

For the reasons stated in court on February 15, 2012, it is hereby ORDERED that:

1. For purposes of this Action, this Court has subject matter jurisdiction and, for purposes of the settlement only, this Court has personal jurisdiction over the Parties, including all Settlement Class Members.¹

2. For purposes of this settlement only, the following Settlement Class is preliminarily certified:

All African-American or Hispanic borrowers (including, without limitation, individual borrowers, joint-borrowers, and co-borrowers) who obtained a Loan originated between January 1, 2004 and June 24, 2011.

For purposes of this settlement only, the Settlement Class is preliminarily certified pursuant to Federal Rules of Civil Procedure 23(b)(2) and 23(b)(3), and all Settlement Class Members shall have the right to exclude themselves by way of the opt-out procedure set forth below in Paragraph 12.

3. This Court preliminarily finds, solely for purposes of the settlement, that the Action may be maintained as a class action on behalf of the Settlement Class because: (a) the Settlement Class is so numerous that joinder of all Settlement Class Members in the Action is impracticable; (b) there are questions of law and fact common to Settlement Class Members that

¹All terms in this Order have the definitions given to them in the Agreement.

predominate over any individual questions; (c) Plaintiffs' claims are typical of the claims of the Settlement Class; (d) Plaintiffs and Class Counsel have fairly and adequately represented and protected the interests of the Settlement Class; (e) Defendants have acted or refused to act on grounds that apply generally to the Settlement Class, so that final injunctive relief or corresponding declaratory relief is appropriate with respect to the Settlement Class as a whole; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

4. This Court finds that the Agreement is fair, reasonable and adequate, and within the range of possible approval, subject to further consideration at the Final Fairness Hearing as set forth below in Paragraph 7.

5. This Court preliminarily finds that Plaintiffs fairly and adequately represent the interests of the Settlement Class and, therefore, designate Plaintiffs as the representatives of the Settlement Class.

6. Pursuant to Federal Rule of Civil Procedure 23(g), this Court designates as Class Counsel the law firms of Bonnett, Fairbourn, Friedman & Balint, P.C., Roddy Klein & Ryan, the Law Offices of Al Hofeld Jr., LLC, Miller Law, LLC, Robbins, Geller, Rudman & Dowd, LLP, and the National Consumer Law Center, Inc. This Court preliminarily finds that based on the work Class

Counsel have done in identifying, investigating and prosecuting the claims in the action, Class Counsel's experience in handling class actions, other complex litigation and claims of the type asserted in this action, Class Counsel's knowledge of the applicable law and the resources Class Counsel have and will commit to representing the class, Class Counsel have and will fairly and adequately represent the interests of the Settlement Class. This Court authorizes Plaintiffs and Class Counsel to enter into the Agreement on behalf of the Settlement Class, subject to final approval by this Court of the settlement. Plaintiffs and Class Counsel, on behalf of the Settlement Class, are authorized to take all appropriate action required or permitted to be taken by the Settlement Class pursuant to the Agreement to effectuate its terms.

7. The Final Fairness Hearing shall take place before the Honorable Mark L. Wolf on August 9, 2012 at 3:00 p.m. at the United States District Court, District of Massachusetts, Courtroom #10, 1 Courthouse Way, Boston, Massachusetts 02210, to determine: whether the proposed settlement of the Action on the terms and conditions provided for in the Agreement is fair, adequate and reasonable as to the Settlement Class Members and should be approved; whether the Judgment, as provided for in the Agreement, should be entered; the amount of fees and costs that should be awarded to Class Counsel; and the amount of the service

awards that should be awarded to Plaintiffs, as provided for in the Agreement. The Court will also hear and consider any properly lodged objections at that time.

8. The parties shall file a memorandum in support of final approval and a proposed order by July 26, 2012.

9. This Court approves Tilghman & Co., P.C. as Settlement Administrator.

10. This Court finds that the notice provision as set forth in Section 6.2 of the Agreement satisfies the requirements of 28 U.S.C. §1715, and that the attached notice satisfies the requirements of Due Process, the Federal Rules of Civil Procedure and any other applicable laws, and constitutes the best notice practicable under the circumstances and shall constitute due and sufficient notice to all persons entitled thereto. This Court approves the form and content of the Notices and Claim Form which are attached hereto.²

11. The Court approves the claims procedures set forth in Section 5.6 of the Agreement. To be treated as valid, claim forms must be postmarked within one hundred five (105) days of entry of this Order.

12. All Settlement Class Members who do not request exclusion ("opt-out") from the Settlement Class, pursuant to the

²The name and contact information for the Settlement Administrator shall be added to the Notices.

procedure set forth in Paragraph 12 below, shall be bound by all determinations and judgments in this Action concerning the settlement, including, but not limited to, the validity, binding nature and effectiveness of the releases set forth in Section 5.1 of the Agreement.

13. Any Settlement Class Member who wishes to opt-out of the Settlement Class as to damages claims shall submit to the Settlement Administrator, with a postmark no later than one hundred five (105) days after entry of this Order, an appropriate written request for exclusion by mail, personally signed by the Settlement Class Member, including: (i) the Settlement Class Member's name, address, telephone number; (ii) the account number of the Loan(s); (iii) a sentence confirming, under penalty of perjury, that he or she is a Settlement Class Member; and (iv) the following statement: "I request to be excluded from the class settlement in Harris et al. v. Citigroup, Inc. et al., United States District Court, District of Massachusetts, Case No. 08-10417." No Settlement Class Member, or any person acting on behalf of or in concert or participation with that Settlement Class Member, may exclude any other Settlement Class Member from the Settlement Class, except in the case of joint borrowers.

14. Any Settlement Class Member, who has not previously opted-out in accordance with the terms of Paragraph 12 above, may appear at the Final Fairness Hearing to argue that the proposed

settlement should not be approved and/or to oppose the application of Class Counsel for an award of attorneys' fees and costs and the service awards to Plaintiffs; provided, however, that no Settlement Class Member shall be heard, and no objection may be considered, unless the Settlement Class Member files with this Court a written statement of the objection postmarked no later than one hundred five (105) days after entry of this Order. Copies of all objection papers must be served on:

Class Counsel

Gary Klein, Esq.
Klein Kavanagh Costello, LLP
85 Merrimac St., 4th Floor
Boston, MA 02114

Counsel for Defendants

Brenda R. Sharton, Esq.
Goodwin Procter LLP
53 State Street
Boston, MA 02109

All objections must include: (i) the objector's name, address and telephone number; (ii) the account number of the Loan(s); (iii) a sentence confirming, under penalty of perjury, that the objector is a Settlement Class Member; (iv) the factual basis and legal grounds for the objection to the settlement; (v) the identity of witnesses whom the objector may call to testify at the Final Fairness Hearing; and (vi) copies of exhibits intended to be offered into evidence at the Final Fairness Hearing.

15. The costs of notice and settlement administration shall be paid from the Settlement Fund as described in Section 3.4(a)(i) of the Agreement.

16. All proceedings in this Action are stayed pending final approval of the settlement, except as may be necessary to implement the settlement or comply with the terms of the Agreement.

17. Pending final determination of whether the settlement should be approved, Plaintiffs, all Settlement Class Members and any person or entity allegedly acting on behalf of Settlement Class Members, either directly, representatively or in any other capacity, are preliminarily enjoined from commencing or prosecuting against the Released Parties any action or proceeding in any court or tribunal asserting any of the Released Claims, provided, however, that this injunction shall not apply to individual claims of any Settlement Class Members who timely exclude themselves in a manner that complies with Paragraph 12 above. This injunction is necessary to protect and effectuate the settlement, this Preliminary Approval Order, and this Court's flexibility and authority to effectuate this settlement and to enter judgment when appropriate, and is ordered in aid of this Court's jurisdiction and to protect its judgments pursuant to 28 U.S.C. section 1651(a).

18. This Court reserves the right to alter any of the deadlines established by this Order for good cause shown, and to adjourn or continue the date of the Final Fairness Hearing without further notice to Settlement Class Members, and retains jurisdiction to consider all further applications arising out of or connected with the settlement. This Court may approve or modify the settlement without further notice to Settlement Class Members.

Date: March 6, 2012

Mark L. Wolf
Honorable Mark L. Wolf
United States District Judge