

**\*\*\*NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT\*\*\*****UNITED STATES DISTRICT COURT FOR THE  
NORTHERN DISTRICT OF CALIFORNIA**

*In Re Citibank HELOC Reduction Litigation*  
Case No. 09-cv-0350-MMC

>>[Click Here to Read the Notice of Right to Request Reinstatement](#)<<

>> [Click Here For the Claim Form](#)<<

(Former customers of Citibank must submit a Claim Form by January 31, 2013 to obtain Settlement Benefits)

>>[Click Here to Download a Copy of the Class Action Settlement Agreement](#)<<

**IF CITIBANK SUSPENDED OR REDUCED YOUR HOME EQUITY LINE OF CREDIT  
("HELOC") YOU MAY BE ENTITLED TO BENEFITS FROM A CLASS ACTION  
SETTLEMENT**

The United States District Court for the Northern District of California authorized this Notice.  
This is not a solicitation from a lawyer or a lawsuit against you.

You need not live in California to participate.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
EXCLUDE YOURSELF	You will receive no benefits, but you will retain any rights you might have to file a lawsuit against Citibank relating to its policies and/or practices of suspending or reducing HELOCs based on a significant decline in property value.
OBJECT	Write to the Court about the reasons that you are against the Settlement.
ATTEND A HEARING	Request that you be allowed to speak in Court about the fairness of the Settlement.
DO NOTHING	Current Citibank HELOC customers may apply for reinstatement or do nothing to obtain the settlement benefits for current customers. If you elect to request reinstatement or do nothing, you will give up certain rights, as explained below. Former customers will receive no benefit if they do nothing.

<p>IF YOU ARE A FORMER CUSTOMER AND QUALIFY, SUBMIT A CLAIM FORM</p>	<p>This is for former customers of Citibank who incurred an early closure release fee when they terminated their HELOCs following a suspension or reduction of their HELOC by Citibank. If you elect to receive a benefit or do nothing, you will give up certain rights as explained below.</p>
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- **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 give final approval to the Settlement. If it does, and after any appeals are resolved, the benefits to current customers will go into effect, and the benefits to Former Customers discussed in this notice will be distributed to those who qualify and have timely submitted valid Claim Forms.**

### BASIC INFORMATION

#### 1. Why was this Notice issued?

A Court authorized this Notice to inform you of the settlement of a class action lawsuit against *Citibank, N.A.* (“Citibank” or “Defendant”) pending in the United States District Court for the Northern District of California. The Court on [INSERT DATE] granted preliminary approval of the Settlement and has certified the Class, defined more fully below, subject to a fairness hearing, which will take place on March 15, 2013 at 9:00 a.m. in the United States Courthouse, Courtroom 7 – 19th Floor, 450 Golden Gate Avenue, San Francisco, California 94102 to determine if the Settlement is fair, reasonable and adequate. At that time, the Court will also consider the request by Class Counsel for an award of attorneys’ fees and expenses, and incentive payments to the Class Representatives.

This Notice explains the nature of the class action lawsuit and the terms of the Settlement and informs you of your legal rights and obligations. By agreeing to the Settlement, Citibank is not admitting it is liable to the Class, or anyone else, or that it violated any law or regulation. Indeed, Citibank denies any and all claims in the lawsuit.

You have options, which are explained below.

#### 2. Who is the Defendant?

Citibank is a national banking association.

#### 3. What Is The Lawsuit About?

Plaintiffs David Levin, Loren S. Siegel, Gary Cohen, Marie Cohen, Mark Winkler, and Jennie Lapointe filed their amended consolidated class action complaint in the United States District Court for the Northern District of California on behalf of all Citibank HELOC customers nationwide whose HELOCs were suspended or reduced based on a claim by Citibank that the value of the property securing the HELOC had experienced a significant decline in value, from January 1, 2008 to January 31, 2012.

The Plaintiffs alleged in the Complaint that Citibank suspended or reduced their respective HELOCs based on a claim that their homes had significantly declined in value when, according to the Plaintiffs, their home values purportedly had not declined.

You do not need to live in California to receive a benefit under the proposed Settlement if you are eligible. This class action asserts claims on behalf of the nationwide class for alleged violations of the Truth in Lending Act (“TILA”) and its implementing regulation, Regulation Z, breach of contract, breach of the implied covenants, and alleged violations of California’s Unfair Competition Law (“UCL”) Cal. Bus. & Prof. Code § 17200. To resolve these matters without the expense and burden of further litigation, the Parties have reached this Settlement, which resolves any and all claims in conjunction with the Settlement Class Members’ claims against Citibank and the other Released Parties relating to their HELOC suspensions or reductions. The Settlement requires Citibank to provide settlement benefits to the Settlement Class Members, attorneys’ fees to Class Counsel, and incentive payments to the Class Representatives, if approved by the Court. This settlement is not an admission of wrongdoing by any Party.

#### **4. Who Is In The Class?**

You are a member of the Class if you were a Citibank customer in the United States from January 1, 2008 to January 31, 2012, and your Citibank HELOC account was suspended or reduced based on a claim by Citibank that the value of the property or dwelling securing the HELOC (*e.g.*, your home) had experienced a significant decline in value.

You cannot participate in the Settlement if you are any judge presiding over this case and the judge’s immediate family members.

#### **5. What Relief Is Provided To Settlement Class Members Under The Settlement?**

**A. Notice of Right to Request Reinstatement:** The Settlement requires that Citibank send each Settlement Class Member who is a current Citibank HELOC customer a Notice of Right to Request Reinstatement of the suspended or reduced HELOC under Citibank’s current HELOC suspension policies and procedures. The Notice of Right to Request Reinstatement shall advise the current customers that they have the right to file a request for reinstatement of their HELOCs by initiating an appeals process.

**B. Service Assurances.** For a period of 18 months following the “Effective Date” as defined in the Settlement Agreement, Citibank agrees not to change its HELOC suspension and

reduction policies (for suspensions and reductions based on significant declines in property values) in any material manner that would be less beneficial to its borrowers except that Citibank will maintain the full ability to modify its policies and practices based on amendments or clarifications of applicable law as enacted or interpreted by the courts, Congress, or federal regulators or as necessary for Citibank to comply with any such amendment, interpretation or clarification.

**C. Enhanced Suspension Notices.** For a period of 18 months commencing 30 days after the Effective Date as defined in the Settlement, Citibank shall, to the extent it is feasible and/or not cost prohibitive or unduly burdensome, include in its HELOC suspension and reduction notices based on significant declines in property values: (1) the present value of the property as calculated by Citibank in connection with such line action, and (2) the appraised value required to be eligible to seek account reinstatement. In the event that Citibank determines that it is not feasible, or that it is cost-prohibitive or unduly burdensome, to include such information in its suspension and reduction notices, the notices shall state that the customers may request such information by writing to Citibank at the address provided for in the suspension and/or reduction notice. Citibank will also commit for that time period to having its suspension and reduction notices based on Collateral Deterioration advise customers that they may seek reinstatement if the customers believe that: (i) the value of their home has not significantly declined by seeking a valuation from Citibank’s approved property appraisal vendor for review appraisals for HELOCs, and/or (ii) they have significantly paid down their first mortgage by providing a copy of their most recent first mortgage statement showing their current first mortgage balance.

**D. Appraisals.** Citibank will work with its approved property appraisal vendor with respect to the HELOC appeals process, to generally confirm that appraisal fees charged by the vendor to Citibank customers are reasonable based on industry-standard factors. However, Citibank does not undertake an obligation to independently monitor or negotiate the appraisal fees charged by its property appraisal vendor or any other third-party vendors to any particular customer, or to ensure that the amount of the appraisal fees assessed by any such vendor is the lowest fee available by comparison to other appraisal service providers.

**F. Benefits Specific to Former Customers.** Former Citibank HELOC customers who are eligible to submit a claim and sign, under the penalty of perjury, and timely submit completed Claim Forms verifying: (i) that the customer closed his or her HELOC account in response to Citibank’s suspension or reduction of the account based upon a significant decline in the value of the property securing the HELOC, and (ii) that the customer paid an early closure release fee to Citibank after closing the account, shall be entitled to a cash award equal to \$120.00 if they have not opted out of the settlement and meet such other criteria set forth in the Settlement Agreement. Checks must be cashed within 120 days.

## **6. What Are My Legal Rights?**

*How Do I Submit a Claim Form for Benefits?*

You are a Class Member if you meet the definition in Section 4 above.

If you a current HELOC customer of Citibank, you do not need to do anything to receive settlement benefits.

If you are a former Citibank customer and you (1) have closed your HELOC in response to Citibank's suspension or reduction based upon a significant decline in the value of your home, and (2) paid an early closure release fee to Citibank, then you may submit a Claim Form as described below in order to receive settlement benefits.

**The Claim Form must be submitted online or postmarked by January 31, 2013, midnight Pacific Time, or your claim will be considered untimely and will be rejected.**

Follow the steps below to file a claim if you meet the criteria set forth above for former Citibank customers.

**Step 1 – Access the Claim Form.** You may access a Claim Form by visiting [www.inrehelocsettlement.com](http://www.inrehelocsettlement.com) or by calling 1-866-487-6522

**Step 2 – Complete the Claim Form.** Fill out all necessary fields and information. Make sure you sign the form.

**Step 3 – Submit the Claim Form.** The Claim Form can be submitted via the Settlement Website or via U.S. Mail to:

*In re Citibank HELOC Litigation*  
Settlement Administrator  
PO Box 2838  
Portland, OR 97208-2838

Claims that are not postmarked by the claims deadline set forth above will be considered untimely and will be rejected.

*What Happens After I File My Claim?*

Your claim will be reviewed upon its receipt. If your claim is approved by the Claims Administrator and the Court grants final approval to the Settlement, you will receive a check for \$120.

By submitting the Claim Form, you will be bound by all orders and judgments of the Court, and your claims against Citibank and other Released Parties for any and all claims related to the suspension or reduction of your HELOC will be released. A full explanation of this process, the release language, and the definition of Released Parties are set out in the Class Action Settlement Agreement, which can be found by clicking [here](#) [insert link].

**If any co-borrower requests exclusion as set forth below, your claim will not be valid.**

### *How Not to Participate in the Class*

Any Class member may request to be excluded from the Settlement at any time before the Opt-Out/Objection Deadline, by doing as follows:

To exercise your right to opt-out and be excluded from the Class, you must complete and return by mail a Request For Exclusion by the Opt-Out/Objection Deadline to the Claims Administrator. **The Request for Exclusion must be signed, addressed to the Claims Administrator, and must include your name, a statement that says “I wish to be excluded from the Citibank HELOC Settlement” or words clearly to that effect, and include the address for the property securing the HELOC.**

Requests for Exclusion postmarked after the Opt-Out/Objection Deadline of **January 31, 2013**, midnight, Pacific Time, will be considered invalid and of no effect, and the Person who untimely submits a Request for Exclusion will remain a Settlement Class Member and will be bound by any orders entered by the Court (including a Judgment approving the Agreement and implementing the Release contemplated thereby). All Settlement Class Members (exclusive of customers who submit a valid Request for Exclusion) will be bound by the Settlement Agreement and the Judgment, including the Release contained therein.

Any Person who timely and properly submits a Request for Exclusion shall not: (i) be bound by any orders or Judgment entered in this Litigation nor by the Release, (ii) be entitled to any Settlement Benefit under this Settlement, (iii) gain any rights by virtue of this Settlement, and (iv) be entitled to object to any aspect of this Settlement, or this Litigation.

**Each Person requesting exclusion from the Class must personally sign his or her own individual Request For Exclusion.** No Person may opt-out from the Settlement Classes any other Person or be opted-out by any other Person, and no Person shall be deemed opted-out of the Settlement Classes through any purported “mass” or “class” opt-outs.

### *How Do I Object to the Settlement?*

If you intend to object to this Settlement, you must send a letter called a “Notice of Intent to Appear and Object,” postmarked by **January 31, 2013**, midnight Pacific Time, that includes your personal signature, your full name and address, and all arguments, citations, and evidence supporting the objection. The letter must also state that you are a Class Member and indicate whether you intend to appear at the Fairness Hearing, either with or without counsel. A copy of this letter must be sent to the Court, to the Claims Administrator, to Class Counsel, and to Citibank’s Counsel, at the addresses set forth below. Objections must be filed and postmarked by the Opt-Out/Objection Deadline, **January 31, 2013**, midnight Pacific Time. Counsel for any objector must file an appearance by the Opt-Out/Objection Deadline. No Class Member shall be heard and no papers, briefs or pleadings submitted by such Class Member shall be received and considered by the Court unless the Court receives the Class Member’s properly completed and signed Notice of Intent to Appear and Object by the Opt-Out/Objection Deadline. Any Class Member who fails to timely or properly file a Notice of Intent to Appear and Object shall be

deemed to have waived his or her objections and be forever barred from making any such objections in this Action, any appeal or in any other action or proceeding.

**Settlement Administrator**

*In re Citibank HELOC Litigation*  
Settlement Administrator  
PO Box 2838  
Portland, OR 97208-2838

**Plaintiffs' Counsel**

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**Office of the Clerk United States District  
Court for the Northern District of California**

Office of the Clerk  
United States District Court  
450 Golden Gate Avenue  
San Francisco, CA 94102  
www.cand.uscourts.gov

**7. If I Remain In The Class, Who Represents Me?**

The Court has approved the following attorneys to represent the Class. They are called “Class Counsel.” 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.

**Class Counsel:**

Jay Edelson, Esq.  
Steven L. Woodrow, Esq.  
Evan Meyers, Esq.  
EDELSON MCGUIRE LLC  
350 North LaSalle, Suite1300  
Chicago, IL 60654  
Tel: (866) 354-3015  
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Jim Patterson  
Patterson Law Group  
402 West Broadway, 29th Floor  
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www.pattersonlawgroup.com

### **8. What Is The Plaintiffs' Attorneys' Fees Award?**

The Court has appointed the attorneys listed above to represent the Class. At the Fairness Hearing described above, Class Counsel will be seeking final approval of the Settlement and will request approval by the Court of the fee award, consisting of attorneys' fees and costs up to \$1,214,000 for investigating the facts, litigating the case, and negotiating the settlement in this matter to be paid by Citibank. Citibank has agreed not to contest this amount.

### **9. What Is The Incentive Award To The Class Representative?**

As part of the preliminary approval of the Settlement, the Court has appointed six Class Representatives: David Levin, Loren S. Siegel, Gary Cohen, Marie Cohen, Mark Winkler, and Jennie Lapointe. At the Fairness Hearing, they will ask the Court to award them a collective incentive award of \$36,000, to be divided equally (\$6,000 to each of them). Citibank has agreed not to contest this amount.

### **10. What Claims Are Being Released In This Settlement?**

Unless you timely submit a Request for Exclusion, upon final approval of the Settlement you will have granted Citibank and all other Released Parties a full and complete release of the Released Claims, described in Section 1.40 of the Settlement Agreement including, but not limited to, all claims arising from the beginning of time to the Effective Date of the Settlement Agreement relating to Citibank's HELOC suspension and reduction policies, systems, standards and procedures regarding HELOC suspensions or reductions based, in whole or in part, on claims that borrower home values have significantly declined, including without limitation, its HELOC account suspensions and reinstatement standards, processes and policies that were or could have been alleged in the Plaintiffs' Complaint, including those belonging to Plaintiffs and the Releasing Parties.

The exact release language and the definitions of Released Claims, Released Parties, and Releasing Parties contained in the Settlement Agreement is far more detailed, and you may want or need to consider it before making your decision about participating in the Settlement. Likewise, much more detail about all of the provisions is contained in the full Settlement

Agreement. You can see a complete copy of the Class Action Settlement Agreement by clicking [here](#). **[insert link]**

### **11. What Is Class Counsel's Opinion Of The Settlement?**

Class Counsel have conducted extensive investigation into the factual and legal claims of the Class and the defenses that might be asserted by Defendant against those claims. Based on their investigation, Class Counsel believe that the Settlement is fair, reasonable, adequate and in the best interests of the Class. In making this evaluation, the Plaintiffs and Class Counsel have also taken into account the expense and length of continued proceedings necessary to continue to prosecute this class action against Defendant through trial, verdict, judgment, appeals and collections, and the uncertainty and the risk of the outcome of litigation, especially in complex action such as this, as well as the difficulties and delays inherent in such actions.

### **12. When Will The Court Determine The Fairness Of The Settlement?**

The Court has given preliminary approval to the Settlement. A final hearing on the Settlement, which is called a Fairness Hearing, will be held to determine the fairness of the Settlement. At the Fairness Hearing, the Court will hear any proper objections to the Settlement, as well as Class Counsel's request for an award of attorneys' fees and expenses, and the incentive awards to the Class Representatives. The Court will hold the Fairness Hearing on March 15, 2013 at 9:00 am in United States Courthouse, Courtroom 7 – 19th Floor, 450 Golden Gate Avenue, San Francisco, California 94102.

**YOU ARE NOT OBLIGATED TO ATTEND THE FAIRNESS HEARING UNLESS YOU PLAN TO OBJECT TO THE SETTLEMENT IN PERSON.**

If the Settlement is not finally approved, the case will proceed as if no settlement had been attempted or agreed upon. There can be no assurance that if the Settlement is not approved, the Class will recover more than is provided in the Settlement, or indeed, anything at all.

### **13. Where Can I Obtain More Information About The Settlement?**

Any questions you or your attorney may have concerning this Notice should be directed to Class Counsel at the address listed below. **You may also contact Class Counsel at (866) 354-3015 for any reason, including to receive a copy of the Class Action Settlement Agreement or a hard copy of the Claim Form.** If you contact Class Counsel in writing, please include the case name and number, and your name and address on any letters, not just the envelopes. **You may also read the Class Action Settlement Agreement, by clicking [here](#).**

**Please do not contact the Court. Instead, to obtain information about the terms and conditions concerning the Settlement, you may contact Class Counsel, as follows:**

**Class Counsel:**

Jay Edelson, Esq.  
Steven L. Woodrow, Esq.  
Evan Meyers, Esq.  
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