

DIVERSITY LAW GROUP, P.C.
Larry W. Lee (State Bar No. 228175)
lwlee@diversitylaw.com
Simon L. Yang (State Bar No. 260286)
sly@diversitylaw.com
515 South Figueroa Street, Suite 1250
Los Angeles, California 90071
Telephone: (213) 488-6555
Facsimile: (213) 488-6554

POLARIS LAW GROUP
William L. Marder (State Bar No. 170131)
bill@polarislawgroup.com
501 San Benito Street, Suite 200
Hollister, California 95023
Telephone: (831) 531-4214
Facsimile (831) 634-0333

Attorneys for Plaintiff and the Class

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA CLARA

HIROMI MEGURO, as an individual and on
behalf of all others similarly situated, and as a
private attorney general,

Plaintiff,

vs.

SILICON VALLEY BANK, a California
corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No. 20CV369854

[Assigned to Hon. Sunil R. Kulkarni]

**DECLARATION OF SIMON L. YANG IN
SUPPORT OF PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: September 29, 2022
Time: 1:30 p.m.
Department: 1

Complaint Filed: August 28, 2020

1 I, Simon L. Yang, declare as follows:

2 1. I am an attorney admitted to practice in the State of California and, with the law firm
3 Diversity Law Group, P.C., am counsel of record for Plaintiff. I make this declaration on the basis of my
4 own personal knowledge, except as to those matters stated on information and belief and, as to those
5 matters, I believe them to be true. If called as a witness, I could testify competently as to the facts stated
6 in this declaration.

7 2. On August 28, 2020, Plaintiff, Hiromi Meguro, initiated this class and private attorney
8 general action. The lawsuit seeks to remedy alleged underpayments of overtime and noncompliant wage
9 statements. The initial complaint alleged Defendant fails to consider all compensation when calculating
10 employees' regular rates of pay for purposes of paying overtime. Specifically, Plaintiff alleged
11 Defendant does not consider incentives, bonuses, non-cash awards, or shift differentials for purposes of
12 paying overtime. The initial complaint also alleged both derivative and standalone wage statement
13 violations. In addition to the derivative failure to accurately show the gross and net wages earned
14 resulting from miscalculated and underpaid overtime, there are two separate wage statement failures
15 whenever employees are paid overtime. *First*, Defendant issues wage statements that do not accurately
16 itemize and show the overtime rate as 1.5 times the regular rate. *Second*, Defendant issues wage
17 statements that do not accurately itemize and show the total hours worked.

18 3. Beginning on October 7, 2020, and numerous dates thereafter, Plaintiff and Defendant
19 met and conferred about the alleged claims. On May 20, 2021, Plaintiff served written discovery, and on
20 July 6, 2021, Defendant served responses. Plaintiff continued investigating the claims and also notified
21 Defendant about additional theories for Defendant's failure to pay all overtime wages and furnish non-
22 exempt employees with accurate wage statements. The Parties supplemented formal discovery by
23 continuing to exchange information and documentation pursuant to informal methods to assist the
24 Parties in exploring the possibility of a mediated resolution. Defendant provided the relevant numbers of
25 individuals and relevant pay periods, among other things—enabling Plaintiff to assess the full value of
26 Class Members' claims and further enabling negotiations to take place between the Parties. Defendant's
27 willingness to supplement formal discovery with informal discovery enabled Plaintiff to evaluate the full
28 scope of Defendant's potential liability. Ultimately, the Parties agreed to schedule a mediation.

1 4. On November 8, 2021, the Parties attended mediation with Michael Loeb, an experienced
2 mediator knowledgeable of both the wage and hour laws and class and representative action claims at
3 issue. With the mediator’s assistance and based on a mediator’s proposal, the Parties were able to
4 negotiate the settlement terms in the Joint Stipulation of Class Action and PAGA Settlement (the
5 “Agreement”), a true and correct copy of which is attached as **Exhibit 1**. Pursuant to the Agreement’s
6 terms, on July 1, 2022, the Parties filed the operative First Amended Complaint to specify additional
7 facts regarding Plaintiff’s theories regarding Defendant’s underpayment of overtime.

8 5. The Agreement requires Defendant to pay \$500,000.00. This is an excellent result for
9 Class Members. Plaintiff contended that wage statement claims under Labor Code section 226(e)¹ result
10 in a \$50 penalty for the first non-compliant wage statement to each Class Member and a \$100 penalty
11 for each additional non-compliant wage statement to the Class Member, up to a maximum of \$4,000 per
12 class member. Lab. Code § 226(e). Plaintiff also contended Labor Code Private Attorneys General Act
13 of 2004 (“PAGA”) penalties result in up to \$250 per violation. Lab. Code § 226.3. With respect to
14 overtime-based claims, Plaintiff contended that underpaid overtime resulted in Section 203 penalties of
15 up to 30 days wages.² Potential recovery includes approximately \$198,072 in waiting time penalties
16 under Section 203, \$436,000 in Section 226(e) penalties, and \$1,729,750 in Section 226.3 penalties
17 under PAGA—for a total potential recovery of \$2,363,822.

18 6. Defendant contested the merits and denied it was liable at all. Moreover, even if Plaintiff
19 prevailed on the merits, Defendant contested the extent of liability. For example, with respect to wage
20 statement liability, Defendant contended that (i) PAGA penalties would enable up to \$100 (not \$250)
21 per violation, (ii) PAGA penalties in any event be subject to discretionary reductions, and (iii) liability
22 under Section 226(e) would be subject to additional defenses requiring proof of injuries resulting from
23 knowing and intentional violations. Likewise, with respect to overtime liability, Defendant contended
24 that it would not be subject to Section 203 penalties, based on a good faith defense.

25 7. While the Parties disagree on the application of the law to the facts, each Party
26 recognized in negotiations that, if taken to trial, the other Party would at least have reasonable
27

28 ¹ Except as otherwise noted, all “Section” references are to the Labor Code.

² Actual underpayments of overtime amounted to comparatively smaller sums.

arguments, such that the Gross Settlement Amount to which the Parties ultimately agreed was reasonable. Ultimately, the Gross Settlement Amount of \$500,000 secures \$72.26 per pay period—an excellent result that obtains 21.2% of the potential total recovery of \$2,363,822. It is expected that, on average, each Class Member would be allocated \$825.72 (*after* all requested payments from the Gross Settlement Amount). The amount paid on average to each Class Member may increase, depending on how many Class Members opt out of the class action settlement. The amount actually paid to any Class Member may increase or decrease depending on his or her number of relevant wage statements during the Class Period.

8. Although I am confident that litigation of the claims would result in a classwide judgment against Defendant, I recognize the inherent risks in litigation, including the specific risks that class certification could be denied, liability could not be established at trial, or the applicable law could change. I recognize that the settlement resulting from extensive arm’s length negotiations between the Parties is fair, reasonable, and adequate for each participating Class Member, given the inherent risks of litigation, as well as the potential for appeals and the costs of pursuing litigation.

9. I am one of the primary attorneys on this matter. My qualifications are as follows: After completing my undergraduate education at The Wharton School at the University of Pennsylvania in 2004 with concentrations in Management and Human Resources, I continued studying labor and employment issues by enrolling in post-graduate education at the School of Labor and Employment Relations at the University of Illinois. I determined before enrolling in law school that I wanted to practice labor and employment law in California. I thus received my J.D. from UCLA School of Law in 2008. During law school, I spent the summer of 2006 with the National Labor Relations Board, Region 21, and the summer of 2007 with the law firm of Seyfarth Shaw LLP in 2007.

10. Upon graduating from law school in 2008, I practiced labor and employment law at Seyfarth Shaw LLP, a well-regarded labor and employment firm. I was elevated to partner in 2019. My practice focused on wage and hour class, collective, and representative actions, with a particular emphasis on matters involving the Labor Code Private Attorneys General Act of 2004 (“PAGA”). During my time with Seyfarth Shaw LLP, I was a primary attorney on numerous wage and hour class, collective, and representative actions that resulted in published opinions, including for example, *Ehret v.*

1 *WinCo Foods, LLC*, 26 Cal. App. 6th 1 (2018) (affirming summary judgment in PAGA action based on
2 absence of meal period violations in light of collectively bargained waiver of meal periods on shifts of
3 not more than six hours), and *Ruelas v. Costco Wholesale Corporation*, 67 F. Supp. 3d 1137 (C.D. Cal.
4 Sept. 8, 2014) (obtaining dismissal of wage statement allegations in PAGA representative action). I was
5 also able to obtain experience litigating representative claims or wage and hour matters through trial and
6 appeal. *E.g.*, *Velazquez v. Costco Wholesale Corporation*, 603 Fed. App'x 584 (9th Cir. Mar. 25, 2015)
7 (reversing award of waiting-time penalties based on lack of evidence supporting any willful failure to
8 pay wages); *Ward v. Costco Wholesale Corporation*, 552 Fed. App'x 631 (9th Cir. Jan. 9, 2014)
9 (affirming bench-trial judgment in favor of defendant against named plaintiff and 18 opt-in plaintiffs in
10 collective action with involving deductions from final paychecks). I also litigated class certification on
11 numerous matters. *E.g.*, *Martinez v. Guess?, Inc.*, Los Angeles Superior Court Case No. BC 498326
12 (denial of class certification on behalf of retail employees alleging off-the-clock work).

13 11. Based on my experience in wage and hour class, collective, and representative actions, I
14 have been interviewed and quoted in articles published in the Northern California Record about
15 legislative efforts to reform PAGA. I also have published articles on myriad topics relevant to wage and
16 hour class and representative action litigation, including for example articles on California kin care
17 requirements in *Employee Relations Law Journal* (Vol. 36, No. 2), the extraterritorial application of
18 California employment laws in *The Recorder* (134RD Year No. 28), and California meal and rest break
19 laws in *California Transportation News*, a publication of the California Construction Trucking
20 Association.

21 12. In 2020 I left Seyfarth Shaw LLP and joined my current firm, Diversity Law Group, P.C.,
22 which also focuses primarily on employment law. I have handled a number of wage and hour class and
23 representative actions and continue litigating such matters in numerous Superior Courts and District
24 Courts. From matters with both Seyfarth Shaw LLP and Diversity Law Group, P.C., I have successfully
25 mediated the resolution of dozens of wage and hour class, collective, and representative actions. I have
26 obtained class certification and been appointed class counsel. No court has ever found me to be
27 inadequate class counsel.
28

13. My co-counsel and I will adequately represent the Class Members in this action. Plaintiff's Counsel have and will zealously represent Plaintiff and the Class and pursue this lawsuit to its conclusion.

14. Along with the filing of the motion for preliminary approval of the settlement in this matter, my regular practice would be to direct my office staff to similarly upload a copy of the motion papers to the Labor and Workforce Development Agency (“LWDA”) in compliance with Section 2699(1)(2) and (4). Similarly, upon approval of a settlement in this matter, my regular practice would be to direct my office staff to similarly upload a copy of the Court’s judgment, papers, or other orders awarding civil penalties under PAGA.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 22nd day of July 2022, at Pasadena, California.

Simon L. Yang

EXHIBIT 1

DIVERSITY LAW GROUP, P.C.
 Larry W. Lee (State Bar No. 228175)
lwlee@diversitylaw.com
 Simon L. Yang (State Bar No. 260286)
sly@diversitylaw.com
 515 South Figueroa Street, Suite 1250
 Los Angeles, California 90071
 Telephone: (213) 488-6555
 Facsimile: (213) 488-6554

POLARIS LAW GROUP
 William L. Marder (State Bar No. 170131)
bill@polarislawgroup.com
 501 San Benito Street, Suite 200
 Hollister, California 95023
 Telephone: (831) 531-4214
 Facsimile (831) 634-0333

Attorneys for Plaintiff and Proposed Class

JACKSON LEWIS P.C.
 Mitchell F. Boomer (SBN 121441)
 Kevin D. Reese (SBN 172992)
 Scott P. Jang (SBN 260191)
 50 California St. 9th Floor
 San Francisco, CA 94111
mitchell.boomer@jacksonlewis.com
kevin.reese@jacksonlewis.com
scott.jang@jacksonlewis.com
 Telephone: (415) 394-9400
 Facsimile: (415) 394-9401

Attorneys for Defendant

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA CLARA

HIROMI MEGURO, as an individual and on
 behalf of all others similarly situated, and as a
 private attorney general,

Plaintiffs,

vs.

SILICON VALLEY BANK, a California
 corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No. 20CV369854

[Assigned to Hon. Sunil R. Kulkarni]

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

Complaint Filed: August 28, 2020

Trial Date: None Set

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement is entered into by and between Plaintiff, Hiromi Meguro, on the one hand, and Defendant, Silicon Valley Bank, on the other hand.

1. DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

1.1. Action. “Action” means the civil lawsuit originally entitled *Hiromi Meguro v. Silicon Valley Bank*, filed on or about August 28, 2020, in the Superior Court of the State of California for the County of Santa Clara designated as Case No. 20CV369854, based on alleged Labor Code violations asserted by Plaintiff in notices sent to the Labor & Workforce Development Agency (“LWDA”).

1.2. Administrator. “Administrator” means the third-party settlement administrator approved by the Court to administer the settlement.

1.3. Agreement. “Agreement” means this Joint Stipulation of Class Action and PAGA Settlement.

1.4. Class Counsel. “Class Counsel” means Larry W. Lee and Simon L. Yang of Diversity Law Group, P.C. and William L. Marder of Polaris Law Group.

1.5. Class Member. “Class Member” means all hourly, non-exempt employees who are currently or have been employed by Defendant in the State of California and earned overtime wages and non-discretionary compensation, including incentives, bonuses, and non-cash awards at any time during the Class Period, or earned overtime wages at any time during the PAGA Period.

1.6. Class Notice. “Class Notice” means the Notice of Class Action Settlement, substantially in the form attached as Exhibit A.

1.7. Class Period. “Class Period” means April 6, 2016, through January 7, 2022.

1.8. Court. “Court” means the Superior Court of California for the County of Santa Clara.

1.9. Defendant. “Defendant” means Silicon Valley Bank.

1.10. Defendant’s Counsel. “Defendant’s Counsel” means Mitchell F. Boomer, Kevin D. Reese, and Scott P. Jang of Jackson Lewis P.C.

1.11. Effective Date. “Effective Date” means: (a) if no objections to the settlement are filed, the date the Final Approval Order is signed by the Court; (b) if objections to the settlement are filed, the

1 day following the expiration of the time for the filing of an appeal of the Final Approval Order; or (c) if
2 any appeals of the Final Approval Order are filed, the day following the dismissal of the appeal and the
3 expiration of time to further appeal an order affirming the Final Approval Order.

4 **1.12. Final Approval Order.** “Final Approval Order” means an order granting final approval
5 of a settlement pursuant to this Agreement.

6 **1.13. Gross Settlement Amount.** “Gross Settlement Amount” means the maximum potential
7 settlement amount—inclusive of any Attorneys’ Fees and Costs Award, Class Representative Award,
8 Administration Costs, LWDA Payment, and allocations for Individual Settlement Payments—that
9 Defendant may be required to pay in connection with a Final Approval Order.

10 **1.13.1. Administration Costs.** “Administration Costs” means a Court approved payment
11 from the Gross Settlement Amount to the Administrator for administering the settlement, which includes
12 but is not limited to printing, distributing, or tracking Class Notices, processing any required tax
13 payments or reporting, providing any required tax forms, distributing payments pursuant to a Final
14 Approval Order, and providing necessary reports or declarations, as requested by the Court or Class
15 Counsel and Defendant’s Counsel.

16 **1.13.2. Attorneys’ Fees and Costs Award.** “Attorneys’ Fees and Costs Award” means a
17 Court approved payment from the Gross Settlement Amount for Class Counsel’s attorneys’ fees and
18 costs associated with the litigation and resolution of the Action (excluding third-party Administration
19 Costs).

20 **1.13.3. Class Representative Award.** “Class Representative Award” means a Court
21 approved payment from the Gross Settlement Amount to Plaintiff in recognition of her efforts and work
22 in prosecuting the Action on behalf of Class Members and in consideration of Plaintiff’s additional
23 general release of claims inapplicable to Settlement Class Members.

24 **1.14. Individual Settlement Payment.** “Individual Settlement Payment” means a Class
25 Member’s potential payment from the Net Settlement Amount, which may include an Individual Class
26 Payment and Individual PAGA Payment.

27 **1.14.1. Individual Class Payment.** “Individual Class Payment” means a Settlement
28 Class Member’s potential payment from the Net Settlement Amount for the class action settlement.

1 **1.14.2. Individual PAGA Payment.** “Individual PAGA Payment” means a PAGA
2 Employee’s potential payment from the Net Settlement Amount for the PAGA settlement.

3 **1.15. LWDA Payment.** “LWDA Payment” means a Court approved payment to the Labor &
4 Workforce Development Agency (“LWDA”) of 75% of the PAGA Penalty Fund.

5 **1.16. Net Settlement Amount.** “Net Settlement Amount” means the remainder of the Gross
6 Settlement Amount after Court approved deductions for the Attorneys’ Fees and Costs Award, Class
7 Representative Award, and Administration Costs.

8 **1.17. PAGA Employee.** “PAGA Employee” means all hourly, non-exempt employees who are
9 currently or have been employed by Defendant in the State of California and earned overtime wages at
10 any time during the PAGA Period.

11 **1.18. PAGA Period.** “PAGA Period” means April 6, 2019, through January 7, 2022.

12 **1.19. PAGA Penalty Fund.** “PAGA Penalty Fund” means the portion of the settlement
13 allocated to PAGA penalties.

14 **1.20. Parties.** “Parties” means Plaintiff and Defendant.

15 **1.21. Plaintiff.** “Plaintiff” means Hiromi Meguro.

16 **1.22. Preliminary Approval Order.** “Preliminary Approval Order” means an order granting
17 preliminary approval of a settlement pursuant to this Agreement.

18 **1.23. Released Party.** “Released Party” means Defendant and its present and former parent
19 companies, subsidiaries, divisions, related or affiliated companies, and its shareholders, officers,
20 directors, employees, agents, attorneys, insurers, successors and assigns, counsel in the Action, and any
21 other individual or entity that could be liable for any of the Released Claims.

22 **1.24. Settlement.** “Settlement” means this Joint Stipulation of Class Action and PAGA
23 Settlement.

24 **1.25. Settlement Class Members.** “Settlement Class Members” means Class Members who do
25 not exclude themselves from the class action settlement by complying with the procedures set forth in
26 the Class Notice to opt out of the class action settlement.

1 **2. RECITALS**

2 **2.1. Initiation of Action.** On or about August 28, 2020, Plaintiff filed the original complaint
3 initiating the Action on behalf of a putative class of current and former non-exempt employees of
4 Defendant in the State of California who were paid overtime wages. The Action pursued class action
5 and representative action claims under the Labor Code Private Attorneys General Act of 2004
6 (“PAGA”) for Defendant’s alleged failures to pay or timely pay all overtime wages and furnish non-
7 exempt employees with accurate wage statements.

8 **2.2. Class Counsel’s Investigation.** On October 7, 2020, and numerous dates thereafter,
9 Plaintiff and Defendant met and conferred about the alleged claims. On May 20, 2021, Plaintiff served
10 initial written discovery. On July 6, 2021, Defendant responded to the discovery. Class Counsel
11 continued investigating the alleged claims and also analyzed any defenses raised by Defendant. Class
12 Counsel also notified Defendant about additional theories for Defendant’s failure to pay all overtime
13 wages and furnish non-exempt employees with accurate wage statements. The Parties supplemented
14 formal discovery by continuing to exchange information and documentation pursuant to informal
15 methods to assist the Parties in exploring the possibility of a mediated resolution.

16 **2.3. Mediation and Settlement.** On November 8, 2021, the Parties attended a mediation with
17 Michael Loeb, an experienced mediator knowledgeable of both the wage and hour laws and class and
18 representative action claims at issue in the Action. With the mediator’s assistance and based upon the
19 mediator’s proposal, the Parties were able to agree to settlement terms, which were negotiated in light of
20 all known facts and circumstances—including the uncertainty associated with litigation, the risks of
21 significant delay, and numerous potential appellate issues—and which was reached after extensive arm’s
22 length negotiations both during and in the weeks leading up to the mediation. To effect the settlement of
23 the mediated allegations and theories, on December 8, 2021, Plaintiff submitted a supplemental written
24 notice to the LWDA. The Parties shall file a joint stipulation for leave to file an amended complaint by
25 the time a motion for preliminary approval of settlement is filed with the Court.

26 **2.4. No Admission of Liability.** Defendant denied and continues to deny all of the allegations
27 made by Plaintiff in the Action. Although Defendant denied and continues to deny all of the allegations
28 made by Plaintiff in the Action, Defendant—without admitting or conceding any liability or wrongdoing

1 whatsoever—has agreed to settle the Action on the terms and conditions set forth in this Agreement for
2 the sole purpose of avoiding the burden, expense, and uncertainty of continuing the Action.

3 **2.5. Class Counsel’s Evaluation.** Based on Class Counsel’s ongoing investigation and
4 evaluation, Class Counsel is of the opinion that the terms set forth in this Agreement are fair, reasonable,
5 adequate, and in the best interests of Class Members.

6 **2.6. Certification of Settlement Class.** This Agreement is contingent upon the approval and
7 certification by the Court of a class for purposes of settlement. The Parties agree to cooperate and take
8 all steps necessary and appropriate to effectuate all aspects of this Agreement and to obtain a
9 Preliminary Approval Order and then Final Approval Order.

10 **3. NOTICE TO CLASS MEMBERS**

11 **3.1. Administrator.** Plaintiff and Class Counsel shall request that the Court appoint Phoenix
12 Settlement Administrators as the Administrator for purposes of sending notice of the Settlement to Class
13 Members and completing all other tasks designated to a third-party settlement administrator under this
14 Settlement.

15 **3.2. Class Data for Administrator.** Within 21 calendar days of the Preliminary Approval
16 Order, Defendant shall provide to the Administrator each Class Member’s last known mailing address,
17 as well as data sufficient for the Administrator to perform all necessary responsibilities pursuant to this
18 Settlement.

19 **3.3. Mailing of Notice.** Within 14 calendar days of receipt of the Class Data, the
20 Administrator shall send Class Notice to each Class Member via First Class U.S. Mail, using the last
21 known mailing address for each Class Member, based on class data provided by Defendant. Any Class
22 Notice returned to the Administrator as undeliverable shall be sent promptly via First Class U.S. Mail to
23 the forwarding address affixed thereto. If no forwarding address is provided, the Administrator shall
24 promptly attempt to determine the correct address using a single skip-trace search and shall then
25 promptly send a single re-mailing. This shall be the sole means of notice to Class Members.

26 **3.4. Proof of Mailing.** The Administrator shall provide Class Counsel and Defendant’s
27 Counsel a declaration of due diligence and proof of mailing with regard to mailing of Class Notice.
28

1 **4. CLASS MEMBERS' RESPONSE OPTIONS**

2 **4.1. Consideration Period.** Class Members shall be provided 45 calendar days after the
3 postmark date of the initial mailing of Class Notice to exercise any rights to opt out of the settlement.
4 Except as provided herein, no Class Member responses that are postmarked more than 45 calendar days
5 after the initial mailing of Class Notice shall be considered. The Parties shall do nothing to encourage or
6 solicit Class Members to opt out of or object to the settlement.

7 **4.2. Objection Right and Effect.** Settlement Class Members shall be given the opportunity to
8 object to the terms of the class action settlement. Settlement Class Members may object to the class
9 action settlement by mailing to the Administrator an objection within 45 calendar days after the
10 postmark date of the initial mailing of Class Notice, which describes the objection and states any
11 intention to appear at the final approval hearing. Alternatively, Settlement Class Members may appear at
12 the final approval hearing to object to the settlement. Any Settlement Class Member who does not
13 comply with the objection procedures in the Class Notice shall be deemed to have waived any objections
14 and shall be foreclosed from making any objection, whether by appeal or otherwise, to the settlement.
15 Settlement Class Members who object to the settlement pursuant to the terms of the Class Notice shall
16 remain subject to being bound by the release provisions in this Agreement pursuant to a Final Approval
17 Order and shall remain eligible to receive an Individual Class Payment. Class Members do not have the
18 right to object to the terms of the PAGA settlement.

19 **4.3. Opt-Out Right and Effect.** Class Members shall be given the opportunity to opt out of
20 the class settlement. Class Members may opt out of the class settlement by mailing to the Administrator
21 a Request for Exclusion, which expresses their desire to be excluded from the class settlement. Any
22 Request for Exclusion that does not comply with the procedures in the Class Notice shall be deemed
23 void and ineffective. Class Members who opt out of the class settlement pursuant to the terms of the
24 Class Notice shall not receive any Individual Class Payments, shall not be bound by the class action
25 release provisions in this Agreement pursuant to a Final Approval Order, and shall not be permitted to
26 object to the settlement or appeal. If a Class Member submits both a Request for Exclusion and an
27 objection, the Administrator shall attempt to determine whether the Class Member would like to
28 withdraw either the Request for Exclusion or the objection. If the Class Member does not withdraw a

Request for Exclusion, or if the Administrator cannot contact the Class Member who submits both a Request for Exclusion and an objection, the Request for Exclusion shall be deemed valid and shall be deemed to invalidate the objection. Class Members do not have the right to opt out of the PAGA settlement.

4.4. Objection Response. The Administrator must provide a copy of any objection received to Class Counsel and Defendant's Counsel upon receipt. Either of the Parties may file a response to any written objection no later than five court days before the final approval hearing.

4.5. Proof of Class Members' Responses. As soon as practicable after the end of the consideration period, the Administrator shall provide a declaration attesting to (by number of relevant individuals), its mailing of Class Notice, its inability to deliver Class Notice due to invalid addresses, and its receipt of valid Requests for Exclusion or objections. The Administrator shall prepare any supplemental declarations regarding the administration of the settlement, as necessary or as jointly requested by the Parties or the Court.

4.6. Right of Withdrawal. If more than 10% of Class Members timely and validly opt out of the class action settlement and Defendant pays all incurred Administrator expenses, Defendant has the right in its sole and exclusive discretion to terminate and withdraw from the settlement. Defendant must make exercise its right to withdraw within five calendar days of being notified by the Administrator that more than 10% of Class Members have timely and validly opted out of the class action settlement.

5. SETTLEMENT PROCEEDS

5.1. Gross Settlement Amount. Defendant agrees to pay a non-reversionary Gross Settlement Amount of \$500,000.00. The Gross Settlement Amount was negotiated based on Defendant's representation that there were 361 Class Members during the period of April 6, 2016, through September 10, 2021, and 5,889 pay periods during the period of April 6, 2019, through September 10, 2021, in which non-exempt employees earned overtime wages. To the extent that the actual number of pay periods in which non-exempt employees earned overtime wages during the period of April 6, 2019, through January 7, 2022, exceeds 5,889 by more than 17.5%, the Gross Settlement Amount shall increase on a pro rata basis equal to the percentage increase exceeding 17.5% (e.g., if the actual number were 20% greater than 5,889, then the Gross Settlement Amount would be increased by 2.5%). Under no

1 other circumstances will Defendant's payment exceed the Gross Settlement Amount, except that
2 Defendant will make additional payments to the Administrator representing its share of any employer
3 payroll taxes to be paid in connection with the Settlement (*e.g.*, FICA, FUTA, payroll taxes, or any
4 similar tax or charge).

5 **5.1.1. Attorneys' Fees and Costs.** Class Counsel intends to request—and Defendant
6 agrees not to oppose—that the Court approve an Attorneys' Fees and Costs Award in the amount of (a)
7 33 $\frac{1}{3}$ % of the Gross Settlement Amount (or \$166,666.67) and (b) litigation costs.

8 **5.1.2. Class Representative Award.** Class Counsel intends to request—and Defendant
9 agrees not to oppose—that the Court approve a Class Representative Award of \$10,000.00. Any Class
10 Representative Award is supplemental to Plaintiff's Individual Settlement Payment.

11 **5.1.3. Administration Costs.** Class Counsel intends to request—and Defendant agrees
12 not to oppose—that the Court approve Administration Costs of up to \$9,000.00. The Parties agree to
13 cooperate in the settlement administration process and to make all reasonable efforts to control and
14 minimize Administration Costs.

15 **5.1.4. PAGA Penalty Fund and LWDA Payment.** The Parties allocate \$25,000.00 to
16 the PAGA Penalty Fund, which shall be distributed pursuant to statute with 75% of the PAGA Penalty
17 Fund payable from the Gross Settlement Amount as an LWDA Payment. The remaining 25% of the
18 PAGA Penalty Fund is to be part of the Net Settlement Amount to be allocated to PAGA Employees as
19 Individual PAGA Payments.

20 **5.1.5. Differences in Requested and Approved Payments.** If the Court does not
21 approve the requested amounts for the Attorneys' Fees and Costs Award, Class Representative Award,
22 or Administration Costs, any requested but unapproved amounts shall be allocated to the Net Settlement
23 Amount. If the Court does not approve the requested amount for the PAGA Penalty Fund, any difference
24 in the requested and approved amount of the resulting LWDA Payment shall either be allocated to the
25 Net Settlement Amount or from the Gross Settlement Amount.

26 **5.2. Net Settlement Amount.** After deducting the approved Attorneys' Fees and Costs
27 Award, Class Representative Award, Administration Costs, and LWDA Payment from the Gross
28

1 Settlement Amount, the Net Settlement Amount shall be allocated entirely to Settlement Class Members
2 and PAGA Employees.

3 **5.3. Individual Settlement Payments.** Individual Settlement Payments shall be distributed to
4 PAGA Employees and Settlement Class Members, without the need to submit a claim form. The
5 Administrator shall calculate the amounts of payments described below. Defendant's employee data will
6 be presumed to be correct, unless a particular Class Member proves otherwise to the Administrator by
7 credible evidence. All pay period disputes will be resolved and decided by the Administrator and the
8 Administrator's decision on all pay period disputes will be final and non-appealable.

9 **5.3.1. Individual PAGA Payments.** The 25% portion of the PAGA Penalty Fund shall
10 be distributed to PAGA Employees as Individual PAGA Payments and proportionally allocated among
11 PAGA Employees based on the total number of pay periods with overtime wages for each PAGA
12 Employee during the PAGA Period. Individual PAGA Payments shall be subject to IRS Form 1099
13 reporting.

14 **5.3.2. Individual Class Payments.** The remainder of the Net Settlement Amount shall
15 be distributed to Settlement Class Members as Individual Class Payments and proportionally allocated
16 among Settlement Class Members based on the total number of pay periods for each Settlement Class
17 Member either with (a) overtime wages and non-discretionary compensation during the Class Period; or
18 (b) overtime wages during the PAGA Period. 5% of Individual Class Payments shall be allocated to
19 wages and subject to IRS Form W-2 reporting; the remainder of Individual Class Payments shall be
20 allocated to interest and penalties and subject to IRS Form 1099 reporting.

21 **5.4. No Tax Advice or Liability.** The Administrator shall issue an IRS Form 1099 to Plaintiff
22 for any Class Representative Award, to Class Counsel for any Attorneys' Fees and Costs Award, to the
23 LWDA for any LWDA Payment, and to the Administrator for any Administration Costs. The Parties
24 have had an opportunity to consult with independent tax counsel. The Parties are not giving any tax
25 advice in connection with the settlement or any payments to be made pursuant to the Agreement. The
26 Parties do not intend anything contained in this Agreement to constitute legal advice regarding the
27 taxability of any amount paid hereunder, nor shall anything in this Agreement be relied upon as such. By
28 participating in the settlement, each Class Member shall agree to be solely and legally responsible for

1 paying any applicable taxes on their respective Individual Settlement Payments and shall indemnify and
2 hold harmless the Parties from any claim or liability for taxes, penalties, or interest arising as a result of
3 the payments.

4 **5.5. Funding and Distribution.** Within 21 calendar days after the Effective Date, Defendant
5 shall deposit the Gross Settlement Amount with the Administrator. By 28 calendar days after the
6 Effective Date, the Administrator shall distribute all amounts to be paid pursuant to the Final Approval
7 Order. Upon completion of administration of the settlement, the Administrator shall provide written
8 certification of such completion to Class Counsel and Defendant's Counsel.

9 **5.6. Effect of Payments.** All Individual Settlement Payments to Class Members shall be
10 deemed to be paid in the year in which such payments actually are mailed to the Class Member. It is
11 expressly understood and agreed that the receipt of such Individual Settlement Payments shall not entitle
12 any Class Member to additional compensation or benefits under any company bonus, contest, or other
13 compensation or benefit plan or agreement in place during the period covered by the Agreement, nor
14 will it entitle any individual to any increased retirement, 401K benefits or matching benefits, or deferred
15 compensation benefits. It is the intent of this Settlement that the Individual Settlement Payments
16 provided for in this Settlement are the sole payments to be made by Defendant to the Class Members,
17 and that the Class Members are not entitled to any new or additional compensation or benefits as a result
18 of having received the individual settlement awards (notwithstanding any contrary language or
19 agreement in any benefit or compensation plan document that might have been in effect during the
20 period covered by this Settlement).

21 **5.7. Undeliverable or Uncashed Checks.** All uncashed or undeliverable settlement checks
22 will expire 180 days after the postmarked date of their initial mailing. After 180 days, the sum value of
23 all expired checks will be tallied by the Administrator. The Administrator shall direct the principal for
24 any expired checks in accordance with the Final Approval Order. The Parties shall request that the Court
25 order that the principal for any expired checks escheat to the State of California's Unclaimed Property
26 Fund in the name of the Settlement Class Member.

1 **6. RELEASES**

2 **6.1. Releases by Settlement Class Members.** By operation of the entry of the Final Approval
3 Order, and except as to such rights or claims as may be created by this Settlement, all Settlement Class
4 Members fully release Defendant and each Released Party from any and all claims during the Class
5 Period under state, federal, or local law, whether statutory or common law arising out of the claims
6 expressly pleaded in the Action and all other claims, such as those under the California Labor Code,
7 applicable Wage Orders, the Fair Labor Standards Act, regulations, or other provisions of law, or that
8 could have been pleaded based on the facts pleaded in the Action for (1) failure to pay overtime wages,
9 (2) failure to provide accurate itemized wage statements, (3) failure to timely pay wages during
10 employment or upon termination, (4) unfair business practices based on these violations, and (5) all
11 claims for injunctive relief, liquidated damages, and penalties.

12 **6.2. Releases by PAGA Employees.** By operation of the entry of the Final Approval Order,
13 and except as to such rights or claims as may be created by this Agreement, all PAGA Employees, the
14 State of California, and the LWDA fully release Defendant and each Released Party from any and all
15 claims during the PAGA Period for civil penalties, fees, and costs pleaded in the Action or that could
16 have been pleaded based on the facts alleged in the Action and preceding PAGA notices to the LWDA.

17 **6.3. Additional Release by Plaintiff.** In addition to the above releases applicable to Plaintiff
18 as a Settlement Class Member and PAGA Employees, Plaintiff also generally releases all claims, known
19 or unknown, in favor of each Released Party, including a waiver of Civil Code section 1542. Plaintiff
20 expressly waives all rights provided by Civil Code section 1542 that Plaintiff may have against each
21 Released Party. Civil Code section 1542 states:

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

25 Plaintiff acknowledges that she has read the entirety of the Settlement, including the above language
26 from the Civil Code, and that she fully understands both the Settlement and Civil Code section 1542. By
27 executing this Settlement, Plaintiff expressly waives any benefits and rights granted pursuant to Civil
28 Code section 1542.

1 **7. COURT APPROVAL**

2 **7.1. Amended Complaint.** Prior to seeking preliminary approval, the Parties shall jointly
3 stipulate to the filing of an amended complaint specifying the theory of liability regarding alleged
4 rounding of overtime rates that results in purported underpayment of overtime wages, inaccurate wage
5 statements, untimely payment of wages during employment, and untimely payment of wages upon
6 termination.

7 **7.2. LWDA Submissions.** Class Counsel shall timely file a notice of claim and notice of
8 settlement with the LWDA, consistent with California Labor Code section 2699(l)(2).

9 **7.3. Preliminary Approval.** Plaintiff shall submit a motion seeking a Preliminary Approval
10 Order, which would, among other things: (i) preliminarily approve the proposed settlement according to
11 the terms of this Settlement; (ii) set a date for a final approval hearing; and (iii) provide for Class Notice
12 to be sent to Class Members as specified herein.

13 **7.4. Final Approval.** Not later than 16 court days before the date set by the Court for a final
14 approval hearing, or such other time as the Court requires, Plaintiff shall submit a motion seeking a
15 Final Approval Order, which would, among other things: (i) approve the Settlement, (ii) deem the terms
16 to be fair, reasonable, and adequate, (iii) approve the releases, (iv) direct that the Settlement's terms and
17 provisions be carried out; (v) enter final judgment; and (vi) retain jurisdiction to oversee administration
18 and enforcement of the terms of this Settlement and the Court's orders.

19 **7.5. Effect of Failure to Obtain Final Approval.** In the event the Court effects a material
20 change or fails to enter a Final Approval Order in accordance with this Settlement, or such Final
21 Approval Order is vacated, then this entire Settlement shall be void and unenforceable, subject to the
22 Parties' agreement to the contrary, and the costs of administration shall be split equally between the
23 Parties. The Action shall proceed as if no settlement has been attempted, subject to the Parties'
24 agreement to the contrary, and this Settlement and any documents in furtherance of this Settlement shall
25 be inadmissible in any future proceedings in this Action or any other action.

26 **8. MISCELLANEOUS**

27 **8.1. Entire Agreement.** This Settlement constitutes the entire agreement between the Parties
28 with regard to the subject matter contained herein, and all prior and contemporaneous negotiations and

1 understandings between the Parties shall be deemed merged into this Settlement. The signatories
2 represent that they are fully authorized to enter into this Settlement and are fully authorized to bind the
3 Parties to all terms stated herein.

4 **8.1.1. Counterparts and Signatures.** This Settlement may be executed in counterparts,
5 and when all signatories have signed and delivered at least one such counterpart, each counterpart shall
6 be deemed an original, and when taken together with other signed counterparts, shall constitute one
7 signed Settlement, which shall be binding upon and effective as to all Parties. Any party may sign and
8 deliver this Settlement by signing on the designated signature block and transmitting that signature page
9 via e-mail to counsel for the other party. Any electronically-generated signature (e.g., DocuSign
10 signature) or signature transmitted via e-mail shall be deemed an original signature and shall be binding
11 upon the party who transmits the signature page.

12 **8.1.2. Waivers, Modifications, Etc. to Be in Writing.** No waiver, modification, or
13 amendment of the terms of this Settlement, whether purportedly made before or after the Court's
14 approval of this Settlement, shall be valid or binding unless in writing, signed by or on behalf of all
15 Parties and then only to the extent set forth in such written waiver, modification, or amendment, subject
16 to any required Court approval. Any failure by any Party to insist upon the strict performance by the
17 other Party of any of the provisions of this Settlement shall not be deemed a waiver of future
18 performance of the same provisions or of any of the other provisions of this Settlement, and such Party,
19 notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of
20 any and all of the provisions of this Settlement.

21 **8.1.3. Construction.** The determination of the terms and conditions of this Settlement
22 has been by mutual agreement of the Parties. Each party participated jointly in the drafting of this
23 Settlement, and the terms and conditions of this Settlement are not intended to be, and shall not be,
24 construed against any party by virtue of draftsmanship. The captions of paragraphs of this Settlement
25 have been inserted for convenience of reference only and shall have no effect upon the construction or
26 interpretation of any part of this Settlement.

1 **8.1.4. Invalidity of Any Provision.** Before declaring any provision of this Settlement
2 invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible so as to
3 render all provisions of this Settlement valid and enforceable.

4 **8.2. Further Acts and Cooperation Between the Parties.** The Parties shall cooperate and
5 use their best efforts to obtain the Court's approval of this Settlement and its terms. Each of the Parties,
6 upon the request of another, agrees to perform such further acts and to execute and deliver such other
7 documents as are reasonably necessary to carry out the provisions of this Settlement.

8 **8.3. Circular 230 Disclaimer.** EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
9 OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS
10 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY")
11 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO
12 WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR
13 THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY
14 SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE
15 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY
16 DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING
17 PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT
18 LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION
19 WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON
20 THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
21 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION
22 OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID
23 ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND
24 (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION
25 THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S
26 TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING)
27 UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
28

1 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED
2 BY THIS AGREEMENT.

3 **8.4. Confidentiality.** Except as required to effectuate the terms of this Agreement and as
4 may be required by law, Plaintiff and Class Counsel agree they will not make any public disclosure of
5 the Settlement until after this Settlement is preliminarily approved by the Court. Class Counsel will take
6 all steps necessary to ensure Plaintiff is aware of, and will encourage her to adhere to, the restriction
7 against any public disclosure of this Settlement until after this Settlement is preliminarily approved by
8 the Court. Class Counsel will not include or use the Settlement for any marketing or promotional
9 purposes. In the event that Class Counsel inadvertently violates this provision, it may cure such
10 violation by withdrawing all marketing or promotional materials in violation of this provision within ten
11 (10) calendar days of receipt of notice of the violation from Defendant. Following preliminary approval
12 of the Settlement, Plaintiff and Class Counsel will not have any communications with any media other
13 than to direct any media inquiries to the public records of the Action on file with the Court. Nothing
14 herein will restrict Class Counsel from including publicly available information regarding this
15 Settlement in future judicial submissions regarding Class Counsel's qualifications and experience. The
16 Parties agree that public comment in violation of this Section constitutes a breach of the agreement that
17 cannot practically be cured. Thus, any action to enforce this provision may be brought on an *ex parte* or
18 otherwise expedited basis, and Defendant may seek any and all available remedies, including but not
19 limited to injunctive relief.

20 **8.5. Continuing Jurisdiction.** The Court shall retain jurisdiction over the implementation of
21 this Settlement as well as any and all matters arising out of, or related to, the implementation of this
22 Settlement and of the settlement contemplated thereby.

23 **8.6. Disputes.** If the Parties have a dispute with regard to the language of this Settlement, they
24 agree to engage mediator Michael Loeb to mediate any such dispute. The Parties will split the costs of
25 the mediator, and the Parties will bear their own fees and costs.

26 **8.7. No Prior Assignments.** The Parties and their counsel represent, covenant, and warrant
27 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
28

transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

8.8. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement.

8.9. Binding on Successors and Assigns. This Settlement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

8.10. Governing Law and Enforcement Actions. All terms of this Settlement shall be governed by and interpreted according to the laws of the State of California.

PLAINTIFF

Dated: June ____, 2022

Hiromi Meguro

COUNSEL FOR PLAINTIFF AND CLASS

Dated: June ____, 2022

Larry W. Lee
Simon L. Yang
DIVERSITY LAW GROUP, P.C.

DEFENDANT

Dated: June 7/22, 2022

Chris Edmonds-Waters
Chris Edmonds-Waters
Chief Human Resources Officer
SILICON VALLEY BANK
COUNSEL FOR DEFENDANT

Dated: June 7/22, 2022

Mitch Boomer
Mitchell F. Boomer
Kevin D. Reese
Scott P. Jang
JACKSON LEWIS P.C.

transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

8.8. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement.

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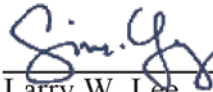
PLAINTIFF

Dated: July 21, 2022

DocuSigned by:
Hiromi Meguro
9926F429331D49B... TO

COUNSEL FOR PLAINTIFF AND CLASS

Dated: July 21, 2022


Larry W. Lee
Simon L. Yang
DIVERSITY LAW GROUP, P.C.

DEFENDANT

Dated: July __, 2022

_____, Title
SILICON VALLEY BANK

COUNSEL FOR DEFENDANT

Dated: July __, 2022

Mitchell F. Boomer
Kevin D. Reese
Scott P. Jang
JACKSON LEWIS P.C.

EXHIBIT A

This notice is being sent pursuant to court order. This is not a solicitation from a lawyer.

NOTICE OF CLASS ACTION SETTLEMENT

Hiromi Meguro v. Silicon Valley Bank,

Superior Court of the State of California for the County of Santa Clara Case No. 20CV369854

If you were an hourly, non-exempt employee for Silicon Valley Bank in the State of California and either (i) earned overtime wages and non-discretionary compensation, including incentives, bonuses, and non-cash awards, at any time from April 6, 2016, through January 7, 2022 (the “Class Period”) or (ii) earned overtime wages at any time from April 6, 2019, through January 7, 2022 (the “PAGA Period”), you could receive a payment from a class action settlement (hereinafter, “Settlement”).

Read this notice carefully, as your legal rights could be affected whether you act or not.

The Superior Court of the State of California for the County of Santa Clara (the “Court”) has preliminarily approved a Settlement that could affect your rights. The proposed Settlement resolves a class action and Labor Code Private Attorneys General Act of 2004 (“PAGA”) action filed by Plaintiff, Hiromi Meguro, against Defendant, Silicon Valley Bank, which has been designated Case No. 20CV369854 (the “Action”).

- The Action alleges Defendant underpaid overtime and failed to provide lawful wage statements to employees. Specifically, the overtime claim alleges Defendant at times fails to properly calculate employees’ regular rates of pay. The wage statement claim alleges Defendant’s wage statements fail to accurately itemize and show the overtime rate as 1.5 times the regular rate and also fail to accurately itemize and show the total hours worked. Defendant denies the allegations. On these bases, the Action pursues class action and PAGA claims.
- Defendant denies Plaintiff’s allegations and maintains it has fully complied with the law. By agreeing to the Settlement, Defendant in no way admits any violation of law or any liability whatsoever to Plaintiff or others and expressly denies all such liability. Both Plaintiff and Defendant have agreed to the Settlement in light of all known facts and circumstances—including the uncertainty associated with litigation.
- If the Court grants final approval of the settlement, it would provide cash payments to Class Members, based on the number of relevant pay periods that they worked during the Class Period and PAGA Period.
- Based on Defendant’s records, you worked **XXX** relevant pay periods, and an *estimate* of the amount that could be allocated to you is **\$XXX**. Whether you receive a payment depends on whether the Court grants final approval of the class action settlement, and the amount you ultimately receive depends on the terms the Court finally approves and whether you opt out of the class action settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS CLASS ACTION SETTLEMENT:	
DO NOTHING	You do not have to do anything in response to this notice. If you do nothing and the Court grants final approval of the class action settlement, you will remain eligible to automatically receive an Individual Class Payment and will be bound by the class action release provisions of the Settlement.
OPT OUT	You may opt out of the class action settlement by submitting a Request for Exclusion. If you opt out, you may not object to the class action settlement, will not be eligible to receive an Individual Class Payment, and will not be bound by the class action release provisions of the Settlement.
OBJECT	You may object to the class action settlement by submitting a written objection. If you object and the Court grants final approval of the class action settlement despite your objection, you will remain eligible to automatically receive an Individual Class Payment and will be bound by the class action release provisions of the settlement.

If the Court approves the PAGA settlement, you will receive an Individual PAGA Payment and will be bound by the PAGA release provisions of the Settlement, regardless of whether you opt out of the class action settlement.

NOTICE OF CLASS ACTION SETTLEMENT

Questions? Please contact the Administrator at (xxx) xxx-xxxx.

**THIS NOTICE IS NOT AN EXPRESSION OF ANY OPINION FROM THE COURT
AS TO THE MERITS OF THE CLAIMS.**

1. Why Did I Receive This Notice?

You are receiving this Notice of Class Action Settlement (the “Notice”) because Defendant’s records show that you were employed by Defendant in the State of California and either (i) earned overtime wages and non-discretionary compensation, including incentives, bonuses, and non-cash awards, at any time from April 6, 2016, through January 7, 2022 (the “Class Period”) or (ii) earned overtime wages at any time from April 6, 2019, through January 7, 2022 (the “PAGA Period”). Class Members who worked during the PAGA Period are also “PAGA Employees” and may be entitled to share in the funds to be made available for the PAGA settlement.

Because the Settlement preliminarily approved by the Court would affect Settlement Class Members’ legal rights, the Court ordered that this Notice be sent to you. This Notice provides a brief description of the Action, informs you of the settlement terms preliminarily approved by the Court, and advises you of your legal rights with respect to the Settlement. If the Court finally approves the Settlement, the Settlement will fully resolve the Action, and your legal rights may be affected by the Settlement.

The Court has preliminary approved Larry W. Lee and Simon L. Yang of Diversity Law Group, P.C. and William L. Marder of Polaris Law Group as Class Counsel. Based on their investigation and evaluation, they are of the opinion that the terms of Settlement are fair, reasonable, adequate, and in the best interests of Class Members. The terms of the Settlement are set forth in detail in the Joint Stipulation of Class Action and PAGA Settlement (“Agreement”). You may obtain a copy of the Agreement from Phoenix Settlement Administrators, a neutral third-party appointed by the Court to administer the settlement (the “Administrator”).

2. What Is the Action About?

On August 28, 2020, Plaintiff filed a complaint in Court that alleged Defendant fails to consider all compensation when calculating employees’ regular rates of pay for purposes of paying overtime. Specifically, Plaintiff alleged Defendant does not consider incentives, bonuses, non-cash awards, or shift differentials for purposes of paying overtime. The initial complaint also alleged both derivative and standalone wage statement violations. In addition to the derivative failure to accurately show the gross and net wages earned resulting from miscalculated and underpaid overtime, there are separate wage statement failures whenever employees are paid overtime: Defendant issues wage statements that do not accurately itemize and show either (i) the overtime rate as 1.5 times the regular rate of pay or (ii) the total hours worked.

Defendant denied and continues to deny (i) all of the allegations made by Plaintiff, (ii) that it violated any applicable laws, or (iii) that it is liable or owes damages, penalties, or other compensation or remedies to anyone with respect to the alleged facts or claims asserted in the Action. Nonetheless, without admitting or conceding any liability or wrongdoing whatsoever, Defendant has agreed to settle the Action, to avoid the burden, expense, and uncertainty of continuing the Action.

3. What Are the Payments Under the Settlement?

Defendant agrees to pay a Gross Settlement Amount of \$500,000.00, which is inclusive of any Administration Costs, Attorneys’ Fees and Costs Award, Class Representative Award, LWDA Payment, and Individual Class Payments & Individual PAGA Payments awarded by the Court. The Court may approve payment of (i) Administration Costs to the Administrator for administering the settlement (e.g., printing, distributing, or tracking Notices, distributing payments, etc.); (ii) an Attorneys’ Fees and Costs Award to Class Counsel for litigation and resolution of the Action; (iii) a Class Representative Award to Plaintiff both for her efforts in prosecuting the Action for Class Members and for Plaintiff’s additional general release of claims inapplicable to Class Members; and (iv) a PAGA Penalty Fund. Pursuant to Labor Code requirements, 75% of the PAGA Penalty Fund will be allocated to the LWDA as an LWDA Payment. The remainder of the PAGA Penalty Fund will be allocated entirely to PAGA Employees as Individual PAGA Payments, based on the formula described below.

Individual Class Payments and Individual PAGA Payments: Individual Class Payments shall be distributed to Settlement Class Members and Individual PAGA Payments shall be distributed to PAGA Employees, respectively, without the need to submit a claim form.

Allocations for amounts payable to Settlement Class Members will be allocated among Settlement Class Members on a pro rata basis based on the total number of pay periods for each Settlement Class Member either with (a) overtime wages and non-discretionary compensation during the Class Period or (b) overtime wages during the PAGA Period. 5% of Individual Class Payments shall be allocated to wages and subject to IRS Form W-2 reporting; the remainder of Individual Class Payments shall be allocated to interest and penalties and subject to IRS Form 1099 reporting.

Allocations for amounts payable to PAGA Employees will be allocated among PAGA Employees on a pro rata basis based on the total number of pay periods for each PAGA Employee with overtime wages during the PAGA Period. Individual PAGA Payments will be subject to IRS Form 1099 reporting.

Through this settlement, each Settlement Class Member and PAGA Employee shall agree to be solely and legally responsible for paying all other applicable taxes on their respective Individual Settlement Payments and shall indemnify and hold harmless the Parties from any claim or liability for taxes, penalties, or interest arising as a result of the payments.

All uncashed or undeliverable settlement checks will expire 180 days after the postmarked date of their initial mailing. After 180 days, the sum value of all expired checks will be tallied by the Administrator. The Administrator shall direct the principal for any expired checks in accordance with the Final Approval Order. The Parties shall request that the Court order that the principal for any expired checks escheat to the State of California's Unclaimed Property Fund in the name of the Settlement Class Member or PAGA Employee.

Attorneys' Fees and Costs Award: You do not need to individually pay any portion of Class Counsel's attorneys' fees and costs. Any payments for those attorneys' fees and costs will be determined by the Court. Class Counsel intends to request that the Court approve an Attorneys' Fees and Costs Award in the amount of (a) 33⅓% of the Gross Settlement Amount (or \$166,666.67.33) and (b) litigation costs of up to \$10,000.00.

Class Representative Award: Any Class Representative Award is to be determined by the Court and would be supplemental to Plaintiff's Individual Settlement Payments. Class Counsel intends to request that the Court approve a Class Representative Award of \$10,000.00 for Plaintiff's efforts in prosecuting the Action for Class Members and for Plaintiff's additional general release of claims inapplicable to Class Members.

Administration Costs: Class Counsel intends to request that the Court approve Administration Costs of up to \$9,000.00, payable to the Administrator for administering the settlement, including, but not limited to, printing, distributing, or tracking Notices, providing any required tax forms, processing any required tax payments, or reporting, and calculating and distributing all payments under the Settlement.

All Payments Subject to Court Approval: The above payments will be made if and only if the Court concludes the settlement is reasonable, fair, and adequate for the Class. The Court may adjust the amounts of certain payments.

4. What Do I Release Under the Settlement?

If the Court grants final approval of the class action settlement and concludes it is reasonable, fair, and adequate for Class Members, Settlement Class Members would release Defendant and its present and former parent companies, subsidiaries, divisions, related or affiliated companies, and its shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, counsel in the Action, and any other individual or entity that could be liable (a "Released Party") from any and all claims during the Class Period under state, federal, or local law, whether statutory or common law arising out of the claims expressly pleaded in the Action and all other claims, such as those under the California Labor Code, applicable Wage Orders, the Fair Labor Standards Act, regulations, or other provisions of law, or that could have been pleaded based on the facts pleaded in the Action for (1) failure to pay overtime wages, (2) failure to provide accurate itemized wage statements, (3) failure to timely pay wages during employment or upon termination, (4) unfair business practices based on these violations, and (5) all claims for injunctive relief, liquidated damages, and penalties.

This means that, if you do not timely and formally exclude yourself from the class action settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

Upon approval, all PAGA Employees, the State of California, and the California Labor & Workforce Development Agency fully release Defendant and each Released Party from any and all claims during the PAGA Period for civil penalties, fees, and costs pleaded in the Action or that could have been pleaded based on the facts alleged in the Action and preceding PAGA notices to the LWDA.

5. How Do I Object to the Class Action Settlement?

If you want to participate in the Settlement, you do not have to do anything and do not have to appear at the final approval hearing before the Court. You will automatically receive your Individual Class Payment and Individual PAGA Payment if the Court grants final approval of the class action settlement and approves the PAGA settlement.

You may object to the proposed settlement in writing. You may also appear at the Final Approval Hearing at your expense, either in person, telephonically, or through an attorney, provided you notify the Court of your intention to do so. All written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the case name and number (*Hiromi Meguro v. Silicon Valley Bank*, Case Number 20CV369854), (b) be submitted to the Court either by mailing the objection to: Clerk of the Court, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, or by filing in person at the same location; (c) also be mailed to the law firms identified as Class Counsel (below) and (d) be filed or postmarked on or before [45 calendar days after the initial mailing of Notice].

If you object, you will remain bound by the class action settlement if finally approved and bound by the PAGA settlement if approved. If you do not want to be bound by the class action settlement if finally approved, you must opt out of the class action settlement. Regardless of whether you object to the class action settlement, you will be bound by the PAGA settlement if approved.

Hearings before the judge overseeing this case are currently being conducted remotely with the assistance of a third-party service provider, CourtCall. If that remains the case at the time of the final fairness hearing, class members who wish to appear at the final fairness hearing should contact class counsel to arrange a remote appearance through CourtCall, at least three days before the hearing if possible. Any CourtCall fees for an appearance by an objecting class member shall be paid by Class Counsel.

6. How Do I Opt Out of the Class Action Settlement?

If you do not want to participate in the class action settlement, you may opt out of the class action settlement. If you opt out of the class action settlement, you may not object to the class action settlement, will not receive any Individual Class Payment, and will not be bound by the class action release provisions of the Settlement.

In order to opt out, you MUST express your desire to be excluded from the class action settlement by mailing to the Administrator a "Request for Exclusion," which must state "Request for Exclusion," include your name, current address, current telephone number, and last four digits of your social security number. Any such Request for Exclusion must be postmarked by [45 calendar days after the initial mailing of Notice].

Any Request for Exclusion that does not include all required information or that is not submitted on a timely basis will be deemed null, void, and ineffective. A Request for Exclusion shall be deemed to be submitted as of the postmarked date. If you submit both a Request for Exclusion and an objection, your Request for Exclusion will be valid and be deemed to invalidate the objection.

7. Where Can I Get Additional Information?

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this litigation, including the Settlement Agreement, may be examined (a)

online on the Superior Court of California, County of Santa Clara's Electronic Filing and Service Website at www.scefiling.org, or (b) in person at Records, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures, or you may contact Class Counsel or the Administrator.

Administrator: xxx xxx xxx, California xxx Telephone: (xxx) xxx-xxxx	Class Counsel: DIVERSITY LAW GROUP, P.C. Larry W. Lee (lwlee@diversitylaw.com) Simon L. Yang (sly@diversitylaw.com) 515 S. Figueroa St., Suite 1250 Los Angeles, California 90071 Telephone: (213) 488-6555
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PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT.

NOTICE OF CLASS ACTION SETTLEMENT

Questions? Please contact the Administrator at (xxx) xxx-xxxx.