

## NOTICE OF PROPOSED CLASS ACTION SETTLEMENT (FOR SUBCLASS 1 CLASS MEMBERS)

This Notice concerns a proposed class action settlement (“Settlement”) in a lawsuit entitled *Baugh, et al. v. The Federal Savings Bank*, Civil Action No. 1:17-cv-01735-SAG, pending in the U.S. District Court for the District of Maryland (the “Lawsuit”). If you were a borrower or co-borrower on a residential mortgage loan from The Federal Savings Bank (“TFSB”) that was closed by Genuine Title, LLC (“Genuine Title”) between January 1, 2009 and December 31, 2014, you may be eligible for benefits under the Settlement.

**A FEDERAL COURT AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION FROM A LAWYER.**

**PLEASE READ THIS NOTICE CAREFULLY AS IT AFFECTS YOUR LEGAL RIGHTS**

**What is the Lawsuit about?** The Plaintiffs in the Lawsuit allege that between January 1, 2009 and December 31, 2014, Genuine Title provided unlawful benefits to TFSB, in exchange for its agreement to refer borrowers to Genuine Title for the settlement of their TFSB residential mortgage loans (“the alleged referral scheme”), and that TFSB should be held liable for the alleged referral scheme. TFSB disputes the allegations in the Lawsuit and denies that it is or may be liable for any of the claims or alleged conduct asserted therein. *The Court has not made any judgment or other determination of the liability of TFSB in the Lawsuit.*

**Why did I get this Notice?** You received this Notice because TFSB’s records show that you are a member of the TFSB Class approved by the Court on September 19, 2023. A Class Action Settlement has been reached in the Lawsuit. This Notice is intended to generally describe the nature of the Lawsuit, the general terms of the proposed Settlement, and your legal rights and obligations.

**Who is part of the TFSB Class?** The TFSB Class includes all individuals in the United States who were borrowers on a federally related mortgage loan (as defined under the Real Estate Settlement Procedures Act, 12 U.S.C. § 2602) originated or brokered by The Federal Savings Bank for which Genuine Title provided a settlement service, as identified in Section 1100 on the HUD-1, between January 1, 2009 and December 31, 2014. The TFSB Class does not include any person who, during the period of January 1, 2009 through December 31, 2014, was an employee, officer, member and/or agent of The Federal Savings Bank, Genuine Title LLC, Competitive Advantage Media Group, LLC, Brandon Glickstein, Inc., and/or Dog Days Marketing, LLC, any judicial officer who handles this case and the immediate family members of such judicial officer(s), or any person who submits a complete and valid Request for Exclusion by the Exclusion Deadline (defined below). The TFSB Class is divided into two subclasses:

Subclass 1 is comprised of all TFSB Class Members whose federally related TFSB mortgage loan closed on or before May 22, 2013.

Subclass 2 is comprised of all TFSB Class Members whose federally related TFSB mortgage loan closed on or after May 23, 2013.

**You are receiving this notice because you are a Subclass 1 TFSB Class Member.**

**Records confirm that your loan settled on or before May 22, 2013.**

**YOU DO NOT NEED TO SUBMIT A CLAIM TO RECEIVE SETTLEMENT BENEFITS UNDER THE SETTLEMENT**

### YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

<b>SUBCLASS 1 TFSB CLASS MEMBERS NEED NOT MAKE A CLAIM</b>	If the Court gives final approval to the Settlement and after all potential appeals are exhausted (if any are filed), Subclass 1 TFSB Class Members who do not opt-out will automatically be eligible to receive the Settlement Benefits (described below) under the Settlement without submitting a claim.	Anticipated payment date: approximately 10 days after the Settlement obtains Final Approval and the approval of the Settlement is upheld on appeal (if any are filed).
<b>IF YOU WISH TO BE EXCLUDED FROM THE SETTLEMENT, YOU MUST MAIL A REQUEST FOR EXCLUSION BY NO LATER THAN JUNE 10, 2024</b>	This is the only option that allows you to retain your rights to independently sue The Federal Savings Bank about the claims in this Lawsuit. In order to exclude yourself from the Settlement, you must follow the procedure described below and mail your Request for Exclusion to the Settlement Administrator at PO Box 201, Lightfoot, VA 23188-0201.	The Exclusion Deadline for Requests for Exclusion to be mailed to the Settlement Administrator:  <b>JUNE 10, 2024</b>
<b>IF YOU WISH TO OBJECT TO THE SETTLEMENT, YOU MUST FILE YOUR WRITTEN OBJECTION WITH THE COURT BY NO LATER THAN JUNE 10, 2024</b>	If you do not file a Request for Exclusion, you may write to the Court about why you object to (i.e., don’t like) the Settlement and think it should not be approved. You must follow the procedure described below for objecting to the Settlement and file your written objection with the Court at U.S. District Court for the District of Maryland, Northern Division, 101 West Lombard Street, Baltimore, MD 21201. You must also mail copies of your written objection to Class Counsel, and Counsel for TFSB at these addresses:  <b><u>Class Counsel</u></b> Michael Paul Smith Melissa English Smith, Gildea & Schmidt, LLC 600 Washington Ave, Suite 200 Towson, MD 21204  <b><u>TFSB’s Counsel</u></b> Ari Karen Mitchell Sandler LLC 1120 20 <sup>th</sup> St NW, Suite 725 Washington, DC 20036	The Objection Deadline for the Filing of Objections with the Court:  <b>JUNE 10, 2024</b>
<b>IF YOU WISH TO ATTEND THE “FINAL FAIRNESS HEARING” ON THE SETTLEMENT</b>	The Court will hold a “Final Fairness Hearing” to consider the Settlement, Class Counsel’s request for attorneys’ fees and expenses, and the Class Representatives’ request for service awards. You may, but are not required to, speak at the Final Fairness Hearing, if you have filed a timely written objection with the Court. If you intend to speak at the Final Fairness Hearing, you must include your intention to do so in your written objection.	Scheduled Date of Final Fairness Hearing:  <b>AUGUST 26, 2024</b>

**IF YOU DO NOTHING AND ARE A SUBCLASS 1 TFSB CLASS MEMBER**

If you do not timely exclude yourself from the Settlement and the Court gives final approval to the Settlement at or after the Final Fairness Hearing, you will not be able to sue The Federal Savings Bank for the Released Claims under the Settlement, but you will still be eligible to receive the Settlement Benefits described below.

These Rights and Options are explained in more detail below.

If you have questions concerning the Settlement, you may contact the Settlement Administrator at: (410) 774-1343 or you can contact Class Counsel for the Settlement at: 410-821-0070 or [mppsmit@sgs-law.com](mailto:mppsmith@sgs-law.com). You may also obtain more information about the Settlement, including a copy of the Settlement Agreement and the Motions and Court Orders relating thereto, through the Settlement Administrator's website at [www.GenuineTitleTFSBsettlement.com](http://www.GenuineTitleTFSBsettlement.com)

The Court has preliminarily approved the Settlement and will decide later whether to give final approval to the Settlement. The relief provided to TFSB Class Members will be provided only if the Court gives final approval to the Settlement and only after any appeals, if any are filed, are resolved in favor of the Settlement. **Please be patient.**

You can also access the filings in the Lawsuit through the Court's public access service, known as PACER, which allows users to obtain case and docket information online through the PACER Case Locator at <https://www.pacer.gov/>.

**PLEASE DO NOT CALL THE COURT FOR INFORMATION ABOUT THE SETTLEMENT.**

**1. What is this lawsuit about?**

The Plaintiffs in the Lawsuit allege that TFSB and Genuine Title participated in the alleged referral scheme in which borrowers were referred to Genuine Title, which the Plaintiff contends violated certain federal laws and negatively impacted those borrowers who were referred by TFSB to Genuine Title. The Plaintiffs also contend that TFSB should be held responsible for the alleged referral scheme. TFSB disputes the allegations in the Lawsuit and denies that it is or may be liable for the alleged referral scheme. TFSB has agreed to the Settlement solely to avoid the further expense and inconvenience of further proceedings in the Lawsuit and did so without any admission of wrongdoing or liability. *The Court has not made any judgment or other determination of the liability of TFSB in the Lawsuit.*

**2. What is a class action?**

In a class action lawsuit, one or more people called Plaintiffs sue on behalf of themselves and all others who may have similar claims. On September 19, 2023, the Court certified a class for purposes of this lawsuit.

**3. Why is there a Settlement?**

To avoid the costs and uncertainties of the Lawsuit, the Plaintiffs, their attorneys, and TFSB have agreed to resolve the disputed claims involving TFSB in the Lawsuit through a settlement. The Settlement allows TFSB Class Members to receive relief through the benefits provided under the Settlement and described in Section 5 of this notice (once the Settlement becomes final and effective), rather than years from now, if ever, insofar as it is unknown whether the Plaintiffs would succeed in the Lawsuit. In granting preliminary approval to the Settlement, the Court has preliminarily determined that the Settlement is fair and reasonable.

**4. How do I know if I am part of the Settlement?**

The Court has decided that everyone who fits this description is a Class Member:

All individuals in the United States who were borrowers on a federally related mortgage loan (as defined under the Real Estate Settlement Procedures Act, 12 U.S.C. § 2602) originated or brokered by the Federal Savings Bank for which Genuine Title provided a settlement service, as identified in Section 1100 on the HUD-1, between January 1, 2009 and December 31, 2014. Exempted from this class is any person who, during the period of January 1, 2009 through December 31, 2014, was an employee, officer, member and/or agent of the Federal Savings Bank, Genuine Title LLC and/or Competitive Advantage Media Group, LLC, Brandon Glickstein Inc., and/or Dog Days Marketing LLC.

Subclass 1 is comprised of all The Federal Savings Bank Class members whose federally related the Federal Savings Bank loan closed on or before May 22, 2013.

Subclass 2 is comprised of The Federal Savings Bank Class members whose federally related the Federal Savings Bank loan closed on or after May 23, 2013.

If a copy of this Notice was addressed and mailed to you, then, according to TFSB's records, you are a Subclass 1 TFSB Class Member.

**5. What relief does the Settlement provide to Subclass 1 TFSB Class Members?**

The Settlement provides for the following Settlement Benefits:

Subclass 1: Borrowers (with their co-borrowers, if any) whose loans closed on or before May 22, 2013, and who do not timely exclude themselves from the Settlement, are eligible to receive an amount equal to \$1,655.62

The Settlement Benefits described above will be funded by TFSB through a fund (the "Common Fund") administered by a Court-appointed Settlement Administrator.

The payment of Settlement Benefits is based upon the Settlement receiving final approval, and such approval being upheld on appeal (if any are filed). Any amount remaining in the Common Fund after the payment of benefits will be returned to TFSB.

**6. Who represents the TFSB Class in the Lawsuit?**

The TFSB Class is represented by Class Representatives, who are the Plaintiffs in the Lawsuit. The appointed Class Representatives are D'Alan Baugh, William and Sharon Johnson, and Michael and Jane Walsh.

The Court has also appointed Plaintiffs' Counsel to serve as Class Counsel for the TFSB Class: Michael Paul Smith and Melissa L. English, of the law firm Smith Gildea & Schmidt, LLC, and Timothy F. Maloney and Veronica B. Nannis, of the law firm Joseph, Greenwald & Laake, P.A.

Class counsel may be contacted as follows:

By telephone to: (410) 821-0070

By email to: mpsmith@sgs-law.com

By mail to: Michael Paul Smith, Smith Gildea & Schmidt, LLC, 600 Washington Avenue, Suite 200, Towson, MD 21204.

**7. Will the TFSB Class Representatives receive any compensation for their efforts in bringing this Action?**

The Class Representatives will request a Service Award of up to \$2,500 per loan for their services and efforts in bringing the Lawsuit. The Court will make the final decision as to any amount to be paid to each of the Class Representatives at or after the Final Fairness Hearing. These payments will be paid in addition to, not out of, the Settlement Benefits available to the Class Members.

**8. How will Class Counsel be paid?**

Class Counsel will ask the Court to give final approval of the Settlement at the Final Fairness Hearing and will also ask the Court for an award of attorneys' fees and expenses in the amount of one million dollars (\$1,000,000). The Court will make the final decision as to any sum up to that amount to be paid to Class Counsel at or after the Final Fairness Hearing. This payment will be paid in addition to, and not out of, the Settlement Benefits available to the TFSB Class Members.

**9. How do I get paid Settlement Benefits under the Settlement?**

*If you are a Subclass 1 TFSB Class Member and do not timely exclude yourself from the Settlement, you (jointly with your co-borrower, if any) will be paid the Settlement Benefit described in Section 5 above by the Settlement Administrator from the Common Fund approximately 10 days after the Settlement obtains Final Approval and the approval of the Settlement is upheld on appeal (if any are filed).*

**10. What do TFSB Class Members give up to obtain relief under the Settlement?**

If the Settlement receives final approval, the Court will enter a Final Order and Judgment dismissing the Action "with prejudice" (i.e., meaning that it cannot be filed again).

Upon the entry of the Final Order and Judgment, the Settlement provides that the Class Representatives, for themselves and all TFSB Class Members who do not timely exclude themselves from the Settlement and all of their respective heirs, executors, personal representatives, successors, and assigns (together "the Releasors"), shall by virtue of this Settlement and its Final Approval be deemed to have released, remised, resolved, waived, acquitted, and forever discharged TFSB, its predecessors, successors, assigns, parents, subsidiaries, affiliates, and all of their respective past and present agents, directors, officers, employees, shareholders, insurers, representatives, and attorneys (together "the Releasees") of and from any and all the Released Claims (as defined below).

The term "Released Claims" means any and all claims, causes of action, suits, obligations, debts, demands, agreements, promises, liabilities, damages, losses, controversies, costs, expenses, and attorneys' fees of any nature whatsoever, whether based on any federal law, state law, common law, territorial law, foreign law, contract, rule, regulation, any regulatory promulgation (including, but not limited to, any opinion or declaratory ruling), common law or equity, and whether known or unknown, suspected or unsuspected, asserted or unasserted, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, punitive or compensatory, as of the date of the Final Approval Order, that any of the Releasors have, had, and/or may have against any of the Releasees related to: (a) the matters alleged and claims asserted in the Litigation and/or claims that could have been alleged therein based in whole or in part on the facts alleged in the complaints filed in the Litigation; (b) Genuine Title's closing of and/or provision of settlement and/or title services on the TFSB mortgage loans that are the subject of the Settlement; (c) the Alleged Referral Scheme; (d) any benefit(s), payment(s), and/or thing(s) of value received by TFSB and/or any of its employees or agents from Genuine Title and/or any of its related or affiliated entities; and (e) any benefit(s), payment(s), and/or thing(s) of value received by Genuine Title from TFSB and/or any of its employees or agents (collectively the "Released Claims"). The Parties shall request that this Release be included in the Final Approval Order and Final Judgment Order entered in these cases.

**The Released Claims also release, waive, and relinquish, to the fullest extent permitted by law the rights, protections, and benefits under Section 1542 of the California Civil Code, and any law or legal principle of similar effect in any jurisdiction, whether federal or state. Section 1542 of the California Civil Code provides that:**

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.**

As part of the Settlement, the Class Representatives, for themselves and all TFSB Class Members who do not timely exclude themselves from the Settlement, have agreed and acknowledged the significance of these waivers of California Civil Code Section 1542 and similar federal and state statutes, case law, rules, or regulations relating to limitations on releases. In connection with the release, waivers and relinquishment stated above, the Class Representatives also acknowledge that they are aware that they may hereafter discover facts in addition to, or different from, those facts that they now know or believe to be true with respect to the subject matter of the Settlement, but that it is their intention to release fully, finally and forever, all Released Claims with respect to the Releasees and, in furtherance of such intention, the releases of the Released Claims will be and remain in effect notwithstanding the discovery or existence of any such additional or different facts at a later time.

If you exclude yourself from the TFSB Class, you will retain the right to bring a claim against Genuine Title and TFSB relating to the Released Claims, but you would not have representation provided for you through this lawsuit, and you would be responsible for hiring your own attorney, at your own expense.

**11. How do TFSB Class Members exclude themselves from the Settlement?**

Any member of the TFSB Class shall have the right to opt-out or exclude themselves from the Settlement by mailing a written Request for Exclusion to the Settlement Administrator at the following address:

Genuine Title-TFSB Settlement, The Casey Group, Ltd, PO Box 201, Lightfoot, VA 23188-0201

Requests for Exclusion must be mailed to by the Settlement Administrator no later than the **Exclusion Deadline of June 10, 2024** and must be personally signed by the person requesting exclusion from the TFSB Class and any co-borrower(s) on their TFSB loan. Requests for Exclusion must also include the requestor's full name and current address, the full name and current address of any co-borrower(s) on their TFSB loan, the address of the property which secured their TFSB loan, and an affirmation, under penalty of perjury, that the requestor seeking to be excluded from the TFSB Class and their co-borrower(s), if any, wish to opt-out of the TFSB Class and understand that, in doing so, they will not be entitled to any Settlement Benefits under the Settlement.

If you submit a timely and valid Request for Exclusion, you will not be a part of the Settlement, will not be eligible to receive Settlement Benefits, will not be bound by the Final Order and Judgment entered in the Lawsuit, and will not be precluded from suing on the Released Claims at your own cost.

**12. How do I tell the Court that I do not like (object to) the Settlement?**

At the date, time, and location stated below, the Court will hold a Final Fairness Hearing to determine if the Settlement is fair, reasonable, and adequate, and to also consider Class Counsel's request for an award of attorneys' fees and expenses, and a service award to the Class Representative.

If you have not submitted a timely and valid Request for Exclusion and wish to object to the Settlement, you must file with or mail to the U.S. District Court for the District of Maryland, Northern Division, 101 West Lombard St, Baltimore, MD 21201, and also mail to Class Counsel, Michael Paul Smith, Smith, Gildea & Schmidt, LLC, 600 Washington Avenue, Suite 200, Towson, MD 21204, and to TFSB's Counsel Ari Karen, Mitchell Sandler, LLC, 1120 20th Street NW, Suite 200, Washington, DC 20036, a written objection ("Objection") by the **Objection Deadline of June 10, 2024**, that complies with the following requirements. All Objections must be signed by the person(s) making the objection, or a legal guardian authorized to act on their behalf and must set forth in detail each component of the Settlement to which they object, the reasons for each such objection, and any legal authority or evidence that they wish the Court to consider in support thereof. Objections must also include the objector's full name and current address, the full name and current address of any co-borrower(s) on their TFSB loan, the address of the property which secured their TFSB loan, and a statement of whether the objector or any attorney hired by the objector intends to appear at the Final Fairness Hearing, at which time their objections will be considered, if not previously withdrawn.

You may, but need not, submit your written objection through an attorney of your choice. If you do make your objection through an attorney, you will be responsible for your own attorney's fees and costs. Objections filed by attorneys registered for e-filing with this Court on behalf of TFSB Class Members must be filed through the Court's electronic court filing ("ECF") system. An objection filed with the Court via ECF may redact the objector's telephone number or email address, so long as the unredacted version is mailed to Class Counsel and counsel for TFSB.

**IF YOU DO NOT TIMELY AND PROPERLY MAKE YOUR OBJECTION, YOU WILL BE DEEMED TO HAVE WAIVED ALL OBJECTIONS TO THE SETTLEMENT AND WILL NOT BE ENTITLED TO SPEAK AT THE FINAL FAIRNESS HEARING.**

You are not required to appear at the Final Fairness Hearing. But, if you file and mail a timely objection that complies with this paragraph, you may appear at the Final Fairness Hearing, either in person or through an attorney of your own choice hired at your expense, to object to the fairness, reasonableness, or adequacy of the Settlement, or to the award of attorneys' fees, expenses, and costs or to the service awards to the Plaintiffs.

**If you and/or your attorney intend to appear at the Final Fairness Hearing, you must state in your written objection that you and/or your attorney intend to appear and speak at the Final Fairness Hearing.**

**13. What is the difference between excluding myself and objecting to the Settlement?**

Objecting is simply telling the Court that you don't like something about the Settlement. You can object only if you stay in the TFSB Class. Excluding yourself is telling the Court that you don't want to be part of the Settlement. If you timely exclude yourself, you have no basis to object because the Settlement will no longer affect you.

**14. When and where will the Final Fairness Hearing occur?**

The Court has preliminarily approved the Settlement and will hold a hearing to decide whether to give final approval to the Settlement. The purpose of the Final Fairness Hearing will be for the Court to determine whether the Settlement should be approved as fair, reasonable, adequate, and in the best interests of the TFSB Class; to consider the award of attorneys' fees and expenses to Class Counsel; and to consider the request for a service award to the Class Representatives.

The Final Fairness Hearing will take place at 9:30 am on August 26, 2024 in Courtroom 7C of the United States Courthouse, 101 West Lombard St, Baltimore, MD 21201. The hearing may be postponed to a different date, time, or location as may be reflected on the online docket for the Lawsuit accessible through PACER. Please check the Settlement Administrator's website at [www.GenuineTitleTFSBsettlement.com](http://www.GenuineTitleTFSBsettlement.com) for updates about the Settlement generally or the Final Fairness Hearing specifically.

At that hearing, the Court will be available to consider objections concerning the fairness of the Settlement. You may attend, but you do not have to. As described above in Section 12 of this Notice, you may speak at the Final Fairness Hearing only if (a) you have timely filed your written objection with the Court and timely mailed your written objection to Class Counsel and Counsel for TFSB and (b) you followed the procedures set forth above for notifying the Court and the parties that you intend to speak at the Final Fairness Hearing. If you have requested exclusion from the Settlement, however, you may not speak at the Final Fairness Hearing.

**GETTING MORE INFORMATION & UPDATED INFORMATION ABOUT THE SETTLEMENT**

To see a copy of the Settlement Agreement (which defines capitalized terms used in this notice and provides a brief summary of what has happened in the Lawsuit), the Court's preliminary approval order, Class Counsel's application for attorneys' fees and costs, the operative complaint filed in the Lawsuit, and other filings regarding the Settlement, please visit the Settlement Administrator's Website located at [www.GenuineTitleTFSBsettlement.com](http://www.GenuineTitleTFSBsettlement.com). Alternatively, you may contact the Settlement Administrator at (410) 774-1343.

The above description of the Lawsuit is general and does not cover all of the issues and proceedings that have occurred in the Lawsuit. In order to see the complete file for the Lawsuit, you may access it online through the PACER system at <http://pacer.psc.uscourts.gov/>. You may also contact Class Counsel by calling 410-821-0070.

**DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT TO COUNSEL FOR TFSB OR THE COURT.**

Dated: April 8, 2024

By: Order of the U.S. District Court  
for the District of Maryland  
Honorable Stephanie A. Gallagher  
United States District Judge