

NOTICE REGARDING CLASS ACTION SETTLEMENT

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

- A Settlement has been reached in a class action lawsuit claiming that Navy Federal Credit Union (“Navy Federal”) breached its contract with member Account Holders by improperly assessing and collecting Representment NSF Fees on certain transactions. Navy Federal maintains it did nothing wrong and that its imposition of Representment NSF Fees did not breach its contract with member Account Holders. The U.S. District Court for the Eastern District of Virginia dismissed the lawsuit with prejudice and the Plaintiff appealed that ruling. Navy Federal has agreed to settle the lawsuit to avoid the cost, distraction, and uncertainty of litigation.
- A Settlement Fund of \$16.0 million has been established to pay Settlement Class Member Payments, any attorneys’ fees, litigation expenses, a Service Award ordered by the Court, or *cy pres* payment required by the Settlement. All Settlement Administration Costs shall be paid separately by Navy Federal. Current and former Navy Federal members who had a Navy Federal Account may be eligible for a Settlement Account Payment from the Settlement Fund.
- Your legal rights are affected whether you act or don’t act. Read this notice carefully.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
Do Nothing And Receive A Payment Or Account Credit	If you are entitled under the Settlement to a payment or Account credit, 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 or Account credit.
Exclude Yourself From The Settlement Deadline: February 24, 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.
Object Deadline: February 24, 2021	You may object to the terms of the Settlement Agreement and have your objections heard at the March 26, 2021 Final Approval Hearing.
Do Nothing	You will receive any payment or Account credit to which you are entitled and will give up your right to bring your own lawsuit against Navy Federal about the claims in this case.

- These rights and options – **and the deadlines to exercise them** – are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments and Account credits will be provided if the Court approves the Settlement and after any appeals are resolved. Please be patient.

Questions? Call 1-833-707-1452 or visit www.lambertnsffeelitigation.com

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BASIC INFORMATION

1. Why is there a Notice?

A Court authorized this notice because you have a right to know about the proposed Settlement of this class action lawsuit and about all of your options, before the Court decides whether to give Final Approval to the Settlement. This notice explains the lawsuit, the Settlement and your legal rights.

Judge Liam O’Grady, of the U.S. District Court for the Eastern District of Virginia, is overseeing this case. The case is known as *Ruby Lambert v Navy Federal Credit Union*, Case No. 1:19-cv-00103-LO-MSN. The person who sued is called the “Plaintiff.” The Defendant is Navy Federal Credit Union.

2. What is this lawsuit about?

The lawsuit claims that Navy Federal breached its contract with member checking Account Holders by assessing and collecting Representment NSF Fees (as defined in the Settlement Agreement) on certain transactions.

The Complaint in this Action is posted on www.lambertnsffeelitigation.com and contains all of the allegations and claims asserted against Navy Federal. Navy Federal maintains it did nothing wrong and that its imposition of Representment NSF Fees did not breach its contract with member Account Holders. The U.S. District Court for the Eastern District of Virginia dismissed the lawsuit with prejudice and the Plaintiff appealed that ruling. Navy Federal has agreed to settle the lawsuit to avoid the cost, distraction, and uncertainty of litigation.

3. What are Representment NSF Fees?

“Representment NSF Fees” means the second or third non-sufficient funds fees charged to an Account Holder when a Settlement Class member’s merchant has re-presented a debit item or check to Navy Federal for payment (after an initial return by Navy Federal for insufficient funds), and where the debit item or check is again returned by Navy Federal due to insufficient funds, resulting in an additional NSF fee or NSF fees.

4. Why is this a class action?

In a class action, one or more people, called class representatives (in this one, a Navy Federal member who was assessed Representment NSF Fees), sued on behalf of people who have similar claims.

All of the people who have claims similar to the Class Representative are members of the Settlement Class, except for those who exclude themselves from the class.

5. 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.

Questions? Call 1-833-707-1452 or visit www.lambertnsffeelitigation.com

WHO IS IN THE SETTLEMENT?

If you received notice of the Settlement from a postcard or email addressed to you, then you are in the Settlement Class. However, even if you did not receive a postcard or email with the Settlement notice, you may still be in the Settlement Class, as described below.

6. Who is included in the Settlement?

You are a member of the Settlement Class if you have or had a Navy Federal Account and were charged Representment NSF Fees between January 28, 2014, through October 27, 2020.

If this did not happen to you, you are not a member of the Settlement Class. You may contact the Settlement Administrator if you have any questions as to whether you are in the Settlement Class.

THE SETTLEMENT'S BENEFITS

7. What does the Settlement provide?

Navy Federal has agreed to establish a cash Settlement fund of \$16.0 million from which Settlement Class Members will receive payments or Account credits. The amount of such payments or Account credits cannot be determined at this time. However, it will be based on the number of Settlement Class Members and the amount of Relevant NSF Fees each Settlement Class Member was charged as a result of Navy Federal's assessment of Representment NSF Fees on certain transactions. In addition to the Settlement Fund, Navy Federal has agreed to separately pay Settlement Administration Costs. Pursuant to the Court's approval, the Settlement Fund will also be used to pay a Service Award for the Class Representative, attorneys' fees awarded to Class Counsel, and reimbursement of Class Counsel's litigation expenses and costs.

Any Residual Funds that are not feasible and practical to distribute to individual Settlement Class Members will be provided to one or more charitable organizations ("*cy pres*" recipients). If Residual Funds remain, the parties will recommend to the Court as a *cy pres* recipient or recipients entities that work to promote financial literacy, including for members of the military or veterans.

8. How do I receive a payment or Account credit?

If you are in the Settlement Class and entitled to receive a payment, you do not need to do anything to receive a payment or Account credit. If the Court approves the Settlement and it becomes final and effective, you will automatically receive a payment or Account credit.

9. What am I giving up to stay in the Settlement Class?

If you stay in the Settlement Class, all of the decisions by the Court will bind you, and you give Navy Federal a "release." A "release" means you cannot sue, continue to sue or be part of any other lawsuit against Navy Federal about the legal issues in this case. Section XIII of the Settlement Agreement contains the release and describes the precise legal claims that you give up if you remain in the Settlement. The Settlement Agreement is available at www.lambertnsffeelitigation.com.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want benefits from the Settlement, and you want to keep the right to sue or continue to sue Navy Federal on your own about the legal issues in this case, then you must take steps to get out of the Settlement. This is called excluding yourself – or it is sometimes referred to as “opting-out” of the Settlement Class.

10. How do I get out of the Settlement?

To exclude yourself from the Settlement, you must send a letter by mail that includes the following:

- Your name, address and telephone number;
- A statement that you want to be excluded from the Settlement Class in *Ruby Lambert v Navy Federal Credit Union*, Case No. 1:19-cv-00103-LO-MSN; and
- Your signature.

You must mail your exclusion request, postmarked no later than **February 24, 2021**, to:

Lambert Representation NSF Fee Settlement
c/o JND Legal Administration
P.O. Box 91190
Seattle, WA 98111

11. If I do not exclude myself, can I sue Navy Federal for the same thing later?

No. Unless you exclude yourself, you give up the right to sue Navy Federal for the claims that the Settlement resolves. You must exclude yourself from the Class in order to try to pursue your own lawsuit.

12. If I exclude myself from the Settlement, can I still receive a payment?

No. You will not receive a payment or Account credit if you exclude yourself from the Settlement.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court has appointed the following lawyers, known as Class Counsel, to represent you and others:

Jeff Ostrow Jonathan Streisfeld KOPELOWITZ OSTROW PA 1 West Las Olas Blvd., Ste. 500 Fort Lauderdale, FL 33301	Hassan Zavareei Andrea Gold TYCKO & ZAVAREEI LLP 1828 L Street NW, Ste. 1000 Washington, DC 20036
Jeffrey Kaliel Sophia Gold KALIEL PLLC 1875 Connecticut Avenue NW, 10 th Floor Washington, DC 20009	

Class Counsel will represent you and others in the Settlement Class. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

Questions? Call 1-833-707-1452 or visit www.lambertnsffeelitigation.com

14. How will the lawyers be paid?

Class Counsel intends to request up to 33.33% of the Settlement Fund (\$5,332,800) for attorneys' fees, plus reimbursement of their litigation expenses and costs incurred in connection with prosecuting this case. The fees and expenses awarded by the Court will be paid out of the Settlement Fund. The Court will determine the amount of fees and expenses to award. Class Counsel will make their request for attorney's fees and expenses by February 9, 2021.

Class Counsel will also request a Service Award of up to \$5,000.00 for the Class Representative be paid from the Settlement Fund for her service to the entire Settlement Class. Any Service Award is subject to Court approval. Class Counsel will make their request for Service Awards by February 9, 2021.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

15. How do I tell the Court that I don't like 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 a Service Award for the Plaintiff. To object, you must submit your objection by mail or private courier (e.g., Federal Express) to the Clerk of the Court, Class Counsel, and Navy Federal's counsel. Your objection must include the following:

- The name of this case, which is *Ruby Lambert v Navy Federal Credit Union*, Case No. 1:19-cv-00103-LO-MSN;
- Your full name, address and telephone number;
- An explanation of the basis upon which you claim to be a Settlement Class Member;
- All grounds for the objection, accompanied by any legal support for the objection known to you or your counsel;
- The identity of all counsel who represent you, including any former or current counsel who may be entitled to compensation for any reason related to the objection to the Settlement or fee application;
- The number of times in which you have objected to a class action settlement within the five years preceding the date that you file the objection, the caption of each case in which you have made such objection and a copy of any orders or opinions related to or ruling upon the prior objections that were issued by the trial and appellate courts in each listed case;
- Any and all agreements that relate to the objection or the process of objecting – whether written or verbal – between you or your counsel and any other person or entity;
- The identity of all counsel representing you who will appear at the hearing that the Court has scheduled to determine whether to grant Final Approval to the Settlement and Class Counsel's request for attorneys' fees and Service Award to Plaintiff ("Final Approval Hearing");
- The number of times in which your counsel and/or counsel's law firm have objected to a class action settlement within the five years preceding the date that you file the objection, the caption of each case in which counsel or the firm has made such objection and a copy

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of any orders related to or ruling upon counsel's or the firm's prior objections that were issued by the trial and appellate courts in each listed case;

- A list of all persons who will be called to testify at the Final Approval Hearing in support of the objection;
- A statement confirming whether you intend to personally appear and/or testify at the Final Approval Hearing; and
- Your signature (an attorney's signature is not sufficient).

You must submit your objection to the following addresses no later than **February 24, 2021**:

Clerk of the Court U.S. District Court for the Eastern District of Virginia Albert v. Bryan U.S. Courthouse 401 Courthouse Square Alexandria, VA 22314	Lambert Representation NSF Fee Settlement c/o JND Legal Administration P.O. Box 91190 Seattle, WA 98111	Fred Burnside Davis Wright Tremaine LLP 920 Fifth Avenue Suite 3300 Seattle, WA 98104
Jeff Ostrow Jonathan Streisfeld Kopelowitz Ostrow PA 1 West Las Olas Blvd. Suite 500 Fort Lauderdale, FL 33301	Hassan Zavareei Andrea Gold Tycko & Zavareei LLP 1828 L St., NW Suite 1000 Washington, DC 20036	Jeffrey Kalile Sophia Gold Kaliel PLLC 1875 Connecticut Avenue NW, 10 th Floor Washington, DC 20009

16. What's the difference between objecting and excluding?

Objecting is telling the Court that you do not like something about the Settlement. You can object to the Settlement only if you do not exclude yourself from the Settlement. Excluding yourself from the Settlement is telling the Court that you don't want to be part of the Settlement. If you exclude yourself from the Settlement, you have no basis to object to the Settlement because it no longer affects you.

THE COURT'S FINAL APPROVAL HEARING

The Court will hold the Final Approval Hearing to decide whether to approve the Settlement and the request for attorneys' fees, litigation expenses and costs, and Service Award for the Plaintiff. You may attend and you may ask to speak, but you don't have to do so. If you retain your own counsel, they may appear on your behalf.

17. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at 10:00 a.m. on Friday, March 26, 2021, at the United States District Court for the Eastern District of Virginia located at the Albert V. Bryan U.S. Courthouse, Courtroom 1000, 401 Courthouse Square, Alexandria, Virginia 22314. The hearing may be moved to a different date or time without additional notice, so it is a good idea to check at www.lambertnsffeelitigation.com for updates. At this hearing, the Court will consider whether the Settlement is fair, reasonable and adequate. The Court will also consider any request by Class Counsel for attorneys' fees and expenses and for a Service Award for the Plaintiff. If there are objections, the Court will consider them at this time. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

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18. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. However, you may come at your own expense. If you send an objection, you don't have to come to Court to talk about it. Provided you submitted your written objection on time, to the proper address, and it complies with the requirements set forth above, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

YOU ARE **NOT** REQUIRED TO ATTEND THIS HEARING TO BENEFIT FROM THE SETTLEMENT.

19. May I speak at the hearing?

You may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must send a letter saying that you intend to appear and wish to be heard. Your Notice of Intention to Appear must include the following:

- Your name, address and telephone number;
- A statement that this is your "Notice of Intention to Appear" at the Final Approval Hearing for the Navy Federal Settlement in *Ruby Lambert v Navy Federal Credit Union*, Case No. 1:19-cv-00103-LO-MSN;
- The reasons you want to be heard;
- Copies of any papers, exhibits, or other evidence or information that is to be presented to the Court at the Final Approval Hearing; and
- Your signature.

You must submit your Notice of Intention to Appear no later than February 24, 2021 to all of the addresses in Question 15.

IF YOU DO NOTHING

20. What happens if I do nothing at all?

If you do nothing, you will still receive the benefits to which you are entitled. Unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit or be part of any other lawsuit against Navy Federal relating to the issues in this case.

GETTING MORE INFORMATION

21. How do I get more information?

This Long Form Notice summarizes the proposed Settlement. More details can be found in the Settlement Agreement. You can obtain a copy of the Settlement Agreement at www.lambertnsfffeelitigation.com. You may also write with questions to Lambert Representation NSF Fee Settlement, c/o JND Legal Administration, P.O. Box 91190, Seattle, WA 98111, or call the toll-free number, 1-833-707-1452. Do not contact Navy Federal or the Court for information.

Questions? Call 1-833-707-1452 or visit www.lambertnsfffeelitigation.com