Nationstar's counsel:

Jason E. Manning
Troutman Pepper Hamilton Sanders LLP
222 Central Park Avenue, Suite 2000
Virginia Beach, VA 23462

The objection must also state whether you or your own lawyer would like to appear and speak at the Court's fairness hearing, at your own cost. You do not need to appear at the fairness hearing to object to the settlement. If you intend to call witnesses at the fairness hearing, the objection should list any witnesses you intend to call.

PLEASE DIRECT QUESTIONS TO:

**Nationstar Mortgage Settlement Administrator
P.O. Box 3654
Baton Rouge, LA 70821**

1-866-709-2460

www.MortgageFeeClassAction.com