

DYER, ET AL. V. WELLS FARGO BANK, N.A.  
RUST CONSULTING, INC. - 4323  
PO BOX 2396  
FARIBAULT, MN 55021-9096

## IMPORTANT LEGAL MATERIALS



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Dyer, et al. v. Wells Fargo Bank, N.A.  
United States District Court for the Northern District of California, Case No. 13-CV-02858 JST

*A court authorized this Notice. This is not a solicitation.  
This is not a lawsuit against you and you are not being sued.  
However, your legal rights are affected whether you act or don't act.*

***IMPORTANT: YOU ARE MOST LIKELY ENTITLED TO MONEY IF THE COURT APPROVES A CLASS SETTLEMENT AND YOU FOLLOW THE PROCEDURES EXPLAINED BELOW***

### **NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT, YOUR RIGHTS, AND OPTIONS FOR YOU TO CONSIDER**

**If you were employed by Wells Fargo Bank, N.A. ("Wells Fargo") as a home mortgage employee and were paid 43 basis points (bps), but otherwise would have been paid standard commission rates, for originating specialty refinance loans under the Home Affordable Refinance Program (HARP), Freddie Mac to Freddie Mac Relief, and Fannie Mae to Fannie Mae Refi Plus programs, between April 1, 2011 and January 1, 2013, excluding all employee and partner referral loans, THEN YOU MAY RECEIVE MONEY FROM A CLASS ACTION SETTLEMENT.**

**PLEASE READ THIS NOTICE CAREFULLY.**

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## **I. What is the purpose of this Notice?**

The purpose of this Notice is to let you know that there is a class action lawsuit pending in the United States District Court for the Northern District of California, that you may be a member of the Class, AND THAT YOU MAY BE ENTITLED TO A PAYMENT AS PART OF THE SETTLEMENT OF THE LAWSUIT. The lawsuit was filed against Wells Fargo Bank, N.A. (“Wells Fargo” or “Defendant”) and alleged that Wells Fargo breached the terms of the Incentive Compensation Plans by paying Wells Fargo home mortgage employees a flat commission rate of 43 basis points (“bps”) instead of the standard commission rates for certain Wells Fargo to Wells Fargo specialty refinance loans they originated, including loans under Home Affordable Refinance Program (HARP), Freddie Mac to Freddie Mac Relief, and Fannie Mae to Fannie Mae Refi Plus programs.

On January 23, 2014, the Parties’ attended mediation and reached an agreement to settle the matter. On May 12, 2014, the Court issued an order in which it approved Plaintiffs’ unopposed motion for a Court order that:

- 1.) conditionally certifies the class action for settlement purposes only;
- 2.) grants preliminary Court approval of the proposed settlement;
- 3.) grants Court approval of this Notice, which includes setting a schedule and procedure for filing requests for exclusion; and
- 4.) schedules a Final Fairness Determination Hearing for final Court approval of the settlement for August 28, 2014, at 2:00 p.m., in Courtroom 9 – 19th Floor of the San Francisco Courthouse, located at 450 Golden Gate Avenue, San Francisco, California 94102. The Hearing may be continued (moved to another date) without further notice to the Settlement Class. It is not necessary for you to appear at the Final Fairness Determination Hearing.

## **II. Why do Plaintiffs seek settlement approval?**

Plaintiffs seek approval of the settlement because they have reached a proposed settlement with Wells Fargo that they believe to be fair, reasonable, adequate, and in the best interests of the members of the Class and all Parties.

## **III. What is Wells Fargo’s position on settlement?**

Wells Fargo views this settlement as a compromise. It is not admitting to the allegations in the case. Wells Fargo denies that any of its practices at issue in this lawsuit were or are unlawful, and Wells Fargo reserves the right to object to all claims if the settlement fails for any reason.

## **IV. Why did I get this Notice?**

You received this Notice because Wells Fargo’s records identify you as a member of the Class. The “Settlement Class” or “Class Members” shall consist of all home mortgage employees of Wells Fargo Bank, N.A. who were paid 43 bps, but who otherwise would have been paid standard commission rates, for originating Wells Fargo to Wells Fargo specialty refinance loans under the Home Affordable Refinance Program (HARP), Freddie Mac to Freddie Mac Relief, and Fannie Mae to Fannie Mae Refi Plus programs, between April 1, 2011 and January 1, 2013, excluding all employee and partner referral loans.

## **V. Who are the attorneys representing the Parties?**

<b>Lead Class Counsel</b>	<b>Counsel for Defendant</b>
John A. Yanchunis <b>MORGAN &amp; MORGAN COMPLEX LITIGATION GROUP</b> 201 North Franklin Street, 7th Floor Tampa, FL 33602 Phone: 813-223-5505 Fax: 813-223-5402	Thomas R. Kaufman <b>SHEPPARD MULLIN RICHTER &amp; HAMPTON, LLP</b> 1901 Avenue of the Stars, Suite 1600 Los Angeles, CA 90067-6017 Phone: 310-228-3700 Fax: 310-228-3701

## **VI. What is the proposed settlement?**

Under the Stipulation of Class Settlement and Release between Plaintiffs and Wells Fargo (“Stipulation of Settlement” or “Settlement Agreement”), Wells Fargo has agreed to pay \$14,743,101.00 to settle the claims asserted in this lawsuit. This amount includes the payments to members of the Settlement Class who do not opt out and Class Counsel’s attorney’s fees, costs and expenses of up to \$3,685,775.25. Following the Court-approved deductions for attorneys’ fees, costs, and expenses,

the remaining sum, \$11,057,325.75 the “Net Settlement Amount”, will be distributed to all members of the Class who do not request to be excluded, automatically, without the need to return a claim form. In addition, Wells Fargo will have to pay enhancement payments to the Named Plaintiffs of up to \$15,000 and all costs incurred by the Claims Administrator. Class Members will be required to keep the Claims Administrator updated of any changes in address until receipt of their Settlement Payment.

Class Counsel’s application for an award of attorney’s fees and costs will be filed by July 11, 2014 and may be examined: (i) online at <http://www.pacer.gov/> by creating a PACER account and entering Case No. 13-CV-02858 JST; or (ii) in person at Courtroom 9 – 19th Floor of the San Francisco Courthouse, located at 450 Golden Gate Avenue, San Francisco, California 94102, between the hours of 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays. The following is a summary of the settlement provisions. The specific and complete terms of the proposed settlement are stated in the Stipulation of Settlement, a copy of which is filed with the Court and posted on Class Counsel’s website at <http://www.forthethepeople.com/class-action-lawyers/notices>.

**Settlement Payment.** Wells Fargo has agreed to pay each Class Member who does not validly request exclusion from the Settlement (“Qualified Class Member”) through the Claims Administrator in accordance with the terms of the Settlement Agreement, after final approval of the class action settlement. These Settlement Payments will be distributed approximately fifteen (15) business days after the effective date of the final approval, provided there is no appeal of the Court’s final approval of the class action settlement.

The Net Settlement Amount will be distributed among Qualified Class Members in the Class on a proportional basis based upon the actual impact on their commission rates resulting from Wells Fargo paying 43 basis points on the Wells Fargo to Wells Fargo specialty refinances at issue in the lawsuit, originated between April 1, 2011 and January 1, 2013, as reflected in Wells Fargo’s payroll records. It is presently estimated that you will receive \$<<ESTIMATEDAWARD>>.

## VII. What are my rights with regard to this matter?

If you fit the description of a Class Member as set forth in this Notice, you have three options. Each option has its own consequences, which you should understand before making your decision. Your rights regarding each option, and the procedure you must follow to select each option, follow.

### A. Option One. Do Nothing and Participate as a Class Member.

**To get money from the settlement, you do not need to take any action.** If you are a Class Member and you do not exclude yourself from the Class, you will be bound by the settlement. The judgment will bind all members of the Settlement Class who do not request exclusion. By participating in the settlement, you will receive payment and will release Wells Fargo and other “Releasees” for all claims asserted or which could have been asserted in the operative Complaint on file in the case relating to the payment of 43 bps for certain specialty refinance loans they originated, including loans under Home Affordable Refinance Program (HARP), Freddie Mac to Freddie Mac Relief, and Fannie Mae to Fannie Mae Refi Plus programs. This release will include any such claims arising up to May 12, 2014. You can get more details by examining the underlying settlement documents in the Court’s file at <http://www.pacer.gov/> by creating a PACER account and entering Case No. 13-CV-02858 JST or on Class Counsel’s website at <http://www.forthethepeople.com/class-action-lawyers/notices>.

Class Counsel, appointed and approved by the Court for settlement purposes only, will represent you at no additional cost to you. You may also consult with your own attorney at your own expense.

If the Court gives final approval to the settlement, the Claims Administrator will send you a check at a later date to the address it has on file for you. It is important that you keep the Claims Administrator informed of any changes in address until receipt of your Settlement Payment.

### B. Option Two. You Can Exclude Yourself (“opt out”) from the Settlement.

If you do not wish to participate in or be bound by the settlement, you must mail to the Claims Administrator, Rust Consulting, Inc., at the address provided below, a request for exclusion from the Class Action Settlement, **postmarked on or before JULY 25, 2014**. Requests for exclusion must state, in effect, that you do not wish to participate in the settlement of this action. In addition, any request **must** include your first and last name, signature, address, phone number, and last four digits of your Social Security Number for verification purposes.

If you request exclusion, you will not receive any money from the settlement, nor will you be considered to have released your claims alleged in the class action. If you request exclusion from the class action settlement, you may not pursue any recovery under this class action settlement. You may, however, pursue other remedies separate and apart from the class action settlement that may be available to you.

C. Option Three. You may object to the Settlement.

If you are a Class Member, and you do not exclude yourself from the Settlement Class (opt out), you may object to the settlement before final approval of the settlement by the Court. If you choose to object to the settlement, you may enter an appearance *in propria persona* (meaning you choose to represent yourself), or through an attorney that you hire and pay for yourself.

In order to object to the settlement, or any portion of it, you must file and serve any such written objection on or before **JULY 25, 2014**. Objections must be timely filed in the United States District Court for the Northern District of California.

**VIII. Whom can I contact if I have further questions?**

The Claims Administrator for this class action settlement is:

*Dyer, et al. v. Wells Fargo Bank, N.A.*  
RUST CONSULTING, INC. - 4323  
PO Box 2396  
Faribault, MN 55021-9096  
1-888-764-7511

If you have questions, you may call the Claims Administrator toll-free at 1-888-764-7511. Ask about the *Dyer v. Wells Fargo Bank, N.A.* Class settlement. You may also contact Class Counsel listed in Section V, above. **PLEASE DO NOT CALL THE COURT OR COUNSEL FOR DEFENDANT.**

**IMPORTANT:**

- You must keep the Claims Administrator notified of any change of address to ensure receipt of your Settlement Payment.
- Settlement Payment checks will be null and void 180 days after issuance. Monies represented by checks that remain uncashed 180 days after the date of issuance will be forwarded to the California Industrial Relations Unclaimed Wages Fund in the name of the Qualified Class Member for further handling. If your check is lost or misplaced, you should contact the Claims Administrator immediately to request a replacement.