



### 3. WHAT IS THE PROPOSED CLASS?

For purposes of this settlement, the parties have agreed and the court has approved various groups of class members who may be able to receive payment under the terms of the settlement. Class Members are all persons who obtained a loan from Members Mortgage or Plymouth and who either received a Notice of Right to Rescind form at closing and/or signed at closing a Confirmation of Non-Exercise of Right to Cancel in connection with a mortgage loan secured by property in Connecticut, Maine, New Hampshire, or Rhode Island from July 11, 2000 to December 31, 2001, or in Massachusetts from July 11, 1999 to December 31, 2001.

Class Members who received an incorrect Notice of Right to Cancel at the closing are members of the Rescission Form Subclass and are entitled to certain benefits under the Settlement Agreement. **You have been preliminarily identified as a potential member of this Rescission Form Subclass.**

Class Members who signed at closing a Confirmation of Non-Exercise of Right to Cancel but who did not receive an incorrect Notice of Right to Cancel at the closing are members of the Confirmation Form Subclass and may be entitled to certain benefits under the Settlement Agreement.

### 4. WHAT ARE THE PRINCIPAL TERMS OF THE SETTLEMENT?

Plaintiffs and Defendants have agreed to the settlement described below.

#### **Class Recovery, Attorney's Fees, and Relief to Plaintiffs:**

(a) Plymouth agrees to pay up to \$3.7 million for payments to the Entire Class, Plaintiffs, and Plaintiffs' Counsel in connection with the settlement, including up to \$325,000 to be divided among those members of the Confirmation Form Subclass who do not opt out and who complete and return a Valid Claim Form by October 2, 2006.

(b) Each member of the Rescission Form Subclass will receive a pro rata portion of the \$3.375 million Settlement Amount. **You are potentially a member of the Rescission Form Subclass. A member of the Rescission Form Subclass cannot also be a member of the Confirmation Form Subclass.**

(c) The Representative Plaintiffs will petition the Court for no more than \$3000, for payment of compensation for undertaking to represent the class, and all finance charges paid on their Loans, if they choose to rescind the loans.

(d) Plaintiffs' Counsel will petition the Court for an award of fees and costs to be paid from the \$3.7 million in the amount of no more than \$925,000, which represents 25% of the settlement.

**Costs:** Up to \$30,000 of the Settlement Administration Costs will be paid out of the Settlement Amount. Plymouth will pay all Settlement Administration Costs in excess of \$30,000.

**Release:** Unless you exclude yourself from this settlement, you will be part of the class. By staying in the class, all of the Court's orders will apply to you, and you give the Defendants a "release." A release means you cannot sue or be a part of any other lawsuit including rescission against Members Mortgage or Plymouth relating to the claims or issues in this lawsuit ever again. **IF THE SETTLEMENT IS APPROVED AND BECOMES FINAL AND YOU HAVE NOT EXCLUDED YOURSELF FROM THE CLASS, YOU WILL BE DEEMED TO HAVE ENTERED INTO THIS RELEASE WHETHER OR NOT YOU RECEIVE ANY AMOUNT FROM THE SETTLEMENT FUND.**

The foregoing description of the proposed settlement is only a summary. The complete settlement agreement is available for inspection in the Office of the Clerk, United States District Court for the District of Massachusetts, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Boston, MA 02210.

### 5. WHAT IS PLAINTIFFS' COUNSEL OPINION AS TO THE VALUE OF THE SETTLEMENT?

The claims asserted on behalf of the class against Defendants are brought under TILA and MCCCDA. TILA is a federal statute that provides for individual actions and class actions for damages. MCCCDA is a Massachusetts statute that provides for individual actions and class actions for damages.

In an individual action under TILA and the MCCCDA, the person bringing the suit may recover (i) any actual damages suffered, (ii) statutory damages up to \$2000, and (iii) in a rescission action, any finance charges paid in connection with the loan. Please note that Plaintiffs' Amended Complaint did not allege any actual damages.

In a class action under TILA and the MCCCDA, the maximum possible recovery is (i) any actual damages suffered by the class members and (ii) statutory damages that cannot exceed \$500,000 or 1% of the defendant's net worth, whichever is less. The court, in its discretion, may award anything from nothing to the maximum amount.

Under either statute, in either individual or class action, the person bringing the suit can also recover attorney's fees and the expenses of prosecuting the suit, if he or she is successful.

Based on the terms of the settlement described above, Class Counsel believes that given the disputed nature of Plaintiffs' claims and the protracted nature of the litigation, that this settlement is fair and reasonable and that the class members should accept this settlement.

## 6. WHAT ARE YOUR OPTIONS?

**You may participate in the settlement.** You will be a member of the Class unless you exclude yourself from the Class. You need not take any action to remain in the Class. If you do not exclude yourself from the Class, then, if the settlement is approved by final judgment, you will have the right to participate in the settlement and to receive the benefits described above. If the settlement is approved by the Court, all Class members will be precluded from further litigation of any claims that they may have against Defendants arising out of the origination or closing of your loan.

**You have the right to exclude yourself from both the class action and the settlement by filing a written request for exclusion.** If you do not wish to be a member of the Class, you may exclude yourself from the Class by completing and mailing a notice of intention to opt-out ("Opt-Out") (in no particular format), which (a) contains your full name, address, and telephone number; (b) identifies the loan as to which you seek exclusion; (c) contains the signatures of each member of the Class who was an obligor as to that loan; and (d) unequivocally states your intent not to participate in the settlement and to waive all rights to the benefits of the settlement. You must send your Opt-Out to the following address postmarked no later than August 14, 2006:

Settlement Administrator  
PO Box 11487  
Birmingham, AL 35202-1487

If you choose to exclude yourself from the Class, you will not be entitled to any of the benefits of the settlement, and any claims you have against Defendants will not be affected by this settlement. If you do not submit a timely Opt-Out and do not otherwise comply with all the requirements for opting out set forth above, you will be bound by the settlement and the release.

**You may object to the settlement.** If you wish to object to the settlement or to any awards to Plaintiffs or Class Counsel, then you must mail a written objection to the settlement ("Objection") to Class Counsel and Counsel for Plymouth at the addresses set forth below postmarked no later than August 14, 2006, and contemporaneously file the Objection with Office of the Clerk, United States District Court for the District of Massachusetts, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Boston, Massachusetts 02210 not later than August 14, 2006:

### **Class Counsel**

Daniel A. Edelman, Esq.  
Cathleen Combs, Esq.  
Heather Kolbus, Esq.  
Edelman, Combs, Lattuner & Goodwin, LLC  
120 S. LaSalle Street, 18<sup>th</sup> Floor  
Chicago, IL 60603

### **Counsel for Plymouth**

U. Gwyn Williams, Esq.  
Goodwin Procter LLP  
Exchange Place  
Boston, MA 02109

Each Objection must (a) set forth your full name, current address, and telephone number; (b) state that you object to the settlement, in whole or in part; (c) set forth a statement of the legal and factual basis for the Objection; and (d) provide copies of any documents that you wish to submit in support of your position. If you do not submit a timely Objection in accordance with the requirements set forth above, you will not be treated as having filed a valid Objection to the settlement.

**You may appear at the Fairness Hearing.** If you wish to appear at the Fairness Hearing, whether *pro se* or through counsel, then you must file a notice of appearance in the Action with the Office of the Clerk, United States District Court for the District of Massachusetts, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Boston, Massachusetts 02210, not later than August 14, 2006, and simultaneously serve a copy of the notice upon Class Counsel and Counsel for Plymouth at the addresses set forth above. You will not be permitted to raise matters at the Fairness Hearing that you could have raised in an Objection, but failed to do so. If you fail to comply with the requirements set forth above, you will be barred from appearing at the Fairness Hearing.

If you wish to intervene in the Action, then you must file a motion or application to do so with the Office of the Clerk, United States District Court for the District of Massachusetts, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Boston, Massachusetts 02210 not later than August 14, 2006, and contemporaneously serve any such motion or application upon Class Counsel and Counsel for Plymouth at the addresses set forth above.

#### **7. WHAT WILL TAKE PLACE AT THE HEARING ON THE SETTLEMENT?**

A hearing will be held on the fairness of the proposed settlement. At the hearing, the Court will be available to hear any objections and arguments concerning the fairness of the proposed settlement, including the amount of the award to Plaintiffs' Counsel for costs and attorneys' fees. The hearing will take place before The Honorable Patti Saris on September 18, 2006, at 2:00 p.m. at the United States District Court for the District of Massachusetts, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Boston, Massachusetts 02210. The hearing may be continued by the Court without further notice. **It is not necessary for you to appear at the hearing.**

#### **8. WHO ARE PLAINTIFFS' COUNSEL AND CLASS COUNSEL?**

The following attorneys represent Plaintiffs and have been provisionally appointed to represent the Class in this lawsuit:

Daniel A. Edelman  
Heather Kolbus  
EDELMAN, COMBS, LATTURNER  
& GOODWIN, LLC  
120 S. LaSalle St., 18<sup>th</sup> Floor  
Chicago, IL 60603  
(312) 739-4200  
(312) 419-0379 (fax)  
[www.edcombs.com](http://www.edcombs.com)

Christopher M. Lefebvre  
CLAUDE LEFEBVRE  
CHRISTOPHER LEFEBVRE P.C.  
P.O. Box 479  
Pawtucket, RI 02862  
(800) 851-1829  
(401) 728-6060  
(401) 728-6534 (fax)  
[lefeblaw@aol.com](mailto:lefeblaw@aol.com)

These attorneys represent your interests in this lawsuit. You may contact them with any questions that you have about the lawsuit or the settlement. You will **NOT** be charged for their services. You may also hire your own attorney at your own cost to advise you in this matter.

#### **9. WHAT IF THE ADDRESS ON THIS NOTICE IS NOT YOUR CURRENT ADDRESS?**

If this Notice was forwarded to you by the Postal Service, or if it was otherwise sent to you at an address that is not current, you should include your current address on the Claim Form before sending it to the address indicated on the Claim Form.

**10. WHERE CAN I OBTAIN ADDITIONAL INFORMATION ABOUT THE LAWSUIT AND/OR THE SETTLEMENT?**

The description of the lawsuit and settlement that is contained in this Notice is only general in nature. All papers filed in this case, including the full settlement agreement, are available for you to inspect and copy (at your expense) at the office of the Clerk of the Court, United States District Court for the District of Massachusetts, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Boston, Massachusetts 02210, during regular business hours. You must bring the name of the case and case number with you, since the Clerk will need to know this information to obtain the court file for you to inspect. If you or your attorney need additional information, you should write to or call Class Counsel at the addresses and telephone numbers listed above in paragraph 8. **BEFORE YOU DO SO, HOWEVER, PLEASE READ THIS NOTICE CAREFULLY.**

**PLEASE DO NOT CONTACT THE COURT, PLYMOUTH SAVINGS BANK OR MEMBERS MORTGAGE COMPANY, INC.**

Dated: April 14, 2006

The Honorable Patti B. Saris  
Boston, Massachusetts