

TO: ALL ACCOUNT EXECUTIVES<sup>1</sup> WHO HAVE WORKED SELLING HOME LOANS AT COUNTRYWIDE HOME LOANS, INC.'S TELEPHONE CALL CENTER IN CALIFORNIA AT ANY TIME FROM FEBRUARY 14, 1998 TO THE PRESENT.

THIS NOTICE MAY AFFECT YOUR RIGHTS, PLEASE READ IT CAREFULLY. PLEASE DO NOT CONTACT THE COURT OR THE COURT CLERK REGARDING THIS ACTION.

This Notice pertains to a class action lawsuit is currently pending against Countrywide in the Superior Court of California (County of Los Angeles) regarding Account Executives' claims for overtime pay, penalties for inadequate meal periods, recovery of wages deducted for production-related errors, and penalties for inaccurate wage statements. You may be a member of the class of Account Executives for whom relief is being sought.

You need to take no further action at this time if you wish to be included in this class action. If you do not wish to be included, you may exclude yourself ("opt-out") by following the procedures described below. DO NOT CALL THE COURT. DO NOT DISCUSS THIS LAWSUIT AT WORK OR WITH ANY COUNTRYWIDE MANAGER. For more information about this lawsuit you may contact the Class Counsel listed below.

#### I. DESCRIPTION OF LAWSUIT

On February 14, 2002, a complaint was filed by three account executives ("Plaintiffs") against Countrywide Home Loans, Inc. and its parent corporation Countrywide Credit Industries, Inc. ("Countrywide") in the Superior Court of California for the County of Los Angeles. Plaintiffs claim that Countrywide violated the California Labor Code, relevant Wage Orders of the Industrial Welfare Commission, and the California Unfair Competition Law by (1) failing to pay Account Executives overtime compensation for work in excess of forty hours per week and eight hours per day; (2) failing to provide Account Executives with adequate meal periods; (3) taking unlawful deductions from Account Executives' wages for their alleged errors in reading telephone scripts to customers, completing loan application documents, and organizing loan application files, and for having a rate of loan closings that is less than the average closing rate of other account executives; (4) failing to provide Account Executives with accurate written statements of hours worked; and (5) failing to promptly pay overtime and other wages owed to Account Executives whose employment with Countrywide terminated.

Countrywide asserts that Account Executives are properly classified as exempt from the laws requiring payment of overtime, adequate meal periods, and accurate wage statements. Countrywide denies that any unlawful policy or practice exists as to its deduction of wages from Account Executives for production errors, and/or that Account Executives are required to work overtime or miss meal periods. Countrywide further

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<sup>1</sup> "Account Executives" includes, but is not limited to, the job titles of Account Executive, Team Leader/Account Executive, Senior Account Executive, Trusted Advisor Account Executive, Bilingual Account Executive, and Assumptions Account Executive.

denies that Plaintiffs or the class are entitled to any relief and will contest liability in pre-trial motions and/or in trial.

## II. CLASS CERTIFICATION

On August 14, 2003, the Court granted Plaintiffs' motion for class certification. The class certified consists of:

All employees who have worked, currently work, or will work as Account Executives (including but not limited to the job titles of Account Executive, Senior Account Executive, Trusted Advisor Account Executive, Bilingual Account Executive, Assumptions Account Executive, and Team Leader/Account Executive) selling home loans at Countrywide's telephone Call Center in California at any time from February 14, 1998 through the date of judgment in this action.

The proposed class does not include employees who worked solely for Countrywide subsidiary Full Spectrum Lending, Inc.

Also on August 14, 2003, the Court granted class certification as to whether Countrywide has violated California's Unfair Competition Law (Bus. & Prof. Codes § 17200 et. seq.) by engaging in the alleged violation of the labor laws detailed above. This extends the class period back to February 14, 1998 for all claims.

The Court has not ruled on the merits of these claims and the decision to certify the class in this case should not be viewed as a prediction that Plaintiffs or the class will ultimately prevail on the merits of the action.

## III. RIGHT TO BE INVOLVED IN THE CLASS ACTION

If you are a member of the class above and would like to be included in this case, you do not need to take any further action. You will be automatically included in this lawsuit. Any member of the class described above may exclude himself/herself from the class ("opt out") by mailing a signed and dated Statement of Exclusion to Class Counsel postmarked no later than December 10, 2003, to Class Counsel, at the address below. If you opt out of this case, you will have no right to recover any money under any judgment or settlement in this lawsuit and will not be bound by any such judgment or settlement. Any member of the class who does not timely exercise the right to exclusion will be included in this class lawsuit and will be bound by any judgment in this lawsuit, favorable or unfavorable.

## IV. NO RETALIATION

No one may retaliate against you because of your decision to remain in the class or opt-out.

V. CLASS COUNSEL

The attorneys appointed Class Counsel and representing you are:

Linda M. Dardarian, Roberta L. Steele and Laura L. Ho  
Goldstein, Demchak, Baller, Borgen & Dardarian  
300 Lakeside Drive, Suite 1000  
Oakland, CA 94612  
(800) 332-6177

Anyone with questions about, or information regarding, this lawsuit may contact Class Counsel by calling, toll free, (800) 332-6177.

A Class member may, if the member so desires, enter an appearance in this lawsuit through an attorney other than Class Counsel.

Dated: October 15, 2003

Judge Victor H. Person  
Superior Court