

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Michaela Lanere (“Plaintiff”) and Defendant PHH Mortgage Corporation and Liberty Home Equity Solutions, Inc. (“Defendants”). The Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Actions” mean Plaintiff’s lawsuits alleging wage and hour violations against Defendants: (1) *Lanere v. PHH Mortgage Corporation et al.*, Case No. 2:24-cv-00652-DJC-DB, pending in the Eastern District of California (“*Lanere Class Action*”); and (2) *Lanere v. PHH Mortgage Corporation et al.*, Case No. 24CV006254, pending in California Superior Court, County of Sacramento (“*Lanere PAGA Action*”).
- 1.2. “Administrator” means Apex Class Actions, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means all current and former non-exempt employees of Defendants employed in California and who performed work in California during the PAGA Period.
- 1.5. “Class” means all current and former non-exempt employees of Defendants employed in California and who performed work in California during the Class Period.
- 1.6. “Class Counsel” refers to JCL Law Firm, APC and Zakay Law Group, APLC.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Actions.
- 1.8. “Class Data” means Class Member identifying information in Defendants’ possession, including each Class Member’s name, last-known mailing address, Social Security number, number of Class Period Workweeks and number of PAGA Pay Periods.
- 1.9. “Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member.
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip

traces, and direct contact by the Administrator with Class Members.

- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL to be mailed to Class Members in English in the form, without material variation, attached as **Exhibit A**, and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from January 23, 2020 through October 28, 2024.
- 1.13. “Class Representative” refers to the named Plaintiff in the Operative Complaint in the Actions seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Actions and providing services in support of the Actions.
- 1.15. “Court” means the Superior Court of California, County of Sacramento.
- 1.16. “Defendants’ Counsel” means Orrick, Herrington & Sutcliffe, LLP.
- 1.17. “Defendants” refers to Defendants PHH Mortgage Corporation and Liberty Home Equity Solutions, Inc.
- 1.18. “Effective Date” means the date when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day immediately after the last day by which a Notice of Appeal of Judgment may be timely filed with the California Court of Appeal (i.e., the sixty-first calendar day following entry of Judgment), and no such appeal is filed; (b) if an appeal is filed and is finally disposed of by ruling, dismissal, denial, or otherwise, the day after the last date for filing a request for further review of the Court of Appeal’s decision passes and no further review is requested; (c) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the Court of Appeal, and further review of the Court of Appeal’s decision is requested, the day after the request for review is denied with prejudice and/or no further review of the order can be requested; or (d) if review is accepted, the day the Supreme Court of the State of California affirms the Settlement.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Gross Settlement Amount” means \$875,000.00 (Eight Hundred Seventy-Five Thousand Dollars and Zero Cents), which is the total amount Defendants agree to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, the Class Representative Service Payment, and the Administration

Expenses Payment.

- 1.22. “Individual Class Payment” means a Participating Class Member’s pro rata share of the Net Settlement Amount, calculated according to the number of Workweeks worked during the Class Period.
- 1.23. “Individual PAGA Payment” means an Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties, calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.24. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.25. “LWDA” means the California Labor and Workforce Development Agency as identified in Labor Code section 2699, subd. (i).
- 1.26. “LWDA PAGA Payment” means the 75% portion of the total amount allocated towards PAGA Penalties, which shall be paid to the LWDA pursuant to Labor Code section 2699, subd. (i).
- 1.27. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments, subject to approval by the Court: Individual PAGA Payments, the LWDA PAGA Payment, the Class Representative Service Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be paid to Participating Class Members as Individual Class Payments.
- 1.28. “Non-Participating Class Member” means any Class Member who opts out of the non-PAGA portion of the Settlement by sending the Administrator a valid and timely written Request for Exclusion.
- 1.29. “Operative Complaint” means the amended complaint to be filed in the *Lanere* PAGA Action adding all class claims and Labor Code violations alleged in the *Lanere* Class Action and dismissing Ocwen Financial Services, Inc. (“Ocwen Financial”) and Ocwen USVI Services, LLC (“Ocwen USVI”) with prejudice. Defendants agree to stipulate to the filing of the amended complaint.
- 1.30. “PAGA Pay Period” means the number of pay periods an Aggrieved Employee worked for Defendants during the PAGA Period.
- 1.31. “PAGA Period” means the period from January 23, 2023 through October 28, 2024.
- 1.32. “PAGA” means the California Private Attorneys General Act of 2004 (Labor Code §§ 2698 *et seq.*).
- 1.33. “PAGA Notice” means Plaintiff’s January 23, 2024 letter to Defendants, Ocwen Financial, Ocwen USVI and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).

- 1.34. "PAGA Penalties" means the amount of \$40,000.00 (Forty Thousand Dollars and Zero Cents) that shall be paid from the Gross Settlement Amount for the resolution of the PAGA claim. The PAGA Penalties shall be allocated as follows: 25% (\$10,000) shall be distributed amongst the Aggrieved Employees as their Individual PAGA Payments, and 75% (\$30,000) shall be paid to the LWDA.
- 1.35. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. "Plaintiff" means Michaela Lanere, the named plaintiff in the Action.
- 1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.
- 1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39. "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.
- 1.40. "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.
- 1.41. "Released Parties" means Defendants and their current and former parents, subsidiaries, affiliated or related entities (including any companies, corporations, partnerships, alter egos, joint venturers, and actual or alleged joint employers), and each of their respective past, present and future agents, employees, servants, officers, directors, partners, members, trustees, fiduciaries, representatives, shareholders, stockholders, attorneys, equity sponsors, (defined as a company/corporation and/or partnership that is, directly or indirectly, under common control with that Defendants or any of their parents and/or affiliates), divisions, assigns, predecessors, successors, insurers, and consultants.
- 1.42. "Request for Exclusion" means a Class Member's written request to be excluded from the Class Settlement, signed by the Class Member.
- 1.43. "Response Deadline" means sixty (60) calendar days after the Administrator mails the Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (1) submit Requests for Exclusion from the Settlement, or (b) submit his or her Objections to the Settlement, to the Administrator. Class Members to whom Class Notices are resent after having been returned as undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline to submit a Request of Exclusion from the Settlement or Objections to the Settlement to the Administrator.
- 1.44. "Settlement" means the disposition of the Actions through this Agreement and the

Judgment.

- 1.45. “Workweek” means the number of weeks a Class Member worked for Defendants during the Class Period.

2. RECITALS.

- 2.1. On January 23, 2024, Plaintiff filed the *Lanere* Class Action against Defendants, Ocwen Financial, and Ocwen USVI in the Superior Court of the State of California, County of Sacramento.
- 2.2. Defendants removed the *Lanere* Class Action to the United States District Court for the Eastern District of California on February 29, 2024 and met and conferred with Plaintiff’s counsel regarding Defendants’ anticipated motion to dismiss and/or to strike on various grounds. Plaintiff then agreed to dismiss Ocwen Financial and Ocwen USVI from the *Lanere* Class Action, dismiss claims without a private right of action and amend the allegations for the other claims. The Parties also met and conferred regarding Plaintiff’s anticipated motion to remand the case back to State Court, and the Parties agreed to stay the deadline for the filing of such motion until after mediation.
- 2.3. On March 6, 2024, Plaintiff filed the operative First Amended Class Action Complaint against Defendants in the *Lanere* Class Action alleging the following claims: (1) unfair competition in violation of Business and Professions Code section 17200 et seq.; (2) failure to pay minimum wages in violation of Labor Code sections 1194, 1197 and 1197.1; (3) failure to pay overtime wages in violation of Labor Code sections 510, et seq.; (4) failure to provide required meal periods in violation of Labor Code sections 226.7 and 512 and the applicable Industrial Welfare Commission (“IWC”) Wage Order; (5) failure to provide required rest periods in violation of Labor Code sections 226.7 and 512 and the applicable IWC Wage Order; (6) failure to reimburse employees for required business expenses in violation of Labor Code section 2802; (7) failure to provide accurate itemized statements in violation of Labor Code section 226; and (8) failure to provide wages when due in violation of Labor Code sections 201, 202 and 203.
- 2.4. Defendants deny the allegations in the *Lanere* Class Action, deny any failure to comply with the laws identified in in the *Lanere* Class Action, and deny any and all liability for the causes of action alleged.
- 2.5. On March 29, 2024, Plaintiff filed the *Lanere* PAGA Action in Sacramento Superior Court against Defendants, Ocwen Financial and Ocwen USVI alleging violations of the PAGA, Labor Code sections 2698, et seq.
- 2.6. Defendants deny the allegations in the *Lanere* PAGA Action, deny any failure to comply with the laws identified in in the *Lanere* PAGA Action and deny any and all liability for the causes of action alleged.
- 2.7. On July 24, 2024, the Parties participated in an all-day private mediation presided over

by mediator Lisa Klerman. Following the mediation, the Parties, represented by their respective counsel, agreed to settle the Actions based on a mediator's proposal.

- 2.8. As part of the mediator's proposal, the Parties agree that approval of this Agreement will be requested in the *Lanere* PAGA Action currently pending in Sacramento County Superior Court. As set forth above in Section 1.29, the Parties agree that, following the execution of this Agreement, and subject to the Court's approval, they will stipulate to amend the complaint in the *Lanere* PAGA Action to add all class claims and all Labor Code violations alleged in the *Lanere* Class Action and to dismiss Ocwen Financial and Ocwen USVI with prejudice. Within twenty-one (21) calendar days after the filing of the amended complaint, Plaintiff agrees to dismiss the *Lanere* Class Action with prejudice.
- 2.9. Prior to mediation, Plaintiff obtained, through informal discovery, extensive records including time and pay data, as well as Defendants' policies and procedures related to Plaintiff's claims. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
- 2.10. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants that the claims in the Actions of Plaintiff or the Class have merit or that Defendants bear any liability to Plaintiff or the Class on those claims or any other claims, or as an admission by Plaintiff that Defendants' defenses in the Actions have merit. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the settlement does not become effective, Defendants reserve the right to contest certification of any class for any reason and reserves all available defenses to the claims in the Action.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendants promise to pay \$875,000.00 (Eight Hundred Seventy-Five Thousand Dollars and Zero Cents) and no more as the Gross Settlement Amount. The Gross Settlement Amount is all-inclusive of all payments contemplated in the resolution of the Actions, excluding any employer-side payroll taxes owed on the portions of the Individual Class Payments that are allocated as wages, which shall be separately paid by Defendants to the Administrator. Within five (5) calendar days after the Effective Date, the Administrator will provide Defendants with a calculation of the amount of employer payroll taxes owed. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified below, subject to Court approval:

3.2.1. To Plaintiff: A Class Representative Service Payment to the Class Representative of not more than \$10,000.00 (Ten Thousand Dollars and Zero Cents) in addition to any Individual Class Payment the Class Representative is entitled to receive as a Participating Class Member. Defendants will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the Motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount, which is currently estimated to be \$291,666.67 (Two Hundred Ninety-One Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents), and a Class Counsel Litigation Expenses Payment of not more than \$25,000.00 (Twenty-five Thousand Dollars and Zero Cents). Defendants will not oppose requests for these payments provided that Class Counsel's requests do not exceed these amounts. Plaintiff and/or Class Counsel will file a Motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other plaintiff's counsel arising from any claim to any portion of the Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments. Class Counsel Fee Payment will be divided equally (50/50) between The JCL Law Firm, APC and Zakay Law Group, APLC.

3.2.3. To the Administrator: An Administration Expenses Payment not to exceed \$10,000 (Ten Thousand Dollars and Zero Cents) except for a showing of good cause and as approved by the Court. To the extent the Administration

Expenses are less this amount or the Court approves an Administration Expenses Payment less than \$10,000 (Ten Thousand Dollars and Zero Cents), the Administrator will allocate the remainder to the Net Settlement Amount for distribution to Participating Class Members.

- 3.2.4. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$40,000.00 (Forty Thousand Dollars and Zero Cents) to be paid from the Gross Settlement Amount, with 75% (\$30,000.00) to be paid to the LWDA, and 25% (\$10,000.00) to be allocated to the Individual PAGA Payments.

3.2.4.1. The Administrator will calculate each Individual PAGA Payment on a pro rata basis based on their respective number of PAGA Pay Periods, by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$10,000.00) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each Aggrieved Employee's respective number of PAGA Pay Periods. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms. Aggrieved Employees assume full responsibility and liability for taxes owed on their Individual PAGA Payments.

3.2.4.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. In the event the Court determines that the amount of the PAGA Penalties is insufficient, the necessary additional funds will be taken from the Gross Settlement Amount. Defendants will not be required to pay any additional monies if this occurs.

- 3.2.5. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.5.1. Tax Allocation of Individual Class Payments. 1/3 of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to applicable tax withholding and deductions and will be reported on an IRS W-2 Form. 2/3 of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.5.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will

not receive any Individual Class Payments. The Administrator will allocate amounts equal to their Individual Class Payments to the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records as of September 4, 2024, Defendants estimated there are approximately 247 Class Members who collectively worked a total of approximately 18,704 Workweeks during the Class Period, and 65 Aggrieved Employees who collectively worked a total of approximately 1,814 Pay Periods during the PAGA Period.
- 4.2. Class Data. Not later than 21 calendar days after the Court grants Preliminary Approval of the Settlement, Defendants will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effectuate and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes, by transmitting the funds to the Administrator no later than twenty-one (21) calendar days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
 - 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members and Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the "void date," which is 180 days after the date of mailing, when the check will be voided. The Administrator will cancel all checks that remain uncashed by the void date. The Administrator will send

checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

- 4.4.2. The Administrator must conduct a Class Member Address Search for all Class Members whose checks are returned undelivered without a USPS forwarding address. Within seven (7) calendar days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, if requested by the Class Member prior to the void date.
- 4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member, thereby leaving no "unpaid residue," subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).
- 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendants fully fund the entire Gross Settlement Amount, Plaintiff, Class Members, the State of California with respect to the Aggrieved Employees, and Class Counsel will release claims against all Released Parties as follows:

- 5.1 Plaintiff's Release. In addition to the Released Claims applicable to Participating Class Members and Aggrieved Employees, and in consideration for the Service Award, Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns, knowingly and voluntarily release and forever discharge Released Parties from all claims, transactions, or occurrences of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or in violation of any local, state or federal statute, rule or regulation arising out of, relating to, or in connection with any act or omission by or on the part of any of the Released Parties committed or

omitted through the Effective Date. This release is intended to have the broadest possible application but excludes claims for workers' compensation benefits, claims for unemployment benefits, and any current and/or future claims that are unwaivable as a matter of law. Nothing in this Agreement is intended to or shall be interpreted: (i) to restrict or otherwise interfere with Plaintiff's obligation to testify truthfully in any forum; or (ii) to restrict or otherwise interfere with Plaintiff's right and/or obligation to contact, cooperate with, provide information to, or participate in any investigation conducted by, any government agency or commission ("Plaintiff's Release.") Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, 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.

5.2 Release by Participating Class Members: Upon the date Defendants have fully funded the Gross Settlement Amount, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, will be deemed to have knowingly and voluntarily released and forever discharged the Released Parties from all federal, state and local law claims, rights, demands, liabilities, and causes of action that were or could have reasonably been asserted in the Actions based on the same alleged facts in any complaint filed in the Actions and arising during the Class Period, which includes in any PAGA letters sent by or on behalf of the Aggrieved Employees to the LWDA, including but not limited to claims for (1) unfair competition in violation of California Business & Professions Code § 17200 *et seq.* arising from the violations released hereinbelow; (2) failure to pay minimum wages in violation of Labor Code sections 1194, 1197 and 1197.1; (3) failure to pay overtime wages in violation of Labor Code sections 510, *et seq.*; (4) failure to provide required meal periods in violation of Labor Code sections 226.7 and 512 and the applicable Industrial Welfare Commission ("IWC") Wage Order; (5) failure to provide required rest periods in violation of Labor Code sections 226.7 and 512 and the applicable IWC Wage Order; (6) failure to reimburse employees for required business expenses in violation of Labor Code section 2802; (7) failure to provide accurate itemized statements in violation of Labor Code section 226; (8) failure to provide wages when due in violation of Labor Code sections 201, 202 and 203; and (9) failure to correctly calculate the regular rate of pay; and all claims for attorneys' fees and costs, interests and penalties based on the foregoing. Class Members do not release claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside the Class Period. Class

Members also do not release claims for PAGA penalties, which are separately released hereinbelow.

- 5.3 Release by the State of California and Aggrieved Employees: Upon the date that Defendants have fully funded the Gross Settlement Amount, Plaintiff and the State of California with respect to Aggrieved Employees, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, will be deemed to have knowingly and voluntarily released and forever discharged the Released Parties from all PAGA claims that were or could have reasonably been asserted in the Actions and arising during the PAGA Period based on the same alleged facts in any complaint filed in the Actions and in any PAGA letter sent by or on behalf of the Aggrieved Employees to the LWDA, including but not limited to claims for civil penalties for violations of the California Labor Code for (1) failure to pay minimum wages in violation of Labor Code sections 1194, 1197 and 1197.1; (2) failure to pay overtime wages in violation of Labor Code sections 510, *et seq.*; (3) failure to provide required meal periods in violation of Labor Code sections 226.7 and 512 and the applicable IWC Wage Order; (4) failure to provide required rest periods in violation of Labor Code sections 226.7 and 512 and the applicable IWC Wage Order; (5) failure to reimburse employees for required business expenses in violation of Labor Code section 2802; (6) failure to provide accurate itemized statements in violation of Labor Code section 226; (7) failure to provide wages when due in violation of Labor Code sections 201, 202 and 203; (8) failure to timely pay wages during employment in violation of Labor Code section 204; (9) failure to provide sick leave in violation of Labor Code section 246; (10) failure to maintain true and accurate records; (11) failure to correctly calculate the regular rate of pay; and (12) for making unlawful deductions in violation of Labor Code section 221; and all claims for attorneys' fees and costs, interests and penalties based on the foregoing. Aggrieved Employees do not release claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside the PAGA Period.

6. MOTION FOR PRELIMINARY APPROVAL. Plaintiff shall prepare and file a Motion for Preliminary Approval within twenty-one (21) days of the execution of the Agreement by all Parties, or as reasonably as practicable thereafter.

- 6.1 Plaintiff's Responsibilities. Not later than seven (7) days prior to the deadline to file a Motion for Preliminary Approval of Class Action and PAGA Settlement, Plaintiff will prepare and deliver to Defendants' Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the Notice, and Memorandum of Points and Authorities in support of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2); and (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Apex Class Actions ("Apex") to serve as the Administrator and verified that, as a condition of appointment, Apex agrees to be bound by this Agreement and to perform, as a

fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Administrator's duties will include preparing, printing, and mailing the Class Notice Packet to all Class Members; conducting a National Change of Address search to update Class Member addresses before mailing the Class Notice Packets; re-mailing Class Notice Packets that are returned to the Class Member's new address; setting up a toll-free telephone number and email and a fax number to receive communications from Class Members; receiving and reviewing for validity completed Requests for Exclusion; providing the Parties with weekly status reports about the delivery of Class Notice Packets and receipt of Requests for Exclusion, objections and disputes; calculating Individual Class Payments and Individual PAGA Payments; issuing the checks to effectuate the payments due under the Settlement; issuing the tax reports required under this Settlement; and otherwise administering the Settlement pursuant to this Agreement. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
- 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and PAGA Pay Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice, substantially in the form attached to this Agreement as **Exhibit A**. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class

Notice is returned by the USPS a second time.

- 7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) calendar days beyond the Response Deadline provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, Defendants' Counsel, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) calendar days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than sixty (60) calendar days after the Administrator mails the Class Notice (plus an additional fourteen (14) calendar days for Class Members whose Class Notice is re-mailed) (the "Response Deadline"). Plaintiff expressly agrees not to opt-out of the Class Settlement. A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 7.5.3 Every Class Member who does not submit a timely and valid Request for

Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

- 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have until the Response Deadline (plus an additional fourteen (14) calendar days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. If the Class Member submits any such documentation, Defendants may submit additional relevant documentation to the Administrator pertaining to the Class Member's number of Class Workweeks and PAGA Pay Periods. In the absence of any contrary documentation from the Class Member, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAGA Pay Periods to Defendants' Counsel and Class Counsel and the Administrator's determination regarding the challenges.

7.7 Objections to Settlement.

- 7.7.1 Only Participating Class Members may object to the class action components of the Settlement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.
- 7.7.2 Participating Class Members may send written objections to the Administrator by email, fax, or mail at the address listed in the Notice Packet. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than

the Response Deadline (plus an additional fourteen (14) calendar days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall also promptly e-mail to Class Counsel and Defendants' Counsel (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion submitted (whether valid or invalid).

7.8.2 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defendants' Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report").

7.8.3 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement, the Class Data, and relevant supporting documentation on all Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

7.8.4 Administrator's Declaration. Within three (3) weeks of the Response Deadline, the Administrator shall provide Class Counsel and Defendants' Counsel a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of the Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion it received (both valid and invalid), and the number of written objections. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

- 7.8.5 Final Distribution Report by Settlement Administrator. Within 10 calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defendants' Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) calendar days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defendants' Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.

- 8.1.1 Class and Aggrieved Employee Size Estimates. Based on its records, Defendants estimate that, as of September 4, 2024, (1) there are approximately 247 Class Members and approximately 18,704 Total Workweeks during the Class Period and (2) there are approximately 65 Aggrieved Employees who worked approximately 1,814 Pay Periods during the PAGA Period.
- 8.1.2 Escalator Clause. If the number of workweeks exceeds 19,025 (Nineteen Thousand Twenty-Five) by more than 10% during the Class Period, then at Defendants' option, either (a) the Gross Settlement Amount will increase proportionally for the number of workweeks over 110% of 19,025, for example if the total workweeks in the Class Period are 115% of 19,025, the Gross Settlement Amount shall increase by 5%; or (b) Defendants may elect to end the Class Period at an earlier date to avoid exceeding 20,928 Class Workweeks (or 10% of 19,025 workweeks) and avoid additional payment under this provision.

- 9. DEFENDANTS' RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendants may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement. Defendants must notify Class Counsel and the Court of election to withdraw not later than seven (7) calendar days after the Administrator sends the Exclusion List of Requests for Exclusion to Defendants' Counsel. Invalid Requests for Exclusion will have no effect on this threshold for an election.
- 10. MOTION FOR FINAL APPROVAL.** Unless otherwise ordered by the Court, not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defendants' Counsel not

later than seven (7) calendar days prior to filing the Motion for Final Approval.

- 10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4 Waiver of the Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.
- 10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void, unless the Parties subsequently agree in writing that the remaining provisions of the Agreement are to remain in full force and effect. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil

Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

- 12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Actions have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendants reserve the right to contest certification of any class for any reasons, Defendants reserve all available defenses to the claims in the Actions, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Actions will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants and Defendants' Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants and Defendants' Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or with words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any other writings, including the Memorandum of Understanding executed by the Parties following mediation, and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5 Attorney Authorization. Class Counsel and Defendants' Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity a portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendants nor Defendants' Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived by an express written instrument signed by counsel for all Parties, and approved by the Court.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and

preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

- 12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Actions and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code § 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 calendar days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from Defendants.
- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff: The JCL Law Firm, APC
Jean-Claude Lapuyade
jlapuyade@jcl-law.com
Monnett De La Torre
mdelatorre@jcl-lawfirm.com
Andrea Alejandra Amaya Silva
amaya@jcl-lawfirm.com
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121

Zakay Law Group, APLC
Shani O. Zakay
shani@zakaylaw.com
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121


To Defendants: Orrick, Herrington & Sutcliffe LLP
Julie A. Totten
jatotten@orrick.com
Annie H. Chen
annie.chen@orrick.com
Lauren R. Leibovitch
lleibovitch@orrick.com
The Orrick Building
405 Howard Street
San Francisco, CA 94105

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement, the litigation in the *Lanere* PAGA Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.


DATED: October __, 2024

By


Michaela Lanere (Oct 4, 2024 09:09 PDT)
Plaintiff Michaela Lanere


DATED: October 9, 2024

By


Jose Irizarry
on behalf of Defendants PHH Mortgage
Corporation and Liberty Home Equity
Solutions, Inc.


DATED: October 4, 2024

By


Zakay Law Group, APLC
Attorney for Plaintiff

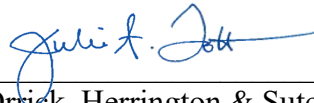
DATED: October 4, 2024

By


The JCL Law Firm, APC
Attorney for Plaintiff

DATED: October 9, 2024

By

A handwritten signature in blue ink, appearing to read "Julie F. Jett", is written over a horizontal line.

Orrick, Herrington & Sutcliffe, LLP
Attorney for Defendants PHH Mortgage
Corporation and Liberty Home Equity
Solutions, Inc.

EXHIBIT A

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING
DATE FOR FINAL COURT APPROVAL**

Michaela Lanere v. PHH Mortgage Corporation, et al.
Sacramento County Superior Court Case No. 24CV006254

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class and Private Attorneys General Act of 2004 (“PAGA”) action (“Action”) against PHH Mortgage Corporation and Liberty Home Equity Solutions, Inc. (“Defendants”) for alleged wage and hour violation. Plaintiff Michaela Lanere (“Plaintiff”) filed this Action, alleging claims for: failure to pay minimum and overtime wages, failure to correctly calculate the regular rate of pay, failure to provide meal and rest breaks, failure to reimburse employees for required business expenses, failure to provide accurate itemized statements, failure to provide wages during employment and at the time of termination, failure to provide sick leave, failure to maintain true and accurate records, and for making unlawful deductions for employee’s wages. Through this Action, Plaintiff seeks to represent a class that consists of all current and former non-exempt employees of Defendants employed in California and who performed work in California from January 23, 2020 to **October 28, 2024** (“Class Members”), in addition to a PAGA group that consists of all current and former non-exempt employees of Defendants employed in California and who performed work in California from January 23, 2023 to **October 28, 2024** (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendants to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendants to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Defendants’ records, and the parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less applicable withholdings) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendants’ records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work from January 23, 2023 to **October 28, 2024** (the “PAGA Period”).)

The above estimates are based on Defendants’ records showing that **you worked [REDACTED] workweeks** during January 23, 2020 to **October 28, 2024** (the “Class Period”), and **you worked [REDACTED] pay periods** during the PAGA Period. If you believe that you worked more workweeks/pay periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s

attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendants.

If you worked for Defendants during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendants.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendants, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

Defendants will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don’t Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement (Released Class Claims and Released PAGA Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [REDACTED]	<p>If you don’t want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.</p> <p>You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).</p>
Participating Class Members Can Object to the Class Settlement but not the PAGA	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel

Settlement Written Objections Must be Submitted by 	and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on at (time). You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks and pay periods you worked during the Class Period and PAGA Period. The number workweeks and pay periods you worked according to Defendants' records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by . See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Funding Representative of PHH Mortgage Corporation's Operations – Funding and Closing Department at the Rancho Cordova office. Plaintiff brought this Action, alleging claims for failure to pay minimum and overtime wages, failure to correctly calculate the regular rate of pay, failure to provide meal and rest breaks, failure to reimburse employees for required business expenses, failure to provide accurate itemized statements, failure to provide wages during employment and at the time of termination, failure to provide sick leave, failure to maintain true and accurate records, and for making unlawful deductions for employee's wages. Plaintiff is represented by attorneys in this action: The JCL Law Firm, APC and Zakay Law Group, APLC.

Defendants deny that they violated the law in any way. Defendants deny the factual and legal allegations in the case and maintain that they have complied with all California wage-and-hour laws, such that Plaintiff cannot recover any damages or penalties, including but not limited to civil penalties under PAGA. Defendants contend that Plaintiff's claims do not have merit and do not meet the requirements for class certification. Nonetheless, both sides recognize the distractions, risks and costs associated with litigation and have therefore agreed to resolve the matter based upon the terms set forth in the proposed Settlement. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class or representative action.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendants or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendants hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendants have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants do not admit any liability or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendants have agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

Defendants Will Pay \$875,000 as the Gross Settlement Amount (Gross Settlement). Defendants have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement not more than 21 days after the Effective Date. The Effective Date means the date when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day immediately after the last day by which a Notice of Appeal of Judgment may be timely filed with the California Court of Appeal (i.e., the sixty-first calendar day following entry of Judgment), and no such appeal is filed; (b) if an appeal is filed and is finally disposed of by ruling, dismissal, denial, or otherwise, the day after the last date for filing a request for further review of the Court of Appeal’s decision passes and no further review is requested; (c) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the Court of Appeal, and further review of the Court of Appeal’s decision is requested, the day after the request for review is denied with prejudice and/or no further review of the order can be requested; or (d) if review is accepted, the day the Supreme Court of the State of California affirms the Settlement.

Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- Up to \$291,666.67 (one-third of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$25,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- Up to \$10,000 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
- Up to \$10,000 to the Administrator for services administering the Settlement.
- Up to \$40,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

Taxes Owed on Payments to Class Members. Plaintiff and Defendants are asking the Court to approve an allocation of 1/3 of each Individual Class Payment to taxable wages ("Wage Portion") and 2/3 to interest and penalties ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendants will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendants have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to opt-out. The easiest

way to notify the Administrator is to send a written and signed Request for Exclusion by the Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, and email address or telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendants.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendants alleged in the Action for the PAGA Period.

The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.

Administrator. The Court has appointed a neutral company, Apex Class Actions (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member challenges over the number of workweeks and/or pay periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

Participating Class Members' Release. After the Judgment is final and Defendants have fully funded the Gross Settlement and paid all employer payroll taxes on the Wage Portions, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit or other proceeding against Defendants or any Released Party for any Released Class Claims.

The Participating Class Members will be bound by the following release:

Released Class Claims: On behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, will be deemed to have knowingly and voluntarily released and forever discharged the Released Parties from all federal, state and local law claims, rights, demands, liabilities, and causes of action that were or could have reasonably been asserted in the Action based on the same alleged facts in any complaint filed in the Action and arising during the Class Period, which includes in any PAGA letters sent by or on behalf of the Aggrieved Employees to the LWDA, including but not limited to claims for (1) unfair competition in violation of California Business & Professions Code § 17200 *et seq.* arising from the violations released hereinbelow; (2) failure to pay minimum wages in violation of Labor Code sections 1194, 1197 and 1197.1; (3) failure to pay overtime wages in violation of Labor Code sections 510, *et seq.*; (4) failure to provide required meal periods in violation

of Labor Code sections 226.7 and 512 and the applicable Industrial Welfare Commission (“IWC”) Wage Order; (5) failure to provide required rest periods in violation of Labor Code sections 226.7 and 512 and the applicable IWC Wage Order; (6) failure to reimburse employees for required business expenses in violation of Labor Code section 2802; (7) failure to provide accurate itemized statements in violation of Labor Code section 226; (8) failure to provide wages when due in violation of Labor Code sections 201, 202 and 203; and (9) failure to correctly calculate the regular rate of pay; and all claims for attorneys’ fees and costs, interests and penalties based on the foregoing. Class Members do not release claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and class claims outside the Class Period. Class Members also do not release claims for PAGA penalties, which are separately released hereinbelow.

“Released Parties” means Defendants and their current and former parents, subsidiaries, affiliated or related entities (including any companies, corporations, partnerships, alter egos, joint venturers, and actual or alleged joint employers), and each of their respective past, present and future agents, employees, servants, officers, directors, partners, members, trustees, fiduciaries, representatives, shareholders, stockholders, attorneys, equity sponsors, (defined as a company/corporation and/or partnership that is, directly or indirectly, under common control with that Defendants or any of their parents and/or affiliates), divisions, assigns, predecessors, successors, insurers, and consultants.

Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and Defendants have paid the Gross Settlement (and paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against Defendants, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or be part of any other lawsuit or other proceeding against Defendants or any Released Party for any Released PAGA Claims.

The Aggrieved Employees will be bound by the following release:

Released PAGA Claims: On behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, will be deemed to have knowingly and voluntarily released and forever discharged the Released Parties from all PAGA claims that were or could have reasonably been asserted in the Action and arising during the PAGA Period based on the same alleged facts in any complaint filed in the Action and in any PAGA letter sent by or on behalf of the Aggrieved Employees to the LWDA, including but not limited to claims for civil penalties for violations of the California Labor Code for (1) failure to pay minimum wages in violation of Labor Code sections 1194, 1197 and 1197.1; (2) failure to pay overtime wages in violation of Labor Code sections 510, *et seq.*; (3) failure to provide required meal periods in violation of Labor Code sections 226.7 and 512 and the applicable IWC Wage Order; (4) failure to provide required rest periods in violation of Labor Code sections 226.7 and 512 and the applicable IWC Wage Order; (5) failure to reimburse employees for required business expenses in violation of Labor Code section

2802; (6) failure to provide accurate itemized statements in violation of Labor Code section 226; (7) failure to provide wages when due in violation of Labor Code sections 201, 202 and 203; (8) failure to timely pay wages during employment in violation of Labor Code section 204; (9) failure to provide sick leave in violation of Labor Code section 246; (10) failure to maintain true and accurate records; (11) failure to correctly calculate the regular rate of pay; and (12) for making unlawful deductions in violation of Labor Code section 221; and all claims for attorneys' fees and costs, interests and penalties based on the foregoing. Aggrieved Employees do not release claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside the PAGA Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$10,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, according to Defendants' records, are stated in the first page of this Notice. You have until [REDACTED] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email, or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendants' calculation of Workweeks and Pay Periods based on Defendants' records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendants' Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, and telephone number or email address, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *Michaela Lanere v. PHH Mortgage Corporation, et al.*, Case No. 24CV006254, and include your identifying information (full name, address, telephone number or email address, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [REDACTED], or it will be invalid. Section 9 of the Notice has the Administrator's contact information.**

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendants are asking the Court to approve. At least 16 court days before the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's website located at [REDACTED] (url) or the Court's website located at <https://www.saccourt.ca.gov/default.aspx>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [REDACTED].** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Michaela Lanere v. PHH Mortgage Corporation, et al.*, Case No. 24CV006254 and include your name, current address, telephone number or email address, and approximate dates of employment for Defendants and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [REDACTED] at (time) in Department 23 of the Gordon D. Schaber Sacramento County Courthouse, located at 720 Ninth Street, Sacramento, CA 95814. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via Zoom at <https://saccourt-ca-gov.zoomgov.com/my/sscdept23> or telephone by dialing (833) 568-8864 / ID: 16108301121. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website located at [REDACTED] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to Apex Class Action's website located at [REDACTED] (url). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court's website located at <http://www.lacourt.org/casesummary/ui/index.aspx>. You may also request a copy of the Settlement documents from Class Counsel whose contact information is listed below.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel

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Settlement Administrator
[CONTACT INFORMATION]

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the California Controller's Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.