

EXHIBIT 2

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION (COLUMBUS)**

In re:

WELLS FARGO COVID FORBEARANCE
SETTLEMENT LITIGATION

Case No. 2:24-cv-01026-MHW-EPD

**[PROPOSED] ORDER GRANTING FINAL
APPROVAL OF CLASS ACTION
SETTLEMENT**

Judge Michael H. Watson

Magistrate Judge Elizabeth Preston Deavers

CLASS ACTION

This Court, having held a Final Approval Hearing on December 10, 2024, with notice of that hearing having been provided in accordance with the Preliminary Approval Order (ECF Nos. 243, 247), and having considered all matters submitted to it in connection with the Final Approval Hearing and otherwise, and finding no just reason for delay in entry of this Final Approval Order, and good cause appearing therefore,

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. Unless otherwise defined, all capitalized terms in this Final Approval Order shall have the same meaning as they do in the First Amended Settlement Agreement filed on July 23, 2024 (ECF No. 240-1, the “Agreement”).

2. This Court has jurisdiction over the subject matter of the Actions that were consolidated for settlement purposes and personal jurisdiction over the Parties, including all Class Members with respect to the Class certified for settlement purposes, which is defined as follows:

All persons in the United States who: (a) had a Mortgage serviced by Wells Fargo that was placed into a Forbearance Without Adequate Informed Consent between March 1, 2020 and December 31, 2021; and (b) were not a debtor or the Co-Borrower of a debtor in a Chapter 13 bankruptcy case on the date that the Mortgage was placed into the Forbearance; and (c) are not Wells Fargo’s officers, directors, or employees, Counsel for Wells Fargo, or Class Counsel. The Class and Class Members include all individuals who signed the

deed of trust, mortgage or other security document associated with a Mortgage even if they did not sign the underlying promissory note or loan.

“Without Adequate Informed Consent” means for the purposes of the Settlement only:

- a. the Mortgage entered Forbearance via Wells Fargo’s online banking or interactive voice response (“IVR”) portal before May 11, 2020, unless the customer (i) made no payments from the date that the Forbearance was requested and continuing during the entire Forbearance period¹; (ii) also requested Forbearance via Wells Fargo’s online banking or IVR portal on or after May 11, 2020; or (iii) requested a Forbearance extension; or
- b. the Mortgage entered Forbearance as a result of a Proactive Wells Fargo Business Decision, unless the customer (i) requested forbearance online or through the IVR portal on or after May 11, 2020; or (ii) requested a Forbearance extension; or
- c. Wells Fargo previously determined that the Forbearance was provided in error.

“Proactive Wells Fargo Business Decision” means for the purposes of the Settlement only:

- a. Customers who requested Forbearance on one Mortgage account between March 9, 2020 and April 7, 2020, and were provided a Forbearance on one or more other Mortgage accounts;
- b. Customers who contacted Wells Fargo by phone between March 9, 2020 and March 31, 2020, expressing COVID-19 impact and who were provided a Forbearance without an express request;
- c. Customers who sent a secured email to Wells Fargo conveying COVID-19 impact or hardship, or requesting assistance or information, between March 20, 2020 and April 2, 2020, and who were provided a Forbearance without an express request;
- d. Customers who had a pending application in the home preservation process as of March 25, 2020 and who were provided a Forbearance without an express request; and
- e. Customers who were in an active Chapter 7, 11 or 12 bankruptcy case and who filed a document with the bankruptcy court expressing COVID impact or requesting payments relief between March 18, 2020 and June 8, 2020 and who were provided a Forbearance without an express request.

3. The Court finally certifies the Settlement Class and finds, for settlement purposes only, that the Settlement satisfies all the requirements of Rule 23(a) and Rule 23(b)(3) of the Federal Rules of Civil Procedure. Specifically: (a) the Class is sufficiently numerous that joinder of all its members is impracticable; (b) there are questions of law and fact common to the Class;

¹ This exclusion shall not apply to customers who were set up on forbearance before April 15, 2020 and for whom Wells Fargo turned off automatic ACH mortgage payments.

(c) the claims of the Proposed Class Representatives are typical of the claims of the Class they seek to represent; (d) Proposed Class Representatives have and will continue to fairly and adequately represent the interests of the Class for purposes of entering into the Settlement Agreement; (e) the questions of law and fact common to the Class Members predominate over any questions affecting any individual Class Member; (f) the Class is ascertainable; and (g) a class action settlement is superior to the other available methods for the fair and efficient adjudication of the controversy.

4. The Court appoints as Class Counsel pursuant to Rule 23(g), for settlement purposes only, the following: _____

_____.

5. The Court confirms the appointment of Luis Castro, Marisol Castro, Pamela Delpapa, Jenna Doctor, Samara Green, Patrick Healy, Barbara Prado, Renrick Robinson, Vivian Robinson, Brian Echard, Patricia Foley, and Heather Shimp as Class Representatives.

6. The Court finds that Class Counsel and Class Representatives have adequately represented Class Members for purposes of entering into and implementing the Agreement and Settlement.

7. The Court makes the following findings and conclusions concerning Class Notice:

- a. The Notice Plan and Class Notice constituted the best notice practicable under the circumstances;
- b. The Notice Plan and Class Notice constituted notice that was reasonably calculated under the circumstances to apprise Class Members of the pendency of the Actions, of their right to object to or exclude themselves from the proposed Settlement as applicable, of their right to appear at the Final Approval Hearing, and of their right to seek relief;
- c. The Notice Plan and Class Notice constituted reasonable, due, adequate, and sufficient notice to all Persons entitled to receive notice; and

d. The Notice Plan and Class Notice complies with the requirements of Fed. R. Civ. P. 23, due process, and any other applicable law.

8. This Court finds that the Settlement meets the requirements of Federal Rule 23(e)(2), as the Settlement was negotiated at arms' length; the relief provided for the Class is fair and reasonable; the Settlement does not improperly grant preferential treatment to the Class Representatives or segments of the Class; and the Settlement as a whole is fair, reasonable, and adequate. Accordingly, the Court hereby fully and finally approves the Settlement Agreement as fair, reasonable, and adequate as to, and in the best interests of, each of the Parties and the Class Members.

9. The Court approves the Allocation Plan for the Settlement Fund as set forth in the Settlement Agreement. The Settlement Administrator is hereby ordered to comply with the terms of the Agreement with respect to distribution of the Net Settlement Amount, including with respect to the Automatic Payments, Supplemental Payment Fund, and *pro rata* distribution of Remaining Amounts. Should Remaining Amounts amount to less than \$10 per Class Member on a *pro rata* basis, the parties shall jointly propose one or more *cy pres* recipients for the Court's consideration pursuant to Section IV.B.3 of the Agreement.

10. The deadline for Class Members to request exclusion from the Settlement was November 12, 2024. A total of _____ requests for exclusion were received by the Settlement Administrator. This list of the _____ individuals who timely and properly excluded themselves from the Settlement is included herewith as **Exhibit A**, which list is incorporated herein (the "Opt-Out List"). The Court hereby approves the Opt-Out List as a complete list of persons who have timely and validly requested exclusion from the Class, and accordingly, who shall neither share in nor be bound by the Final Approval Order and Judgment.

11. The deadline for Class Members to object to the Settlement was November 12, 2024. No absent Class Member has objected to the fairness or adequacy of the Settlement. The only objections received were made by *Echard* Counsel's clients Class Representatives Brian

Echard, Heather Shimp and Patricia Foley relating to Consolidated Plaintiffs' motion for attorneys' fees (ECF No. 256). That objection will be addressed by separate court order.

12. *Echard* Counsel and Consolidated Plaintiffs' Counsel have respectively moved for an award of attorneys' fees and costs (ECF Nos. 248, 249). Pursuant to Section VII(C) of the Settlement Agreement, a separate court order shall issue, so as not to delay the implementation of the Settlement.

13. The Court approves of a service award to the Class Representatives, as defined in this Final Approval Order, in the amount of \$12,500 each for their respective efforts in this litigation, which amounts shall be paid to the Class Representatives from the Settlement Fund in accordance with the terms of the Settlement Agreement.

14. The terms of the Agreement and the Final Approval Order and Judgment shall be binding on and have res judicata and preclusive effect in all pending and future lawsuits or other proceedings encompassed by the Class Released Claims maintained by or on behalf of the Class Releasers.

15. The Releases, which are set forth in Section III of the Settlement Agreement and which is also set forth below, are expressly incorporated herein in all respects and are effective as of the date of this Final Approval Order; and the Class Releasees are fully, conclusively, irrevocably, forever, and finally released, relinquished, and discharged by the Class Releasers from all Class Released Claims. The Releases do not impact the claims of the named plaintiffs in the operative complaints who are neither Class Representatives nor Class Members, specifically, Brett Jacob, Charles Johnson and Gerald Forsburg.

- a. Plaintiffs and Class Release of Wells Fargo: Plaintiffs and each and every Class Member, individually or together, and each and every one of their former, present, or future agents, predecessors, successors, heirs, legatees, executors, administrators, insurers, assigns, trustees, spouses, and domestic partners ("Class Releasers") releases and fully discharges Wells Fargo, and each of its former,

present, or future agents, insurers, predecessors, successors, subsidiaries, parent company(ies), affiliates, officers, directors, employees, and attorneys (“Class Releasees”) from all claims asserted in the Actions and from any and all past and/or present claims, counterclaims, lawsuits, set-offs, costs, losses, rights, demands, charges, complaints, actions, causes of action, obligations, or liabilities of any and every kind, whether class, individual, or otherwise in nature, including, without limitation, those known or unknown or capable of being known; those which are unknown but might be discovered or discoverable based upon facts other than or different from those facts known or believed at this time; those which are foreseen or unforeseen, suspected or unsuspected, asserted or unasserted, and/or contingent or non-contingent; and those which are accrued, unaccrued, matured or not matured, under the laws of any jurisdiction, which they, whether directly, representatively, derivatively, or in any other capacity, ever had, now have, or hereafter can, shall, or may have, resulting from, arising from, or relating in any way to the At-Issue Forbearances that Class Releasees provided to the Class Releasers (the “Class Released Claims”).

- b. Notwithstanding Section III.A of the Agreement, *Stoff* Subclass Members do not release Class Releasees from the *Stoff* Claim.
- c. No Future Actions Following Release: The Class Releasers shall not after the Effective Date seek (directly or indirectly) to commence, institute, maintain, or prosecute any suit, action, or complaint of any kind (including, but not limited to, claims for actual damages, statutory damages, restitution, and exemplary or punitive damages) against Class Releasees (including pursuant to the Actions), based on the Class Released Claims, in any forum worldwide, whether on his or her own behalf or as part of any putative, purported, or certified class or as part of an action by any other plaintiff on his or her behalf.

- d. Covenant Not to Sue: Class Releasors hereby covenant not to sue the Class Releasees with respect to any Class Released Claims, including any claims that Class Releasors, or any of them, does not know or suspect to exist in his or her favor at the time of the release that if known by him or her, might have affected his or her settlement with and release of the Class Releasees, or might have affected his or her decision not to object to or opt-out of this Settlement. Class Releasors shall be permanently barred and enjoined from instituting, commencing, or prosecuting any claims against the Class Releasees of any kind (including, but not limited to, for actual damages, statutory damages, restitution, and exemplary or punitive damages) based on the Class Released Claims.
- e. This Agreement may be pleaded as a bar to a lawsuit, and an injunction may be obtained preventing any action from being initiated or maintained, in any case sought to be prosecuted on behalf of any Class Releasors (including, but not limited to, for actual damages, statutory damages, and exemplary or punitive damages) based on the Class Released Claims.
- f. Waiver of Cal. Civ. Code § 1542 and Similar Laws: In addition, the Class Releasors expressly acknowledge that they are familiar with and, upon Final Approval of this Settlement, waive and release with respect to the Class Released Claims any and all provisions, rights, and benefits conferred by:
 - i. Section 1542 of the Civil Code of the State of California, which reads: “A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

- ii. Any and all equivalent, similar, or comparable federal or state rules, regulations, laws, or principles of law of any other jurisdiction that may be applicable herein; and/or
- iii. Any law or principle of law of any jurisdiction that would limit or restrict the effect or scope of the provisions of the release set forth in the Agreement.

16. Neither the Agreement nor the Settlement, any act performed or document executed pursuant to or in furtherance of the Agreement or the Settlement may be deemed to be or may be used as an admission of, or evidence of:

- a. The validity of any claims released by the Agreement, any allegation made in the Actions, or any violation of any statute or law or of any wrongdoing or liability by Wells Fargo, and evidence thereof shall not be discoverable or used, directly or indirectly, in any way, whether in the Actions or in any other proceeding; or
- b. Any liability, fault, or omission of the Class Releasees in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal.

17. Neither the Agreement nor the Settlement, nor any act performed or document executed pursuant to or in furtherance of the Agreement or the Settlement, shall be admissible in any proceeding for any purpose, except to enforce the terms of the Settlement; provided, however, in the event this Settlement becomes Final, the Class Releasees may file the Agreement (including the Exhibits), the Final Approval Order, and/or the Judgment in any action for any purpose, including, but not limited to, in order to support a defense or counterclaim based on principles of res judicata, collateral estoppel, release, good-faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

18. This Final Approval Order, the Judgment to be entered pursuant to this Order, and the Agreement (including the Exhibits thereto) may be filed in any action against or by any Releasor to support a defense of res judicata, collateral estoppel, release, good-faith settlement,

judgment bar or reduction, or any theory of claim preclusion or issue preclusion or similar defense or counterclaim.

19. Without further order of the Court, the Parties may agree to adopt such amendments, modifications, and expansions of the Agreement as shall be consistent in all material respects with the Final Approval Order and Judgment and not limit the rights of the Settling Parties or Class Members.

20. This Final Approval Order and the final Judgment to be entered shall be effective upon entry. If the Final Approval Order and/or the Judgment to be entered pursuant to the Final Approval Order are reversed or vacated pursuant to a direct appeal in the Actions or the Agreement is terminated pursuant to its terms, all orders entered and releases delivered in connection herewith shall be null and void.

21. A copy of this Final Approval Order shall be promptly posted on the Settlement Website.

IT IS SO ORDERED.

Date: _____

MICHAEL H. WATSON, JUDGE
UNITED STATES DISTRICT COURT

EXHIBIT A – List of Opt-Outs

* Indicates Incomplete Request, Opt-Out Validation Ongoing

Cecilia Collins
Tommy Collins
Alcides Mastrapa
Yoanny Mastrapa
Deserii Steffan
Colleena Wood
Joshua Wood
Becky Remer
Paul Todaro
Tana Todaro
Marilyn Vernocy
Thomas Vernocy
Brian Connolly
Ahren Surgent
Sonya Bettis-Caddick
William Caddick Jr
Aaron K Braxton
Peggy Hughes
Carol Wojahn
Jeanne Summersett
Robert Summersett
Amber Clarke
Shane Lynn Clarke
Janet Majer
William Majer
Margaret Mack
Eugene Mack
Lori Podsiadlik*
Darin Ravy*
Gale Lange*
Buster Greene*
Shirley Greene*
Ludivine Tandazo*