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7
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF ORANGE**

10 KRISTA OZUNA, individually and on
behalf of other members of the general
11 public similarly situated and on behalf of
other aggrieved employees pursuant to the
12 California Private Attorneys General Act,

13 Plaintiff,

14 v.

15 CMRE FINANCIAL SERVICES, INC., a
California corporation; and DOES 1 through
16 100, inclusive,

17 Defendants.

Case No.: 30-2019-01087365-CU-OE-CXC

Honorable William D. Claster
Department CX104

**SUPPLEMENTAL DECLARATION OF
ANTHONY J. ORSHANSKY RE: THE
COURT'S JANUARY 22, 2021 MINUTE
ORDER AND IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT
(Related to ROA #64)**

Reservation Number: 73429309

Preliminary Approval Hearing

Date: April 16, 2021

Time: 9:00 a.m.

Dept.: CX104

1 **SUPPLEMENTAL DECLARATION OF ANTHONY J. ORSHANSKY**

2 **I, Anthony J. Orshansky, declare as follows:**

3 1. I am an attorney licensed to practice law before all courts of the State of
4 California. I have personal knowledge of the facts herein and, if called as a witness, I could and
5 would competently testify to them.

6 2. I am a shareholder at the law firm of CounselOne, P.C. (“CounselOne”), counsel
7 of record for named plaintiff Krista Ozuna (“Plaintiff” or “Class Representative”) and others
8 similarly situated against defendant CMRE Financial Services, Inc. (“Defendant” or “CMRE”).
9 (Plaintiff and Defendant are collectively referred herein as the “Parties.”)

10 3. CounselOne and Lawyers *for* Justice, P.C. are referred to herein collectively and
11 separately as “Class Counsel.”

12 4. I submit this Supplemental Declaration in response to the Court’s January 22,
13 2021 Minute Order (“Minute Order”) and in further support of Plaintiff’s Motion for Preliminary
14 Approval of Class Action Settlement (“PA Motion”), previously filed on December 18, 2020.

15 **RESPONSE TO COURT’S MINUTE ORDER RE: SETTLEMENT**

16 5. **Re: Providing the POS on LWDA.**

17 On December 21, 2020, Plaintiff submitted to the California Labor and Workforce
18 Development Agency (“LWDA”) the following: 1) the proposed Settlement Agreement as
19 presented to the Court for preliminary approval on December 18, 2020; 2) the Notice of Motion
20 and Motion For Preliminary Approval and Memorandum of Points and Authorities as presented
21 to the Court for preliminary approval on December 18, 2020; and 3) the [Proposed] Order
22 Granting Preliminary Approval of Class Action Settlement as presented to the Court for
23 preliminary approval on December 18, 2020. A true and correct copy of the e-mailed
24 confirmation from the LWDA entitled “Thank you for your Proposed Settlement Submission”
25 dated December 21, 2020 is attached at **Exhibit “1”** hereto. In addition, a true and correct copy
26 of a screenshot of PAGA Case Details taken on February 02, 2021 showing the aforementioned
27 items for this case as posted to the LWDA website is attached at **Exhibit “2”** hereto.

28 ///

1 6. **Re: Copy of Plaintiff’s Pre-Filing Letter to the LWDA.**

2 On October 8, 2020, Plaintiff submitted an eight-page pre-filing letter pursuant to
3 California Labor Code section 2699 to the LWDA outlining the factual and legal basis for her
4 allegations of wrongdoing on behalf of herself and aggrieved employees, along with mailing a
5 certified copy to Defendant. A true and correct copy of Plaintiff’s LWDA pre-filing notice dated
6 October 8, 2020 is attached at **Exhibit “3”** hereto. In addition, a true and correct copy of a
7 screenshot of the PAGA pre-filing notice taken on February 23, 2021 showing the
8 aforementioned item for this case as posted to the LWDA website is attached at **Exhibit “4”**
9 hereto.

10 7. **Re: FAC Changes Beyond Adding PAGA Claim.**

11 In its Minute Order, the Court asks whether the proposed FAC makes changes other than
12 adding a PAGA claim. Aside from changes related to insertion of the PAGA claim (*see*, eleventh
13 cause of action) and non-substantive grammar, clerical, and/or format edits, the following
14 changes are identified:

15 a) An introductory preamble is added that includes the class definition (and denotes
16 that the four-year statutory period begins August 1, 2015) so as to recognizably distinguish the
17 class action component from the newly added PAGA representative action. (*See*, FAC ¶¶ 1-4,
18 17);

19 b) The legal allegations of entitlement to overtime for work “over six (6) days per
20 workweek” and “for the first eight (8) hours worked on the seventh day of work” are added
21 wherever the “over eight (8) hours per day and/or forty (40 hours per week” language appears.
22 (*See*, FAC ¶¶ 20, 28, 43, and 55);

23 c) The descriptor of “short, late, or interrupted” is added to the qualification of
24 missed meal periods and/or rest breaks. (*See*, FAC ¶¶ 23, 29, 33, 35, and 69); and

25 d) The legal allegations of the timing requirements for meal and rest breaks
26 according to the Labor Code/Wage Order are inserted (*i.e.*, first meal break no later than end of
27 the fifth hour for shifts over six hours, second meal break no later than the tenth hour for shifts
28 over ten hours, one rest break for shifts lasting three and one-half to six hours, and two rest breaks

for shifts lasting six to ten hours), along with a factual statement of non-compliance. (See, FAC ¶¶ 31, 32, 34, and 69).

8. **Re: Other Pending Actions That Might Be Affected.**

Class Counsel is unaware of any other pending actions – individual, class, or PAGA (including pre-filing LWDA cases) - that might be affected by this settlement. Defendant has provided a declaration attesting to the same. See, Declaration of Noelle Ten Eyck (“Eyck Decl.”) ¶ 2, attached at **Exhibit “5”** hereto.

9. **Re: Reasons For Delay Of Executed Settlement And Approval Papers.**

Plaintiff apologizes to the Court for not bringing her approval motion more expeditiously. Such delay is the result of an unprecedented year where Plaintiff’s counsel, Defendant’s counsel, and each party representative faced abrupt changes and surprising demands on their respective attention, time, and resources thereby slowing the usual negotiation and drafting of documents process. While the term sheet was signed in mid-January 2020, there were delays in communication between counsel and their clients due to limited availability. Further, as described *infra*, Defendant CMRE, was preoccupied with a reduction in its workforce. See, Eyck Decl. ¶ 3. Without minimizing the delay, none of it is attributed to bad-faith conduct, dilatory tactics, or improper motives by the Parties or their counsel.

10. **Re: Gross Settlement Amount Relative To The Class End Date.**

The Court identified what constitutes a six and one-half (6.5) months delay (from a term sheet date of January 16, 2020 through a class period end of August 1, 2020) and raises a concern that the Gross Settlement Amount was diluted by the delay. The Court recommended that the GSA be proportionally increased to cover the additional 6.5 months. However, Class Counsel built into its data and valuation analysis at the time of settlement an approximately ten to fifteen percent (10-15%) buffer that accounts for this period. Moreover, due to Covid-19, Defendant’s workforce decreased during the interim. Specifically, Defendant’s representative attests that between January 1, 2020 and August 30, 2020, CMRE experienced a constriction of its California workforce by approximately 23%. See, Eyck Decl. ¶ 2.

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11. **Re: PAGA Shares And Release To All Aggrieved Employees.**

The Parties concur with the Court's statement that all aggrieved employees receive an individual PAGA settlement share and are bound by the release of PAGA claims irrespective whether an aggrieved employee opts-out of the Class. Accordingly, the Parties ensure that said condition is met by adding the following language to the Settlement Agreement:

Application of PAGA Release to All Class Members. Regardless of whether a Class Member serves a timely request for exclusion under this section, the Class Member will still be bound by the release of all PAGA claims covered by this Settlement Agreement and will receive a pro rata portion of the settlement fund allocated to that claim.

See, Amendment To Class Action And PAGA Settlement Agreement And Stipulation ("Amendment To Settlement Agreement") ¶ 4, filed concurrently herewith.

12. **Re: Workweek Disputes Are Due Within 60-Days Period.**

The Parties also agreed and, upon the Court's suggestion, clarified that workweek disputes are due within the same time opt-outs and objections, *i.e.*, 60 days from the date of mailing of the notice. *See, Amendment To Settlement Agreement ¶ 3.*

13. **Re: Unclaimed Funds Will Be Sent To State Controller.**

The Court expressed that because a portion of the individual settlement payment is wages, it had a strong preference that unclaimed funds go to the State Controller's Unclaimed Property Fund. The Parties adopted the Court's suggestion and the "State Controller's Unclaimed Property Fund" is substituted in lieu of "Public Law Center of Orange County." *See, Amendment To Settlement Agreement ¶ 5.*

14. **Re: Sample Size And How Was It Representative Of The Class.**

The sample size was a random sample of 10% of the time and pay records, plus those of named Plaintiff and another third-party witness putative Class Member.¹ To ensure that the sample was randomized and representative of the entire Class, the entire hourly-paid or non-

¹ Courts have found that the use of similar percentage samples is appropriate. *See e.g., Brum v. MarketSource, Inc.* (E.D. Cal., 2018) 2018 WL 3861558 at *5 [10% sample]; *Talavera v. Sun Maid Growers of California* (E.D. Cal., 2017) 2017 WL 495635 at *4 [10% sample]; *Kaminske v. JP Morgan Chase Bank N.A.* (C.D. Cal., 2010) 2010 WL 5782995 at *5 [10% sample].)

1 exempt employee workforce employed by Defendant in California from August 1, 2015 through
2 October 18, 2019 - not limited by department or title – was listed by alphabetized last name and
3 every 10th employee selected. There were no noticeable disproportionalities in the data culled
4 (*i.e.*, small number of employees comprising a majority of workweeks, etc.). The time punch data
5 contained clock in and clock out times, regular hours, overtime hours, and the total hours paid.
6 Class Counsel was also provided class data points in advance of the mediation, including the total
7 workweeks for the Class through that date, Class headcount, and average hourly rate of pay. The
8 payroll data likewise corresponded with the time records so that Plaintiff could compare and
9 analyze for violations. Class Counsel also conducted interviews of Plaintiff and several putative
10 Class Members to verify what was evidenced on the time and payroll records, along with
11 quantifying off-the-clock work. These interviews allowed Class Counsel to confirm the estimated
12 violation rates obtained from the sample. Thus, Class Counsel was able to assess liability across
13 a random sample of the Class across the Class Period.

14 **15. Re: Waiting Time Penalties Claim Relative To Entire Class Distribution.**

15 The Court raised the concern that if the most valuable claim identified is waiting time
16 penalties, then does pro rata distribution by workweek without distinction between former and
17 current employees give rise to an intra-class conflict. Plaintiff posits that intra-class conflicts are
18 not at issue because under even the more rigorous contested class certification standards (as
19 opposed to those applied for conditional certification for settlement purposes), “the mere
20 potential for a conflict of interest is not sufficient to defeat class certification; the conflict must
21 be actual, not hypothetical.” *See, e.g., In re Natl. Collegiate Athletic Assn. Athletic Grant-In-Aid*
22 *Cap Antitrust Litig.* (N.D. Cal. 2015) 311 F.R.D. 532, 541. Here, the waiting time penalties are
23 derivative of the underlying wage-and-hour claims (*e.g.*, for unpaid wages for off-the-clock
24 work, etc.) and the merits and valuation of those claims are class-wide. A proposed settlement is
25 not to be judged against a hypothetical or speculative measure of what might have been achieved
26 at trial, and intra-class conflicts that would preclude certification for litigation or settlement, must
27 exist in fact. *See, Richmond v. Dart Industries, Inc.* (1981) 29 Cal. 3d 462, 476 (holding with
28 respect to the remedy of rescission and for which only a few employees may be so entitled the

1 Court stated, “While the court recognizes the potential for a conflict of interest between certain
2 class members, we are not prepared to deny class action status at this time upon the prospect of
3 a conflict which may or may not arise in the future.”). As a practical matter, paying a premium
4 settlement share to former employees may cause unforeseen consequences depending on the
5 relative distribution of workweeks attributable to formers over those of the entire Class.

6 **16. Re: Proposed Fee Split Between Class Counsel.**

7 Class Counsel discloses that the law firms of Lawyers *for* Justice, P.C. and CounselOne,
8 P.C. have agreed to share the fees at a 50% to 50% split.

9 **17. Re: Deletion Of “Related To” In The Release.**

10 Pursuant to the Court’s request, the Parties have deleted the “related to” language from
11 the release so that the sentence is limited to “all claims arising from the facts and claims alleged
12 in the operative complaint.” See, Amendment To Settlement Agreement ¶ 2.

13 **18. Re: Items 14, 15, and 16 For Final Approval.**

14 The Parties acknowledge and have duly noted the Court’s comments and requirements
15 for submissions in connection with their final approval filings. The Parties will provide the
16 information as requested in connection with final approval.

17 **RESPONSE TO THE COURT’S MINUTE ORDER RE: NOTICE**

18 Based on the Court’s guidance, the Parties have prepared a revised Notice of Class Action
19 Settlement (“Amended Class Notice”), along with the Workweek Dispute Form and Request for
20 Exclusion Form, which is attached at **Exhibit “6”** hereto. A redline version of the Class Notice
21 (“Redline Class Notice”) showing how it has been revised is attached at **Exhibit “7”** hereto.

22 **19. Re: Items 1, 2, 3, 5, and 6.**

23 All of the Court’s revisions set forth in the Minute Order pertaining to the Class Notice
24 have been made and adopted by the Parties. Those edits are reflected in the Amended Class
25 Notice and Redline Class Notice at **Exhibits 6 and 7** hereto.

26 **20. Re: Class Notice In Any Other (Non-English) Languages (Item 4).**

27 Defendant represents that “all non-exempt CMRE employees in California possess at
28 least a baseline level of English proficiency,” see, Eyck Decl. ¶ 4. Thus, the Parties do not believe

1 that a non-English language version of the Class Notice is required for this case.

2
3 I declare under penalty of perjury, under the laws of the State of California and the
4 United States of America, that the foregoing is true and correct.

5
6 Executed this 24th day of February 2021, at Beverly Hills, California.

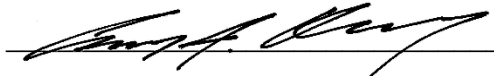
7
8 
9 Anthony J. Orshansky

EXHIBIT 1

Anthony J. Orshansky

From: FormAssembly <no-reply@formassembly.com> on behalf of DIR PAGA Unit
<lwdadonotreply@dir.ca.gov>
Sent: Monday, December 21, 2020 1:25 PM
To: Anthony J. Orshansky
Subject: Thank you for your Proposed Settlement Submission

12/21/2020 01:24:26 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT 2



PAGA Case Detail

[Print to PDF](#)

Case Information

Case Number: LWDA-CM-809102-20**Plaintiff for PAGA Case:** Krista Ozuna**Filer/Attorney for PAGA Case:** Anthony Orshansky**Law Firm for PAGA Plaintiff:** CounselOne, P.C.**Employer:** CMRE Financial Services, Inc.**Date Case Received:****Filer for Employer:****Employer Filer Firm:****Court Type:** California Superior Courts**Court Name:** Orange County Superior Court**PAGA Court Case Number:** 30-2019-01087365-CU-OE-CXC**Violation Type:****Related BOFE Case:**

Submission Details

Actions	Attachment Name	Description	Date Submitted	Type
View/Download	Additional Document Submitted with Proposed Settlement on 12/21/2020 01:24:26 PM by Anthony Orshansky	1 Not of Mot_Mot_MPA.pdf	12/21/2020 9:24 PM	Proposed Settlement
View/Download	Court Complaint Submitted on 12/21/2020 01:16:18 PM by Anthony Orshansky	Proposed Order w Exhibits (Amended Complaint to add PAGA).pdf	12/21/2020 9:16 PM	Court Complaint
View/Download	Proposed Settlement Submitted on 12/21/2020 01:24:26 PM by Anthony Orshansky	Settlement Agreement (Exhibit A to Orshansky Decl).pdf	12/21/2020 9:24 PM	Proposed Settlement

Showing 1 to 3 of 3 entries

[Previous](#) **1** [Next](#)

EXHIBIT 3



Anthony J. Orshansky
anthony@counselonengroup.com

310.277.9945 Tel
424.277.3727 Fax

October 8, 2020

FILED VIA LWDA'S PAGA CLAIM NOTICE ONLINE FORM
COPY SENT VIA CERTIFIED U.S. MAIL, RETURN RECEIPT REQUESTED

Department of Industrial Relations
Accounting Unit
455 Golden Gate Avenue, 10th Floor
San Francisco, California 94102

CMRE Financial Services, Inc.
c/o: Matthew M. Sonne, Esq.
Sheppard Mullin
650 Town Center Drive, 10th Floor
Costa Mesa, CA 92626-1993

Re: Krista Ozuna v. CMRE Financial Services, Inc., et al.
California Labor Code § 2699 Notice of Intent to File

Dear Sir or Madam:

Please be advised that this firm has been retained to represent Krista Ozuna ("Ms. Ozuna" or "Plaintiff"), individually and on behalf of other similarly situated employees working in California, in connection with wage-and-hour claims against CMRE Financial Services, Inc. ("CMRE" or "Defendant"). Ms. Ozuna was a non-exempt, hourly paid employee of Defendant in California. Along with a four-year statutory class action, Plaintiff wishes to bring a Private Attorneys General Act of 2004 ("PAGA") representative action on behalf of herself and the State of California, as well as on behalf of aggrieved employees ("Aggrieved Employees").

Nothing set forth herein is intended to waive any rights, claims, or causes of action on the part of Plaintiff and Aggrieved Employees. The purpose of this letter is to comply with PAGA's pre-filing notice to the California Labor & Workforce Development Agency ("LWDA") and Defendant.

I. INTRODUCTION

Plaintiff and Aggrieved Employees have the following causes of action against Defendant: (1) failure to pay all overtime wages owed under Labor Code sections 510, 1194, 1198, 1199, and applicable IWC Wage Order(s)¹; (2) meal break liability under Labor Code sections 226.7, 512, and applicable IWC Wage Order(s); (3) rest break liability under Labor Code section 226.7 and applicable IWC Wage Order(s); (4) failure to pay minimum wages for all hours worked under Labor Code sections 1194,

¹ Upon information and belief, Plaintiff alleges that IWC Wage Order No. 4-2001 is applicable. However, Plaintiff reserves the right to amend and/or allege any other applicable IWC Wage Orders determined to be relevant after discovery.

1194.2, 1197, and 1197.1; (5) waiting time penalties under Labor Code sections 201-203; (6) untimely paid wages under Labor Code section 204; (7) failure to reimburse business expenses under Labor Code sections 2800 and 2802; (8) inaccurate wage statements under Labor Code section 226(a); (9) failure to keep requisite payroll records under section 1174(d); (10) unfair competition in violation of Business and Professions Code section 17200, *et seq.*; and (11) penalties pursuant to the PAGA under Labor Code section 2698, *et seq.*

II. FACTUAL BACKGROUND

Plaintiff and Aggrieved Employees were employed by Defendant. Defendant is a financial services company that offers electronic fund transfer, collection, managed care, and training services to health care organizations. CMRE also operates as a collection agency, using mail and telephone to collect consumer debts originally owed to others, along with accounts receivable management. Defendant employ(ed) approximately 850 individuals in California. Plaintiff worked for Defendant as a non-exempt, hourly paid accounting representative.

During the relevant period, Defendant failed to provide timely, uninterrupted, and/or otherwise compliant meal periods and rest breaks. Plaintiff often did not receive compliant meal breaks while working for Defendant, as they were often interrupted, late, short, or missed. Aggrieved Employees likewise suffered late, short, interrupted, and/or missed meal breaks. Plaintiff and Aggrieved Employees also suffered missed rest breaks due to Defendant's practice of denying employees rest breaks. Defendant violated California law with respect to rest breaks, yet it did not compensate Plaintiff and Aggrieved Employees with the requisite premium for non-compliant rest breaks. Defendant knew or should have known that their employees were unable to take legally required meal periods and rest breaks due to the exigencies of the job, and without receiving premium payments for non-compliant breaks in violation of Labor Code sections 226.7, 512, and applicable IWC Wage Order(s).

However, Defendant's unlawful practices are not limited to the aforementioned meal and rest break violations, but extend to other areas related to compensation as well. For instance, Defendant failed to compensate Plaintiff and Aggrieved Employees for all hours actually worked, such as the work performed by Plaintiff and Aggrieved Employees off the clock.

Through the foregoing policies and practices, Defendant thus artificially reduced the actual hours worked and ultimately disadvantaged Plaintiff and Aggrieved Employees. As a result, Defendant failed to pay Plaintiff and Aggrieved Employees for all hours actually worked, resulting in unpaid minimum and overtime wages.

Additionally, Defendant did not reimburse Plaintiff and Aggrieved Employees for the necessary business expenses incurred in performing their job duties.

Finally, these underlying facts give rise to Labor Code violations, including but not limited to claims for unpaid minimum wages, overtime wages, inaccurate wage statements, unpaid wages upon separation from employment, equitable remedies pursuant to the unfair competition laws, along with civil penalties accorded by PAGA. Based on the above described misconduct, Plaintiff is confident that the fact-finder will determine that these practices were willful, repeated, and that it is likely that the

higher PAGA penalty will be awarded based on a repeated pattern of the same violations taking place over time.

III. PLAINTIFF AND AGGRIEVED EMPLOYEES WERE NOT PROVIDED WITH TIMELY MEAL PERIODS THAT WERE UNINTERRUPTED AND DUTY-FREE

Defendant denied Plaintiff and Aggrieved Employees meal periods that comply with Labor Code sections 226.7, 512, and Wage Order No. 4-2001. Labor Code section 226.7 provides “an employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission (“IWC”).” Similarly, Labor Code section 512 and IWC Wage Order No. 4-2001 require employers to provide employees with thirty (30) minute uninterrupted and duty-free meal periods within the first five (5) hours of work. *Brinker Rest. Corp. v. Superior Court* (2012) 53 Cal. 4th 1004, 1042 (“Accordingly, first meal periods must start after no more than five hours.”) Moreover, an employee who works more than ten (10) hours per day is entitled to receive a second thirty (30) minute uninterrupted and duty-free meal period.

Defendant did not provide Plaintiff and Aggrieved Employees with timely and duty-free thirty-(30-) minute meal periods. Specifically, the demands of employee job duties were such that they were occasionally prevented from taking a meal period altogether or were provided with late, short, interrupted, or otherwise deficient meal periods.

In addition to failing to authorize and permit compliant meal periods, Plaintiff and Aggrieved Employees were not compensated with one (1) hour’s worth of pay at their regular rate of compensation when they were not provided with a compliant meal period in accordance with Labor Code section 226.7(b). IWC Wage Order No. 4-2001 obligates employers to “pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each workday that the meal period is not provided.” Accordingly, for each day that Plaintiff and Aggrieved Employees did not receive compliant meal periods, they are entitled to receive meal period premiums pursuant to Labor Code section 226.7 and Wage Order No. 4-2001. As a result of the foregoing meal break violations, Plaintiff and Aggrieved Employees seek civil penalties under PAGA.

IV. PLAINTIFF AND AGGRIEVED EMPLOYEES WERE NOT PAID FOR ALL MINIMUM AND OVERTIME WAGES OWED.

A. Minimum Wages. Labor Code section 1197 states the California requirement that employees must be paid at least the minimum wage fixed by the Commission, and any payment of less than the minimum wage is unlawful. Similarly, Labor Code section 1194 entitles “any employee receiving less than the legal minimum wage...to recover in a civil action the unpaid balance of the full amount of this minimum wage.” Section 4 of Wage Order No. 4-2001 also obligates employers to pay each employee minimum wages for all hours worked. These minimum wage standards apply to each hour employees worked for which they were not paid. Therefore, an employer’s failure to pay for any particular hour of time worked by an employee is unlawful, even if averaging an employee’s total pay over all hours worked, paid or not, results in an average hourly wage above minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal. App. 4th 314, 324.

Labor Code section 1197.1 authorizes employees who are paid less than the minimum fixed by an applicable state or local law, or by an order of the commission a civil penalty, restitution of wages, and liquidated damages as follows: (1) for any initial violation that is intentionally committed, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee is underpaid....[and] (2) [f]or each subsequent violation for the same specific offense, two hundred fifty dollars (\$250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed. As set forth above, Defendant failed to compensate Plaintiff and Aggrieved Employees for all minimum wages owed. Accordingly, through PAGA and to the extent permitted by law Plaintiff and Aggrieved Employees are entitled to recover liquidated damages for violations of Labor Code section 1197.1. Based upon these same factual allegations, Plaintiff and Aggrieved Employees are entitled to penalties under Labor Code section 1199.

B. Overtime Wages. Labor Code section 510 requires an employer to compensate an employee who works more than eight (8) hours in one workday, forty (40) hours in a workweek, and for the first eight (8) hours worked on the seventh consecutive day no less than one and one-half times the regular rate of pay for an employee. Further, Labor Code section 510 obligates employers to compensate employees at no less than twice the regular rate of pay when an employee works more than twelve (12) hours in a day or more than eight (8) hours on the seventh consecutive day of work. Pursuant to Section 3 of Wage Order No. 4-2001, employees shall not be employed more than eight (8) hours in any workday and/or more than forty (40) hours in any workweek unless the employee receives one and one-half (1 ½) times such employee's regular rate of pay for all hours worked over forty (40) hours in the workweek.

During the relevant period, Defendant had a policy/practice of failing to pay for all overtime hours worked by Plaintiff and Aggrieved Employees. The work times of Plaintiff and Aggrieved Employees have been, and continue to be, greater than eight (8) hours per day and/or forty (40) hours per week. Yet, because Defendant owes Plaintiff and Aggrieved Employees the legally required wages for, *inter alia*, unpaid hours that were worked off-the-clock, Plaintiff and Aggrieved Employees were deprived overtime premium amounts attributable to those overtime hours as well. As a result, Plaintiff and Aggrieved Employees were not paid overtime at one and one-half times their regular rate of pay. By their common policy/practice of requiring Plaintiff and Aggrieved Employees to work in excess of eight (8) hours in a workday and/or forty (40) hours in a workweek without compensating them at the rate of one and one-half (1 ½) their regular rate of pay, Defendant willfully violated the provisions of Labor Code sections 510 and 1198, as well as Wage Order No. 4-2001.

V. PLAINTIFF AND AGGRIEVED EMPLOYEES WERE NOT PROVIDED WITH TIMELY REST BREAKS THAT WERE UNINTERRUPTED AND DUTY-FREE

Defendant failed to provide Plaintiff and Aggrieved Employees with duty-free rest breaks of not less than ten (10) minutes for every major fraction of four (4) hours worked as required by Labor Code section 226.7 and section 12 of Wage Order 4-2001.

Under IWC Wage Order 4-2001, an employer must authorize and permit all employees to take ten (10) minute duty-free rest periods for every major fraction of four hours worked. Labor Code section 226.7 provides "an employer shall not require any employee to work during a meal or rest recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission ("IWC")." Thus, the Wage Orders set when and for how long the rest

period must take place, and the Labor Code establishes that violations of the Wage Order violate California law, and sets forth the premium pay employers must pay their employees when employers fail to provide rest breaks.

Here, Plaintiff and Aggrieved Employees were subject to policies/practices that prevented them from taking legally compliant rest periods. Defendant retained control over Plaintiff and Aggrieved Employees during their rest periods. *See, Augustus v. ABM Security Services, Inc.* (2016) 2 Cal. 5th 257, 269 (concluding that “during rest periods employers must relieve employees of all duties and relinquish control over how employees spend their time.”). In *Augustus*, the court expressly rejected the employer’s assertion that it could provide an on-duty rest period to employees who worked as security guards and further explained “that employers [must] relinquish any control over how employees spend their break time, and relieve their employees of all duties.” *Id.* at 273.

Following *Brinker Rest. Corp. v. Sup. Ct.* (2012) 53 Cal. 4th 1004, the Courts of Appeal have confirmed that liability for on-duty breaks arises when an employer adopts a uniform policy that fails to provide off-duty breaks. For example, in *Faulkinbury vs. Boyd & Associates, Inc.*, the California Court of Appeal applied *Brinker*: “In *Faulkinbury I*, we concluded that even if [defendant]’s on-duty meal break policy was unlawful, [defendant] would be liable only when it actually failed to provide a required off-duty meal break. *Brinker* leads us now to conclude [defendant] would be liable upon a determination that [defendant]’s uniform on-duty meal break policy was unlawful.” *Faulkinbury v. Boyd & Associates, Inc.* (2013) 216 Cal. App. 4th 220. The Court further explained: “the employer’s liability arises by adopting a uniform policy that violates the wage and hour laws. Whether or not the employee was able to take the required break goes to damages...” (Ibid. [citations omitted]; *see also Benton v. Telecom Network Specialists, Inc.* (2013) 220 Cal. App. 4th 701, 728.)

In addition to failing to authorize and permit compliant rest breaks, Plaintiff and Aggrieved Employees were not compensated with one (1) hour’s worth of pay at their regular rate of compensation when they were not provided with a compliant rest break in accordance with Labor Code section 226.7(b). Thus, Defendant has violated Labor Code section 226.7 and IWC Wage Order No. 4-2001, and as a result, Plaintiff and Aggrieved Employees seek penalties under PAGA.

VI. FAILURE TO REIMBURSE FOR BUSINESS EXPENSES

Labor Code section 2802(a) provides that an employer must reimburse employees for all necessary expenditures that the employee incurs in discharging his or her duties. There is a “strong public policy” in favor of indemnifying employees for expenses incurred in the course and scope of their employment. *Edwards v. Arthur Andersen LLP* (2008) 44 Cal. 4th 937, 952. To further this public policy, reimbursed amounts must be clearly identifiable on the employee’s pay stub. *Gattuso v. HarteHanks Shoppers, Inc.* (2007) 42 Cal. 4th 554, 572.

“Necessary” in the context of expense reimbursement means reasonable under the circumstances; it does not mean, as it sometimes does in lay speech, inevitable. *See, Gattuso, supra*, 42 Cal. 4th at 568; *Grissom v. Vons Companies, Inc.* (1991) 1 Cal. App. 4th 52, 58 (holding employee may be entitled to reimbursement for independent legal counsel even where employer had retained other legal counsel).

Defendant failed to reimburse Plaintiff and Aggrieved Employees for necessary business expenses incurred, in violation of Labor Code section 2802. See Lab. Code § 2802(a) (“An employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties.”); *Cochran v. Schwan’s Home Service, Inc.* (2014) 228 Cal. App. 4th 1137.

Therefore, because Plaintiff and Aggrieved Employees incurred necessary business expenses in the scope of their employment but were not reimbursed, Defendant is liable under Labor Code section 2802(a).

VII. ISSUANCE OF INACCURATE WAGE STATEMENTS RESULTS IN LIABILITY

Defendant has also failed to provide accurate itemized wage statements to Plaintiff and Aggrieved Employees in accordance with Labor Code section 226(a)(1, 2, 5, and 9). Labor Code section 226 obligates employers, semi-monthly or at the time of each payment, to furnish an itemized wage statement in writing showing:

- (1) gross wages earned;
- (2) total hours worked by the employee;
- (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece rate;
- (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item;
- (5) net wages earned;
- (6) the inclusive dates of the period for which the employee is paid;
- (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number;
- (8) the name and address of the legal entity that is the employer...;
- (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee...

Due to Defendant’s failure to provide Plaintiff and Aggrieved Employees with lawful meal periods and rest breaks (and pay missed meal and rest break premiums thereon), along with the failure to pay the associated minimum and overtime wages, as well as unpaid minimum and overtime wages due for off-the-clock work, the wage statements issued by Defendant, at a minimum, do not indicate the correct amount of gross wages earned, the correct total hours worked, the correct net wages earned, or the applicable and/or correct hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate in violation of Labor Code section 226(a)(1), (2), (5), and (9).

As a result of Defendant’s violation of Labor Code section 226(a), Plaintiff and Aggrieved Employees suffered injury because, among other things: (a) the violations kept them from determining the amounts of wages owed; (b) the violations caused them to have to perform mathematical computations to determine the amounts of wages owed to them; and (c) the wage statements inaccurately understated the wages, hours, and wage rates to which they were entitled. As a result of failing to provide accurate itemized wage statements setting forth the information required by Labor Code section 226(a), Defendant has incurred liability that entitles Plaintiff and Aggrieved Employees to damages under Labor

Code section 226(e) and/or penalties including those pursuant to Labor Code section 226.3 and the PAGA.

Further, pursuant to California Labor Code section 1174(d), an employer shall keep at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and wages paid to employees employed at the respective plants or establishments. These records shall be kept in accordance with rules established for this purpose by the commission, and in any case shall be kept on file for not less than two years. Defendant has intentionally and willfully failed to keep accurate and complete records showing the hours worked daily and wages paid to Plaintiff and Aggrieved Employees. Thus, Plaintiff and Aggrieved Employees have been denied their legal right and protected interest in having available at a central location at the plant or establishment where they are employed, accurate and complete payroll records showing the hours worked daily by, and the wages paid to, employees at those respective locations pursuant to Labor Code section 1174. Plaintiff and Aggrieved Employees are thus also entitled to recover penalties pursuant to Labor Code section 1174.5.

VIII. UNTIMELY PAID WAGES AND WAITING TIME PENALTIES

Labor Code section 203 states that if an employer fails to provide wages at the time of an employee's termination, then the employee's wages must continue as a penalty for up to thirty days. "A proper reading of § 203 mandates a penalty equivalent to the employee's daily wages for each day he or she remained unpaid up to a total of 30 days...Thus, the critical computation required by Section 203 is the calculation of a daily wage rate, which can then be multiplied by the number of days of nonpayment, up to 30 days." DLSE Opinion Letter of January 28, 2003, citing *Mamika v. Barca* (1998) 68 Cal. App. 4th 487, 492.

Defendant did not provide all wages due to Plaintiff and Aggrieved Employees at the time of separation because it did not pay them amounts as alleged above, due and owing at the time of any Aggrieved Employees' termination or within seventy-two (72) hours of his or her resignation and have failed to pay those sums for thirty (30) days thereafter. Thus, waiting-time penalties were triggered and Plaintiff and Aggrieved Employees are entitled to continuing wages as provided by Labor Code section 203.

Further, Labor Code section 204 expressly requires that "[a]ll wages...earned by any person in any employment are due and payable twice during each calendar month, on days designated in advance by the employer as the regular paydays." Pursuant to Labor Code section 204(d), these requirements are "deemed satisfied by the payment of wages for weekly, biweekly or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period." Due to its failure to pay Plaintiff and Aggrieved Employees in compliance with the Labor Code as described above, Defendant failed to timely pay Plaintiff and Aggrieved Employees within seven (7) days of the close of the payroll period in accordance with Labor Code section 204 on a regular and consistent basis. As a result, Plaintiff and Aggrieved Employees are entitled to penalties pursuant to Labor Code section 210.

IX. UNFAIR COMPETITION LAW

By violating numerous wage-and-hour laws, Defendant also engaged in unlawful business acts that have deprived Plaintiff and Aggrieved Employees and all interested persons of the rights, benefits, and privileges guaranteed to all employees under law. *See*, Business and Professions Code section 17200, *et seq.* By committing the wage-and-hour violations enumerated above, Defendant has cut their costs of doing business and thus gained an unfair advantage over competitors who followed the law.

X. CONCLUSION

Pursuant to Labor Code section 2699.3(a), please advise within sixty (60) calendar days of this notice whether the LWDA intends to investigate and/or bring an action itself for the violations alleged above. We understand that if we do not receive a response within sixty-five (65) calendar days of this notice, Plaintiff - individually and on behalf of other similarly situated Aggrieved Employees - and the State of California may recover penalties pursuant to Labor Code section 2699.

Sincerely,
CounselOne, PC



Anthony J. Orshansky

Filing Fee (Enclosed)
Department of Industrial Relations
Accounting Unit
455 Golden Gate Avenue, 10th Floor
San Francisco, California 94102

EXHIBIT 4



State of California

Department of Industrial Relations

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cmre

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LWDA #	Plaintiff for PAGA Case	Employer Name	Employer City	Employer ZIP Code	Filer/Attorney for PAGA Case	Law Firm for PAGA Plaintiff	Employer Filer	Employer Filer Firm	Court Case #	Submission Date
LWDA-CMRE 809102-20	Krista Ozuna	CMRE Financial Services, Inc.	-	-	Anthony Orshansky	CounselOne, P.C.	-	-	30-2019-01087365-CU-OE-CXC	10/8/2020

Showing 1 to 1 of 1 entries

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EXHIBIT 5

DECLARATION OF NOELLE TEN EYCK

I, Noelle Ten Eyck, declare as follows:

1. I am an officer of CMRE Financial Services, Inc. ("CMRE"). This declaration is submitted in support of preliminary approval of the class action/PAGA settlement in the matter entitled Ozuna et al. v. CMRE Financial Services, Inc. et al.

2. CMRE is not aware of any other actions pending (individual, class, PAGA, or LWDA-filing stage) that might be affected by this settlement.

3. Between 1/1/2020 and 8/30/2020, CMRE experienced a constriction of its California workforce by approximately 23%, which impacted CMRE's revenue.

4. To the best of my knowledge, all non-exempt CMRE employees in California possess at least a baseline level of English proficiency.

5. On June 1, 2020, CMRE issued a new company handbook to its California employees. The handbook further clarified CMRE's policies on meal and rest break compliance, timekeeping, and other wage-hour policies and procedures.

6. Although CMRE made a business decision to settle the Ozuna matter, CMRE maintains that its wage-hour policies and procedures were legally compliant at all relevant times. In CMRE's view, this "no fault" settlement is exceedingly fair and reasonable for all Class Members.

I declare under penalty of perjury under the laws of the California that the foregoing is true and correct.

Executed on this ²³ day of February, 2021, at Charlotte, North Carolina.

DocuSigned by:
Noelle Ten Eyck

Noelle Ten Eyck

E7C2DD549EB348A...

EXHIBIT 6

NOTICE OF CLASS ACTION SETTLEMENT

Krista Ozuna, et al. v. CMRE Financial Services, Inc., et al.

Superior Court of California for the County of Orange, Case No. 30-2019-01087365-CU-OE-CXC

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the settlement, object to the settlement, and/or dispute the number of Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Krista Ozuna ("Plaintiff") and Defendant CMRE Financial Services, Inc. ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") in the case entitled *Krista Ozuna v. CMRE Financial Services, Inc., et al.*, Orange County Superior Court, Case No. 30-2019-01087365-CU-OE-CXC ("Lawsuit"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the Settlement.

I. IMPORTANT DEFINITIONS

"Class" means all persons employed in California by Defendant as hourly-paid or non-exempt employees during the Class Period.

"Class Member" means a member of the Class.

"Class Period" means the period beginning on August 1, 2015 and ending on August 1, 2020.

II. BACKGROUND OF THE ACTION

On August 1, 2019, Plaintiff Krista Ozuna commenced the Lawsuit by filing the Class Action Complaint for Damages in the Orange County Superior Court. Plaintiff alleges that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages upon termination and during employment and associated waiting-time penalties, provide accurate wage statements, keep requisite payroll records, reimburse business expenses, and thereby engaged in unfair business practices and owes penalties under the California Labor Code Private Attorneys General Act of 2004 ("PAGA"). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Lawsuit or that it violated any law and contends that at all times it has complied with federal, state, and local laws.

The Parties participated in a full-day mediation session with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Class Action and PAGA Settlement Agreement and Stipulation ("Settlement," "Agreement," or "Settlement Agreement").

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed CPT Group, Inc. as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Krista Ozuna as representative of the Class ("Class Representative"), and the following Plaintiff's attorneys as counsel for the Class ("Class Counsel"):

Edwin Aiwarzian
Arby Aiwarzian
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

Anthony J. Orshansky
CounselOne, PC
9301 Wilshire Boulevard, Suite 650
Beverly Hills, California 90210
Telephone: (310) 277-9945 / Fax: (424) 277-3727

Attorneys for CMRE Financial Services, Inc. are:

Ryan D. McCortney
Matthew M. Sonne
Sheppard, Mullin, Richter & Hampton LLP
650 Town Center Drive, 10th Floor
Costa Mesa, California 92626
Telephone: (714) 513-5100 / Fax: (714) 513-5130

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Settlement (in which case you will not receive an Individual Settlement Payment), object to the Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Section III below.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Lawsuit have merit or that Defendant has any liability to Plaintiff or to Class Members. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members. The Court has made no ruling on the merits of the Class Members' claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Nine Hundred Thousand Dollars (\$900,000) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) Attorneys' Fees and Costs, consisting of Attorneys' Fees in an amount not to exceed 35% of the Gross Settlement Amount (i.e., \$315,000) and Attorneys' Costs in an amount not to exceed Twenty Thousand Dollars (\$20,000) to Class Counsel; (2) Enhancement Award in an amount not to exceed Ten Thousand Dollars (\$10,000) to Plaintiff for her service in the Lawsuit; (3) payment to the California Labor and Workforce Development Agency ("LWDA") in the amount of Thirty-Seven Thousand Five Hundred Dollars (\$37,500) for its 75% portion of the PAGA Penalties ("LWDA Payment"); and (4) Administration Costs in an amount not to exceed Twenty-Two Thousand Dollars (\$22,000) to the Settlement Administrator. Note: a total of Fifty Thousand Dollars (\$50,000) from the Gross Settlement Amount has been allocated toward penalties under the Private Attorneys General Act ("PAGA Penalties"), of which the LWDA will be paid 75% and the remaining 25% (i.e., Twelve Thousand Five Hundred Dollars (\$12,500)) will be a part of the Net Settlement Amount for distribution, including to those Class Members who submit a valid and timely Request for Exclusion.

Class Members are eligible to receive a share of the Net Settlement Amount ("Individual Settlement Share") based on the number of weeks, or fraction therefor, they worked for Defendant in California in an hourly-paid or non-exempt position during the Class Period ("Workweeks"). Workweeks have been calculated based on the number of days between the Class Member's start and end date of employment during the Class Period as an hourly-paid or non-exempt employee in California, dividing that number by seven (7), and rounding up to the nearest whole number.

The Settlement Administrator has divided the Net Settlement Amount by the sum of all Class members' individual Workweeks ("Total Workweeks") to yield the "Workweek Value," and multiplied each Class Member's individual Workweeks by the Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Settlement (which is listed in Section III.C below).

Class Members who do not submit a valid and timely Request for Exclusion (“Settlement Class Members”) will be issued payment of their Individual Settlement Payment. However, Class Members who submit a timely and valid Request for Exclusion will still be bound by the release of all PAGA claims covered by this Settlement and will receive a pro rata portion of the settlement fund allocated to that claim.

Each Individual Settlement Share will be allocated thirty-three percent (33%) as taxable wages which will be reported on an IRS Form W-2 and sixty-seven percent (67%) as interest and penalties which will be reported on an IRS Form 1099. The employer-side payroll taxes, contributions, and withholdings with respect to the wages portion of the Individual Settlement Shares (“Employer Taxes”) will be paid by Defendant, separately and in addition to the Gross Settlement Amount. Each Individual Settlement Share will be subject to reduction for the employee-side payroll taxes, contributions, and withholdings with respect to the wages portion of the Individual Settlement Shares (“Employee Taxes”), resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Workweeks Credited to You

According to Defendant’s records:

From August 1, 2015 through August 1, 2020, you were employed by Defendant as an hourly-paid or non-exempt employee in California for [REDACTED] Workweeks.

If you wish to dispute the Workweeks credited to you, you must timely submit a fully completed and signed written dispute (“Workweek Dispute”) to the Settlement Administrator, postmarked or confirmed received **on or before [Response Deadline/60 days after mailing of Class Notice]**, to the address listed in Section IV.B below. The Workweek Dispute must: (1) be signed by you; (2) contain the case name and number of the Lawsuit (*Ozuna v. CMRE Financial Services, Inc., et al.*, Case No. 30-2019-01087365-CU-OE-CXC); (3) contain your full name, telephone number, mailing address, and e-mail address; (4) clearly state that the number of Workweeks attributed to you is incorrect and clearly state the number of Workweeks that you contend is correct; and (5) provide facts and/or attach documents supporting the number of Workweeks that you contend is correct. **A Workweek Dispute Form is attached hereto for your convenience.**

C. Your Estimated Individual Settlement Share

As explained above, your estimated Individual Settlement Share is based on the number of Workweeks credited to you, plus a pro rata share of the PAGA Payment.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee-side payroll taxes, contributions, and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share reflected in this Notice is only an estimate. Your actual Individual Settlement Payment may be higher or lower.

D. Release of Claims

Upon the Effective Date, Plaintiff and all Class Members who do not submit a valid and timely Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged any and all of the Released Parties of any and all Class Released Claims they may have or had.

“Class Released Claims” means all claims arising from the facts and claims alleged in the operative complaint in the Lawsuit, or that could have been raised in the Lawsuit based on the facts and claims alleged. The Class Released Claims

include all claims for unpaid wages, including, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; the incorrect calculation of the regular rate of pay; wages related to alleged illegal time rounding; non-compliant meal periods and rest periods and compensation related thereto; payments for all hours worked, including off-the-clock work; inaccurate wage statements; failure to keep accurate records; unfair business practices related to the Class released Claims; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs; all claims related to the Class Released Claims arising under the Wage Orders of the California Industrial Welfare Commission; the California Private Attorneys General Act of 2004 ("PAGA"); and California Business and Professions Code section 17200, *et seq.* Further, regardless of whether a Class Member serves a timely Request for Exclusion, the Class Member will still be bound by the release of all PAGA claims covered by this Settlement and will receive a pro rata portion of the settlement fund allocated to that claim. This release excludes the release of claims not permitted by law.

"Released Parties" means Defendant and each of its past, present, and future employees, officers, directors, partners, shareholders, owners, trustees, representatives, agents, attorneys, parents, subsidiaries, related companies/corporations and/or partnerships, divisions, assigns, predecessors, successors, affiliates, and insurers, and all of their respective past, present, and future employees, officers, directors, agents, attorneys, shareholders, owners, parents, subsidiaries, and assigns.

E. Attorneys' Fees and Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., an amount of up to \$315,000) ("Attorneys' Fees") and reimbursement of actual litigation costs and expenses in an amount of up to Twenty Thousand Dollars (\$20,000) ("Attorneys' Costs") (collectively, "Attorneys' Fees and Costs"), subject to approval by the Court. All Attorneys' Fees and Costs awarded by the Court will be paid from the Gross Settlement Amount. Class Counsel agreed to split fees 50% and 50% between the law firms of Lawyers *for* Justice, PC and CounselOne, PC and have been prosecuting the Lawsuit on behalf of Plaintiff and Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.

F. Enhancement Award to Plaintiff

The Class Representative will receive the amount of Ten Thousand Dollars (\$10,000) ("Enhancement Award"), in recognition of her service in connection with the Lawsuit, subject to approval by the Court. The Enhancement Award will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, will be paid to the Plaintiff in addition to her Individual Settlement Payment that she is entitled to under the Settlement.

G. Administration Costs to the Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Twenty-Two Thousand Dollars (\$22,000) ("Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, objections, and disputes of Workweeks, calculating Individual Settlement Shares and Individual Settlement Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Settlement.

Unless you elect to exclude yourself from the Settlement, you will be bound by the terms of the Settlement and any judgment that may be entered by the Court based thereon, and you will release the claims described in Section III.D above. As a Class Member, you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Settlement

If you do not wish to participate in the Settlement, you must mail a written request to opt out of the Settlement ("Request

for Exclusion”) to the Settlement Administrator, by first class U.S. mail, postmarked **on or before [Response Deadline/60 days after mailing of Class Notice]**, at the following address:

CPT Group, Inc.

[Mailing Address]

[Fax Number]

A Request for Exclusion must: (1) be signed by you; (2) contain the case name and number of the Lawsuit (*Ozuna v. CMRE Financial Services, Inc., et al.*, Case No. 30-2019-01087365-CU-OE-CXC); (3) contain your full name, telephone number, mailing address, and e-mail address; and (4) clearly state that you want to opt out of the Settlement. **A pre-printed Request For Exclusion Form is attached here for your convenience.**

If the Court grants final approval of the Settlement, Class Members who submit a valid and timely Request for Exclusion will not be entitled to receive any payment from the Settlement except for a pro rata share of the PAGA Payment, will not be bound by the Settlement (and the release of claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Settlement. However, Class Members who submit a timely and valid Request for Exclusion will still be bound by the release of all PAGA claims covered by this Settlement and will receive a pro rata portion of the settlement fund allocated to that claim. Class Members who do not submit a valid and timely Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon.

C. Object to the Settlement

You can object to the terms of the Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection (“Objection”) to the Settlement Administrator, by mail, postmarked **on or before [Response Deadline/60 days after mailing of Class Notice]**, at the address listed in Section IV.B above. However, if the Court rejects your Objection, you will still be bound by the terms of the Settlement.

The Objection must: (1) be signed by you; (2) contain the case name and number of the Lawsuit (*Ozuna v. CMRE Financial Services, Inc., et al.*, Case No. 30-2019-01087365-CU-OE-CXC); (3) contain your full name, telephone number, and mailing address; (4) clearly state the factual and legal basis for objecting to the Settlement; (5) indicate whether you are represented by counsel and identify said counsel; and (6) indicate whether you intend to appear at the Final Approval Hearing and seek to be heard at the Final Approval Hearing.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department CX104 of the Orange County Superior Court, Civil Complex Center located at 751 West Santa Ana Boulevard, Santa Ana, California 92701, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. At this hearing, the Court will also determine whether to approve and award Attorneys’ Fees and Costs to Class Counsel, Enhancement Award to Plaintiff, and Administration Costs to the Settlement Administrator. The hearing may be continued without further notice to Class Members.

It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Clerk of the Orange County Superior Court, located at the Orange County Superior Court, Central Justice Center, 700 West Civic Center Drive, Santa Ana, California 92701. Some documents and information regarding the Lawsuit can also be accessed online for free or at a minimal charge at the Orange County Superior Court’s website, using the Case Access system, at the following web address: <http://www.occourts.org/online-services/case-access/>

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT. IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: **[INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.**

WORKWEEK DISPUTE FORM

Krista Ozuna, et al. v. CMRE Financial Services, Inc., et al.
Orange County Superior Court Case No. 30-2019-01087365-CU-OE-CXC

**PLEASE COMPLETE THIS FORM ONLY IF YOU WISH TO DISPUTE THE WORKWEEKS
CREDITED TO YOU.**

According to Defendant's records, the number of Workweeks you worked from August 1, 2015 to August 1, 2020 is _____.

Based on this number of Workweeks, your estimated Individual Settlement Payment is \$ _____,
plus your Individual PAGA Payment is \$ _____.

If you disagree with the number of Workweeks stated on this form, you must complete this form and send it to the Settlement Administrator, postmarked or confirmed received **on or before [Response Deadline / 60 days after mailing of Class Notice]** at the following address:

CPT Group, Inc.
[Mailing Address]

I disagree with the number of Workweeks stated above because:

Please enclose all documentation supporting your dispute of the Workweeks.

Dated: _____

Signed: _____

Print Name: _____

Mailing Address: _____

Telephone Number: _____

Email Address: _____

**DO NOT RETURN THIS FORM IF YOU DO NOT DISPUTE THE NUMBER OF
WORKWEEKS STATED ABOVE.**

Questions? Please call: [Settlement Administrator's 800-number]

REQUEST FOR EXCLUSION FORM

Krista Ozuna, et al. v. CMRE Financial Services, Inc., et al.
Orange County Superior Court Case No. 30-2019-01087365-CU-OE-CXC

PLEASE COMPLETE THIS FORM **ONLY IF** YOU WISH TO EXCLUDE YOURSELF FROM THE CLASS ACTION SETTLEMENT. IF YOU EXCLUDE YOURSELF FROM THE CLASS, YOU **WILL NOT** RECEIVE COMPENSATION FROM THE CLASS ACTION SETTLEMENT. HOWEVER, YOU WILL STILL RECEIVE A PRO RATA PORTION OF THE SETTLEMENT FUND ALLOCATED TO THE PRIVATE ATTORNEYS GENERAL ACT ("PAGA") CLAIMS AND BE BOUND BY THE RELEASE OF ALL PAGA CLAIMS COVERED BY THE SETTLEMENT.

I, _____, request to be excluded from the Settlement Class in the lawsuit *Krista Ozuna, et al. v. CMRE Financial Services, Inc., et al.*, Orange County Superior Court Case No. 30-2019-01087365-CU-OE-CXC.

Dated: _____

Signed: _____

Print Name: _____

Mailing Address: _____

Telephone Number: _____

Email Address: _____

To be timely, a Request for Exclusion must be submitted to the Settlement Administrator, postmarked or confirmed received **on or before [Response Deadline / 60 days after mailing of Class Notice]** at the following address:

CPT Group, Inc.
[Mailing Address]

Questions? Please call: [Settlement Administrator's 800-number]

EXHIBIT 7

NOTICE OF CLASS ACTION SETTLEMENT

Krista Ozuna, et al. v. CMRE Financial Services, Inc., et al.

Superior Court of California for the County of Orange, Case No. 30-2019-01087365-CU-OE-CXC

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the settlement, object to the settlement, and/or dispute the number of Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Krista Ozuna ("Plaintiff") and Defendant CMRE Financial Services, Inc. ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") in the case entitled *Krista Ozuna v. CMRE Financial Services, Inc., et al.*, Orange County Superior Court, Case No. 30-2019-01087365-CU-OE-CXC ("Lawsuit"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the Settlement.

I. IMPORTANT DEFINITIONS

"Class" means all persons employed in California by Defendant as hourly-paid or non-exempt employees during the Class Period.

"Class Member" means a member of the Class.

"Class Period" means the period beginning on August 1, 2015 and ending on August 1, 2020.

II. BACKGROUND OF THE ACTION

On August 1, 2019, Plaintiff Krista Ozuna commenced the Lawsuit by filing the Class Action Complaint for Damages in the Orange County Superior Court. Plaintiff alleges that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages upon termination and during employment and associated waiting-time penalties, provide accurate wage statements, keep requisite payroll records, reimburse business expenses, and thereby engaged in unfair business practices and owes penalties under the California Labor Code Private Attorneys General Act of 2004 ("PAGA"). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Lawsuit or that it violated any law and contends that at all times it has complied with federal, state, and local laws.

The Parties participated in a full-day mediation session with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Class Action and PAGA Settlement Agreement and Stipulation ("Settlement," "Agreement," or "Settlement Agreement").

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed CPT Group, Inc. as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Krista Ozuna as representative of the Class ("Class Representative"), and the following Plaintiff's attorneys as counsel for the Class ("Class Counsel"):

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Attorneys for CMRE Financial Services, Inc. are:

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If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Settlement (in which case you will not receive an Individual Settlement Payment), object to the Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Section III below.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Lawsuit have merit or that Defendant has any liability to Plaintiff or to Class Members. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members. The Court has made no ruling on the merits of the Class Members' claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Nine Hundred Thousand Dollars (\$900,000) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) Attorneys' Fees and Costs, consisting of Attorneys' Fees in an amount not to exceed 35% of the Gross Settlement Amount (i.e., \$315,000) and Attorneys' Costs in an amount not to exceed Twenty Thousand Dollars (\$20,000) to Class Counsel; (2) Enhancement Award in an amount not to exceed Ten Thousand Dollars (\$10,000) to Plaintiff for her service in the Lawsuit; (3) payment to the California Labor and Workforce Development Agency ("LWDA") in the amount of Thirty-Seven Thousand Five Hundred Dollars (\$37,500) for its 75% portion of the PAGA Penalties ("LWDA Payment"); and (4) Administration Costs in an amount not to exceed Twenty-Two Thousand Dollars (\$22,000) to the Settlement Administrator. Note: a total of Fifty Thousand Dollars (\$50,000) from the Gross Settlement Amount has been allocated toward penalties under the Private Attorneys General Act ("PAGA Penalties"), of which the LWDA will be paid 75% and the remaining 25% (i.e., Twelve Thousand Five Hundred Dollars (\$12,500)) will be a part of the Net Settlement Amount for distribution, ~~to Settlement Class Members including to those Class Members who submit a valid and timely Request for Exclusion.~~

Class Members are eligible to receive a share of the Net Settlement Amount ("Individual Settlement Share") based on the number of weeks, or fraction thereof, they worked for Defendant in California in an hourly-paid or non-exempt position during the Class Period ("Workweeks"). Workweeks have been calculated based on the number of days between the Class Member's start and end date of employment during the Class Period as an hourly-paid or non-exempt employee in California, dividing that number by seven (7), and rounding up to the nearest whole number.

The Settlement Administrator has divided the Net Settlement Amount by the sum of all Class members' individual Workweeks ("Total Workweeks") to yield the "Workweek Value," and multiplied each Class Member's individual Workweeks by the Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Settlement (which is listed in Section III.C below).

Class Members who do not submit a valid and timely Request for Exclusion ("Settlement Class Members") will be issued payment of their Individual Settlement Payment. However, Class Members who submit a timely and valid Request for Exclusion will still be bound by the release of all PAGA claims covered by this Settlement and will receive a pro rata portion of the settlement fund allocated to that claim.

Each Individual Settlement Share will be allocated thirty-three percent (33%) as taxable wages which will be reported on an IRS Form W-2 and sixty-seven percent (67%) as interest and penalties which will be reported on an IRS Form 1099. The employer-side payroll taxes, contributions, and withholdings with respect to the wages portion of the Individual Settlement Shares ("Employer Taxes") will be paid by Defendant, separately and in addition to the Gross Settlement Amount. Each Individual Settlement Share will be subject to reduction for the employee-side payroll taxes, contributions, and withholdings with respect to the wages portion of the Individual Settlement Shares ("Employee Taxes"), resulting in a net payment to the Settlement Class Member ("Individual Settlement Payment").

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Workweeks Credited to You

According to Defendant's records:

From August 1, 2015 through August 1, 2020, you were employed by Defendant as an hourly-paid or non-exempt employee in California for [REDACTED] Workweeks.

If you wish to dispute the Workweeks credited to you, you must timely submit a fully completed and signed written dispute ("Workweek Dispute") to the Settlement Administrator, postmarked or confirmed received **on or before [Response Deadline/60 days after mailing of Class Notice]**, to the address listed in Section IV.B below. —The Workweek Dispute must: (1) be signed by you; (2) contain the case name and number of the Lawsuit (*Ozuna v. CMRE Financial Services, Inc., et al.*, Case No. 30-2019-01087365-CU-OE-CXC); (3) contain your full name, telephone number, mailing address, and e-mail address; (4) clearly state that the number of Workweeks attributed to you is incorrect and clearly state the number of Workweeks that you contend is correct; and (5) provide facts and/or attach documents supporting the number of Workweeks that you contend is correct. **A Workweek Dispute Form is attached hereto for your convenience.**

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C. Your Estimated Individual Settlement Share

As explained above, your estimated Individual Settlement Share is based on the number of Workweeks credited to you, plus a pro rata share of the PAGA Payment.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee-side payroll taxes, contributions, and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share reflected in this Notice is only an estimate. Your actual Individual Settlement Payment may be higher or lower.

D. Release of Claims

Upon the Effective Date, Plaintiff and all Class Members who do not submit a valid and timely Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally, and forever released, settled, compromised, relinquished,

and discharged any and all of the Released Parties of any and all Class Released Claims they may have or had.

“Class Released Claims” means all claims arising from ~~or related to~~ the facts and claims alleged in the operative complaint in the Lawsuit, or that could have been raised in the Lawsuit based on the facts and claims alleged. The Class Released Claims include all claims for unpaid wages, including, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; the incorrect calculation of the regular rate of pay; wages related to alleged illegal time rounding; non-compliant meal periods and rest periods and compensation related thereto; payments for all hours worked, including off-the-clock work; inaccurate wage statements; failure to keep accurate records; unfair business practices related to the Class released Claims; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys’ fees and costs; all claims related to the Class Released Claims arising under the Wage Orders of the California Industrial Welfare Commission; the California Private Attorneys General Act of 2004 (“PAGA”); and California Business and Professions Code section 17200, *et seq.* Further, regardless of whether a Class Member serves a timely Request for Exclusion, the Class Member will still be bound by the release of all PAGA claims covered by this Settlement and will receive a pro rata portion of the settlement fund allocated to that claim. This release excludes the release of claims not permitted by law.

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“Released Parties” means Defendant and each of its past, present, and future employees, officers, directors, partners, shareholders, owners, trustees, representatives, agents, attorneys, parents, subsidiaries, related companies/corporations and/or partnerships, divisions, assigns, predecessors, successors, affiliates, and insurers, and all of their respective past, present, and future employees, officers, directors, agents, attorneys, shareholders, owners, parents, subsidiaries, and assigns.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., an amount of up to \$315,000) (“Attorneys’ Fees”) and reimbursement of actual litigation costs and expenses in an amount of up to Twenty Thousand Dollars (\$20,000) (“Attorneys’ Costs”) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. All Attorneys’ Fees and Costs awarded by the Court will be paid from the Gross Settlement Amount. -Class Counsel agreed to split fees 50% and 50% between the law firms of Lawyers for Justice, PC and CounselOne, PC and- have been prosecuting the Lawsuit on behalf of Plaintiff and Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.

F. Enhancement Award to Plaintiff

The Class Representative will receive the amount of Ten Thousand Dollars (\$10,000) (“Enhancement Award”), in recognition of her service in connection with the Lawsuit, subject to approval by the Court. The Enhancement Award will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, will be paid to the Plaintiff in addition to her Individual Settlement Payment that she is entitled to under the Settlement.

G. Administration Costs to the Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Twenty-Two Thousand Dollars (\$22,000) (“Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, objections, and disputes of Workweeks, calculating Individual Settlement Shares and Individual Settlement Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Settlement.

Unless you elect to exclude yourself from the Settlement, you will be bound by the terms of the Settlement and any judgment that may be entered by the Court based thereon, and you will release the claims described in Section III.D above. As a Class Member, you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Settlement

If you do not wish to participate in the Settlement, you must mail a written request to opt out of the Settlement ("Request for Exclusion") to the Settlement Administrator, by first class U.S. mail, postmarked **on or before [Response Deadline/60 days after mailing of Class Notice]**, at the following address:

CPT Group, Inc.
[Mailing Address]
[Fax Number]

A Request for Exclusion must: (1) be signed by you; (2) contain the case name and number of the Lawsuit (*Ozuna v. CMRE Financial Services, Inc., et al.*, Case No. 30-2019-01087365-CU-OE-CXC); (3) contain your full name, telephone number, mailing address, and e-mail address; and (4) clearly state that you want to opt out of the Settlement. **A pre-printed Request For Exclusion Form is attached here for your convenience.**

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If the Court grants final approval of the Settlement, Class Members who submit a valid and timely Request for Exclusion will not be entitled to receive any payment from the Settlement **except for a pro rata share of the PAGA Payment**, will not be bound by the Settlement (and the release of claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Settlement. **However, Class Members who submit a timely and valid Request for Exclusion will still be bound by the release of all PAGA claims covered by this Settlement and will receive a pro rata portion of the settlement fund allocated to that claim.** Class Members who do not submit a valid and timely Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon.

C. Object to the Settlement

You can object to the terms of the Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection ("Objection") to the Settlement Administrator, by mail, postmarked **on or before [Response Deadline/60 days after mailing of Class Notice]**, at the address listed in Section IV.B above. However, if the Court rejects your Objection, you will still be bound by the terms of the Settlement.

The Objection must: (1) be signed by you; (2) contain the case name and number of the Lawsuit (*Ozuna v. CMRE Financial Services, Inc., et al.*, Case No. 30-2019-01087365-CU-OE-CXC); (3) contain your full name, telephone number, and mailing address; (4) clearly state the factual and legal basis for objecting to the Settlement; (5) indicate whether you are represented by counsel and identify said counsel; and (6) indicate whether you intend to appear at the Final Approval Hearing and seek to be heard at the Final Approval Hearing.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department CX104 of the Orange County Superior Court, Civil Complex Center located at 751 West Santa Ana Boulevard, Santa Ana, California 92701, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. At this hearing, the Court will also determine whether to approve and award Attorneys' Fees and Costs to Class Counsel, Enhancement Award to Plaintiff, and Administration Costs to the Settlement Administrator. The hearing may be continued without further notice to Class Members.

It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Clerk of the Orange County Superior Court, located at the Orange County Superior Court, Central Justice Center, 700 West Civic Center Drive, Santa Ana, California 92701. Some documents and information regarding the Lawsuit can also be accessed online for free or at a minimal charge at the Orange County Superior Court's website, using the Case Access system, at the following web address: <http://www.occourts.org/online-services/case-access/>

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

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