

NOTICE OF PENDING CLASS ACTION AND PROPOSED SETTLEMENT

If Navy Federal Credit Union assessed an International Service Assessment Fee (“ISA Fee”) on a purchase you made while physically located in the United States from August 9, 2016, to March 24, 2023, then you may be entitled to a Settlement Class Member Payment from a class action settlement.

Para una notificación en Español, visitar www.NFCUFeeLitigation.com.

A court authorized this notice. This is not a solicitation from a lawyer.

- The people (called the “Plaintiffs”) who brought the lawsuits against Navy Federal Credit Union (“Navy Federal”) allege that Navy Federal breached its agreements regarding debit card fees by assessing International Service Assessment Fees (“ISA Fees”) on foreign purchases Accountholders made while located in the United States from August 9, 2016, to March 24, 2023. Navy Federal denies the allegations, or that it has done anything wrong. The Court has not decided who is right.
- The Settlement affects your legal rights if you are a member of the Settlement Class certified by the Court as: All current and past Navy Federal Accountholders who were assessed at least one ISA Fee during the Class Period (from August 9, 2016, to March 24, 2023) for purchases made while they were physically located in the United States.

Please read this Notice fully and carefully; the proposed Settlement affects your legal rights.

SUMMARY OF YOUR OPTIONS AND THE LEGAL EFFECT OF EACH OPTION	
FILE A CLAIM	You can submit a Claim Form by June 7, 2024 . If you are a Settlement Class Member and you submit a Valid Claim you will be eligible to receive a cash Settlement Class Member Payment from the Settlement Fund.
OPT-OUT FROM THE SETTLEMENT; RECEIVE NO PAYMENT BUT RELEASE NO LEGAL CLAIMS	You can choose to opt-out of the Settlement by April 23, 2024 . This means you choose not to participate in the Settlement. You will keep your individual legal claims against Navy Federal, but you will not receive a payment from the Settlement Fund. If you opt-out of the Settlement but want to recover against Navy Federal, you will have to file a separate lawsuit.
OBJECT TO THE SETTLEMENT	You can file an objection with the Court by April 23, 2024 , explaining why you believe the Court should reject the Settlement. If your objection is overruled by the Court, you may receive a cash Settlement Class Member Payment if you submit a Valid Claim and you will not be able to sue Navy Federal for the legal claims asserted in the lawsuit. If the Court agrees with your objection, the Settlement may not be approved.
DO NOTHING	If you do nothing, meaning you do not opt-out <i>and</i> you do not submit a Valid Claim, you will not receive a payment from the Settlement Fund, you will release your legal claims against Navy Federal, and you will be bound by the terms of the Settlement.

Questions? Call 1-877-581-8129 or visit www.NFCUFeeLitigation.com

These rights and options—*and the deadlines to exercise them*—along with the material terms of the Settlement are explained in this Notice.

BASIC INFORMATION

1. What is the lawsuit about?

The lawsuits being settled are entitled *Morrow et al., v. Navy Federal Credit Union* and *Hart v. Navy Federal Credit Union*. The Consolidated Action is pending in the United States District Court for the Eastern District of Virginia, Case Nos. 1:21-cv-722 and 1:22-cv-844. The case is a “class action.”

That means the Class Representatives, Siobhan Morrow, Tracee Le Flore, and Maria Hart, are acting on behalf of all current and past Navy Federal Accountholders who were assessed at least one ISA Fee during the Class Period (August 9, 2016, to March 24, 2023) for debit card purchases made while they were physically located in the United States. The Class Representatives have asserted a claim for breach of contract and breach of the implied covenant of good faith and fair dealing. Navy Federal contends that the fees Plaintiffs are complaining about were assessed properly and in accordance with the terms of the Debit Card Disclosure. Navy Federal therefore denies that its practices give rise to legal claims for damages by the Plaintiffs or any Settlement Class members.

2. Why did I receive this Notice of this lawsuit?

You received this Notice because Navy Federal’s records indicate that you were assessed at least one ISA Fee that is the subject of the Action. The Court directed this Notice be sent to all Settlement Class members because each such member has a right to know about the proposed Settlement and the options available to them before the Court decides whether to approve the Settlement.

3. Why did the Parties settle?

In any lawsuit, there are risks and potential benefits that come with a trial versus settling at an earlier stage. It is the Class Representatives’ and their lawyers’ job to identify when a proposed settlement offer is good enough that it justifies recommending settling the case instead of continuing to trial. In a class action, the Class Representatives’ lawyers, known as Class Counsel, make this recommendation to the Class Representatives. The Class Representatives have a duty to act in the best interests of the Settlement Class as a whole, and, in this case, it is their belief, as well as Class Counsels’ opinion, that this Settlement is in the best interest of all Settlement Class members.

There is legal uncertainty about whether a judge or a jury will find that Navy Federal was contractually and otherwise legally obligated not to assess the fees at issue. There is also uncertainty about whether the Class Representatives’ claims are subject to other defenses that might result in no or less recovery to Settlement Class members. Even if the Class Representatives were to win at trial, there is no assurance that the Settlement Class members would be awarded more than the current Settlement amount, and it may take years of litigation before any payments would be made. By settling, the Settlement Class members will avoid these and other risks and the delays associated with continued litigation.

While Navy Federal disputes the allegations in the lawsuit and denies any liability or wrongdoing, it enters into the Settlement solely to avoid the expense, inconvenience, and distraction of further proceedings in the litigation.

WHO IS IN THE SETTLEMENT

4. How do I know if I am part of the Settlement?

If you received Notice, then Navy Federal's records indicate that you are a member of the Settlement Class and are entitled to submit a Claim Form to receive a cash Settlement Class Member Payment.

YOUR OPTIONS

5. What options do I have with respect to the Settlement?

You have four options: (1) submit a Claim Form for a cash Settlement Class Member Payment, (2) opt-out of the Settlement, (3) participate in the Settlement, but object to it, or (4) do nothing, meaning you do not opt-out *and* you do not submit a Valid Claim, and do not receive a payment according to the terms of this Settlement. Each of these options is described in a separate section below.

6. What are the critical deadlines?

The deadline to submit a Claim Form electronically or on paper is **June 7, 2024**.

The deadline for sending a letter to opt-out of the Settlement is **April 23, 2024**.

The deadline to file an objection with the Court is also **April 23, 2024**.

If you do nothing, meaning you do not opt-out *and* you do not submit a Valid Claim, you will not get a cash Settlement Class Member Payment.

7. How do I decide which option to choose?

If you want to participate in the Settlement to receive a cash Settlement Class Member Payment, you must submit a Claim Form. If you submit a Valid Claim, you will receive a cash Settlement Class Member Payment if the Settlement is approved by the Court.

If you do not agree with the terms of the Settlement and you believe that you could receive more money by pursuing your claims on your own (with or without an attorney that you could hire), and you are comfortable with the risk that you might lose your case or get less than you would in this Settlement, you may want to consider opting-out.

If you believe the Settlement is unreasonable, unfair, or inadequate and the Court should reject the Settlement, you can object to the Settlement terms. The Court will decide if your objection is valid. If the Court agrees, the Settlement may not be approved, and no payments will be made to you or any other member of the Settlement Class. If your objection (and any other objection) is overruled and the Settlement is approved, you may still get a cash Settlement Class Member Payment if you submit a Valid Claim. You will be bound by the Settlement regardless of whether you submit a Valid Claim.

8. What has to happen for the Settlement to be approved?

The Court has to decide that the Settlement is fair, reasonable, and adequate before it will approve it. The Court has already decided to grant Preliminary Approval of the Settlement, which is why you received an Email Notice or Postcard Notice. The Court will make a final decision regarding the Settlement at the Final Approval Hearing, which is currently scheduled for **May 23, 2024**.

Questions? Call 1-877-581-8129 or visit www.NFCUFeeLitigation.com

THE SETTLEMENT PAYMENT

9. How much is the Settlement?

Defendant has agreed to create a Settlement Fund of \$5,500,000.00. As discussed separately below, any court-awarded Service Awards, Attorneys' Fees and Costs Payment, and Settlement Administration Costs will be paid out of the Settlement Fund.

10. How much of the Settlement Fund will be used to pay for attorneys' fees and costs?

Class Counsel will request the Court to approve payment from the Settlement Fund for attorneys' fees and costs in the amount of \$2,000,000.00. The Court will decide the amount of the attorneys' fees and costs after application by Class Counsel which will be made at the same time as the filing of the Motion for Final Approval of the Settlement.

11. How much of the Settlement Fund will be used to pay the Class Representative's Service Award?

Class Counsel will request that the Class Representatives be paid a Service Award in the amount of up to \$5,000.00 each for their work in connection with this Action. The Service Awards must be approved by the Court.

12. How can I get a Settlement Class Member Payment?

If you are a Settlement Class Member, you must fill out and submit a Claim Form to receive a Settlement Class Member Payment. You can submit your electronic Claim Form at www.NFCUFeeLitigation.com. If you received a notice of this Settlement via email, there is a link on that email to access the Claim Form. You will need to enter the Unique ID assigned to you on the electronic Claim Form. You can also receive a paper Claim Form from the Settlement Website or get one by calling the Settlement Administrator at 1-877-581-8129. The completed Claim Form must be submitted online by **June 7, 2024**, or mailed to the following address, postmarked by **June 7, 2024**:

Morrow v. Navy Federal Settlement Administrator
P.O. Box 2329
Portland, OR 97208-2329

13. How much will my cash Settlement Class Member Payment be?

The balance of the Settlement Fund after the payment of the Service Award, attorneys' fees and costs, and Settlement Administration Costs, also known as the Net Settlement Fund, will be used to pay Settlement Class Members who submit a Valid Claim as follows:

Base Settlement Class Member Payment Calculation. All Settlement Class Members who submit a Valid Claim will be eligible to receive a \$4.00 Base Settlement Class Member Payment. If there are not enough funds in the Net Settlement Fund to pay \$4.00 to each Settlement Class Member who submits a Valid Claim, each Base Settlement Class Member Payment will be reduced *pro rata*. The reduced *pro rata* amount for Base Settlement Class Member Payments will be determined by dividing the total amount in the Net Settlement Fund by the number of total Valid Claims.

Additional Settlement Class Member Payment Calculation. If there remain funds in the Net Settlement Fund after calculating the total amount of Base Settlement Class Member Payments, the

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remainder of the Net Settlement Fund will be payable to the Settlement Class Members who submitted Valid Claims *and* had more than \$4.00 in Actual ISA Fee(s) during the Class Period as an Additional Settlement Class Member Payment. For example, if there is \$3,000,000.00 in the Net Settlement Fund, and 500,000 Settlement Class Members submit Valid Claims, the \$1,000,000.00 remaining in the Net Settlement Fund shall be used for Additional Settlement Class Member Payments to those eligible Settlement Class Members. Provided there are sufficient funds remaining in the Net Settlement Fund, the Additional Settlement Class Member Payment will be the amount equal to (and no more than) each of their respective Actual ISA Fee(s) (as determined by the Settlement Class Transactional Data) subtracted by \$4.00. For example, an eligible Settlement Class Member who had an Actual ISA Fee of \$6.50 will receive the \$4.00 Base Settlement Class Member Payment and a \$2.50 Additional Settlement Class Member Payment. If there are insufficient funds in the Net Settlement Fund to pay Settlement Class Members eligible for an Additional Settlement Class Member Payment the full amount of their respective Actual ISA Fee(s), the Additional Settlement Class Member Payments will be reduced *pro rata* to exhaust the Net Settlement Fund. For example, if there were \$2,000,000.00 left over in the Net Settlement Fund after the Base Settlement Class Member Payments, and there were \$2,500,000.00 in Actual ISA Fee(s) not yet paid to the Settlement Class Members eligible for an Additional Settlement Class Member Payment, each such Settlement Class Member would receive 80% of their total Actual ISA Fee(s) over \$4.00. In this example, a Settlement Class Member who incurred \$8.00 in Actual ISA Fee(s) would receive \$4.00 for the Base Settlement Class Member Payment and \$3.20 for the Additional Settlement Class Member Payment.

14. Do I have to do anything if I want to participate in the Settlement?

Yes. If you received a Notice, you may be entitled to receive a cash Settlement Class Member Payment, unless you choose to opt-out of the Settlement. To receive a cash Settlement Class Payment, you must submit a Valid Claim by **June 7, 2024**.

15. When will I receive my payment or credit?

The Court will hold a Final Approval Hearing on **May 23, 2024, at 10:00 a.m.** to consider whether the Settlement should be approved. If the Court approves the Settlement, Settlement Class Member Payments will be issued after the Court grants Final Approval. However, if someone objects to the Settlement and the objection is sustained, there will be no Settlement. Even if all objections are overruled and the Court approves the Settlement, an objector could appeal, and it might take months or even years for the appeal to be resolved, which would delay any payment.

OPTING-OUT OF THE SETTLEMENT

16. How do I opt-out of the Settlement?

If you do not want to receive a payment or credit, and if you want to keep any right you may have to sue Navy Federal for the legal claims alleged in this lawsuit, you must opt-out of the Settlement.

To opt-out, you **must** send a letter to the Settlement Administrator stating that you want to be excluded. Your opt-out request **must** be personally signed by you (the Accountholder), and contain your name, postal address, email address (if any), telephone number, last four digits of your current or past account number(s), a brief statement identifying membership in the Settlement Class, and a statement that indicates a desire to be excluded from the Settlement Class. Your letter can simply say, "I hereby elect to be excluded from the Settlement in the *Morrow, et al v. Navy Federal Credit Union* class action." Your opt-out request must be **postmarked** by **April 23, 2024**, and sent to the following address:

Questions? Call 1-877-581-8129 or visit www.NFCUFeeLitigation.com

17. What happens if I opt-out of the Settlement?

If you opt-out of the Settlement, you will preserve and not give up any of your rights to sue Navy Federal for the legal claims alleged in the Action. However, you will not be entitled to receive a payment from the Settlement.

OBJECTING TO THE SETTLEMENT

18. How do I notify the Court that I do not like the Settlement?

You can object to the Settlement and/or the Application for Approval of Attorneys' Fees, Costs, and Service Awards, if you do *not* opt-out of the Settlement. Members of the Settlement Class who opt-out of the Settlement have no right to object to how Settlement Class Members are treated. To object, your written objection **must** be filed with or mailed to the Clerk of the Court and mailed to the Settlement Administrator by mail or private courier (e.g., FedEx) at the addresses below. Your objection must include the following information:

- a. The name of the Action;
- b. The objector's full name, address, email address (if any), and telephone number;
- c. All grounds for the objection, accompanied by any legal support for the objection known to the objector or objector's counsel;
- d. The number of times the objector has objected to a class action settlement within the five years preceding the date that the objector files the objection, the caption of each case in which the objector has made such objection, and a copy of any orders related to or ruling on the objector's prior objections that were issued by the trial and appellate courts in each listed case;
- e. If the objector is represented by counsel, the identity of all counsel who represent the objector, including any past or current counsel who may be entitled to compensation for any reason related to the objection to the Settlement or Application for Approval of Attorneys' Fees, Costs and Service Awards;
- f. The identity of all counsel (if any) representing the objector who will appear at the Final Approval Hearing;
- g. A list of all persons who will be called to testify at the Final Approval Hearing in support of the objection;
- h. A statement confirming whether the objector intends to personally appear and/or testify at the Final Approval Hearing; and
- i. The objector's signature (an attorney's signature is not sufficient).

All objections must be filed with or mailed to the Clerk of the Court and mailed to the Settlement Administrator **postmarked no later than April 23, 2024**, to:

CLERK OF COURT	SETTLEMENT ADMINISTRATOR
Clerk of the District Court United States District Court for the Eastern District of Virginia Albert V. Bryan U.S. Courthouse 401 Courthouse Square Alexandria, VA 22314	Morrow v. Navy Federal Settlement Administrator P.O. Box 2329 Portland, OR 97208-2329

19. What is the difference between objecting and requesting to opt-out of the Settlement?

Objecting is telling the Court that you do not believe the Settlement is fair, reasonable, and adequate for the Settlement Class and asking the Court to reject it. You can object only if you do not opt-out of the Settlement. If you object to the Settlement and do not opt-out, then you may be entitled to a cash Settlement Class Member Payment if the Settlement is approved and you submit a Valid Claim. You will release legal claims you might have against Navy Federal whether or not you submit a Valid Claim. Opting-out is telling the Court that you do not want to be part of the Settlement and do not want to receive a cash Settlement Class Member Payment or release legal claims you might have against Navy Federal for the legal claims alleged in this lawsuit.

20. What happens if I object to the Settlement?

If the Court sustains your objection, or the objection of any other member of the Settlement Class, there will be no Settlement. If you object, but the Court overrules your objection and any other objection(s), you will be part of the Settlement. You will only receive a Settlement Class Member Payment if you submit a Valid Claim.

THE COURT'S FINAL APPROVAL HEARING

21. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at **10:00 a.m. on May 23, 2024**, at the United States District Court for the Eastern District of Virginia, which is located at Albert V. Bryan U.S. Courthouse, 401 Courthouse Square, Alexandria, VA 22314. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court may also decide how much of a Service Award to award each of the Class Representatives and Class Counsel for attorneys' fees and costs. The hearing may be virtual, in which case the instructions to participate shall be posted on the Settlement Website at www.NFCUFeeLitigation.com.

22. Do I have to attend the hearing?

No. Class Counsel will answer any questions the Court may have. You may attend the Hearing at your own expense, but it is not necessary. If you have submitted an objection, you may want to attend.

23. May I speak at the hearing?

If you have objected, you may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must include with your objection, described in Question 18, above, the statement "I hereby give notice that I intend to appear at the Final Approval Hearing."

Questions? Call 1-877-581-8129 or visit www.NFCUFeeLitigation.com

THE LAWYERS REPRESENTING YOU

24. Do I have a lawyer in this case?

The Court ordered that the lawyers and their law firms referred to in this Notice as “Class Counsel” will represent you and the other Settlement Class Members.

25. Do I have to pay the lawyers for accomplishing this result?

No. Class Counsel will be paid directly from the Settlement Fund.

26. Who determines what the attorneys’ fees will be?

The Court will be asked to approve the amount of attorneys’ fees and costs at the Final Approval Hearing. Class Counsel will file the Application for Approval of Attorneys’ Fees, Costs, and Service Awards and will specify the amount being sought as discussed above. You may review a physical copy of the in the Motion for Final Approval and Application for Attorneys’ Fees, Costs, and Service Awards at the Settlement Website established by the Settlement Administrator.

GETTING MORE INFORMATION

This Notice only summarizes the proposed Settlement. More details are contained in the Settlement Agreement, which can be obtained online at www.NFCUFeeLitigation.com or by calling 1-877-581-8129.

For additional information about the Settlement, to obtain copies of the Settlement Agreement, and/or to change your address for purposes of receiving a payment following your submission of your Claim Form, you should contact the Settlement Administrator as follows:

Morrow v. Navy Federal Settlement Administrator
P.O. Box 2329
Portland, OR 97208-2329

For more information, you can also contact the Class Counsel as follows:

<p>Sophia Gold Jeffrey Kaliel KalielGold PLLC 1100 15th Street NW 4th Floor Washington, DC 20005 Phone: 1-202-350-4783 sgold@kalielgold.com jkaliel@kalielpllc.com</p> <p>(Eddie) Jae K. Kim Lynch Carpenter LLP 1350 Columbia Street, Suite 603 San Diego, CA 92101 Phone: 1-626-550-1250 ekim@lcllp.com</p>	<p>Jeff Ostrow Kopelowitz Ostrow P.A. 1 West Las Olas Blvd., Suite 500 Fort Lauderdale, FL 33301 Phone: 1-954-525-4100 ostrow@kolawyers.com</p> <p>David M. Wilkerson The Van Winkle Law Firm 11 N Market Street Asheville, NC 28801 Phone: 1-828-844-7169 dwilkerson@vwlawfirm.com</p>
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PLEASE DO NOT CONTACT THE COURT OR ANY REPRESENTATIVE OF NAVY FEDERAL CONCERNING THIS NOTICE OR THE SETTLEMENT.

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