

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

<p>In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations</p> <hr/> <p>THIS DOCUMENT RELATES TO: ALL CASES</p>	<p>Misc. Action No. 13-mc-1288 (RCL)</p> <p><u>CLASS ACTION</u></p>
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**STIPULATION REGARDING FORM, CONTENT, AND METHOD FOR PROVIDING
NOTICE OF CLASS ACTION PURSUANT TO RULE 23(c)(2)(B)**

WHEREAS, on August 12, 2021, plaintiffs Joseph Cacciapalle, Michelle M. Miller, Timothy J. Cassell, and Barry P. Borodkin (collectively, “Plaintiffs”), to the above-captioned shareholder class action (the “Action”) filed a Motion for Class Certification;

WHEREAS, on October 14, 2021, Plaintiffs, the Federal Housing Finance Agency, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation (collectively, “Defendants,” and with Plaintiffs, the “Parties”), sought to stipulate to certification of the classes under Federal Rule of Civil Procedure 23(a) and 23(b)(3), and filed a Stipulation and [Proposed] Order for Class Certification;

WHEREAS, on November 15, 2021, the Court expressed doubts as to the propriety of the Parties’ proposed course of action relating to a stipulation to certification of the classes, which sought to “withdraw” Plaintiffs’ motion for class certification;

WHEREAS, on November 22, 2021, in response to the Court’s concerns, the Parties to the Action filed a joint response asking that the Court construe Plaintiffs’ motion as still pending and uncontested to the extent that it requests certification under Federal Rule of Civil Procedure 23(b)(3);

WHEREAS, on December 7, 2021, the Court issued a Memorandum Opinion and Order (the “Certification Order”) granting Plaintiffs’ motion for class certification, and certifying three separate classes pursuant to Federal Rules of Civil Procedure 23(a) and 23(b)(3);

WHEREAS, the Certification Order directed the Parties to promptly meet and confer regarding an appropriate form, content, and method of providing the notices to be disseminated to the Classes pursuant to Federal Rule of Civil Procedure 23(c)(2)(B);

WHEREAS, the Certification Order further directed the Parties to submit a mutually satisfactory stipulation and proposed order setting forth the agreed-upon form, content, and method of providing the notices to be disseminated to the Classes pursuant to Federal Rule of Civil Procedure 23(c)(2)(B);

WHEREAS, the Parties have met and conferred and have determined that the form, content, and method of providing notice as set forth below and in the attached proposed Notice of Class Action (the “Notice”) (attached as Exhibit 1) and Summary Notice of Class Action (the “Summary Notice”) (attached as Exhibit 2) constitutes the “best notice that is practicable under the circumstances” as required by Federal Rule of Civil Procedure 23(c)(2)(B);

WHEREAS, the Parties believe that the proposed Notice and Summary Notice to be sent to each identifiable member of the Classes is sufficient to inform the members of the Classes (each such member of one of the Classes, a “Class Member”) about, *inter alia*: (i) the nature of the Action; (ii) the definition of the Classes certified; (iii) the Class claims, issues, or defenses; (iv) that a Class Member may enter an appearance through an attorney if the member so desires; (v) that the Court will exclude from the Classes any member who requests exclusion; (vi) the time and manner for requesting exclusion; and (vii) the binding effect of a Class judgment on members under Rule 23(c)(3) (*See* Exhibits 1 and 2);

NOW THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by the Parties, subject to the approval of the Court, that:

1. The reputable third-party administrator A.B. Data, Ltd. (the “Administrator”) will be engaged to disseminate the Notice to Class Members;

2. The Parties agree that an opt-out response date of sixty (60) days from the Notice Date (defined below) is appropriate;

3. The Parties agree to utilize a multi-tiered method of notice plan. Pursuant to the plan:

a. The Administrator will send the Notice by first-class mail to all Class Members who can be identified through reasonable effort. Class Members will be identified through Defendants’ shareholder records and through broker or other nominee purchasers. The brokers or other nominee purchasers will be required to either: (i) forward the Notice to Class Members; or (ii) send the list of names and addresses of Class Members to the Administrator, in which case the Administrator shall mail the Notice to them;

b. Defendants shall reasonably cooperate with the Administrator by providing to the Administrator, at no cost to the Administrator, Plaintiffs, or the Classes, the current registered shareholders of Fannie Mae junior preferred share, Freddie Mac junior preferred shares, and Freddie Mac common shares, excluding Defendants, by not later than ten (10) business days after the date of entry of the accompanying Order.

c. Within ten (10) business days after the date of entry of the accompanying Order, the Administrator will also obtain a Security Position Report from the Depository Trust Company (“DTC”) identifying each brokerage firm or other DTC participant which currently

holds Fannie Mae junior preferred stock, Freddie Mac junior preferred stock, and Freddie Mac common stock.

d. The Administrator shall use the above information to identify the beneficial owners of the shares, and shall begin mailing the Notice to potential Class Members identified by Defendants and DTC and through brokers or other nominees by no later than twenty (20) business days after entry of the accompanying Order (the “Notice Date”);

e. The Administrator will also publish a Summary Notice in the financial publication *Investor’s Business Daily* and transmit over the internet through *PR Newswire* not later than ten (10) business days after the Notice Date. The Summary Notice will provide Class Members with an abbreviated description of the items covered by the longer Notice, including, among other things, the pendency of the Action, the definition of the certified Classes, the binding effect of a judgment on Class members, how to request exclusion from the Classes, and where to seek more information.

f. The Administrator will also cause a copy of the Notice to be posted on a website designated for this Action and maintained by the Administrator.

4. The Notice shall provide an address for the purpose of receiving requests for exclusion from the Classes and requests for additional copies of the Notice. The requests for exclusion from the Classes shall be made by submitting a written request for exclusion by mail or email as set forth in the Notice and shall be received no later than sixty (60) calendar days after the Notice Date (the “Exclusion Date”).

5. The Administrator shall identify and number all exclusion requests received and create copies of those requests for counsel for all parties. The Administrator shall provide via

email weekly reports of exclusion requests received to counsel for all parties. The Administrator will maintain original requests in its files.

6. No later than fifteen (15) business days after the Exclusion Date, Plaintiffs' Counsel shall file with the Court proof of mailing of the Notice, proof of publication of the Summary Notice, and an affidavit setting forth a list of all persons and entities who have requested exclusion from the Classes.

7. Except for the costs associated with providing the lists of current shareholders as set forth in ¶ 3(b) above, the costs of the notice process shall be borne by Plaintiffs, and not by Defendants.

The Parties have attached hereto a proposed Order that is consistent with the terms of this Stipulation.

/s/ Asim Varma

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EXHIBIT 1

Exhibit 1

UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA

In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations <hr/> THIS DOCUMENT RELATES TO: ALL CASES	Misc. Action No. 13-mc-1288 (RCL) <u>CLASS ACTION</u>
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NOTICE OF CLASS ACTION

This Legal Notice May Affect Your Rights. Do Not Discard And Please Read Carefully.

(This is a Court-authorized Notice. This Notice is not from a lawyer. You are not being sued.)

TO: All current holders of junior preferred stock in Fannie Mae as of December 7, 2021, or their successors in interest to the extent shares are sold after December 7, 2021 and before any final judgment or settlement (the “Fannie Preferred Class”);

All current holders of junior preferred stock in Freddie Mac as of December 7, 2021, or their successors in interest to the extent shares are sold after December 7, 2021 and before any final judgment or settlement (the “Freddie Preferred Class”); and

All current holders of common stock in Freddie Mac as of December 7, 2021, or their successors in interest to the extent shares are sold after December 7, 2021 and before any final judgment or settlement (the “Freddie Common Class”).

The action entitled *In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations*, Misc. Action No. 13-mc-1288 (RCL) (the “Action”) is pending in the United States District Court for the District of Columbia. The plaintiffs in the Action are Joseph Cacciapalle (“Cacciapalle”), Michelle M. Miller (“Miller”), Timothy J. Cassell (“Cassell”), and Barry P. Borodkin (“Borodkin”) (collectively, “Plaintiffs”). The defendants in the Action are the Federal Housing Finance Agency (“FHFA”), the Federal National Mortgage Association (“Fannie Mae”), and the Federal Home Loan Mortgage Corporation (“Freddie Mac”) (collectively, “Defendants”).

The Action concerns the conduct of Fannie Mae, Freddie Mac, and their conservator, the FHFA, in connection with the implementation of the Third Amendment (the “Third Amendment”) to the Senior Preferred Stock Purchase Agreements (the “PSPAs”) between Fannie Mae, Freddie Mac, and the United States Treasury (“Treasury”), dated August 17, 2012. Plaintiffs allege that

Defendants, by agreeing to the Third Amendment, breached the implied covenant of good faith and fair dealing in the stock certificates of Fannie Mae and Freddie Mac preferred stock and Freddie Mac common stock by implementing a Third Amendment that required Fannie Mae and Freddie Mac to pay the Treasury a dividend equal to the full amount of their net worth every quarter, minus a reserve buffer. Plaintiffs allege the Third Amendment effectively made it impossible for private shareholders to ever receive any dividend or liquidation distribution from Fannie Mae and Freddie Mac, no matter how profitable the companies were, in breach of the implied covenant inherent in shareholders’ contractual relationships with Fannie Mae and Freddie Mac.

Defendants have denied all of Plaintiffs’ claims and assert that the Third Amendment was lawful. Defendants contend that the Third Amendment was reasonable under the terms of the shareholders’ contract with Fannie Mae and Freddie Mac. The Court has not decided whether Plaintiffs have proven their case or whether any Defendant has done anything wrong. The Court has allowed the Action to proceed as a class action and certified the above Classes. The persons to whom this Notice is addressed are “Class Members.” There is no money available now, and there is no guarantee that there ever will be. However, your legal rights are affected and you have a choice to make now. Your options are explained in this Notice.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
DO NOTHING	<p>Stay in this Action. Await the outcome. Give up certain rights. By doing nothing, you preserve the possibility of obtaining money or benefits that may result from a trial or settlement of the Action. However, you give up the right to sue Defendants separately for the same or similar legal claims that have been asserted in this Action. If you choose to remain a Class Member, you do not need to do anything at this time other than retain your documentation reflecting your holdings in Fannie Mae junior preferred stock, Freddie Mac junior preferred stock, and Freddie Mac common stock.</p>
ASK TO BE EXCLUDED	<p>Get out of this Action. Get no benefits from it. Keep your rights. You may ask to be excluded from one or more of the Classes, in which case, if there is a trial or settlement in favor of Plaintiffs and the Classes, you will <u>not</u> receive any share of the benefit obtained for any Class from which you requested exclusion. In other words, if you ask to be excluded and money or benefits are later awarded to a Class of which you are currently a member, you will <u>not</u> share in those. On the other hand, if you ask to be excluded from one or more of the Classes, you preserve your right to sue Defendants separately for the same or similar legal claims that are asserted by those Classes in this Action. Please note, however, if you exclude yourself, Defendants will have the right to assert any and all defenses they may have to any claims that you may seek to assert, which may include an argument that you are time-barred from asserting the claims or similar legal claims covered by the Action by the statute of limitations.</p>

I. INTRODUCTION

What is the purpose of this Notice?

A class action lawsuit is currently pending against Defendants based on Defendants’

alleged breaches of the implied covenant of good faith and fair dealing in the stock certificates of Fannie Mae preferred stock and Freddie Mac common and preferred stock in connection with the Third Amendment. The purpose of this Notice is to inform you that the Court has certified the Action as a class action that may affect you. You have legal rights and options that you may exercise before the Court holds a trial. Judge Royce C. Lamberth of the United States District Court for the District of Columbia is presiding over this Action. The Action is known as *In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations*, Misc. Action No. 13-mc-1288 (RCL).

II. WHAT THE ACTION IS ABOUT

What does this lawsuit complain about?

This Action concerns the Third Amendment to the PSPAs. On September 6, 2008, the FHFA placed Fannie Mae and Freddie Mac into conservatorship. Acting as conservator, the FHFA then agreed to a Senior Preferred Stock Purchase Agreement (“PSPA”) between each company and the Treasury. Under each PSPA, Fannie Mae and Freddie Mac issued Senior Preferred Stock to the Treasury in exchange for the Treasury’s commitment to provide funding up to a specified cap. The principal value of the preferred stock in each of Fannie Mae and Freddie Mac was equal to \$1 billion (in exchange for the commitment) plus any dollars actually invested into the company. The PSPAs generally gave Treasury a dividend equal to 10% per year (if paid in cash) of the amount Treasury invested in the company paid out quarterly with senior priority plus a fee for Treasury’s commitment to invest additional funds if needed.

Plaintiffs allege that four years later, on August 17, 2012, the Treasury and FHFA agreed to the Third Amendment to the PSPAs (the PSPAs were previously amended twice) under which the 10% preferred stock dividend was converted into a “Net Worth Sweep” that required Fannie Mae and Freddie Mac to pay the full amount of their net worth to Treasury every quarter, minus a reserve amount that was set to shrink to zero by 2018.

Plaintiffs allege that as a result of the Third Amendment to the PSPAs, it became impossible for private shareholders to ever receive any dividend or liquidation distribution from Fannie Mae and Freddie Mac, regardless of the profitability of the companies. Plaintiffs allege that the Third Amendment was implemented just as the housing market was recovering and the companies were returning to robust profitability and that the Defendants’ conduct in agreeing to the Third Amendment just as Fannie Mae and Freddie Mac were returning to profitability violated the contractual implied covenant of good faith and fair dealing inherent in Plaintiffs’ stock certificates.

Defendants have collectively denied all liability in this case, and contend that the Third Amendment was reasonable under the terms of the shareholders’ contractual relationship with Fannie Mae and Freddie Mac.

Plaintiffs are seeking monetary relief, including damages, Plaintiffs’ costs and disbursements in the Action, including reasonable attorneys’ fees, accountants’ and experts’ fees, costs and expenses, and any other relief the Court deems just and proper.

Has the Court decided who is right?

The Court has not decided whether Plaintiffs or Defendants are correct. By establishing the Classes and issuing this Notice, the Court is not suggesting that Plaintiffs will win or lose the case. Plaintiffs must prove their claims at a trial, which will take place later in the case.

III. WHAT IS A CLASS ACTION AND WHO IS INVOLVED

What is a class action?

In a class action lawsuit, one or more people called “Class Representatives” (in this case, Cacciapalle, Miller, Cassell, Borodkin) sue on behalf of other people who have similar claims. The people together are a “Class” or “Class Members.” The Class Representatives who sued are the “Plaintiffs.” The people and the entities who have been sued (in this case, FHFA, Fannie Mae, and Freddie Mac) are the “Defendants.” One court will resolve the issues for everyone in the Classes, except for those people who choose to exclude themselves from the Classes.

Why is this lawsuit a class action and who is included in the class definition?

On December 7, 2021, the Court decided that this Action may be maintained as a class action with respect to claims asserted on behalf of three separate Classes, defined as:

- (1) All current holders of junior preferred stock in Fannie Mae as of the date of certification, or their successors in interest to the extent shares are sold after the date of certification and before any final judgment or settlement (the “Fannie Preferred Class”);
- (2) All current holders of junior preferred stock in Freddie Mac as of the date of certification, or their successors in interest to the extent shares are sold after the date of certification and before any final judgment or settlement (the “Freddie Preferred Class”); and
- (3) All current holders of common stock in Freddie Mac as of the date of certification, or their successors in interest to the extent shares are sold after the date of certification and before any final judgment or settlement (the “Freddie Common Class”).

Excluded from all Classes are the Defendants, the United States Department of the Treasury, and their respective officers and directors. The “date of certification” for all three Classes was December 7, 2021. Thus, if you held the relevant securities as of December 7, 2021, you are a member of the applicable Class, unless you choose to opt out or unless you sell or have sold your shares after that date.

The Fannie Preferred Class includes all holders as of December 7, 2021, or their successors in interest, of the following series of preferred stock of Fannie Mae:

- 8.25% Non-Cumulative Preferred Stock, Series T (OTCBB: FNMAT)
- Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series S (OTCBB: FNMAS)
- 7.625% Non-Cumulative Preferred Stock, Series R (OTCBB: FNMAJ)
- 6.75% Non-Cumulative Preferred Stock, Series Q (OTCBB: FNMAI)
- Variable Rate Non-Cumulative Preferred Stock, Series P (OTCBB: FNMAH)
- Variable Rate Non-Cumulative Preferred Stock, Series O (OTCBB: FNMFN)
- 5.375% Non-Cumulative Convertible Series 2004-1 Preferred Stock (OTCBB: FNMFO)
- 5.50% Non-Cumulative Preferred Stock, Series N (OTCBB: FNMAK)
- 4.75% Non-Cumulative Preferred Stock, Series M (OTCBB: FNMAL)
- 5.125% Non-Cumulative Preferred Stock, Series L (OTCBB: FNMAN)
- 5.375% Non-Cumulative Preferred Stock, Series I (OTCBB: FNMAI)

5.81% Non-Cumulative Preferred Stock, Series H (OTCBB: FNMAM)
Variable Rate Non-Cumulative Preferred Stock, Series G (OTCBB: FNMAO)
Variable Rate Non-Cumulative Preferred Stock, Series F (OTCBB: FNMAP)
5.10% Non-Cumulative Preferred Stock, Series E (OTCBB: FNMFM)
5.25% Non-Cumulative Preferred Stock, Series D (OTCBB: FDDXD)

The Freddie Preferred Class includes all holders as of December 7, 2021, or their successors in interest, of the following series of preferred stock of Freddie Mac:

Variable Rate, Non-Cumulative Preferred Stock, Series I (OTCQB: FMCCI)
5% Non-Cumulative Preferred Stock, Series KK (OTCQB: FMCKK)
Variable Rate, Non-Cumulative Preferred Stock, Series G (OTCQB: FMCCG)
5.1% Non-Cumulative Preferred Stock, Series H (OTCQB: FMCCH)
5.79% Non-Cumulative Preferred Stock, Series K (OTCQB: FMCCK)
Variable Rate, Non-Cumulative Preferred Stock, Series L (OTCQB: FMCCL)
Variable Rate, Non-Cumulative Preferred Stock, Series M (OTCQB: FMCCM)
Variable Rate, Non-Cumulative Preferred Stock, Series N (OTCQB: FMCCN)
5.81% Non-Cumulative Preferred Stock, Series O (OTCQB: FMCCO)
6% Non-Cumulative Preferred Stock, Series P (OTCQB: FMCCP)
Variable Rate, Non-Cumulative Preferred Stock, Series J (OTCQB: FMCCJ)
5.7% Non-Cumulative Preferred Stock, Series KP (OTCQB: FMCKP)
Variable Rate, Non-Cumulative Perpetual Preferred Stock, Series S (OTCQB: FMCCS)
6.42% Non-Cumulative Perpetual Preferred Stock, Series T (OTCQB: FM CCT)
5.9% Non-Cumulative Perpetual Preferred Stock, Series KO (OTCQB: FMCKO)
5.57% Non-Cumulative Perpetual Preferred Stock, Series KM (OTCQB: FMCKM)
5.66% Non-Cumulative Perpetual Preferred Stock, Series KN (OTCQB: FMCKN)
6.02% Non-Cumulative Perpetual Preferred Stock, Series KL (OTCQB: FMCKL)
6.55% Non-Cumulative Perpetual Preferred Stock, Series KI (OTCQB: FMCKI)
Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series KJ (OTCQB: FMCKJ)

The Freddie Common Class includes all holders as of December 7, 2021, or their successors in interest, of Freddie Mac common stock (OTCQB: FMCC).

Each of the Classes is comprised of holders of the stock as of December 7, 2021, or their successors in interest to the extent shares are sold after December 7, 2021 and before any final judgment or settlement.

“Final judgment” means the judgment of the Court after (1) any and all appeals to the U.S. Court of Appeals for the D.C. Circuit (the “Court of Appeals”) have been adjudicated, or the time for appeal to the Court of Appeals has expired with no appeal having been taken, (2) any and all petitions for writ of certiorari to the U.S. Supreme Court (the “Supreme Court”) have been adjudicated, or the time for filing petitions for writ of certiorari has expired with no petition having been filed, and (3) if any petition for writ of certiorari is granted, any and all appeals to the Supreme Court have been adjudicated.

You must maintain ownership in the underlying security through the date of final judgment or settlement to remain a member of the Classes. If you sell your shares of Fannie Mae or

Freddie Mac preferred stock or Freddie Mac common stock before that time, you will no longer be a member of the Classes. Any recovery on behalf of the Classes will be distributed only to those who are shareholders at the time of the final judgment or settlement.

IV. YOUR RIGHTS AND OPTIONS

What happens if I do nothing at all?

Besides retaining your documentation reflecting your holdings in Fannie Mae junior preferred stock, Freddie Mac junior preferred stock, or Freddie Mac common stock, you do not have to do anything now if you want to maintain the possibility of receiving money or benefits from this Action. If you are a member of one or more of the Classes, by doing nothing, you remain a member of the Class(es). As a Class Member, you will be bound by any judgment or settlement, whether favorable or unfavorable, in this Action. If you remain a Class Member, and Plaintiffs obtain money or benefits as a result of a trial or as part of a settlement between Defendants and Plaintiffs, you will be notified about how to claim your applicable share. You will not necessarily have the further opportunity to seek exclusion from the Classes at the time of any settlement. It is within the Court's discretion whether to allow a second opportunity to request exclusion from the Classes if the Action is resolved by a settlement. If you remain a Class Member, you will not be able to sue Defendants as part of any other lawsuit concerning the same or similar legal claims that are the subject of this Action. This means that if you do nothing, you will be part of the present Action and you will be legally bound by all of the orders the Court issues and judgments the Court makes in this Action. Plaintiffs and their attorneys will act as your representatives and counsel, respectively, in this Action. You may also choose to enter an appearance through your own attorney if you so desire.

How do I ask to be excluded?

If you exclude yourself from one or more of the Class(es), which means to remove yourself from or "opt out" of the Class(es), you will not receive any monetary recovery or benefits obtained for the Class(es) from which you request exclusion, even if Plaintiffs obtain money or benefits for those Classes as a result of a trial or as part of a settlement between Defendants and Plaintiffs. However, you will retain the right to sue Defendants in your own capacity concerning the claims asserted by those Class(es). If you exclude yourself, you will not be legally bound by the Court's judgments in this Action related to the Class(es) from which you are excluded.

If you exclude yourself, Defendants will have the right to assert any and all defenses they may have to any claims that you may seek to assert. If you wish to exclude yourself from one or more of the Classes of which you are a member so you can initiate your own lawsuit against Defendants, you should talk to your own attorney soon, because your claims may be or may become time barred by a statute of limitations.

To ask to be excluded, you must send a letter stating that you request to be excluded from *In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations*, Misc. Action No. 13-mc-1288 (RCL). Your request for exclusion must (1) state the name, address, and telephone number of the person or entity requesting exclusion, and, in the case of entities, the name and telephone number of the appropriate contact person; (2) state (a) the current number and series of shares of Fannie Mae junior preferred stock you own; (b) the current number and series of shares of Freddie Mac junior preferred stock you own, and (c) the current number of shares of Freddie Mac common stock you own; (3) state whether you wish to request exclusion from the Fannie Preferred Class, the Freddie Preferred Class, and/or the Freddie

Common Class, or all applicable Classes;¹ and (4) be signed by the person or entity requesting exclusion or an authorized representative, accompanied by proof of authorization.

You must mail or email your exclusion request so that it is **postmarked no later than [Date (60 days after Notice Date)]**. You may send the request for exclusion by mail to:

Fannie Mae Freddie Mac Class Action
EXCLUSIONS
c/o A.B. Data, Ltd.
P.O. Box 173001
Milwaukee, WI 53217

You may also request exclusion by email at: info@fannie-freddieclassaction.com. You must request exclusion in writing. You cannot do so by telephone.

By making the election to be excluded from one or more of the Classes, (a) you will not share in any recovery that might be paid to the members of the Class(es) from which you requested exclusion as a result of a trial or settlement of this Action; (b) you will not be bound by any decision in this Action relating those Class(es); and (c) you may present any claims you have related to those Class(es) against Defendants by filing your own lawsuit.

V. THE ATTORNEYS REPRESENTING YOU

Do I have a lawyer in this case and should I get my own lawyer?

The Court has decided that the law firms of Boies Schiller Flexner LLP, Kessler Topaz Meltzer & Check, LLP, Grant & Eisenhofer, P.A., and Bernstein Litowitz Berger & Grossmann LLP (collectively “Class Counsel”) are qualified to represent you and all Class Members. Class Counsel are working on your behalf so you do not need to hire your own lawyer. If you do want your own lawyer, you will have to pay that lawyer.

How will the lawyers be paid?

If Class Counsel are successful in obtaining money or benefits for the Classes, they may ask the Court for an award of fees and expenses. You will not have to pay these fees and expenses. If the Court grants Class Counsel’s request, the fees and expenses would be deducted from any money obtained for the Class. As a member of one or more of the Classes, you will not be required to pay any costs in the event that the Action is unsuccessful.

VI. OBTAINING MORE INFORMATION

Additional copies of the Notice may be found at: www.fannie-freddieclassaction.com. Further information about this Notice and answers to questions concerning this Action may be obtained by writing, telephoning, or e-mailing any of the below Class Counsel:

Hamish P.M. Hume, Esq.
Samuel C. Kaplan, Esq.

¹ If a request for exclusion does not indicate which Class(es) the person or entity submitting the request is requesting exclusion from, it will be interpreted as a request to be excluded from all applicable Classes – *i.e.*, all Class(es) that the person or entity requesting exclusion is a member of.

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You may, of course, seek the advice and guidance of your own attorney if you desire.

VII. NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If, for the beneficial interest of any person or entity other than yourself, you hold or own Fannie Mae junior preferred stock, Freddie Mac junior preferred stock, or Freddie Mac common stock, you MUST EITHER: (i) WITHIN SEVEN (7) CALENDAR DAYS of receipt of this Notice, request from the Administrator sufficient copies of the Notice to forward to all such

beneficial owners and WITHIN SEVEN (7) CALENDAR DAYS of receipt of those Notices forward them to all such beneficial owners; or (ii) WITHIN SEVEN (7) CALENDAR DAYS of receipt of this Notice, provide a list of the names and addresses of all such beneficial owners to the Administrator at Fannie Mae Freddie Mac Class Action, c/o A.B. Data, Ltd., Attn: Fulfillment Dept., P.O. Box 173066, Milwaukee, WI 53217, or at info@fannie-freddieclassaction.com. If you choose the first option, YOU MUST send a statement to the Administrator confirming that the mailing was made and YOU MUST retain your mailing records for use in connection with any further notices that may be provided in the Action. If you choose the second option, the Administrator will send a copy of the Notice to the beneficial owners. Upon FULL AND TIMELY compliance with these directions, such nominees may seek reimbursement of reasonable expenses actually incurred by providing the Administrator with proper documentation supporting the expenses for which reimbursement is sought.

**DO NOT CONTACT THE COURT, THE COURT'S CLERK, OR THE JUDGE.
THEY ARE NOT PERMITTED TO ADDRESS YOUR INQUIRIES OR QUESTIONS.**

DATED: _____, 2022

BY ORDER OF THE
UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

EXHIBIT 2

Exhibit 2

UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA

<p>In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations</p> <hr/> <p>THIS DOCUMENT RELATES TO: ALL CASES</p>	<p>Misc. Action No. 13-mc-1288 (RCL)</p> <p><u>CLASS ACTION</u></p>
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SUMMARY NOTICE OF CLASS ACTION

TO: ALL CURRENT HOLDERS OF JUNIOR PREFERRED STOCK IN FANNIE MAE AS OF DECEMBER 7, 2021, OR THEIR SUCCESSORS IN INTEREST TO THE EXTENT SHARES ARE SOLD AFTER DECEMBER 7, 2021 AND BEFORE ANY FINAL JUDGMENT OR SETTLEMENT (THE “FANNIE PREFERRED CLASS”);

ALL CURRENT HOLDERS OF JUNIOR PREFERRED STOCK IN FREDDIE MAC AS OF DECEMBER 7, 2021, OR THEIR SUCCESSORS IN INTEREST TO THE EXTENT SHARES ARE SOLD AFTER DECEMBER 7, 2021 AND BEFORE ANY FINAL JUDGMENT OR SETTLEMENT (THE “FREDDIE PREFERRED CLASS”); AND

ALL CURRENT HOLDERS OF COMMON STOCK IN FREDDIE MAC AS OF DECEMBER 7, 2021, OR THEIR SUCCESSORS IN INTEREST TO THE EXTENT SHARES ARE SOLD AFTER DECEMBER 7, 2021 AND BEFORE ANY FINAL JUDGMENT OR SETTLEMENT (THE “FREDDIE COMMON CLASS”).

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the District of Columbia, that the above-captioned action (“Action”) against the Federal Housing Finance Agency (“FHFA”), the Federal National Mortgage Association (“Fannie Mae”), and the Federal Home Loan Mortgage Corporation (“Freddie Mac”) (collectively, “Defendants”) has been certified as a class action on behalf of the Classes set forth above, except for certain persons and entities that are excluded from the Classes by definition as set forth in the full printed Notice of Class Action (“Notice”). Plaintiffs Joseph Cacciapalle, Michelle M. Miller, Timothy J. Cassell, and Barry P. Borodkin have been appointed by the Court to represent the Classes.

IF YOU ARE A MEMBER OF ONE OR MORE OF THE CLASSES, YOUR RIGHTS WILL BE AFFECTED BY THIS LAWSUIT. The full printed Notice is currently being mailed to known Class Members. If you have not yet received a full printed Notice, you may obtain a copy from the website for the Action, www.fannie-freddieclassaction.com or by contacting the Administrator:

Fannie Mae Freddie Mac Class Action
c/o A.B. Data, Ltd.
P.O. Box 173066
Milwaukee, WI 53217

If you did not receive the Notice by mail and you are a member of one or more of the Classes, please send your name and address to the Administrator so that if any future notices are disseminated in connection with the Action, you will receive them.

If you are a member of one or more of the Classes, you have the right to decide whether to remain a member of the Classes. ***If you choose to remain a member of the Classes, you do not need to do anything at this time other than retain your documentation reflecting your holdings in Fannie Mae junior preferred stock, Freddie Mac junior preferred stock, or Freddie Mac common stock.*** You will automatically be included in the Classes, and you will be bound by the proceedings in this Action, including all past, present and future orders and judgments of the Court, whether favorable or unfavorable. If you are a Class Member and **do not** wish to remain a member of the Classes, you **must** take steps to exclude yourself from the Classes.

If you timely and validly request to be excluded from one or more of the Classes, you will not be bound by any orders or judgments in the Action as to that Class, and you will not be eligible to receive a share of any money which might be recovered in the future for the benefit of the Class(es) which you timely sought exclusion from. To exclude yourself, you must submit a written request for exclusion postmarked **no later than _____, 2022** in accordance with the instructions set forth in the full printed Notice.

You must maintain ownership in the underlying security through the date of any final judgment or settlement to remain a member of the Classes. If you sell your shares of Fannie Mae or Freddie Mac preferred stock or Freddie Mac common stock before that time, you will no longer be a member of the Classes.

“Final judgment” means the judgment of the Court after (1) any and all appeals to the U.S. Court of Appeals for the D.C. Circuit (the “Court of Appeals”) have been adjudicated, or the time for appeal to the Court of Appeals has expired with no appeal having been taken, (2) any and all petitions for writ of certiorari to the U.S. Supreme Court (the “Supreme Court”) have been adjudicated, or the time for filing petitions for writ of certiorari has expired with no petition having been filed, and (3) if any petition for writ of certiorari is granted, any and all appeals to the Supreme Court have been adjudicated.

Inquiries, other than requests for the Notice, may be made to any of the below Court-appointed Class Counsel:

Hamish P.M. Hume, Esq.
Samuel C. Kaplan, Esq.
BOIES SCHILLER FLEXNER LLP
1401 New York Ave, NW
Washington, DC 20005
Telephone: (202) 237-2727
Facsimile: (202) 237-6131
www.bsfllp.com
hhume@BSFLLP.com
skaplan@bsfllp.com

Eric L. Zagar, Esq.
Lee D. Rudy, Esq.
**KESSLER TOPAZ MELTZER &
CHECK, LLP**
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Adam Wierzbowski, Esq.
Richard D. Gluck, Esq.
**BERNSTEIN LITOWITZ BERGER &
GROSSMANN LLP**
1251 Avenue of the Americas
New York, NY 10020

Telephone: (212) 554-1400

Facsimile: (212) 554-1444

www.blbglaw.com

adam@blbglaw.com

rich.gluck@blbglaw.com

Further information may be obtained by contacting the Administrator or visiting the website www.fannie-freddieclassaction.com.

**DO NOT CONTACT THE COURT, THE COURT'S CLERK, OR THE JUDGE.
THEY ARE NOT PERMITTED TO ADDRESS YOUR INQUIRIES OR QUESTIONS.**

DATED: _____, 2022

BY ORDER OF THE
UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

<p>In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations</p> <hr/> <p>THIS DOCUMENT RELATES TO: ALL CASES</p>	<p>Misc. Action No. 13-mc-1288 (RCL)</p> <p><u>CLASS ACTION</u></p>
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[PROPOSED] ORDER REGARDING FORM, CONTENT, AND METHOD FOR PROVIDING NOTICE OF CLASS ACTION PURSUANT TO RULE 23(c)(2)(B)

This matter comes before the Court on the parties' Stipulation Regarding Form, Content, and Method for Providing Notice of Class Action Pursuant to Rule 23(c)(2)(B) (the "Stipulation"). The Court, having considered the Stipulation, hereby ORDERS as follows:

1. Plaintiffs' Counsel are hereby authorized to retain A.B. Data, Ltd. as the Administrator in connection with providing notice of the class action pursuant to Federal Rule of Civil Procedure 23(c)(2)(B).

2. Defendants shall reasonably cooperate with the Administrator by providing to the Administrator, at no cost to the Administrator, Plaintiffs, or the Classes, the current registered shareholders of Fannie Mae junior preferred shares, Freddie Mac junior preferred shares, and Freddie Mac common shares, excluding Defendants, by not later than ten (10) business days after the date of the entry of this Order. The Claims Administrator shall also obtain a Security Position Report from the Depository Trust Company ("DTC") identifying each brokerage firm or other DTC participant which currently holds Fannie Mae junior preferred stock, Freddie Mac junior preferred stock, and Freddie Mac common stock by not later than ten (10) business days after the date of the entry of this Order.

3. The Administrator shall use the above information to identify the beneficial owners of the shares, and shall begin mailing the Notice to potential Class Members identified through brokers or other nominees by no later than twenty (20) business days after entry of the accompanying Order (the “Notice Date”).

4. The Court approves, as to form and content, the Notice and the Summary Notice and finds that the proposed Notice and Summary Notice satisfy the requirements of Federal Rule of Civil Procedure 23(c)(2)(B).

5. The Court finds that the proposed method for disseminating the Notice and Summary Notice in the manner and form set forth in the Stipulation satisfies the requirements of due process, Federal Rule of Civil Procedure 23(c)(2)(B), is the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all Class members entitled thereto who can be identified through reasonable effort.

6. The Notice shall provide an address for the purpose of receiving requests for exclusion from the Classes and requests for additional copies of the Notice. The requests for exclusion from the Classes shall be made by submitting a written request for exclusion as set forth in the Notice and shall be received no later than sixty (60) calendar days after the Notice Date (the “Exclusion Date”).

7. No later than fifteen (15) business days after the Exclusion Date, Plaintiffs’ Counsel shall file with the Court proof of mailing of the Notice, proof of publication of the Summary Notice, and an affidavit setting forth a list of all persons and entities who have requested exclusion from the Classes.

8. Except for the costs associated with providing the lists of current shareholders, the costs of the notice process shall be borne by Plaintiffs, and not by Defendants.

Dated: _____, 2022

United States District Judge