

1 **LAW OFFICES OF NATALIE MIRZAYAN**

2 Natalie Mirzayan, Esq. (SBN 272217)  
3 26632 Towne Centre Drive, Suite 300  
4 Foothill Ranch, California 92610  
Telephone: (949) 285-3550  
mirzayanlaw@outlook.com

5 Attorneys for Plaintiff  
6 KALVYN ESCOBAR

7  
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
9 **COUNTY OF ORANGE, CIVIL COMPLEX CENTER**

10 KALVYN ESCOBAR, individually and on  
11 behalf of all current and former similarly situated )  
12 employees in the State of California, )

13 Plaintiff, )

14 v. )

15 PRIME FINANCE CONSULTING, INC., a )  
16 California Corporation; HANIEH JODAT, an )  
17 individual; SHAHIN JOUDAT, an individual, )  
and DOES 1 to 50, inclusive, )

18 Defendants. )  
19 )  
20 )  
21 )

CASE NO.: 30-2020-01134584-CU-OE-CXC

) ASSIGNED FOR ALL PURPOSES TO:  
) HON. RANDALL J. SHERMAN

) **DECLARATION OF NATALIE**  
) **MIRZAYAN, ESQ. ISO MOTION FOR**  
) **PRELIMINARY APPROVAL OF**  
) **CLASS ACTION SETTLEMENT**

) Reservation Number: 73458601

) Date: February 26, 2021

) Time: 10:00 a.m.

) Courtroom: CX-105

) Complaint Filed: February 26, 2020

) FAC Filed: June 18, 2020  
)  
)

I, Natalie Mirzayan, declare as follows:

1  
2 1. I am an attorney at law, duly authorized to practice law before all of the courts of the State of  
3 California and I am the Principle of the Law Offices of Natalie Mirzayan. I am the attorney for  
4 Plaintiff, Kalvyn Escobar (“Plaintiff”) in this case. I make this Declaration on behalf of the Plaintiff  
5 in support of Plaintiff’s Motion for Preliminary Approval of Class Action Settlement and for  
6 Provisional Class Certification for Settlement Purposes Only. I am familiar with the files,  
7 pleadings, and facts in this case and could and would competently testify to the following facts on  
8 the basis of my personal knowledge.

9  
10 2. I obtained my B.A. in Economics with honors (*Cum Laude*) from the University of California  
11 Los Angeles (“UCLA”), and my Juris Doctorate from California Western School of law in San  
12 Diego, California. Thereafter, I obtained my LLM. in Taxation from Chapman University School of  
13 Law in Orange, California. I have been admitted to the State Bar of California since 2010.  
14 Geographically, I practice in all areas in the State of California including, including but not limited  
15 to, Los Angeles County, Orange County, San Diego County, and Ventura County. My firm  
16 represents employees in complex and class action litigation, including matters involving violations  
17 of California wage and hour laws.

18  
19 3. The Joint Stipulation of Class Action Settlement (“Agreement”) is attached hereto as Exhibit  
20 “1”.

21 4. Based on the information produced pursuant to both formal and informal discovery, and Class  
22 Counsel’s own independent investigation and evaluation, Class Counsel believes that the proposed  
23 Settlement is fair, reasonable, and adequate under the circumstances, and it is in the best interest of  
24 the proposed class. In the light of all known facts and circumstances, including the risk of significant  
25 delay and uncertainty associated with litigation, various defenses asserted by Defendants, the likely  
26 difficulties with class certification, and numerous potential appellate issues, Plaintiff and Defendants  
27  
28

1 chose to settle their dispute. Class Counsel believes that, in light of the risks of continued litigation  
2 of the claims, the terms of the settlement set forth in the Agreement are fair, adequate, reasonable,  
3 and in the best interests of the proposed class, including Plaintiff.

4 5. On February 26, 2020, Plaintiff filed a Class Action Complaint against Defendants. Plaintiff's  
5 Complaint asserts alleges 17 causes of action against all Defendants for: (1) Misclassification As  
6 Independent Contractor (Violation Of California Labor Code §§ 2750.3, 226.8); Failure To Pay All  
7 Wages (Violation Of California Labor Code §§ 510, 1194, 1198; IWC Wage Order No.4); Failure  
8 To Provide Meal Periods Or Compensation In Lieu Thereof (Violation Of IWC Wage Order 4-2001,  
9 Cal. Lab. Code §§ 226.7, 512); Failure To Authorize And Permit Rest Breaks (Violation Of IWC  
10 Wage Order 4-2001, Cal. Lab. Code § 226.7); Failure To Indemnify For Expenditures Incurred In  
11 Discharge Of Duties (Cal. Lab. Code §§ 450, 2802, 2804); Unlawful Collection Or Receipt Of Wages  
12 Due (Violation Of California Labor Code §§ 221, 224, 225); Failure To Provide Paid Sick Days  
13 (Violation Of California Labor Code §§ 245.5 -249); Failure To Maintain Records In Violation Of  
14 (Violation Of California Labor Code §§ 558, 1174, 1174.5, 274.5(A)); Waiting Time Penalties  
15 (Violation Of California Labor Code §§ 201, 202, 203); Failure To Pay Minimum Wage (Violation  
16 Of California Labor Code §§ 1197, 1194, 1194.2, 1197.1); Illegal Terms Of Employment (Violation  
17 Of California Labor Code §432.5); Failure To Comply With Wage Theft Prevention Act (Violation  
18 Of California Labor Code § 2810.5); Failure To Issue Accurate Itemized Wage Statements (Violation  
19 Of California Labor Code § 226(A)); Conversion; Violation Of Business & Professions Code  
20 §17200; Injunctive Relief.

23 6. On June 18, 2020, Plaintiff filed a First Amended Class Action Complaint, ("FAC") alleging  
24 the same claims and adding a claim for violation of California Private Attorney General Act  
25 ("PAGA"), Labor Code § 2699, *et seq.*, the FAC is the operative complaint. The initial Class Action  
26 Complaint, and FAC will be collectively referred to as the "Action" or "Litigation."  
27

1 7. During the litigation of this Action, the Parties engaged in sufficient discovery necessary for  
2 a complete and thorough evaluation of Plaintiff's claims. The Parties have engaged in written  
3 discovery and informal discovery. Plaintiff propounded Requests for Production of Documents,  
4 Special Interrogatories, and received responses from Defendants. Defendants provided responses to  
5 the Special Interrogatories regarding the operating procedures applicable to the claims in this action,  
6 and job descriptions for the positions in the Class. Defendants agreed to supplement their responses  
7 to written discovery, and the Parties engaged in good faith meet and confer efforts to resolve  
8 discovery disputes. Ultimately, Defendants produced available records for Plaintiff and that of the  
9 putative class. Plaintiff retained an economic expert and analyzed these records.

11 8. Throughout this exchange of information and discovery, the Parties in good faith discussed  
12 the potential for settlement. Defendants' counsel also informed Class Counsel of Defendants'  
13 financial hardship, the closure of their business (Prime Finance Consulting, Inc.), and Joudat's intent  
14 to file for bankruptcy. Through a lengthy, arms-length, non-collusive negotiations, the Parties were  
15 able to reach an agreement to settle. In short, this Settlement was the product of extensive arm's  
16 length discussions, and represents a compromise and settlement of disputed claims.

18 9. Plaintiff and Defendants have agreed to settle this matter upon the terms and conditions and  
19 for the consideration set forth in the Agreement. A summary of the terms of the Agreement are as  
20 follows:

21 Defendants will stipulate, for purposes of this settlement only, to certification of a class  
22 defined as: "All current and former employees, who were employed by Defendants in the State of  
23 California between February 26, 2016 through the Preliminary Approval in the position of Student  
24 Loan Advisors, Student Loan Processors, or similar positions."

26 Defendants will make a non-revisionary settlement payment in the sum of One Hundred and  
27 Ninety Thousand Dollars \$190,000.00 to resolve all claims, fees and costs relating to the Settlement

(the “Gross Settlement Amount”). The Gross Settlement Amount will be allocated as follows: (1) up to forty (40%) or Seventy-Six Thousand Dollars (\$76,000.00) in attorneys' fees to Class Counsel, and Class Counsel's reasonable litigation costs, which is estimated not to exceed Eight-Thousand Dollars \$8,000; (2) up to Ten-Thousand Dollars \$10,000.00 as the Enhancement Award payment to Plaintiff, (3) up to Three-Thousand \$3,000.00 in reasonable costs incurred by the Settlement Administrator to administer the Settlement; (4) Fifteen-Thousand Dollars \$15,000.00 as payment of PAGA penalties, of which 75% or \$11,250.00 will be paid to the Labor Workforce Development Agency (“LWDA”) of the State of California; (5) all Employer Taxes due on the wage portion of Net Settlement Amount(s) to be paid to the Participating Class Members, which are estimated to be approximately \$5,436.38 in Employer Taxes; and the Net Settlement Amount, including Net Settlement Payments to Participating Class Members.

Defendants shall pay the Gross Settlement Amount to the Settlement Administrator within five (5) business days of the Settlement Effective Date.

Class Members will be paid their proportionate share based on the total number of Compensable Workweeks worked during the Class Period.

10. The Settlement is entitled to a presumption of fairness because: (1) it is the product of arm’s length bargaining between the Parties’ respective counsel; (2) the Parties have investigated the claims, defenses, and potential damages in this case; and (3) Class Counsel is experienced in complex and class action litigation, including matters involving violations of California wage and hour laws. Therefore, there is an entitlement to a presumption of fairness.

11. In this case, the settlement was reached after significant factual and legal research, sufficient discovery, preparation of damages analyses, and good faith negotiation. The settlement that has been reached, subject to this Court’s approval, is the product of tremendous effort, and expense, by the Parties and their counsel. The settlement amount is, of course, a compromise figure. However,

1 counsel for Plaintiffs and Defendants are satisfied that this figure is reasonable in light of the risks  
2 and expense of continued litigation and the financial condition of the employer.

3 12. Plaintiff asserts that Defendants misclassified employees as independent contractors. Class  
4 Counsel reviewed documents produced by Defendants, including time records and payroll records.  
5 Based thereon, Class Counsel reasonably believed that Plaintiff would have a significant chance of  
6 certifying the class.

7 13. Prior to the Settlement, Class Counsel investigated the claims alleged by Plaintiff, conducted  
8 legal research, and engaged in sufficient discovery. Based on Class Counsel's investigation and  
9 evaluation, Class Counsel is of the opinion that the terms set forth in this Agreement are fair,  
10 reasonable, adequate, and in the best interest of the Class Members. Class Counsel diligently and  
11 effectively investigated Plaintiff's claims, drafted the Complaint, interviewed witnesses, reviewed  
12 and analyzed documents produced, prepared to take the deposition of Joudat, conferred with  
13 Defendants' Counsel regarding Defendants' arguments in support of an Opposition to the Motion for  
14 Class Certification. In evaluating the risks and benefits of further litigation, and the possibility that  
15 Plaintiff may not recover anything, especially as a result of the closure of PFC and the anticipated  
16 bankruptcy filing by Joudat, the settlement is fair and reasonable.

17 14. Moreover, Defendants produced payroll records for the putative class. Plaintiff retained an  
18 expert and analyzed these payroll records. Plaintiff's statistical expert, Berger Consulting Group,  
19 analyzed this information, and Class Counsel evaluated the potential liability and damages for the  
20 Class Members. Based upon this information, Class Counsel was able to act intelligently and  
21 effectively in negotiating the proposed Settlement.

22 15. **Claims Related To Unpaid Overtime Wages:** Plaintiff contends that Defendants  
23 misclassified Plaintiff and the Class Members as independent contractors and deprived them proper  
24 protections and benefits of the laws governing the payment of wages for all hours worked and  
25  
26  
27  
28

overtime wages. FAC, ¶ 69. Based on available records provided by the Defendants, Plaintiff's economic expert estimates the value for the unpaid overtime wages to be \$51,178.00 (\$48,394.00 unpaid overtime + \$2,784.00 interest).

16. **Claims Related to Meal and Rest Breaks:** Plaintiff's economic expert estimates the value for the meal break violations to be \$32,413.00 (\$30,650.00 + \$1,763.00) and the value for the rest break violations to be \$33,775.00 (\$31,939.00 + \$1,838.00 interest).

17. **Loss Wages Due to Self-Employment Taxes:** Plaintiff's economic experts estimates the value of loss of income due to self-employment taxes to be \$28,189.00 (\$26,655.00 + \$1,534.00).

18. **Loss of Unemployment Benefits:** Plaintiff's economic expert estimates the value of loss of unemployment benefits is \$1,342,487.00 (\$1,269,450.00 + \$73,037.00 interest).

19. **Wage Statement Penalties:** Plaintiff's expert calculated wage statement penalties to be approximately \$29,000.00.

20. **Waiting Time Penalties:** Plaintiff's experts calculated waiting time penalties to be approximately \$93,000.00.

21. **PAGA Penalties:** Plaintiff's expert estimates PAGA penalties to be approximately \$232,000.00.

22. **The Requested Enhancement Award to Plaintiff Is Reasonable and Routinely Awarded:** Class Representative seeks Incentive Payment of \$10,000. Class Representative is entitled to an enhanced award for his service as a class representative. Defendants do not oppose the requested enhancement to the Plaintiff.

23. **The Proposed Attorneys' Fees and Costs Are Reasonable and Routinely Awarded:** Class Counsel seeks an attorneys' fees award of Seventy-Six Thousand Dollars (\$76,000.00), which is approximately 40% of the Gross Settlement Amount, and actual costs not to exceed \$8,000.00. The requested fee falls well within the historical range of attorney's fee awards under the common fund theory, which is generally from 20% to 50%. The requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a contingent fee basis.

1       24. This case was initiated on February 26, 2020. Since then, Class Counsel spent significant  
2 amount of time and resources investigating the claims, interviewing putative class members,  
3 conducting extensive research, propounding formal written discovery, reviewing Defendants'  
4 responses to Plaintiff's Special Interrogatories, and Requests for Production of Documents,  
5 preparing to take the deposition of Joudat, reviewing and analyzing documents produced by  
6 Defendants' in response to Plaintiff's requests for production of documents, retaining an expert,  
7 assessing the potential damages claimed by Plaintiff and the putative class, and engaging in good  
8 faith extensive settlement negotiation and correspondence.

9       25. Specifically, Class Counsel propounded Requests for Production of Documents, and  
10 Special Interrogatories, and received deficient responses from Defendants. Parties engaged in  
11 significant meet and confer efforts to resolve discovery disputes to avoid filing of discovery  
12 motions, thereafter, Defendants agreed to supplement their responses to written discovery.

13       26. Following several months of negotiation to settle the action, the Parties were finally able  
14 to settle the action and memorialize their agreement and sign the Settlement Agreement.

15       27. Attached to the Settlement Agreement as Exhibits "1" and "2" are the proposed Notice of  
16 Class Action Settlement ("Class Notice") and the Request for Exclusion From Settlement and  
17 Exclusion from Individual Settlement Payment, collectively referred to as the "Notice Packet" to be  
18 distributed to the class members.

19       28. Defendants identified approximately 32 potential Class Members from its payroll records  
20 and upon final preliminary approval has agreed to provide the class list to the Claims Administrator.

21       29. In this case, the Plaintiff's claims are precisely the same as those of the class he seeks to  
22 represent: like other members of the Class, he was employed by Defendants during the relevant time  
23 period, performed similar duties for Defendants, was subject to Defendants' policy of misclassifying  
24 employees as independent contractors.

25       30. No conflicts, disabling or otherwise, exist between the Class Representative and Class  
26 Members because the Plaintiff has allegedly been damaged by the same alleged conduct and have  
27 the incentive to fairly represent all Class Members' claims to achieve the maximum possible  
28 recovery.

1 31. In addition, Class Counsel is an experienced class action attorney and achieved a favorable  
2 settlement benefiting the entire Class. After a thorough investigation and numerous settlement  
3 discussions, the Parties arrived at terms that Class Counsel views as favorable to the Class Members.

4 32. The average payment to Class Members, based on the estimated Net Settlement Amount  
5 of \$76,313.63, is estimated to be \$2,384.80 (\$76.313.63/32).

6 33. On January 27, 2021, I notified the Labor and Workforce Development Agency  
7 ("LWDA") of the Preliminary Approval Hearing set for February 26, 2021 by electronically  
8 submitting the following documents:

- 9
- 10 1) JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE OF
  - 11 CLAIMS WITH EXHIBITS 1-2;
  - 12 2) NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF
  - 13 CLASS ACTION SETTLEMENT;
  - 14 3) MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF JOINT MOTION
  - 15 FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT;
  - 16 4) DECLARATION OF NATALIE MIRZAYAN, ESQ. ISO MOTION FOR PRELIMINARY
  - 17 APPROVAL OF CLASS ACTION SETTLEMENT.

18 A true and correct copy of the online submission form titled "Proposed Settlement of PAGA  
19 Case" reflects, in the "Proposed Settlement and Other Documents" section, the documents uploaded  
20 with the online submission form (i.e. documents 1-4 above) is attached hereto as Exhibit "2".

21 34. Following the online submission, I received an auto-reply e-mail from the LWDA's DIR  
22 PAGA Unit confirming receipt of the online submission, which included the documents uploaded (1-  
23 4 above), attached hereto as Exhibit "3".

24 I declare under penalty of perjury under the laws of the State of California that the  
25 foregoing is true and correct this 27th day of January 2021, at Foothill Ranch, California.

26 

27 Natalie Mirzayan  
28

## **EXHIBIT 1**

1 **LAW OFFICES OF NATALIE MIRZAYAN**

2 Natalie Mirzayan, Esq. (SBN 272217)  
3 26632 Towne Centre Drive, Suite 300  
4 Foothill Ranch, California 92610  
Telephone: (949) 285-3550  
mirzayanlaw@outlook.com

5 Attorneys for Plaintiff  
6 KALVYN ESCOBAR

7 **MIRHOSSEINI LAW GROUP**

8 Ali Mirhosseini, Esq. (149919)  
9 Tina Starr, Esq. (231309)  
10 1502 N. Broadway  
Santa Ana, California, 92706  
ali@armlaw.net  
tina@armlaw.net

11 Attorneys for Defendants  
12 PRIME FINANCE CONSULTING, INC., HANIEH  
13 JODAT, and SHAHIN JOUDAT

14 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
15 **COUNTY OF ORANGE, CIVIL COMPLEX CENTER**  
16

|                                                        |   |                                      |
|--------------------------------------------------------|---|--------------------------------------|
| 17 KALVYN ESCOBAR, individually and on                 | ) | CASE NO.: 30-2020-01134584-CU-OE-CXC |
| 18 behalf of all current and former similarly situated | ) |                                      |
| 19 employees in the State of California,               | ) | ASSIGNED FOR ALL PURPOSES TO:        |
|                                                        | ) | HON. RANDALL J. SHERMAN              |
| 20 Plaintiff,                                          | ) |                                      |
|                                                        | ) | <b>STIPULATION FOR CLASS ACTION</b>  |
| 21 v.                                                  | ) | <b>SETTLEMENT</b>                    |
|                                                        | ) |                                      |
| 22 PRIME FINANCE CONSULTING, INC., a                   | ) | Complaint Filed: February 26, 2020   |
| 23 California Corporation; HANIEH JODAT, an            | ) | FAC Filed: June 18, 2020             |
| individual; SHAHIN JOUDAT, an individual,              | ) |                                      |
| 24 and DOES 1 to 50, inclusive,                        | ) |                                      |
|                                                        | ) |                                      |
|                                                        | ) |                                      |
| 25 Defendants.                                         | ) |                                      |
| 26 _____                                               | ) |                                      |

## INTRODUCTION AND RECITALS

1. This Stipulation for Class Action Settlement (“Stipulation” or “Agreement”) is made by and between the plaintiff Kalvyn Escobar (“Plaintiff” or “Escobar”), on behalf of himself and all members of the Settlement Class, as defined below, on the one hand, and defendant Prime Finance Consulting (“PFC”), Hanieh Jodat (“Jodat”), and Shahin Joudat (“Joudat”) (collectively “Defendants”) on the other hand, in the matter entitled *Kalvyn Escobar v. Prime Finance Consulting, et al.*, Orange County Superior Court Case No. 30-2020-01134584-CU-OE-CXC. (Plaintiff and Defendants are each a “Party” and together the “Parties”).

2. On February 26, 2020, Plaintiff filed a Class Action Complaint against Defendants, *inter alia*, for failure to pay overtime wages and minimum wage, as a result of misclassifying employees as independent contractors; failure to provide rest breaks and meal breaks or payment of compensation in lieu thereof; waiting time penalties for failure to timely pay wages of terminated or resigned employees; failure to furnish and maintain accurate payroll records; and unfair business practices in violation of Business & Professions Code § 17200, et seq. On June 18, 2020, Plaintiff filed a First Amended Class Action Complaint, (“FAC”) alleging the same claims and adding a claim for violation of California Private Attorney General Act (“PAGA”), Labor Code § 2699, *et seq.* The initial Class Action Complaint and the FAC will be collectively referred to as the “Action” or “Litigation.”

3. Defendants have denied and continue to deny each of the claims and contentions alleged by Plaintiff in the Litigation, including but not limited to the allegations that: Defendants misclassified Plaintiff and Members of the Class as independent contractors; failed to pay overtime and minimum wages; failed to provide rest breaks and meal breaks; failed to provide accurate wage statements; failed to timely pay all wages earned at termination or resignation; engaged in any unlawful, unfair or fraudulent business practices or wrongful conduct; or engaged in any conduct that would subject Defendants to any penalties under PAGA as alleged in the Litigation.

4. For settlement purposes only, the Parties agree that the settlement class of “Class

1 Members” is defined as set forth in § 12(M), herein. By this Stipulation, the Parties expressly state  
2 their desire to settle claims and allegations raised by Plaintiff and Class Members in the Litigation.  
3 The effective date of the settlement is the “Settlement Effective Date” as that term is defined in this  
4 Stipulation. If for any reason the settlement is not approved by the Court, this Stipulation shall  
5 become null and void and will be of no force or effect.

6           5.       Plaintiff and Class Members contend that Defendants have violated California wage  
7 and hour laws, as described herein, and that this case is appropriate for class certification.  
8 Defendants deny any liability or wrongdoing of any kind associated with the claims alleged in the  
9 Litigation, and further deny that this Action is appropriate for class treatment for any purpose other  
10 than settling this Litigation. Defendants contend, among other things, that they complied at all times  
11 with the California Labor Code, applicable California Wage Orders and the California Business and  
12 Professions Code.

13           6.       After the commencement of the Litigation, the Parties engaged in an informal  
14 investigation and exchange of information and documents pertaining to the Covered Claims (as that  
15 term is defined below). Based on the available records, Class Counsel (as that term is defined in  
16 this Stipulation) and Defendants’ counsel diligently pursued a detailed and comprehensive  
17 investigation of Class Members’ claims against Defendants, including (a) analysis of available  
18 records, and other related policies pertaining to the claims alleged in the Litigation; (b) identification  
19 of approximately 32 Class Members in the Litigation by Defendants, including an analysis of the  
20 total number of workweeks and average hourly wages paid to the Class Members; (c) research of  
21 the applicable law and potential defenses; and (e) consideration of information disclosed. The  
22 Parties have performed a thorough study of the law relating to the claims alleged in the Litigation  
23 and based on that investigation and discovery, and taking into account the heavily contested issues,  
24 the expense and time necessary to pursue prosecution and defense of the Litigation through trial, the  
25 risks and costs of further prosecution of the Litigation, the uncertainty of complex litigation, the  
26 fairness and reasonableness of the settlement agreed to by the Parties, and the best interest of the  
27 Class Members to whom substantial benefits will accrue, the Parties have agreed to the settlement  
28

1 described in this Stipulation.

2           7. The Parties engaged in arms-length negotiations, and based on the documents  
3 provided by Defendants, the Parties were able to evaluate a realistic settlement range. Through  
4 continued engagement in good faith settlement negotiations, the Parties were able to eventually  
5 reach a settlement of the Litigation. Specifically, the Parties agreed to settle the Litigation and seek  
6 court approval of the settlement. The Parties recognize that absent settlement, the issues presented  
7 in the Litigation would likely have been contested with extensive and costly pretrial, motion and  
8 trial proceedings, and that further litigation would cause inconvenience, distraction, disruption,  
9 delay and expense disproportionate to the potential benefits of litigation.

10           8. Nothing contained in this Stipulation, including its existence, shall be construed or  
11 deemed as an admission of liability, culpability, negligence, or wrongdoing on the part of  
12 Defendants. Nothing in this Stipulation shall constitute an admission by Defendants – except for  
13 settlement purposes that the Litigation was properly brought as a class or representative action.  
14 Settlement of the Litigation, the negotiation and execution of this Stipulation, and all acts performed  
15 or documents executed pursuant to or in furtherance of this Agreement or the settlement: (i) are not,  
16 shall not be deemed to be, and may not be used, as an admission or evidence of any wrongdoing or  
17 liability on the part of Defendants or of the truth of any factual allegations in the Litigation; (ii) are  
18 not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or  
19 omission on the part of Defendants in any civil or administrative proceeding in any court,  
20 administrative agency or other tribunal; and (iii) are not, shall not be deemed to be, and may not be  
21 used as, an admission or evidence of the appropriateness of these or similar claims for class  
22 certification or administration other than for purposes of administering this Stipulation.

23           9. Based on the available record, and their own independent investigation and  
24 evaluations, counsel for Plaintiff and the Class Members are of the opinion that the settlement for  
25 the consideration and on the terms set forth in this Stipulation are fair, reasonable and adequate and  
26 in the best interest of the Plaintiff and Class Members in the light of all known facts, circumstances  
27 and risks inherent in litigation, including potential appellate issues.

10. The purpose of this Stipulation is to settle and compromise the Covered Claims alleged by Plaintiff and Class Members against Defendants and the Released Parties (as defined below), the claims described herein, and the wage and hour claims which arise out of the factual allegations in the Litigation for the time period February 26, 2016, through the date of Preliminary Approval (the “Class Period”).

11. It is agreed by and among Plaintiff and Defendants that this Litigation and the damages, injunctions, remedies, penalties and interest arising out of the Litigation be settled and compromised as between Plaintiff and Class Members and Defendants, subject to the terms and conditions set forth in this Stipulation and the preliminary and final approval of the Court, with judgment entered in accordance with such order of final approval.

## DEFINITIONS

12. In addition to the terms previously defined above, the terms below have the following meanings, with the understanding that the definitions will have no meaning or effect if the settlement is not approved by the Court:

A. **Administrative Costs.** All administrative costs of settlement, including cost of notice to the Settlement Class, claims administration (including preparation of required tax reporting forms and withholding of required taxes), and any fees and costs included or charged by the Settlement Administrator in connection with the execution of its duties under this Stipulation, shall not exceed the total amount of \$3,000.00.

B. **Agreement.** The terms “Agreement” or “Settlement Agreement” are used synonymously herein to mean this Stipulation.

**C. Class Counsel.** The term “**Class Counsel**” as used herein means the Law Offices of Natalie Mirzayan, and its lawyers, specifically including but not limited to Natalie Mirzayan, Esq., who is counsel for and acting on behalf of Plaintiff and the Settlement Class. The term “Class Counsel” shall be used synonymously with the term “Plaintiff’s Counsel.”

D. **Defendant.** The term “Defendants” as used herein means defendants Prime Finance Consulting (“PFC”), Hanieh Jodat (“Jodat”), and Shahin Joudat (“Joudat”) (collectively

1 “Defendants”).

2           E. **Employer Taxes and Employee Taxes.** “Employer Taxes” are taxes and  
3 contributions imposed on the wage portions of the Net Settlement Payments, under the Federal  
4 Insurance Contribution Act (“FICA”), including Social Security and Medicare contributions, the  
5 Federal Unemployment Tax Act, and any similar state and local taxes and contributions required of  
6 employers, such as for unemployment insurance, which are paid by the employer in addition to the  
7 gross amount paid on an employee’s paycheck. “Employee Taxes” are state and federal income  
8 taxes, employee shares of FICA contributions, and any other federal, state and local taxes (including  
9 State Disability Insurance and Paid Family Leave contributions) on the wage portions of the Net  
10 Settlement Payments, which are withheld from the gross amount paid on an employee’s paycheck.

11           F. **Litigation.** The term “Litigation” as used herein means the allegations set forth by  
12 Plaintiff against Defendants in the Class Action Complaint and FAC as described in paragraph 2 of  
13 this Stipulation and shall be used synonymously with the term “Action.”

14           G. **Plaintiff.** The term “Plaintiff” as used herein means Plaintiff Kalvyn Escobar.

15           H. **Net Settlement Amount.** The term “Net Settlement Amount” as used herein means  
16 the amount of funds available for distribution to the Settlement Class after deducting from the Gross  
17 Settlement Amount (as defined herein) the following amounts: (i) the attorneys’ fees and costs  
18 awarded to Class Counsel; (ii) the fees and costs awarded to the Settlement Administrator; (iii) the  
19 enhancement award to Plaintiff as provided herein; (iv) the PAGA payment to the LWDA as  
20 provided herein; and (v) the payments by the Settlement Administrator for the Employer Taxes.  
21 From the Net Settlement Amount, as described herein, Net Settlement Payments (as that term is  
22 defined herein) will be distributed by the Settlement Administrator to Class Members as more fully  
23 described below. The Employer Taxes shall be treated as an expense of Settlement Administration  
24 and shall come out of the Gross Settlement Amount to satisfy all employer tax obligations relating  
25 to the settlement payments prior to distribution of the settlement payments to the Class Members.

26           The below chart provides an estimated calculation of the Net Settlement Amount to  
27 participating Class Members:  
28

**Gross Settlement Amount:**                      **\$ 190,000.00**

Attorneys' Fees                                      - \$ 76,000.00

Litigation Costs (not to exceed)               - \$ 8,000.00

Enhancement Award                               - \$ 10,000.00

LWDA                      Payment                      - \$ 11,250.00

Administration Fees (not to exceed)       - \$ 3,000.00

Employer Taxes (estimated)                   - \$ 5,436.38

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**Net Settlement Amount:**                      **\$ 76,313.63**

I.    **Net Settlement Payments.** The term "Net Settlement Payment(s)" shall mean the payments made to the Settlement Class from the Net Settlement Amount as part of the Resolution, including wages (less Employee Taxes), penalties, and interest.

J.    **Resolution" and "Settlement.** The term "Resolution" and "Settlement" mean this Agreement to resolve the Litigation.

K.    **Settlement Administrator.** The Parties request that the Court appoint Phoenix Class Action Settlement Administrator Solutions as Settlement Administrator. The Settlement Administrator will be responsible for the administration of the Settlement Payment, as defined below, and all related matters, and will perform the following duties: (i) prepare the Notice with the number of Compensable Workweeks for each Class Member based on data provided by Defendants; (ii) mail the Notice to Class Members and perform address searches and re-mailings as necessary; (iii) track returned Notices; (iv) notify the Parties of timely and untimely Objections and Exclusions; (v) notify the Parties of Class Members disputing the number of Compensable Workweeks and/or persons claiming to be Class Members and resolve any disputes resulting to the same; (vi) calculate the amounts due to each Class Member pursuant to the Settlement; (vii) provide settlement payments, W-2 Forms, and 1099 Forms to eligible Class Members (those who do not opt-out of the Settlement) and to the relevant taxing authorities; (viii) make all other required settlement payments pursuant to the terms of the Settlement and as directed by the Court; and (ix) perform such other

1 duties as are described in this Agreement and/or as are customarily performed by settlement  
2 administrators. Among its other duties as described in this Settlement, the Settlement Administrator  
3 shall provide counsel for the Parties with a weekly report showing the number of opt-outs and  
4 objections received.

5 The Parties agree that settlement administration costs shall not exceed \$3,000, based on a  
6 written bid received from the Settlement Administrator. All disputes relating to the Settlement  
7 Administrator's performance of its duties, after good-faith efforts by the Parties to first resolve such  
8 disputes, will be referred to the Court, if necessary, which will have continuing jurisdiction over  
9 this Agreement until all payments and obligations contemplated by this Agreement have been fully  
10 completed.

11 L. **Settlement Amount and Gross Settlement Amount.** The terms "Settlement  
12 Amount" and "Gross Settlement Amount" as used herein mean a non-revisionary settlement  
13 payment by Defendants in the sum of One Hundred Ninety Thousand Dollars (\$190,000.00) to  
14 resolve all claims, fees and costs relating to this Settlement, inclusive of all Net Settlement Payments  
15 to the Settlement Class, the enhancement award to Plaintiff, fees and costs to the Settlement  
16 Administrator, attorneys' fees and costs awarded to Class Counsel (as defined below), payment of  
17 PAGA penalties to the LWDA, and the employer portion of payroll taxes and unemployment  
18 insurance obligations. If, at the time of the Preliminary Approval, the then current Class size exceeds  
19 32 employees (i.e., an increase of more than 10%), the Defendants agree to a proportionally increase  
20 the amount of the Gross Settlement Amount. Defendants shall pay the Gross Settlement Amount  
21 to the Settlement Administrator within five (5) business days of the Settlement Effective Date.

22 M. **Settlement Class, Class and Class Members.** For settlement purposes only, the  
23 Parties agree to the certification of a class ("Class Members," "Class" or "Settlement Class")  
24 pursuant to California Code of Civil Procedure section 382 defined as: All current and former  
25 employees, who were employed by Defendants in the State of California during the Class Period in  
26 the position of Student Loan Advisors, Student Loan Processors, or similar positions. Defendants  
27 have identified that the Class size is approximately 32 employees. If, at the time of the Preliminary  
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1 Approval, the then current Class size exceeds 32 employees (i.e., an increase of more than 10%),  
2 Defendants agree to a proportionally increase the amount of the Gross Settlement Amount.  
3 Defendants shall pay the Gross Settlement Amount to the Settlement Administrator within five (5)  
4 business days of the Settlement Effective Date.

5           **N. Settlement Period and Class Period.** The term “Settlement Period” as used herein  
6 means the period from February 26, 2016 through the date of Preliminary Approval, unless  
7 otherwise mutually agreed by the Parties in writing, and shall be used synonymously with the term  
8 “Class Period.”.

9           **O. Settlement Effective Date.** The settlement embodied in this Stipulation shall  
10 become effective on the fifth (5th) business day after all of the following events have occurred: (1)  
11 the Stipulation has been executed by all Parties and their counsel; (2) the Court has given preliminary  
12 approval to the Settlement; (3) the notice packet has been sent to Class Members, providing them  
13 with an opportunity to verify their estimated share of the Net Settlement Payments, opt-out of the  
14 Settlement or object to the terms of the Settlement; (4) the claims process has been completed; (5)  
15 the Court has held a final fairness hearing certifying the class, approving the Settlement and entering  
16 a final order and judgment; and (6) if there are any objections, the period for filing any appeal has  
17 expired and there is no possibility of appeal or other judicial review (the “Settlement Effective  
18 Date”). In the event that the Court does not approve the Settlement, or if the final order and judgment  
19 is reversed on appeal, then there shall be no Settlement Effective Date and this Settlement  
20 Agreement shall become null and void.

21           **P. “Covered Claims” or “Class Claims”.** Any and all federal (including FLSA),  
22 state, local and common law claims for unpaid wages and overtime compensation (including but not  
23 limited to any claims based on alleged improper misclassification as independent contractor, unpaid  
24 minimum wages, unpaid rest breaks, unpaid meal periods, waiting time penalties, statutory penalties  
25 (including but not limited to penalties based on alleged wage statement and/or payroll record  
26 violations), any and all civil penalties under the California Private Attorneys’ General Act  
27 (“PAGA”) based on any claims related to the Action, and any alleged violation of any wage and  
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1 hour, wage payment, wage deduction, meal and rest break, recordkeeping, unfair business practice  
2 or any other wage-related statutes, laws or regulations that are or could be asserted by any member  
3 of the Class arising out of the acts alleged in the Litigation or arising out of the facts, matters,  
4 transactions or occurrences set forth in the Litigation (collectively the "Class Claims"). Class  
5 Claims shall also include any and all claims for attorneys' fees, costs, expenses, interest, penalties,  
6 liquidated damages, punitive damages and any other damages or relief that have been or could have  
7 been asserted by Plaintiff or any Class Member arising out of or relating to the facts alleged in the  
8 Litigation. Specifically excluded from Class Claims are claims that cannot be waived as a matter of  
9 law, including claims for workers' compensation and unemployment insurance benefits.

10 **Q. Compensable Workweek.** A workweek during which a Class Member received  
11 pay for work performed while employed by Defendants during the period of February 26, 2016  
12 through the date of Preliminary Approval. A Compensable Workweek excludes every week during  
13 which the Class Member was on an unpaid leave of absence, even if the Class Member was receiving  
14 workers' compensation, disability insurance, Social Security, or Paid Family Leave benefits during  
15 the unpaid leave.

16 **R. Mailing Of Notice Of Class Action Settlement And Request For Exclusion.** The  
17 Notice of Pendency of Class Action Settlement ("Notice") to be approved by the Court which will  
18 be mailed by the Settlement Administrator to each Class Member explaining the terms of the  
19 Settlement and the claims process. A copy of the Notice is attached hereto as Exhibit "1".

20 **S. Exclusion Form.** The form to be approved by the Court which will be mailed by  
21 the Settlement Administrator to each Class Member who then must submit the Exclusion Form  
22 ("Exclusion Form") to the Settlement Administrator in order to exclude themselves from this  
23 Settlement. A copy of the Exclusion Form is attached hereto as Exhibit "2".

24 **T.** The Settlement Administrator shall mail the Notice of Class Action Settlement, and  
25 Request for Exclusion, to Class Members within 14 calendar days of receiving the Class Member  
26 data from Defendants. The Settlement Administrator shall send the Notice of Class Action  
27 Settlement, and Request for Exclusion to Class Members via First Class U.S. Mail, using the most  
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1 current, known mailing address for each Class Member based on information provided by  
2 Defendants. Upon receipt of this information from Defendants, the Settlement Administrator shall  
3 perform a search based on the National Change of Address Database maintained by the United States  
4 Postal Service to update and correct any known or identifiable address changes.

5 U. **Excluded Class Member.** The term “Excluded Class Member” means a Class Member  
6 who has timely submitted a written request to be excluded from the Settlement. To be valid, the  
7 Request for Exclusion must: (a) state the full name, address, telephone number and last four digits  
8 of the Social Security Number of the Class Member requesting exclusion; (b) clearly state that the  
9 Class Member wishes to Opt-Out of the Class and be excluded from the Settlement; (c) be signed  
10 by the Class Member; and (d) be properly and timely mailed to the Settlement Administrator prior  
11 to the Response Deadline (the “Request for Exclusion”). Excluded Class Members will not be  
12 included in the Settlement and will have no right to receive any money under the Settlement or to  
13 object to the Settlement.

14 V. **Re-mailing Of Returned Notices.** Any mailing returned to the Settlement  
15 Administrator as undeliverable shall be sent within 3 business days via First Class U.S. Mail to the  
16 forwarding address affixed thereto. If no forwarding address is provided, the Settlement  
17 Administrator shall attempt to determine the correct address by again using the National Change of  
18 Address Database maintained by the United States Postal Service to update and correct any known  
19 or identifiable address changes. Following this procedure, the Settlement Administrator shall  
20 perform a single re-mailing via First Class U.S. Mail within 3 business days.

21 W. **Participating Class Member.** The term “Participating Class Member” means a Class  
22 Member who has not opted-out of the Class to be eligible to receive an individual Settlement  
23 Payment from the Net Settlement Amount.

24 X. **Preliminary Approval.** Preliminary Approval shall mean the Court's order granting  
25 preliminary approval of the class action settlement based on the terms stated herein.

26 Y. **Final Approval.** Final Approval means the Court’s order granting final approval of  
27 the class action settlement based on the terms stated herein and the Court entering a final Judgment.  
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**JURISDICTION**

13. The Court refers to and means the Superior Court of the State of California, County of Orange, (the "Court"), which has jurisdiction over the Parties and the subject matter of this Litigation. The Litigation includes claims that, while Defendants deny them in their entirety, would, if proven, authorize the Court to grant relief pursuant to the applicable statutes. After the Court gives final approval of the Settlement and after it has entered judgment, the Court shall retain jurisdiction of this action pursuant to California Code of Civil Procedure section 664.6 for the purpose of interpreting, implementing, and enforcing this Settlement consistent with the terms set forth herein.

**STIPULATION OF CLASS CERTIFICATION**

14. The Parties stipulate to the certification of this Settlement Class solely for purposes of the Resolution only. This Stipulation is contingent upon the preliminary and final approval and certification of the Settlement Class only for purposes of the Resolution. Should the Resolution not become final, for whatever reason, the fact that the Parties were willing to stipulate provisionally to class certification as part of the Resolution shall have no bearing on, and shall not be admissible in connection with, the issue of whether a class should be certified in a non-settlement context in the Litigation.

**PRELIMINARY APPROVAL**

15. The Parties shall submit to the Court a Joint Motion for Preliminary Approval of class action settlement no later than April 1, 2021 requesting an order preliminarily approving the Settlement, including the Notice, and Exclusion as explained herein, and including a request for the Court to order the conditional certification of the Settlement Class for settlement purposes only, which will be supported and not opposed by Defendants. The date that the Court grants Preliminary Approval of this Agreement will be the "Preliminary Approval Date." Class Counsel will prepare the Motion for Preliminary Approval, subject to review and final approval by Defendants prior to filing. The Motion for Preliminary Approval will also include a request for the Court to preliminarily appoint Plaintiff's Counsel as Class Counsel, to preliminarily approve Plaintiff as the

1 Class Representative, to appoint Phoenix Class Action Administration Solution, Inc. as the  
2 Settlement Administrator, to set a date for the Final Approval Hearing, and to seek such other orders  
3 from the Court as are necessary to obtain Preliminary Approval.

4 **STATEMENT OF NO ADMISSION**

5 16. Defendants deny any and all liability to Plaintiff and the Settlement Class upon any  
6 claim or cause of action. This Agreement does not constitute, and is not intended to constitute an  
7 admission by Defendants as to the merits, validity, or accuracy of any of the allegations made against  
8 them in the Litigation or of any liability, culpability or wrongdoing by Defendants or any of its  
9 agents or employees.

10 17. Nothing in this Agreement, nor any action taken in implementation thereof, nor any  
11 statements, discussions, or communications, nor any materials prepared, exchanged, issued or used  
12 during the course of the negotiations leading to this Agreement or the Resolution, is intended by the  
13 Parties to constitute, nor will any of the forgoing constitute, be introduced, be used or be admissible  
14 in any way in this Litigation or any other judicial, arbitral, administrative, investigative or other  
15 forum or proceeding as evidence of any violation of any state, local law, statute, ordinance,  
16 regulation, rule or any obligation or duty at law or in equity. The Parties themselves agree not to  
17 introduce, use, or admit this Agreement, directly or indirectly, in this Litigation or any other judicial,  
18 arbitral, administrative, investigative or other forum or proceeding, or to any agency, as purported  
19 evidence of any violation of any state, local law, statute, ordinance, regulation, rule or any obligation  
20 or duty at law or in equity, or for any other purpose. Notwithstanding the foregoing, this Agreement  
21 may be used in any proceeding before the Court that has as its purpose the interpretation,  
22 implementation, or enforcement of this Agreement or any orders or judgments of the Court entered  
23 in connection with the Resolution.

24 18. None of the documents produced or created by Plaintiff or the Settlement Class in  
25 connection with the claims procedures or claims resolution procedures (including the Notice and  
26 Exclusion Forms) is intended to constitute, an admission by Defendants of any violation of any state,  
27 local law, statute, ordinance; regulation, rule or any obligation or duty at law or in equity.  
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19. The Parties agree that class certification pursuant to California Code of Civil Procedure section 382 under the terms of this Agreement is for settlement purposes only. Nothing in this Agreement will be construed as an admission or acknowledgement of any kind that any class should be certified or given collective treatment in the Litigation or in any other action or proceeding. Further, this Agreement will not be admissible in any court or other tribunal regarding the propriety of class certification or collective treatment. In the event that this Agreement is not approved by the Court or is terminated, or otherwise fails to be enforceable, Plaintiff will not be deemed to have waived, limited or affected in any way any claims, rights or remedies in the Litigation, and Defendants will not be deemed to have waived, limited, or affected in any way any of its objections or defenses in the Litigation.

**20. Effect of Failure to Obtain Preliminary Approval.** If this Settlement or Agreement or a substantially similar settlement mutually agreed to by the Parties is not preliminarily approved, the Action shall proceed as if no settlement had been attempted and revert back to its prior procedural posture. The Parties may, however, jointly agree to seek reconsideration of the ruling on the Settlement or Court approval of a renegotiated settlement.

## TERMS OF SETTLEMENT

1. **Class Certification.** For settlement purposes only, the Parties stipulate that a class may be certified (the Settlement Class), as described in Paragraph 12.M. of this Agreement. The Parties agree that certification for settlement purposes under the lenient standard applied to settlements is in no way an admission that class certification is proper under the more stringent standard applied for litigation purposes, and that evidence of this limited stipulation for settlement purposes only will not be deemed admissible in this or any other proceeding.

2. **Settlement Amount.** Defendants' maximum non-reversionary payment of the Settlement Amount under the Settlement is One Hundred and Ninety Thousand Dollars \$190,000.00, from which payments will be as follows subject to the Court's approval: (1) up to forty (40%) or Seventy-Six Thousand Dollars (\$76,000.00) in attorneys' fees to Class Counsel, and Class Counsel's reasonable litigation costs which is estimated not to exceed \$8,000; (2) up to Ten-

1 Thousand Dollars (\$10,000.00) as the Enhancement Award payment to Plaintiff, (3) up to \$3,000.00  
2 in reasonable costs incurred by the Settlement Administrator to administer the Settlement; (4)  
3 \$15,000.00 as payment of PAGA penalties, of which 75% or \$11,250.00 will be paid to the Labor  
4 Workforce Development Agency ("LWDA") of the State of California; (5) all Employer Taxes due  
5 on the Net Settlement Amount(s) to be paid to the Participating Class Members, which are estimated  
6 to be approximately \$5,436.38 in Employer Taxes; and (6) the Net Settlement Amount, including  
7 Net Settlement Payments to Participating Class Members. Defendants shall pay the Gross  
8 Settlement Amount to the Settlement Administrator within five (5) business days of the Settlement  
9 Effective Date.

10           **3. Payment of Net Settlement Payments to Class Members.** After the Net Settlement  
11 Amount has been determined, Net Settlement Payments shall be made out of the Net Settlement  
12 Amount to Class Members who have not opted-out. The value of each Participating Class Member's  
13 claim shall be based on his or her number of Compensable Workweeks.

14           **4. Calculation of Payments to Class Members.** Defendants will provide the  
15 Settlement Administrator with the total number of Compensable Workweeks for Participating Class  
16 Members. After the Net Settlement Amount is determined, the Settlement Administrator will divide  
17 the Net Settlement Amount by the total number of Compensable Workweeks for all Participating  
18 Class Members ("Work Week Rate Amount") and then multiply this amount by each Participating  
19 Class Member's total number of Compensable Workweeks to yield that employee's Net Settlement  
20 Payment or "Individual Settlement Payment" amount.

21           **5.** The amount paid to each Participating Class Member who has not opted-out of the  
22 Settlement shall be allocated as follows: one-third (1/3) shall be attributed to wages, and two-thirds  
23 (2/3) shall be attributed to interest and penalties. The Parties agree that the wages claimed by the  
24 Plaintiff and the Class Members in the Litigation are the subject of a genuine dispute between the  
25 Parties, and the amount being paid as wages pursuant to this Settlement represents a compromise of  
26 those disputed claims, which are denied and contested by Defendants. Accordingly, the parties  
27 acknowledge that the provisions of California Labor Code section 206.5 do not apply to this  
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1 Settlement.

2           6. One third (1/3) of the total amount of Net Settlement Payments to Class Members  
3 will be treated as payments in settlement of wage claims, subject to W-2 reporting. Applicable tax  
4 deductions and payroll withholdings for Employee Taxes will be taken from this portion of the  
5 Settlement Amount. The employer portion of payroll taxes and unemployment insurance  
6 obligations shall be treated as an expense of administration and shall come out of the Gross  
7 Settlement Amount to satisfy all Employer Tax obligations relating to the settlement payments prior  
8 to distribution of the settlement payments to the Participating Settlement Class Members.  
9 Settlement Administrator will issue a Form W-2 to each Participating Class Member who has not  
10 opted-out of the Settlement reflecting the wage portion of each individual Net Settlement Payment.  
11 Two thirds (2/3) of the total amount of Net Settlement Payments to Participating Class Members  
12 will be treated as payment in settlement of claims for interest and penalties. Settlement  
13 Administrator will report the latter portion of the payments by means of an IRS Form 1099.

14           7. **No Credit Towards Benefit Plans.** Neither the terms of this Settlement nor any of  
15 the amounts paid to Plaintiff or any Participating Class Member shall have any effect on the  
16 eligibility or calculation of any employee benefits. The Parties agree that any Individual Settlement  
17 Payment amounts paid to Participating Class Members under the terms of this Settlement do not  
18 represent any modification of any Participating Class Member's previously credited hours of service  
19 or other eligibility criteria, and will not be utilized to calculate any additional benefits, vesting or  
20 credit under any employee pension benefit plan, employee welfare benefit plan or other program or  
21 policy sponsored by Defendants or any of its affiliates, including but not limited to any profit-sharing  
22 plans, pension plans, 401(k) plans, bonus plans, stock purchase plans, vacation plans, PTO plans,  
23 paid sick leave plans, or any other company sponsored plans or employee benefits. Further, the  
24 amounts paid to Participating Class Members shall not be considered wages, compensation or annual  
25 earnings for benefits in any year for purposes of determining any rights, eligibility, hours of service,  
26 benefit accruals, calculations, contributions or amounts to which any Participating Class Member  
27 may be entitled with respect to an such employee pension benefit plan, employee welfare benefit  
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plan or other program or policy sponsored by Defendants or any of its affiliates.

8. **Settlement Amount Funding and Settlement Payment Due Date.** Within five (5) business days of the Settlement Effective Date, Defendants will deposit the Gross Settlement Amount into a Qualified Settlement Fund (as defined below) established by the Settlement Administrator. Within five (5) business days after receipt of the Gross Settlement Amount, the Settlement Administrator shall mail the PAGA payment to the LWDA, the Enhancement Award payment to the Class Representative, and the Court-approved attorneys' fees and costs to Class Counsel. Within five (5) business days after receipt of the Gross Settlement Amount, the Settlement Administrator shall mail the applicable Net Settlement Payments to the Participating Class Members.

**WAIVER, RELEASE AND DISMISSAL**

9. **Release By Class Members.** Upon the date that the Court grants final approval of the Settlement, Plaintiff and the Settlement Class, except those that make a valid and timely request to be excluded from the Settlement Class, hereby do and will be deemed to have fully, finally and forever waived, released, settled, compromised, relinquished and discharged Defendants, their respective parents, subsidiaries, affiliates, related entities, predecessors or successors in interest, and each of their respective owners, officers, directors, shareholders, partners, members, managing agents, employees, consultants, attorneys, joint venturers, agents, successors, assigns, insurers, or reinsurers or any of them, and other related persons and entities ("Released Parties"), from any and all claims, charges, complaints, controversies, suits, causes of action, rights, debts, liabilities, costs, losses, demands, damages, judgments, obligations, equitable relief, or expenses of any kind, whether known or unknown, suspected or unsuspected, including any claims for statutory or other attorneys' fees and costs (collectively "Claims"), arising out of or derived from state or local law or federal law (including the FLSA), which were or could have been asserted based upon the facts alleged in the Litigation by Plaintiff and the Settlement Class in the Litigation based upon alleged violations of California Labor Code sections 201, 202, 203, 226, 226.7, 221, 224, 225, 226.8, 245.5-249, 450, 510, 512, 1174(d), 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2699, *et seq.*, 2750.3, and 2802, and

1 any applicable Wage Orders applying those Labor Code sections, and Business and Professions  
2 Code section 17200, *et seq.*, and from any and all Claims arising out of or derived from state or local  
3 law or federal law (including the FLSA), which were alleged or could have been alleged based on  
4 the factual allegations pled in the Litigation relating to the Covered Claims, for the period from  
5 February 26, 2016 through the Preliminary Approval Date (the "Release"). The Release shall be  
6 fully binding on each and every Class Member, other than any Excluded Class Member, regardless  
7 of whether the Class Member receives an Individual Settlement Payment, provided, however, that  
8 the Release shall not include the release of claims under the FLSA unless the Class Member actually  
9 cashes his or her Individual Settlement Payment. In addition, on the date the Court grants final  
10 approval of the Settlement, all Class Members, except for Excluded Class Members, will be  
11 permanently enjoined and forever barred from prosecuting any and all Covered Claims against the  
12 Released Parties.

13           **10. Plaintiff's Civil Code section 1542 Release.** In addition to the Release made in  
14 Paragraph 9, Plaintiff makes the additional following general release ("General Release") of all  
15 claims, known or unknown, that Plaintiff has against the Released Parties. Plaintiff, on his behalf  
16 and on behalf of his respective heirs, successors, assigns, agents, attorneys, representatives and other  
17 related persons and entities that may claim by, through or under them, in consideration for the  
18 amounts paid to Plaintiff under this Stipulation, including any enhancement award that may be paid  
19 to Plaintiff, upon the Court's final approval of the Settlement, hereby fully and finally waives,  
20 releases and discharges the Released Parties from all known and unknown claims he may have  
21 against the Released Parties, of every nature or description whatsoever. This General Release of  
22 claims includes Covered Claims and claims released in this Stipulation, and any and all known or  
23 unknown contract, tort, statutory, common law, constitutional, public policy, and other claims of  
24 any type whatsoever, including claims based on employment discrimination, harassment, retaliation  
25 or any other rights afforded to employees, to the fullest extent such claims are releasable by law,  
26 arising out of the Litigation, Plaintiff's employment with Defendants, Plaintiff's termination from  
27 employment, and the Released Parties, through the Date of Preliminary Approval. Plaintiff waives  
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all rights under Section 1542 of the California Civil Code, which section reads as follows:

**"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."**

Specifically excluded from this waiver; however, are claims that cannot be waived as a matter of law, including claims for workers' compensation and unemployment insurance benefits.

Plaintiff agrees and acknowledges that he is not required to settle at this time, but voluntarily chooses to do so by entering into this Stipulation.

**SETTLEMENT ADMINISTRATOR**

11. Phoenix Class Action Administrator Solutions will serve as the Settlement Administrator for this Settlement, subject to the Court's approval. All Settlement administration costs, in an amount to be approved by the Court but not to exceed \$3,000.00, shall be taken from the Gross Settlement Amount. An IRS Form 1099 will be issued by Defendants to Settlement Administrator for this payment. The Parties further agree that to the extent administration costs are below the \$3,000.00 limit, such amount will inure to the benefit of the Class Members as explained herein. The Settlement Administrator shall perform all of the duties as described in this Agreement, including those set forth in Paragraph 12.K.

12. Within fourteen (14) calendar days after the Court grants preliminary approval of the Settlement, Defendants will provide the Settlement Administrator with the dates of employment and total workweeks for each Class Member. At the same time, Defendants will provide the Settlement Administrator with current contact information (i.e., last known addresses, telephone numbers and Social Security numbers) for all Class Members (the “Class List”). The Class List contains confidential, personal and/or private information of the Class Members and will be transmitted via password protected means. The Settlement Administrator shall keep the Class List strictly confidential and shall not disclose the information to any other person or entity. Defendants further

1 agree to consult with the Settlement Administrator prior to the production of the Class List to ensure  
2 that the format will be acceptable to the Settlement Administrator. Among its other duties as  
3 described in this Settlement, the Settlement Administrator shall provide counsel for the Parties with  
4 a weekly report showing the number of opt-outs and objections received.

5 13. Within fourteen (14) calendar days of receipt of the Class List, the Settlement  
6 Administrator will mail the Notice and Exclusion Form to the Class Members as described below.

7 **NOTICE, OBJECTIONS AND EXCLUSION RIGHTS**

8 14. **Notice.** Plaintiff and Defendants, through their respective attorneys, have jointly  
9 prepared a Notice, and the Exclusion Form attached hereto as Exhibit 1-2 to this Agreement and  
10 incorporated herein by reference, both subject to Court approval, which will be provided to the  
11 members of the Settlement Class.

12 15. **Class Members' Consideration Period.** Class Members shall be provided 45 calendar  
13 days to exercise any rights with regard to the Settlement, following the postmark date of the initial  
14 mailing of the Notice of Class Action Settlement, and the Request for Exclusion. Except as  
15 specifically provided herein, no Class Member responses of any kind that are postmarked more than  
16 45 calendar days after the initial mailing of the Notice shall be considered. Responses from Class  
17 Members must be postmarked for mail with the U.S. Postal Service. Responses sent by facsimile,  
18 email, or other forms of electronic transmission will not be considered.

19 16. The Settlement Administrator shall run all the addresses provided by Defendants through  
20 the United States Postal Service NCOA database (which provides updated addresses for any  
21 individual who has moved in the previous four years who has notified the U.S. Postal Service of a  
22 forwarding address) to obtain current address information. The Settlement Administrator shall mail  
23 the Notice and Exclusion Form to the members of the Settlement Class via first-class regular U.S.  
24 Mail using the most current mailing address information available, within fourteen (14) calendar  
25 days after receiving the Class List from Defendants. The Notice shall provide the members of the  
26 Settlement Class forty-five (45) days' notice of all applicable dates and deadlines, with this period  
27 to begin running on mailing of the Notice and Exclusion Form by the Settlement Administrator.  
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1           17. The Notice will also include information regarding the nature of the Litigation, a  
2 summary of the terms of the Resolution, the definition of the Settlement Class, the procedure and  
3 time period for objecting to the Resolution, the date and location of the Final Approval hearing, a  
4 statement that the Court has preliminarily approved the Resolution, information regarding the opt-  
5 out procedure, and Defendants' calculation of the number of full workweeks that the member of the  
6 Settlement Class has worked as an employee of Defendants' in California at any time during the  
7 period from February 26, 2016 to the Preliminary Approval date. The Notice (Exhibit 1) shall  
8 enclose the Exclusion Form (each in the form attached hereto as Exhibit 2).

9           18. If a Notice is returned from the initial notice mailing, the Settlement Administrator shall  
10 conduct a skip tracing in an attempt to locate a more current address. If the Settlement Administrator  
11 is successful in locating a new address, it will re-mail the Notice to the member of the Settlement  
12 Class. Any Notices returned with a forwarding address to the Settlement Administrator, as non-  
13 deliverable before the deadline date, shall be sent to the forwarding address affixed thereto.

14           19. No later than forty-five (45) days prior to the Final Approval Hearing, the Settlement  
15 Administrator shall provide counsel for Defendants and Class Counsel with a declaration attesting  
16 to the completion of the Notice process, including the number of attempts to obtain valid mailing  
17 addresses for and re-sending of any returned Notices, as well as the number of valid opt-outs,  
18 objections, and deficiencies which the Settlement Administrator received.

19           20. **Request for Exclusion and Opt Out Rights.** Class Members shall be given the  
20 opportunity to opt out of the Settlement.

21           21. **Opt Out Procedures.** Class Members may opt out of the Settlement by mailing to the  
22 Settlement Administrator a Request for Exclusion, substantially in the form attached as Exhibit 2.  
23 Any such Request for Exclusion must be postmarked not more than 45 calendar days after the  
24 postmark date of the initial mailing of the Notice of Class Action Settlement and the Request for  
25 Exclusion. To be a valid Request for Exclusion, a Class Member must provide his or her name (and  
26 former names, if any), current address, current telephone number, and last four digits of their Social  
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1 Security Number. Any Request for Exclusion that does not include all of the required information  
2 or that is not submitted in a timely manner will be deemed null, void, and ineffective. If there is a  
3 dispute regarding the timeliness or validity of a Request for Exclusion, the Settlement  
4 Administrator shall make the determination, after consultation with Class Counsel and Defense  
5 Counsel. Requests for Exclusion from Class Members must be postmarked for mail with the U.S.  
6 Postal Service. Requests for Exclusion sent by facsimile, email, or other forms of electronic  
7 transmission will not be considered.

8       22.     **Effect of Opt Out.** Any Class Member who opts out of the Settlement may not  
9 object to the Settlement, shall not receive any Individual Settlement Payment, and shall not be bound  
10 by the Released Claims provisions in this Agreement. If a Class Member submits both a Request  
11 for Exclusion and an Objection, the Class Member's Objection will be invalid and the Request for  
12 Exclusion will be deemed valid, provided it is postmarked no later than 45 days after the first  
13 postmark date of mailing the Notice of Class Action Settlement. Each Class Member who does not  
14 opt out of the Settlement shall be bound by the applicable Released Claims provisions in this  
15 Agreement, including the Released Claims.

16       23.     Neither Party will encourage any Class Member to opt out of or object to this  
17 Settlement. If a Settlement Class Member contacts Class Counsel, Class Counsel may discuss the  
18 terms of the Resolution and the Settlement Class Member's options, as stated herein.

19       24.     **Objection Rights.** Because the Settlement Class will be certified by the Court, only  
20 Class Members who do not opt out of the Settlement shall be entitled to object to the terms of the  
21 Settlement.

22       25.     **Objection Procedures.** Class Members' objections to the Settlement or this Agreement  
23 must be made using the procedures set forth in the Notice of Class Action Settlement. Class  
24 Members may either orally object, or otherwise offer comments at the Final Fairness Hearing either  
25 in person or through counsel, or may submit a written Objection. Class Members need not file any  
26 written Objection with the Court. Any written Objection must be mailed to the Settlement  
27 Administrator and postmarked no later than 45 days after the first postmark date of mailing the  
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1 Notice of Class Action Settlement. An Objection shall be deemed to be submitted as of the  
2 postmarked date. The written Objection must contain: (1) the name and case number of this lawsuit  
3 *Kalyvn Escobar v. Prime Finance Consulting, et al.*, Orange County Superior Court Case No. 30-  
4 2020-01134584-CU-OE-CXC; (2) the full name, last four digits of their Social Security Number,  
5 and current address of the Class Member making the Objection; (3) the specific reason(s) for the  
6 Objection; and (4) any and all evidence and supporting papers (including, without limitation, all  
7 briefs, written evidence, and declarations) for the Court to consider. Class Members may withdraw  
8 their Objections at any time. Class Members who submit an Objection remain bound by this  
9 Agreement. If a Settlement Class member objects to this Agreement, the Settlement Class member  
10 will remain a member of the Settlement Class and if the Court approves this Agreement, the  
11 Settlement Class member will be bound by the terms of the Agreement and Final Approval in the  
12 same way and to the same extent as a Settlement Class member who does not object. The Settlement  
13 Administrator shall provide copies of all Objections to Class Counsel and counsel for Defendants  
14 promptly upon receipt of the Objection. Class Counsel shall submit all Objections to the Court at  
15 the time of filing the Motion for Final Approval of the Settlement. The Court retains final authority  
16 with respect to the consideration and admissibility of any Settlement Class member's objections.  
17 Plaintiff and Defendants will be permitted to respond in writing to any written objections by no  
18 later than seven (7) calendar days before the Final Approval hearing.

19 26. The Parties expressly agree that objecting Class Members are not entitled to recover any  
20 attorneys' fees or costs from Class Counsel's fee award. This Agreement specifically bars recovery  
21 of attorney fees and costs for objectors even if the objection has added genuine value to the  
22 Settlement. Objections from Class Members must be postmarked for mail with the U.S. Postal  
23 Service. Objections sent by facsimile, email, or other forms of electronic transmission will not be  
24 considered.

25 27. **Waiver of Objection Rights.** Class Members who fail to make Objections in the  
26 manner specified in the Notice of Class Action Settlement shall be deemed to have waived any  
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1 Objections and shall be foreclosed from making any Objection, whether by appeal or otherwise, to  
2 this Agreement.

3       **28. Proof of Class Members' Responses.** By not later than 75 calendar days after the  
4 initial mailing of the Notice of Class Action Settlement and Request for Exclusion, the Settlement  
5 Administrator will prepare and submit a declaration attesting to (by number of relevant individuals)  
6 its mailing of the Notice of Class Action Settlement, its inability to deliver any mailing due to  
7 invalid addresses, and its receipt of valid Requests for Exclusion. 16 calendar days prior to the  
8 Final Fairness Hearing, the Settlement Administrator will prepare a supplemental declaration to  
9 submit to the Court, to indicate the number of valid timely claims, objections, and opt out Requests  
10 for Exclusion.

11       **29. Binding Effect of Settlement.** Although some Class Members might not receive or  
12 timely submit the Notice of Class Action Settlement or the Request for Exclusion, as provided under  
13 this Settlement and Agreement, due to inability to locate their current address following the  
14 procedures set forth in this Agreement, such individuals shall nonetheless be bound by all of the  
15 terms of this Settlement and Agreement and the Final Order and Dismissal with Prejudice.

16       **30. Disputes Regarding Compensable Work Weeks.** The Notice of Class Action  
17 Settlement will list each Class Member's number of Compensable Workweeks worked, for purposes  
18 of determining the Individual Settlement Payment. If a Class Member disputes the number of  
19 Workweeks worked on the Notice of Class Action Settlement, the Class Member must produce, by  
20 no later than forty-five (45) days from the date the Notice of Class Action Settlement is postmarked,  
21 evidence to the Settlement Administrator showing that such information is inaccurate. All disputes  
22 will be decided within seven (7) business days from the date the dispute is received by the Settlement  
23 Administrator. The Settlement Administrator and the Parties will attempt to resolve the dispute;  
24 however, any unresolved dispute, will be ultimately decided by the Court. If the member of the  
25 Settlement Class does not dispute the number of Eligible Workweeks set forth in the Notice, such  
26 person need not take further action to participate in the Resolution.

27       **31. Qualified Settlement Fund.** The Gross Settlement Amount paid by Defendants shall  
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1 be deposited into an account established by the Settlement Administrator as a “Qualified Settlement  
2 Fund” within the meaning of Section 468B of the Internal Revenue Code of 1986, as amended, and  
3 Treas. Reg. Section 1.468B-1, *et seq.*, (the “Settlement Fund”) and shall be administered by the  
4 Settlement Administrator pursuant to the final terms of the Settlement as approved by the Court.  
5 The Claims Administrator shall request and obtain from the IRS an appropriate Tax ID for the  
6 Settlement Fund. The Claims Administrator shall serve as a Trustee of the Settlement Fund and  
7 shall act as a fiduciary with respect to the handling, management and distribution of the Settlement  
8 Fund, including the handling of all tax-related issues, reporting and payments. The Claims  
9 Administrator shall act in a manner necessary to qualify and maintain the Settlement Fund as a  
10 Qualified Settlement Fund and the Parties shall cooperate to ensure such treatment and shall not take  
11 a position in any filing or before any tax authority inconsistent with such treatment.

12 32. After the Settlement Effective Date, the Settlement Administrator shall cause the  
13 Individual Settlement Payments, Court approved Enhancement Award to Plaintiff, Court approved  
14 attorneys' fees and costs, and payment of PAGA penalties to the LWDA, to be paid as provided in  
15 Paragraph 8 above. If a check is returned to the Settlement Administrator as undeliverable, the  
16 Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing a  
17 skip trace search and, if another address is identified, shall mail the check to the newly identified  
18 address. If any settlement check is uncashed after 180 days, will be delivered to the California  
19 Uncashed Check Fund to be held as “Unclaimed Property” in the name of the Settlement Class  
20 member. The Settlement Administrator shall notify Class Counsel and Defendants’ Counsel of any  
21 undeliverable checks.

#### 22 **ATTORNEYS' FEES AND COST**

23 33. Plaintiff requests, and Defendants shall not oppose, an application by Class Counsel to  
24 the Court seeking an award of attorneys' fees not to exceed Seventy-Six Thousand Dollars  
25 (\$76,000.00) of the Gross Settlement Amount, which represents forty percent (40%) of the Gross  
26 Settlement Amount, to compensate Class Counsel for all past and future attorneys' fees necessary to  
27 prosecute, settle and administer the Litigation and this Resolution, including for the work performed  
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1 and all work remaining to be performed in documenting the Settlement, securing the Court's  
2 approval of the Settlement, administering the Settlement, ensuring that the Settlement is fairly  
3 administered and implemented, and obtaining judgment, to be paid out of the Gross Settlement  
4 Amount and not from any additional payment by Defendants.

5 34. Additionally, Plaintiff requests, and Defendants shall not oppose, an application by Class  
6 Counsel to the Court seeking payment to Class Counsel for the reasonable litigation costs, in an  
7 amount estimated not to exceed Eight Thousand Dollars (\$8,000), which represents all past and  
8 future attorneys' costs and expenses necessary to prosecute, settle and administer the Litigation and  
9 implementing the terms of this Resolution incurred by Class Counsel, to be paid out of the Gross  
10 Settlement Amount and not from any additional payment by Defendants.

11 35. Any attorneys' fees or costs awarded to Class Counsel by the Court shall be deducted  
12 from the Gross Settlement Amount for the purpose of determining the Net Settlement Amount. The  
13 Parties further agree that this Settlement is not conditioned on the Court awarding the full amount  
14 of attorneys' fees and costs requested by Class Counsel and if the Court should approve a lesser  
15 percentage or amount of fees and/or costs than the amount that Class Counsel ultimately seeks, then  
16 the unapproved portion or portions shall become part of the Net Settlement Amount and shall be  
17 distributed to Class Members on a pro rata basis based on the total number of Compensable  
18 Workweeks. The Settlement Administrator will issue an IRS Form 1099 to Class Counsel with  
19 respect to the fees and costs awarded to Class Counsel.

#### 20 **ENHANCEMENT AWARD TO PLAINTIFF**

21 36. Defendants shall not oppose an application by Plaintiff to the Court, and Plaintiff shall  
22 not seek or receive an amount in excess of Ten Thousand Dollars (\$10,000.00), to be paid out of the  
23 Gross Settlement Amount, as an enhancement for his service as Class Representative and for his  
24 participation in and assistance with the Litigation (the "Enhancement Award"), subject to approval  
25 by the Court and conditioned on Plaintiff's execution of the General Release as set forth in Paragraph  
26 10 above, by Plaintiff signing this Stipulation, in addition to any payment he may otherwise receive  
27 as a Class Member. Any enhancement awarded to Plaintiff by the Court shall be deducted from the  
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1 Gross Settlement Amount for the purpose of determining the Net Settlement Amount. Plaintiff  
2 understands and agrees that this Settlement is not conditioned on the Court awarding the full amount  
3 of the Enhancement Award requested by Plaintiff and that if the Court approves an enhancement of  
4 less than \$10,000.00 to Plaintiff, the amount not awarded shall become part of the Net Settlement  
5 Amount and shall be distributed to the Participating Class Members on a pro rata basis based on the  
6 total number of Compensable Workweeks. The Settlement Administrator will issue an IRS Form  
7 1099 to Plaintiff for his enhancement payment, and Plaintiff will be fully responsible for correctly  
8 characterizing this compensation for tax purposes and for paying any taxes owing on said amount.

### 9 **TAX RESPONSIBILITY**

10 37. Neither Defendants nor Class Counsel are making any representations as to the tax  
11 treatment or legal effect of the payments called for under this Settlement, and Plaintiff and the  
12 Participating Class Members are not relying on any statement or representation by Class Counsel or  
13 Defendants in this regard. Additionally, notwithstanding any prior agreement, practice or policy of  
14 Defendants or any Released Party to the contrary, Plaintiff and each Participating Class Member  
15 shall be solely and fully responsible for any and all taxes under all federal, state and local tax laws  
16 with respect to the Individual Settlement Payment to be made to each Participating Class Member,  
17 except for the Employee Taxes withheld by the Settlement Administrator and the Employer Taxes  
18 to be paid by the Settlement Administrator.

### 19 **PAGA AWARD AND PENALTY PAYMENTS**

20 38. The Parties agree as part of this Stipulation to allocate Fifteen Thousand Dollars  
21 (\$15,000.00) from the Gross Settlement Amount to fully settle and resolve all PAGA penalty claims  
22 as alleged in the Litigation, subject to approval by the Court. From this \$15,000.00 PAGA  
23 settlement amount, the Settlement Administrator shall issue a check from the Settlement Fund in the  
24 amount of Eleven-Thousand Two-Hundred-Fifty Dollars (\$11,250.00), which represents seventy-  
25 five percent (75%) of the \$15,000 amount, to be paid to the Labor and Workforce Development  
26 Agency ("LWDA") of the State of California. The remaining Three-Thousand Seven-Hundred-  
27 Fifty Dollars (\$3,750.00), which represents twenty-five percent (25%) of the \$15,000 PAGA  
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1 settlement amount, will become part of the Net Settlement Amount and will be distributed to the  
2 Participating Class Members on a pro-rata basis based on the total number of Compensable  
3 Workweeks.

4 39. In the event that the Court determines that a greater amount than \$15,000 needs to be  
5 allocated to the payment of PAGA penalties, this amount shall be paid from the Gross Settlement  
6 Amount, but in no event shall it increase the Gross Settlement Amount, unless mutually agreed to  
7 by the Parties in writing.

#### 8 **COURT APPROVAL**

9 40. This Agreement and the Resolution is contingent upon the Court granting Final  
10 Approval of the Resolution and entering judgment. Plaintiff and Defendants agree to take all steps  
11 as may be reasonably necessary to secure both Preliminary Approval and Final Approval of the  
12 Resolution by the Court, to the extent not inconsistent with the terms of this Agreement, and will  
13 not take any action adverse to each other in obtaining the Court's Final Approval of the Resolution  
14 in all respects. Plaintiff and Defendants expressly agree that they will not file any objection (as  
15 opposed to request for correction) to the terms of this Stipulation of Resolution or assist or encourage  
16 any person or entity to file any such objection.

17 41. Promptly upon the execution of this Stipulation, Plaintiff shall file (and Defendants shall  
18 not oppose) a Joint Motion for Preliminary Approval of the Settlement, subject to final review and  
19 approval by Defendants prior to filing. Specifically, Plaintiff will apply to the Court for the entry of  
20 an Order:

- 21 (a) That the proposed Settlement should be preliminary approved as fair, reasonable and  
22 adequate as to the Class;
- 23 (b) Approving as to form and content the proposed Notice to the Class;
- 24 (c) Approving as to form and content the proposed Exclusion Form;
- 25 (d) Directing the mailing of the Notice, and the Exclusion Form by first-class mail to the  
26 Class Members;
- 27 (e) Preliminarily certify the Class for purposes of Settlement only;
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- 1 (f) Approving Class Counsel, Class Representative, and the Settlement Administrator; and  
2 (g) Setting a Final Approval Hearing date with sufficient time to allow the Parties and the  
3 Settlement Administrator to complete the Notice and Claims process, calculate the  
4 settlement payments and tax and reporting obligations, and prepare and file the Motion  
5 for Final Approval.

6 42. After completion of the Notice and Claims process, Class Counsel shall be  
7 responsible for preparing and filing the Joint Motion for Final Approval with the Court in sufficient  
8 time prior to the Final Approval Hearing date, including all necessary supporting Declarations,  
9 [Proposed] Orders and Judgment, motions for attorneys' fees and costs, and the Enhancement  
10 Award, all subject to final review and approval by Defendants prior to filing with the Court.

11 43. Counsel for the Parties shall have the right, subject to approval by the Court as to  
12 the new date, to continue or reschedule the original scheduled Final Approval Hearing date without  
13 providing any notice to the Class Members of the new date for the hearing, except for any Class  
14 Members who have timely submitted any Objections to the Settlement.

#### 15 **MISCELLANEOUS PROVISIONS**

16 44. This Agreement constitutes the entire agreement between Plaintiff and Defendants  
17 and shall supersede and replace any prior agreement by the Parties. Except as expressly provided  
18 herein, this Agreement has not be executed in reliance upon any other written or oral representations  
19 or terms, and no such extrinsic oral or written representations or terms shall modify, vary or  
20 contradict its terms. In entering into this Agreement, the Parties agree that this Agreement is to be  
21 construed according to its terms and may not be varied or contradicted by extrinsic evidence. The  
22 Agreement will be interpreted and enforced under the laws of the State of California, both in its  
23 procedural and substantive aspects, without regard to its conflict of laws provisions. Any claim  
24 arising out of or relating to the Agreement, or the subject matter hereof, will be resolve solely and  
25 exclusively in the Superior Court of the State of California for the County of Orange, and Plaintiff  
26 and Defendants hereby consent to the personal jurisdiction of the Court over them in connection  
27 therewith. Plaintiff, on his own behalf and on behalf of the Settlement Class, and Defendants  
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1 participated in the negotiation and drafting of this Agreement. As such, neither Plaintiff nor  
2 Defendants may claim that any ambiguity in this Agreement should be construed against the other.

3 45. The terms and conditions of this Agreement constitute the exclusive and final  
4 understanding and expression of all agreements between Plaintiff and Defendants with respect to  
5 the Resolution of the Litigation. The Agreement may be modified only by a writing signed by the  
6 original signatories and approved by the Court.

7 46. Plaintiff, Defendants and their respective attorneys shall proceed diligently to prepare and  
8 execute all documents, to seek the necessary Court approvals, and to do all things reasonably  
9 necessary or convenient to consummate the Agreement as expeditiously as possible.

10 47. The Agreement may be executed in one or more actual or non-original counterparts,  
11 all of which will be considered one and the same instrument and all of which will be considered  
12 duplicate originals.

13 48. Each individual signing below warrants that he or she has the authority to execute  
14 this Agreement on behalf of the party for whom or which that individual signs.

15 49. To the extent that any deadline set forth in this Agreement falls on a Saturday,  
16 Sunday, or legal holiday, that deadline shall be continued until the following business day.

17 50. In the event that any one or more of the provisions contained in this Agreement shall  
18 for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or  
19 unenforceability shall in no way effect any other provision if Defendants and Class Counsel, on  
20 behalf of the parties and the Settlement Class, mutually elect in writing to proceed as if such invalid,  
21 illegal, or unenforceable provision had never been included in this Agreement.

22 51. If the Court does not grant final approval of this Settlement, or if any part of the  
23 Court's final approval of this Settlement is reversed, then this Settlement will become null and void.  
24 In such case, the Settlement shall not be used or be admissible in any subsequent proceedings in any  
25 Court or forum.

26 52. The settlement payments to Class Members under this Settlement shall not be  
27 deemed "pensionable" earnings and shall not have any effect on the eligibility for, or calculation of,  
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1 any Plaintiff or Class Member employee benefits (including but not limited to retirement plans,  
2 vacation, and holiday pay). The Parties agree that the Settlement payments to Participating Class  
3 Members do not represent any modification of any employee's previously-credited hours of service  
4 or other eligibility criteria under any employee pension benefit plan, employee welfare benefit plan,  
5 or other program or policy sponsored by Defendants or any of its affiliates. Further, the Settlement  
6 payments shall not be considered wages, compensation, or annual earnings for benefits in any year  
7 for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit  
8 plan, employee welfare benefit plan, or other program or policy sponsored by Defendants or any of  
9 its affiliates.

10           53.       The Parties represent, covenant, and warrant that they have not directly or indirectly  
11 assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or  
12 entity any portion of any liability, claim, demand, action, cause of action, or right released and  
13 discharged in this Settlement.

14           54.       Each of the Parties has entered into this Settlement with the intention to avoid further  
15 disputes and litigation with the attendant inconvenience and expense. This Settlement shall be  
16 inadmissible in evidence in any proceeding, except an action or proceeding to approve, interpret, or  
17 enforce its terms. In connection with any such proceeding to approve, interpret or enforce the  
18 Settlement, the Parties agree that this Settlement shall be binding and enforceable between them,  
19 and admissible in a Court of law, including for purposes of California Evidence Code section 1123.

20           55.       In the event that one or more of the Parties institutes any legal action, or other  
21 proceeding against any other Party or Parties to enforce the provisions of this Settlement, or to  
22 declare rights or obligations under this Settlement, the successful Party or Parties shall be entitled  
23 to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs incurred in  
24 connection with any enforcement actions.

25           56.       The Parties agree that this Settlement shall not be construed in favor of or against  
26 any Party by reason of the extent to which any Party or his or its counsel participated in its drafting.  
27 Paragraph titles or captions contained in this Settlement are a matter of convenience and for  
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reference, and in no way define, limit, extend, or describe the scope of this Settlement or any provision.

57. This Agreement shall be binding upon, and shall inure to the benefit of the Parties, including Class Counsel, Class Representative, and Class Members, as well as their successors, spouses, children, representatives, heirs, administrators, executors, beneficiaries, conservators, attorneys, estates, and assigns.

58. Neither Class Counsel nor defense counsel intend anything contained in this Stipulation for Settlement to constitute legal advice regarding the taxability of any amount paid hereunder, nor shall it be relied upon as such.

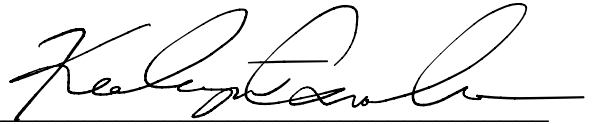
59. **Waiver of Right to Appeal.** Class Members who did not timely file and serve an objection to the Settlement, hereby waive any and all rights to appeal from the Final Order approving the settlement, including all rights to any post-judgment proceeding and appellate proceeding, such as motion to vacate or set-aside judgment, a motion for new trial, and any extraordinary writ, and the Final Order approving the settlement therefore will become final and non-appealable at the time it is entered.

60. This Settlement and Agreement was made and entered into in the State of California. All terms of this Agreement shall be governed by and interpreted according to the substantive laws of the State of California and the procedural laws of the United States of America.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates indicated below.

**[SIGNATURES ON NEXT PAGE]**

Dated: January 25, 2021

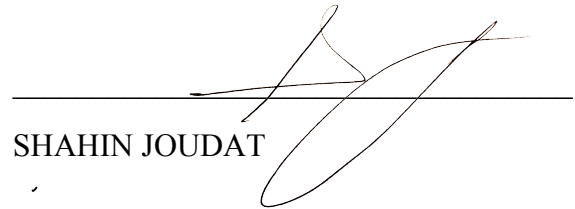


KALVYN ESCOBAR

Dated: \_\_\_\_\_, 2021

HANIEH JODAT

Dated: 01/18, 2021



SHAHIN JOUDAT

**APPROVED AS TO FORM**

Dated: 1/18/21, 2021

MIRHOSSEINI LAW GROUP

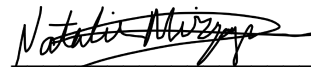


Ali Mirhosseini, Esq.  
Tina Starr, Esq.

Attorney for PRIME FINANCE  
CONSULTING, INC., HANIEH JODAT,  
and SHAHIN JOUDAT

Dated: January 25, 2021

LAW OFFICES OF NATALIE MIRZAYAN



Natalie Mirzayan, Esq.

Attorney for Plaintiff  
KALVYN ESCOBAR

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Dated: \_\_\_\_\_, 2021

\_\_\_\_\_  
KALVYN ESCOBAR

Dated: 1/25, 2021

Hanieh Jodat  
HANIEH JODAT

Dated: \_\_\_\_\_, 2021

\_\_\_\_\_  
SHAHIN JOUDAT

**APPROVED AS TO FORM**

Dated: \_\_\_\_\_, 2021

MIRHOSSEINI LAW GROUP

\_\_\_\_\_  
Ali Mirhosseini, Esq.  
Tina Starr, Esq.

Attorney for PRIME FINANCE  
CONSULTING, INC.. HANIEH JODAT,  
and SHAHIN JOUDAT

Dated: \_\_\_\_\_, 2021

LAW OFFICES OF NATALIE MIRZAYAN

\_\_\_\_\_  
Natalie Mirzayan, Esq.

Attorney for Plaintiff  
KALVYN ESCOBAR

## **EXHIBIT 1**

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF ORANGE, CIVIL COMPLEX CENTER

*Kalvyn Escobar v. Prime Finance Consulting, Inc., et al.,*

Case No. 30-2020-01134584-CU-OE-CXC

NOTICE OF CLASS ACTION SETTLEMENT

**THIS NOTICE MAY AFFECT YOUR RIGHTS. PLEASE READ IT CAREFULLY.**

YOU HAVE BEEN IDENTIFIED AS A CURRENT OR FORMER EMPLOYEE WHO WAS EMPLOYED BY PRIME FINANCE CONSULTING, INC IN CALIFORNIA DURING THE PERIOD FROM FEBRUARY 26, 2016 THROUGH [INSERT DATE PRELIMINARY APPROVAL DATE]

Notice is hereby given that a proposed settlement (the "Settlement") of the class action lawsuit filed in Orange County Superior Court, entitled *Kalvyn Escobar v. Prime Finance Consulting, Inc., et al.*, Case No. 30-2020-01134584-CU-OE-CXC (the "Action"), has been reached by Kalvyn Escobar ("Plaintiff") on behalf of himself and others similarly situated current and former employees and Prime Finance Consulting, Inc. ("PFC"), Hanieh Jodat ("Jodat"), and Shahin Joudat ("Joudat") (collectively "Defendants"), and has been granted preliminary approval by the Orange County Superior Court. You may be entitled to recover money as a result.

A hearing to address the fairness, adequacy and reasonableness of the Settlement will be held on [Insert Date], 2021 to determine whether the Settlement should receive the Court's final approval. Because your rights may be affected, it is important that you read this Notice carefully.

You have been identified as a current or former employee who performed work in California for Defendants at any time during the period of February 26, 2016 through the date of Preliminary Approval, which is [Insert Date]. **You do not need to do anything further to participate in this settlement and receive a settlement payment upon the Court granting final approval of this settlement.**

If you do nothing, you will continue your participation in this lawsuit, and you will be impacted by the outcome of this case. This means you will **receive** a settlement payment in exchange for giving up any rights you may have to sue Defendants in your own lawsuit for the same legal claims made in this lawsuit.

However, if you would like to be excluded from the settlement and **not** receive your share of the settlement amount, you must submit a written Request for Exclusion by [Insert Date], 2021 as described further below.

## 1. PURPOSE OF THIS NOTICE

The Orange County Superior Court has ordered that this Notice be sent to you because you have been identified as a potential member of the settlement class. The settlement class ("Settlement Class" or "Class Members") is defined as follows:

All current and former employees, who were employed by Defendants in the State of California during the Class Period, which is February 26, 2016 through [Insert Preliminary Approval Date], in the position of Student Loan Advisors, Student Loan Processors, or similar positions.

Receipt of this Notice means that you may be entitled to share in the proceeds from the proposed Settlement. The purpose of this Notice is to: (a) provide a brief description of the Action; (b) inform you of the proposed Settlement; and (c) discuss your rights and options with respect to the Action and the Settlement.

## 2. DESCRIPTION OF THE ACTION

On February 26, 2020 Plaintiff filed a Class Action Complaint against Defendants alleging failure to pay overtime wages and minimum wage, including as a result of misclassifying employees as independent contractors; failure to provide rest breaks and meal breaks or payment of compensation in lieu thereof; waiting time penalties

for failure to timely pay wages of terminated or resigned employees; failure to furnish and maintain accurate payroll records; and unfair business practices in violation of Business & Professions Code § 17200, *et seq.* On June 18, 2020, Plaintiff filed a First Amended Class Action Complaint, ("FAC") alleging the same claims and adding a claim for violation of the California Private Attorneys General Act ("PAGA"), Labor Code § 2699, *et seq.* The initial Class Action Complaint and the FAC will be collectively referred to as the "Action" or "Litigation."

Defendants denied and continue to deny each of the claims and contentions alleged by Plaintiff in the Litigation, including but not limited to the allegations that: Defendants misclassified employees as independent contractors; failed to pay overtime and minimum wages; failed to provide rest breaks and meal breaks; failed to provide accurate wage statements; failed to timely pay all wages earned at termination or resignation; engaged in any unlawful, unfair or fraudulent business practices or wrongful conduct; or engaged in any conduct that would subject Defendants to any penalties under PAGA as alleged in the Litigation.

The Orange County Superior Court has made no ruling on the merits of Plaintiff's claims alleged in the Litigation or the defenses asserted by Defendants in the Litigation and there has been no trial on the merits relating to these claims. Defendants deny the allegations and assert that they have no liability to Plaintiff or the Settlement Class. Plaintiff believes that the claims have merit. Both Plaintiff and Defendants have agreed to settle, resolve and compromise the claims in order to avoid the costs and risks of litigation, and Class Counsel believes that the Settlement is in the best interests of the Class Members. The Court has preliminarily approved the proposed Settlement. The Court will decide whether to give final approval to the Settlement at a hearing scheduled for [Insert Date], 2021.

### **3. WHO ARE THE ATTORNEYS REPRESENTING THE CLASS MEMBERS?**

**Attorneys for Plaintiff and the Settlement Class ("Class Counsel") in the Action are:**

**LAW OFFICES OF NATALIE MIRZAYAN**

NATALIE MIRZAYAN, ESQ.  
26632 Towne Centre Drive, Suite 300  
Foothill Ranch, California 92610  
Telephone: (949) 285-3550  
Email: mirzayanlaw@outlook.com

### **4. WHAT DOES THIS PROPOSED SETTLEMENT PROVIDE FOR?**

Defendants have agreed to pay a maximum sum of One Hundred and Ninety Thousand Dollars \$190,000.00 under the Settlement. This amount shall be referred to herein as the Gross Settlement Amount. The Gross Settlement Amount will be used to cover all payments to the Settlement Class, settlement administration costs, attorneys' fees and costs, enhancement award, the employer portion of payroll taxes and unemployment insurance, and payment to the California Labor and Workforce Development Agency ("LWDA") as PAGA penalties. All settlement administration costs, employer portion of payroll taxes and unemployment insurance, attorneys' fees and costs, payments to LWDA, and enhancement award shall be deducted from the Gross Settlement Amount. The remaining amount shall constitute the Net Settlement Amount.

The following is a summary of the Settlement provisions. The specific and complete terms of the proposed Settlement are stated in the Stipulation for Class Action Settlement between Plaintiff and Defendants ("Settlement Agreement"), a copy of which is filed with the Clerk of the Court. You can also obtain a copy of the Settlement Agreement from Class Counsel.

Payment to Settlement Class Members: Each individual who was employed by Defendants in California as at any time during the period of February 26, 2016 through [Insert Preliminary Approval Date] (the "Settlement Period") shall receive a pro-rata share of the Net Settlement Amount based on his or her total number of workweeks he/she worked for Defendants during the Settlement Period ("Compensable Workweeks"). However, Compensable Workweeks exclude any full week during which you were on an unpaid leave of absence during the Settlement Period. Specifically, the value of each Participating Class Member's claim shall be based on his or her total number of Compensable Workweeks.

The Settlement Administrator will calculate the total Compensable Workweeks for all Settlement Class

Members. The Settlement Administrator will divide the Net Settlement Amount by the total number of Compensable Workweeks for all Class Members ("Work Week Rate Amount") and then multiply this amount by each Class Member's total number of Compensable Workweeks to yield each Class Member's estimated Individual Settlement Payment. After final approval of the Settlement, the Individual Settlement Payments will be adjusted (i.e., increased) on a pro-rata basis to account for those Class Members who opted-out of the Settlement.

Defendants have agreed to pay a non-revisionary Gross Settlement Amount. Accordingly, opting out will not directly result in Defendants paying a smaller settlement amount, but instead it will result in the Participating Class Members each receiving a larger portion of the Settlement. **Both Defendants and Plaintiff's Counsel encourage you to participate in the Settlement. Under no circumstances will any Class Member be subjected to any retaliation of any kind for deciding to participate in the Settlement or not.**

Payment to Settlement Class Members will be characterized for tax purposes as follows: one-third (1/3) wages; two-thirds (2/3) penalties and interest. The portion of the settlement payment to Class Members representing wages will be reduced by payroll tax withholdings or deductions. The Settlement Administrator will issue an IRS Form W-2 on the wage portion and an IRS Form 1099 on the non-wage portion of the Individual Settlement Payments. Each Settlement Class Member will be responsible for paying proper federal, state and local taxes on the settlement amounts received by the Class Member.

## **5. AMOUNTS TO BE DEDUCTED FROM THE GROSS SETTLEMENT AMOUNT.**

(a) Attorneys' Fees and Costs: Defendants have agreed that if the Settlement is granted final approval by the Court, Defendants will pay Class Counsel's reasonable attorneys' fees and costs from the Gross Settlement Amount, upon application to be filed by Class Counsel, up to a maximum amount of (40%) of the Settlement Amount or Seventy-Six Thousand Dollars (\$76,000.00), as determined by the Court. Class Counsel may further seek to recover costs up to the amount of \$8,000, as approved by the Court. The attorneys' fees and costs approved by the Court will be deducted from the Gross Settlement Amount.

(b) Enhancement Award: Plaintiff, Kalvyn Escobar, will be seeking an enhancement award of up to \$10,000.00, to be determined by the Court. The enhancement award is to compensate Plaintiff for undergoing the burden and expense of the Litigation. The enhancement award will be deducted from the Gross Settlement Amount.

(c) Settlement Administration Costs: The Parties have estimated that the settlement administration costs will be approximately \$3,000.00. The settlement administration costs will be deducted from the Gross Settlement Amount.

(d) Labor and Workforce Development Agency: As part of the Settlement, Defendants have agreed that \$15,000.00 will be allocated to PAGA penalties as settlement of the PAGA claims, of which 75% or \$11,250.00 will be paid to the Labor and Workforce Development Agency. This amount will be deducted from the Gross Settlement Amount, and the remaining 25% or \$3,750.00 will become part of the Net Settlement Amount.

(e) Employer Payroll Taxes: The employer portion of payroll taxes and unemployment insurance with respect to the wage portion of the Individual Settlement Payments made to the Class Members is estimated to be approximately \$5,436.38, this amount will be deducted from the Gross Settlement Amount.

## **6. RELEASE OF CLAIMS**

Upon the date that the Court grants final approval of the Settlement, Plaintiff and the Settlement Class, except those that make a valid and timely request to be excluded from the Settlement Class, hereby do and will be deemed to have fully, finally and forever waived, released, settled, compromised, relinquished and discharged Defendants, their respective parents, subsidiaries, affiliates, related entities, predecessors or successors in interest, and each of their respective owners, officers, directors, shareholders, partners, members, managing agents, employees, consultants, attorneys, joint venturers, agents, successors, assigns, insurers, or reinsurers of any of them, and other related persons and entities ("Released Parties"), from any and all claims, charges, complaints, controversies, suits, causes of action, rights, debts, liabilities, costs, losses, demands, damages, judgments, obligations, equitable relief, or expenses of any kind, whether known or unknown, suspected or unsuspected, including any claims for statutory or other attorneys' fees and costs, interest, penalties, or liquidated damages (collectively "Claims"), arising out of or derived from state or local law or federal law (including the FLSA), which were or could have been asserted based upon the facts alleged in the Litigation by Plaintiff and the

Settlement Class based upon alleged violations of California Labor Code sections 201, 202, 203, 226, 226.7, 221, 224, 225, 226.8, 245.5-249, 450, 510, 512, 1174(d), 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2699, *et seq.*, 2750.3, and 2802, and any applicable Wage Orders applying those Labor Code sections, and Business and Professions Code section 17200, *et seq.*, and from any and all Claims arising out of or derived from state or local law or federal law (including the FLSA), which were alleged or could have been alleged based on the factual allegations pled in the Litigation relating to the Covered Claims, for the period from February 26, 2016 through the Preliminary Approval Date [Insert Preliminary Approval Date] (the "Release"). The Release shall be fully binding on each and every Class Member, other than any Excluded Class Member, regardless of whether the Class Member receives an Individual Settlement Payment, provided, however, that the Release shall not include the release of claims under the FLSA unless the Class Member actually cashes his or her Individual Settlement Payment. In addition, on the date the Court grants final approval of the Settlement, all Class Members, except for Excluded Class Members, will be permanently enjoined and forever barred from prosecuting any and all Covered Claims against the Released Parties.

## 7. YOUR OPTIONS

As a member of Settlement Class, you have several options. Each option will affect your rights, which you should understand before making your decision. Your rights regarding each option, and the procedure you must follow to select each option, are explained below:

(a) You Can Do Nothing.

If you agree with the number of Compensable Workweeks provided in this Notice, then you do not need to do anything further to participate in the Settlement. If you do nothing, you will continue your participation in this lawsuit, and you will be impacted by the outcome of this case. By doing nothing, **you will receive a settlement payment upon final approval of the Settlement** by the Court and you will be bound to the judgment, including the Release described in the Notice.

(b) You Can Dispute The Number of Workweeks but Still Participate in the Settlement.

As a Class Member you have been provided with this Notice which reflects a calculation of your estimated share of the Net Settlement Amount based on your Compensable Workweeks during the Settlement Period as determined by Defendants.

If you want to participate in the Settlement but you disagree with the number of Compensable Workweeks attributed to you during the Settlement Period, or if any information in this Notice is incorrect, then please state what you believe is the correct information, and sign and return your statement of dispute with any supporting documents to the Settlement Administrator on or prior to the Response Deadline, which is [Insert Date].

(c) You Can Opt-Out or Exclude Yourself from the Settlement Class (You Will Not Receive Any Money under the Settlement).

If you do **not** want to remain a member of the Settlement Class, you can request exclusion from the Settlement Class (i.e., opt out) by sending the Settlement Administrator a timely and properly completed written Request for Exclusion on or prior to the Response Deadline, which is [Insert Date]. The written Request for Exclusion must include your name, former names (if any), current address, telephone number, the last four digits of your Social Security number, and you must expressly state that you wish to be excluded from the Settlement Class in *Kalvyn Escobar v. Prime Finance Consulting, Inc., et al.*, Case No. 30-2020-01134584-CU-OE-CXC. The Request for Exclusion must be signed by you and it must be postmarked to the Settlement Administrator by the Response Deadline. Requests for Exclusion that do not include all required information, or that are not postmarked on or before the deadline, or are not signed, will be deemed null, void, and ineffective. **If you opt out or exclude yourself from the Settlement Class, you will no longer be a member of the Settlement Class, you will not receive any benefits under the Settlement, and you will be barred from objecting to this Settlement.** By opting out of the class, you will retain whatever rights or claims you may have, if any, against Defendants, which you may bring personally solely bearing the risk and expense of litigation. Unless you timely request to be excluded from the Settlement, you will be bound to the judgment upon final approval of the Settlement, including the Release described in the Notice.

(d) You Can Object To The Settlement.

If you are a member of the Settlement Class who does not opt out of the class, you may object to the Settlement, either in writing or by appearing at the Final Approval hearing. To object in writing, you or your attorney must submit your written objection to the Settlement Administrator by mail postmarked on or before [Insert Date], in which you state the basis of your objection, and provide any papers or briefs in support of your position.

All written objections must be signed by you or your attorney and should contain your or your attorney's address, telephone number, and the name of the case (*Kalvyn Escobar v. Prime Finance Consulting, Inc., et al.*, Case No. 30-2020-01134584-CU-OE-CXC), and verify your membership in the Settlement Class. You are not required to appear at the Final Fairness and Approval Hearing ("Fairness Hearing") in order for the Court to consider your objection if you submitted written objections to the Settlement Administrator. However, whether or not you submit any written objections to the Settlement Administrator, if you wish to be heard at the Fairness Hearing to object, you may appear, personally or through an attorney (retained at your own expense), at the Fairness Hearing to present your objection directly to the Court. Your objection at the Fairness Hearing should clearly explain why you object to the Settlement. If you object to the Settlement, either in writing or at the Fairness Hearing, and if the Court approves the Settlement, you will be bound by the terms of the Settlement Agreement in the same way as a Settlement Class member who does not object. If you do not object to the Settlement, either in writing or at the Fairness Hearing, you will have waived your right to object at any time after the Fairness Hearing.

## **8. HOW DO I RECEIVE A PAYMENT?**

If you wish to be considered for any payment under this Settlement, you must **not** submit a Request for Exclusion. If you do **not** submit a Request for Exclusion, you will receive a share of your Individual Settlement Payment.

Your Individual Settlement Payment is based on the number of Compensable Workweeks you worked during the period covered by the Settlement. Defendants' records show that you have [Insert Number of Compensable Workweeks Worked]. If you dispute the number of Compensable Workweeks worked in this Notice, you may produce, by no later than forty-five (45) days from the date the Notice is postmarked, evidence to the Settlement Administrator showing that such information is inaccurate. The Settlement Administrator and the parties will attempt to resolve any disputes within seven (7) business days from the date the dispute is received by the Settlement Administrator. Any unresolved disputes will be ultimately decided by the Court.

## **9. FAIRNESS HEARING ON PROPOSED SETTLEMENT**

You are not required to attend the Fairness Hearing or file an objection, although you may do both, provided that you have not opted-out. The Final Hearing on the fairness, reasonableness and adequacy of the proposed Settlement, the plan of distribution, the enhancement award, and Class Counsel's request for attorneys' fees and costs, will be held on [Insert Date], 2021, before Hon. Judge Randall J. Sherman, Department CX-105, at the Orange County Superior Court, Civil Complex Center, 751 W. Santa Ana Blvd, Santa Ana, California 92701. The Fairness Hearing may be continued to another date without further notice. If you plan to attend the Fairness Hearing, you may contact the Settlement Administrator to confirm the date and time.

## **9. ADDITIONAL INFORMATION.**

This Notice only summarizes the lawsuit, the Settlement Agreement and related matters. For more information, you may inspect the Court file at the Orange County Superior Court, Civil Complex Center, 751 W. Santa Ana Blvd, Santa Ana, California 92701, from 9:00 a.m. to 4:30 p.m., Monday through Friday. Any questions regarding this Notice, the Action, or the Litigation may be sent to the Settlement Administrator at the above address and telephone number. Alternatively, you may contact your own attorney (retained at your own expense), to advise you, or you may contact Class Counsel at the address and telephone number set forth above. If your address changes or is different from the address on the envelope enclosing this Notice, please promptly notify the Settlement Administrator.

**PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE OR FOR INFORMATION REGARDING THIS SETTLEMENT**

## **EXHIBIT 2**

**REQUEST FOR EXCLUSION FROM SETTLEMENT**  
**AND EXCLUSION FROM INDIVIDUAL SETTLEMENT PAYMENT**

*Kalvyn Escobar v. Prime Finance Consulting, Inc., et al.*  
Orange County Superior Court  
Case No. 30-2020-01134584-CU-OE-CXC

**YOU MAY TIMELY SUBMIT THIS REQUEST FOR EXCLUSION *ONLY* IF YOU *DO NOT WISH TO BE INCLUDED IN THE SETTLEMENT* AND IF YOU *DO NOT WISH TO RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT*.**

**INSTRUCTIONS:**

You must timely complete, sign, and mail this Request for Exclusion if you want to “opt-out” of the Settlement and do not want to receive an Individual Settlement Payment.

**IDENTIFYING INFORMATION**

Please verify and/or complete any missing identifying information:

NAME AND FORMER NAMES (IF ANY):

ADDRESS LINE 1

ADDRESS LINE 2

LAST FOUR DIGITS OF

SOCIAL SECURITY NUMBER

TELEPHONE NUMBER

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If you want to be excluded from the Settlement and not receive an Individual Settlement Payment, you must timely file this Request for Exclusion with Phoenix Class Action Administration Solutions no later than **[INSERT DATE]**.

**If you fail to timely complete and return this Request for Exclusion, you will be bound by the Settlement if the Settlement is approved by the Court.**

I declare the foregoing to be true and correct under penalty of perjury under the laws of the United States and the State of California.

Date: \_\_\_\_\_, 2021

Signed: \_\_\_\_\_

**[NAME]**