

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DAWN TARDIBUONO-QUIGLEY, on
behalf of herself and all others similarly
situated,

Plaintiff,

v.

HSBC MORTGAGE CORPORATION
(USA) and HSBC BANK USA, N.A.,

Defendants.

Case No. 7:15-cv-06940-KMK-JCM

**NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED
SETTLEMENT, SETTLEMENT HEARING, AND MOTIONS BY
CLASS COUNSEL FOR AWARD OF CLASS COUNSEL
FEES AND BY CLASS REPRESENTATIVE FOR SERVICE AWARD**

TO: The proposed class (the “Class”) consisting of the following:

(a) Any person who, between July 31, 1992 and December 31, 2000, entered into a mortgage agreement with HSBC Mortgage Corporation (USA) and/or HSBC Bank USA, N.A., concerning the purchase of a residential property in New York that is not part of a cooperative, and who, at any time between September 2, 2012 and December 31, 2017, was assessed fees by HSBC Mortgage Corporation (USA), HSBC Bank USA, N.A., and/or any of their agents, for property inspections and/or broker price opinions (“New York Non-Co-Op. Class”);

(b) Any person who entered into a security agreement with HSBC Mortgage Corporation (USA) and/or HSBC Bank USA, N.A., concerning the purchase of a unit in a New York cooperative, and who, at any time between September 2, 2012 and December 31, 2017, was assessed fees by HSBC Mortgage Corporation (USA), HSBC Bank USA, N.A., and/or any of their agents, for property inspections and/or broker price opinions (“New York Co-Op. Class”);

(c) Any person who, during the relevant period as set forth in the attached Exhibit A, entered into a mortgage agreement or security agreement with HSBC Mortgage Corporation (USA) and/or HSBC Bank USA, N.A., concerning the purchase of residential property in a state other than New York, and who, at any time between September 2, 2012 and December 31, 2017, was assessed fees by HSBC Mortgage Corporation (USA), HSBC Bank USA, N.A., and/or any of their agents, for property inspections (“Non-New York P.I. Class”); and

(d) Any person who, during the relevant period as set forth in the attached Exhibit A, entered into a mortgage agreement or security agreement with HSBC Mortgage Corporation (USA) and/or HSBC Bank USA, N.A., concerning the purchase of residential property in a state other than New York, and who, at any time between September 2, 2012 and December 31, 2017, was assessed fees by HSBC Mortgage Corporation (USA), HSBC Bank USA, N.A., and/or any of their agents, for Broker Price Opinions that satisfies the Specified Criteria set forth herein (“Non-New York B.P.O. Class”)

Please visit www.MortgageDefaultSettlement.com (the “Settlement Website”) for additional important information concerning the matters discussed herein.

The proposed settlement described herein and on the Settlement Website may affect your legal rights and may entitle you to a monetary benefit.

This Notice of Pendency of Class Action and Proposed Settlement, Settlement Hearing, and Motions by Class Counsel for Award of Class Counsel Fees and by Class Representative for Award of Service Award was approved by the United States District Court for the Southern District of New York (the “Court”). It is not a lawyer’s solicitation.

This Notice advises you of the pendency and proposed settlement of the above-captioned action (the “Action”) brought by plaintiff Dawn Tardibuono-Quigley (“Plaintiff”), individually and on behalf of the Class (as defined above), against defendants HSBC Mortgage Corporation (USA) (“HSBC Mortgage”) and HSBC Bank USA, N.A. (“HSBC Bank”) (together, “HSBC” or “Defendants”). This Action alleges that Defendants unlawfully charged Plaintiff and Class members fees for property inspections and broker price opinions that were unnecessary, in breach of mortgage agreements and security agreements that preclude the assessment of fees for unnecessary services, and in violation of New York General Business Law § 349, among other claims. Defendants deny all the claims in the Action and deny that they have done anything wrong.

Plaintiff, individually and on behalf of the Class, has negotiated with Defendants a proposed settlement of the Action (the “Settlement”) on the terms set forth in the Stipulation and Agreement of Settlement dated September 25, 2019 (the “Settlement Agreement”). The Court has, for settlement purposes only, preliminarily certified the Class (as defined above), appointed Plaintiff

as the Class Representative, and appointed Plaintiff’s counsel as Class Counsel. The Court has also approved the appointment of Angeion Group to serve as the settlement administrator (the “Settlement Administrator”). The Court has scheduled a hearing (the “Settlement Hearing”) for May 20, 2020 to determine, among other things, whether to approve the Settlement and to grant Class Counsel’s request for Class Counsel Fees and the Class Representative’s request for a Service Award. All capitalized terms used, but not defined, herein have the same meaning as the terms defined in the Settlement Agreement, which is posted on the Settlement Website at the section entitled “Settlement Filings” and available from the Settlement administrator, as described herein (see Question 3).

A Summary of Your Rights and Options:

If you are a Class Member, your legal rights are affected whether or not you act. Please read this Notice carefully. It explains your rights and options – and the deadlines to exercise them.

You May:	Brief Explanation:	Due Date:
1. File a Proof of Claim	<p>This is the only way to receive any payment from the Settlement, if the Settlement is approved by the Court.</p> <p>By remaining in the Class, you are consenting to the jurisdiction of the Court.</p> <p>See Question 7</p>	<p>You must submit a Proof of Claim by April 8, 2020, either through the Settlement Website or by mail to the Settlement Administrator.</p>
2. Request to be Excluded from the Class	<p>You may exclude yourself from the Class and keep your right, if any, to sue Defendants for the claims asserted in the Action at your own expense. If you exclude yourself, you will not receive any settlement payment, but will not be bound by the terms of the Settlement Agreement, if approved by the Court.</p> <p>See Question 16</p>	<p>You must submit a written request for exclusion by mail to the Settlement Administrator postmarked no later than April 8, 2020.</p>

<p>3. Object to the Settlement, Class Counsel’s Request for Class Counsel Fees or the Class Representative’s Request for a Service Award</p>	<p>If you do not exclude yourself from the Class, you may object to the Settlement or to Class Counsel’s or the Class Representative’s requests for Class Counsel Fees or a Service Award, respectively. You may also appear at the Settlement Hearing to present your objections.</p> <p>See Question 18</p>	<p>Objections and requests to present arguments at the Settlement Hearing must be made in writing and filed with the Court and served on Class Counsel and Defendants’ Counsel no later than April 8, 2020.</p>
<p>4. Do Nothing</p>	<p>If you are a Class Member and neither submit a Proof of Claim nor exclude yourself from the Class, you will not receive any settlement payment and you will be bound by the Settlement Agreement (including the release of Defendants), if the Settlement is approved.</p> <p>By remaining in the Class, you are consenting to the jurisdiction of the Court.</p> <p>See Question 23</p>	<p>Not Applicable</p>

The Court has not yet decided whether to approve the Settlement or to grant Class Counsel’s request for Class Counsel Fees or the Class Representative’s request for a Service Award. These issues, among others, will be addressed at the Settlement Hearing. If the Court does not approve the Settlement, the Action will proceed as if the Settlement had never been proposed and Plaintiff will, among other things, have to obtain certification of the proposed Class and prove her claims against the Defendants at trial.

1. WHY SHOULD I READ THIS NOTICE?

This Notice is provided pursuant to an order issued by the Court to inform you of the proposed Settlement and the Settlement Hearing to be held by the Court to consider, among other things, whether (a) the Settlement is fair, reasonable and adequate and should be approved; and (b) to grant Class Counsel’s request for Class Counsel Fees and the Class Representative’s request for a Service Award. This Notice explains the Action, the proposed Settlement, the requests by Class Counsel and the Class Representative, your legal rights, what benefits are available, who is eligible for them, and how to get them. This Notice is not an expression of any opinion by the Court as to the merits of the claims or defenses asserted in the Action.

2. WHAT IS THE ACTION ABOUT?

A. The Allegations

The Action alleges that Defendants unlawfully charged Plaintiff and Class Members fees for property inspections and broker price opinions that were unnecessary, in breach of mortgage agreements and security agreements that preclude the assessment of fees for unnecessary services, and in violation of New York General Business Law (“GBL”) § 349, among other claims. Defendants deny all the claims in the Action and deny that they have done anything wrong.

B. Status of the Action

Plaintiff commenced the Action by filing a putative class action complaint on September 2, 2015 against HSBC Bank, HSBC Mortgage, PHH Corporation, and PHH Mortgage Corporation (“PHH Mortgage”). On December 9, 2015, Plaintiff voluntarily dismissed without prejudice PHH Corporation pursuant to Federal Rule of Civil Procedure 41(a)(1)(A)(i). On January 29, 2016, Plaintiff amended the complaint. On March 30, 2017, the Court dismissed all claims against PHH Mortgage and HSBC Bank, and dismissed all claims against HSBC Mortgage except for the breach of contract and GBL § 349 claims. After HSBC Mortgage filed its Answer to the amended complaint, on October 16, 2018, Plaintiff further amended the complaint to add HSBC Bank back as a defendant, and to add a claim for violation of New York Banking Law § 598(3).

Plaintiff has aggressively pursued her claims in the Action. Plaintiff and Defendants (collectively, the “Settling Parties”) engaged in substantial discovery, including the production of documents, the taking of depositions, and the exchange of other written information requests, as described in more detail in Section 1 of the Settlement Agreement. Numerous disputes among the parties were also zealously litigated. Numerous letters were exchanged and filed concerning HSBC’s motion to dismiss, various discovery disputes, and proposed and actual amendments to the complaint.

On March 5, 2018, Plaintiff moved for class certification.

To explore the possibility of settlement, the Settling Parties retained JAMS mediator Hon. Diane M. Welsh, an experienced, independent mediator, to assist them in determining whether a resolution of the Action was possible. Following mediation on May 2, 2018, the Settling Parties agreed to settle the Action on the terms set forth in the Settlement Agreement, subject to approval by the Court.

On January 9, 2020, the Court entered an Order (the “Preliminary Approval Order”) which, among other things, (a) preliminarily approved the Settlement Agreement subject to further consideration of the Settlement, and any objections thereto, at the Settlement Hearing; (b) preliminarily certified, for settlement purposes only, the Class as defined above; (c) preliminarily appointed Plaintiff as the Class Representative and Plaintiff’s counsel as Class Counsel; (d) authorized this Notice to be posted to the Settlement Website and for notices to be sent directly to Class Members; and (e) scheduled a Settlement Hearing to consider, among other things,

whether the Settlement is fair, reasonable and adequate and should be approved. Copies of the Preliminary Approval Order and the exhibits thereto can be obtained by visiting the Settlement Website at the section entitled “Settlement Filings” or by requesting a copy from the Settlement Administrator in the manner and method set forth below.

The Action is stayed pending final approval of the Settlement Agreement.

3. WHAT IS A CLASS ACTION AND WHO IS INVOLVED HERE?

A class action is similar to any lawsuit, except that it is prosecuted by the plaintiff, referred to as the “class representative,” individually and on behalf of a class of similarly situated persons. Counsel for the plaintiff typically serves as counsel for the class and is referred to as “class counsel.” The court in a class action actively supervises the conduct of the proceedings to ensure that the interests of the class are fairly represented. Among other things, the court must approve the appointment of plaintiff as the class representative and plaintiff’s counsel as class counsel and the class action may not be settled unless the court determines that the settlement is fair, reasonable, and adequate and should be approved. Moreover, in a class action, determinations by the court, whether or not favorable to the plaintiff, will also bind the members of the class that the plaintiff represents, unless a class member has requested to be excluded from the class.

The Court, in the Preliminary Approval Order, preliminarily appointed Plaintiff to be the Class Representative and Plaintiff’s counsel, D. Gregory Blankinship, Todd S. Garber, and Bradley F. Silverman of the law firm of Finkelstein, Blankinship, Frei-Pearson & Garber LLP, to be Class Counsel. Class Counsel can be contacted, if necessary, as follows:

Finkelstein, Blankinship, Frei-Pearson & Garber LLP
445 Hamilton Avenue, Suite 605
White Plains, NY 10601
(914) 298-3281

In addition, in its Preliminary Approval Order, the Court appointed Angeion Group to act as the Settlement Administrator, whose responsibilities, among other things, include creating and maintaining the Settlement Website, responding to inquiries from, and communicating with, Class Members, and reviewing submitted Proof of Claims to determine if they were timely submitted, complete and valid and should be approved for issuance of a checks to Approved Claimants (referred to as “Distribution Checks” in the Settlement Agreement) in the amount of a Claim Payment. The Settlement Administrator can be contacted by mail, e-mail and phone as follows:

HSBC Mortgage Settlement Administrator
P.O. Box 58236
Philadelphia, PA 19102
(877)-720-6290
info@MortgageDefaultSettlement.com

If you choose to contact the Settlement Administrator for any purpose other than to submit a Proof of Claim or to request to be excluded from the Class, please refer to this Action and provide your full name and e-mail or mailing address. **Submissions to the Settlement Administrator of Proof of Claims and requests to be excluded from the Class must be done in the manner and method described below (see Questions 7 & 16).**

4. HOW DO I DETERMINE IF I AM A CLASS MEMBER?

You are a Class Member if you meet the definition of the Class set forth at the beginning of this Notice.

If you received a notice sent directly to you concerning the proposed Settlement, then you are likely a member of the Class, unless the notice was sent in error. Alternatively, you may have learned about the proposed Settlement in some other manner.

In any of these events, you can determine if you are a member of the Class in three ways. First, you can visit the Settlement Website and go to the section entitled “Submit a Proof of Claim,” which permits you to complete an on-line Proof of Claim. Enter into Item 1 on the on-line Proof of Claim the unique identification number included with the notice of the proposed Settlement mailed to you directly. If your name and the address of the residential property that is subject of the mortgage or security agreement with Defendants automatically appear in Items 2 and 3 of the Proof of Claim, then you are a Class Member. In the event you believe you are a Class Member but did not receive a notice containing a unique identification number or misplaced it or you cannot find your residential property listed on the Settlement Website, please call Class Counsel at the number listed above (see Question 3) and Class Counsel will attempt to assist you.

Second, you can visit the Settlement Website and go to the section entitled “Are You a Class Member.” Use the search feature of the Settlement Website to find if the address of the residential property that is the subject of your mortgage or security agreement with HSBC is among the properties of Class Members entitled to an award. If so, then you are a Class Member.

Third, you can contact Class Counsel by email or telephone (see Question 3) and ask whether you are a Class Member. Class Counsel will perform the same queries of the Settlement Website described above to determine whether the residential property subject of your mortgage or security agreement with HSBC is listed and will inform you of the result.

Please do not contact the Settlement Administrator for purposes of performing queries of the Settlement Website to determine whether you are Class Member.

5. WHAT ARE THE REASONS FOR THE PROPOSED SETTLEMENT?

The Court has not reached any final decisions in connection with the Class Representative’s claims against Defendants. Instead, the Class Representative and Defendants have agreed to the proposed Settlement. In reaching the Settlement, they have avoided the cost, delay, and uncertainty of further litigation.

As in any litigation, the Class Representative and the proposed Class would face an uncertain outcome if they did not agree to the proposed Settlement. The Settling Parties expected that the Action could continue for a long time and that, if the Class Representative succeeded, Defendants would file appeals that would substantially postpone final resolution of the Action. Continuation of the Action against Defendants could result in a judgment greater

than the proposed Settlement. Conversely, continuing the Action could result in no recovery at all, or a recovery that is less than the amount of the proposed Settlement.

The Class Representative and Class Counsel believe that the proposed Settlement is fair, reasonable, and adequate and should be approved by the Court. They have reached this conclusion for several reasons. If the Settlement is approved, the Class Members who timely submit complete and valid Proof of Claims will receive a monetary recovery. Additionally, Class Counsel believes that the significant and immediate benefits of the proposed Settlement are an excellent result for the Class – especially given the risks and uncertainties of continued litigation.

Defendants deny any wrongdoing and their agreement to settle the Action shall in no event be construed or deemed to be evidence or an admission or concession with respect to any claim asserted in the Action or of any fault, liability, wrongdoing, or damages.

6. HOW MUCH MONEY WILL MEMBERS OF THE CLASS RECEIVE?

A Class Member who submitted a Proof of Claim that the Settlement Administrator determines to be timely, complete, and valid pursuant to the requirements and procedures set forth in this Agreement, or whose claim the Parties decide to approve for payment notwithstanding deficiencies in the Proof of Claim, shall receive a Claim Payment as follows:

- a. Each Approved Claimant from the New York Non-Co-Op. Class shall be paid 230% of the total amount of fees assessed for property inspections and/or broker price opinions;
- b. Each Approved Claimant from the New York Co-Op. Class shall be paid 230% of the total amount of fees assessed for property inspections and/or broker price opinions;
- c. Each Approved Claimant from the Non-New York P.I. Class shall be paid 100% of the total amount of fees assessed for property inspections; and
- d. Each Approved Claimant from the Non-New York B.P.O. Class shall be paid 100% of the total amount of fees assessed for Broker Price Opinions that meet the Specified Criteria.

Distribution Checks will remain valid for a period of 180 calendar days after issuance but, if not cashed or otherwise negotiated by the end of such period, will be cancelled as stale and will not be reissued.

To the extent that there is more than one Approved Claimant for the same property (e.g., if a husband and wife were both mortgagors on the same residential mortgage), then all such Approved Claimants shall be (a) entitled to only one payment for that Property, the amount of which shall be determined based on the criteria set forth above; (b) solely responsible for the allocation, if any, of the payment between and among themselves; and (c) solely responsible for taking all steps necessary to negotiate any Distribution Check made payable to more than one

Mortgagor Party, including but not limited to all costs associated with taking such steps. Delivery of a Distribution Check to one of several Approved Claimants for the same property shall be deemed final and conclusive of HSBC's obligations under the Settlement Agreement.

Class Members who fail to timely submit a complete and valid Proof of Claim will not be entitled to receive any Claim Payment but will be bound by any judgment entered in the Action and by terms of the Settlement Agreement if approved by the Court, unless the Class Member has timely and properly requested to be excluded from the Class.

Class Members can determine the amount of the Claim Payment they may be eligible to receive under the proposed Settlement in three ways. First, you can visit the Settlement Website and go to the section entitled "Submit a Proof of Claim," which permits you to complete an on-line Proof of Claim. Enter into Item 1 on the on-line Proof of Claim the unique identification number included with the notice of the proposed Settlement mailed to you directly and the Claim Payment associated with the residential property that is the subject of your mortgage or security agreement with Defendants will appear next to the property's address. In the event you believe you are a Class Member but did not receive a notice containing a unique identification number or misplaced it or to confirm whether you are a member of the Settlement Class, please call Class Counsel at the number listed above (see Question 3) and Class Counsel will attempt to assist you.

Second, you can visit the Settlement Website and go to the section entitled "Are You a Class Member." Use the search feature of the Settlement Website to find the address of your residential property. The amount of the Claim Payment associated with the property will appear next to the property's address.

Third, you can contact Class Counsel by email or telephone (see Question 3 for contact information) and ask about the amount of the Claim Payment you may be entitled to receive. Class Counsel will perform the same queries of the Settlement Website described above to determine the amount of the Claim Payment associated with your residential mortgage and will inform you of the results.

Please do not contact the Settlement Administrator for purposes of performing queries of the Settlement Website to determine the amount of the Claim Payment you may be entitled to receive.

7. HOW CAN I GET A CLAIM PAYMENT?

In order to qualify for a Claim Payment, you must timely submit a complete and valid Proof of Claim and IRS Form W-9. This can be done in the following two ways.

First, you may submit a Proof of Claim and IRS Form W-9 on-line through the Settlement Website. To do so, visit the Settlement Website and go to the section entitled "Submit A Proof Of Claim." Read the instructions carefully, fill out the form, and submit the Proof of Claim. You must also print, complete, and sign an IRS Form W-9 (available on the settlement website), which must be uploaded and submitted with your Proof of Claim. If notice

of the proposed Settlement was mailed to you directly, the notice included a unique identification number which can be used, as explained in the Proof of Claim instructions, to automatically complete Items 2 and 3 of the Proof of Claim. If you did not receive a notice containing a unique identification number or misplaced it, please contact Class Counsel (see Question 3 for contact information) and Class Counsel will seek to assist you.

Second, you may also submit a Proof of Claim and IRS Form W-9 in paper form. You may obtain paper copies of the Proof of Claim and IRS Form W-9 by printing them from the Settlement Website (available at the section entitled “Submit a Proof of Claim”) or by requesting them from the Settlement Administrator by mail, e-mail or phone at the contact information for the Settlement Administrator set forth above (see Question 3). Read the instructions on the Proof of Claim carefully, fill out the form, and submit it by **mail**, first class postage pre-paid, to the Settlement Administrator at:

HSBC Mortgage Settlement Administrator
P.O. Box 58236
Philadelphia, PA 19102

To be considered timely, Proof of Claims and IRS Form W-9s submitted through the Settlement Website **must be submitted** by no later than April 8, 2020. Proof of Claims and IRS Form W-9s submitted by mail **must be postmarked** by no later than April 8, 2020.

If you do not timely submit a completed and valid Proof of Claim and executed IRS Form W-9, you will not receive a Claim Payment; however, unless you timely and properly exclude yourself from the Class as described below (see Question 16), you will still be bound in all other respects by any judgment entered in the Action and by the terms of the Settlement Agreement (including the release of Defendants) if approved by the Court. By remaining in the Class, you are consenting to the jurisdiction of the Court.

8. WHAT IS THE PROCESS FOR DETERMINING WHETHER A PROOF OF CLAIM WILL BE APPROVED OR REJECTED?

The Settlement Administrator will review each Proof of Claim to determine if it was timely submitted, complete and valid and should be approved. A Proof of Claim must be rejected by the Claims Administrator if (a) the claimant is not a Class Member; (b) the Proof of Claim is not timely submitted pursuant to the deadlines set forth in Section 5.1; (c) the Proof of Claim is not substantially completed consistent with the Proof of Claim instructions; (d) the Proof of Claim is not executed under penalty of perjury as provided on the Proof of Claim; (e) the Proof of Claim is determined by the Claims Administrator, based on the Proof of Claim and other relevant information, to be untrue, false or fraudulent; or (f) the Proof of Claim is not submitted with a completed and signed IRS Form W-9.

If the Settlement Administrator receives a Proof of Claim that is timely, but incomplete, invalid, or otherwise unapprovable for the reasons set forth above, and the defect is curable, the Settlement Administrator shall send a Notice of Deficiency to the party submitting such a Proof of Claim in writing sent by first-class mail of the nature of the defect and notify that party that a cured Proof of Claim may be submitted within fifteen (15) business days of the date of the mailing of the Notice of Deficiency. All Claimants who submit a cured Proof of Claim within this fifteen (15) business day period shall be deemed Approved Claimants.

Subject to the foregoing, the Settlement Administrator's determination to reject a Proof of Claim on the grounds that it was not timely submitted, complete or valid shall be binding on the Claimant and not subject to further review or appeal. Any Claimant who submits a Proof of Claim that has been rejected by the Settlement Administrator shall be barred from receiving any Claim Payment but otherwise shall be bound by any judgment that may be entered in the Action and the terms of the Settlement Agreement (including the release of Defendants), if approved by the Court.

All Proof of Claims that the Settlement Administrator has determined to approve may be challenged by Defendants ("Disputed Claims"). If the Settlement Administrator, Class Counsel and Defendants' Counsel are unable to resolve Defendants' challenge, Defendants may apply to the Court, on notice to Class Counsel and to the Claimants who submit Proof of Claims the Settlement Administrator has approved, for an Order determining that the Claimant's Proof of Claim should be rejected. Similarly, all Proof of Claims that the Settlement Administrator has determined to reject may be challenged by Class Counsel ("Disputed Invalid Claims"). If the Settlement Administrator, Class Counsel and Defendants' Counsel are unable to resolve Class Counsel's challenge, Class Counsel may apply to the Court, on notice to Defendants' Counsel and to the Claimants who submit Proof of Claims the Settlement Administrator has rejected, for an Order determining that the Claimant's Proof of Claim should be approved.

Defendants and Class Counsel will bear the burden of persuasion and proof in connection with their respective challenges in Court. Resolution of Disputed Valid Claims and Disputed Invalid Claims will proceed according to the schedule to be set by the Court, and Claimants who submit Proof of Claims that are subject of the challenge will be subject to discovery, limited to the Claimant's status as a Settlement Class Member and the Claimant's entitlement to a Claim Payment under the terms of the Settlement Agreement.

The above description of the review process for approving or rejecting Proof of Claims is only a summary. The complete terms of the review process, including the definition of capitalized terms not defined in this Notice, are set forth in the Settlement Agreement, which you may obtain from the Settlement Website by visiting the section entitled "Settlement Filings" or by contacting the Settlement Administrator at the contact information listed above (see Question 3).

9. WHEN WOULD I GET MY DISTRIBUTION CHECK?

The Court will hold a Settlement Hearing on May 20, 2020, at 10:30 a.m., to decide whether to approve the proposed Settlement. If the Court approves the Settlement, there may be appeals. It is always uncertain whether these appeals can be resolved favorably, and resolving them can take time, perhaps more than a year. It also takes time for all the Proof of Claims to be evaluated to determine if they were timely submitted, complete, and valid. If there are no appeals and depending on the number of Proof of Claims submitted, the Settlement Administrator could issue Distribution Checks as early as forty-five days after the Court's approval of the Settlement becomes Final. Please be patient.

10. WHAT AM I GIVING UP TO GET A PAYMENT?

If the Court approves the proposed Settlement, it will enter a Judgment containing, among other things, a release which provides that, upon the Effective Date, the Class Representative and each Settlement Class Member, on behalf of themselves, and each of their heirs, executors, trustees, administrators, beneficiaries, predecessors, successors and assigns, and any other person claiming by, through or on behalf of them, shall be deemed by operation of law (a) to have released, waived, discharged and dismissed each and every of the Released Claims against the Released Parties; (b) shall forever be enjoined from commencing, instituting or prosecuting any or all of the Released Claims against any of the Released Parties; and (c) shall not institute, continue, maintain or assert, either directly or indirectly, whether in the United States or elsewhere, on their own behalf or on behalf of any class or any other person, any action, suit, cause of action, claim or demand against any person or entity who may claim any form of contribution or indemnity from any of the Released Parties in respect of any Released Claim.

The above description of the release applicable to the Class Representative and Settlement Class Members set forth in the Settlement Agreement is only a summary. The complete terms, including the definitions of capitalized terms not defined in this Notice, are set forth in the Settlement Agreement, which you may obtain from the Settlement Website by visiting the section entitled "Settlement Filings" or by contacting the Settlement Administrator at the contact information listed above (see Question 3).

11. DO I NEED TO CONTACT CLASS COUNSEL TO RECEIVE A DISTRIBUTION CHECK?

No. If you timely submit a completed and valid Proof of Claim, you need not contact Class Counsel. If, however, you require any information about the proposed Settlement that is not otherwise available on the Settlement Website or you prefer not to review the Settlement Website to obtain information about the proposed Settlement, you may contact, as appropriate, either the Settlement Administrator or Class Counsel at the contact information listed above (see Question 3).

12. WILL THERE BE ANY PAYMENTS IF THE SETTLEMENT AGREEMENT IS TERMINATED?

No. The Settlement Agreement may be terminated under several circumstances outlined in it. If the Settlement Agreement is terminated, the Action will proceed as if the Settlement Agreement had not been entered into.

13. MAY I CONTACT CLASS COUNSEL?

Yes. Class Counsel has been preliminarily appointed by the Court to represent the Class Representative and Class Members. You will not be charged any fees nor incur any costs by contacting Class Counsel concerning any questions you may have regarding the Action or the proposed Settlement. Class Counsel may be contacted at the contact information listed above (see Question 3).

14. HOW WILL CLASS COUNSEL BE PAID FOR FEES AND EXPENSES?

Class Counsel will file a motion for an award of attorneys' fees of no more than \$817,500, and reimbursement of expenses of no more than \$135,000 (collectively, "Class Counsel Fees"). That motion will be considered by the Court at the Settlement Hearing. Any Class Counsel Fees approved by the Court will be paid by Defendants. Class Members are not personally liable for any Class Counsel Fees that may be awarded by the Court nor for any attorneys' fees, costs, or expenses incurred by Class Counsel in prosecuting the Action.

The Class Counsel Fees requested will be the only payment to Class Counsel for their efforts in achieving the proposed Settlement and for their risk in undertaking this representation on a wholly contingent basis. Class Counsel has committed significant time and expense in litigating the Action for the benefit of the Class. To date, Class Counsel has not been paid for their services in prosecuting the Action on behalf of the Class Representative and the Class or reimbursed for their costs and expenses. The Class Counsel Fees requested will compensate Class Counsel for their work in achieving the proposed Settlement. The Court will decide what a reasonable Class Counsel Fee award is and may award less than the amount requested by Class Counsel.

15. WILL THE CLASS REPRESENTATIVE SEEK AN AWARD IN ADDITION TO THE CLAIM PAYMENTS THAT OTHER CLASS MEMBERS MAY RECEIVE?

Yes. The Class Representative will request that the Court award her a Service Award of no more than \$5,000 for the time and effort expended in representing the Class in the Action. The Court will consider the Class Representative' request at the Settlement Hearing. Such sums as may be approved by the Court will be paid by Defendants. Class Members are not personally liable for any Service Award that the Court may award.

16. CAN I EXCLUDE MYSELF FROM THE CLASS?

Yes. If you do not want to receive a Claim Payment from the proposed Settlement and you want to keep your right, if any, to sue Defendants, at your own expense, concerning the claims raised in the Action, then you must take steps to exclude yourself from the Class.

To exclude yourself from the Class, you must submit a written request, by first class mail, postage pre-paid, to the Settlement Administration at:

Class Action Settlement Exclusion
c/o HSBC Mortgage Settlement Administrator
P.O. Box 58220
Philadelphia, PA 19102

To be effective, your written request for exclusion **must be postmarked** no later than April 8, 2020. In addition, your written request for exclusion must clearly provide all of the following information: (a) the name and current mailing address of the person and/or entity seeking exclusion; (b) the unique identification number provided on the notice mailed directly to you or the address of the residential property for which you were the Mortgagor Party; and (c) a signed statement that you wish to be excluded from the Class and the Settlement in *Tardibuono-Quigley v. HSBC Mortgage Corporation (USA) et. al*, No. 7:15-cv-06940-KMK-JCM (S.D.N.Y.). If the exclusion request is made by someone other than you on your behalf, the person or entity submitting the exclusion request must provide documentation evidencing authority to submit the exclusion request on your behalf. The request for exclusion shall not be effective unless it provides the required information and is made within the time stated above, or the exclusion is otherwise accepted by the Court.

You **cannot** make a proper request to exclude yourself from the Class by phone, by e-mail, or by contacting anyone but the Settlement Administrator in the manner and by the deadline set forth above. If you make a proper request for exclusion, you will not receive a Claim Payment from the Settlement; you cannot object to the proposed Settlement; and you will not be legally bound by any judgments that may be entered in the Action, or by the terms of the proposed Settlement, if approved by the Court.

17. IF I EXCLUDE MYSELF FROM THE CLASS, CAN I STILL GET MONEY FROM THE SETTLEMENT?

No. If you exclude yourself from the Class, do not submit a Proof of Claim to ask for any recovery from the Settlement because you will no longer be a member of the Class and, as such, will not be eligible for any recovery from the proposed Settlement, if approved.

18. CAN I OBJECT TO THE PROPOSED SETTLEMENT, CLASS COUNSEL'S REQUEST FOR CLASS COUNSEL FEES, OR THE CLASS REPRESENTATIVE'S REQUEST FOR A SERVICE AWARD?

Yes. If you are a Class Member and have not requested to exclude yourself from the Class, you can object to the Settlement, or any part of it, as well as to Class Counsel's request for Class Counsel Fees and the Class Representative's request for a Service Award.

To object, you **must**, by no later than April 8, 2020, have filed in writing your objection and any supporting papers with the Court (accompanied by due proof of service upon counsel for the Settling Parties) and have served, by hand, mail or overnight delivery, copies of all such written filings on counsel for the Settling Parties at the following addresses:

To the Court:

Clerk of Court
United States District Court, Southern District of New York
The Hon. Charles L. Brieant Jr. Federal Building and United States Courthouse
300 Quarropas Street

White Plains, NY 10601-4150

To Class Counsel:

Todd S. Garber
D. Gregory Blankinship
Bradley F. Silverman
FINKELSTEIN, BLANKINSHIP, FREI-PEARSON & GARBER LLP
445 Hamilton Avenue, Suite 605
White Plains, NY 10601

To Defendants' Counsel:

James L. Bernard
STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, NY 10038

In addition, your written objection **must** include all of the following information: (a) your name and current mailing address; (b) the unique identification number provided on the notice mailed directly to you or the address of the residential property for which you were the Mortgagor Party; (c) a signed statement that you object to the Settlement in *Tardibuono-Quigley v. HSBC Mortgage Corporation (USA) et. al*, No. 7:15-cv-06940-KMK-JCM (S.D.N.Y.); (d) a statement of whether the objection applies only to the objector, to a specific subset of the class, or to the entire class; (e) a statement of your specific objections as well as the specific grounds for those objections (including any documents you would like the Court to consider); and (f) a list of all other class action cases in which you or your counsel have filed objections to settlements.

Attendance at the Settlement Hearing is not necessary for you to object to any matters to be presented at the Settlement Hearing. If you or your representative wish to appear, however, to be heard orally to oppose any matters to be presented at the Settlement Hearing (including the approval of the Settlement) and/or present evidence at the Settlement Hearing, you must include with the filing and service of your written objection, a notice of your intent to appear at the Settlement Hearing and the identity of any witnesses you may seek to call to testify and exhibits you may seek to introduce into evidence at the Settlement Hearing.

Unless the Court orders otherwise, no Class Member or other person shall be entitled to object to any matters to be presented at the Settlement Hearing, or otherwise be heard at the Settlement Hearing, except by serving and filing written objections as described above. Any Class Member who does not object in the manner prescribed above shall be deemed to have waived such objection and shall be bound by any judgments entered in the Action and all the terms of the Settlement Agreement, if approved by the Court, unless the Class Member has properly requested to be excluded from the Class.

19. WHAT IS THE DIFFERENCE BETWEEN OBJECTING TO THE PROPOSED SETTLEMENT AND EXCLUDING YOURSELF FROM THE CLASS?

Objecting is simply telling the Court that you do not like the Settlement or some part of it. You can only object if you remain a Class Member. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the Action and the proposed Settlement no longer affect you.

20. WHEN WILL THE SETTLEMENT HEARING TAKE PLACE AND WHAT WILL BE ADDRESSED?

The Settlement Hearing will be held on May, 20, 2020, at 10:30 a.m., before the Honorable Kenneth M. Karas, at the United States District Court, Southern District of New York, The Hon. Charles L. Briant Jr. Federal Building and United States Courthouse, 300 Quarropas St., White Plains, NY 10601-4150, for the purpose of determining whether (a) the proposed Settlement, as embodied in the Settlement Agreement, is fair, reasonable, and adequate, and should be approved; (b) to enter the Judgment, substantially in the form attached as Exhibit C to the Settlement Agreement, which, among other things, provides for the dismissal of the Action with prejudice and the release by the Class Representative and Settlement Class Members of the Settled Claims as against the Released Parties; (c) the Action should be finally certified, for settlement purposes, as a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure; (d) to grant Class Counsel's application for an award of Class Counsel Fees; (e) to grant the Class Representative's request for a Service Award; and (f) to rule upon such other matters as the Court may deem appropriate.

21. MAY I SPEAK AT THE SETTLEMENT HEARING?

Yes. If you or your representative, however, wish to raise an objection at the Settlement Hearing to any matter to be addressed at the Settlement Hearing, then you must first inform the Court and counsel for the Settling Parties of your intention to speak according to the instructions set forth in Question 18. You cannot speak at the Settlement Hearing if you properly requested to exclude yourself from the Class.

22. DO I HAVE TO COME TO THE SETTLEMENT HEARING?

No. Class Counsel will answer any questions the Court may have, but you are welcome to come at your own expense. If you file and serve an objection to the proposed Settlement (or any part of it) according to the instructions set forth in Question 18, you need not appear at the Settlement Hearing to talk about it. So long as you complied with the requirements for filing and serving an objection as set forth in Question 18, the Court will consider it. You may also retain your own lawyer to attend the Settlement Hearing, but it is not necessary.

23. WHAT HAPPENS IF I DO NOTHING?

If you do nothing, you will not receive any money from the Settlement. But, unless you properly request to exclude yourself from the Class, you will be bound by any judgment, whether or not favorable to you, that the Court may enter in the Action and by all the terms of the Settlement Agreement (including the release of Defendants), if approved by the Court. By remaining in the Class, you are consenting to the jurisdiction of the Court.

24. WILL I HAVE TO PAY TAX ON A CLAIM PAYMENT I AM ELIGIBLE TO RECEIVE FROM THE SETTLEMENT?

The Settlement Administrator shall report to the United States Internal Revenue Service on IRS Form 1099-MISC any Claim Payment made to an Authorized Claimant in the amount of \$600 or more. The tax treatment of any Claim Payment you may be eligible to receive is your responsibility, including whether you are subject to tax withholding and, if so, what steps, if any, you may or must take to accept a distribution that does not withhold any funds for tax purposes. Neither the Settlement Administrator nor the Settling Parties and their counsel (including Class Counsel and Defendants' counsel) can provide you with individual tax advice. Accordingly, you should consult your tax advisor if you are not certain about the tax treatment of a Claim Payment you may be eligible to receive from the Settlement.

25. HOW DO I OBTAIN ADDITIONAL INFORMATION?

This Notice contains only a summary of the terms of the proposed Settlement. The records in the Action may be examined and copied at any time during regular office hours, and subject to customary copying fees, at the office of the Clerk of Court, United States District Court, Southern District of New York, The Hon. Charles L. Briant Jr. Federal Building and United States Courthouse, 300 Quarropas St., White Plains, NY 10601-4150. In addition, settlement-related documents, including the Proof of Claim, IRS Form W-9, Settlement Agreement and Preliminary Approval Order, may be obtained by visiting the Settlement Website or by contacting the Settlement Administrator in the manner and at the contact details set forth above (see Question 3).

PLEASE DO NOT CONTACT THE COURT OR COUNSEL FOR HSBC FOR INFORMATION.

Dated: February 7, 2020

By Order of the Court
United States District Court
For the Southern District of New
York

Exhibit A

Fannie Mae Single Family Home Forms

State	Fannie Mae Form Number	"Necessary" Form Effective Date	Current Form First Revision Date	Class Start Date	Class End Date
Alabama	3001	Sep-90	Jan-01	6/30/1991	12/31/2000
Alaska	3002	Sep-90	Jan-01	6/30/1991	12/31/2000
Arizona	3003	Dec-83	Jan-01	9/30/1984	12/31/2000
Arkansas	3004	Sep-90	Jan-01	6/30/1991	12/31/2000
California	3005	Sep-90	Jan-01	6/30/1991	12/31/2000
Colorado	3006	Jan-91	Jan-01	10/31/1991	12/31/2000
Connecticut	3007	Sep-90	Jan-01	6/30/1991	12/31/2000
Delaware	3008	Sep-90	Jan-01	6/30/1991	12/31/2000
District of Columbia	3009	Sep-90	Jan-01	6/30/1991	12/31/2000
Florida	3010	Sep-90	Jan-01	6/30/1991	12/31/2000
Georgia	3011	Sep-90	Jan-01	6/30/1991	12/31/2000
Hawaii	3012	Sep-90	Jan-01	6/30/1991	12/31/2000
Idaho	3013	Sep-90	Jan-01	6/30/1991	12/31/2000
Illinois	3014	Sep-90	Jan-01	6/30/1991	12/31/2000
Indiana	3015	Sep-90	Jan-01	6/30/1991	12/31/2000
Iowa	3016	Sep-90	Jan-01	6/30/1991	12/31/2000
Kansas	3017	Sep-90	Jan-01	6/30/1991	12/31/2000
Kentucky	3018	Sep-90	Jan-01	6/30/1991	12/31/2000
Louisiana	3019	Jan-91	Jan-01	10/31/1991	12/31/2000
Maine	3020	Oct-91	Jan-01	7/31/1992	12/31/2000
Maryland	3021	Sep-90	Jan-01	6/30/1991	12/31/2000
Massachusetts	3022	Sep-90	Jan-01	6/30/1991	12/31/2000
Michigan	3023	Sep-90	Jan-01	6/30/1991	12/31/2000
Minnesota	3024	Sep-90	Jan-01	6/30/1991	12/31/2000
Mississippi	3025	Sep-90	Jan-01	6/30/1991	12/31/2000
Missouri	3026	Sep-90	Jan-01	6/30/1991	12/31/2000
Montana	3027	Sep-90	Jan-01	6/30/1991	12/31/2000
Nebraska	3028	Sep-90	Jan-01	6/30/1991	12/31/2000
Nevada	3029	Sep-90	Jan-01	6/30/1991	12/31/2000
New Hampshire	3030	Sep-90	Jan-01	6/30/1991	12/31/2000
New Jersey	3031	Sep-90	Jan-01	6/30/1991	12/31/2000
New Mexico	3032	Sep-90	Jan-01	6/30/1991	12/31/2000
New York	3033	Oct-91	Jan-01	7/31/1992	12/31/2000
North Carolina	3034	Sep-90	Jan-01	6/30/1991	12/31/2000
North Dakota	3035	Sep-90	Jan-01	6/30/1991	12/31/2000
Ohio	3036	Sep-90	Jan-01	6/30/1991	12/31/2000
Oklahoma	3037	Sep-90	Jan-01	6/30/1991	12/31/2000
Oregon	3038	Sep-90	Jan-01	6/30/1991	12/31/2000
Pennsylvania	3039	Sep-90	Jan-01	6/30/1991	12/31/2000
Rhode Island	3040	Sep-90	Jan-01	6/30/1991	12/31/2000
South Carolina	3041	Sep-90	Jan-01	6/30/1991	12/31/2000
South Dakota	3042	Sep-90	Jan-01	6/30/1991	12/31/2000

Fannie Mae Single Family Home Forms

State	Fannie Mae Form Number	"Necessary" Form Effective Date	Current Form First Revision Date	Class Start Date	Class End Date
Tennessee	3043	Sep-90	Jan-01	6/30/1991	12/31/2000
Texas	3044	Sep-90	Jan-01	6/30/1991	12/31/2000
Utah	3045	Sep-90	Jan-01	6/30/1991	12/31/2000
Vermont	3046	Sep-90	Jan-01	6/30/1991	12/31/2000
Virginia	3047	Sep-90	Jan-01	6/30/1991	12/31/2000
Washington	3048	Sep-90	Jan-01	6/30/1991	12/31/2000
West Virginia	3049	Sep-90	Jan-01	6/30/1991	12/31/2000
Wisconsin	3050	Sep-90	Jan-01	6/30/1991	12/31/2000
Wyoming	3051	Sep-90	Jan-01	6/30/1991	12/31/2000