UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

JASON WALKER, GARY HAWTHORNE ANTHONY ROSS, WILLIAM BARRETT DONNA McGRATH, and MICHAEL ROULHAC, on behalf of themselves and all others similarly situated,	)	
Plaintiffs,	)	Civil Cause No. 3:03-CV-00684-N
vs.	)	
COUNTRYWIDE CREDIT INDUSTRIES, INC., COUNTRYWIDE HOME LOANS, INC., COUNTRYWIDE HOME LOANS OF TEXAS, INC., FULL SPECTRUM LENDING, INC., ANGELO R. MOZILO, STANFORD L. KURLAND, THOMAS . H. BOONE, JOE ANDERSON; and GREGORY A. LUMSDEN,	)	
Defendants.	)	

CLASS NOTICE
(NON-CALIFORNIA FULL SPECTRUM LENDING AND COUNTRYWIDE HOME LOANS OF TEXAS, INC. D/B/A FULL SPECTRUM LENDING, INC. SUBCLASS)

COUNTRYWIDE'S[1] RECORDS SHOW YOU MAY BE ENTITLED TO RECEIVE UNPAID OVERTIME COMPENSATION, BUT YOU MUST SUBMIT THE ATTACHED CLAIM FORM TO BE COMPENSATED.

PLEASE CAREFULLY READ AND FOLLOW THE PROCEDURES SET OUT BELOW.

I.
INTRODUCTION

If you were employed by Full Spectrum Lending, Inc. or Countrywide Home Loans of Texas, Inc. d/b/a Full Spectrum Lending, Inc. (collectively "FSL") as an Account Executive[2] at FSL's offices located at 7105 Corporate Drive or 6400 Legacy, Plano, Texas, 2555 West Chandler Blvd., Chandler, Arizona, 1600 Golf Road, Rolling Meadows, Illinois, and 5401 North Beach, Ft. Worth, Texas, (collectively referred to as the "Non-California Call Centers") at any time from December 31, 2002, through December 31, 2004 (the "Non-California Class Period"), you are a member of the proposed Settlement Class in this class action lawsuit. On March 31, 2005, the Court preliminarily approved the Settlement and conditionally certified a Settlement Class. You

[1] "Countrywide" is defined to include Countrywide Credit Industries, Inc. n/k/a Countrywide Financial Corporation, Countrywide Home Loans, Inc., Full Spectrum Lending, Inc., and Countrywide Home Loans of Texas, Inc. d/b/a Full Spectrum Lending, Inc., Angelo Mozilo, Stanford L. Kurland, Thomas H. Boone, Joe Anderson and Gregory A. Lumsden.

[2] The term "Account Executive" includes the following positions:

> Account Executive; Sr. Account Executive, Sr.; Account Executive, Team Leader; VP, Account Executive, Team Leader; AVP, Account Executive, Team Leader; Account Executive, Unit Leader, Account Executive - CMD Dedicated; Account Executive - Portfolio; Account Executive - Inbound NSC; Account Executive - Internet Dedicated; Account Executive - B2B; Account Executive - Conventional Lending; Account Executive - DSC CMD; Account Executive - Demand; Account Executive Outbound; Account Executive - NSC Recycle, Trusted Advisor, Account Executive; Bilingual, Account Executive; Assumptions, Account Executive.

have received this Notice because Countrywide's records show you are a member of this class. **Because your rights are affected by the legal proceedings, it is extremely important that you read this Notice carefully.**

II.
NATURE OF THE ACTION AND CONTENTIONS OF THE PARTIES

On November 13, 2002, JASON WALKER, GARY HAWTHORNE, ANTHONY ROSS, WILLIAM BARRETT, DONNA McGRATH, and MICHAEL ROULHAC (the "Named Plaintiffs") filed a class action complaint in the Federal Court for the Northern District of California. On March 24, 2003, that case was transferred to the Federal Court in the Northern District of Texas. The Named Plaintiffs generally allege Countrywide misclassified the Plaintiffs as exempt from receiving overtime under California law and under the Fair Labor Standards Act ("FLSA"), the Federal law that regulates the payment of wages. Plaintiffs allege that these practices also constituted unfair, unlawful or fraudulent business practices and unfair competition under California law (collectively referred to as the "Claims"). Countrywide denies each of the Claims and contentions alleged by Plaintiffs and denies that the Plaintiffs were harmed by the conduct alleged.

The Named Plaintiffs and Countrywide, recognize the expense and length of continued proceedings necessary to continue the litigation through trial and through any possible appeals, and have taken into account the uncertainty and the risk of the outcome of further litigation, including the risk that the Court may or may not certify this case as a class action. The Named Plaintiffs and Countrywide are also aware of the burdens of proof necessary to establish liability for the Claims, of Countrywide's defenses thereto, and of the difficulties in establishing damages for the Plaintiffs. The Named Plaintiffs and Countrywide have engaged in extensive mediated settlement negotiations, and have taken those negotiations and the guidance of the Mediator, into account. Based on the foregoing, the Named Plaintiffs and counsel for the Class ("Class Counsel") believe the proposed Settlement is fair, adequate and reasonable and in the best interests of the Class.

Countrywide has further concluded that any further defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of time, energy and resources of Countrywide have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiffs, including, but not limited to, the Claims asserted in this Class Action. Countrywide has also assessed the risk of a finding of liability against it, and has taken into account the settlement negotiations to date. Countrywide has, therefore, agreed to settle in the manner and on the terms set forth in this Notice and the Stipulation and Settlement Agreement of Class Action Claims ("Settlement Agreement") on file with the Court, to put to rest the Claims set forth in the Class Action. Countrywide has denied and continues to deny any wrongdoing alleged in the Lawsuit.

For purposes of the Settlement, the Court has certified a Class Action. The Class is comprised of three (3) Subclasses. The Subclass to which you are believed to be a member (the Non-California FSL Subclass) consists of:

> All current and former employees of FSL who were employed as an Account Executive at any time during the Non-California Class Period (December 31, 2002 through December 31, 2004) by FSL at FSL's offices located at 7105 Corporate Drive or 6400 Legacy, Plano, Texas, 2555 West Chandler Blvd., Chandler, Arizona, 1600 Golf Road, Rolling Meadows, Illinois, and 5401 North Beach, Ft. Worth, Texas, (collectively referred to as the "Non-California Call Centers"); and those other Non-California FSL employees who have previously filed a Consent to Become a Party Plaintiff in this action.

To participate in and receive a Settlement Award, you must not only fall within the definition set forth above, but you must also submit a signed and completed Claim Form/FLSA Consent Form ("Claim Form"), a copy of which is enclosed, by June 29, 2005. If you timely file a Claim Form by June 29, 2005, you will become a "Participating Settlement Class Member," and will receive a "Settlement Award" in an amount calculated in the manner described below. This Settlement Award will be paid to you by the Claims Administrator within 30 days after the "Effective Date" as that term is defined in the Settlement Agreement. If you do not timely submit a Claim Form, you will not be entitled to a Settlement Award, or any portion thereof, provided for in this lawsuit.

III.
THE SETTLEMENT

The following is only a summary of the provisions of the proposed Settlement. The specific and complete terms of the proposed Settlement are described in the Settlement Agreement, a copy of which is available for your review as set forth at the end of this Notice.

The Total Settlement Fund is 7.5 million dollars. Attorney's fees and costs to Class Counsel and "Incentive Awards" to the Named Plaintiffs, as discussed below, are paid out of the Total Settlement Fund, and will be deducted from your Gross Settlement Amount.

If you choose to become a Participating Settlement Class Member by filing a Claim Form you will receive a Settlement Award based on the number of weeks you were a member of the Non-California FSL Subclass during the Non-California Class Period. As a member of the Non-California FSL Subclass, you will receive an amount equal to at least $31.80 for each week worked. In addition, you will receive a percentage of any unclaimed funds equal to your initial Settlement Award, divided by the Total Claimed Funds. The precise amount of this additional payment cannot be known until all claims have been filed. The total amount received by you will be your Gross Settlement Award. Your Claim Form, which is attached hereto, indicates the number of weeks you worked as a member of the Non-California FSL Subclass, as reflected in Countrywide's records which have been reviewed by Class Counsel.

From your Gross Settlement Award, payroll deductions will be made for any applicable state and federal withholding taxes and other applicable payroll deductions owed by you as a result of the payment, resulting in your "Settlement Award." Countrywide will bear the employer's portion of all FICA, FUTA, Medicare, and any other relevant federal or state taxes arising from payment of the Settlement Award. As set forth below, you must join in the Settlement by filing your Claim Form no later than June 29, 2005. **You will receive your Settlement Award only if you sign and return the Claim Form pursuant to the Claims Procedure set forth below.**

IV.
CLAIM PROCEDURE FOR MONETARY RECOVERY/ FLSA CONSENT PROCEDURE

Only Plaintiffs who complete, sign and return the enclosed Claim Form will receive a Settlement Award. Federal law provides that Plaintiffs will not be bound by the Settlement of the Federal Claims unless they complete the enclosed Claim Form. This means that when you complete, sign and return the Claim Form you are consenting to join the federal action and to be represented by the Named Plaintiffs and Class Counsel. You therefore have two options:

- **IF YOU WISH TO RECEIVE A SETTLEMENT AWARD, YOU MUST COMPLETE, SIGN AND RETURN THE CLAIM FORM/FLSA CONSENT FORM AS OUTLINED ABOVE. THIS WILL INDICATE YOUR CONSENT TO JOIN THE FLSA ACTION. YOU WILL RECEIVE A SETTLEMENT AWARD AND WILL BE BOUND BY THE SETTLEMENT OF YOUR STATE LAW AND FEDERAL CLAIMS.**

- **IF YOU DO NOT RETURN THE CLAIM FORM/FLSA CONSENT FORM, YOU WILL NOT BE BOUND BY THE SETTLEMENT, AND YOU WILL NOT RECEIVE A SETTLEMENT AWARD.**

As a Non-California FSL Subclass Member, if you wish to receive a recovery and consent to join the FLSA action, you must complete, sign and return in a proper and timely fashion the enclosed Claim Form. Mail the Claim Form to the Claims Administrator at:

Desmond, Marcello & Amster
P.O. Box 451999
Los Angeles, CA 90045

Via First-Class U.S. mail or equivalent, postage paid. In either case, the Claim Form must be postmarked on or before June 29, 2005. (If you need an extra copy of the Claim Form, contact the Claims Administrator or Class Counsel.)

If any information provided on the Claim Form is incorrect, please call Wes Nutten or Eric Lietzow at (888) 240-5184 - and state that you are calling regarding the *Walker v. Countrywide* litigation. Also, please provide your telephone number and any other requested *information* referred to on your Claim Form if it is not provided. If you wish to have confirmation that your Claim Form has been received by the Claims Administrator, you may do so by sending it by certified U.S. mail with a return-receipt request. **Any Claim Form that is not submitted by First-Class mail or equivalent, is postmarked after the applicable date, is not completely and legibly filled out, is not addressed to the proper address, or is not signed by the Class Member, will not be considered a valid claim and will be denied unless otherwise ordered by the Court.**

Alternatively, you may fax (fax no. (310) 348-5509), hand-deliver (to 6060 Center Drive, Suite 825, Los Angeles, CA 90045), or e-mail (info@dmaclassaction.com) your Claim Form to the Claims Administrator listed above by no later than close of business on June 29, 2005.

The Claims Administrator shall review each Claim Form received and shall verify each form to reasonably ensure its validity and accuracy as may be reasonably necessary.

Each Class Member who submits a valid Claim Form shall be paid by check. The checks shall remain valid and negotiable for one hundred eighty (180) days from issuance and will thereafter automatically be canceled if not cashed.

V.
CLASS COUNSEL'S FEES AWARD, NAMED PLAINTIFFS' INCENTIVE AWARD AND CLAIMS ADMINISTRATION EXPENSES

As part of the preliminary approval of the Settlement, the Court has preliminarily approved Class Counsel's request to receive attorneys' fees in an amount equal to twenty-five percent (25%) of the Settlement Fund, (the "Fees Award"). Class Counsel shall not be permitted to apply to the court for any additional payments for fees or interest and the award, if made final, shall be for all claims for attorney's fees past, present, and future incurred in representing the Class. The Fees Award shall be paid out of the Total Settlement Fund and deducted from your Gross Settlement Amount. As part of the Settlement, you will not be required to pay Class Counsel any additional fees for their representation of you in the Action.

Also as part of the preliminary approval of the Settlement, the Court has preliminarily approved a Stipulation among the parties that Class Counsel will seek an award of litigation costs advanced, and to be advanced, on behalf of the Class ("Litigation Costs"). These Litigation Costs shall be paid out of the Total Settlement Fund and deducted from your Gross Settlement Amount. As part of the Settlement, you will not be required to pay Class Counsel any additional costs for their representation of you in the Action.

Also as part of the preliminary approval of the Settlement, the Court has preliminarily approved an Incentive Award in the amount of $7,500.00 for each of the six (6) Named Plaintiffs. These Incentive Awards are intended to reward the Named Plaintiffs for their efforts in bringing suit, providing discovery and assisting Class Counsel in the prosecution of the Class Action all of which conferred a substantial benefit on the class members. In addition, the Incentive Award is intended to compensate the Named Plaintiffs for the broader General Release of Claims which they are required to sign by virtue of their status as a Named Plaintiffs. These Incentive Awards shall be paid out of the Total Settlement Fund and deducted from your Gross Settlement Amount.

Also as part of the preliminary approval of the Settlement, the Court has preliminarily approved a Stipulation among the parties that "Claims Administration Expenses" shall be paid by Countrywide and shall not be paid out of the Total Settlement Fund, and shall not be deducted from your Gross Settlement Amount.

VI.
BINDING EFFECT/RELEASE OF CLAIMS

As of the date a Non-California FSL Class Member who submits a timely and valid Claim Form receives his or her Settlement Amount, the Class Member releases the Released Parties from the "Released Federal Claims," as defined in the Settlement Agreement. This Release affects Non-California FSL Class Members who receive a Settlement Award and shall remain valid even if the Settlement is rendered void for any reason. The Released Federal Claims include all claims, demands, rights, liabilities, and causes of action, known or unknown, for violation of any state or federal wage and hour laws, including the FLSA whether for economic damages, non-economic damages, restitution, penalties, liquidated damages, or interest, arising out of, relating to, or in connection with his or her employment with Countrywide as an Account Executive, including without limitation claims (a) that Countrywide did not pay the Plaintiffs all overtime they were owed for work performed by Plaintiffs for Countrywide as an Account Executive and/or (b) that Countrywide owes wages, penalties, interest, attorneys' fees or other damages of any kind based on the FLSA or any other federal law, statute, or constitutional provisions while you were employed as an Account Executive; and all causes of action asserted in the Class Action as they relate to the Account Executive position.

VII.
PROCEDURE FOR EXCLUSION

Non-California FSL Subclass Members who do not wish to participate in this Settlement do not need to request exclusion. Failure to submit a timely and proper Claim Form will exclude a Non-California Class Member from the Settlement.

VIII.
SETTLEMENT HEARING/OBJECTIONS TO THE PROPOSED SETTLEMENT

A hearing (the "Settlement Hearing") will be held before the Honorable David C. Godbey on July 11, 2005, in Courtroom 1351, at 3:00 p.m. at the U.S. District Court, Northern District of Texas, located at 1100 Commerce Street, Dallas, Texas 75242-1003 (the "Court"), to determine whether the proposed Settlement of the Action is fair, adequate and reasonable and should be approved by the Court and whether the Action should be dismissed on the merits with prejudice. The hearing may be adjourned by the Court from time to time as the Court may without further notice direct.

Any Class Member may appear in person or through counsel at the Settlement Hearing and be heard as to why the proposed Settlement of the Action should not be approved as fair, adequate and reasonable, or why a Final Judgment dismissing the Action against Countrywide with prejudice should or should not be entered. No Class Member, however, shall be heard or entitled to object and no papers or briefs submitted by any such person shall be received or considered by the Court unless written notice of intention to appear at the Settlement Hearing, together with copies of all papers and briefs proposed to be submitted to the Court at the Settlement Hearing, shall have been filed with the Court and have been served personally on or before June 29, 2005, or if by mail then postmarked no later than June 29, 2005, upon all of the following:

Caryl L. Boies, Esq.
Sigrid S. McCawley, Esq.
Boies, Schiller & Flexner LLP
401 East Las Olas Boulevard, Ste. 1200
Ft. Lauderdale, FL 33301

Ruth Ann Daniels, Esq.
Bryan D. Perkins, Esq.
Gibson, McClure, Wallace & Daniels, LLP
8080 N. Central Expressway
Suite 1300, LB 50
Dallas, TX 75206-1838

Any Class Member who does not make and serve his or her written objections in the manner provided above shall be deemed to have waived such objections and shall be foreclosed from making any objections (by appeal or otherwise) to the proposed Settlement.

Any Class Member who is satisfied with the proposed Settlement need not appear at the Settlement Hearing.

IX.
EXAMINATION OF PAPERS AND INQUIRES

The foregoing is only a summary of the Action and of the proposed Settlement and does not purport to be comprehensive. For a more detailed statement of the matters involved in the Class Action, you may refer to the pleadings and other papers filed of record in the Class Action, which may be inspected at the office of Karen Mitchell, Clerk of Court, United States District Court, Northern District of Texas, 1100 Commerce Street, Room 14A20, Dallas, Texas 75242-1003 during regular business hours of each Court day. You may also inspect said documents at the offices of Class Counsel, and you may inspect a copy of the Settlement Agreement by contacting Class Counsel.

All inquiries by Plaintiffs regarding this Notice and/or Settlement should be directed to Class Counsel, as follows:

Caryl L. Boies, Esq.
clboies@bsfllp.com
Sigrid S. McCawley, Esq.
smccawley@bsfllp.com
Boies, Schiller & Flexner LLP
401 East Las Olas Boulevard, Ste. 1200
Ft. Lauderdale, FL 33301
(800) 216-3226 telephone
(954) 356-0022 facsimile

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, COUNTRYWIDE OR COUNTRYWIDE'S ATTORNEYS WITH INQUIRIES.

Dated: March 31, 2005

BY ORDER OF THE COURT
HON. DAVID C. GODBEY
UNITED STATES DISTRICT COURT JUDGE