

1                   **STIPULATED SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS**

2                                   **ARTICLE I**

3                                           **INTRODUCTION**

4                   It is stipulated and agreed by and among the undersigned Parties, subject to the approval of  
5 the Court pursuant to section 382 of the California Code of Civil Procedure, that the Settlement of  
6 this action shall be effectuated upon and subject to the following terms and conditions. Capitalized  
7 terms used herein shall have the meanings set forth in the “Definitions” section or as defined  
8 elsewhere in this Stipulated Settlement Agreement and Release of Claims (hereafter “Agreement”).

9                   This Agreement is made by and between Plaintiffs Joshua Louka, Bob Hooks, and Taura  
10 Perry (“Representative Plaintiffs”), and the putative Class Members, and Defendant Nations Direct  
11 Mortgage, LLC (“Defendant”). Representative Plaintiffs and Defendant collectively are referred to  
12 in this Agreement as “the Parties.”

13                   The Parties agree that the Action shall be, and hereby is, ended, settled, resolved, and  
14 concluded by agreement of Defendant to pay a non-reversionary settlement of the Total Settlement  
15 of Eight Hundred Thousand Dollars and No/100s (\$800,000.00) as provided in Section 4.05 below  
16 (“Total Settlement Amount”) upon the terms and conditions of this Agreement and for the  
17 consideration set forth herein, including but not limited to a release of all claims by Representative  
18 Plaintiffs and the Class Members as set forth herein.

19                                   **ARTICLE II**

20                                           **DEFINITIONS**

21                   As used in the Agreement, the following terms have the meanings specified below:

- 22 a.           “Action” means the civil action commenced by Plaintiffs in the California Superior Court,  
23 County of Orange entitled *Joshua Louka et. al v. Nations Direct Mortgage, LLC.*, Case No. 30-2019-  
24 01042277-CU-OC-CXC.
- 25 b.           “Agreement” means this Stipulated Settlement Agreement And Release Of Claims, including  
26 the attached Exhibits.
- 27 c.           “Claims Administrator” means the third party administrator ILYM Group, Inc. or other  
28 Court-approved administrator who will administer the settlement as set forth below.

1 d. “Claims Administration Costs” means all costs incurred by the Claims Administrator in  
2 administration of the Settlement, including, but not limited to, address verification measures, mailing  
3 of notice to the Class, calculation of Individual Settlement Payments, generation of Individual  
4 Settlement Payment checks, administration of uncashed checks, generation of checks to Class  
5 Counsel for attorneys’ fees and costs, generation of the checks to the Representative Plaintiffs for  
6 Enhancement Awards, generation of a check to the California Labor and Workforce Development  
7 Agency (“LWDA”) for its share of PAGA penalties, and generation and submission of all tax-related  
8 documents, all pursuant to the terms of this Agreement and approved by the Court.

9 e. “Class Counsel” means the attorneys for the Class and the Class Members, who are:

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Reuben D. Nathan  
**NATHAN & ASSOCIATES, APC**  
2901 W. Coast, Suite 200  
Newport Beach, California 92663  
Tel.: (949) 270-2798  
Fax: (949) 209-0303  
rnathan@nathanlawpractice.com

1 f. “Class Member(s)” means all current and former non-exempt employees who were  
2 employed by Defendant in the State of California at any time from January 4, 2015 through the  
3 date preliminary approval of the class settlement is granted, excepting only (a) current or former  
4 employees who previously settled or released claims covered by this settlement, and (b) any  
5 person who previously was paid or received awards through civil or administrative actions for all  
6 of the claims covered by this settlement. Defendant estimates the number of Class Members  
7 through September 1, 2020 to be approximately 631.

8 g. “Class Notice” means the Notice of Proposed Class Action Settlement attached hereto as  
9 Exhibit “A” or in substantially the same form as ultimately approved by the Court.

10 h. “Class Period” means the period from January 4, 2015 through the date the Court grants  
11 preliminary approval of this Agreement.

12 i. “Defense Counsel” means counsel for Defendant, who are:

13 Kalley R. Aman  
14 kaman@buchalter.com  
15 Buchalter, A Professional Corporation  
16 1000 Wilshire Boulevard, Suite 1500  
17 Los Angeles, CA 90017  
18 Telephone: (213) 891-0700  
19 Facsimile: (213) 630-5779

20 j. “Enhancement(s)” means the monetary amounts for the Representative Plaintiffs which,  
21 subject to Court approval, shall be paid pursuant to Section 4.05.b.3 of the Agreement, as  
22 provided below.

23 k. “Final Approval Date” means the date on which the Court grants final approval of this  
24 Agreement on substantially the terms provided herein as the same may be modified by  
25 subsequent written agreement of the Parties.

26 l. “Final Order” refers to the order of the Court granting final approval of this Agreement as  
27 to the Final Settlement Class (defined below) and entering a judgment approving this Agreement  
28 on substantially the terms provided herein or as the same may be modified by subsequent written  
agreement of the Parties.

1 m. “Final Effective Date” means the date on which the Court signs the Final Order granting  
2 final approval of this Agreement if there are no timely objections submitted in accordance with  
3 Section 4.03.b below. If objections are filed and overruled, and no appeal is taken of the final  
4 approval order, then the Final Effective Date is sixty-five (65) days after the date on which the  
5 Court signs the Final Order granting final approval of this Agreement. If an appeal is taken from  
6 the Court’s overruling of objections to the settlement, then the Final Effective Date is twenty  
7 (20) days after the appeal is withdrawn or after an appellate decision affirming the final approval  
8 decision becomes final.

9 n. “Final Fairness and Approval Hearing” means the hearing to determine whether the  
10 proposed Agreement settling the Action should be finally approved as fair, reasonable, and  
11 adequate; whether the proposed plan of allocation of the Net Settlement Amount should be  
12 approved; whether the Representative Plaintiffs’ Enhancements should be approved; and whether  
13 the applications of Class Counsel for attorney’s fees and costs should be approved.

14 o. “Final Settlement Class” refers to the Representative Plaintiffs and all Class Members  
15 who do not timely and validly exclude themselves from the class in compliance with the  
16 exclusion procedures set forth in Section 4.03.a of this Agreement.

17 p. “Judgment” refers to the judgment entered by the Court in conjunction with the Final  
18 Order.

19 q. “Individual Settlement Payments” or “Individual Settlement Amounts” mean(s) the  
20 amounts of money from the Net Settlement Amount that shall be paid to the Participating Class  
21 Members less employee’s portion of payroll taxes owed. Individual Settlement Payments shall  
22 be each Participating Class Member’s share of the Net Settlement Amount (which share shall be  
23 determined by the calculations provided in this Agreement at Section 4.05(c)).

24 r. “Net Settlement Amount” means the Total Settlement Amount of Eight Hundred  
25 Thousand Dollars (\$800,000.00) less all of the following, subject to Court approval: (1) Class  
26 Counsel’s attorneys’ fees (not to exceed 30% of the Total Settlement Amount (Two Hundred  
27 Forty Thousand Dollars (\$240,000.00)); (2) Class Counsel’s collective costs (not to exceed  
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1 (\$15,000.00)); (3) Enhancements to be paid to the Representative Plaintiffs (not to exceed  
2 \$10,000.00) for Bob Hooks and \$5,000.00 each for Taura Perry and Joshua Louka); (4) 75% of  
3 the total PAGA Penalties of Twenty Five Thousand Dollars (\$25,000.00) which equates to  
4 Eighteen Thousand Seven Hundred Fifty Dollars (\$18,750.00) which shall be paid to the  
5 LWDA; and (5) the Claims Administrator fees in the anticipated amount of not more than  
6 (\$10,000.00). Defendant is responsible to pay the employer's share of payroll taxes, which is not  
7 included in the Total Settlement Amount. The estimated Net Settlement Amount is Four  
8 Hundred and Ninety-Six Thousand and Two Hundred and Fifty Dollars and No Cents  
9 (\$496,250.00) plus any residual amounts as set forth below in Section 4.05.g.

10 s. "Non-Participating Class Member(s)" means those Class Members who submit to the  
11 Claims Administrator a valid and timely written request to be excluded from the Class pursuant  
12 to Section 4.03.a below.

13 t. "Order of Preliminary Approval" means the Proposed Order Preliminarily Approving  
14 Class Action Settlement, Conditionally Certifying A Class, Directing Distribution Of The Class  
15 Notice, Appointing Class Counsel, Appointing Claims Administrator, and Scheduling A Final  
16 Approval Hearing.

17 u. "PAGA" means the Private Attorneys General Act of 2004, California Labor Code  
18 sections 2698, *et seq.*

19 v. "Participating Class Member(s)" means any Class Members who have not submitted a  
20 valid and timely written request to be excluded from the Class pursuant to Section 4.03.a below.

21 w. "Preliminary Approval Date" means the date on which the Court enters the Order of  
22 Preliminary Approval preliminarily approving the Settlement.

23 x. "Qualified Settlement Fund (QSF)" refers to a Qualified Settlement Fund pursuant to  
24 U.S. Treasury Regulation section 468B-1.

25 y. "Released Claims" is defined as follows: any and all wage and hour claims, penalties,  
26 rights, debts, demands, damages, liabilities and causes of action that were asserted or could have  
27 been asserted based on the factual allegations in the First Amended Complaint and in Plaintiffs'

1 PAGA Notices (dated April 4, 2019), including all claims for unpaid wages, including failure to  
2 pay minimum wage, straight time compensation, overtime and double time compensation, and  
3 interest; payment for all hours worked, including off-the-clock work; premium payments for  
4 meal period and rest break violations; waiting time penalties; reimbursement for all necessary  
5 business expenses; failure to keep accurate records; damages and penalties for inaccurate wage  
6 statements; unfair business practices pursuant to Business & Professions Code, section 17200, *et*  
7 *seq.*; penalties of any nature whatsoever (including penalties pursuant to PAGA); claims for  
8 restitution, disgorgement, and other equitable relief, liquidated damages, and  
9 attorneys' fees and expenses. The Released Claims include all such claims arising under the  
10 California Labor Code including, but not limited to, sections 201, 202, 203, 204, 210, 221, 222,  
11 223, 224, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197,  
12 1197.1, 1198, 2800, 2802, 2698, *et seq.*, and 2699, *et seq.* (predicate Labor Code Sections 200,  
13 201, 201.3, 202, 203, 204, 204b, 204.1, 204.2, 205, 205.5, 208, 210, 221-224, 225.5, 226, 226(a),  
14 226(e), 226.3, 226.7, 500-508, 510, 512, 515, 558, 1174, 1174.5, 1182, 1182.12, 1194, 1194.2,  
15 1197, 1197.1, 1197.5, 1198, 2698, *et seq.*, 2699, *et seq.* 2751, 2802, 2810.5, IWC Wage Order 4-  
16 2001), and/or the applicable California Industrial Welfare Commission Wage Order 4-2001, and  
17 any requests for attorney's fees or costs on the Released Claims, except as provided in this  
18 Agreement, including but not limited to, under California Code of Civil Procedure section  
19 1021.5. The release of claims for waiting-time penalties and inaccurate itemized wage statement  
20 penalties shall encompass such claims regardless of the underlying theory. This release shall  
21 apply to all claims arising at any point between January 4, 2015 through September 1, 2020  
22 during the time when a class member was employed by Defendant in the State of California.<sup>1</sup>

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25 <sup>1</sup> The release as it applies to California Labor Code Section 2698, *et seq.*, and 2699, *et seq.*  
26 (predicate Labor Code Sections 200, 201, 201.3, 202, 203, 204, 204b, 204.1, 204.2, 205, 205.5,  
27 208, 210, 221-224, 225.5, 226, 226(a), 226(e), 226.3, 226.7, 500-508, 510, 512, 515, 558, 1174,  
28 1174.5, 1182, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 2698, *et seq.*, 2699, *et seq.*  
2751, 2802, 2810.5, IWC Wage Order 4-2001) is referred to herein as the "PAGA Claims."

1 z. “Released Parties” means Defendant and any and all of Defendant’s past and present  
2 divisions; affiliates; affiliated entities; and related entities; parent companies; subsidiaries;  
3 predecessors; successors; assigns; and each of their past and present respective shareholders,  
4 owners, members, managers, managing agents, officers, directors, employees, contractors,  
5 agents, trustees, attorneys, insurers, representatives, administrators, fiduciaries, beneficiaries,  
6 subrogees, executors, partners, and privies.

7 aa. “Settlement” means the disposition of this Action and all related claims effectuated by  
8 this Agreement.

9 bb. “Total Settlement Amount” means the Eight Hundred Thousand Dollars (\$800,000.00) to  
10 be paid by Defendant as provided by this Agreement to settle this Action. As set forth below in  
11 Section 4.05.a.1, in the event the class size or total number of workweeks of employment  
12 exceeds 10% of the amounts represented in this Agreement as of September 1, 2020, Defendant  
13 shall make additional payment, which is a proportionate amount based on the Total Settlement  
14 Amount.

15 **ARTICLE III**

16 **RECITALS**

17 1. Plaintiff Joshua Louka filed suit in the Superior Court for the County of Orange  
18 on January 4, 2019. Plaintiff later filed and served a First Amended Complaint which added Bob  
19 Hooks and Taura Perry as second and third representative plaintiffs, respectively, refined the  
20 claims asserted, and added a claim for penalties pursuant to the Private Attorney General Act  
21 (“PAGA”). The operative complaint is the First Amended Complaint, filed on April 4, 2019.

22 2. The First Amended Complaint asserts claims for California Labor Code sections  
23 510, 1194, 1198, 226.7, 512(a), 226.7(a), 226(a), 201, 202, 203, 204, 221, 223, 224, 2751,  
24 California Business and Professions Code section 17200, et al., and the California Labor Code,  
25 brings a PAGA action and seeks penalties for violations of the California Labor Code section  
26 2699, et seq., including without limitation to sections 201, 202, 203, 204, 210, 221-224, 225.5,  
27 226, 226.7, 510, 1194, 1198, 2751, and applicable sections of the IWC California Wage Order 4-

1 2001and California Code of Regulations, Title 8, section 11000, et seq., including Industrial  
2 Welfare Commission Wage Order 4-2001, § 12 Industrial Welfare Commission Wage Order 4-  
3 2001, § 11 and Industrial Welfare Commission Wage Order 4-2001, §3(A).

4 3. Defendant denies all of the allegations asserted by Plaintiffs in the First Amended  
5 Complaint, and specifically denies that Defendant, or any person acting on its behalf, engaged in  
6 any wrongdoing or violated any law in any respect, including, but not limited to, California state  
7 law. Defendant is entering into this Agreement because, among other things, it will eliminate the  
8 burden, risk, and expense of further litigation/arbitration.

9 4. Neither this Agreement nor any document referred to herein, nor any action taken  
10 to carry out this Agreement, may be used in any way as an admission, concession, or indication  
11 by or against Defendant of any fault, wrongdoing, or liability whatsoever.

12 **ARTICLE IV**

13 **PROCEDURE FOR APPROVAL AND IMPLEMENTATION OF SETTLEMENT**

14 Because the Parties have stipulated to the certification of the Class for settlement  
15 purposes only and because this settlement resolves a representative claim brought under PAGA,  
16 this Agreement requires preliminary and final approval by the Court. Accordingly, the Parties  
17 enter into this Agreement on a conditional basis. This Agreement is contingent upon the  
18 approval and certification by the Court. If the Court does not grant either the Preliminary or  
19 Final Approval of the settlement, the fact that the Parties were willing to stipulate to class  
20 certification for the purposes of this Agreement shall have no bearing on, or be admissible in  
21 connection with, the issue of whether any class should be certified in a non-settlement context.  
22 If the Final Effective Date does not occur, this Agreement shall be deemed null and void, shall  
23 be of no force or effect whatsoever, and shall not be referred to or used for any purpose  
24 whatsoever. Defendant expressly reserves the right to challenge the propriety of class  
25 certification and representative treatment for any purpose if the settlement does not become final.

26 The Parties and their respective counsel shall take all steps that may be requested by the  
27 Court relating to the approval and implementation of this Agreement and shall otherwise use  
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1 their respective best efforts to obtain Court approval and implement this Agreement. The  
2 procedure for obtaining Court approval of and implementing this Agreement shall be as follows.

3 **Section 4.00: Motion for Conditional Class Certification and Preliminary Approval**

4 Representative Plaintiffs shall bring a motion before the Court for an order conditionally  
5 certifying the Class based on the preliminary approval of this Agreement, including the Class  
6 Notice (“Exhibit A”), Dispute Form (“Exhibit B”), and Exclusion Form (“Exhibit C”) attached  
7 hereto as exhibits to this Agreement. Prior to filing the motion, Class Counsel shall provide a  
8 draft of the motion to Defendant’s Counsel for review and comment. The date that the Court  
9 grants preliminary approval of this Agreement shall be the “Preliminary Approval Date.”

10 **Section 4.01: The Claims Administrator**

11 IYLM Group, Inc. or another mutually agreeable party will act as the third party  
12 administrator to administer this Settlement and to act as the Claims Administrator. The Claims  
13 Administrator will administer the settlement by performing address verification for the Class  
14 Members, distributing the Class Notice, performing skip traces, receiving and recording  
15 completed Settlement Opt-Outs, adjudicating Class Members’ disputes over Individual  
16 Settlement Payments, providing Class Counsel and counsel for Defendant with weekly updates  
17 on the status of Opt-Outs, and handling inquiries about the calculation of the Individual  
18 Settlement Amounts. The Claims Administrator shall provide the Parties with the number of  
19 Class Members who submitted timely and valid Opt-Outs after the expiration of the claims  
20 period for inclusion in the proposed final approval Order. The actions of the Claims  
21 Administrator shall be governed by the terms of this Stipulation. The Parties, through their  
22 counsel, may provide written information needed by the Claims Administrator pursuant to the  
23 Stipulation.

24 All costs of administering the Settlement, including but not limited to all costs and fees  
25 associated with preparing, issuing, and mailing any and all notices to Class Members, all costs  
26 and fees associated with setting up the QSF and computing, processing, reviewing, and mailing  
27 the Individual Settlement Payments, all costs and fees associated with preparing any tax returns  
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1 and any other filings required by any governmental taxing authority or agency, all costs and fees  
2 associated with preparing any other notices, reports, or filings to be prepared in the course of  
3 administering disbursements from the Net Settlement Amount, and any other costs and fees  
4 incurred and/or charged by the Claims Administrator in connection with the execution of its  
5 duties under this Agreement (“Claims Administration Costs”), anticipated to be not more than  
6 Ten Thousand Dollars and No Cents (\$10,000.00), shall be paid out of the Total Settlement  
7 Amount.

8 **Section 4.02: Notice to Class Members**

9       **a. Initial Identification of Class Members:** Defendant estimates the number of  
10 Class Members through September 1, 2020 at approximately 631 who worked 55,880.29  
11 estimated workweeks during their employment. Within fourteen (14) calendar days following  
12 entry of the Preliminary Approval Order, Defendant shall provide to the Claims Administrator a  
13 confidential list(s) in Excel spreadsheet format containing the name and last known address,  
14 telephone number, and social security number of each Class Member.

15       **b. Mailing of Class Notice:** Promptly upon receipt of the Class Member  
16 information from Defendant, the Claims Administrator shall use reasonable skip trace efforts to  
17 obtain updated addresses for Class Members from one or more skip-tracing vendors. Within  
18 seven (7) calendar days after receipt of the Class Member information from Defendant, or receipt  
19 of any updated addresses from skip tracing, whichever is later, the Claims Administrator shall  
20 mail the Class Notice to all Class Members via first-class mail using the updated address  
21 information. With respect to each Class Notice that is returned as undeliverable, the Claims  
22 Administrator shall promptly attempt to determine a correct address using additional skip trace  
23 services, and shall promptly re-send the Class Notice via first-class mail to any new address  
24 thereby determined within seven (7) calendar days of receiving the notice that the Class Notice  
25 was undeliverable.

26       **c. Notification to Counsel:** The Claims Administrator will provide regular status  
27 updates, which will include, for example, number of mailings, opt-outs, disputes, and re-

1 mailings. The status updates will be provided to Defense Counsel and Class Counsel. No later  
2 than twenty (20) calendar days prior to the Final Fairness and Approval Hearing, the Claims  
3 Administrator shall provide Defense Counsel and Class Counsel with a declaration attesting to  
4 completion of the notice process, including any attempts to obtain valid mailing addresses for  
5 and re-sending of any returned Class Notices, as well as the number of valid opt-outs that the  
6 Claims Administrator received. Compliance with the procedures described in Section 4.02.b  
7 shall constitute due and sufficient notice to Class Members of this proposed Settlement and the  
8 Final Fairness and Approval Hearing, and shall satisfy the requirement of due process. Nothing  
9 else shall be required of the Parties, Class Counsel, Defense Counsel, or the Claims  
10 Administrator to provide notice of the proposed Settlement and the Final Fairness and Approval  
11 Hearing.

12 **Section 4.03: Responses to Notice**

13 **a. Requests for Exclusion from Class**

14 The Representative Plaintiffs may not request exclusion from the Class. For any other  
15 Class Member to validly exclude himself or herself from the Class and this Settlement (*i.e.*, to  
16 validly opt-out), a written request for exclusion must be signed by the Class Member or his or  
17 her authorized representative, and must be sent to the Claims Administrator, postmarked by no  
18 later than sixty (60) calendar days after the date the Claims Administrator initially mails the  
19 Class Notice to the Class Members. For Notices re-mailed by the Claims Administrator pursuant  
20 to section 4.02.b, the written request for exclusion must be postmarked by no later than forty-five  
21 (45) calendar days of the initial mailing of the Class Notice or fifteen (15) calendar days of the  
22 re-mailing, whichever is later. The Class Notice shall contain instructions on how to opt-out and  
23 the Class Member will fill out and execute the Exclusion Form. A Class Member that decides to  
24 dispute the estimated payment will fill out and execute the Dispute Form. The date of the initial  
25 mailing (or re-mailing for Class Notices re-mailed) of the Class Notice and the date the signed  
26 request for exclusion was postmarked, shall be conclusively determined according to the records  
27 of the Claims Administrator. If no postmark is evident on a request for exclusion, the timeliness  
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1 of the request for exclusion shall be determined by the date the Claims Administrator received  
2 the request for exclusion, minus five (5) days. Any Class Member who timely and validly  
3 requests exclusion from the Class and this Settlement shall become a Non-Participating Class  
4 Member and shall not be entitled to any Individual Settlement Payment, shall not be bound by  
5 the terms and conditions of this Agreement, and shall not have any right to object, appeal, or  
6 comment thereon. Regardless of your decision to exclude yourself as a Class Member, you will  
7 remain a member of the PAGA group of aggrieved employees. All aggrieved employees shall  
8 receive an individual PAGA Settlement Share and shall be bound by the release of PAGA  
9 Claims.

10 **b. Objections to Settlement**

11 The Representative Plaintiffs may not object to this Agreement. For any other Class  
12 Member to object to this Agreement, or any term of it, the person making the objection must not  
13 submit a request for exclusion (*i.e.*, must not opt-out), and must, by no later than sixty (60)  
14 calendar days after the Class Notice was initially mailed to the Class Members, file with the  
15 Court and serve on Class Counsel and Defense Counsel, a written statement of the grounds of  
16 objection, signed by the objecting Class Member or his or her attorney, along with all supporting  
17 papers. For Class Notices re-mailed by the Claims Administrator pursuant to section 4.02.b,  
18 written statements of the grounds for objection must be filed and served no later than forty-five  
19 (45) calendar days after the initial mailing of the Class Notice or twenty-one (21) calendar days  
20 of the re-mailing, whichever is later. The date of mailing or re-mailing of the Class Notice to the  
21 objecting Class Member shall be conclusively determined according to the records of the Claims  
22 Administrator. The Court retains final authority with respect to the consideration and  
23 admissibility of any Class Member objections. Any Objecting Class Member may object at the  
24 Final Fairness and Approval Hearing – and will be heard in Court at the Final Fairness and  
25 Approval Hearing -- whether or not s/he has filed a written objection. Class Counsel shall be  
26 entitled to oppose such objection orally at the Final Fairness and Approval Hearing or request  
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1 additional time from the Court, not exceeding five (5) calendar days, to provide the Court with a  
2 written response to the objection and to be heard.

3 Counsel for the Parties shall file any response to the objections submitted by objecting  
4 Class Members at least ten (10) court days before the date of the Final Fairness and Approval  
5 Hearing.

6 **c. Failure to Object**

7 Settlement Class Members who fail to make objections in the manner specified above  
8 (see, section b, Objection to Settlement) and/or fail to appear at the Final Fairness and Approval  
9 Hearing shall be deemed to have waived any objections and shall be foreclosed from making any  
10 objections (whether by appeal or otherwise) to the Settlement.

11 **d. Failure to Cash Settlement Check**

12 The Class Administrator shall mail a reminder notice to each individual Class Member  
13 who has not cashed or negotiated his/her Individual Settlement Payment. This reminder notice  
14 shall be postmarked no later than one hundred and twenty (120) days from the time the  
15 individual payments to Class Members are issued by the Class Administrator. After one hundred  
16 and eighty (180) days of the mailing of the individual settlement checks, funds attributable to  
17 unclaimed, undeliverable, or expired individual settlement checks shall be transmitted by the  
18 Claims Administrator to the State of California Controller's Office Unclaimed Property Fund in  
19 the names of Participating Class Members who did not cash their Settlement checks. Any  
20 Participating Class Member who fails to cash their individual settlement check sent by the  
21 Claims Administrator and who also fails to submit a timely request for exclusion from the Class  
22 automatically shall be deemed a member of the Final Settlement Class whose rights and claims  
23 with respect to the issues raised in the Action are determined by the Court's Final Order, and by  
24 the other rulings in the Action. Thus, said Class Member's rights to pursue any claims covered  
25 by the Action and/or released in this Agreement shall be extinguished.

1           **e.       Right of Defendant to Void Agreement**

2           If more than seven and a half percent (7.5%) of Class Members make a valid request to  
3 be excluded from the Class as described in Section 4.03.a above and thus become Non-  
4 Participating Class Members, Defendant shall have the right, but not the obligation, to void the  
5 Agreement. If Defendant exercises that right to void the Agreement, then the Parties shall have  
6 no further obligations under the Agreement, including any obligation by Defendant to pay the  
7 Total Settlement Amount, or any amounts that otherwise would have been owed under this  
8 Agreement, except that Defendant shall pay the Claims Administrator's reasonable fees and  
9 expenses incurred as of the date that Defendant exercise its right to void the Agreement.  
10 Defendant shall notify Class Counsel and the Court whether they are exercising the right to void  
11 the Agreement not later than fourteen (14) calendar days after the Claims Administrator notifies  
12 the Parties of the final total number of valid requests to be excluded.

13           **Section 4.04: Final Fairness and Approval Hearing**

14           On the date set forth in the Order of Preliminary Approval and Class Notice, which shall  
15 be approximately one hundred and twenty (120) days after the initial mailing of the Notice of  
16 Proposed Class Action Settlement, a Final Fairness and Approval Hearing shall be held before  
17 the Court in order (1) to review this Agreement and determine whether the Court should give it  
18 final approval, and (2) to consider any timely objections made pursuant to Section 4.03.b above  
19 and all responses by the Parties to such objections. At the Final Fairness and Approval Hearing,  
20 the Parties shall ask the Court to give final approval to this Agreement and shall submit to the  
21 Court a proposed Final Order approving the Settlement and which shall be entered in the Action.

22           **a.       Vacating, Reversal, or Material Modification of Final Order and Judgment**  
23 **on Appeal or Review**

24           If, after a notice of appeal or a petition for a writ of *certiorari* or any other motion,  
25 petition, or application, the reviewing court vacates, reverses, or modifies the Final Order and  
26 Judgment such that there is a material modification to the Settlement and that court's decision is  
27 not completely reversed, and the Final Order and Judgment is not fully affirmed on review by a  
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1 higher court, then Representative Plaintiffs and Defendant shall each have the right, but not the  
2 obligation, to void the Settlement, which the Party must do by giving written notice to the other  
3 Parties, the final reviewing court, and the Court not later than ten (10) business days after the  
4 final reviewing court's decision vacating, reversing, or materially modifying the Final Order  
5 becomes final and non-appealable. A vacation, reversal, or modification of the Court's award of  
6 the Enhancement or Class Counsel's fees or costs shall not constitute a vacation, reversal, or  
7 material modification of the Final Order and Judgment within the meaning of this paragraph.

8 **Section 4.05: Settlement Payment Procedures**

9       **a. Settlement Sum:** In exchange for the releases set forth in this Agreement,  
10 Defendant agrees to pay the Total Settlement Amount of Eight Hundred Thousand Dollars  
11 (\$800,000.00), which is the total and all-inclusive maximum amount Defendant shall be  
12 obligated to pay under the Settlement embodied by this Agreement, subject to potential  
13 escalation due to increases in class member numbers as stated in Section 4.05.a.1 below. The  
14 Settlement Sum includes Class Counsel's attorney's fee subject to Court approval that shall not  
15 to exceed 30% (Two Hundred Forty Thousand Dollars (\$240,000.00)) of the Total Settlement  
16 Amount and Class Counsel's collective costs (not to exceed Fifteen Thousand Dollars  
17 (\$15,000.00)), Enhancements for Representative Plaintiffs (not to exceed \$10,000.00 for Bob  
18 Hooks and \$5,000 each for Joshua Louka, Taura Perry) subject to Court approval, the PAGA  
19 penalty payment of Twenty-Five Thousand Dollars (\$25,000.00), which includes the payment of  
20 Eighteen Thousand Seven Hundred and Fifty Dollars (\$18,750.00) to the LWDA, the Claims  
21 Administration Costs anticipated to be not more than Ten Thousand Dollars and No Cents  
22 (\$10,000.00)), and the Individual Settlement Payments to Participating Class Members.

23       **1. Class Size and Escalator Provision:** Defendant has estimated the total  
24 class size through the date of anticipated preliminary approval of the Settlement at 631 former  
25 and current employees who worked 55,880.29 estimated total workweeks during their  
26 employment with Defendant. In the event the total number of Class Members, or the total  
27 number of Class Members' estimated workweeks of employment, as of September 1, 2020,  
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1 exceeds 10% of the amounts estimated by Defendant in this Agreement, Defendant shall make  
2 additional payment, which represents a proportional dollar amount based on the increase in the  
3 total number of former or current employees and/or the estimated total workweeks in relation to  
4 Defendant's estimated total class size or workweek numbers. This additional payment shall be  
5 included in the Total Settlement Amount.

6 **b. Allocation of Settlement Amount:** In full and complete settlement of the Action  
7 and subject to this Settlement being approved by the Court and within the time frame set forth in  
8 Section 4.05.e, Defendant shall pay an aggregate sum not to exceed Eight Hundred Thousand  
9 Dollars (\$800,000.00) (the "Total Settlement Amount") into the QSF established by the Claims  
10 Administrator to be allocated as follows:

11 **1. Reasonable attorneys' fees and litigation expenses:** Class Counsel have  
12 stated they shall make an application to the Court to request reasonable attorneys' fees in an  
13 amount not to exceed 30% of the Total Settlement Amount and collective litigation costs in an  
14 amount up to \$240,000.00. Defendant has agreed not to oppose or object to any application or  
15 motion by Class Counsel for attorney's fees in an amount to equal and not to exceed thirty  
16 percent (30%) or Two Hundred and Forty Thousand Dollars (\$240,000.00) of the Total  
17 Settlement Amount. The award of reasonable attorneys' fees and litigation costs granted by the  
18 Court shall be paid out of the Total Settlement Amount. Any award of attorneys' fees and costs  
19 shall include and satisfy all past and future fees and costs incurred to prosecute, settle, and  
20 administer the Action and this Agreement, including obtaining the Final Order.

21 **2. Reasonable expenses of the Claims Administrator:** The Claims  
22 Administrator shall be paid out of the Total Settlement Amount and such payment shall not  
23 constitute payment to any Participating Class Member(s). The Claims Administration Costs,  
24 expected not to exceed \$10,000.00, shall be paid within fifteen (15) business days after the Final  
25 Effective Date in accordance with Section 4.05.e.1, below.

26 **3. Reasonable Enhancements to the Representative Plaintiffs:** Subject to  
27 Court approval, the Representative Plaintiffs shall make a separate application for up to Fifteen  
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1 Thousand Dollars (\$15,000.00), as an Enhancements for Bob Hooks and Ten Thousand Dollars  
2 (\$10,000.00) each as Enhancements for Joshua Louka and Taura Perry from the Total Settlement  
3 Amount. Court-approved Enhancement shall be paid by check made payable to the  
4 Representative Plaintiff, which shall be delivered by the Claims Administrator to Class Counsel  
5 within fifteen (15) business days after the Final Effective Date. The Enhancement shall be paid  
6 out of the Total Settlement Amount and shall not constitute payment(s) to any Participating Class  
7 Member(s). Defendant will not oppose Representative Plaintiffs' application for Enhancements  
8 described in this Section 4.05.b.3. In exchange for the Enhancements, Representative Plaintiffs  
9 will execute a general release as described in Section 6.03 of this Agreement.

10 Because it is the intent of the Parties that the Enhancements represent payments to  
11 Representative Plaintiffs for their service to the Class Members, and not wages, the Claims  
12 Administrator shall not withhold any taxes from the Enhancement. The Enhancements shall be  
13 reported on a Form 1099, which shall be provided to the Representative Plaintiffs and to the  
14 pertinent taxing authorities as required by law. Although it is the contemplation of the Parties  
15 that the Enhancements do not represent wages, the Internal Revenue Service, the California  
16 Franchise Tax Board, or some other taxing authority may take the position that some or all of an  
17 Enhancements constitute wages for income tax and withholding purposes. The Representative  
18 Plaintiffs agrees to assume the responsibility of remitting to the Internal Revenue Service, the  
19 California Franchise Tax Board, and any other relevant taxing authority the amounts required by  
20 law, if any, to be withheld by Defendant from the Enhancement(s) paid under this Agreement.  
21 In addition, the Representative Plaintiffs shall hold Defendant and Released Parties harmless and  
22 indemnify Defendant and Released Parties for all taxes, interest, penalties, and costs, including  
23 attorneys' fees, incurred by Defendant by reason of any claims relating to the non-withholding of  
24 taxes from the Enhancement.

25 **4. PAGA Payment:** Upon notice to the LWDA and required Court approval  
26 as required by the PAGA, a payment of Twenty-Five Thousand Dollars (\$25,000.00) shall be  
27 allocated to PAGA penalties, Eighteen Thousand Seven Hundred and Fifty Dollars (\$18,750.00)

1 of which shall be payable to the California LWDA within fifteen (15) business days of the Final  
2 Effective Date. All aggrieved employees shall receive an individual PAGA Settlement Share  
3 and shall be bound by the release of PAGA Claims. The PAGA penalties shall be paid out of the  
4 Total Settlement Amount. The remaining portion of the PAGA payment shall be distributed pro-  
5 rata to the Final Settlement Class as set forth below in Section 4.05.c.

6 **5. Defendant's Share of Payroll Taxes:** Defendant is responsible to pay the  
7 employer's share of payroll taxes attributable to the payment of wages to Participating Class  
8 Members pursuant to this Agreement. The employer's share of payroll taxes is not included in  
9 the Total Settlement Amount.

10 **6. Allocation to Participating Class Members:** The amount remaining  
11 from the Total Settlement Amount after deducting the court-awarded reasonable attorneys' fees  
12 and litigation costs, reasonable Claims Administration Costs, reasonable Enhancement payments,  
13 and PAGA penalties (the "Net Settlement Amount") shall be distributed to members of the Class  
14 in accordance with the formula set forth below.

15 **c. Individual Settlement Payments:** The Individual Settlement Payments shall be  
16 calculated as follows:

17 **1. Calculation:** Each Participating Class Member shall be eligible to receive  
18 an Individual Settlement Payment, calculated based on three variables: (1) total number of Class  
19 Members as of the Preliminary Approval Date and (2) the total number of work weeks of  
20 employment for each Class Member. The Participating Class Members' Individual Settlement  
21 Payment shall be calculated as follows:

- 22 i. Defendant will calculate the total workweeks for all Participating Class  
23 Members. The respective workweeks for each Participating Class Member  
24 will be divided by the total workweeks for all Participating Class  
25 Members, resulting in the payment ratio for each Participating Class  
26 Member. Each Participating Class Member's payment ratio is then  
27 multiplied by the Net Settlement Amount to determine his or her estimated  
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1 Individual Settlement Payment (“Individual Share”). The amount of each  
2 Individual Settlement Share shall be calculated by multiplying the  
3 Individual Share to the Net Settlement Amount.

4 **2. Dispute Resolution:** The Claims Administrator shall have the initial  
5 responsibility of administering all dispute resolutions that arise during the claims administration  
6 process, including, without limitation, disputes, if any, regarding the calculation of each Class  
7 Member’s Individual Settlement Payment, where the information submitted by Defendant based  
8 on their employment records differs from the documentary evidence submitted by Class  
9 Members. A Class Member must fill out and submit a Dispute Form in order to dispute or  
10 challenge the estimated payment. In resolving such disputes, the Claims Administrator shall  
11 request a conference call between the Claims Administrator, Class Counsel, and Defense  
12 Counsel to discuss and resolve the dispute. In advance of the conference call, the Claims  
13 Administrator shall fax or email copies of all available information to all counsel. Any disputes  
14 not resolved by the Claims Administrator, Class Counsel, and/or counsel for Defendant  
15 concerning the administration of the Settlement will be resolved by the Court in accordance with  
16 the principles guiding the Parties’ Agreement and the laws of the State of California. Prior to any  
17 such involvement by the Court, counsel for the parties will confer in good faith with the Class  
18 Member to resolve the disputes without the necessity of involving the Court. In the event  
19 counsel for the parties and the Class Member are unable to reach an agreement regarding the  
20 Class Member’s dispute, each of the parties is entitled to bring the issue before the Court on an  
21 ex parte basis, and the Court’s decision shall be final and binding on the Parties.

22 **3. Fair Formula:** The Parties recognize and agree that the precise value of  
23 each Individual Settlement for any other claim asserted in the Action is extremely difficult to  
24 determine with any certainty for any given person, year, or at all, and is subject to myriad  
25 differing calculations and formulas. The Parties hereby agree that the formula for allocating  
26 payments to Participating Class Members as provided herein is reasonable and designed to  
27 provide a fair settlement to the Participating Class Members.

1           **d. Allocation of Net Settlement Amount Payments and Taxes:** All Individual  
2 Settlement Payments made to Participating Class Members under this Agreement shall be  
3 allocated as follows: One-Third (33.33%) to wages, One-Third (33.33%) to penalties, and One-  
4 Third (33.33%) to interest. The Claims Administrator shall deduct from each Individual  
5 Settlement Payment all employee portions of payroll taxes from the amount allocated to wages.  
6 The amounts allocated to penalties and interest shall not be subject to tax withholding but  
7 Participating Class Members will receive a 1099 for those payments. Defendant shall not make  
8 as part of this Agreement, nor be required to make, any deductions, nor pay any monthly  
9 contributions for any insurance, retirement, bonuses, 401(k), 403(b), or profit-sharing plans  
10 related to monies paid as a result of this Agreement.

11           The Parties understand and agree that Defendant is not providing tax or legal advice, or  
12 making representations regarding tax obligations or consequences, if any, related to this  
13 Agreement, and that the Final Settlement Class Members will assume any such tax obligations or  
14 consequences that may arise from this Agreement, and that Final Settlement Class Members  
15 shall not seek any indemnification from Defendants in this regard.

16           **e. Timing of Settlement Payments:** Defendant shall send to the Claims  
17 Administrator the amount required to meet the obligations of Section 4.05.b within ten (10)  
18 business days after the Final Effective Date. The amount shall be deposited into a non-interest  
19 bearing account. Payments of the following from the Total Settlement Amount shall be made in  
20 accordance with the following subparagraphs:

21           **1. Claims Administrator:** The Claims Administrator shall be paid the  
22 Claims Administration costs from the Total Settlement, expected to be not more than Ten  
23 Thousand Dollars and No Cents (\$10,000.00), within fifteen (15) business days after the Final  
24 Effective Date.

25           **2. Class Counsel's Fees:** The amounts approved by the Court for Class  
26 Counsel's fees shall be paid as follows:  
27  
28

1 (a) Within fifteen (15) business days after the Final Effective Date the  
2 Claims Administrator shall pay the total attorneys' fee award to Class Counsel.

3 **3. Class Counsel's Costs:** The amount approved by the Court for Class  
4 Counsel's costs shall be paid within fifteen (15) business days after the Final Effective Date.

5 **4. Individual Settlement Payments:** Within seven (7) calendar days of the  
6 last date for Opt-Outs or Objections to be timely submitted in accordance with Section 4.03.a  
7 and 4.03.b, above, the Claims Administrator shall provide to the Parties a written statement of all  
8 Individual Settlement Payments to be paid to all Participating Class Members, including all  
9 amounts paid as wages and the required payroll taxes, which Defendants shall pay outside the  
10 Total Settlement Amount. The Claims Administrator will distribute the Individual Settlement  
11 Payments to all Participating Class Members within fifteen (15) business days of the Final  
12 Effective Date.

13 **5. Distribution by Claims Administrator:**

14 (a) The Claims Administrator shall promptly (but no later than two (2)  
15 days after receipt of payment by Defendant) deposit the funds into a non-interest bearing QSF  
16 bank account, held in escrow for the purpose of effectuating this Agreement. The Parties agree  
17 to treat this account as a "Qualified Settlement Fund" pursuant to Section 468(B) of the Internal  
18 Revenue Code of 1986, as amended, and the Claims Administrator shall treat the Qualified  
19 Settlement Fund as the "employer" for purposes of federal and state income and employment tax  
20 withholding and reporting with respect to the Individual Settlement Payments.

21 (b) Upon receipt from Defendant of the amounts allocated to  
22 Participating Class Members, the Claims Administrator shall promptly issue to each Participating  
23 Class Member a check in the amount of his or her Individual Settlement Payment (less  
24 applicable taxes and withholdings), as described in Section 4.05.e.4, via first-class mail. All  
25 Final Settlement Class Members shall be bound by this Agreement and the release herein even if  
26 the Class Member does not cash the settlement check issued to him or her comprising his or her  
27 Individual Settlement Payment. The Class Administrator shall mail a reminder notice to each

1 individual Class Member that has not cashed or negotiated his/her Individual Settlement  
2 Payment, which reminder notice shall be postmarked no later than one hundred and twenty (120)  
3 days from the time the individual payments to Class Members are issued by the Class  
4 Administrator. Any individual settlement checks that remain uncashed after 180 days from the  
5 date of their issuance are void, and the funds attributable to the voided individual settlement  
6 checks shall be transmitted by the Claims Administrator to the California State Controller's  
7 Office Unclaimed Property Fund in the names of Participating Class Members who did not cash  
8 their Settlement checks.

9 **f. Return of Funds to Defendant:** In the event that this Agreement is canceled,  
10 rescinded, terminated, voided, or nullified, however that may occur, or the settlement of the  
11 Action is barred by operation of law, or invalidated, or ordered not to be carried out by a court of  
12 competent jurisdiction, Defendant shall cease to have any obligation to pay any portion of the  
13 Total Settlement Amount to anyone under the terms of this Agreement, and all previous  
14 disbursements from the Total Settlement Amount shall immediately be paid back to Defendant  
15 by the person or entity who received such disbursement, except for costs already incurred by the  
16 Claims Administrator.

17 **g. Residuals:** If any amount of the Total Settlement remains unallocated as a result  
18 of modification to the requested attorney's fees, costs, Class Representative Enhancements or  
19 Claims Administration Costs, this amount shall become part of the Net Settlement Amount and  
20 be distributed pursuant to Section 4.05(c).

## 21 **ARTICLE V**

### 22 **LIMITATIONS ON USE OF THIS SETTLEMENT**

#### 23 **Section 5.01: No Admission**

24 Defendant denies that it engaged in any unlawful activity or failed to comply with the law  
25 in any respect, that it has any liability to anyone under the claims asserted in the Action, and that,  
26 but for this Settlement, a class should be certified in this Action. This Agreement is entered into  
27

1 solely for the purpose of compromising highly-disputed claims. Nothing in this Agreement is  
2 intended or shall be construed as an admission of liability or wrongdoing by Defendant.

3 **Section 5.02: Non-Evidentiary Use**

4 Whether or not the settlement becomes final, neither this Agreement nor any of its terms  
5 nor the Settlement itself shall be: (a) construed as, offered, or admitted in evidence as, received  
6 as, or deemed to be evidence for any purpose adverse to Defendant or any other of the Released  
7 Parties, including but not limited to, evidence of a presumption, concession, indication, or  
8 admission by any of the Released Parties of any liability, fault, wrongdoing, omission,  
9 concession, or damage, or (b) disclosed, referred to, or offered in evidence against any of the  
10 Released Parties in any further proceeding in the Action, or any other civil, criminal, or  
11 administrative action or proceeding except for the purposes of effectuating the Settlement  
12 pursuant to this Agreement or for Defendants to establish that a Class Member has resolved any  
13 of his/her claims released through this Agreement.

14 **Section 5.03: Nullification**

15 The Parties have agreed to the certification of the Class for the sole purpose of  
16 effectuating this Agreement. If (a) the Court should for any reason fail to certify a class for  
17 settlement, or (b) the Court should for any reason fail to approve this Settlement in the form  
18 agreed to by the Parties (except for the amount of attorneys' fees, costs and Enhancements  
19 awarded), or (c) the Court should for any reason fail to enter the Final Order, or (d) the Final  
20 Order is reversed, modified, or declared or rendered void, then (i) this Agreement shall be  
21 considered null and void; (ii) neither this Agreement nor any of the related negotiations or  
22 proceedings shall be of any force or effect; (iii) all Parties to this Agreement shall stand in the  
23 same position, without prejudice, as if the Agreement had been neither entered into nor filed with  
24 the Court; and (iv) the fact that the Parties were willing to stipulate to class certification as part  
25 of the Settlement shall have no bearing on, and shall not be admissible in connection with, the  
26 issue of whether a class should be certified in a non-settlement context in this Action or any

1 other action, and in any of those events, Defendant expressly reserves the right to oppose any  
2 motion for class certification.

3 Invalidation of any material portion of this Agreement, except for the amount of  
4 attorneys' fees, costs and Enhancement, shall invalidate this Agreement in its entirety unless the  
5 Parties shall subsequently agree in writing that the remaining provisions shall remain in full force  
6 and effect.

7 **ARTICLE VI**

8 **RELEASES**

9 **Section 6.01: Releases by Class Members**

10 On the Final Effective Date, each and every individual in the Final Settlement Class shall  
11 be bound by this Agreement.

12 **Section 6.02: Release of All Claims Relating To The Action**

13 In exchange for the consideration recited in this Agreement, each member of the Final  
14 Settlement Class, on behalf of themselves, and on behalf of all who claim by and through them,  
15 or in their stead (the "Releasing Class Members"), will, and hereby do release and discharge the  
16 "Released Parties" from the Released Claims set forth and defined in Article II.y.

17 **Section 6.03: General Release of Known and Unknown Claims By Representative**  
18 **Plaintiffs**

19 In light of the Representative Plaintiff's Enhancement Awards, each of the  
20 Representative Plaintiffs fully and forever unconditionally and irrevocably release and discharge,  
21 in addition to the claims released in Section 6.02 above, all claims, causes of action, losses,  
22 damages, obligations, contracts, agreements, wages, compensation, penalties, restitution,  
23 expenses, attorney's fees, and costs, whether known or unknown, contingent or fixed, suspected  
24 or not suspected, of any kind, type, or nature whatsoever, against any of the Released Parties  
25 through the date this Settlement is signed by the Representative Plaintiffs, including but not  
26 limited to any and all claims arising out of or relating to the Representative Plaintiffs'  
27

1 employment with Defendant, the Representative Plaintiffs' compensation by Defendant, and the  
2 termination of the Representative Plaintiffs' employment from Defendant. The Representative  
3 Plaintiffs understand that this release includes all known and unknown claims and that the  
4 Representative Plaintiffs are waiving all rights and benefits afforded by Section 1542 of the  
5 California Civil Code, which provides as follows:

6 **A general release does not extend to claims that the creditor or**  
7 **releasing party does not know or suspect to exist in his or her**  
8 **favor at the time of executing the release and that, if known by**  
9 **him or her, would have materially affected his or her**  
10 **settlement with the debtor or released party.**

11 Representative Plaintiffs understand the significance of their release of unknown  
12 claims and their waiver of statutory protection against a release of unknown claims (such  
13 as under Section 1542 or any other comparable state statute). Specifically excluded from  
14 this release by Representative Plaintiffs are any claims that cannot be released as a matter  
15 of law, such as claims for workers' compensation benefits or unemployment benefits.

## 16 **ARTICLE VII**

### 17 **MISCELLANEOUS PROVISIONS**

#### 18 **Section 7.01: Amendments or Modification**

19 The terms and provisions of this Agreement may be amended or modified only by an  
20 express written agreement that is signed by all the Parties (or their successors-in-interest) and  
21 their counsel.

#### 22 **Section 7.02: Representations and Warranties**

23 **a. Defendants' Records:** Defendant represents and warrants that the documents  
24 provided to Class Counsel during the litigation are a material condition to this Settlement and are  
25 substantially accurate, to the best of their knowledge, according to Defendant's policies and  
26 practices.

27 **b. Publicity:** Representative Plaintiffs and Class Counsel agree and represent they  
28 will not have or cause any communications with the media regarding the settlement and its

1 terms, and will not publicly disclose the settlement terms on any website or in social media.  
2 Class Counsel will advise Representative Plaintiffs about the restriction against any public  
3 comment on the settlement and its terms and advise them to adhere to it. Further, the settlement  
4 and its terms shall be considered confidential to be shared only with Representative Plaintiffs,  
5 Class Counsel, and Class Counsel's clients until the date of the filing of the motion for  
6 preliminary approval. After the filing of the motion for preliminary approval, Class Counsel  
7 agree not to use the settlement in marketing materials for them or their firm, including, without  
8 limitation, marketing materials on firm websites, and agree not to communicate with the media  
9 about the settlement. Nothing in this Agreement may be construed and/or operate to violate  
10 CRPC, Rule 1-500 by restricting the right of Plaintiff's Counsel to practice law; nor has defense  
11 counsel demanded, or even suggested, inclusion of provisions which may be construed and/or  
12 operate as restricting the right of Plaintiff's Counsel to practice law as part of this settlement.

13 **c. Return of Defendant's Confidential Records:** Plaintiffs and Class Counsel  
14 agree to return or destroy all confidential documents produced by Defendant in the Action  
15 (whether produced in electronic or paper form) within ten (10) days of Defendant's request.  
16 Should Class Counsel elect to destroy those documents, Counsel shall certify under penalty of  
17 perjury that such documents have been destroyed. To the extent any information is provided  
18 during the Settlement process concerning Class Members, it shall be designated Confidential  
19 under the terms of the Stipulated Protective Order entered in this Action and shall not be used  
20 except as provided herein.

21 **Section 7.03: Assignment**

22 None of the rights, commitments, or obligations recognized under this Agreement may be  
23 assigned by any Party, Class Member, Class Counsel, or Defense Counsel without the express  
24 written consent of each other Party and their respective counsel. The representations, warranties,  
25 covenants, and agreements contained in this Agreement are for the sole benefit of the Parties  
26 under this Agreement, and shall not be construed to confer any right or to avail any remedy to  
27 any other person.

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**Section 7.04: Governing Law**

This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, irrespective of the State of California’s choice of law principles.

**Section 7.05: Entire Agreement**

This Agreement, including any Exhibits, which form an integral part hereof, contains the entire final integrated agreement and understanding of the Parties hereto with respect to the subject matter contained herein. In case of any conflict between text contained in Articles I through VII of this Agreement and text contained in the Exhibits to this Agreement, the former (*i.e.*, Articles I through VII) shall be controlling. There are no restrictions, promises, representations, warranties, covenants, or undertakings governing the subject matter of this Agreement other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings among the Parties hereto with respect to the subject matter hereof and the settlement of the Action, including correspondence between Class Counsel and Defense Counsel. No rights hereunder may be waived except in writing.

**Section 7.06: Counterparts and Facsimile Signatures**

This Agreement, and any amendments hereto, may be executed in any number of counterparts and any Party and/or their respective counsel hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute one instrument. A facsimile signature on this Agreement shall be as valid as an original signature.

**Section 7.07: Meet and Confer Regarding Disputes**

Should any dispute arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, a representative of each Class Counsel and a representative of Defense Counsel shall meet and confer in good faith in an attempt to resolve such disputes prior to submitting such disputes to the Court.

1 **Section 7.08: Agreement Binding on Successors**

2 This Agreement shall be binding upon, and inure to the benefit of, the successors in  
3 interest of each of the Parties.

4 **Section 7.09: Cooperation in Drafting**

5 The Parties have cooperated in the negotiation and preparation of this Agreement. This  
6 Agreement shall not be construed against any Party on the basis that the Party, or the Party's  
7 counsel, was the drafter or participated in the drafting of this Agreement.

8 **Section 7.10: Fair Settlement**

9 Representative Plaintiffs, Defendant, Class Counsel, and Defense Counsel have arrived at  
10 this Agreement through arm's-length negotiation and believe that this Agreement reflects a fair,  
11 reasonable, and adequate settlement of the Action taking into account all relevant factors, current  
12 And potential, and believe the Agreement is consistent with public policy and fully complies  
13 with Applicable provisions of law.

14 **Section 7.11: Headings**

15 The descriptive heading of any section or paragraph of this Agreement is inserted for  
16 convenience of reference only and does not constitute a part of this Agreement and shall not be  
17 considered in interpreting this Agreement.

18 **Section 7.12: Notice**

19 All notices, demands, or other communications given under this Agreement shall be in  
20 writing and deemed to have been duly given as of the third business day after mailing by first-  
21 class United States mail, addressed as follows:

22 *To Plaintiff and the Class:*

23 Reuben D. Nathan  
24 rnathan@nathanlawpractice.com  
25 **NATHAN & ASSOCIATES, APC**  
26 2901 W. Coast, Suite 200  
27 Newport Beach, California 92663  
28 Tel.: (949) 270-2798  
Fax: (949) 209-0303

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*To Defendant:*

Kalley R. Aman  
kaman@buchalter.com  
BUCHALTER, A Professional Corporation  
1000 Wilshire Boulevard, Suite 1500  
Los Angeles, CA 90017  
Telephone: (213) 891-0700  
Facsimile: (213) 630-5779

**Section 7.13: Enforcement and Continuing Jurisdiction of the Court**

To the extent consistent with class action procedures, this Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. The Court shall retain continuing jurisdiction over this Action and over all Parties and Class Members, to the fullest extent to enforce and effectuate the terms and intent of this Agreement.

**Section 7.14: Mutual Full Cooperation**

The Parties agree to fully cooperate with each other to accomplish the terms of this Agreement, including but not limited to execution of such documents, and to take such other action as may reasonably be necessary to implement the terms of this Agreement. The Parties to this Agreement shall use their best efforts, including all efforts contemplated by this Agreement, to effectuate this Agreement and the terms set forth herein. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of the Settlement, the Parties agree to seek the assistance of the Court.

**Section 7.15: Authorization to Act**

Class Counsel warrant and represent that they are authorized by the Representative Plaintiff, and Defense Counsel warrant that they are authorized by Defendant, to take all appropriate action required to effectuate the terms of this Agreement, except for signing the

1 documents, including but not limited to this Agreement, that are required to be signed by the  
2 Parties.

3 **Section 7.16: No Reliance on Representations**

4 The Parties have made such investigation of the facts and the law pertaining to the  
5 matters described herein and to this Agreement as they deem necessary, and have not relied, and  
6 do not rely, on any statement, promise, or representation of fact or law, made by any of the other  
7 parties, or any of their agents, employees, attorneys, or representatives, with regard to any of  
8 their rights or asserted rights, or with regard to the advisability of making and executing this  
9 Agreement, or with respect to any such matters, excepting the representations and warranties set  
10 forth in sections as set forth in this Agreement. No representations, warranties, or inducements  
11 have been made to any party concerning this Agreement other than those expressly set forth or  
12 referred to herein.

13 **Section 7.17: No Collateral Attack**

14 This Agreement shall not be subject to collateral attack by any Class Member or any  
15 recipient of the Class Notice after the Final Effective Date. Such prohibited collateral attacks  
16 shall include but not be limited to claims that the Class Member failed for any reason to receive  
17 timely notice of the procedure for disputing the calculation of his or her Individual Settlement  
18 Payment.

19 **Section 7.18: Class Administrator Website**

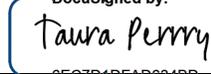
20 Within five (5) days upon entry of the Preliminary Approval Order, the Claims  
21 Administrator shall create and maintain a website that provides information containing the  
22 Agreement, including, a copy of the First Amended Complaint, Preliminary Approval Order,  
23 Notices, the deadlines established for Objection and Opt-out, and the Final Fairness and  
24 Approval Hearing. The Claims Administrator will discontinue operation of the website  
25 immediately after approval of Final Approval.

26 **EXECUTION BY PARTIES AND COUNSEL**

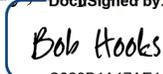
1 Dated 3/22/2021 \_\_\_\_\_

/s/   
AB271895F7B94D1...  
Joshua Louka, Representative Plaintiff

2 Dated 3/22/2021 \_\_\_\_\_

/s/   
6EC7D1DFAD634BD...  
Taura Perry, Representative Plaintiff

4 Dated 3/23/2021 \_\_\_\_\_

/s/   
C223B1A17AE14A9...  
Bob Hooks, Representative Plaintiff

6 Dated \_\_\_\_\_

/s/ \_\_\_\_\_  
By: \_\_\_\_\_  
For Defendant Nations Direct Mortgage, LLC

9 **APPROVED AS TO FORM AND CONTENT**

10 Dated: 3/23/2021 \_\_\_\_\_

/s/   
B5E4B213149F4AC...  
Reuben D. Nathan  
NATHAN & ASSOCIATES, APC  
Attorneys for Plaintiffs

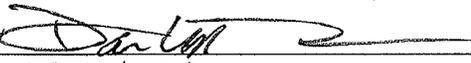
14 Dated: \_\_\_\_\_

/s/ \_\_\_\_\_  
Kalley R. Aman  
Buchalter, A Professional Corporation  
Attorneys for Defendant

1 Dated \_\_\_\_\_ /s/ \_\_\_\_\_  
Joshua Louka, Representative Plaintiff

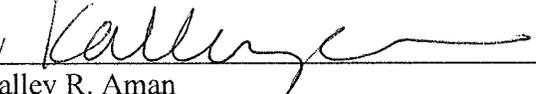
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3 Dated \_\_\_\_\_ /s/ \_\_\_\_\_  
Taura Perry, Representative Plaintiff

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5 Dated \_\_\_\_\_ /s/ \_\_\_\_\_  
Bob Hooks, Representative Plaintiff

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7 Dated 03/23/21 /s/   
By: DAN UPTON  
For Defendant Nations Direct Mortgage, LLC

9 **APPROVED AS TO FORM AND CONTENT**

10  
11 Dated: \_\_\_\_\_ /s/ \_\_\_\_\_  
Reuben D. Nathan  
NATHAN & ASSOCIATES, APC  
Attorneys for Plaintiffs

12  
13 Dated: 3/23/21 /s/   
14 Kalley R. Aman  
15 Buchalter, A Professional Corporation  
16 Attorneys for Defendant  
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# EXHIBIT A

All current and former non-exempt employees who worked for Defendant Nations Direct Mortgage, LLC (“Nations”) in the State of California from January 4, 2015 through <<PRELIM APPROVAL DATE>>. Collectively, these employees will be referred to as “Settlement Class members.”

**PLEASE READ THIS NOTICE CAREFULLY  
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

***Why should you read this notice?***

The Court has granted preliminary approval of a proposed class action settlement (the “Settlement”) in *Joshua Louka et al. v. Nations Direct Mortgage, LLC*, Orange County Superior Court, Case No. 30-2019-01042277-CU-OC-CXC (the “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from this Settlement. Nations’ records show that you were employed by Nations in California as a non-exempt employee between January 4, 2015 and <<PRELIM APPROVAL DATE>> (the “Class Period”). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment.

***What is this case about?***

Plaintiffs Joshua Louka, Taura Perry, and Bob Hooks (“Plaintiffs”) brought this Lawsuit against Nations, asserting claims on behalf of all Settlement Class members. Plaintiffs are known as the “Class Representatives,” and their attorneys, who also represent the interests of all Settlement Class members, are known as “Class Counsel.”

In the Lawsuit, Plaintiffs allege that Nations failed to pay all wages, including failure to pay minimum wage, straight time compensation, overtime and double time, for all hours worked, including off-the-clock work, failed to provide all meal and rest periods, and reimbursement for all necessary business expenses. Plaintiffs also allege that Nations maintained inaccurate payroll records, issued inaccurate wage statements, and did not pay all wages owed to employees upon their separation of employment. Because of these alleged violations, Plaintiffs contend that Nations engaged in unlawful business practices and is also liable for civil penalties under the Private Attorneys General Act (“PAGA”). Nations denies that it has done anything wrong. Nations denies that it owes Settlement Class members any wages, restitution, penalties, or other damages. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Nations, which expressly denies all liability.

The Court has not ruled on the merits of Plaintiffs’ claims. However, to avoid additional expense, inconvenience, and interference with its business operations, Nations has concluded that it is in its best interests and the interests of Settlement Class members to settle the Lawsuit on the terms summarized in this Notice. After Nations provided relevant information to Class Counsel, the Settlement was reached after mediation and arm’s-length negotiations between the parties.

The Class Representatives and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Nations, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with ongoing litigation.

**If you are still employed by Nations, your decision about whether to participate in the Settlement will not affect your employment. California law and Nations’ policy strictly prohibit unlawful retaliation.** Nations will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Settlement Class member because of the Settlement Class member’s decision to either participate or not participate in the Settlement.

***Who are the Attorneys?***

<p>Attorneys for Plaintiffs / Settlement Class Members:</p> <p><b>NATHAN &amp; ASSOCIATES, A.P.C.</b>  Reuben D. Nathan  2901 W. Coast, Suite 200  Newport Beach, California 92663  Tel: (949) 270-2798  Fax: (949) 209-0303  Email: rnathan@nathanlawpractice.com</p>	<p>Attorneys for Nations:</p> <p><b>BUCHALTER, A Professional Corporation</b>  Kalley R. Aman  1000 Wilshire Blvd., Suite 1500  Los Angeles, California 90017  Tel: (213) 891-0700  Fax: (213) 896-0400  Email: kaman@buchalter.com</p>
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***What are the terms of the Settlement?***

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class – for settlement purposes only – of all current and former non-exempt employees who worked for Nations in California as non-exempt employees from January 4, 2015 through <<PRELIM APPROVAL DATE>>. Settlement Class members who do not submit a valid and timely Request for Exclusion from the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Nations as described below in the “Release” section.

Nations has agreed to pay \$800,000.00 (the “Maximum Settlement Amount”) to fully resolve all claims in the Lawsuit, including payments to Settlement Class members, attorneys’ fees and expenses, settlement administration costs, payment to the California Labor and Workforce Development Agency (“LWDA”) for its share of PAGA civil penalties, and the Class Representative Enhancement Payments.

The following deductions from the Maximum Settlement Amount will be requested by the parties:

a) Settlement Administration Costs. The Court has approved ILYM Group, Inc. to act as the “Settlement Administrator,” who is sending this Notice to you and who will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$10,000.00 from the Maximum Settlement Amount to pay the Settlement administration costs.

b) Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of the Settlement Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Maximum Settlement Amount. Settlement Class members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of up to one-third of the Maximum Settlement Amount (which is currently estimated to be \$240,000.00) as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$15,000.00 for verified costs which were incurred by Class Counsel in connection with the Lawsuit.

c) Class Representative Enhancement Payments. Class Counsel will ask the Court to award a total amount of \$20,000.00 for the Class Representative Enhancement Payments, to compensate for their services and extra work provided on behalf of the Settlement Class members.

d) PAGA Payment to the State of California. The parties have agreed to allocate \$25,000.00 of the Maximum Settlement Amount as PAGA civil penalties. Per Labor Code Section 2699(i), 75% of such penalties (\$18,750.00) will be payable to the LWDA for its share of PAGA penalties, and the remaining 25% (\$6,250.00) will be payable to the Settlement Class as the “PAGA Amount.”

e) Calculation of Class Members’ Individual Settlement Payments. After deducting the Court-approved amounts above, the balance of the Maximum Settlement Amount will form the Net Settlement Amount, which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The Net Settlement Amount is estimated at approximately \$496,250.00. The Net Settlement

Amount will be divided as follows:

Defendant will calculate the total workweeks for all Participating Class Members. The respective workweeks for each Participating Class Member will be divided by the total workweeks for all Participating Class Members, resulting in the payment ratio for each Participating Class Member. Each Participating Class Member's payment ratio is then multiplied by the Net Settlement Amount to determine his or her estimated Individual Settlement Payment ("Individual Share").

f) Individual Settlement Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to all Participating Settlement Class members who did not submit a valid and timely Request for Exclusion.

g) Allocation and Taxes. For tax purposes, each Individual Settlement Payment will be allocated 33.3% as penalties and 33.3% as interest, for which the Settlement Administrator will issue each participating Settlement Class Member an IRS Form 1099; and 33.3% as wages, for which the Settlement Administrator will issue each participating Settlement Class Member an IRS Form W-2. Nations shall pay its share of payroll taxes related to the portions of Individual Settlement Payments allocated as wages separate from, and in addition to, the Maximum Settlement Amount. Participating Settlement Class members are responsible for the proper income tax treatment of the Settlement Payments. The Settlement Administrator, Nations and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

**Release.** If the Court approves the Settlement, the Settlement Class, and each Settlement Class member who has not submitted a timely and valid Request for Exclusion, will release and discharge Nations from any and all wage and hour claims, penalties, rights, debts, demands, damages, liabilities and causes of action that were asserted or could have been asserted based on the factual allegations in the First Amended Complaint (dated April 4, 2019) and in Plaintiffs' PAGA Notices (dated January 8, 2019), including all claims for unpaid wages, including failure to pay minimum wage, straight time compensation, overtime and double time compensation, and interest; payment for all hours worked, including off-the-clock work; premium payments for meal period and rest break violations; waiting time penalties; reimbursement for all necessary business expenses; failure to keep accurate records; damages or penalties for inaccurate wage statements; unfair business practices pursuant to Business & Professions Code, section 17200, et seq.; penalties of any nature whatsoever (including penalties pursuant to PAGA); claims for restitution, disgorgement, and other equitable relief, or liquidated damages, and attorneys' fees and expenses. The Released Claims include all such claims arising under the California Labor Code (including, but not limited to, sections 201, 202, 203, 204, 210, 221, 222, 223, 224, 226, 226.3, 226.7, 510, - 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, 2698, et seq., and 2699, et seq. (predicate Labor Code Sections 200, 201, 201.3, 202, 203, 204, 204b, 204.1, 204.2, 205, 205.5, 208, 210, 221-224, 225.5, 226, 226(a), 226(e), 226.3, 226.7, 500-508, 510, 512, 515, 558, 1174, 1174.5, 1182, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 2698, et seq., 2699, et seq. 2751, 2802, 2810.5, IWC Wage Order 4-2001), and/or the applicable California Industrial Welfare Commission Wage Order 4-2001, and any requests for attorney's fees or costs on the Released Claims, except as provided in this Agreement, including but not limited to, under California Code of Civil Procedure section 1021.5). The release of claims for waiting-time penalties and inaccurate itemized wage statement penalties shall encompass such claims regardless of the underlying theory. This release shall apply to all claims arising at any point between January 4, 2015 and the date the Court grants preliminary approval of the class settlement.

**Conditions of Settlement.** The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

#### ***How can I claim money from the Settlement?***

**Do Nothing.** If you do nothing, you will be entitled to your Individual Settlement Payment has been calculated for you based on the formula set forth above, as stated in the accompanying Notice of Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

#### ***What other options do I have?***

Dispute Information in Notice of Settlement Award. Your award is based on the proportionate number of workweeks you worked during the relevant time periods. The information contained in Nations' records regarding this information, along with your estimated Individual Settlement Payment, is listed on the accompanying Notice of Settlement Award. If you disagree with the information in your Notice of Settlement Award, you may submit a completed **Dispute Form**, along with any supporting documentation, in accordance with the procedures stated in the Notice of Settlement Award and **Dispute Form**. Any disputes, along with supporting documentation, must be postmarked no later than **<<RESPONSE DEADLINE>>**. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. Should a consensus not be reached, any outstanding disputes will be submitted to the Court for a final determination.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by submitting the Request for Exclusion Form to the Settlement Administrator no later than **<<RESPONSE DEADLINE>>**.

Send the Request for Exclusion directly to the Settlement Administrator at **<<INSERT ADMINISTRATOR CONTACT INFO>>**. Any person who files a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement. You will receive your individual share of PAGA payments and you shall be bound by the release of PAGA claims even if you file a timely Request for Exclusion.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you must mail a written objection to the Settlement Administrator. Your written objection must include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Objections must be in writing and must be postmarked on or before **<<RESPONSE DEADLINE>>**.

If you choose to object to the Settlement, you may also appear at the Final Approval Hearing scheduled for **<<FINAL APPROVAL HEARING DATE/TIME>>** in Department CX104 of the Orange County Superior Court, located at 751 W. Santa Ana Boulevard, Santa Ana, California 92701. The location and time of the Final Approval Hearing may be moved without further notice to you. You should contact Class Counsel using the contact information provided above to confirm the address and time of the hearing, if you wish to appear in person. You have the right to appear either in person or through your own attorney at this hearing. All objections or other correspondence must state the name and number of the case, which is *Joshua Louka et al. v. Nations Direct Mortgage, LLC.*, Orange County Superior Court, Case No. 30-2019-01042277-CU-OC-CXC.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

### ***What is the next step?***

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on **<<FINAL APPROVAL HEARING DATE/TIME>>**, in Department CX104 of the Orange County Superior Court, located at 751 W. Santa Ana Boulevard, Santa Ana, California 92701. The location and time of the Final Approval Hearing may be moved without further notice to you. You should contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses, the Enhancement Payments to the Class Representatives, the Settlement Administrator's costs, and amount set aside for PAGA civil penalties. The Final Approval Hearing may be postponed without further notice to Settlement Class members. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

***How can I get additional information?***

This Notice is only a summary of the Lawsuit and the Settlement. To review documents supporting this Settlement, please visit [www.nationsdirectsettlement.com](http://www.nationsdirectsettlement.com). For additional information, you may inspect the Court's files and the Settlement Agreement at the Clerk's Office of the Orange County Superior Court, located at 751 W. Santa Ana Boulevard, Santa Ana, California 92701, during regular business hours OR visit the Court's website at [www.occourts.org](http://www.occourts.org) and apply the following steps: (1) Click on the Online Services tab, (2) Click Case Access after the drop down menu populates, (3) click Civil Case and Document Access, (4) Accept Terms, and (5) Type in the Case Number and Year Filed. You may also contact Class Counsel using the contact information listed above for more information.

**PLEASE DO NOT CALL OR WRITE THE COURT, NATIONS OR ITS ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS**

***REMINDER AS TO TIME LIMITS***

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is <<RESPONSE DEADLINE>>. These deadlines will be strictly enforced.

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# EXHIBIT B

**DISPUTE FORM**

*Louka v. Nations Direct Mortgage, LLC, et al.*  
Superior Court of California, County of Orange, Case No. 30-2019-01042277-CU-OC-CXC

**You must complete this Dispute Form to challenge the estimated Individual Settlement Payment. You must complete, sign, date, and mail this Dispute Form and provide supporting documentation by First-Class U.S. mail postmarked on or before \_\_\_\_\_, 2021, addressed to the Claims Administrator at the following address:**

**MAIL TO:**  
*Nations Direct Mortgage, LLC* Claims Administration  
c/o ILYM Group, Inc.  
14771 Plaza Drive, Suite I  
Tustin, California 92780  
Telephone: (888) 250-6810

INSTRUCTIONS

- A. You must complete, sign, date, and mail this Dispute Form to challenge the estimated Individual Settlement Payment which must be postmarked on or before \_\_\_\_\_, 2021, or it will be rejected and you will be bound by the terms of the Settlement. Your Dispute Form also must be filled out completely, signed, and dated before the deadline, or it will be rejected.
- B. You are responsible to maintain a copy of the fully completed Dispute Form and proof of mailing.
- C. If you move, please send the Claims Administrator your new address. It is your responsibility to keep a current address on file with the Claims Administrator.
- D. Do NOT send originals; documentation send to the Claims Administrator will not be returned or preserved.

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**I HAVE RECEIVED DISPUTE FORM IN *LOUKA v. NATIONS DIRECT MORTGAGE, LLC, ET AL.*, AND IT IS MY DECISION CHALLENGE THE ESTIMATED AMOUNT OF MY INDIVIDUAL SETTLEMENT PAYMENT AND I AM ATTACHING \_\_\_\_\_ SUPPORTING DOCUMENTS IN CONNECTION WITH MY CHALLENGED, WHICH ARE ATTACHED TO THIS DISPUTE FORM.**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

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(Sign your name here)

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(Print your name here)

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# EXHIBIT C

**REQUEST FOR EXCLUSION FORM**

*Louka v. Nations Direct Mortgage, LLC, et al.*  
Superior Court of California, County of Orange, Case No. 30-2019-01042277-CU-OC-CXC

**You must complete this Request for Exclusion Form to exclude yourself or “opt out” of the Settlement Class. You must complete, sign, date, and mail this Request for Exclusion Form by First-Class U.S. mail postmarked on or before \_\_\_\_\_, 2021, and addressed to the Claims Administrator at the following address to exclude yourself from the Settlement Class:**

**MAIL TO:**  
*Nations Direct Mortgage, LLC* Claims Administration  
c/o ILYM Group, Inc.  
14771 Plaza Drive, Suite I  
Tustin, California 92780  
Telephone: (888) 250-6810

INSTRUCTIONS

A. You must complete, sign, date, and mail this Request for Exclusion Form to exclude yourself or “opt out” of the Settlement. Your Request for Exclusion Form must be postmarked on or before \_\_\_\_\_, 2021, or it will be rejected and you will be bound by the terms of the Settlement. Your Request for Exclusion Form also must be filled out completely, signed, and dated before the deadline, or it will be rejected.

B. You are responsible to maintain a copy of the fully completed Request for Exclusion Form and proof of mailing.

C. If you move, please send the Claims Administrator your new address. It is your responsibility to keep a current address on file with the Claims Administrator.



**I HAVE RECEIVED NOTICE OF THE SETTLEMENT IN *LOUKA v. NATIONS DIRECT MORTGAGE, LLC, ET AL.*,**

**AND IT IS MY DECISION NOT TO PARTICIPATE IN THE CLASS ACTION SETTLEMENT AND NOT TO BE A MEMBER OF THE SETTLEMENT CLASS. I UNDERSTAND I WILL NOT BE PAID SETTLEMENT AWARD OR RECEIVE ANY MONEY FROM THIS SETTLEMENT, AND I WILL NOT BE BOUND BY THE TERMS OF THE SETTLEMENT.**

Name: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

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\_\_\_\_\_  
(Sign your name here)

\_\_\_\_\_  
(Print your name here)

\_\_\_\_\_  
Date