

## Wells Fargo Unauthorized Accounts Settlement Notice

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

Wells Fargo & Company and Wells Fargo Bank, N.A. (“Wells Fargo”) have reached a Class Action Settlement related to claims that bank employees opened checking or savings accounts, credit cards, or lines of credit, or submitted applications for those products without customers’ authorization.

You may be a member of the class covered by the Class Action Settlement (a “Class Member”) if, anytime from May 1, 2002, through April 20, 2017:

- Wells Fargo opened a checking or savings account, credit card, or line of credit in your name without your consent, or submitted an application for a checking or savings account, credit card, or line of credit without your consent. This Notice refers to these sorts of accounts and applications as “Unauthorized Accounts.”

OR

- You obtained Identity Theft Protection Services from Wells Fargo.

As a Class Member, you may be entitled to compensation from the Class Action Settlement. The terms of the Class Action Settlement are described below.

### Summary of the Class Action Settlement

As part of the Class Action Settlement, Wells Fargo has agreed to pay a total of \$142 million. The cost to administer the Class Action Settlement as well as certain fees and expenses will come out of this fund. (For more on these fees and expenses, see the section below under the heading “Attorneys’ Fees, Costs, and Other Expenses.”) The amount remaining after deducting fees and expenses will be paid to eligible Class Members. No money will be returned to Wells Fargo if the Court approves of this Class Action Settlement.

Class Members are eligible for three kinds of compensation:

#### **Fee Reimbursement**

If you claim that you were charged fees in connection with an Unauthorized Account, you may be eligible to receive Fee Reimbursement.

QUESTIONS? Go to [www.WFSettlement.com](http://www.WFSettlement.com)

When the Account Was Opened	Reimbursement Amount	Notes
January 1, 2009 - April 20, 2017	The amount of actual fees you were charged	<p>You can receive Fee Reimbursement only for Unauthorized Accounts that were not used and only for fees that have <u>not</u> already been repaid by Wells Fargo.</p> <p>See Question 29 below for more information on Wells Fargo’s earlier fee repayments.</p>
May 1, 2002 - December 31, 2008	Flat Fee Reimbursement	<p>Wells Fargo does not have the data to calculate the actual fees that were charged during this time period. Reimbursement will be equal to the average Fee Reimbursement payment made to Class Members with an unused Unauthorized Account opened from January 1, 2009, through April 20, 2017.</p> <p>See Question 17 below for more information on Fee Reimbursement.</p>

### Credit Impact Damages

Credit Impact Damages are designed to compensate Class Members who paid higher interest rates on loans or credit cards because their credit scores were hurt by certain Unauthorized Accounts (a credit card, line of credit, small business deposit account, or an unauthorized application for one of those products).

The attorneys representing the Class Members have hired experts to calculate your Credit Impact Damages. To calculate these damages, the experts will use data from your credit report, which the Settlement Administrator—the company responsible for paying you—will retrieve. Before the Settlement Administrator and the experts can access your credit report; however, you’ll need to authorize them to do so. You’ll have the opportunity to grant this authorization when you submit your claim. **Authorizing the Settlement Administrator and experts to access your credit report won’t harm your credit.**

### Additional Compensation

Class Members will receive any money remaining in the Settlement Fund after all claims for Fee Reimbursement and Credit Impact Damages and attorneys’ fees and costs have been paid. The amount of additional compensation you will be eligible to receive will be based on the number of claimed Unauthorized Accounts opened in your name and authorized enrollment in Wells Fargo Identity Theft Protection Services. (Put differently, if you enrolled in Identity Theft Protection Services, that counts as one Unauthorized Account for purposes of Additional Compensation.)

## Obtaining Benefits Under the Class Action Settlement

Class Members are able to go to [www.WFSettlement.com](http://www.WFSettlement.com) to register to receive claim forms in the mail or to electronically fill out claim forms online. These forms will also be mailed to identified Class Members starting in November 2017.

The claim forms are designed to be as simple as possible. They will look slightly different for different groups of Class Members. The first two groups listed below will receive a claim form in the mail. All Class Members will be able to fill out and submit claim forms online.

Group of Class Members	Mailed a Claim Form?	Claim Form
Identified by Wells Fargo consultant as having potentially Unauthorized Accounts	Yes	The Claim Form will list the potentially Unauthorized Accounts and ask you to mark the ones which were unauthorized.
Previously complained about Unauthorized Account to Wells Fargo, the Office of the Comptroller of the Currency, or the Consumer Financial Protection Bureau	Yes	You are automatically enrolled in the Class Action Settlement but should fill out a Claim Form to maximize the amount of money you could receive.
Not identified by consultant and have not previously complained	No	You will need to get a Claim Form online or by calling the toll-free number.

If you aren't sure which group you are in, you will be able to call the Settlement Administrator, though it may take the Settlement Administrator some time to gather that information. If you made a complaint about an Unauthorized Account, but do not receive a notice telling you that you have been automatically enrolled, you should submit a Claim Form. It may be that your complaint was not identified.

The money you receive under the Class Action Settlement will be mailed to you as a check.

## Attorneys' Fees, Costs, and Other Expenses

In a class action like this one, the Court must approve all attorneys' fees and costs before they can be paid. If the Court approves, the fees paid to the attorneys representing the Class, the expenses that those attorneys reasonably had in the litigation, and the expenses of administering the Class Action Settlement will be deducted from the \$142 million Settlement Fund. The Class Action Settlement allows the attorneys representing the Class to request up to 25% of the Settlement Fund as fees and costs, but the attorneys have decided to request no more than 15%. The Court has the power to award less than the requested amount. The Class Members representing the Class as named plaintiffs in the lawsuit will also ask for awards of no more than

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\$5,000 each to pay them for the time they spent and expenses they had in representing the Class. These awards also have to be approved by the Court and will come out of the Settlement Fund.

### **For More Information**

This notice summarizes the proposed Class Action Settlement. For the precise terms and conditions of the Class Action Settlement, please see the Settlement Agreement available at [www.WFSettlement.com](http://www.WFSettlement.com), or contact the Settlement Administrator at Wells Fargo Unauthorized Accounts Settlement, P.O. Box 2594, Faribault, MN 55021-9594 or 1-866-431-8549.

**Please do *not* telephone the Court or the Court Clerk's office to inquire about this Class Action Settlement or the claim process.**

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## BASIC INFORMATION

### 1. What are my options under the Class Action Settlement?

Your options are summarized in the table below.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>DON'T FILE A CLAIM</b>	<b>If you don't file a claim, and Wells Fargo does not have a record of any previous complaint you made about Unauthorized Accounts, you won't get any money.</b> The claim forms are simple, and filling them out shouldn't take very much time. <b>So, unless you want to exclude yourself from the Class Action Settlement, you should file a claim.</b> For details on filing a claim, see Questions 2, 4, and 5 below.
<b>FILE A CLAIM</b>	Filing a claim will allow you to receive money under the Class Action Settlement if you're eligible. You can file a claim by mail or online at <a href="http://www.WFSettlement.com">www.WFSettlement.com</a> . The deadline to file a claim has been extended to <b>July 7, 2018</b> . For more on filing a claim, see Questions 2, 4, and 5 below.
<b>ASK TO BE EXCLUDED</b>	If you exclude yourself from the Class Action Settlement, you won't get any benefits under it. Excluding yourself is the only option that may allow you to sue Wells Fargo with respect to the issues in this lawsuit. You can ask to be excluded from the Class Action Settlement at <a href="http://www.WFSettlement.com">www.WFSettlement.com</a> . The deadline to exclude yourself from the Class Action Settlement has passed, unless you received an email or mailed notice about this Settlement from Wells Fargo, saying that you may exclude yourself by <b>May 14, 2018</b> . For more information, see Questions 36-42 below.
<b>OBJECT OR COMMENT</b>	You may remain part of the Class and write to the Court about why you like or don't like the Class Action Settlement. You can find a form to object to the Class Action Settlement at <a href="http://www.WFSettlement.com">www.WFSettlement.com</a> . The deadline to object to the Class Action Settlement has passed, unless you received an email or mailed notice about this Settlement from Wells Fargo saying that you may object to the Settlement by <b>May 14, 2018</b> . For instructions on how to object or comment, see Question 46 below.
<b>GO TO A HEARING</b>	You may also ask to speak in Court about the fairness of the Class Action Settlement. For instructions on how to do this, see Question 50 below.

## HOW TO GET BENEFITS

### 2. How do I claim Class Action Settlement benefits?

The easiest and preferred way to claim benefits is to go to [www.WFSettlement.com](http://www.WFSettlement.com) and fill out a claim form online. The website will give you instructions on how to fill out the form. The forms are designed to be simple, so filling them out is easy and shouldn't take much of your time.

QUESTIONS? Go to [www.WFSettlement.com](http://www.WFSettlement.com)

If Wells Fargo has a record of a complaint about Unauthorized Accounts that you made to Wells Fargo, the Office of the Comptroller of the Currency, or the Consumer Financial Protection Bureau, you will be automatically enrolled in the Class Action Settlement to receive some of the Settlement's benefits. However, in order to be eligible for **all** types of benefits available in the Class Action Settlement, you will need to submit a claim form. The Settlement Administrator will mail you a claim form. You can fill the claim form out and send it back to the Settlement Administrator. The postage on the claim form will be prepaid, so you won't have to pay for it.

If Wells Fargo's consultant has identified you as having potentially Unauthorized Accounts, you will also be mailed a claim form that you can fill out and return. Postage will be prepaid.

If you were not identified as previously complaining or were not identified by Wells Fargo's consultant, you will not receive a claim form in the mail unless you request one. **Remember though, that you can always fill out a claim form online at [www.WFSettlement.com](http://www.WFSettlement.com).** You can also write to Wells Fargo Unauthorized Accounts Settlement, P.O. Box 2594, Faribault, MN 55021-9594 or call 1-866-431-8549 to request that a claim form be mailed to you. Once you get it, you can fill it out and send it back. Again, the postage will be prepaid.

### 3. What accounts are included in the Class Action Settlement?

The Class Action Settlement covers Wells Fargo consumer or small business checking or savings accounts, unsecured credit cards, or unsecured lines of credit opened without customer consent, or unauthorized applications for these products. These accounts are called "Unauthorized Accounts" in this Notice. The Class Action Settlement also provides benefits to consumers who purchased Wells Fargo Identity Theft Protection Services.

### 4. What is the deadline to make a claim?

You must submit a complete and valid claim by **July 7, 2018**.

### 5. What supporting documents are needed to make a claim?

**No supporting documents are needed to make a claim.** Instead, the claim form will just ask you to check some boxes or, at most, to answer a few simple questions. See the next question for more on the claim forms.

### 6. Why are the claim forms necessary?

Even if you've already been identified by Wells Fargo's consultant, you have to fill out a claim form to allow the Settlement Administrator to access your credit report. The credit report is necessary to calculate your Credit Impact Damages, if any. Also, if you've been identified, that means you've been flagged as having *potentially* Unauthorized Accounts. The claim form lists those accounts for you so that you can confirm which accounts you don't recognize or think are unauthorized.

Although Wells Fargo has records of some people who have complained about Unauthorized Accounts, these records are not complete. So even if you have been identified as previously

submitting a complaint, the Settlement Administrator is unable to determine all types of compensation Class Members may be eligible to receive under the Class Action Settlement without input from them. The claim forms will allow you to maximize your benefits by telling the Settlement Administrator that you believe you had one or more Unauthorized Accounts, were charged fees to those accounts, and authorize experts retained by Class Counsel and the Settlement Administrator to access your credit report so that you can be eligible for Credit Impact Damages.

Finally, the Class Action Settlement also recognizes that there's a possibility that you may have Unauthorized Accounts even if Wells Fargo doesn't have a record of you submitting a complaint, or if you were not identified by its consultant as potentially having an Unauthorized Account. If you're one of these people, the claim form asks for certain information to verify your claim.

#### **7. When will I receive my payment?**

Payments will be issued after the Court grants final approval of the Class Action Settlement and any appeals are resolved. Next, the damages calculation will be run in conjunction with the credit bureaus. Then the required calculations in the Class Action Settlement can be completed and checks to eligible Class Members will be issued. Updates on the progress of these payments will be posted on the Settlement website, [www.WFSettlement.com](http://www.WFSettlement.com). Please check the website for updates.

### **CLASS MEMBERSHIP QUESTIONS**

#### **8. Am I included in the Class Action Settlement?**

You are included in the Class Action Settlement and considered a Class Member if you are in the Class, which is defined as:

All Persons for whom Wells Fargo or Wells Fargo's current or former subsidiaries, affiliates, principals, officers, directors, or employees opened an **Unauthorized Account** or submitted an **Unauthorized Application**, or who obtained **Identity Theft Protection Services** from Wells Fargo during the period from May 1, 2002, to April 20, 2017, inclusive.

The three terms that are printed in bold are important to understanding who is included in the Class:

- "Unauthorized Account" refers to consumer and small business checking and savings accounts, unsecured credit cards, and unsecured lines of credit, so long as they were opened without consent.
- "Unauthorized Application" means an application for one of those accounts or products, so long as it was submitted without consent.

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- “Identity Theft Protection Services” refers to authorized enrollment in products or services designed to monitor and alert enrolled customers when specific information is reported to credit bureaus.

The following entities and individuals are **excluded** from the Class:

- Wells Fargo’s officers, directors, and employees;
- Judicial officers and their immediate family members and associated court staff assigned to this case; or
- Persons or entities who or which timely and properly exclude themselves from the Class as provided in the Class Action Settlement.

#### **9. How can I find out if I am automatically enrolled in the Class Action Settlement?**

If Wells Fargo has a record of a complaint about Unauthorized Accounts that you made to Wells Fargo, the Office of the Comptroller of the Currency, or the Consumer Financial Protection Bureau, you may be automatically enrolled in the Class Action Settlement. That does not mean you will automatically receive all the Settlement’s benefits. You will also be mailed a claim form, which you are encouraged to fill out to maximize your recovery under this Class Action Settlement. You can learn if you’re on this list by contacting the Settlement Administrator at Wells Fargo Unauthorized Accounts Settlement, P.O. Box 2594, Faribault, MN 55021-9594 or 1-866-431-8549.

#### **10. What happens if I am automatically enrolled and do not submit a claim?**

If you are automatically enrolled and do not submit a claim, you are eligible for Additional Compensation (see Question 24), but you will **not** receive Fee Reimbursement (see Question 17) or Credit Impact Damages (see Questions 18).

#### **11. What is this case about?**

The lawsuit seeks compensation for Wells Fargo customers affected by the practice of opening consumer and small business deposit accounts, and unsecured credit cards and lines of credit, without consent. It also seeks compensation for Wells Fargo customers who obtained Identity Theft Protection Services (see Question 8).

#### **12. Can I receive benefits if I had Unauthorized Accounts or Identity Theft Protection Services before May 1, 2002?**

No. This Class Action Settlement covers only Unauthorized Accounts and Identity Theft Protection Services opened on or after May 1, 2002.

**13. Does this Class Action Settlement cover accounts opened by Wachovia Bank, which was acquired by Wells Fargo in 2008?**

No, this Class Action Settlement covers accounts opened by Wells Fargo only, not accounts opened by Wachovia or other companies before the companies were purchased by Wells Fargo.

**14. What if I am not sure whether I am included in the Class Action Settlement?**

If you believe Wells Fargo opened an Unauthorized Account in your name, but you did not receive a notice in the mail and are not sure whether you are included in the Class Action Settlement, you may visit [www.WFSettlement.com](http://www.WFSettlement.com) to submit a claim or call 1-866-431-8549. You may also write to Wells Fargo Unauthorized Accounts Settlement, P.O. Box 2594, Faribault, MN 55021-9594.

**BENEFITS UNDER THE CLASS ACTION SETTLEMENT**

**15. Who qualifies for benefits under the Class Action Settlement?**

All people described in the answers to Question 8 qualify for cash payments.

**16. What payment will I receive if I participate in the Class Action Settlement?**

The Class Action Settlement provides that eligible Class Members may receive **Fee Reimbursement** (see Question 17), **Credit Impact Damages** (see Questions 18), and **Additional Compensation** (see Question 24).

**17. What Fee Reimbursement will I receive if I participate in the Class Action Settlement?**

Class Members who were charged fees in connection with certain Unauthorized Accounts from **January 1, 2009, through April 20, 2017**, will receive Fee Reimbursement in the amount of the actual fees they were charged. To determine the proper amount of Fee Reimbursement for this group, the Settlement Administrator will determine the fees, if any, charged in connection with those Unauthorized Accounts that were inactive or went unused. A Class Member in this group will receive Fee Reimbursement only to the extent that two other settlements that Wells Fargo has entered into (see Question 29) have not already reimbursed that Class Member for fees. In other words, if you have been identified as having a potentially Unauthorized Account and have already been reimbursed for your fees, you are not entitled to receive additional Fee Reimbursement.

Class Members who believe they were charged fees in connection with certain Unauthorized Accounts opened from **May 1, 2002, through December 31, 2008**, may be eligible to receive a Flat-Rate Fee Reimbursement. The Flat-Rate Fee Reimbursement will be equal to the average Fee Reimbursement payment made to Class Members with an Unauthorized Account opened from January 1, 2009, through April 20, 2017. This Flat-Rate Fee Reimbursement is necessary because Wells Fargo does not have the data necessary to determine the actual amount of fees charged to customers in connection with Unauthorized Accounts from the 2002-2008 period.

QUESTIONS? Go to [www.WFSettlement.com](http://www.WFSettlement.com)

## **18. What Credit Impact Damages can I receive if I participate in the Class Action Settlement?**

Credit Impact Damages are designed to compensate Class Members who paid a higher interest rate on a loan or credit card because their credit score was hurt by an unauthorized Wells Fargo credit card, line of credit, or small business deposit account, or an unauthorized application for one of those products.

Credit Impact Damages are also designed to compensate Class Members who paid a higher interest rate on a loan or credit card because their credit score was hurt by derogatory reporting on an authorized credit card as a result of that credit card being linked to an Unauthorized Account (a consumer or small business deposit account) for overdraft protection.

Credit Impact Damages are calculated using data from your credit report. For details on the method for performing this calculation, see Question 19. If you actually activated or used an unauthorized Wells Fargo credit card, line of credit, or small business deposit account, you're entitled to an Additional Compensation payment, but you won't receive Credit Impact Damages.

Please keep in mind that Credit Impact Damages are designed to compensate Class Members for the increased cost of certain credit that they actually received. They're not designed to compensate Class Members who believe they were *denied* certain credit entirely. If you believe that you were denied certain credit due to an Unauthorized Account and that your damages due to this loss of credit are large enough to justify bringing suit against Wells Fargo on your own, you should consider excluding yourself from this Class Action Settlement.

Likewise, Credit Impact Damages are not designed to compensate Class Members for other damages unrelated to increased borrowing costs, such as denial of housing or employment. If you believe you experienced other, non-borrowing-related harm due to the impact on your credit score from an Unauthorized Account and that your damages are large enough to justify bringing suit against Wells Fargo on your own, you should consider excluding yourself from this Class Action Settlement. Doing this will preserve your right to bring a separate claim against Wells Fargo. You'll have to hire your own lawyer. For more on excluding yourself from this Class Action Settlement, see Questions 35-38, and 41 below.

## **19. How are Credit Impact Damages calculated?**

Class Counsel retained experts to determine how different events associated with an unauthorized credit card, line of credit, or small business deposit account, an unauthorized application for one of these products (an inquiry to a credit bureau, the creation of a credit-card account, and so on), or a derogatory report associated with an authorized credit card as a result of overdraft protection for an unauthorized deposit account, would affect a person's credit score. If you submit a claim form and authorize the Settlement Administrator and the experts to access your credit report, the information from your credit report will be used to determine whether your credit score was damaged by the unauthorized credit product. You will be eligible for Credit Impact Damages only if your credit score went down and you received credit within 12 months after the relevant Unauthorized Account was opened or within a period of up to 7 years

after you experienced a derogatory report associated with an authorized credit card as a result of overdraft protection for an unauthorized deposit account.

*Impact of Lowered Credit Score:* A lowered credit score typically increases a consumer's cost of credit only if it drops the consumer from one particular credit score range (or "tier") into another tier. Changes *within* the same tier usually don't increase the cost of credit. After research and testing, the experts will create a set of tiers like those used by a hypothetical "average" lender in setting the cost of credit.

The set of tiers created by these experts is only an approximation, because every lender uses a different set of tiers. Rather than trying to determine what tiers every lender of every Class Member actually used—a nearly impossible task—the experts will instead calculate the *probability* that a particular event moved a customer from one tier to another.

The increase in cost of credit caused by a drop in credit score tier will vary from lender to lender and will depend on the type of credit. Class Counsel's experts will determine what values to use for the increase in borrowing cost. Damages will be computed for the expected time an average consumer would have retained the loan.

With this information, it will be possible to calculate how much the cost of that credit would have increased if the unauthorized credit card, line of credit, or small business deposit account, or an unauthorized application for one of these products, moved the Class Member into a lower credit score tier.

*Calculation of Credit Impact Damages:* To calculate Credit Impact Damages, the increase in the cost of credit will be multiplied by the probability that your credit score moved into a different tier, based on the number and kind of events that preceded the extension of that credit. For an example of this calculation, see Question 23. Some Class Members may have more than one valid loan that was potentially affected by a prior Unauthorized Account and eligible for payment. In that case, the total Credit Impact Damages will be equal to the sum of Credit Impact Damages for each valid loan that was affected. To the extent it is not possible to calculate the effect on your credit score (for example, some older accounts), your Credit Impact Damages calculation may be based on expert analysis and available data.

**20. Why is my Credit Impact Damage calculated based on "tiers" and not my actual credit score number?**

Lenders use different credit score tiers to determine whether a borrower qualifies for a loan, and if so, what interest rates they will charge. If your credit score falls, but you remain within the same credit tier, your qualification and interest rate will not change. The same is true if your credit score goes up, but not enough to bump you up to the next tier, your qualification and interest rate will not change. If, however, the decrease in your credit score causes you to fall from one tier to a lower tier, you may pay a higher interest rate for loans based on your credit score.

## 21. What are credit scores and FICO scores?

A credit score is an assessment of creditworthiness calculated by credit reporting agencies, such as Equifax, TransUnion, and Experian, based upon information provided to them by banks, creditors, and others. Lenders often use consumers' credit scores to assess a potential borrower's credit risk. A FICO score is a commonly used type of credit score.

## 22. Will the Credit Impact Damages cover every year of my loan?

The experts' calculation of Credit Impact Damages uses the average life for each type of loan because most people don't keep loans for the whole period. If you believe your Credit Impact Damages should apply to a longer than average loan period, you may want to consider excluding yourself from this Class Action Settlement.

## 23. What is an example of what Credit Impact Damages might be?

Here is one example of calculation of Credit Impact Damages for one particular credit product: Suppose a Class Member with a 12-point drop in credit score due to an Unauthorized Account took out a three-year used car loan for \$18,000 and that the Class Member potentially paid increased interest of 2% due to the 12-point drop moving him into a lower credit tier. For such a Class Member, the calculation of Credit Impact Damages related to this auto loan would be as follows:

Principal auto loan amount:	\$18,000
Increased borrowing cost due to dropping to a lower tier:	2%
12-point drop in credit score translates to 12/100 probability of dropping to a lower tier:	0.12
Average length of loan:	3 years
<b>Credit Impact Damages</b>	<b><math>\\$18,000 \times 0.02 \times 0.12 \times 3 = \\$129.60</math></b>

In determining Credit Impact Damages, the Class Action Settlement considers only events that occurred within a certain time period *after* the unauthorized credit card, line of credit, or small business deposit account was opened, or after the unauthorized application for one of these products was submitted. Some events don't have any effect on your credit score after a particular period. The experts have determined that the relevant period is generally 12 months.

Wells Fargo's unauthorized actions could have resulted in delinquencies or derogatory marks reported on consumers' credit reports. In these instances, the experts' calculations will extend until the delinquency or derogatory mark was removed from the credit report, to cover a period of up to 7 years following the delinquency or derogatory mark.

**24. What Additional Compensation will I receive if I participate in the Class Action Settlement?**

After Fee Reimbursement and Credit Impact Damages are paid to eligible Class Members and all fees and costs are paid (see Question 44), the remaining portion of the Settlement Fund will be paid as Additional Compensation to eligible Class Members. The amount of Additional Compensation will be based on how many Unauthorized Accounts each Class Member has or had, as well as authorized enrollment in Identity Theft Protection Services.

**25. How will I be paid my share of the Class Action Settlement?**

If you are entitled to payment under the Class Action Settlement, a check will be sent to the address provided on your Claim Form or, if you are automatically enrolled in the Class Action Settlement and do not separately submit a Claim Form, your last known address. If you believe Wells Fargo may have an outdated or incorrect address for you, contact the Settlement Administrator to provide your updated address.

**26. What are the tax implications of accepting a settlement payment?**

While it is the intention of Class Counsel that any payments made as a result of the Class Action Settlement not be subject to taxation, the tax implications could vary based on the amount you may receive, so you should consult a tax professional to assess the specific tax implications of any payment you may receive.

**27. What does it mean that this Class Action Settlement is “non-reversionary”?**

It means that none of the Settlement Fund will be returned to Wells Fargo if the Court provides final approval to the Class Action Settlement. After Fee Reimbursement and Credit Impact Damages are paid to eligible Class Members and all fees and costs are paid (see Question 44), the remaining portion of the Settlement Fund will be paid as Additional Compensation to eligible Class Members.

**28. What if the Settlement Fund runs out of money?**

The Settlement Fund will not “run out of money” to pay Fee Damages or Credit Impact Damages according to the methodology laid out in the Class Action Settlement. In fact, the Class Action Settlement ensures that at least \$25 million will be paid out to Class Members as non-compensatory damages. The way the Class Action Settlement ensures this is that Wells Fargo has agreed to provide any additional funds necessary to cover Fee Damages and Credit Impact Damages for Class Members, as calculated according to the methodology laid out in the Class Action Settlement, and to still have \$25 million remaining to pay to Class Members as non-compensatory damages—even if this exceeds its original payment of \$142 million to the Settlement Fund.

**29. What other settlements has Wells Fargo entered into? How do they affect the Class Action Settlement?**

In September 2016, Wells Fargo entered into settlements with three government agencies: the Office of the Comptroller of the Currency, the Consumer Financial Protection Bureau, and the Los Angeles City Attorney. Under the Consumer Financial Protection Bureau settlement, Wells Fargo was required to set aside \$5 million for refunding fees paid by customers in connection with Unauthorized Accounts. Under the Los Angeles City Attorney settlement, Wells Fargo was required to refund certain fees to customers identified by a third-party consultant as potentially having had Unauthorized Accounts.

These prior settlements may affect Class Members' Fee Reimbursement under the Class Action Settlement. If Class Members have already received reimbursement under the prior settlements, they will not receive a Fee Reimbursement under the Class Action Settlement for the same accounts. If Class Members have not been reimbursed for fees under these prior settlements, and claim that they had fees in connection with an Unauthorized Account, they are eligible to receive a Fee Reimbursement under the Class Action Settlement. The prior settlements will not affect the Credit Impact Damages or Additional Compensation that Class Members receive.

The Class Action Settlement will not diminish Wells Fargo's obligation to reimburse fees or to provide other relief required by its settlements with the Consumer Financial Protection Bureau or the Los Angeles City Attorney.

**UNDERSTANDING THE CLASS ACTION PROCESS**

**30. Why is there a Notice?**

The Court in charge of this case authorized this Notice because Class Members have a right to know about the proposed Class Action Settlement of this lawsuit, and to understand all of their options, before the Court decides whether or not to approve the Class Action Settlement. This Notice summarizes the Class Action Settlement and explains Class Members' legal rights and options.

Judge Vince Chhabria of the United States District Court for the Northern District of California is in charge of this case. The case is known as *Jabbari v. Wells Fargo & Co.*, No. 3:15-cv-02159. The people who sued are called the "Plaintiffs." Wells Fargo & Company and Wells Fargo Bank, N.A., together, are called "Wells Fargo" or the "Defendant."

**31. I got a letter from Wells Fargo saying there may be one or more Wells Fargo deposit accounts opened in my name without my request. Does that letter have anything to do with this Settlement? Is there something I should do?**

Wells Fargo didn't send that letter to you as part of this Class Action Settlement. However, you can also submit a claim form in this Settlement to get compensation for the account(s) identified by the letter, if you believe that Wells Fargo opened the account(s) without your permission. All you have to do is visit [www.WFSettlement.com](http://www.WFSettlement.com) and fill out a claim form.

QUESTIONS? Go to [www.WFSettlement.com](http://www.WFSettlement.com)

### **32. What is a class action?**

A class action is a representative lawsuit. One or more plaintiffs (who are also called “class representatives”) sue on behalf of themselves and all other people with similar claims, who are not named, but are described in the class definition and are called “Class Members.” When a class action is settled, the Court resolves the issues in the lawsuit for all Class Members, except for those who leave (opt out of) the class. Opting out means that you will not receive benefits under the Class Action Settlement. The opt-out process is described in Question 35 of this Notice.

### **33. How was this Class Action Settlement reached?**

A settlement is an agreement between a plaintiff (or multiple plaintiffs) and a defendant (or multiple defendants) to resolve a lawsuit. Settlements end all or part of a lawsuit without a trial, and without the court or a jury ruling in favor of the plaintiff(s) or the defendant(s). A settlement allows the parties to avoid the costs and risks of a trial and the very significant time delays of litigation. Class Counsel believe that the proposed Class Action Settlement is fair and reasonable for the Class and that it is in the public interest.

This Class Action Settlement was achieved despite the Court dismissing this case and ordering Plaintiffs to individually arbitrate their claims. This result was possible due to months-long negotiations between the parties and the assistance of two mediators: the Honorable Layn R. Phillips, a former United States District Judge, and Ann Julius, a Circuit Mediator at the U.S. Court of Appeals for the Ninth Circuit.

### **34. What am I giving up in exchange for receiving benefits under the Class Action Settlement?**

If the Court approves the Class Action Settlement, it becomes final. If you have not excluded yourself from it, you will be eligible for the benefits described above. In exchange, you will give up your right to sue Wells Fargo and related parties for the claims being resolved by this Class Action Settlement (see Question 34 below).

Section 5 of the Class Action Settlement Agreement contains the complete text and details of what Class Members give up unless they exclude themselves from the Class Action Settlement, so please read it carefully. The Class Action Settlement Agreement is available at [www.WFSettlement.com](http://www.WFSettlement.com). If you have any questions, you may talk to the attorney listed in Question 42 for free, or you may talk to your own lawyer.

### **35. What are my potential legal claims and remedies in this Class Action?**

There are eight claims for relief in this nationwide Class Action. The listing of claims starts on page 23 of the Consolidated Amended Complaint, filed on July 30, 2015, in the Northern District of California. The Consolidated Amended Complaint is available at [www.WFSettlement.com](http://www.WFSettlement.com), under the “Court Documents” section. If you have any questions about the claims and remedies in the Class Action, you may talk to the attorney listed in Question 42 for free, or you may talk to your own lawyer.

### **36. How do I get out of the Class Action Settlement?**

If you received an email or mailed notice about this Class Action Settlement from Wells Fargo saying that you could exclude yourself by May 14, 2018, and you do not want to receive benefits from the Class Action Settlement, and you want to keep the right to bring claims against Wells Fargo about the legal issues in this case, then you must take steps to remove yourself from the Class Action Settlement. You may do this by asking to be excluded —sometimes referred to as “opting out” of—the Class Action Settlement. To do this, you must either (1) fill out an exclusion form at [www.WFSettlement.com](http://www.WFSettlement.com), or (2) mail your request in writing to the Settlement Administrator. Choose only one of those options. If you choose to mail your request to exclude yourself in writing, your request must include:

- Your name, address, email, and telephone number;
- If you are submitting the request on behalf of a business or trust (rather than on behalf of yourself as an individual), the name of the business or trust;
- A statement saying that you wish to exclude yourself from the Class Action Settlement in *Jabbari v. Wells Fargo*, No. 3:15-cv-02159 (N.D. Cal.); and
- Your personal signature and date.

You must mail your exclusion request, postmarked no later than **May 14, 2018**, to Opt Out Wells Fargo Settlement, P.O. Box 2594, Faribault, MN 55021-9594.

Substantial compliance with the requirements for excluding yourself will be sufficient.

### **37. If I do not exclude myself, can I sue Wells Fargo for the same thing later?**

No. Unless you exclude yourself, you give up the right to sue Wells Fargo for all of the claims that this Class Action Settlement resolves.

### **38. If I exclude myself, can I still get full benefits from the Class Action Settlement?**

No. If you exclude yourself, you will not get any benefits from the Class Action Settlement.

### **39. If I do not exclude myself, can I still go to private mediation with Wells Fargo about my Unauthorized Accounts?**

Yes. Remaining in the Class Action Settlement and submitting a claim does not affect your ability to participate in private mediation with Wells Fargo regarding the same Unauthorized Accounts that are the subject of the Class Action Settlement.

Wells Fargo has stated that if it is unable to resolve issues directly, customers who believe they received a product or service they did not want or authorize are offered a free mediation service with an independent third-party mediator. This offer is separate from the Class Action Settlement. While Class Members generally must agree to release their claims against Wells Fargo in exchange for getting the benefits of the Class Action Settlement, Class Members may

still initiate a mediation with Wells Fargo. However, they will not be allowed to recover twice (“double recovery”) for any damages that were compensated through the Class Action Settlement.

#### **40. What is mediation?**

A mediation is an alternative dispute resolution procedure in which both sides work with a neutral third party—the mediator—to resolve a dispute. Mediation does not impose a binding result on the parties. The outcome of a mediation depends on the parties’ mutual agreement.

#### **41. How does Wells Fargo’s mediation process for Unauthorized Accounts work?**

First, you can make a complaint by going to a Wells Fargo bank or calling Wells Fargo’s toll-free feedback number: 1-877-924-8697. Then, once you make a complaint, within 60 days you will be sent a mediation request form. Wells Fargo may resolve your dispute without mediation, but if it does not, Wells Fargo will forward your mediation request and related documents to the mediator, sending a copy to you. Then the mediator will schedule a telephonic mediation session. These usually last no longer than 2 hours, and the parties’ lawyers are not permitted.

#### **42. If I opt out and pursue my own case, could I get a larger recovery?**

Federal and state laws provide for various remedies, including actual damages, statutory damages, punitive or multiple damages, and rescission, if a claim is proved at trial and upheld on appeal. The probability of succeeding with these claims cannot be predicted with certainty, and prosecuting them would take additional time and may be subject to offsets or deductions for attorneys’ fees and costs. In addition, Wells Fargo may argue you are required to individually arbitrate your claims against it, which is what Wells Fargo argued in this case. The Class Action Settlement is designed to provide benefits that are certain, available on a class-wide basis, and not subject to the delay and risk of arbitration, trial, and appeal.

#### **43. Do I have a lawyer in the case?**

Yes. The Court has appointed Keller Rohrback L.L.P. to represent all Class Members as “Class Counsel,” without charge to you. You can reach Class Counsel at:

Derek W. Loeser  
Keller Rohrback L.L.P.  
1201 Third Avenue, Suite 3200  
Seattle, WA 98101  
1-888-684-6570  
WFClassCounsel@kellerrohrback.com

You will not be charged for contacting this lawyer.

**44. I've received solicitation letters from attorneys. Do I need to hire my own attorney to get money from the Class Action Settlement?**

No. Class Counsel will represent you at no charge to you. If you want to be represented by your own lawyer, you may hire one at your own expense. It is possible that you will receive less money overall if you choose to hire your own lawyer to litigate against Wells Fargo rather than receive payment from this Class Action Settlement.

**45. How will the lawyers be paid?**

The Court must approve the award of attorneys' fees and costs. If the Court approves attorneys' fees and costs, they will be deducted from the \$142 million Settlement Fund. The lawyers representing the Class will not be asking for more than 15% of the Settlement Fund in fees and costs. The Court has the power to award them less than 15%. Whatever is not awarded to them, and does not go to pay other expenses, remains in the Settlement Fund, out of which Class Members are paid.

**46. How do I tell the Court if I do not like the Class Action Settlement?**

If you received an email or mailed notice about this Settlement from Wells Fargo saying that you could object by May 14, 2018, and you do not exclude yourself from the Class Action Settlement, you may object to it.

You can ask the Court to deny approval by filing an objection. You can't ask the Court to order a larger settlement; the Court can only approve or deny a settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

The Court will consider your views. To comment on or to object to the Class Action Settlement, you or your attorney must submit your written objection to the Court, including the following:

- Your name, address, email, and telephone number;
- A statement saying that you object to the Class Action Settlement in *Jabbari v. Wells Fargo*, No. 3:15-cv-02159 (N.D. Cal.);
- The reasons you object to the Class Action Settlement, along with any supporting materials;
- A statement as to whether you are aware of any Unauthorized Accounts and the account number and date of opening, if known, or if you enrolled in Wells Fargo Identity Theft Protection Services;
- Whether you are represented by an attorney and, if so, your attorney's name and contact information;
- Whether you or your attorney plan to appear at the final approval hearing; and

- Your signature and date.

You may also download a form to object at [www.WFSettlement.com](http://www.WFSettlement.com).

In addition, if you wish to appear at the final approval hearing (the “Fairness Hearing”), you must submit a written notice (see Question 49 below); however, the Court may excuse this requirement upon a showing of good cause.

You must mail your objection to the address below postmarked no later than **May 14, 2018**:

<b>COURT</b>
Class Action Clerk United States District Court for the Northern District of California Phillip Burton Federal Building & United States Courthouse 450 Golden Gate Avenue San Francisco, CA 94102

The Court will consider substantial compliance with the requirements for objecting sufficient.

**47. What is the difference between objecting to the Class Action Settlement and opting out?**

You can object only if you do not opt out of the Class. Opting out is telling the Court that you do not want to be part of the Class Action Settlement, and you do not want to receive any benefits. Objecting is telling the Court that you do not like the Class Action Settlement for some reason. If you opt out, you have no basis to object to the Class Action Settlement because the case no longer affects you.

**48. When and where will the Court decide whether to approve the Class Action Settlement?**

The Court will hold a hearing—called a Fairness Hearing—to determine whether to give its final approval to the Class Action Settlement. This Fairness Hearing will be held at **10:30 a.m.** on **May 30, 2018**, at the United States District Court for the Northern District of California, located at the United States Courthouse, 450 Golden Gate Avenue, San Francisco, CA 94102. The Fairness Hearing may be moved to a different date or time without additional notice, so it is a good idea to check [www.WFSettlement.com](http://www.WFSettlement.com) or call 1-866-431-8549. At the Fairness Hearing, the Court will hear evidence about whether the Class Action Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them and may listen to people who have asked to speak at the hearing. After the hearing, the Court will decide whether to approve the Class Action Settlement. We do not know how long these decisions will take.

The Court will consider the request for attorneys’ fees and reasonable costs by Class Counsel (see Question 44) after the Fairness Hearing, at a time that will be set at a later date by the Court.

#### **49. Do I have to attend the hearing?**

No. Class Counsel will answer questions the Court may have. You are welcome to attend at your own expense. If you timely file an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You also may have your own lawyer attend at your expense, but it is not necessary.

#### **50. May I speak at the hearing?**

You may ask the Court for permission to speak at the Fairness Hearing. The Court will determine whether to grant you permission to speak. To do so, you must send a letter stating that it is your “Notice of Intention to Appear in *Jabbari v. Wells Fargo*, No. 3:15-cv-02159 (N.D. Cal.)” Be sure to include your name, address, email, telephone number, and your signature. Your notice of intention to appear must be postmarked no later than **May 14, 2018**, and sent to the address listed in Question 46.

If you want to speak at the Final Fairness Hearing without having followed these procedures, you may do so if you demonstrate good cause to the Court.

### **GETTING MORE INFORMATION**

#### **51. How do I get more information?**

This Notice summarizes the proposed Class Action Settlement. More details are in the Class Action Settlement Agreement. You can get a copy of this document and other important documents in this case at [www.WFSettlement.com](http://www.WFSettlement.com). You also may write with questions to Wells Fargo Unauthorized Accounts Settlement, P.O. Box 2594, Faribault, MN 55021-9594 or call 1-866-431-8549.

Important documents in this case are posted on the Court’s website at [www.cand.uscourts.gov/VC/Jabbari-v-Wells-Fargo](http://www.cand.uscourts.gov/VC/Jabbari-v-Wells-Fargo). You may also access the Court docket in this case through the Court’s Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, Phillip Burton Federal Building, 450 Golden Gate Avenue, San Francisco, CA 94102, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.