NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

United States District Court for the District of Utah
Stern, et al. v. Academy Mortgage Corporation, Case No.: 2:24-cv-00015-DBB-DAO

If your Personal Information may have been impacted by the March 2023 Academy Mortgage Corporation Data Incident, you may be eligible for benefits from a class action settlement.

A Federal Court authorized this Notice. You are not being sued. This is not a solicitation from a lawyer.

- A Settlement has been reached with Academy Mortgage Corporation (the "Defendant") in a class action lawsuit about the potential unauthorized access to certain information on Defendant's computer systems in or around March 2023 during which personally identifiable information ("Personal Information"), including first and last names, Social Security numbers, dates of birth, and financial account information, may have been accessed and taken. The Plaintiffs allege negligence, breach of implied contract, invasion of privacy, and violations of various state consumer protection acts, among other claims. The Defendant denies all allegations and any wrongdoing.
- The Settlement Class consists of all living persons residing in the United States who were notified by Defendant that their Personal Information may have been impacted by the Data Incident.
- If approved by the Court, the Defendant will pay $1,995,000 into a Settlement Fund to resolve the Litigation. The Settlement Fund will provide benefits to Settlement Class Members who submit Valid Claims, including reimbursement of up to $3,000 for documented losses, Pro Rata Cash Payments, and three (3) years of credit monitoring services, as well as the Costs of Claims Administration, Taxes, and any Court-approved service awards, and attorneys' fees, costs, and expenses. The Defendant has also made certain information security enhancements designed to further protect Personal Information maintained on its systems.
- Your rights are affected whether you do or do not act. Please read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS		DEADLINE
SUBMIT A CLAIM FORM	The only way to receive Settlement Class Member benefits is to submit a valid and timely Claim Form.	**January 27, 2027**
EXCLUDE YOURSELF FROM THE SETTLEMENT (OPT OUT)	If you opt out, you will not be bound by the terms of the Settlement and you keep the right to sue the Defendant about the claims resolved by this Settlement. You will not receive any Settlement Class Member benefits.	**December 28, 2026**
OBJECT TO THE SETTLEMENT AND/OR ATTEND A HEARING	If you do not opt out of the Settlement, you may object to it and tell the Court what you do not like about it. You may also ask the Court for permission to speak about your objection at the Final Fairness Hearing. If you object, you may still submit a Claim Form for Settlement Class Member benefits.	**December 28, 2026**
DO NOTHING	If you do nothing, you will not get any Settlement Class Member benefits and you give up the right to sue the Defendant about the claims resolved by this Settlement.	**No deadline**

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court in charge of this case still must decide whether to approve the Settlement.

WHAT THIS NOTICE CONTAINS

Basic Information 3

1. Why was this Notice issued? 3
2. What is this Litigation about? 3
3. What is a class action? 3
4. Why is there a Settlement? 3

Who is in the Settlement? 3

5. Who is included in the Settlement? 3
6. Are there exceptions to being included? 3

The Settlement Class Member Benefits 4

7. What does the Settlement provide? 4
8. Tell me more about the reimbursement for documented losses. 4
9. Tell me more about the Pro Rata Cash Payment. 4
10. Tell me more about the credit monitoring services. 5
11. How will Pro Rata Cash Payments be calculated? 5
12. What claims am I releasing if I stay in the Settlement? 5

How to get Settlement Class Member Benefits – Making a Claim 5

13. How do I submit a Claim Form to get Settlement Class Member benefits? 5
14. When will I receive the Settlement Class Member benefits? 5

The Lawyers Representing You 6

15. Do I have a lawyer in this case? 6
16. Should I get my own lawyer? 6
17. How will the lawyers be paid? 6

Excluding Yourself from the Settlement 6

18. How do I opt out of the Settlement? 6

Objecting to the Settlement 7

19. How do I tell the Court if I do not like the Settlement? 7
20. What is the difference between objecting and opting out? 7

The Court's Final Fairness Hearing 7

21. When is the Court's Final Fairness Hearing? 7
22. Do I have to come to the Final Fairness Hearing? 8

If You Do Nothing 8

23. What happens if I do nothing at all? 8

Getting More Information 8

24. How do I get more information? 8

BASIC INFORMATION

1. Why was this Notice issued?

A Court authorized this Notice because you have a right to know about the proposed Settlement of this class action and about all of your options before the Court decides whether to grant final approval of the Settlement. This Notice explains the Litigation, your legal rights, what benefits are available, and who can receive them.

The Litigation is called *Stern, et al. v. Academy Mortgage Corporation*, Case No.: 2:24-cv-00015-DBB-DAO pending in the United States District Court for the District of Utah. The people who filed this Litigation are called the "Plaintiffs" and the company they sued, Academy Mortgage Corporation, is called the "Defendant."

2. What is this Litigation about?

In or around March 2023, the Defendant became aware of potential unauthorized access to certain information on Defendant's computer systems (the "Data Incident"). After an investigation, the Defendant determined personally identifiable information ("Personal Information") may have been accessed and taken during the Data Incident. The Personal Information includes, but is not limited to, first and last names, Social Security numbers, dates of birth, and financial information. Beginning in December 2023, the Defendant began notifying potentially impacted individuals about the Data Incident. The Plaintiffs allege negligence, breach of implied contract, invasion of privacy, and violations of the California Consumer Protection Act, the California Customer Records Act, the California Unfair Competition Law, the Washington Consumer Protection Act, and the Idaho Consumer Protection Act. The Defendant denies all of the Plaintiffs' claims and any wrongdoing.

3. What is a class action?

In a class action, one or more individuals sue on behalf of other people with similar claims. These individuals who sue are known as "Settlement Class Representatives" or Plaintiffs. Together, the people included in the class action are called a "Settlement Class" or "Settlement Class Members." One court resolves the lawsuit for all Settlement Class Members, except for those who exclude themselves (sometimes called, "opting out") from a settlement. In this Settlement, the Settlement Class Representatives are Lazaro Stern, Celeste Allen, Lisa Kucherry, Peter Smith, Sharon Thompson, and Charly Bates.

4. Why is there a Settlement?

The Court has not decided in favor of the Plaintiffs or Defendant. The Defendant denies all claims and contends that it has not violated any laws. The Plaintiffs and Defendant agreed to a Settlement to avoid the costs and risks of a trial, and through the Settlement, Settlement Class Members are eligible to claim Settlement Class Member benefits. The Plaintiffs and their attorneys, who also represent Settlement Class Members as "Settlement Class Counsel," believe the Settlement is in the best interests of all Settlement Class Members.

WHO IS IN THE SETTLEMENT?

5. Who is included in the Settlement?

The Settlement Class consists of all living persons residing in the United States who were notified by Defendant that their Personal Information may have been impacted by the Data Incident.

6. Are there exceptions to being included?

Yes. The Settlement Class specifically excludes: (i) Defendant, any entity in which Defendant has a controlling interest, and Defendant's officers, directors, legal representatives, successors, subsidiaries, and assigns; (ii) any judge, justice, or judicial officer presiding over this matter and members of their immediate families and their judicial staff; (iii) all individuals who make a timely Request for Exclusion from this proceeding using the correct protocol for opting out; and (iv) the attorneys representing the Settling Parties in the Litigation.

THE SETTLEMENT CLASS MEMBER BENEFITS

7. What does the Settlement provide?

The Settlement requires the Defendant pay $1,995,000 into a Settlement Fund to resolve the Litigation, if the Settlement is approved by the Court. The Settlement Fund will provide benefits to Settlement Class Members who submit Valid Claims, as well as the Costs of Claims Administration, Taxes, Court-approved service awards, and attorneys' fees, costs, and expenses.

Settlement Class Members may submit a Claim for any or all of the following benefits:

- **Reimbursement for Documented Losses**: A cash payment of up to $3,000 per Settlement Class Member for documented unreimbursed losses reasonably related to the Data Incident or to mitigating the effects of the Data Incident. Documentation is required.
- **Pro Rata Cash Payment**: A one-time *pro rata* (proportional) cash payment. No documentation is required. The payment amount will be determined based on the number of the Valid Claims submitted. California residents are eligible to receive a one-time cash payment that is double the amount of the Pro Rata Cash Payment. To qualify, California residents must provide proof of California residency during the Claims Period. A sworn attestation will satisfy this requirement.
- **Credit Monitoring**: Three (3) years of credit monitoring service, which includes single-bureau credit monitoring, dark web monitoring, identity theft insurance with coverage of up to $1,000,000, and fully managed identity recovery services.

The Defendant has also made certain information security enhancements designed to further protect Personal Information maintained on its systems.

8. Tell me more about the reimbursement for Documented Losses.

Settlement Class Members may submit a Claim Form for reimbursement of up to $3,000 per Settlement Class Member for documented, unreimbursed losses reasonably related to the Data Incident or to mitigating the effects of the Data Incident. To receive reimbursement for documented losses, you must attest that the losses or expenses were incurred as a result of the Data Incident and provide reasonable third-party documentation supporting the losses (e.g., telephone records, correspondence, and receipts).

Documented losses may include, but are not limited to: (i) unreimbursed, out-of-pocket costs incurred for credit monitoring services purchased on or after **March 21, 2023, through January 27, 2027**; (ii) unreimbursed losses associated with actual fraud or identity theft; and (iii) unreimbursed bank fees, long-distance phone charges, postage, or local travel.

You may not be reimbursed for expenses if you have been reimbursed for the same expenses by another source, including compensation provided in connection with the credit monitoring and identity theft protection product offered as part of the notification letter provided by the Defendant or otherwise. If you do not submit reasonable documentation supporting a loss, or if your Claim Form is rejected by the Claims Administrator for any reason, and you fail to cure your Claim for documented losses, it will be rejected and will be treated as if you claimed a Pro Rata Cash Payment.

9. Tell me more about the Pro Rata Cash Payment?

In addition to the reimbursement for documented losses, Settlement Class Members may claim a one-time *pro rata* (proportional) cash payment. No documentation is required to submit a Claim for this cash payment. The payment amount will be determined based on the number of Valid Claims submitted (see Question 11).

California residents with Valid Claims are eligible to receive a one-time cash payment equal to twice the Pro Rata Cash Payment amount. To qualify, California residents must provide proof of California residency during the Claims Period. A sworn attestation satisfies this requirement.

10. Tell me more about the Credit Monitoring.

In addition to the reimbursement for documented losses and Pro Rata Cash Payment, Settlement Class Members may claim three (3) years of credit monitoring services, which include single-bureau credit monitoring, dark web monitoring, identity theft insurance with coverage of up to $1,000,000, and fully managed identity recovery services.

The Claims Administrator will provide Settlement Class Members who select this benefit with an activation code and enrollment instructions after final approval of the Settlement. Visit the Settlement Website for updates.

11. How will Pro Rata Cash Payments be calculated?

Once the Costs of Claims Administration, Taxes, and any Court-approved service awards and attorneys' fees, costs, and expenses have been deducted from the Settlement Fund, the remaining balance (the "Net Settlement Fund") will be used to pay the costs of Valid Claims in the following order: credit monitoring, reimbursement for documented losses, and Pro Rata Cash Payments. The Pro Rata Cash Payment amount (the "Initial Cash Amount") will be calculated based on the total number of Valid Claims submitted as described in the Settlement Agreement, available at **www.AcademyMortgageSettlement.com**. Under the Settlement, non-California residents with Valid Claims will receive the Initial Cash Payment amount and California residents with Valid Claims during the Claims Period will receive two times the Initial Cash Payment amount.

Note: If the total costs of Valid Claims for documented losses exceed the total amount of the remaining Net Settlement Fund, then cash payments for Valid Claims for documented losses will be reduced on a *pro rata* basis and no Pro Rata Cash Payments will be distributed.

12. What claims am I releasing if I stay in the Settlement?

Unless you opt out of the Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against the Defendant or the Released Parties based on the legal claims this Settlement resolves. The Releases section in the Settlement Agreement describes the legal claims that you give up if you remain in the Settlement Class. The Settlement Agreement can be found at **www.AcademyMortgageSettlement.com**.

HOW TO GET SETTLEMENT CLASS MEMBER BENEFITS – MAKING A CLAIM

13. How do I submit a Claim Form to get Settlement Class Member benefits?

You must submit a Claim Form by **January 27, 2027**, to receive Settlement Class Member benefits. Claim Forms must be submitted, with any necessary supporting documentation, online at **www.AcademyMortgageSettlement.com**, or by mail, postmarked by **January 27, 2027**, to the Claims Administrator at:

Stern, et al. v. Academy Mortgage Corporation
c/o Kroll Settlement Administration LLC
P.O. Box 225391
New York, NY 10150-5391

14. When will I get Settlement Class Member benefits?

The short answer is – after the Settlement is "finally approved" and any challenges to that approval are finally resolved. The Court is scheduled to hold a Final Fairness Hearing on **March 31, 2027**, to decide whether to approve the Settlement, Settlement Class Counsel's request for attorneys' fees, costs, and expenses, and the service awards for the Settlement Class Representatives who brought this Litigation on behalf of the Settlement Class.

If the Court approves the Settlement, there may be appeals. It is always uncertain whether appeals will be filed and, if so, how long it will take to resolve them. Settlement benefits will be distributed as soon as possible, if and when the Court grants final approval of the Settlement and after any appeals are resolved.

THE LAWYERS REPRESENTING YOU

15. Do I have a lawyer in this case?

Yes, the Court appointed Brittany Resch of Strauss Borrelli PLLC, Anthony L. Parkhill of Barnow and Associates, P.C., and Andrew W. Ferich of Ahdoot & Wolfson, PC to represent you and other members of the Settlement Class as Settlement Class Counsel. You will not be charged directly for these lawyers; instead, they will receive compensation from the Settlement Fund (subject to Court approval).

16. Should I get my own lawyer?

It is not necessary for you to hire your own lawyer because Settlement Class Counsel works for you. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Settlement Class Counsel will ask the Court to approve attorneys' fees of up to one-third of the Settlement Fund, $665,000, plus reimbursement of reasonable out-of-pocket Litigation Costs and Expenses of up to $50,000, as well as a $2,500 service award for each of the six Settlement Class Representatives. If approved, these amounts will be paid from the Settlement Fund before providing benefits to Settlement Class Members who submit Valid Claims.

EXCLUDING YOURSELF FROM THE SETTLEMENT

18. How do I opt out of the Settlement?

If you do not want to receive any benefits from the Settlement, and you want to keep your right to separately sue the Defendant about the legal issues in this case, you must take steps to exclude yourself from the Settlement Class. This is called "opting out" of the Settlement Class.

To exclude yourself from the Settlement, you must submit a written Request for Exclusion to the Claims Administrator that includes the following information:

- Your full name and contact information;
- A statement indicating your intent to request exclusion, such as "I wish to opt out of the Settlement in *Stern, et al. v. Academy Mortgage Corporation*, Case No.: 2:24-cv-00015-DBB-DAO."; and
- Your signature.

Your Request for Exclusion must be mailed to the Claims Administrator at the address below, postmarked no later than **December 28, 2026**.

Stern, et al. v. Academy Mortgage Corporation
c/o Kroll Settlement Administration LLC
ATTN: Requests for Exclusion
P.O. Box 225391
New York, NY 10150-5391

OBJECTING TO THE SETTLEMENT

19. How do I tell the Court if I do not like the Settlement?

If you are a Settlement Class Member, you may choose (but are not required) to object to the Settlement if you do not like it or a portion of it, whether that be to the Settlement Class Member benefits, request for attorneys' fees, costs and expenses, or service awards, the releases provided to the Released Parties, or some other aspect of the Settlement. Through an objection, you give reasons why you think the Court should not approve the Settlement.

To be considered by the Court, your objection must include:

- Your full name, address, telephone number, and e-mail address (if any);
- Information identifying you as a Settlement Class Member, including proof of Settlement Class membership (e.g., copy of notice, copy of original notice of the Data Incident);
- A written statement of all grounds for the objection, accompanied by any legal support for the objection you believe applicable;
- A statement as to whether the objection applies only to you, to a specific subset of the Settlement Class, or to the entire Settlement Class;
- The identity of any and all counsel representing you in connection with the objection;
- A statement as to whether you and/or your counsel will appear at the Final Fairness Hearing;
- A list of all settlements to which you and/or your counsel have objected in the preceding three (3) years;
- A statement disclosing whether any artificial intelligence tool was used to prepare or assist in preparing any portion of the written objection; and
- Your signature and the signature of your duly authorized attorney or other duly authorized representative (along with documentation setting forth such representation).

Objections must be filed with the Court and mailed to the Claims Administrator, postmarked by **December 28, 2026**, at the following address:

Stern, et al. v. Academy Mortgage Corporation
c/o Kroll Settlement Administration LLC
ATTN: Objections
P.O. Box 225391
New York, NY 10150-5391

20. What is the difference between objecting and opting out?

Objecting is telling the Court that you do not like something about the Settlement. You can object to the Settlement only if you do not exclude yourself from it. Excluding yourself from the Settlement means telling the Court you do not want to be part of the Settlement. If you exclude yourself or opt out of the Settlement, you cannot object to it because the Settlement no longer affects you.

THE COURT'S FINAL FAIRNESS HEARING

21. When is the Court's Final Fairness Hearing?

The Court is scheduled to hold a Final Fairness Hearing on **March 31, 2027**, **at 10:30 a.m. MT**, at the United States District Court District of Utah, Orrin G. Hatch United States Courthouse, 351 S W Temple, Rm 8.100, Salt Lake City, UT 84101 before Judge David Barlow, to decide whether to approve the Settlement, Settlement Class Counsel's request for attorneys' fees, costs, and expenses, and the service awards for the Settlement Class Representatives. The date and time of this hearing may change without further notice. Please check **www.AcademyMortgageSettlement.com** for updates.

22. Do I have to come to the Final Fairness Hearing?

No. Settlement Class Counsel will answer any questions the Court may have on behalf of the Settlement Class. You may attend at your own expense. If you file an objection, you may come to the Final Fairness Hearing to talk about it, but it is not required. If you file your written objection on time and in accordance with the requirements above, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you are a Settlement Class Member and you do nothing, you will give up your right to start a lawsuit, continue a lawsuit, or be part of any other lawsuit against the Defendant and the Released Parties, as defined in the Settlement Agreement, about the legal issues resolved by this Settlement. In addition, you will be bound by the Releases in the Settlement and will not be eligible to receive any Settlement Class Member benefits.

GETTING MORE INFORMATION

24. How do I get more information?

This Notice summarizes the proposed Settlement. Complete details are provided in the Settlement Agreement. The Settlement Agreement and other related documents are available at the Settlement Website, **www.AcademyMortgageSettlement.com**.

If you have additional questions or need to update your address, you may contact the Claims Administrator by telephone at **(833) 453-2018**, or by mail at:

Stern, et al. v. Academy Mortgage Corporation
c/o Kroll Settlement Administration LLC
P.O. Box 225391
New York, NY 10150-5391