

ATTORNEY OR PARTY WITHOUT ATTORNEY: STATE BAR NO.: 313881 NAME: Danielle L. GruppChang FIRM NAME: Lawyers for Justice, PC STREET ADDRESS: 410 West Arden Avenue, Suite 203 CITY: Glendale STATE: CA ZIP CODE: 91203 TELEPHONE NO.: (818) 265-1020 FAX NO.: (818) 265-1021 E-MAIL ADDRESS: d.chang@calljustice.com ATTORNEY FOR (name): Plaintiffs Ruben Alvarado and Whitey Davis	FOR COURT USE ONLY
SUPERIOR COURT OF CALIFORNIA, COUNTY OF Orange STREET ADDRESS: 751 West Santa Ana Blvd MAILING ADDRESS: 751 West Santa Ana Blvd CITY AND ZIP CODE: Santa Ana, 92701 BRANCH NAME:	
PLAINTIFF/PETITIONER: Ruben Alvarado and Whitey Davis DEFENDANT/RESPONDENT: Citadel Servina Corporation OTHER:	CASE NUMBER: 30-2019-01057617-CU-OE-CXC JUDICIAL OFFICER: Kirk H. Nakamura
PROPOSED ORDER (COVER SHEET)	DEPT: CX103

NOTE: This cover sheet is to be used to electronically file and submit to the court a proposed order. The proposed order sent electronically to the court must be in PDF format and must be attached to this cover sheet. In addition, a version of the proposed order in an editable word-processing format must be sent to the court at the same time as this cover sheet and the attached proposed order in PDF format are filed.

1. Name of the party submitting the proposed order:
Plaintiffs Ruben Alvarado and Whitey Davis
2. Title of the proposed order:
[Proposed] Order Granting Preliminary Approval of Class Action Settlement
3. The proceeding to which the proposed order relates is:
 - a. Description of proceeding: Motion for Preliminary Approval of Class Action Settlement
 - b. Date and time: April 1, 2021 at 2:00 a.m.
 - c. Place: Department CX103 of the above-listed Court
4. The proposed order was served on the other parties in the case.

Danielle L. GruppChang

(TYPE OR PRINT NAME)



(SIGNATURE OF PARTY OR ATTORNEY)

Edwin Aiwarzian (SBN 232943)
Arby Aiwarzian (SBN 269827)
Joanna Ghosh (SBN 272479)
Danielle L. GruppChang (SBN 313881)
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Attorneys for Plaintiffs

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

RUBEN ALVARADO, individually, and on
behalf of other members of the general public
similarly situated; WHITEY DAVIS
individually, and on behalf of other members
of the general public similarly situated and on
behalf of other aggrieved employees pursuant
to the California Private Attorneys General
Act;

Plaintiffs,

vs.

CITADEL SERVICING CORPORATION, a
California corporation; and DOES 1 through
100, inclusive,

Defendants.

Case No.: 30-2019-01057617-CU-OE-CXC

Honorable Kirk H. Nakamura
Department CX103

CLASS ACTION

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

Complaint Filed: March 18, 2019
FAC Filed: March 3, 2021

1 **ORDER**

2 The Court has reviewed and considered the Motion for Preliminary Approval of Class
3 Action Settlement (“Motion for Preliminary Approval”) seeking approval of the Stipulation of
4 Settlement (“Settlement” or “Settlement Agreement”) submitted by Plaintiffs Ruben Alvarado and
5 Whitey Davis (collectively referred to as “Plaintiffs”) and Defendant Citadel Servicing
6 Corporation (“Defendant” or “Citadel”) (Defendant and Plaintiffs are collectively the “Parties”).

7 With good cause appearing, and pursuant to the parties’ Settlement Agreement, the Court
8 hereby ORDERS that:

9 1. The Court preliminarily approves the Settlement Agreement attached as “Exhibit
10 1” to the Declaration of Edwin Aiwarzian In Support Of Plaintiffs’ Motion for Preliminary Ap-
11 proval of Class Action Settlement. This is based on the court’s determination that the Settlement
12 appears to be fair, adequate, and reasonable. This Order incorporates by reference the definitions
13 in the Settlement Agreement and all terms defined therein shall have the same meaning in this
14 Order as set forth in the Settlement Agreement;

15 2. The Court concludes that, for settlement purposes only, the Classes meet the
16 requirements for certification under section 382 of the California Code of Civil Procedure in that:
17 (a) the Classes are ascertainable and so numerous that joinder of all members of the Classes is
18 impracticable; (b) common questions of law and fact predominate, and there is a well-defined
19 community of interest amongst the members of the Classes with respect to the subject matter of
20 the litigation; (c) Plaintiffs’ claims are typical of the claims of the members of the Classes; (d)
21 Plaintiffs will fairly and adequately protect the interests of the members of the Classes; (e) a class
22 action is superior to other available methods for the efficient adjudication of the controversy; and
23 (f) Lawyers for Justice, PC and Protection Law Group, LLP (collectively “Class Counsel”) are
24 qualified to act as counsel for Plaintiffs in their individual capacity and as the representative of the
25 Classes.

26 3. The following Classes are conditionally certified:

- 27 a. Non-Exempt Class: all current and former hourly-paid or non-exempt
28 employees who worked or Defendant in the State of California at any time

1 during the time period from March 18, 2015 through the date of this Order;
2 and

- 3 b. Salaried Class: all current and former employees who worked for Defendant
4 in the State of California at any time during the time period from March 18,
5 2015 through the date of this Order while classified as a salaried, exempt
6 employee and had one of the following job titles: Funder, Account
7 Executive, Area Sales Manager, Assistant Sales Manager, Disclosure
8 Supervisor, Paralegal, Technical Writer, Quality Control Specialist, Quality
9 Control Auditor, Quality Assurance Specialist, Disclosure Supervisor,
10 Investor Reporting Analyst, Learning and Development Specialist.

11 4. The Non-Exempt Class is conditionally certified with respect to the Non-Exempt
12 Class Claims and the Salaried Class is conditionally certified with respect to the Salaried Class
13 Claims;

14 5. Plaintiffs are conditionally appointed as representatives of the Non-Exempt Class
15 and the Salaried Class;

16 6. Simpluris, Inc. is appointed as the Settlement Administrator, and orders the
17 Settlement Administrator to administer the Settlement as set forth in the Settlement Agreement
18 and in accordance with the deadlines set forth below;

19 a. No later than fourteen (14) calendar days after entry of this Order,
20 Defendant shall provide the Settlement Administrator with the Class
21 Information.

22 b. No more than thirty (30) calendar days after entry of this Order, the
23 Settlement Administrator shall mail the Class Notice to Non-Exempt Class
24 Members and Salaried Class Members via U.S. Mail.

25 c. If any Class Notice is returned, the Settlement Administrator shall make a
26 good-faith attempt to obtain the most-current names and postal mail
27 addresses for those individuals, including cross-checking the names and/or
28 postal mail addresses it received from Citadel with other appropriate

1 databases (e.g., the National Change of Address Database) and performing
2 further reasonable searches (e.g., through Lexis/Nexis) for more-current
3 names and/or postal mail addresses for those individuals within three (3)
4 calendar days of receipt.

5 7. The Court approves, both as to form and content, the Notice of Class Action Settle-
6 ment (“Class Notice”) attached hereto as “**EXHIBIT A.**” Counsel for both Parties, subject to
7 mutual agreement, may make changes to the Notice as necessary to administer the Settlement.
8 The Court further finds that the procedure for distributing the Class Notice (discussed herein and
9 in the Settlement Agreement) is (i) constituted the best practicable notice; (ii) constituted notice
10 that is reasonably calculated, under the circumstances, to apprise Settlement Class Members of
11 the pendency of the Action, and their right to exclude himself from or object to the proposed set-
12 tlement and to appear at the Final Approval Hearing; (iii) is reasonable and constituted due, ade-
13 quate, and sufficient notice to all persons entitled to receive notice; and (iv) met all applicable re-
14 quirements of California law, due process, and any other applicable rules or law;

15 a. The Class Notice will inform Non-Exempt Class Members that unless they
16 submit a Request for Exclusion in accordance with the requirements set
17 forth in the Class Notice: they will become Non-Exempt Settlement Class
18 Members; they will receive Individual Settlement Payments under the
19 Agreement; they will be bound by the release of Non-Exempt Settlement
20 Class Members Released Claims.

21 b. The Class Notice will inform Salaried Class Members that unless they
22 submit a Request for Exclusion in accordance with the requirements set
23 forth in the Class Notice: they will become Salaried Settlement Class
24 Members; they will receive Individual Settlement Payments under the
25 Agreement; they will be bound by the release of Salaried Settlement Class
26 Members Released Claims.

- 1 c. The Class Notice will inform Non-Exempt Class Members and Salaried
2 Class Members of their right to object to the Settlement and the procedure
3 for doing so.
- 4 d. The Class Notice shall include a statement as to the number of Workweeks
5 attributable to each Non-Exempt Class Member and Salaried Class
6 Member, an explanation for how the Workweeks will be used to calculate
7 the Individual Settlement Payments, and of the procedure for how to dispute
8 the number of Workweeks attributed to them.
- 9 8. The Settlement Agreement submitted by Plaintiff Davis to the California Labor and
10 Workforce Development Agency satisfies the requirements of PAGA.
- 11 9. All proceedings and all litigation of the Action is stayed pending the Final Approval
12 Hearing.
- 13 10. The preliminary approval of the Settlement, certification of the Non-Exempt Class
14 Members and the Non-Exempt Class Claims, the Salaried Class Members and the Salaried Class
15 Claims, and all actions associated with them, are undertaken on the condition that they shall be
16 vacated if the Settlement Agreement is terminated or final approval of the Settlement is denied, or
17 any appellate court and/or other court of review in which event the Settlement Agreement and the
18 fact that it was entered into shall not be offered, received, or construed as an admission or as
19 evidence for any purpose, including but not limited to an admission by any Party of liability or
20 non-liability or of the certifiability of a litigation class or the appropriateness of maintaining a
21 representative action.
- 22 11. A Final Approval Hearing shall be held before this Court on
23 _____ at _____ a.m./ p.m. in
24 Department CX103 of the Superior Court of California for the County of Orange, 751 West Santa
25 Ana Blvd., Santa Ana, California, 92701, to determine all necessary matters concerning the
26 Settlement, including: whether the proposed settlement of the action on the terms and conditions
27 provided for in the Settlement is fair, adequate, and reasonable and should be finally approved by
28 the Court; whether a judgment, as provided in the Settlement, should be entered herein; whether

1 the plan of allocation contained in the Settlement should be approved as fair, adequate, and
2 reasonable to the Settlement Class Members; and determine whether to finally approve the requests
3 for Class Counsel Award, Service Awards, and Settlement Administration Expenses.

4 12. Class Counsel shall file a motion for final approval of the Settlement and for Class
5 Counsel Award, Service Awards, and Settlement Administration Expenses, along with the
6 appropriate declarations and supporting evidence, including the Settlement Administrator's
7 declaration, by _____, to be heard at the Final Approval
8 Hearing.

9 **IT IS SO ORDERED.**

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11 Dated: _____, 2021

12 Hon. Kirk H. Nakamura
13 Judge of the Superior Court
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Exhibit A

NOTICE OF CLASS ACTION SETTLEMENT

Ruben Alvarado, et al. v. Citadel Servicing Corporation

Superior Court of California, County of Orange, Case No. 30-2019-01057617-CU-OE-CXC

PLEASE READ THIS NOTICE CAREFULLY. YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR NOT.

This Court authorized this notice. This is not a solicitation from a lawyer.

A proposed class action settlement has been reached between the parties in the above-entitled case and preliminarily approved by the Court as described below. You have received this notice because Citadel Servicing Corporation's records indicate that you are one of the individuals who are in either the Non-Exempt Class or the Salaried Class and are entitled to participate in the Settlement. If you were employed by Citadel Servicing Corporation ("Defendant" or "Citadel"), as either: 1) an hourly-paid or non-exempt employee who worked for Defendant in the state of California at any time during the period from March 18, 2015 through [PA Date] ("Class Period"), or 2) an employee who worked for Defendant in the State of California at any time during the Class Period while classified as a salaried, exempt employee and had one of the following job titles: Funder, Account Executive, Area Sales Manager, Assistant Sales Manager, Disclosure Supervisor, Paralegal, Technical Writer, Quality Control Specialist, Quality Control Auditor, Quality Assurance Specialist, Disclosure Supervisor, Investor Reporting Analyst, Learning and Development Specialist, you may be eligible to receive a payment from the Settlement.

Your gross settlement payment is estimated to be approximately [INSERT payment amount].

Citadel's records indicate that:

You are a member of either the Non-Exempt Class and/or the Salaried Class (as defined on page 2) and worked a total of [INSERT # of Non-Exempt Workweeks] Non-Exempt Workweeks and [INSERT # of Salaried Workweeks] Salaried Workweeks (as defined on page 2).

The Settlement resolves a class action lawsuit entitled Alvarado, *et al.* v. Citadel Servicing Corporation, which was commenced by Plaintiff Alvarado on March 18, 2019, Orange County Superior Court, Case No. 30-2019-01057617 (the "Action"). Plaintiff Ruben Alvarado and Whitey Davis (collectively referred to as "Plaintiffs") allege Defendant violated the California Labor Code, California Business & Professions Code, and owes penalties under the California Private Attorneys' General Act, Cal. Lab. Code §§ 2698, *et seq.* ("PAGA"). Defendant denies all allegations in the lawsuit and maintains it has fully complied with the law.

The parties have reached this Settlement to avoid the costs and risks of further litigation. The Settlement provides cash payments to Settlement Class Members based on his or her number of Workweeks (as described on page 2).

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

DO NOTHING	If you want to participate in the Settlement and receive your share of the Settlement proceeds then you should do nothing and do not request exclusion from the Settlement, and you will receive your Individual Settlement Payment. In return you will give up certain rights, and will be bound by the Settlement Agreement and the applicable Released Claims.
OBJECT	You may also object and tell the Court why you don't like the Settlement by submitting a written statement to the Settlement Administrator ("Objection") according to the instructions contained in this Notice. If the Court approves the Settlement despite your Objection, you will still be bound by the settlement and subject to the applicable Released Claims.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

REQUEST EXCLUSION FROM THE SETTLEMENT

If you wish to be excluded from the settlement, you must submit a written request to be excluded to the Settlement Administrator (“Request for Exclusion”) according to the instructions contained in this Notice. If you submit a Request for Exclusion, you will not be bound by the Settlement (including, but not limited to the applicable Released Claims described under section 6) but you will not receive any payment under to the Settlement. You will also not be able to object to the Settlement.

- **Your options are more fully explained below. The deadline to submit an Objection, Request for Exclusion, and/or dispute to the number of Workweeks attributed to you (“Dispute”) is [INSERT – Deadline - 60 days from original mailing of notice].**

1. WHO IS IN THE CLASS AND SUBCLASSES?

Citadel’s records show that you are a member of at least one of the SUBCLASSES, which are defined as:

NON-EXEMPT CLASS MEMBERS: “All current and former hourly-paid or non-exempt employees who worked for Defendant in the state of California at any time during the Class Period.”

SALARIED CLASS MEMBERS: “All current and former employees who worked for Defendant in the state of California at any time during the Class Period as a salaried, exempt employee and had one of the following job titles: Funder, Account Executive, Area Sales Manager, Assistant Sales Manager, Disclosure Supervisor, Paralegal, Technical Writer, Quality Control Specialist, Quality Control Auditor, Quality Assurance Specialist, Disclosure Supervisor, Investor Reporting Analyst, Learning and Development Specialist.”

CLASS PERIOD: “the time period from March 18, 2015 through [PA DATE].”

2. WHY DID I RECEIVE THIS NOTICE?

Plaintiffs and Citadel have entered into the Stipulation of Settlement (“Settlement Agreement” or “Settlement”) that will, if finally approved by the Court, fully resolve this case. The Settlement Agreement sets forth the details of the Settlement. You may obtain a copy of the Settlement Agreement from either the Settlement Administrator or Class Counsel. The Settlement Agreement and other settlement-related documents are also available at [INSERT - website address]. The proposed Settlement Agreement has been submitted to the Court, and has been preliminarily approved for settlement purposes. The Court also appointed the law firms Lawyers for Justice, PC and Protection Law Group, LLP as Class Counsel to represent you and the Class.

As a Class Member, you are entitled to share in the funds available for Settlement of this Action. You are not being sued and you will not be individually responsible for any of the attorney’s fees or expenses of the litigation, as the Settlement requires those amounts to be paid from the Total Settlement Amount. Your rights will be affected by the Settlement Agreement described in this Notice whether you act or not.

Unless you submit a Request for Exclusion, you will become a Non-Exempt Settlement Class Member and/or Salaried Settlement Class Member. You will receive an Individual Settlement Payment under the Agreement; you will be bound by the release of Non-Exempt Settlement Class Members Released Claims and/or Salaried Settlement Class Member Released Claims.

The Court must finally approve the terms of the Settlement described below as fair and reasonable to the Settlement Class, before it will take effect. If approved, the Settlement will affect all Class Members who do not exclude themselves from the Settlement. The Settlement Administrator has been appointed by the Court and will make all approved settlement payments after final approval of the Settlement is granted and the Court orders them.

3. WHAT IS THIS CASE ABOUT?

Plaintiffs Reuben Alvarado and Whitey Davis, former employees of Defendant, have brought the Action. On [PA DATE], Plaintiffs filed the First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys' General Act, Cal. Labor Code § 2698, Et Seq. ("Operative Complaint" or "FAC").

Plaintiffs allege Defendant with respect to the Non-Exempt Class, Defendant failed to properly pay overtime and minimum wages, failed to provide complaint meal and rest periods and associated premium payments, failed to timely pay wages during employment and after termination, failed to provide compliant wage statements, failed to maintain requisite payroll records, failed to reimburse necessary business expenses, and therefore engaged in unfair business practices and owes penalties under the PAGA. Plaintiffs further allege with respect to the Salaried Class, Defendant misclassified them as exempt employees and therefore failed to properly pay overtime wages, failed to provide complaint meal and rest periods and associated premium payments, failed to timely pay wages during employment and after termination, failed to provide compliant wage statements, failed to maintain requisite payroll records, failed to reimburse necessary business expenses, and therefore engaged in unfair business practices and owes penalties under PAGA.

Defendant denies all allegations in the Action and maintains to have fully complied with the law. Defendant denies all the claims and contentions alleged in the Action and maintain they have fully complied with the law. The Court has not ruled on whether Defendant violated the law, but Plaintiffs and Defendant have agreed on the Settlement described herein.

4. WHAT ARE THE SETTLEMENT TERMS AND HOW MUCH CAN I EXPECT TO RECEIVE IF I PARTICIPATE?

a. Summary of Settlement Terms

Defendant will pay nine hundred and fifty thousand dollars (\$950,000) to settle the Action (the "Total Settlement Amount"). From the Total Settlement Amount, the following Court-approved payments will be made:

- attorney's fees in the amount of three hundred sixteen thousand six hundred thirty-five (\$316,335) (i.e., 33.33% of the Total Settlement Amount) and reimbursement of litigation costs and expenses not to exceed thirty thousand dollars (\$30,000) to Class Counsel (collectively referred to as the "Class Counsel Award");
- the costs of settlement administration not to exceed ten thousand dollars (\$10,000) to the Settlement Administrator ("Settlement Administration Expenses);
- payment to the California Labor and Workforce Development Agency ("LWDA") for its 75% portion of the one hundred thousand dollars (\$100,000) allocated toward penalties under PAGA (the "PAGA Payment");
- payment to the Plaintiffs Reuben Alvarado and Whitey Davis for their representation of the Classes in the amount of ten thousand dollars (\$10,000) each (the "Service Awards").

After deduction of these amounts, the remainder – the "Net Distribution Fund" – of approximately \$498,365 will be distributed to Non-Exempt Class Members and Salaried Class Members.

b. Calculation of Individual Class Member Payments

The amount you may receive from the Total Settlement Amount as a Non-Exempt Settlement Class Member and/or Salaried Settlement Class Member ("Individual Settlement Payment") (i.e. the amount you will receive if you do not submit a Request for Exclusion) will be calculated using the total number of workweeks you worked for Defendant during the Class Period (as defined above). The actual Individual Settlement Payment will vary depending on the number of Class Members that exclude themselves from the Settlement.

The Individual Settlement Payments paid to Class Members shall be calculated by the Settlement Administrator as follows:

- The Settlement Administrator will determine the following for each Class Member:
 - Workweeks: the number of weeks an individual worked for Defendant as a Non-Exempt Class Member and/or a Salaried Class Member in the State of California during the Class Period and will be

calculated by counting the number of days between each individuals' start and end dates during the Class Period divided by 7.

- Non-Exempt Workweeks: Workweeks where the Class Member worked as an hourly-paid or non-exempt employee.
- Salaried Workweeks” Workweeks, during which the Class Member was classified as a salaried, exempt employee and had one of the following job titles: Funder, Account Executive, Area Sales Manager, Assistant Sales Manager, Disclosure Supervisor, Paralegal, Technical Writer, Quality Control Specialist, Quality Control Auditor, Quality Assurance Specialist, Disclosure Supervisor, Investor Reporting Analyst, Learning and Development Specialist.
- The Settlement Administrator will multiply the Salaried Workweeks by two (2) (“Weighted Salaried Workweeks”) and add to the number of Non-Exempt Workweeks, resulting in the “Total Weighted Workweeks.”
- The Settlement Administrator will then divide the Net Distribution Fund by all Total Weighted Workweeks in order to establish the value of each Weighted Salaried Workweek and Non-Exempt Workweek worked (“Weighted Workweek Value”).
- The Individual Settlement Payment to be made to each Settlement Class Member shall be calculated by multiplying the Weighted Workweek Value times the number of his or her Weighted Salaried Workweeks and Non-Exempt Workweeks.

The Settlement Administrator shall allocate 20% of each Individual Settlement Payment as wages, which will be reported on an IRS form W-2 and the remaining 80% as penalties and interest, which will be reported on an IRS form 1099. Each Individual Settlement Payment will be reduced for employee's share of taxes due on the portion allocated to wages prior. Employee's share of taxes will be paid by Defendant separately and in addition to the Total Settlement Amount.

c. Who will receive settlement payments?

Any individual who is either a Non-Exempt Class Member and/or a Salaried Class Member (as defined on page 2) who has not submitted a timely Request for Exclusion (i.e., Non-Exempt Settlement Class Member or Salaried Settlement Class Member respectively) will receive an Individual Settlement Payment.

d. How much can I expect to receive?

Page 1 of this Notice states the estimated gross amount you may to receive if you participate in the Settlement. This amount is based on Defendant's employment records of your total number of Non-Exempt Workweeks and/or Settlement Workweeks worked (as defined on page 2).

Your actual Individual Settlement Payment amount may be reduced or increased, however, based on a variety of things such as, the number of Settlement Class Members or the number of Requests for Exclusion submitted, whether additional Class Members are identified or come forward, the amounts awarded by the Court, and the terms of the Court's anticipated final approval order.

e. Service Awards to the Named Plaintiffs

The Court has also preliminarily approved a payment of \$10,000 to Plaintiff Ruben Alvarado and \$10,000 to Plaintiff Whitey Davis as a Service Award. The Service Awards will be paid from the Total Settlement Amount. The Service Award is to compensate Plaintiff Ruben Alvarado and Plaintiff Whitey Davis for the risk incurred and time and efforts in assisting with the prosecution of the Action on behalf of the Class Members.

f. Class Counsel Award to Class Counsel

All payments for Class Counsel's attorney's fees and reimbursement of litigation costs and expenses (i.e., the Class Counsel Award) will be deducted from the Total Settlement Amount. Class Counsel will apply to the Court for final approval of the Class Counsel Award.

g. Settlement Administration Costs

The costs incurred by the Settlement Administrator in connection with administering the Settlement, such as providing Notice to the Class, receiving and determining Disputes, receiving and forwarding to the parties Requests for Exclusion and Objections received, if any, and calculating and distributing Individual Settlement Payments under

the terms of the Settlement Agreement as approved by the Court, will be paid from the Total Settlement Amount in an amount not to exceed \$10,000. The Settlement Administrator is:

Simpluris, Inc.

[INSERT contact information]

h. Payment to the California Labor and Workforce Development Agency

\$100,000 of the Total Settlement Amount will be allocated as penalties authorized by the PAGA (i.e., the PAGA Payment), of which 75% or \$75,000 will be paid to the LWDA and 25% or \$25,000 will remain in the Net Distribution Fund and be distributed to Settlement Class Members.

i. All Payments Subject to Court Approval

All of the payments listed above will be made if and only if the Court grants final approval of the Settlement Agreement based on its finding that the Settlement is reasonable, fair, and adequate for the Class. The above-listed payments may be adjusted by the Court.

5. WHAT ARE MY OPTIONS?

You may participate in the Settlement, in which case you need not take any action as this will occur automatically. Alternatively, you can request exclusion from the Settlement or object to the Settlement. The option you choose affects whether you will receive an Individual Settlement Payment and whether you give up certain rights. These options are also briefly summarized in the chart on the first page of this Notice.

a. HOW DO I REQUEST TO BE EXCLUDED FROM THE SETTLEMENT?

If you do not wish to participate in the Settlement, you may exclude yourself (“opt out”) by sending a Request for Exclusion to the Settlement Administrator. To be effective, the Request for Exclusion must include: (1) the Class Member’s name, address, and telephone number; (2) the name and case number of this Action (i.e., *Alvarado, et al. v. Citadel Servicing Corporation*, Orange County Case No. 30-2019-01057617); (3) a clear and unequivocal statement that the individual wishes to be excluded from the Settlement; and (4) the Class Member’s signature.

The Request for Exclusion must be completed and mailed to the Settlement Administrator as follows:

Alvarado, et al. v. Citadel Servicing Corporation

c/o Simpluris, Inc.

[INSERT]

[INSERT]

Any Class Member who submits a timely and complete Request for Exclusion shall, upon receipt, no longer be a Class Member, shall be barred from participating in any portion of the Settlement, and shall receive no money from the Settlement. Any such person, at his/her own expense, may pursue any claims he/she may have against Defendant. However, there are deadlines to pursuing such claims, known as statutes of limitation. Please consult an attorney of your choice to ensure you are not forever barred from pursuing a claim if you decide to opt out of this Settlement.

THE REQUEST FOR EXCLUSION MUST BE POSTMARKED NO LATER THAN [INSERT – DEADLINE – 60 DAYS FROM ORIGINAL MAILING OF NOTICE] IN ORDER TO BE TIMELY.

b. HOW DO I OBJECT TO THE SETTLEMENT?

Any Non-Exempt Class Member or Salaried Class Member who excludes themselves from the Settlement will lack the standing to object to the Settlement. If you choose to object to the Settlement, you may represent yourself or hire your own attorney.

In order to be timely, Objections and supporting papers must be mailed to the Settlement Administrator and postmarked no later than [the Response Deadline]. The date of the postmark on the envelope containing the Objection shall be the exclusive means used to determine whether the written objection has been timely submitted.

A complete Objection must contain the following: (1) the objector’s full name, address, telephone, and signature; (2) a clear reference to the name and case number of the Action (i.e., *Alvarado, et al. v. Citadel Servicing Corporation*, Orange County Case No. 30-2019-01057617); (3) a statement of the specific legal and factual basis for each objection argument; and (4) a statement whether the objector intends to appear at the Final Approval Hearing, either in person or through counsel and, if through counsel, a statement identifying that counsel by name, bar number, address, and telephone number.

If you have not submitted , you have the right to address the Court at the hearing scheduled for **INSERT** – date/time of final approval hearing] before the Honorable Kirk H. Nakamura, Department CX103, California Superior Court, County of Orange, Central Justice Center (CJC), 700 Civic Center Drive West, Santa Ana, California 92701.

IF THE COURT REJECTS YOUR OBJECTION AND APPROVES THE SETTLEMENT, YOU WILL BE BOUND BY THE TERMS OF THE SETTLEMENT.

6. RELEASED CLAIMS -- WHAT WILL I GIVE UP IF I PARTICIPATE IN THE SETTLEMENT?

Upon the date on which the Total Settlement Amount is fully funded, the Non-Exempt Settlement Class Members, individually and on behalf of their heirs, estates, trustees, executors, administrators, representatives, agents, successors, and assigns, and anyone claiming through them or acting or purporting to act on their behalf, agree to forever release, discharge, hold harmless, and covenant not to sue each and all of the Released Parties for the Non-Exempt Settlement Class Members’ Released Claims and the Salaried Settlement Class Members, individually and on behalf of their heirs, estates, trustees, executors, administrators, representatives, agents, successors, and assigns, and anyone claiming through them or acting or purporting to act on their behalf, agree to forever release, discharge, hold harmless, and covenant not to sue each and all of the Released Parties for the Salaried Settlement Class Members’ Released Claims.

“**Released Parties**” means (i) Citadel Servicing Corporation, and its past, present, and future parents, subsidiaries, affiliates, divisions, joint ventures, licensees, franchisees, and any other legal entities, whether foreign or domestic, and (ii) the past, present, and future shareholders, officers, directors, members, investors, agents, employees, consultants, representatives, fiduciaries, insurers, attorneys, legal representatives, predecessors, successors, and assigns of the entities listed in (i).

“**Non-Exempt Class Claims**” means all claims for wages, benefits and related penalties actually alleged or that could have been alleged in the Action by Plaintiffs, on behalf of themselves and the Non-Exempt Class Members, based on the facts alleged in the FAC, including but not limited to: (1) Unpaid overtime (Cal. Labor Code §510 and 1198); (2) Unpaid Meal Period Premiums (Cal. Labor Code §226.7 and 512(a)); (3) Unpaid Rest Period Premiums (Cal. Labor Code §226.7); (4) Unpaid Minimum Wages (Cal. Labor Code §1194, 1197 and 1197.1); (5) Final Wages Not Paid (Cal. Labor Code §201 and 202); (6) Wages Not Timely Paid During Employment (Cal. Labor Code §204); (7) Non-Compliant Wage Statements (Cal. Labor Code §226(a)); (8) Failure to Keep Requisite Payroll Records (Cal. Labor Code §1174(d)); (9) Unreimbursed Business Expenses (Cal. Labor Code §2800 and 2802); (10) Violation of California Business & Professions Code §17200; (11) penalties pursuant to PAGA (Cal. Labor Code §2698, et seq.; and (12) attorneys’ fees and costs of litigation associated with this Action. “Non-Exempt Class Claims” also includes all claims that Plaintiffs and/or Non-Exempt Class Members may have against the Released Parties relating to (i) the payment, taxation and allocation of the Class Counsel Award pursuant to this Settlement Agreement and (ii) the payment, taxation and allocation of Plaintiffs’ Service Awards pursuant to this Settlement Agreement.

“**Non-Exempt Settlement Class Members’ Released Claims**” means the Non-Exempt Class Claims that Non-Exempt Settlement Class Members are fully and irrevocably releasing in exchange for the consideration provided by this Settlement Agreement, whether arising at law, in contract or in equity, and whether for economic or non-economic damages, restitution, injunctive relief, penalties or liquidated damages based on the factual allegations of the Complaint, arising during the Class Period.

“**Salaried Class Claims**” means all claims for wages, benefits and related penalties actually alleged or that could have been alleged in the Action by Plaintiffs, on behalf of themselves and the Salaried Class Members, based on the facts alleged in the FAC, including but not limited to: (1) Unpaid overtime (Cal. (Cal. Labor Code §510 and 1198);

(2) Unpaid Meal Period Premiums (Cal. Labor Code §226.7 and 512(a)); (3) Unpaid Rest Period Premiums (Cal. Labor Code §226.7); (4) Final Wages Not Timely Paid (Cal. Labor Code §201 and 202); (5) Wages Not Timely Paid During Employment (Cal. Labor Code §204); (6) Non-Compliant Wage Statements (Cal. Labor Code §226(a)); (7) Failure to Keep Requisite Payroll Records (Cal. Labor Code §1174(d)); (8) Unreimbursed Business Expenses (Cal. Labor Code §2800 and 2802); (9) Violation of California Business & Professions Code §17200; (10) penalties pursuant to PAGA (Cal. Labor Code §2698, et seq.; and (12) attorneys’ fees and costs of litigation associated with this Action. “Salaried Class Claims” also includes all claims that Plaintiffs and/or Salaried Class Members may have against the Released Parties relating to (i) the payment, taxation and allocation of the Class Counsel Award pursuant to this Settlement Agreement and (ii) the payment, taxation and allocation of Plaintiffs’ Service Awards pursuant to this Settlement Agreement.

“**Salaried Settlement Class Members Released Claims**” means the Salaried Class Claims, that the Salaried Settlement Class Members are fully and irrevocably releasing in exchange for the consideration provided by this Settlement Agreement, whether arising at law, in contract or in equity, and whether for economic or non-economic damages, restitution, injunctive relief, penalties or liquidated damages based on the factual allegations of the operative Complaint, arising during the Class Period.

7. WILL I BE SUBJECT TO DISCIPLINE BASED ON WHETHER I PARTICIPATE IN THE SETTLEMENT?

Defendant is prohibited by law from retaliating in any way based on your decision to participate or not participate in the settlement. Your decision to participate, not participate, or object to this Settlement will not impact your employment with Defendant or Defendant’s treatment of you as a former employee.

8. WHO ARE THE LAWYERS REPRESENTING THE PARTIES?

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9. WHERE CAN I GET ADDITIONAL INFORMATION?

This Notice only summarizes this Action, the Settlement, and related matters. You can obtain a copy of the Settlement Agreement and other settlement-related documents at the following website: [INSERT - website name.]

You may also contact the following court-appointed neutral third-party Settlement Administrator for more information:

Reuben Alvarado, *et al.* v. Citadel Servicing Corporation

c/o Simpluris, Inc.

P.O. Box [insert]

[redacted], CA [redacted]

Toll Free Telephone Number: [insert]

10. FINAL APPROVAL HEARING

The **California Superior Court, County of Orange** will hold a hearing in **Department CX103, California Superior Court, County of Orange, Central Justice Center (CJC), 700 Civic Center Drive West Santa Ana, CA 92701** on **[INSERT]** – Final approval hearing date/time] to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will be asked to approve the Class Counsel Award to Class Counsel and Service Awards to Plaintiffs. The hearing may be continued without further notice to the Settlement Class. It is not necessary for you to appear at this hearing unless you object to the proposed Settlement.

NOTICE: all court information, policies and procedures relating to the COVID-19 pandemic can be found online here: <https://www.occourts.org/media-relations/CoronaVirusUpdate.html>.

PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT OR THE ADMINISTRATION PROCESS.