

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

**In re Fannie Mae/Freddie Mac Senior
Preferred Stock Purchase Agreement Class
Action Litigations**

**THIS DOCUMENT RELATES TO:
ALL CASES**

Misc. Action No. 13-mc-1288 (RCL)

CLASS ACTION

**PLAINTIFFS' REPLY IN SUPPORT OF MOTION FOR APPROVAL OF
POST-JUDGMENT NOTICE AND ENTRY OF SCHEDULING ORDER
GOVERNING CLASS COUNSEL'S MOTION FOR ATTORNEYS' FEES,
EXPENSES, AND CLASS REPRESENTATIVE INCENTIVE AWARDS**

Plaintiffs respectfully submit this Reply in support of their Motion for Approval of Post-Judgment Notice and Entry of Scheduling Order Governing Class Counsel's Motion for Attorneys' Fees, Expenses, and Class Representative Incentive Awards (the "Motion").

To address the issues Defendants identified in their Response to the Motion, Plaintiffs submit herewith a revised [Proposed] Order Approving Post-Judgment Notice and Governing Schedule for Class Counsel's Motion for Attorneys' Fees, Expenses and Class Representative Incentive Awards (the "Revised Proposed Order"), which includes a revised Proposed Post-Judgment Notice (the "Revised Proposed Notice") attached as Exhibit 1 and an unchanged Proposed Summary Post-Judgment Notice attached as Exhibit 2.

Defendants have confirmed that the Revised Proposed Notice resolves their objections to the original Proposed Notice. The parties agree that Defendants reserve and do not waive their prior objections to the Plan of Allocation and Distribution (which the Court previously overruled in entering the Judgment and Plan of Allocation in this case (*see* ECF Nos. 421 and 421-1)). Plaintiffs further reply as follows:

1. Defendants' contention that the original Proposed Post-Judgment Notice "does not incorporate" any reduction of the "Net Class Award" to account for "damages attributable to shares that were opted out of the classes" is incorrect. Pages 8 and 9 of the original Proposed Post-Judgment Notice specifically provided that "the portion of the Net Class Award allocated to" each Class will be calculated by, *inter alia*, "excluding those shares still held by persons and entities who requested exclusion from the Fannie Preferred Class, including the WR Berkely Plaintiffs," and that each Class Member will be allocated a pro rata portion of each Net Class Award in which the denominator is reduced by the aggregate Stated Value (with respect to the Fannie Preferred Class), Redemption Price (with respect to the Freddie Preferred Class), or number of shares (with respect to the Freddie Common Class) attributable to "shares still held by persons excluded from the class as of the Final Judgment Date." Nevertheless, the Revised Proposed Notice also includes that language and further clarifies (at page 7) that the "Net Class Award" will be calculated by, *inter alia*, reducing the "Total Plaintiffs' Award" by "the amount of the Total Plaintiffs' Award allocated to the WR Berkely Plaintiffs ***and shares still held by other persons and entities who requested exclusion from each Class.***" (Emphasis added.) As noted above, Defendants shall retain their prior objections to the Plan of Allocation and Distribution (which the Court previously overruled).

2. Defendants' "request that both the Class Notice and Plan of Allocation specify the result of reducing the amounts awarded to each class in the March 20, 2024 Judgment by the amounts attributable to the opted-out shares in each class" should be denied because such "result" is unknowable at this time. While Defendants are correct that "the number of shares that were opted out" is known, neither the per share value of the allocation of each Net Class Award nor the precise composition of each Class will be determined (or determinable) until the Final Judgment

Date, which will also incorporate all post-Judgment interest that must be awarded to the Classes. Accordingly, notifying Class Members of “the number of shares that were opted out” would not be meaningful and would not “facilitate Class Members’ understanding” of the Plan of Allocation and Distribution.

3. As Defendants request, the Revised Proposed Notice specifies that Defendants have filed a Notice of Appeal of the Judgment.

4. The parties agree that Defendants’ Notice of Appeal became effective prior to the Court exercising its discretion under Fed. R. Civ. P. 58(e) to order that the motion shall have the same effect under Federal Rule of Appellate Procedure 4(a)(4) as a timely motion under Rule 59.

5. Regardless, as to the time for conducting the Post-Judgment Hearing, Plaintiffs reiterate that the Court should retain jurisdiction during the pendency of the appeal from the Judgment to consider and determine auxiliary matters related to Plaintiffs’ motion for approval of the proposed Plan of Allocation and Distribution and Class Counsel’s Fee and Expense Request, and should schedule the Post-Judgment Hearing to be held on a mutually agreeable date between July 28, 2025 and August 15, 2025.

6. Doing so will not delay the progress of Defendants’ appeal and will better promote efficiency and “preserve party, class member, and judicial resources” than deferring the Post-Judgment Hearing until “after the United States Court of Appeals for the District of Columbia Circuit’s ruling on the pending appeal.” This Court should adjudicate all the matters over which it has jurisdiction, including the Plan of Allocation and Distribution and Class Counsel’s Fee and Expense Request, so that any potential appeals related thereto can be pursued contemporaneously with, or slightly after, the pending appeals of the Judgment, rather than potentially further delaying the resolution of this action with seriatim appeals of these collateral orders years later.

7. This certified class action has been pending for almost twelve years, and it has already proceeded to a successful trial on the merits of Plaintiffs' legal claim that the U.S. Court of Appeals for the District of Columbia Circuit previously upheld on appeal. If the Court were to delay a decision on Plaintiffs' motion for approval of the proposed Plan of Allocation and Distribution and Class Counsel's Fee and Expense Request until after the D.C. Circuit decides Defendants' currently-pending appeal on the merits, that would unnecessarily add years to this case before any distribution of the recovery is made to Class members. The Court's ruling on the Plan of Allocation and an award of attorneys' fees and expenses is a necessary predicate to the calculation and final award and distribution of the proceeds of the common fund to Class members, and the Court may now avoid any potentially serious, and unnecessary, delay down the road by resolving, at present, Plaintiffs' pending motion. *See, e.g., Foretich v. American Broadcasting Cos., Inc.*, 198 F.3d 270, 273 (D.C. Cir. 1999) (quoting *Lancaster v. Independent Sch. Dist. No. 5*, 149 F.3d 1228, 1237 (10th Cir. 1998)) ("Attorney's fees awards are collateral matters over which the district court retains jurisdiction"); *United Brotherhood of Carpenters and Joiners of America v. Operative Plasterers' & Cement Masons' Int'l Ass'n, AFL-CIO*, No. 09-2212, 2013 WL 12324662, at *2 (D.D.C. Oct. 18, 2013) ("the [district] court retains jurisdiction to entertain claims for attorneys' fees, even when a notice of appeal has been filed"); *Stefanoni v. Bd. of Chosen Freeholders Cnty. of Burlington*, 180 F. Supp. 2d 623, 626 n.1 (D.N.J. 2002), *aff'd sub nom. Stefanoni v. Bd. of Chosen Freeholders of Cnty. of Burlington*, 65 F. App'x 783 (3d Cir. 2003) (awarding attorneys' fees to prevailing party concurrently with the opposing party's appeal of the judgment because "[t]he Court retains jurisdiction to determine attorney's fees while the appeal is pending").

WHEREFORE, for the foregoing reasons and those stated in the Motion, Plaintiffs respectfully request that the Court:

1. Grant the Motion and enter the Revised Proposed Order, which approves the Revised Proposed Notice attached as Exhibit 1 thereto and the unchanged Proposed Summary Post-Judgment Notice attached as Exhibit 2 thereto;
2. Schedule the Post-Judgment Hearing on a mutually-agreeable date between July 28, 2025 and August 15, 2025; and
3. Retain jurisdiction during the pendency of any appeal of the Judgment to consider and determine auxiliary matters related to Plaintiffs' motion for approval of the proposed Plan of Allocation and Distribution and Class Counsel's Fee and Expense Request.

Dated: April 30, 2025

Respectfully submitted,

/s/ Eric L. Zagar

Eric L. Zagar (*Pro Hac Vice*)

KESSLER TOPAZ

MELTZER & CHECK, LLP

280 King of Prussia Rd.

Radnor, PA 19087

Tel: (610) 667-7706

Fax: (610) 667-7056

ezagar@ktmc.com

Hamish P.M. Hume (Bar No. 449914)

Samuel C. Kaplan (Bar No. 463350)

BOIES SCHILLER FLEXNER LLP

1401 New York Ave. NW

Washington, DC 20005

Tel: (202) 237-2727

Fax: (202) 237-6131

hhume@bsfllp.com

skaplan@bsfllp.com

Michael J. Barry (*Pro Hac Vice*)

GRANT & EISENHOFER, P.A.

123 Justison Street

Wilmington, DE 19801

Tel: (302) 622-7000
Fax: (302) 622-7100
mbarry@gelaw.com

Adam Wierzbowski (*Pro Hac Vice*)
**BERNSTEIN LITOWITZ BERGER
& GROSSMANN LLP**

1251 Avenue of the Americas
New York, NY 10020
Tel: (212) 554-1400
Fax: (212) 554-1444
adam@blbglaw.com

Co-Lead Counsel for the Class

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

**In re Fannie Mae/Freddie Mac Senior
Preferred Stock Purchase Agreement
Class Action Litigations**

Misc. Action No. 13-mc-1288 (RCL)

**THIS DOCUMENT RELATES TO:
ALL CASES**

CLASS ACTION

**REVISED PROPOSED ORDER APPROVING POST-JUDGMENT NOTICE AND
GOVERNING SCHEDULE FOR CLASS COUNSEL’S MOTION FOR ATTORNEYS’
FEES, EXPENSES, AND CLASS REPRESENTATIVE INCENTIVE AWARDS**

WHEREAS, on August 14, 2023, following a two-week trial, a jury entered a verdict in favor of Plaintiffs and the Classes previously certified by the Court in this Action;

WHEREAS, on March 20, 2024, the Court entered judgment in favor of Plaintiffs and the Classes (ECF No. 421) (the “Judgment”), as well as an Order Governing Plan of Allocation (ECF No. 421-1) and, on March 14, 2025, the Court denied Defendants’ Motion for Judgment as a Matter of Law under Rule 50(b) (ECF No. 431);

WHEREAS, unless otherwise defined in this Order, the capitalized terms herein shall have the same meaning as they have in the Order Governing Plan of Allocation (ECF No. 421-1);

WHEREAS, Plaintiffs intend to file a motion for approval of a proposed final allocation plan and final distribution method of the Net Class Award to members of the Classes and the Net Berkely Award to the WR Berkely Plaintiffs (the “Plan of Allocation and Distribution”) as contemplated in the Order Governing Plan of Allocation; and Class Counsel intend to move for attorneys’ fees, litigation expenses, and Class Representative incentive awards to be paid from the total amount obtained for the Classes under the Judgment (the “Fee and Expense Request”);

WHEREAS, members of the Classes (“Class Members”) are entitled to be informed of the verdict and Judgment, the proposed Plan of Allocation and Distribution, and Class Counsel’s Fee and Expense Request; and their right to object to the Plan of Allocation and Distribution, as well as Class Counsel’s Fee and Expense Request;

NOW, THEREFORE, the Court hereby ORDERS as follows:

1. The Court hereby retains jurisdiction during the pendency of the appeal from the Judgment to consider and determine auxiliary matters related to Plaintiffs’ motion for approval of the proposed Plan of Allocation and Distribution and Class Counsel’s Fee and Expense Request.

2. **Post-Judgment Hearing** The Court hereby schedules a hearing (the “Post-Judgment Hearing”) to be held before the Court in person on _____, 2025 at _____:00 .m. for the following purposes:

- (a) to determine whether Plaintiffs’ motion for approval of the proposed Plan of Allocation and Distribution should be approved;
- (b) to determine whether the motion of Class Counsel for attorneys’ fees and litigation expenses, including an application for incentive awards to Class Representatives, should be approved;
- (c) to consider any objections received from Class Members concerning the Plan of Allocation and Distribution and or Class Counsel’s Fee and Expense Request; and
- (d) to rule upon such other matters as the Court may deem appropriate.

3. **Retention of Administrator** Class Counsel are authorized to continue to retain A.B. Data, Ltd. (“A.B. Data” or the “Administrator”) to act as the Administrator in connection

with providing notice to current members of the Classes of the Judgment, the proposed Plan of Allocation and Distribution, and Class Counsel's Fee and Expense Request.

4. **Notice of Post-Judgment Hearing** The Administrator will provide notice of Plaintiffs' and Class Counsel's motions and the Post-Judgment Hearing as follows:

(a) Defendants shall reasonably cooperate with the Administrator by providing to the Administrator, at no cost to the Administrator, Plaintiffs, or the Classes, a list in electronic format (such as Excel) of 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 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.

(b) By no later than twenty (20) business days after the date of the entry of this Order (the "Notice Date"), the Administrator will mail a copy of the Notice of (I) Verdict and Judgment Obtained in Class Action; (II) Plan of Allocation and Distribution; and (III) Class Counsel's Fee and Expense Request (the "Post-Judgment Notice"), attached hereto as Exhibit 1, to the persons and entities included in its mailing database as recipients of the Notice of Pendency of Class Action ("Class Notice"), which was mailed to potential Class Members in 2022. In addition, the Administrator will forward copies of the Post-Judgment Notice to brokers and other nominees (collectively, "Nominees") who forwarded copies of the Class

Notice in bulk to their customers, with instructions that those Nominees should forward the Post-Judgment Notice to the same persons and entities who received the Class Notice.

(c) In addition, the Administrator shall use the information provided by Defendants and the DTC pursuant to subsection (a) above to identify the current beneficial owners of Fannie Mae junior preferred stock, Freddie Mac junior preferred stock, and Freddie Mac common stock, and by the Notice Date shall begin mailing the Post-Judgment Notice to any potential Class Members identified by Defendants or by brokers or other nominees who were not already included in the Administrator's mailing database (including any persons or entities who may have purchased the shares since the mailing of the Class Notice).

(d) On or before the Notice Date, the Administrator will post the Post-Judgment Notice to the website previously established for the case, www.Fannie-FreddieClassAction.com.

(e) Not later than ten (10) business days after the Notice Date, the Administrator shall cause the Summary Notice of (I) Verdict and Judgment Obtained in Class Action; (II) Plan of Allocation and Distribution; and (III) Class Counsel's Fee and Expense Request (the "Summary Post-Judgment Notice"), substantially in the form attached hereto as Exhibit 2, to be published once in *The Wall Street Journal* and to be transmitted once over the *PR Newswire*.

5. Scheduling of Motions The deadline for Class Counsel to file their Fee and Expense Request and any motion for taxable expenses shall be extended. Those motions shall be filed no later than thirty-five (35) days before the Post-Judgment Hearing. In addition, Plaintiffs' motion for approval of the Plan of Allocation and Distribution shall be filed no later than thirty-five (35) days before the Post-Judgment Hearing. Class Counsel's Fee and Expense Request,

Plaintiffs' motion for approval of the Plan of Allocation and Distribution, and any documents publicly filed in support of those motions shall be posted to www.Fannie-FreddieClassAction.com.

6. Plaintiffs and Class Counsel shall file and serve a response to any objections submitted by Class Members to either the Fee and Expense Request or the motion for approval of the Plan of Allocation and Distribution by no later than seven (7) calendar days before the Post-Judgment Hearing. In addition, no later than seven (7) calendar days before the Post-Judgment Hearing, Class Counsel shall file with the Court proof of mailing of the Post-Judgment Notice and proof of publication of the Summary Post-Judgment Notice.

7. **Approval of Form and Content of Notice** The Court (a) approves, as to form and content, the Post-Judgment Notice and the Summary Post-Judgment Notice, attached hereto as Exhibits 1 and 2, respectively; and (b) finds that the method for disseminating the Post-Judgment Notice and Summary Post-Judgment Notice in the manner and form set forth in paragraph 4 of this Order (i) is the best notice practicable under the circumstances; (ii) constitutes notice that is reasonably calculated, under the circumstances, to inform Class Members of the verdict, the entry of Judgment, the proposed Plan of Allocation and Distribution, and Class Counsel's Fee and Expense Request, of Class Members' right to object to the Plan of Allocation and Distribution and or Class Counsel's Fee and Expense Request, and of their right to appear at the Post-Judgment Hearing; (iii) constitutes due, adequate, and sufficient notice to all persons and entities entitled to receive notice; and (iv) satisfies the requirements of Rule 23 of the Federal Rules of Civil Procedure (including Rules 23(d)(1)(B) and 23(h)), the U.S. Constitution (including the Due Process Clause), and all other applicable laws and rules. The date and time of the Post-Judgment Hearing shall be included in the Post-Judgment Notice and Summary Post-Judgment Notice before they are mailed and published, respectively.

8. **Nominee Procedures** In the previously disseminated Class Notice, Nominees were advised that if they held Fannie Mae junior preferred stock, Freddie Mac junior preferred stock, or Freddie Mac common stock for the beneficial interest of any person or entity other than themselves at that time, that they must either: (i) within seven (7) calendar days of receipt of the Class Notice, request from A.B. Data sufficient copies of the Class Notice to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Class Notices forward them to all such beneficial owners; or (ii) within seven (7) calendar days of receipt of the Class Notice, provide a list of the names and last known addresses of all such beneficial owners to the Administrator.

(a) For Nominees who chose the first option (*i.e.*, elected to mail the Class Notice directly to beneficial owners), A.B. Data shall forward the same number of Post-Judgment Notices to such Nominees, and the Nominees shall be instructed to mail the Post-Judgment Notices to the same list of beneficial owners to whom they mailed Class Notices, within (7) calendar days of receipt of the Post-Judgment Notices;

(b) For Nominees who chose the second option (*i.e.*, provided a list of names and addresses of beneficial owners to A.B. Data), A.B. Data shall mail a Post-Judgment Notice to each of the beneficial owners whose names and addresses the Nominees previously supplied.

(c) In addition, if any Nominees currently hold Fannie Mae junior preferred stock, Freddie Mac junior preferred stock, or Freddie Mac common stock for the beneficial interest of any person or entity whose names and addresses were not previously provided to A.B. Data, or if a Nominee is aware of name and address changes for beneficial owners whose names and addresses were previously provided to A.B. Data, such Nominees shall, within seven (7) calendar days of receipt of the Post-Judgment Notice, provide a list of the names and

addresses of all such additional beneficial owners to A.B. Data, or shall request from A.B. Data sufficient additional copies of the Post-Judgment Notice to forward to all such beneficial owners, which the Nominee shall, within seven (7) calendar days of receipt of the Post-Judgment Notice from A.B. Data, mail to the beneficial owners; and

(d) Upon full and timely compliance with this Order, Nominees may seek reimbursement of their reasonable expenses actually incurred in complying with this Order by providing the Administrator with proper documentation supporting the expenses for which reimbursement is sought. Such properly documented expenses incurred by Nominees in compliance with the terms of this Order shall be paid as provided in paragraph 15 below, with any disputes as to the reasonableness or documentation of expenses incurred subject to review by the Court.

9. **Appearance and Objections at Post-Judgment Hearing** Any Class Member may enter an appearance in the Action, at his, her, or its own expense, individually or through counsel of his, her, or its own choice, by filing with the Court and delivering a notice of appearance to Representative Class Counsel, at the address set forth in paragraph 10 below, such that it is received no later than twenty-one (21) calendar days prior to the Post-Judgment Hearing, or as the Court may otherwise direct. Any Class Member that does not enter an appearance will be represented by Class Counsel.

10. Any Class Member may file a written objection to the Plan of Allocation and Distribution and or Class Counsel's Fee and Expense Request and appear and show cause, if he, she, or it has any cause, why the Plan of Allocation and Distribution and or Class Counsel's Fee and Expense Request should not be approved; *provided, however*, that no Class Member shall be heard or entitled to contest the terms of the Plan of Allocation and Distribution or the approval of

the Fee and Expense Request unless that person or entity has filed a written objection with the Court and served a copy of such objection on Class Counsel at the address set forth below such that they are received no later than twenty-one (21) calendar days prior to the Post-Judgment Hearing.

Re resentative Class Counsel

Adam Wierzbowski
Bernstein Litowitz Berger
Grossmann LLP
1251 Avenue of the Americas, 44th Floor
New York, NY 10020

11. Any objections, filings, and other submissions by the objecting Class Member must include: (1) the name of this proceeding, *In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations*, Misc. Action No. 13-mc-1288 (RCL) (D.D.C.); (2) the objector's full name, current address, email address (if applicable), and telephone number; (3) the objector's signature; (4) a statement providing the specific reasons for the objection, including a detailed statement of the specific legal and factual basis for each and every objection and whether the objection applies only to the objector, to a specific Class or a specific subset of one of the Classes, or to all of the Classes; and (5) documents sufficient to prove membership in at least one of the Classes, including documents showing the number of shares of Fannie Mae junior preferred stock, Freddie Mac junior preferred stock, and Freddie Mac common stock currently owned by the objector. The documentation establishing membership in one of the Classes must consist of copies of monthly brokerage account statements or an authorized statement from the objector's broker or financial advisor containing similar securities holding information and must show ownership of the eligible shares on or after the Notice Date.

12. Any Class Member who wishes to be heard orally at the Post-Judgment Hearing in opposition to the approval of the Plan of Allocation and Distribution or Class Counsel's Fee and Expense Request must also file a notice of appearance with the Court and serve it on Class Counsel at the address set forth in paragraph 10 above so that it is received no later than twenty-one (21) calendar days prior to the Post-Judgment Hearing. Objectors who enter an appearance and desire to present evidence at the Post-Judgment Hearing in support of their objection must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and any exhibits they intend to introduce into evidence at the hearing.

13. Any Class Member who or which does not make his, her, or its objection in the manner provided herein shall be deemed to have waived his, her, or its right to object to any aspect of the Plan of Allocation and Distribution and Class Counsel's Fee and Expense Request and shall be forever barred and foreclosed from objecting to the Plan of Allocation and Distribution or the Fee and Expense Request, or from otherwise being heard concerning the Plan of Allocation and Distribution or the Fee and Expense Request.

14. The Court may adjourn the Post-Judgment Hearing without further mailed notice to Class Members. Class Counsel will post a notice on www.Fannie-FreddieClassAction.com informing Class Members of any change to the date, time, or manner of the Post-Judgment Hearing. In addition, Class Counsel will post any orders of the Court related to the Plan of Allocation and Distribution or Class Counsel's Fee and Expense Request on www.Fannie-FreddieClassAction.com.

15. **Costs** - Except for Defendants' costs associated with providing the lists of current shareholders (which shall be borne by Defendants), all costs of the notice process, including, without limitation, the costs of printing and mailing the Post-Judgment Notice, publishing the

Summary Post-Judgment Notice, and reasonable costs incurred by Nominees in identifying Class Members or forwarding the Post-Judgment Notice may be paid from the amounts obtained for the Classes under the Judgment (after all appeals are resolved). If the result of the appeal process is that there is no cash recovery for the Classes, these costs will be borne by Class Counsel.

Dated: , 2025

Royce C. Lamberth
United States District Judge

Exhibit 1

UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA

**In re Fannie Mae/Freddie Mac Senior
Preferred Stock Purchase Agreement
Class Action Litigations**

Misc. Action No. 13-mc-1288 (RCL)

CLASS ACTION

**THIS DOCUMENT RELATES TO:
ALL CASES**

**NOTICE OF (I) VERDICT AND JUDGMENT OBTAINED IN CLASS ACTION;
(II) PLAN OF ALLOCATION AND DISTRIBUTION; AND (III) CLASS COUNSEL'S
FEE AND EXPENSE REQUEST**

This Legal Notice May Affect Your Rights. Please Read Carefully.

(This is a Court-authorized Notice. 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 a class action brought in the U.S. District Court for the District of Columbia (the “Court”) on behalf of the current holders of junior preferred stock in the Federal National Mortgage Association (“Fannie Mae”) and the Federal Home Loan Mortgage Corporation (“Freddie Mac”), and the current holders of common stock in Freddie Mac (as further defined in **Part 3** below, the “Classes”). The Classes’ representatives in this Action are Joseph Cacciapalle (“Cacciapalle”), Michelle M. Miller (“Miller”), Timothy J. Cassell (“Cassell”), and Barry P. Borodkin (“Borodkin”) (collectively, “Plaintiffs” or “Class Representatives”). The defendants in the Action are Fannie Mae, Freddie Mac, and their conservator, the Federal Housing Finance Agency (“FHFA,” and together with Fannie Mae and Freddie Mac, the “Defendants”).

After approximately ten years of extensive litigation, a jury trial was conducted from July 26, 2023 to August 10, 2023. On August 14, 2023, the jury reached a unanimous verdict in favor of Plaintiffs and the Classes and awarded damages totaling 612.4 million. On March 20, 2024, the Court entered judgment (the “Judgment”) in the amount of **\$812,050,000**, which included (i) 299,400,000 in favor of the Fannie Preferred Class, plus 199,650,000 in pre-judgment interest; (ii) 281,800,000 in favor of the Freddie Preferred Class; and (iii) 31,200,000 in favor of the Freddie Common Class. The Judgment also provided that post-judgment interest shall accrue on these amounts from the date of entry of the Judgment until the amounts are paid in full. On April 17, 2024, Defendants filed a motion seeking reversal of the Judgment. The Court denied that motion on March 14, 2025. On April 11, 2025, Defendants filed a Notice of Appeal of the Judgment.

As discussed further below, Plaintiffs intend to file a motion for approval of a proposed plan of allocation and distribution (the “Plan of Allocation and Distribution”) that would govern the method of allocating among Class Members any funds obtained as a result of the Judgment. Plaintiffs’ counsel, Boies Schiller Flexner LLP, Kessler Topaz Meltzer Check, LLP, Bernstein Litowitz Berger Grossmann LLP, and Grant Eisenhofer, P.A (collectively, “Class Counsel”) also intend to submit a request for payment of attorneys’ fees of up to one-third of the total amount obtained for the Classes (including any pre-judgment and post-judgment interest through the date of payment), but not including the amount of recovery for the WR Berkley Plaintiffs (defined below) (the “Total Amount”) and for reimbursement of nontaxable expenses in an amount not to exceed 15 million, and also intend to request, on behalf of the four Class Representatives, a total of 120,000 in incentive awards to be paid from the Total Amount (together, the requested attorneys’ fees, expenses, and the Class Representative incentive fees are the “Fee and Expense Request”). The deadline for Class Members to object to the proposed Plan of Allocation and Distribution and or the Fee and Expense Request is _____, 2025. The Court has scheduled a hearing to consider the Plan of Allocation and Distribution and the Fee and Expense Request on _____, 2025 (the “Post-Judgment Hearing”). For details on the Post-Judgment Hearing and how to object, please see **Part 8** on pages 10-11 below.

No payments to Class Members are occurring at this time. The funds obtained as a result of the verdict and Judgment will be distributed to Class Members **only if and when (1) any and all appeals to the U.S. Court of Appeals for the D.C. Circuit (the “Court of Appeals”) have been adjudicated; (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 (the “Final Judgment”). Only current shareholders as of the date of the Final Judgment (or the date of any settlement) will be eligible for payment.**

WHAT THIS NOTICE CONTAINS

1. Why did I get this notice?	Page 3
2. What is this case about? What has happened so far?	Page 3
3. Who is included in the Classes?	Page 5
4. The Judgment entered in favor of the Classes	Page 6
5. The Proposed Plan of Allocation and Distribution	Page 7
6. How and when will Class Members receive payment if the Judgment is approved on appeal?	Page 9
7. Class Counsel's Fee and Expense Request	Page 10
8. The Court's Post-Judgment Hearing, and Class Members' right to object to the proposed Plan of Allocation and Distribution and/or Fee and Expense Request	Page 10
9. How do I obtain more information?	Page 12
10. Notice to security brokers and other nominees	Page 13

1. Why did I get this Notice?

This notice (the "Post-Judgment Notice") is intended to inform Class Members of (i) the jury verdict and entry of Judgment in favor of Plaintiffs and the Classes; (ii) the fact that the Judgment is for the benefit of current shareholders, such that if shareholders sell their shares during the pendency of any appeal of the Judgment they will not be entitled to a share of the recovery; (iii) the terms of the proposed Plan of Allocation and Distribution; (iv) the Fee and Expense Request; and (v) Class Members' right to object to the terms of the proposed Plan of Allocation and Distribution and the Fee and Expense Request. This Post-Judgment Notice is being sent to potential members of the Classes (defined in **Part 3** below), and also to all persons who previously received the Notice of Pendency of Class Action ("Class Notice"), which was mailed in early 2022 to inform Class Members of the existence of this Action and its certification as a class action.

Please note: Receipt of this Post-Judgment Notice does not necessarily mean that you are included in the Classes. Please review the definition of the Classes set forth below in **Part 3** to determine if you are a member of the Classes. The definitions of the Classes include only **current** holders of Fannie Mae and Freddie Mac junior preferred stock and Freddie Mac common stock as of **the date of the final judgment**. Accordingly, you must continue to hold your shares through that date to be eligible for any potential payment.

2. What is this case about? What has happened so far?

On September 6, 2008, the FHFA placed Fannie Mae and Freddie Mac into conservatorship. Acting as conservator, the FHFA then agreed to the Senior Preferred Stock Purchase Agreements (the "PSPAs") between each of Fannie Mae and Freddie Mac and the U.S. Treasury (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 senior preferred stock in each of Fannie Mae and Freddie Mac was equal to \$1 billion (in exchange for the commitment) plus any amounts actually invested into the company. The PSPAs gave Treasury a dividend equal to 10% per year (if paid in cash) of the amount Treasury invested in each company, paid out quarterly with senior priority. Four years later, on August 17, 2012, the Treasury and FHFA agreed to the Third Amendment to the PSPAs (the "Third Amendment") 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.

This Action concerns the conduct of Fannie Mae, Freddie Mac, and FHFA in connection with the implementation of the Third Amendment, which Plaintiffs alleged was implemented just as the housing market was recovering and Fannie Mae and Freddie Mac were returning to robust profitability. Plaintiffs also alleged that the Third Amendment effectively made it impossible for the companies to accumulate capital or for private shareholders to ever receive any dividend or liquidation distribution from the companies, regardless of the companies' profitability. Plaintiffs claimed Defendants' conduct in agreeing to the Third Amendment violated the implied covenant of good faith and fair dealing inherent in Plaintiffs' stock certificates.

Plaintiffs litigated their claims against Defendants for more than ten years. This litigation included the Court's initial dismissal of the Action; Plaintiffs' successful appeal of that dismissal to the U.S. Court of Appeals for the District of Columbia Circuit; Plaintiffs' successful defeat, in substantial part, of Defendants' subsequent motion to dismiss Plaintiffs' Second Amended Complaint; and engaging in extensive discovery, which included obtaining and reviewing more than 1.85 million pages of documents and taking or defending numerous depositions.

In December 2021, the Court decided that the Action could be maintained as a class action with respect to claims asserted by the three Classes described in **Part 3** below, and the Class Notice was mailed to potential Class Members in early 2022, at which time Class Members had the opportunity to request exclusion from the Classes. A list of persons and entities who have been excluded from the Classes by request can be reviewed at www.Fannie-FreddieClassAction.com.

During 2022, the parties in this Action filed and briefed extensive cross-motions for summary judgment and numerous pre-trial motions concerning whether the opinions of certain expert witnesses and certain categories of evidence could be admitted at trial. A first trial, lasting approximately two weeks, was held in October 2022 and resulted in a mistrial when the jury could not reach a unanimous verdict.

A second trial was conducted from July 26, 2023 to August 10, 2023. On August 14, 2023, after two days of deliberation, the jury reached a unanimous verdict in favor of Plaintiffs and the Classes and awarded damages totaling \$612.4 million. On March 20, 2024, the Court entered the Judgment in favor of Plaintiffs and the Classes in the amount of **\$812,050,000**, including pre-judgment interest for the Fannie Preferred Class. On April 17, 2024, Defendants filed a motion for judgment as a matter of law under Federal Rule of Civil Procedure 50(b) seeking reversal of the Judgment. The Court denied that motion on March 14, 2025. On April 11, 2025, Defendants filed a Notice of Appeal of the Judgment.

3. Who is included in the Classes?

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 Defendants, the U.S. 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 previously elected 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: FNMAJ)
- 7.625 Non-Cumulative Preferred Stock, Series R (OTCBB: FNMAJ)
- 6.75 Non-Cumulative Preferred Stock, Series (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: FNMAJ)
- 5.125 Non-Cumulative Preferred Stock, Series L (OTCBB: FNMAN)
- 5.375 Non-Cumulative Preferred Stock, Series I (OTCBB: FNMAJ)
- 5.81 Non-Cumulative Preferred Stock, Series H (OTCBB: FNMAJ)
- Variable Rate Non-Cumulative Preferred Stock, Series G (OTCBB: FNMAO)
- Variable Rate Non-Cumulative Preferred Stock, Series F (OTCBB: FNMAJ)
- 5.10 Non-Cumulative Preferred Stock, Series E (OTCBB: FNMAJ)
- 5.25 Non-Cumulative Preferred Stock, Series D (OTCBB: FDD D)

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 (OTC B: FMCCI)
- 5 Non-Cumulative Preferred Stock, Series KK (OTC B: FMCKK)
- Variable Rate, Non-Cumulative Preferred Stock, Series G (OTC B: FMCCG)
- 5.1 Non-Cumulative Preferred Stock, Series H (OTC B: FMCCCH)
- 5.79 Non-Cumulative Preferred Stock, Series K (OTC B: FMCCCK)
- Variable Rate, Non-Cumulative Preferred Stock, Series L (OTC B: FMCCCL)
- Variable Rate, Non-Cumulative Preferred Stock, Series M (OTC B: FMCCCM)
- Variable Rate, Non-Cumulative Preferred Stock, Series N (OTC B: FMCCCN)
- 5.81 Non-Cumulative Preferred Stock, Series O (OTC B: FMCCCO)
- 6 Non-Cumulative Preferred Stock, Series P (OTC B: FMCCP)
- Variable Rate, Non-Cumulative Preferred Stock, Series J (OTC B: FMCCJ)
- 5.7 Non-Cumulative Preferred Stock, Series KP (OTC B: FMCKP)
- Variable Rate, Non-Cumulative Perpetual Preferred Stock, Series S (OTC B: FMCCS)
- 6.42 Non-Cumulative Perpetual Preferred Stock, Series T (OTC B: FMCCCT)
- 5.9 Non-Cumulative Perpetual Preferred Stock, Series KO (OTC B: FMCKO)
- 5.57 Non-Cumulative Perpetual Preferred Stock, Series KM (OTC B: FMCKM)
- 5.66 Non-Cumulative Perpetual Preferred Stock, Series KN (OTC B: FMCKN)
- 6.02 Non-Cumulative Perpetual Preferred Stock, Series KL (OTC B: FMCKL)
- 6.55 Non-Cumulative Perpetual Preferred Stock, Series KI (OTC B: FMCKI)
- Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series KJ (OTC B: FMCKJ)

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

PLEASE NOTE: You must maintain ownership in the underlying security through the date of the Final Judgment (as defined above) 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.

4. The Judgment entered in favor of the Classes

On March 20, 2024, the Court entered the Judgment in the amount of **\$812,050,000** in favor of Plaintiffs and the Classes, which included (i) 299,400,000 in favor of the Fannie Preferred Class, plus 199,650,000 in pre-judgment interest for the Fannie Preferred Class;

(ii) 281,800,000 in favor of the Freddie Preferred Class; and (iii) 31,200,000 in favor of the Freddie Common Class. Post-judgment interest shall accrue on these amounts at the rate established under federal statute, 28 U.S.C. 1961, from the date of entry of the Judgment until the amounts are paid in full.¹ A copy of the Judgment can be viewed at www.Fannie-FreddieClassAction.com.

5. The Proposed Plan of Allocation and Distribution

On March 20, 2024, the Court entered an Order Governing Plan of Allocation that approved Plaintiffs' proposed method for allocating the funds obtained pursuant to the Judgment among individual members of the Classes and the WR Berkley Plaintiffs. A copy of that Order is available at www.Fannie-FreddieClassAction.com. The Order provides that Class Counsel and the Administrator will be responsible for preparing the final Plan of Allocation and Distribution implementing the guidelines and principles set forth in the Order.

By no later than _____, 2025, Plaintiffs will file a motion for approval of the proposed Plan of Allocation and Distribution prepared by Class Counsel and the Administrator. A full copy of that motion and the full proposed Plan of Allocation and Distribution will be available at www.Fannie-FreddieClassAction.com. A summary is provided here.

The intent of the Plan of Allocation and Distribution is to allocate the "Net Class Award" to members of the Classes on a proportional basis based on their holdings of those shares on the "Final Judgment Date."

The "**Net Class Award**" means the sum of all damages and interest awarded during the trial of the claims in this matter and post-trial proceedings, and allowed after any appeal (or after the expiration of time allowed for filing such appeal, if no appeal is filed within that time), inclusive of attorneys' fees, non-taxable litigation expenses, and pre- and post-judgment interest (the "Total Plaintiffs' Award"), *less*: (i) incentive awards, if any, awarded to the Class Representatives; (ii) attorneys' fees and litigation expenses awarded to Class Counsel; (iii) compensation and expenses paid or reimbursed to the Administrator; (iv) any additional administrative expenses that may be charged against the Total Plaintiffs' Award at the Court's direction; and (v) the amount of the Total Plaintiffs' Award allocated to the WR Berkley Plaintiffs and shares still held by other persons and entities who requested exclusion from each Class.

The "**Final Judgment Date**" means the first business day after which (1) any and all appeals to the U.S. Court of Appeals for the D.C. Circuit have been adjudicated, (2) any and all petitions for writ of certiorari to the U.S. Supreme Court have been adjudicated,

¹ The Judgment was also entered in favor of Berkley Insurance Company, Acadia Insurance Company, Admiral Insurance Company, Berkley Regional Insurance Company, Carolina Casualty Insurance Company, Midwest Employers Casualty, Nautilus Insurance Company, and Preferred Employers Insurance Company (collectively, "WR Berkley Plaintiffs") who are plaintiffs in a related action and had opted out of the Classes. The WR Berkley Plaintiffs will recover out of the overall amounts obtained for the Classes, as provided in the Judgment.

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.

Fannie Preferred Class

The portion of the Net Class Award allocated to the Fannie Preferred Class will be allocated among Fannie Preferred Class Members proportionally based on the “Stated Value” of the Fannie Mae Junior Preferred Stock held by each class member on the Final Judgment Date as compared to the total Stated Value of all eligible Fannie Mae Junior Preferred Stock held on the Final Judgment Date (excluding those shares still held by persons and entities who requested exclusion from the Fannie Preferred Class, including the WR Berkely Plaintiffs).

The “**Stated Value**” means the dollar amount identified in the Certificate of Designation of each series of Fannie Mae Junior Preferred Stock as the “stated value” of the shares in that series. A list of the Stated Value of each series of eligible Fannie Mae Junior Preferred Stock will be set forth in the Plan of Allocation and Distribution.

In other words, each Fannie Preferred Class Member will be allocated a share of the Fannie Preferred Net Class Award that is the same as the ratio of (i) the aggregate Stated Value of the Fannie Mae Junior Preferred Stock held by that class member as of the Final Judgment Date to (ii) the total aggregate Stated Value of all eligible Fannie Mae Junior Preferred shares (less the Stated Value of those shares still held by persons excluded from the class as of the Final Judgment Date).

Freddie Preferred Class

The portion of the Net Class Award allocated to the Freddie Preferred Class will be allocated among Freddie Preferred Class Members proportionally based on the “Redemption Price” of the Freddie Mac Junior Preferred Stock held by each class member on the Final Judgment Date as compared to the total Redemption Price of all eligible Freddie Mac Junior Preferred Stock held on the Final Judgment Date (excluding those shares still held by persons and entities who requested exclusion from the Freddie Preferred Class, including the WR Berkely Plaintiffs).

The “**Redemption Price**” means the dollar amount identified in the Certificate of Designation of each series of Freddie Mac Junior Preferred Stock as the “redemption price” or “redemption value” of the shares in that series. A list of the Redemption Price of each series of eligible Fannie Mae Junior Preferred Stock will be set forth in the Plan of Allocation and Distribution.

In other words, each Freddie Preferred Class Member will be allocated a share of the Freddie Preferred Net Class Award that is the same as the ratio of (i) the aggregate Redemption Price of the Freddie Mac Junior Preferred Stock held by that class member as of the Final Judgment Date to (ii) the total aggregate Redemption Price of all eligible Freddie Mac Junior Preferred shares (less the Redemption Price of those shares still held by persons excluded from the class as of the Final Judgment Date).

Freddie Common Class

The portion of the Net Class Award allocated to the Freddie Common Class will be allocated among Freddie Common Class Members proportionally based on the number of shares of Freddie Mac Common Stock held by each class member as of the Final Judgment Date as compared to the total number of outstanding shares of Freddie Mac Common Stock held as of the Final Judgment Date (excluding those shares still held by persons and entities who requested exclusion from the Freddie Common Class, including the WR Berkely Plaintiffs). In other words, each Freddie Common Class Member will be allocated a share of the Freddie Common Net Class Award that is the same as the ratio of (i) the number of shares of Freddie Mac Common Stock held by that class member as of the Final Judgment Date to (ii) the total number of shares of Freddie Mac Common Stock outstanding (excluding any shares still held by persons excluded from the class as of the Final Judgment Date).

Distribution Method

After the Final Judgment Date has occurred, the Administrator will distribute the Net Class Award as follows. The Administrator will communicate with WR Berkely Plaintiffs and all other persons and entities excluded from the Classes to determine the total number of shares identified in their requests for exclusion that they still hold as of the Final Judgment Date and in what institution those shares are held. The Administrator will then calculate the per-share award for each eligible series of Fannie Mae junior preferred, Freddie Mac junior preferred, and Freddie Mac common stock held by Class Members pursuant to the calculations set forth above. The Administrator will then work with the Depository Trust Company (“DTC”) and its participants to directly distribute the relevant per-share awards to all persons who held those shares as of the Final Judgment Date (other than excluded persons), in a manner similar to the method used to distribute merger shares or compensation in class actions related to a merger.

More details can be found in the “Plan of Allocation and Distribution” to be posted on www.Fannie-FreddieClassAction.com. Importantly, no payment at this point is guaranteed.

6. How and when will Class Members receive payment if the Judgment is approved on appeal?

No payments to Class Members are occurring at this time and, it is possible—if Defendants succeed on any appeal—that no payments will ever be made to Class Members.

If the Judgment is affirmed following any appeals, and the deadline for any further appellate review of the Judgment (including by the U.S. Supreme Court) expires, then payments may be made thereafter to the shareholders who are Class Members as of the Final Judgment Date. If that occurs, and the Court has approved the Plan of Allocation and Distribution described above, then payments to current shareholders as of the Final Judgment Date will be made according to the procedures set forth in the Plan of Allocation and Distribution. At this time, however, we cannot determine if the Final Judgment Date will occur or when that date will be.

7. Class Counsel's Fee and Expense Request.

Class Counsel and other counsel representing the Plaintiffs (collectively, "Plaintiffs' Counsel") have been prosecuting this Action on a wholly contingent basis for more than eleven years, have not yet received any payment of attorneys' fees for their representation of the Classes and have advanced the funds to pay expenses necessarily incurred to prosecute the Action. Not later than thirty-five (35) days before the Post-Judgment Hearing, Class Counsel will file their Fee and Expense Request seeking payment of attorneys' fees of up to one-third of the total amount obtained for the Classes (including any pre-judgment and post-judgment interest through the date of payment), but not including the amount of recovery for the WR Berkley Plaintiffs and for reimbursement of nontaxable expenses in an amount not to exceed 15 million, and also seeking, on behalf of the four Class Representatives, a total of 120,000 in incentive awards to be paid from the Total Amount.

Class Counsel will file their memorandum of law in support of their Fee and Expense Request by no later than _____, 2025, and the memorandum of law and supporting documents publicly filed in support of the Fee and Expense Request will be posted on www.Fannie-FreddieClassAction.com.

The Court will determine the amount of attorneys' fees, litigation expenses, and incentive awards to be awarded from the Total Amount obtained for the Classes. Any fees and expenses that are awarded by the Court will be paid from the Total Amount only if a Final Judgment has been entered and only after the Final Judgment Date. Individual Class Members are not personally liable for any such fees or expenses. If the Judgment is reversed and no funds are obtained for the Classes, Class Counsel will not be paid anything.

8. The Court's Post-Judgment Hearing, and Class Members' right to object to the proposed Plan of Allocation and Distribution and/or Class Counsel's Fee and Expense Request.

The Court has scheduled the Post-Judgment Hearing to (a) determine whether Plaintiffs' motion for approval of the proposed Plan of Allocation and Distribution should be approved; (b) determine whether Class Counsel's Fee and Expense Request should be approved; (c) consider any objections received from Class Members concerning the Plan of Allocation and Distribution and or Class Counsel's Fee and Expense Request; and (d) rule upon such other matters as the Court may deem appropriate. The Post-Judgment Hearing will be held on _____, 2025, at __:00 __.m. Eastern Time, before The Honorable Royce C. Lamberth of the U.S. District Court for the District of Columbia, in Courtroom 15 of the E. Barrett Prettyman U.S. Courthouse, 333 Constitution Avenue N.W. Washington D.C. 20001.

Please Note: The date and time of the Post-Judgment Hearing may change without further written notice to Class Members. In addition, the Court may decide to conduct the Post-Judgment Hearing by video or telephonic conference, or otherwise allow Class Members to appear at the hearing by phone, without further written notice to the Class. To determine whether the date and time of the Post-Judgment Hearing have changed, or whether Class Members must or may

participate by phone or video, it is important that you monitor the Court's docket and the case website, www.Fannie-FreddieClassAction.com, before making any plans to attend the Post-Judgment Hearing. Any updates regarding the Post-Judgment Hearing, including any changes to the date or time of the hearing or updates regarding in-person or remote appearances at the hearing, will be posted to www.Fannie-FreddieClassAction.com. If the Court requires or allows Class Members to participate in the Post-Judgment Hearing by telephone or video conference, the information for accessing the telephone or video conference will be posted to the same website.

If you take issue with the Plan of Allocation and Distribution or Class Counsel's Fee and Expense Request, you may object. You must be a Class Member in order to object (*see Part 3* above) and objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, electronically with the Court or by letter mailed to the Clerk's Office at the U.S. District Court for the District of Columbia, at the address set forth below on or before _____, 2025. You must also serve the papers on Representative Class Counsel at the address set forth below so that the papers are received on or before _____, 2025.

<u>Clerk's Office</u>	<u>Representative Class Counsel</u>
<p>Clerk's Office U.S. District Court for the District of Columbia E. Barrett Prettyman Courthouse 333 Constitution Avenue N.W. Washington, DC 20001</p>	<p>Adam Wierzbowski Bernstein Litowitz Berger Grossmann LLP 1251 Avenue of the Americas, 44th Floor New York, NY 10020</p>

Any objection must include: (a) the name of this proceeding, *In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations*, Misc. Action No. 13-mc-1288 (RCL) (D.D.C.); (b) the objector's full name, current address, email address (if applicable), and telephone number; (c) the objector's signature; (d) a statement providing the specific reasons for the objection, including a detailed statement of the specific legal and factual basis for each and every objection and whether the objection applies only to the objector, to a specific Class or a specific subset of one of the Classes, or to all of the Classes; and (e) documents sufficient to prove the objector's membership in at least one of the Classes, including documentation showing the number of shares of Fannie Mae junior preferred stock, Freddie Mac junior preferred stock, and or Freddie Mac common stock **currently** owned by the objector. The documentation establishing membership in one of the Classes must consist of copies of monthly brokerage account statements or an authorized statement from the objector's broker or financial advisor containing similar securities holding information **and must show ownership of the eligible shares on or after _____, 2025.**

You may not object to the Plan of Allocation and Distribution or Class Counsel's Fee and Expense Request if you are not a Class Member.

You may file a written objection without having to appear at the Post-Judgment Hearing. You may not, however, appear at the Post-Judgment Hearing to present your objection unless you

first file and serve a written objection in accordance with the procedures described above, unless the Court orders otherwise.

If you wish to be heard orally at the hearing concerning the Plan of Allocation or Class Counsel's Fee and Expense Request, and if you timely file and serve a written objection as described above, you must also file a notice of appearance with the Clerk's Office so that it is received on or before _____, 2025. Such persons may be heard orally at the discretion of the Court. Objectors who enter an appearance and desire to present evidence at the Post-Judgment Hearing in support of their objection must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and any exhibits they intend to introduce into evidence at the hearing.

You are not required to hire an attorney to represent you in making written objections or in appearing at the Post-Judgment Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court so that the notice is received on or before _____, 2025.

The Post-Judgment Hearing may be adjourned by the Court without further written notice to Class Members, other than a posting of the adjournment on the case website, www.Fannie-FreddieClassAction.com. If you plan to attend the Post-Judgment Hearing, you should confirm the date and time with Class Counsel.

Unless the Court orders otherwise, any Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the Plan of Allocation and Distribution or Class Counsel's Fee and Expense Request. Class Members do not need to appear at the Post-Judgment Hearing or take any other action to indicate their approval.

9. How do I obtain more information?

Additional copies of this Post-Judgment Notice and other documents concerning the Action, including the Court's Judgment and Order Approving Plan of Allocation, may be found at: www.Fannie-FreddieClassAction.com. Further information about this Post-Judgment 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.
BOIES SCHILLER FLEXNER LLP
 1401 New York Ave, NW
 Washington, DC 20005
 Telephone: (202) 237-2727
 Facsimile: (202) 237-6131
www.bsflp.com
hhume@BSFLLP.com
skaplan@bsflp.com

Eric L. Zagar, Esq.
 Lee D. Rudy, Esq.
**KESSLER TOPAZ MELTZER &
 CHECK, LLP**
 280 King of Prussia Road
 Radnor, PA 19087
 Telephone: (610) 667-7706
 Facsimile: (610) 667-7056
www.ktmc.com
ezagar@ktmc.com

lrudy@ktmc.com

Michael J. Barry, Esq.
GRANT & EISENHOFER, P.A.
123 Justison Street, 7th Floor
Wilmington, DE 19801
Telephone: (302) 622-7000
Facsimile: (302) 622-7100
www.gelaw.com
mbarry@gelaw.com

Adam Wierzbowski, 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

10. Notice to securities brokers and other nominees.

In connection with mailing of the Class Notice in 2022, persons who held Fannie Mae junior preferred stock, Freddie Mac junior preferred stock, or Freddie Mac common stock at that time for the beneficial interest of any other person or entity (“Nominees”), were required to either: (i) within seven (7) calendar days of receipt of the Class Notice, request from A.B. Data sufficient copies of the Class Notice to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Class Notices forward them to all such beneficial owners; or (ii) within seven (7) calendar days of receipt of the Class Notice, provide a list of the names and last known addresses of all such beneficial owners to A.B. Data.

(a) For Nominees who previously chose the first option (*i.e.*, elected to mail the Class Notice directly to beneficial owners), A.B. Data shall forward the same number of copies of this Post-Judgment Notice to such Nominees, and the Nominees shall, within seven (7) calendar days of receipt of the Post-Judgment Notices, mail the Post-Judgment Notices to the same list of beneficial owners to whom they mailed Class Notices;

(b) For Nominees who previously chose the second option (*i.e.*, provided a list of names and addresses of beneficial owners to A.B. Data), A.B. Data shall promptly mail a copy of this Post-Judgment Notice to each of the beneficial owners whose names and addresses the Nominees previously supplied.

In addition, any persons who *currently* hold Fannie Mae junior preferred stock, Freddie Mac junior preferred stock, or Freddie Mac common stock for the beneficial interest of any persons or entities whose names and addresses were not previously provided to A.B. Data in connection with the Class Notice (“Additional Nominees”), or if a Nominee is aware of name and address changes for beneficial owners whose names and addresses were previously provided to A.B. Data, such Nominees and Additional Nominees shall, within seven (7) calendar days of receipt of this Post-Judgment Notice, provide a list of the names and addresses of all such additional beneficial owners to A.B. Data, or shall request from A.B. Data sufficient additional copies of the Post-Judgment Notice to forward to all such beneficial owners, which the Nominee or Additional Nominees shall, within seven (7) calendar days of receipt of the Post-Judgment Notice from A.B. Data, mail to the beneficial owners.

Copies of this Post-Judgment Notice may be obtained from the website, www.Fannie-FreddieClassAction.com, by calling the Claims Administrator toll free at 1-866-233-8545, or by emailing the Administrator at info@Fannie-FreddieClassAction.com.

Upon full and timely compliance with this Order, Nominees and Additional Nominees may seek reimbursement of their reasonable expenses actually incurred in complying with this Order by providing A.B. Data 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: , 2025

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

E h i t 2

UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA

**In re Fannie Mae/Freddie Mac Senior
Preferred Stock Purchase Agreement
Class Action Litigations**

Misc. Action No. 13-mc-1288 (RCL)

CLASS ACTION

**THIS DOCUMENT RELATES TO:
ALL CASES**

**SUMMARY NOTICE OF (I) VERDICT AND JUDGMENT OBTAINED IN CLASS
ACTION (II) PLAN OF ALLOCATION AND DISTRIBUTION AND (III) CLASS
COUNSEL'S FEE AND EXPENSE REQUEST**

TO: All current holders of junior preferred stock in Fannie Mae as of December 31, 2021, or their successors in interest to the extent shares are sold after December 31, 2021 and before a final judgment or settlement (the Fannie Preferred Class)

All current holders of junior preferred stock in Freddie Mac as of December 31, 2021, or their successors in interest to the extent shares are sold after December 31, 2021 and before a final judgment or settlement (the Freddie Preferred Class) and

All current holders of common stock in Freddie Mac as of December 31, 2021, or their successors in interest to the extent shares are sold after December 31, 2021 and before a 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 a class action brought in the U.S. District Court for the District of Columbia on behalf of the current holders of junior preferred stock in the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac"), and the current holders of the common stock in Freddie Mac.¹ The Action concerns the conduct of Fannie Mae, Freddie Mac, and their conservator, the Federal Housing Finance Agency, in connection with the implementation of the Third Amendment to the Senior Preferred Stock Purchase Agreements between Fannie Mae, Freddie Mac, and the U.S. Treasury, dated August 17, 2012. Plaintiffs alleged 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 requirement that Fannie Mae and Freddie Mac pay the Treasury a dividend equal to the full amount of their net worth every quarter, minus a reserve buffer. Plaintiffs alleged that such agreement made it effectively impossible for the companies to accumulate capital or for private shareholders to ever receive any dividend or

¹ Definitions of the capitalized terms used this Notice are set forth in the more detailed Post-Judgment Notice, which is referenced below and available at Fannie-FreddieClassAction.com.

liquidation distribution from Fannie Mae and Freddie Mac, no matter how profitable the companies were.

After approximately ten years of extensive litigation, a jury trial was conducted in the Action from July 26, 2023 to August 10, 2023. Following the trial, the jury reached a unanimous verdict in favor of Plaintiffs and the Classes, finding that Defendants had breached the implied covenant of good faith and fair dealing, and awarded damages totaling 612.4 million. On March 20, 2024, the Court entered a Judgment in favor of Plaintiffs and the Classes in the amount of **812, ,** , which included pre-judgment interest for the Fannie Preferred Class. The Judgment also provided that post-judgment interest shall accrue on these amounts from the date of entry of the Judgment until the amounts are paid in full. On April 17, 2024, Defendants filed a motion for judgment as a matter of law under Federal Rule of Civil Procedure 50(b) seeking reversal of the Judgment. The Court denied that motion on March 14, 2025.

A more detailed Post-Judgment Notice has been mailed to Class Members to inform them of (i) the jury verdict and Judgment entered in favor of Plaintiffs and the Classes; (ii) the fact that the Judgment is for the benefit of **current shareholders**, such that if shareholders sell their shares prior to the date the Judgment is no longer subject to further appeal (“Final Judgment Date”) they will not be entitled to a share of the recovery; (iii) the terms of a proposed Plan of Allocation and Distribution that would govern the method of allocating any funds obtained as a result of the Judgment among Class Members; (iv) Class Counsel’s Fee and Expense Request; and (v) Class Members’ right to object to the terms of the proposed Plan of Allocation and Distribution and or Class Counsel’s Fee and Expense Request. The Post-Judgment Notice also includes a full definition of the Classes. As described in the Post-Judgment Notice, Class Counsel will apply for payment of attorneys’ fees of up to one-third of the total amount obtained for the Classes (including any pre-judgment and post-judgment interest through the date of payment), but not including the amount of recovery for the WR Berkley Plaintiffs (the “Total Amount”) and for reimbursement of nontaxable expenses in an amount not to exceed 15 million, and also intend to request, on behalf of the four Class Representatives, a total of 120,000 in incentive awards to be paid from the Total Amount.

No payments to Class Members are occurring at this time. The funds obtained as a result of the verdict and Judgment will be distributed to Class Members **only if and when** the Judgment is affirmed following any appeal and or the time for any further appellate review, including by the U.S. Supreme Court, has expired. **As noted above, only current shareholders as of the Final Judgment Date will be eligible for payment.**

A hearing will be held on , 2025, at :00 .m., before the Honorable Royce C. Lamberth of the U.S. District Court for the District of Columbia, in Courtroom 15 of the E. Barrett Prettyman U.S. Courthouse, 333 Constitution Avenue N.W. Washington D.C. 20001. The hearing will be held (a) to determine whether Plaintiffs’ motion for approval of the proposed Plan of Allocation and Distribution should be approved; (b) to determine whether Class Counsel’s Fee and Expense Request should be approved; (c) to consider any objections received from Class Members concerning the Plan of Allocation and Distribution and or Class Counsel’s Fee and Expense Request; and (d) to rule upon such other matters as the Court may deem appropriate.

If you have not yet received the full Post-Judgment Notice, you may obtain a copy by contacting the Administrator at: *Fannie Mae Freddie Mac Class Action*, c o A.B. Data, Ltd., P.O. 173066, Milwaukee, WI 53217; info@Fannie-FreddieClassAction.com, or 866-233-8545. The Post-Judgment Notice and other related documents can also be obtained from the case website, www.Fannie-FreddieClassAction.com.

Any objections to the Plan of Allocation and Distribution or Class Counsel's Fee and Expense Request must be filed with the Court and delivered to Representative Class Counsel such that they are *received no later than* , 2 2 , in accordance with the instructions set forth in the Post-Judgment Notice.

Please do not contact the Court, the Office of the Clerk of the Court, Defendants, or their counsel regarding this notice. All questions about this notice should be directed to the Administrator or Class Counsel.

Requests for the Post-Judgment Notice should be made to:

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

866-233-8545
info@Fannie-FreddieClassAction.com
www.Fannie-FreddieclassAction.com

Inquiries, other than requests for the Post-Judgment Notice, should be made to 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

Michael J. Barry, Esq.
GRANT & EISENHOFER, P.A.
123 Justison Street, 7th Floor
Wilmington, DE 19801
Telephone: (302) 622-7000
Facsimile: (302) 622-7100
www.gelaw.com

Eric L. Zagar, Esq.
Lee D. Rudy, Esq.
KESSLER TOPAZ MELTZER & CHECK, LLP
280 King of Prussia Road
Radnor, PA 19087
Telephone: (610) 667-7706
Facsimile: (610) 667-7056
www.ktmc.com
ezagar@ktmc.com
lrudy@ktmc.com

Adam Wierzbowski, Esq.
**BERNSTEIN LITOWITZ
BERGER & GROSSMANN LLP**
1251 Avenue of the Americas
New York, NY 10020
Telephone: (212) 554-1400
Facsimile: (212) 554-1444

mbarry@gelaw.com

www.blbglaw.com
adam@blbglaw.com

By Order of the Court