

If You Paid Overdraft Fees to Members 1st Federal Credit Union, You May Be Eligible for a Payment from a Class Action Settlement.

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

- A \$910,000.00 Settlement has been reached in a class action lawsuit about APPSN Fees (“Overdraft Fees”) charged on certain Point of Sale transactions by Members 1st Federal Credit Union (“Members”) where there was a sufficient available balance at the time the transaction was authorized, but an insufficient available balance at the time the transaction was presented to Members for payment and posted to a member’s account. Members maintains that there was nothing wrong with the transaction processing practices it used and that it complied, at all times, with applicable laws and regulations and the terms of the account agreements with its members.
- The Settlement Class includes former Members’ members who were charged qualifying Overdraft Fees between March 29, 2015, and January 14, 2019, and who closed their accounts prior to January 14, 2019. Excluded from the Settlement Class is Members 1st Federal Credit Union, its parents, subsidiaries, affiliates, officers, and directors, all Settlement Class members who make a timely election to be excluded, and all judges assigned to this litigation and their immediate family members.
- **If you are a former member of Members 1st Federal Credit Union who was charged Overdraft Fees between March 29, 2015, and January 14, 2019, and who closed your account(s) prior to January 14, 2019, you may be eligible for benefits under a class action settlement.**
- Your legal rights are affected whether you act or don’t act. Read this Notice carefully.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
Receive a Payment	If you are entitled under the Settlement to a payment, you do not have to do anything to receive it. If the Court approves the Settlement and it becomes final and effective, and you remain in the Settlement Class, you will automatically receive a payment by check.
Exclude Yourself from the Settlement	Receive no benefit from the Settlement. This is the only option that allows you to retain your right to bring any other lawsuit against Members about the claims in this case. If you want to exclude yourself from the Settlement, you must send a written request for exclusion by U.S. Mail postmarked no later than June 26, 2020 , following the instructions in Question 11.
Object	Write to the Court, Plaintiffs’ Counsel, and Defense Counsel about why you do not like the Settlement. You can object to any part of the Settlement, the Settlement as a whole, Class Counsel’s requests for fees and expenses, and/or Class Counsel’s request for a service award for the Class Representative. If you object, you will still be a member of the Class. You must follow the instructions and send your objection to the three different places set forth in Question 16 such that it is postmarked no later than June 26, 2020 .
Do Nothing	You will receive any payment to which you are entitled and will give up your right to bring your own lawsuit against Members about the claims in this case.

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be provided if the Court approves the Settlement and after any appeals are resolved. Please be patient.

Questions? Call 1-866-977-0814 or visit www.WhiteLitigation.com.

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BASIC INFORMATION

1. Why is there a notice?

A Court authorized this Notice because you have a right to know about the proposed Settlement of this class action lawsuit, and about all of your options, before the Court decides whether to give Final Approval to the Settlement. This Notice explains the lawsuit, the Settlement, and your legal rights.

The U.S. District for the Middle District of Pennsylvania is overseeing this case. The case is known as *Michael White v. Members 1st Federal Credit Union*, No. 1:19-cv-00556 (JEJ) (the “Action”). The person who sued is called the “Plaintiff.” The Defendant is Members 1st Federal Credit Union (“Members”).

2. What is this lawsuit about?

A Settlement has been reached in a class action lawsuit that claims that Members improperly charged APPSN Fees on certain Point of Sale debit card transactions where there was a sufficient available balance at the time the transaction was authorized, but an insufficient available balance at the time the transaction was presented to Members for payment and posted to a member’s account. The Amended Complaint is posted on the documents page of the Settlement website, www.WhiteLitigation.com, and contains all of the allegations and claims asserted against Members. Members maintains that there was nothing wrong with the transaction processing practices it used and that it complied, at all times, with applicable laws and regulations and the terms of the account agreements with its members.

3. What does “Overdraft Fees” mean?

“Overdraft Fees” shall mean the APPSN Fee(s) that Members charged on certain Point of Sale debit card transactions where there was a sufficient available balance at the time the transaction was authorized, but an insufficient available balance at the time the transaction was presented to Members for payment and posted to a member’s account.

4. Why is this a class action?

In a class action, one or more people called class representatives (in this case, Plaintiff Michael White) sue on behalf of people who have similar claims. The people included in the class action are called the Settlement Class or (“Settlement Class members”). One court resolves the issues for all Settlement Class members, except for those who timely exclude themselves from the Settlement Class.

5. Why is there a Settlement?

The Court has not decided in favor of either the Plaintiff or Members. Instead, both sides agreed to the Settlement. By agreeing to the Settlement, the Parties avoid the costs and uncertainty of a trial, and Settlement Class Members receive the benefits described in this Notice. The Class Representative and Class Counsel believe the Settlement is best for everyone who is affected.

Questions? Call 1-866-977-0814 or visit www.WhiteLitigation.com.

WHO IS IN THE SETTLEMENT?

To see if you can get a payment from the Settlement, you first have to determine if you are a Settlement Class member.

6. Who is included in the Settlement?

The Settlement Class includes former Members' members who were charged qualifying Overdraft Fees between March 29, 2015, and January 14, 2019, and who closed their accounts prior to January 14, 2019. Excluded from the Settlement Class is Members 1st Federal Credit Union, its parents, subsidiaries, affiliates, officers, and directors, all Settlement Class members who make a timely election to be excluded, and all judges assigned to this litigation and their immediate family members.

You may contact the Settlement Administrator if you have any questions as to whether you are in the Settlement Class.

THE SETTLEMENT'S BENEFITS

7. What does the Settlement provide?

Members has agreed to establish a Settlement Fund of \$910,000.00 from which Settlement Class members will receive payments. The Settlement Fund will also pay all attorneys' fees, costs, and expenses awarded to Class Counsel, and any service award to the Class Representative. The exact amount of Settlement Class members' payments cannot be determined at this time. The exact amount cannot be determined until the notice process is complete and the Court makes a final decision on the amount of attorneys' fees, costs, and expenses awarded to Class Counsel and any service award to the Class Representative.

Additionally, Members has agreed to a change in practices by implementing the 2019.00 Service Pack 6 Release issued by Symitar, a portion of which is designed to prevent an overdraft fee on transactions approved on a positive available balance.

Members has also agreed not to pursue any Settlement Class member for any balance due and remaining unpaid at the time of the closing of the Settlement Class member's account, other than for negative balances that resulted from a Settlement Class members' loan, credit card, or fraud. Members calculates the amount forgiven to be approximately \$170,000.00. The amounts forgiven pursuant to the Settlement Agreement shall cease to be reported as owed to Members in any credit reporting service, including Chexsystems, as of the Effective Date of the Settlement Agreement.

8. Tax Implications

The Settlement has potential tax implications for you. To the extent you receive a payment in excess of \$600.00 from the Settlement Fund for qualifying Overdraft Fees, you will receive a Form 1099 from the Settlement Administrator for the amount received. To the extent you are entitled to forgiveness of any balance due and remaining unpaid at the time of the closing of your account, and the dollar amount forgiven is in excess of \$600.00, you will receive a Form 1099c from the Settlement Administrator for the amount received. Receipt of a Form 1099 and/or a Form 1099c from the Settlement Administrator could result in your having to declare income in the amount received on your next tax return and pay tax on all or some of that amount. You should consult your tax advisor on the impact of the Settlement on you individually.

9. How do I receive a payment?

If you are in the Settlement Class and entitled to receive a cash benefit, you do not need to do anything to receive a payment. If the Court approves the Settlement and it becomes final and effective, you will automatically receive a payment by check for your *pro rata* portion of the Settlement Fund based on the number of qualifying Overdraft Fees you paid to Members during the period covered by the Settlement.

10. What am I giving up to stay in the Settlement Class?

Unless you exclude yourself from the Settlement Class, you cannot sue or be part of any other lawsuit against Members about the legal issues in this Action. It also means that all of the decisions by the Court will bind you. The "Release" included in the Settlement Agreement describes the precise legal claims that you give up if you remain in the Settlement. The Settlement Agreement is available at www.WhiteLitigation.com.

Questions? Call 1-866-977-0814 or visit www.WhiteLitigation.com.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want benefits from the Settlement, and you want to keep the right to sue Members on your own about the legal issues in this Action, then you must take steps to get out of the Settlement. This is called excluding yourself—or it is sometimes referred to as “opting out” of the Settlement Class.

11. How do I get out of the Settlement?

To exclude yourself from the Settlement, you must send a letter that includes the following:

- The signature of all holders of the applicable account and the date of signing;
- the full name(s), address(es), and account number(s) of the person(s) requesting exclusion;
- be postmarked and mailed to the address below; and
- include the following statement “I/we request to be excluded from the proposed class settlement in *White v. Members 1st Federal Credit Union*, Case No. 1:19-cv-00566 (JEJ).”

You must mail your exclusion request, postmarked no later than **June 26, 2020**, to the Settlement Administrator at:

Members 1st Overdraft Settlement
C/O Epiq
P.O. Box 6389
Portland, OR 97228-6389

12. If I do not exclude myself, can I sue Members for the same thing later?

No. Unless you exclude yourself, you give up the right to sue Members for the claims that the Settlement resolves. You must exclude yourself from this Settlement Class in order to try to pursue your own lawsuit.

13. If I exclude myself from the Settlement, can I still receive a payment?

No. You will not receive a payment if you exclude yourself from the Settlement.

THE LAWYERS REPRESENTING YOU

14. Do I have a lawyer in this case?

The Court has appointed a number of lawyers to represent you and others in the Settlement Class, including the law firms Kaliel PLLC, Greg Coleman Law, and Golomb & Honik, P.C. (“Class Counsel”). Class Counsel will represent you and others in the Settlement Class. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

15. How will the lawyers be paid?

Class Counsel shall apply for an award of attorneys’ fees up to one-third (33-1/3%) of the value of this Settlement to the Class Members, plus reimbursement of reasonable litigation costs, approved by the Court. The fees and expenses awarded by the Court will be paid out of the Settlement Fund. The Court will determine the amount of fees and litigation costs to award. Class Counsel will also request that \$5,000.00 for the Class Representative be paid from the Settlement Fund for his service to the entire Settlement Class.

Questions? Call 1-866-977-0814 or visit www.WhiteLitigation.com.

OBJECTING TO THE SETTLEMENT

16. How do I tell the Court that I don't like the Settlement?

If you are a Settlement Class member, you can object to any part of the Settlement, the Settlement as a whole, Class Counsel's requests for fees and expenses, and/or Class Counsel's request for a service award for the Class Representative. To object, you must submit a letter that includes the following:

- The name of this Action, which is *Michael White v. Members 1st Federal Credit Union*, No. 1:19-cv-00556 (JEJ);
- your printed or typed full name, address, telephone number, the last four digits of your former account number with Members, and the contact information for any attorney retained by you in connection with the objection or otherwise;
- an explanation of the basis upon which you claim to be a Settlement Class member;
- a statement of the factual and legal basis for each objection, as well as any exhibits you wish the Court to consider in connection with the objection;
- the identity of all counsel who represent you, including any former or current counsel who may be entitled to compensation for any reason related the objection to the Settlement or fee application;
- any and all agreements that relate to the objection or the process of objecting – whether written or verbal – between you or counsel and any other person or entity;
- a statement confirming whether you intend to personally appear and/or testify at the Final Approval Hearing, either in person or through counsel, and, if through counsel, identifying the counsel by name, address, and telephone number, as well as a list of all persons who will be called to testify at the Final Approving Hearing in support of the objection; and
- your signature (an attorney's signature is not sufficient).

You must submit your objection to the Settlement Administrator, postmarked no later than **June 26, 2020**, to the following address:

Members 1st Overdraft Settlement
C/O Epiq
P.O. Box 6389,
Portland, OR 97228-6389

17. What's the difference between objecting and excluding?

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

THE COURT'S FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement, the request for attorneys' fees and expenses, and a service award for the Class Representative. You may attend and you may ask to speak, but you do not have to do so.

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

The Court will hold a Final Approval Hearing at 9:30 a.m. on October 28, 2020, in Courtroom 1 at the Ronald Reagan Federal Building and United States Courthouse, 228 Walnut St., Harrisburg, PA 17101. The hearing may be moved to a different date or time without additional notice, so it is a good idea to review www.WhiteLitigation.com for updates. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will also consider any request by Class Counsel for attorneys' fees and expenses and for a service award for the Class Representative.

Questions? Call 1-866-977-0814 or visit www.WhiteLitigation.com.

If there are objections, the Court will consider them at this time. After the hearing, the Court will decide whether to approve the Settlement. We do not know when the Court will make its decision. Please review www.WhiteLitigation.com for any Settlement updates.

19. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. But, you may come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you submit your written objection on time, to the proper address, and it complies with the requirements set forth previously, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

20. May I speak at the hearing?

You may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must submit a timely objection to the Settlement and send a letter saying that you intend to appear and wish to speak. Your Notice of Intention to Appear must include the following:

- Your name, address, and telephone number;
- a statement that this is your “Notice of Intention to Appear” at the Final Approval Hearing for *Michael White v. Members 1st Federal Credit Union*, No. 1:19-cv-00556 (JEJ);
- the reasons you want to be heard and copies of any papers, exhibits, or other evidence or information that is to be presented to the Court at the Final Approval Hearing; and
- your signature.

You must submit your Notice of Intention to Appear so that it is postmarked no later than **June 26, 2020**, to the address listed in Question 16.

IF YOU DO NOTHING

21. What happens if I do nothing at all?

If you do nothing, you will still receive the benefits to which you are entitled under the Settlement Agreement. Unless you exclude yourself, you will not be able to start a lawsuit or be part of any other lawsuit against Members relating to the issues in this Action.

GETTING MORE INFORMATION

22. How do I get more information?

This Notice summarizes the proposed Settlement. More details can be found in the Settlement Agreement, which can be found at www.WhiteLitigation.com. You may also write with questions to Members 1st Overdraft Settlement, P.O. Box 6389, Portland, OR 97228-6389, or call the toll-free number, 1-866-977-0814. Do not contact Members 1st Federal Credit Union or the Court for information.

Questions? Call 1-866-977-0814 or visit www.WhiteLitigation.com.