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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

JOSELYN CORREA, individually, and on behalf
of other members of the general public similarly
situated, and on behalf of other aggrieved
employees pursuant to the California Private
Attorneys General Act;

Plaintiff,

vs.

FINANCIAL PARTNERS CREDIT UNION, a
California corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: 21STCV07183

Honorable Stuart M. Rice
Department 1

CLASS ACTION

**DECLARATION OF JILL J. PARKER IN
SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT**

Date: December 16, 2024
Time: 10:30 a.m.
Dept.: 1

Complaint Filed: February 24, 2021
FAC Filed: July 29, 2024
Trial Date: None Set

DECLARATION OF JILL J. PARKER

I, Jill J. Parker, declare as follows:

1. I am an attorney duly licensed to practice law in all Courts of the State of California. I am a partner in the law firm of Parker & Minne, LLP (Parker & Minne), attorneys of record for Plaintiff Joselyn Correa ("Plaintiff"). I have personal knowledge of the facts contained herein, and, if called to testify I could and would competently do so.

2. I am a 2010 graduate of the University of Southern California Gould School of Law, where I earned a Juris Doctor degree. In 2007, I graduated from the University of California, Los Angeles with a Master of Arts degree. In 2003, I graduated from Leland Stanford Junior University with a Bachelor of Arts degree.

3. In December of 2010, I was admitted to the State Bar of California. Since that time, my primary area of practice has been class action litigation, with an emphasis on wage-and-hour litigation. From January 2010 to July 2020, I was employed by Lawyers *for* Justice, PC ("Lawyers *for* Justice," formerly known as The Aiwarzian Law Firm), first as a law clerk, and then as an attorney upon my admission to the State Bar. During that time, my focus was exclusively on litigating class actions and representative Labor Code Private Attorneys General Act of 2004 ("PAGA") actions on behalf of California consumers and employees. I litigated hundreds of these actions, in various counties in California and in all four District Courts in California. For the vast majority of these actions, I was the only attorney staffed on these cases and thus have extensive experience in taking person most knowledgeable depositions; taking and defending depositions of putative class members; defending plaintiffs' depositions; conducting intakes of putative class members; working with expert witnesses to formulate class action trial plans; meeting and conferring regarding discovery disputes; filing and arguing motions to compel; opposing and arguing against motions for summary judgment, motions for summary adjudication, and motions for judgment on the pleadings; drafting and arguing motions for class certification; drafting mediation briefs and mediating class action and PAGA cases; and fielding questions from putative class members about their rights in response to opt-out notices.

4. In July 2020, I accepted a position with Blackstone Law, APC. Similar to my employment at Lawyers *for* Justice, at Blackstone Law, APC I was the lead attorney on the cases to

1 which I was staffed, and I performed the same duties and carried out the same responsibilities as in
2 my previous employment.

3 5. In July 2022, I co-founded Parker & Minne. I continue to litigate wage-and-hour class
4 and representative actions and also litigate discrimination, whistleblower retaliation, and wrongful
5 termination actions. During the entirety of my career as an attorney, my practice has been exclusively
6 dedicated to prosecuting claims on behalf of plaintiffs.

7 6. I have considerable experience in handling class action lawsuits and have been
8 approved as class counsel in a number of cases, including:

- 9 • *Martinez v. DoubleCo, Inc.*, San Bernardino Superior Court Case No. CIVSB2210491, a
10 wage and hour class action certified for purposes of settlement brought on behalf of a
11 class of hourly-paid California employees working for a manufacturer of specialty
12 fasteners and hardware.
- 13 • *Kincaid v. Educational Credit Management Corporation*, Eastern District of California
14 Case No. 2:21-CV-00863-TLN-JDP, a certified wage-and-hour class action brought
15 on behalf of a class of hourly-paid California employees working for a student loan
16 guarantor.
- 17 • *Ragsdale v. Pacific Ethanol, Inc.*, Sacramento Superior Court Case No. 34-2019-
18 00251883-CU-OE-GDS, a wage and hour class action certified for purposes of settlement
19 brought on behalf of a class of hourly-paid California employees working for a producer
20 of specialty alcohols and essential ingredients.
- 21 • *Estrada v. Belshire Environmental Services, Inc.*, Orange County Superior Court Case
22 No. 30-2022-01262282-CU-OE-CXC, a wage and hour class action certified for
23 purposes of settlement brought on behalf of a class of hourly-paid California employees
24 working for a provider of waste management and environmental regulation compliance
25 services.
- 26 • *Schwartzenberger v. Berger Steel Corporation*, Sacramento Superior Court Case No. 34-
27 2022-00319703CU-OE-GDS, a wage-and-hour class action certified for purposes of
28

1 settlement brought on behalf of a class of hourly-paid California employees working for
2 a metals fabricator and erector.

3 • *Hernandez v. New Image Pool Interiors, Inc.*, Tulare Superior Court Case No.
4 VCU293400, wage-and-hour class action certified for purposes of settlement brought on
5 behalf of a class of hourly-paid California employees working for a swimming pool
6 construction company.

7 • *Zaragoza v. The Arc of Ventura County, Inc.*, Ventura County Superior Court Case No.
8 56-2022-00565343-CU-OE-VTA, a wage-and-hour class action certified for purposes of
9 settlement brought on behalf of a class of hourly-paid California employees working for
10 a community services organization.

11 • *Bradley v. Native American Health Center, Inc.*, Alameda Superior Court Case No.
12 22CV011617, a wage-and-hour class action certified for purposes of settlement brought
13 on behalf of a class of hourly-paid California employees working for a health center.

14 • *Gonzalez v. Hunt Enterprises, Inc.*, Los Angeles Superior Court Case No.
15 22STCV15057, a wage-and-hour class action certified for purposes of settlement brought
16 on behalf of a class of hourly-paid California employees working for a real estate
17 investment company.

18 • *Hartstein v. Hyatt Corporation*, Central District of California Case No. 2:20-CV-04874-
19 DSF-JPR, a certified wage-and-hour class action brought on behalf of a class of
20 California employees who were not paid out vacation wages on the date they were
21 indefinitely “furloughed” due to the COVID-19 pandemic.

22 • *Chavez v. Smurfit Kappa Orange County LLC*, Central District of California Case No.
23 2:18-cv-05106-SVW-SK, a certified wage-and-hour class action brought on behalf of
24 hourly-paid employees working for a paper-packaging company.

25 • *Serna v. Mitchell International, Inc.*, Orange County Superior Court Case No. 30-2017-
26 00912941-CU-OE-CXC, a certified wage-and-hour class action brought on behalf of
27 hourly-paid employees in the State of California working for a company that provides
28 software for claims handling and collision repair in the automotive industry.

- 1 • *Phelps v. Steven Madden Retail, Inc.*, Sacramento Superior Court Case No. 34-2015-
2 00175330-CU-OE-GDS, a certified wage-and-hour class action brought on behalf
3 of hourly-paid retail workers in the State of California.
- 4 • *Corinthian International Wage and Hour Cases*, Santa Clara Superior Court Case No.
5 16CV292208, JCCP Case No. 4886, a certified wage-and- hour class action brought on
6 behalf of hourly-paid workers working for a company providing transportation services
7 in Northern California.
- 8 • *Abdulhaqq v. Urban Outfitters*, Alameda Superior Court Case No. RG1368047, a
9 certified wage-and-hour class action brought on behalf of allegedly misclassified exempt
10 department managers in retail stores throughout California.

11 In addition, I was the lead associate attorney on the following non-exhaustive list of cases
12 that were certified for settlement purposes:

- 13 • *Duberry v. J. Crew Group, Inc.*, Central District of California Case No. 2:14-cv-08810-
14 SW-MRW, a wage-and-hour class action brought on behalf of a class, certified for
15 settlement purposes, of hourly-paid retail employees working in the State of California.
- 16 • *Feao v. UFP Riverside, LLC*, Central District of California Case No. 2:17- cv-03080-
17 PSG-JPR, a wage-and-hour class action brought on behalf of a class, certified for
18 settlement purposes, of hourly-paid employees working for a building supply company.
- 19 • *Guzman v. Banana Republic, LLC*, Los Angeles Superior Court Case No. BC488069, a
20 wage-and-hour class action brought on behalf of a class, certified for settlement purposes,
21 of hourly-paid retail employees working in the State of California.
- 22 • *Lynch v. Regus Management Group, LLC*, Alameda Superior Court Case No.
23 RG13669501, a wage-and-hour class action brought on behalf of a class, certified for
24 settlement purposes, of hourly-paid customer service representatives.
- 25 • *Red v. Flyers Energy, LLC*, San Mateo Superior Court Case No. CIV531460, a wage-
26 and-hour class action brought on behalf of a class, certified for settlement purposes, of
27 hourly-paid employees working at gas stations in the State of California.
- 28 • *Young v. Novartis Pharmaceuticals Corporation*, San Mateo Superior Court Case No.

17CIV02798, a wage-and-hour class action brought on behalf of a class, certified for settlement purposes, of hourly-paid employees who worked for a pharmaceutical company in the State of California.

- *Swan v. PACE Supply Corp.*, Sonoma Superior Court Case No. SCV258764, a wage-and-hour class action brought on behalf of a class, certified for settlement purposes, of hourly-paid employees who worked for a plumbing supply company in California.
- *Ruiz v. Towne Air Freight, LLC*, C.D. Cal. Case No. 2:15-cv-02853-DSF- SS, a wage-and-hour class action brought on behalf of a class, certified for settlement purposes, of hourly-paid employees who worked for a company providing freight courier services in California.

RELEVANT PROCEDURAL AND FACTUAL BACKGROUND OF THE ACTION

7. On February 24, 2021, Plaintiff filed a class action complaint against Financial Partners Credit Union (“Defendant”) entitled *Joselyn Correa v. Financial Partners Credit Union*, Los Angeles County Superior Court Case No. 21STCV07183 (the “Class Action”). The complaint alleged the following causes of action: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime Wages); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California Labor Code § 1174(d) (Failure to Keep Requisite Payroll Records); (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); and (10) Violation of California Business and Professions Code §§ 17200, et seq.

8. On February 10, 2021, Plaintiff provided notice to the California Labor & Workforce Development Agency (“LWDA”) and to Defendant of her intention to seek civil penalties from Defendants pursuant to Labor Code §§ 2698, et seq. (“PAGA”).

9. On April 21, 2021, Plaintiff filed a Complaint for Enforcement Under the Private

1 Attorneys General Act, California Labor Code § 2698, Et Seq., in the Superior Court for the County
2 of Los Angeles, captioned *Joselyn Correa v. Financial Partners Credit Union*, Case No.
3 21NWCV00238 (the “PAGA Action”). A copy of the complaint in the PAGA Action was uploaded
4 to the LWDA’s website on April 27, 2021.

5 10. In August 2021, Plaintiff’s counsel conferred with Defendant’s counsel and scheduled
6 a mediation. As part of their agreement to mediate, the Parties agreed to exchange informal discovery
7 and informally stay discovery pending mediation.

8 11. Pursuant to the Parties’ agreement regarding informal discovery, Defendant produced
9 extensive informal discovery prior to mediation, which included a sampling of Class Members’ time
10 and payroll records. The sampling included time and pay records for one-third of the Class Members.
11 Defendant also produced multiple versions of Defendant’s employee handbooks in use during the
12 Class Period; performance evaluations; incentive plans; dozens of job descriptions; customer service
13 policies; training materials; time and attendance policies and FAQs; organizational structure charts;
14 document retention policies; reimbursement forms; and payroll calendars. Defendant also produced
15 key data points regarding the size and composition of the Class, such as the number of Class Members
16 and Aggrieved Employees (including the number of current versus former employees), the total
17 number of workweeks worked by Class Members during the Class Period, the number of pay periods
18 worked by Aggrieved Employees during the PAGA Period, and the average rate of pay for the Class
19 Members.

20 12. Prior to mediation, Plaintiff’s Counsel thoroughly reviewed the informal discovery
21 produced by Defendant, which included consulting with a data analysis expert to fully analyze Class
22 Members’ time and payroll records. Plaintiff’s Counsel engaged in extensive independent
23 investigation and conducted further legal research regarding the merits of Plaintiff’s claims and
24 Defendant’s potential defenses thereto. Based on this investigation and informal discovery, Plaintiff’s
25 Counsel prepared a detailed and informed assessment of Defendant’s potential liability prior to the
26 mediation. Plaintiff’s Counsel also extensively briefed the strengths and weaknesses of Plaintiff’s
27 claims and Defendant’s anticipated defenses, and provided their analysis to the mediator for his
28 consideration. These extensive efforts enabled Plaintiff’s Counsel to act intelligently and effectively

1 in negotiating the proposed settlement.

2 13. On June 27, 2022, the Parties attended a formal mediation with Jeffrey A. Ross, Esq.,
3 a neutral and respected mediator with extensive experience in complex wage and hour matters. The
4 Parties engaged in a full day of settlement discussions, during which the Parties extensively debated
5 their respective positions and exchanged views regarding the strengths and weaknesses of their claims
6 and defenses. The settlement discussions were at all times at arm's-length and, although conducted
7 with appropriate professional decorum, were adversarial. Plaintiff and Plaintiff's Counsel went into
8 mediation willing to explore the potential for a settlement, but were also prepared to aggressively
9 litigate Plaintiff's claims through class certification, trial, and appeal if a settlement was not reached.
10 Ultimately, the Parties reached an impasse and did not come to an agreement to resolve the Class
11 Action and the PAGA Action (collectively, the "Litigation") at mediation.

12 14. Thereafter, Plaintiff propounded written discovery on Defendant in the Class Action
13 consisting of Form Interrogatories – General (Set One), Special Interrogatories (Sets One and Two),
14 and Requests for Production of Documents (Set One) on August 11, 2022. That same day, Plaintiff
15 noticed the depositions of Defendant's Person(s) Most Knowledgeable in the Class Action. Defendant
16 served objection-only responses to the written discovery on December 13, 2022. After meeting and
17 conferring with Defendant regarding those responses, Defendant served supplemental responses on
18 June 5, 2023. In addition, the Parties engaged in a *Belaire-West* opt-out administration process for the
19 class contact information in January 2023. Plaintiff also took two days of depositions of Defendant's
20 Persons Most Knowledgeable.

21 15. Although the Parties' mediation had been unsuccessful and they were engaged in the
22 discovery process, the Parties continued to explore the possibility of settlement through extensive
23 negotiations. Ultimately, the Parties were able to reach an agreement to settle the Litigation through
24 a mediator's proposal which was accepted by the Parties on November 3, 2023. A memorandum of
25 understanding of settlement was fully executed by the Parties on April 8, 2024.

26 16. On July 18, 2024, after further negotiation, the Parties fully executed the Class Action
27 and PAGA Settlement Agreement and Class Notice ("Settlement Agreement" or "Settlement" or
28 "Agreement"). A true and correct copy of the fully executed Settlement Agreement, which includes

the proposed Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval (“Class Notice”) (Exhibit A to the Agreement), is attached hereto as Exhibit 1. A true and correct copy of a redlined version of the Settlement Agreement, which shows the changes made to the Agreement from the Court’s model settlement agreement for class and PAGA actions, is attached hereto as Exhibit 2.

17. On July 25, 2024, the Parties filed a joint stipulation to allow for the filing of an amended complaint in the Class Action which added the PAGA claims alleged in the PAGA Action as an eleventh cause of action, and to dismiss the PAGA action without prejudice. The Court granted the Parties’ stipulation, and Plaintiff’s First Amended Class Action Complaint For Damages And Enforcement Action Under The Private Attorneys General Act, California Labor Code § 2698 Et Seq. (“FAC”) was filed on July 29, 2024. Thereafter, the PAGA Action was dismissed without prejudice on August 2, 2024. A copy of the FAC was uploaded to the LWDA’s website on September 4, 2024.

18. The Settlement was reached at the end of a process that was neither fraudulent nor collusive. To the contrary, counsel for the Parties advanced their respective positions throughout the settlement negotiations.

SUMMARY OF THE SETTLEMENT TERMS

19. Plaintiff seeks to certify the following Class for settlement purposes:

All current and former hourly-paid or non-exempt employees of Defendant in California employed at any time during the Class Period.

The Class Period is the period from February 24, 2017 through January 31, 2024.

20. Based on information provided by Defendant, it is estimated that the Class consists of approximately 480 individuals.

21. The Parties also seek to settle claims under PAGA on behalf of Aggrieved Employees, who are defined as:

All current and former hourly-paid or non-exempt employees of Defendant in California employed at any time during the PAGA Period.

The PAGA Period is the period from February 24, 2020 through January 31, 2024.

22. Based on information provided by Defendant prior to mediation, it was estimated that

1 there were approximately 288 Aggrieved Employees.

2 23. Subject to Court approval, Plaintiff and Defendant have agreed to settle both the Class
3 and PAGA claims for the gross settlement amount of One Million Four Hundred Fifty Thousand
4 Dollars and Zero Cents (\$1,450,000.00). The Gross Settlement Amount is exclusive of any employer-
5 side payroll taxes, which shall be separately paid by Defendant. The Settlement is a non-reversionary
6 and non-claims made settlement.

7 24. The Gross Settlement Amount will be allocated as follows:

- 8 a. Attorneys' Fees to Plaintiff's Counsel in the amount of 35% of the Gross
9 Settlement Amount (i.e., \$507,500.00).
- 10 b. Reimbursement of Plaintiff's Counsel's actual litigation costs and expenses, not to
11 exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00).
- 12 c. Class Representative Service Payment of Seven Thousand Five Hundred Dollars
13 and Zero Cents (\$7,500.00) to Plaintiff.
- 14 d. Administration Expenses Payment not to exceed Fifteen Thousand Dollars and
15 Zero Cents (\$15,000.00).
- 16 e. PAGA Penalties in the amount of One Hundred Fifty Thousand Dollars and Zero
17 Cents (\$150,00.00). Seventy-five percent (75%) of the PAGA Penalties
18 (\$112,500.00) will be allocated to the LWDA, and twenty-five percent (25%) of
19 the PAGA Penalties (\$37,500.00) shall be distributed among the Aggrieved
20 Employees.

21 25. After the above-estimated amounts are deducted from the Gross Settlement Amount,
22 Participating Class Members will share in a Net Settlement Amount of approximately Seven Hundred
23 Forty Thousand Dollars and Zero Cents (\$740,000.00). All money from the Net Settlement Amount will
24 be distributed to Participating Class Members.

25 26. The Net Settlement Amount will be distributed to Participating Class Members on a
26 pro-rata basis based on the number of Workweeks they worked during the Class Period. This method
27 of distribution is commonly used in wage and hour class actions because it: (a) relies upon objective
28 evidence of the length of employment which Class Members can easily review and confirm for

1 themselves; and (b) allows for a distribution that corresponds closely to the alleged damages which
2 are directly related to the amount of time Class Members were employed. This information is readily
3 available from Defendant's records, and the Administrator can apply the formula in a fair and
4 transparent manner.

5 27. The amount of the Individual Class Payments will vary based on the total number of
6 Workweeks the Participating Class Members each worked and the number of Class Members who
7 request to be excluded from the Settlement, and shall be confirmed by the Administrator in advance
8 of the final approval hearing. However, at this stage, dividing the estimated Net Settlement Amount
9 (\$740,000.00) by the estimated number of Class Members (480) yields an average Individual Class
10 Payment of approximately \$1,541.67.

11 28. Individual Class Payments to Participating Class Members shall be allocated as fifteen
12 percent (15%) wages and eighty-five percent (85%) as penalties, interest, and non-wage damages.

13 29. In addition to the Individual Class Payments, Aggrieved Employees shall receive a pro-
14 rata share of the 25% portion of PAGA Penalties allocated for distribution to Aggrieved Employees.
15 Individual PAGA Payments will be distributed based on the number of workweeks worked by
16 Aggrieved Employees during the PAGA Period and shall be confirmed by the Administrator in
17 advance of the final approval hearing. However, at this stage, dividing the Employee PAGA Amount
18 (\$37,500.00) by the estimated number of Aggrieved Employees (288) yields an average Individual
19 PAGA Payment of \$130.21.

20 30. The Administrator shall determine the eligibility for, and the amounts of, each
21 Individual Settlement Payment and each Individual PAGA Payment under the terms of the Settlement
22 Agreement. All payments owed under the Settlement shall be disbursed within ten (10) calendar days
23 following the full funding of the Gross Settlement Amount, which in turn will occur no later than thirty
24 (30) calendar days after the Effective Date. Any funds from checks for Individual Class Payments and
25 Individual PAGA Payments that remain uncashed after 180 days shall be transferred to the California
26 Controller's Unclaimed Property Fund in the name of the Participating Class Member and/or
27 Aggrieved Employee. As such, no "unpaid residue" under California Code of Civil Procedure section
28 384 will result from the Settlement.

1 31. The parties have selected Phoenix Settlement Administrators (“Phoenix”) to serve as
2 the Administrator. A true and correct copy of the administration bid that was provided to me by
3 Phoenix is attached hereto as Exhibit 3.

4 **PLAINTIFF’S RISK-BASED ASSESSMENT OF THE CLAIMS**

5 32. Based on the investigation and informal discovery conducted to date, Plaintiff and
6 Plaintiff’s Counsel felt confident that Plaintiff’s claims were fundamentally meritorious. Pursuant to
7 the documents and information obtained through formal and informal discovery and exchange of
8 information in the case, Plaintiff contended that Class Members were subject to the same or similar
9 job duties and uniform operations and employment practices, policies, and procedures during the Class
10 Period. However, prior to and during mediation, Defendant proffered defenses to both class
11 certification and the merits of Plaintiff’s claims. While Plaintiff’s Counsel believed that this case
12 presented common issues that were suitable for class-wide adjudication, they also recognized Plaintiff
13 would likely encounter challenges in sustaining all of her claims through class certification, trial, and
14 appeals. In reaching the decision to settle the Litigation at this juncture, Plaintiff’s Counsel considered
15 specific risks associated with each of the primary claims.

16 33. Plaintiff alleged that Defendant failed to pay Class Members all minimum wages and
17 overtime compensation owed due to their practice of pressuring Class Members to work off-the-clock.
18 Plaintiff further contended that Defendant failed to include non-discretionary bonuses and incentives
19 in the calculation of the regular rate when paying overtime wages. Defendant asserted that its formal
20 written policies regarding payment of wages were facially compliant, and that Class Members were
21 instructed to record all hours worked. Defendant further argued that it paid overtime compensation at
22 the correct rate of pay. Defendant also argued that individual liability issues predominate, including
23 whether each employee worked off-the-clock, and whether Defendant knew or should have known
24 about each employee’s off-the-clock work. Moreover, given that these claims were based on off-the-
25 clock work not reflected in Defendant’s time records, Defendant argued that proving damages at trial
26 would not be manageable. While Plaintiff’s Counsel strongly disagreed with Defendant’s contentions,
27 Plaintiff’s Counsel also recognized that off-the-clock claims can be particularly challenging to certify
28 and prove due to potential for individualized issues and lack of records.

1 34. Plaintiff contended that Defendant's formal meal period policies and practices failed to
2 ensure that Class Members were always provided the opportunity to take timely, uninterrupted meal
3 periods of at least thirty (30) minutes in length. Plaintiff contended that, as a matter of actual practice,
4 Class Members were often required to skip meal periods, to delay meal periods after their fifth hour
5 of work, and to interrupt and/or cut their meal periods short, and were not paid meal premiums for
6 such violations. Defendant asserted that its written policies complied with California law. Defendant
7 also maintained that as a matter of practice it provided ample opportunity for Class Members to take
8 meal periods, and that if Class Members did not take compliant meal breaks, it is because they
9 voluntarily chose not to do so. Defendant also argued that questions of whether employees had
10 received compliant meal periods, why such meal periods were not taken, and whether such meal and
11 rest periods were voluntarily waived were individualized issues that would bar certification.
12 Defendant also asserted that Class Members worked in a variety of different job positions and that this
13 variation between employees raised highly individualized questions of fact. While Plaintiff's Counsel
14 disagreed with Defendant's assessment, they recognized that meal period claims can be difficult to
15 certify absent facially unlawful written policies.

16 35. Plaintiff further contended that Class Members were required to miss, interrupt,
17 shorten, or take late rest periods, and that Defendant did not pay rest period premiums for such
18 violations. Plaintiff further contended that Defendant required Class Members to remain on the
19 premises during their rest periods in a manner that violated California law as set forth in *Augustus v.*
20 *ABM Securities*, 2 Cal.5th 257, 270 (2016). Defendant asserted that its policies were facially lawful,
21 that Class Members were free to leave the premises during their breaks, and that any Class Members
22 who worked through their rest periods did so voluntarily. Defendant likewise argued that whether
23 Class Members had received a compliant rest period and the reasons why Class Members failed to
24 receive compliant rest periods raised individualized issues that could not be certified. While Plaintiff's
25 Counsel disagreed with Defendant's positions, Plaintiff's Counsel recognized that rest period claims
26 are inherently difficult to certify and prove, given that an employer has no obligation to maintain
27 records of rest periods. Given these difficulties, there were legitimate concerns Plaintiff would not be
28 able to certify these claims or prove substantial damages with requisite certainty at trial.

1 36. Plaintiff contended that Defendant failed to reimburse Class Members for necessary
2 business expenses, such as the use of their personal cell phones for work duties. Defendant asserted
3 that the majority of Class Members were not required to use their personal cell phones. Defendant
4 further asserted that individualized inquiries regarding why a Class Member failed to receive
5 reimbursement for certain expenses would predominate. While Plaintiff’s Counsel disagreed with
6 Defendant’s arguments, they acknowledged the potential for individualized issues regarding Plaintiff’s
7 expense reimbursement claim.

8 37. Plaintiff’s claims for penalties for failure to timely pay final wages, failure to timely
9 pay wages during employment, and for inaccurate wage statements are derivative of and dependent on
10 the success of Plaintiff’s primary claims for unpaid minimum wages, unpaid overtime wages, unpaid
11 meal period premiums, unpaid rest period premiums, and unreimbursed business expenses. There are
12 substantial risks attached to Plaintiff’s claims for these penalties, because if certification is denied on
13 the primary claims, these derivative claims would also likely fail. Moreover, even if Plaintiff were to
14 prevail on the underlying claims, Plaintiff would still be required to show that Defendant’s conduct
15 was willful with respect to waiting time penalties – a difficult standard to establish. Likewise, the
16 California Supreme Court recently held that employers may also assert a good faith defense for wage
17 statement penalties. *Naranjo v. Spectrum Security Services, Inc.*, 15 Cal. 5th 1056, 1087 (2024).

18 38. In addition to evaluating the risks associated with Plaintiff’s Class claims, Plaintiff’s
19 Counsel also separately considered the risks of proceeding with Plaintiff’s PAGA claims. Just as with
20 Plaintiff’s class claims, in order to prevail at trial on a PAGA Claim, Plaintiff would have to prove the
21 underlying Labor Code violations, and demonstrate that Aggrieved Employees suffered these
22 violations. *Green v. Lawrence Service Co.*, LA CV12-06155 JAK (VBKx), 2013 WL 3907506 at *5,
23 fn. 5 (C.D. Cal. July 22, 2013) (“whether each PAGA claims succeeds or fails is determined by the
24 merits of the substantive claims on which each is based.”) Thus, the same defenses and merits-based
25 risks associated with Plaintiff’s direct Labor Code claims are also applicable to the PAGA claims.

26 39. Further, although California case law clearly states that PAGA actions need not satisfy
27 class action requirements, at the time of the mediation there was a split in authority over whether
28 PAGA claims may nevertheless be stricken based on manageability concerns. *Compare Wesson v.*

1 *Staples The Office Superstore*, 68 Cal.App.5th 746 (2021), with *Estrada v. Royalty Carpet Mills, Inc.*,
2 76 Cal.App.5th 685 (2022).

3 40. The California Supreme Court's recent decision in *Estrada v. Royalty Carpet Mills,*
4 *Inc.*, 15 Cal. 4th 582 (2024) confirms that Plaintiff likely would have been able to successfully defend
5 against challenges to manageability. Nonetheless, *Estrada* left an open question of "whether, and
6 under what circumstances, a defendant's right to due process might ever support striking a PAGA
7 claim." *Id.* at 618. *Estrada* confirmed that defendants in a PAGA action have the due process right
8 to present affirmative defenses, and that the Court has the authority to limit the types of evidence the
9 plaintiff may present at trial. *Id.* at 619. Thus, although *Estrada* was undoubtedly a boon to Plaintiff's
10 position, it did not eliminate the risk that Defendant could successfully seek to have Plaintiff's PAGA
11 claim stricken on the ground that it would violate Defendant's due process rights. Moreover, even if
12 Plaintiff successfully defended against challenges to manageability and prevailed at trial, Plaintiff's
13 Counsel anticipated that there would be significant disputes regarding the calculation of penalties owed
14 by Defendant. At the time of mediation and settlement, there was little published law and guidance
15 regarding the assessment of penalties under PAGA, and no clearly established methodology. Whereas
16 Plaintiff's Counsel believes that the statute is clear that an aggrieved employee is entitled to seek all
17 civil penalties available under the statute, Defendant would likely contend that multiple Labor Code
18 violations do not give rise to cumulative penalties, and that instead a single penalty should apply once
19 per pay period, if at all, rather than cumulative penalties for each separate Labor Code provision that
20 was violated during a pay period. If this methodology were applied, it would significantly reduce
21 Defendant's exposure for civil penalties.

22 41. The law is also clear that courts have discretion to greatly limit the penalties awarded
23 under PAGA. Cal. Lab. Code § 2699(2); *Thurman v. Bayshore Transit Management, Inc.*, 203 Cal.
24 App. 4th 1112, 1135 (2012) overruled in part by *ZB, N.A. v. Superior Court*, 8 Cal. 5th 175, 252 Cal.
25 Rptr. 3d 228, 448 P.3d 239 (2019); see also *Cotter v. Lyft, Inc.*, 193 F. Supp. 3d 1030, 1037 (N.D. Cal.
26 2016 (reducing PAGA penalties by 97.5%); *Fleming v. Covidien*, No. ED CV10-01487 RGK (OPx),
27 2011 U.S. Dist. LEXIS 154590, *8-9 (C.D. Cal. Aug. 12 2011) (reducing PAGA penalties by more
28 than 80%); *Magadia v. Wal-Mart Assocs. et al.*, 384 F. Supp. 3d 1058, 1069 (N.D. Cal. 2019) (applying

67% and 80% reductions to PAGA Penalties). Here, Defendant would likely argue that it made a good faith effort to comply with its legal obligations and that any violations that occurred were not “willful,” rendering the imposition of any heightened penalties inappropriate. While Plaintiff’s Counsel believed that such positions lack merit, they were aware that if Plaintiff prevailed on his class claims, there was a significant likelihood that the Court would find that further imposition of the maximum civil penalties under PAGA could be considered unjust, arbitrary, oppressive, or confiscatory. This was especially concerning with regard to civil penalties that would likely be considered duplicative of statutory penalties recoverable as part of Plaintiff’s class claims, such as waiting time penalties under Labor Code section 203 and wage statement penalties under Labor Code section 226.

42. Finally, Plaintiff’s Counsel remained cognizant that PAGA penalties are not intended to be compensatory in nature, but are instead intended to facilitate enforcement of California’s labor laws by financing state activities and educating and deterring non-compliance. Cal. Labor Code § 2699(i); *Arias v. Sup. Ct.*, 46 Cal. 4th 980, 986 (2009); *Williams v. Sup. Ct.*, 3 Cal.5th 531, 546 (2017).

PLAINTIFF’S ESTIMATE OF THE VALUE OF THE CLAIMS

43. Plaintiff’s Counsel analyzed all available data and information, and determined that if all class claims were certified and adjudicated in favor of the Class at trial, Defendant faced a potential class-wide liability of approximately \$10,223,303.85. This estimate can be broken down by claim as follows: \$2,265,250.00 in unpaid overtime wages; \$1,509,950.00 in unpaid minimum wages; \$958,818.25 in unpaid meal period premiums; \$3,019,900.00 in unpaid rest period premiums; \$325,000.00 in unreimbursed business expenses; \$992,385.60 in waiting time penalties under Labor Code section 203; and \$1,152,000.00 in wage statement penalties under Labor Code section 226.¹ Once adjusted to account for the risks associated with obtaining class certification and thereafter prevailing at trial, Defendant’s liability was calculated to amount to \$1,276,259.58. An explanation of how these calculations were reached is set forth below.

44. **Unpaid Overtime Wages:** Plaintiff contends that Defendant discouraged employees

¹ The amounts at issue for penalties for failure to timely pay wages during employment (Labor Code section 204) and failure to keep requisite payroll records (Labor Code section 1174(d)) were assessed in Plaintiff’s PAGA analysis.

1 from recording overtime hours, and pressured employees to perform work off-the-clock before and
2 after their shift and during meal periods without compensation. Plaintiff estimates that these practices
3 gave rise to unpaid overtime compensation when employees worked more than eight hours in a day
4 and/or more than forty hours in a week. Based on information provided by Defendant, there are a total
5 of approximately 480 Class Members who worked a collective total of 65,000 workweeks during the
6 Class Period, with an average hourly rate of pay of \$23.23 per hour. Defendant's potential liability
7 for unpaid overtime compensation was estimated to be \$2,265,250.00 (65,000 Workweeks x 1 hour
8 per week x \$34.85 average hourly overtime rate of pay). Plaintiff's Counsel applied a 60% reduction
9 for risks associated with class certification, a 50% reduction for risks associated with prevailing on the
10 merits at trial, and a 40% reduction for risks associated with proving the extent of damages and
11 obtaining an award thereon. This resulted in an adjusted estimated liability of \$271,830.00 for
12 Plaintiff's overtime claim.

13 **45. Unpaid Minimum Wages:** Plaintiff contends that Defendant pressured employees to
14 perform work off-the-clock before and after their shift and during purported meal periods without
15 compensation, and that these practices gave rise to a claim for unpaid minimum wages. Defendant's
16 potential liability for unpaid minimum wages was estimated to be \$1,509,950.00 (65,000 Workweeks
17 x 1 hour per week x \$23.23 average rate of pay). Plaintiff's Counsel applied a 60% reduction for risks
18 associated with class certification, a 50% reduction for risks associated with prevailing on the merits
19 at trial, and a 40% reduction for risks associated with proving the extent of damages and obtaining an
20 award thereon. This resulted in an adjusted estimated liability of \$181,194.00 for Plaintiff's minimum
21 wages claim.

22 **46. Meal Period Violations:** Plaintiff contends that Defendant failed to provide class
23 members with timely and duty-free first meal periods for shifts over 5 hours and second meal periods
24 for shifts over 10 hours. Plaintiff also contends that even when meal periods were provided, they were
25 often delayed past the fifth hour of work, interrupted, and/or cut short. Based on Plaintiff's expert's
26 analysis of class time and payroll data, approximately 12.7% of recorded shifts reflected at least one
27 unique meal period violation. Accordingly, Defendant's potential liability for meal period violations
28 was estimated to be \$958,818.25 (65,000 Workweeks x 5 meal periods per week x \$23.23 average

hourly rate of pay x 12.7% violation rate). Plaintiff's Counsel applied a 40% reduction for risks associated with class certification, a 30% reduction for risks associated with prevailing on the merits at trial, and a 30% reduction for risks associated with proving the extent of damages and obtaining an award thereon. This resulted in an adjusted estimated liability of \$281,892.57 for Plaintiff's meal period claim.

47. **Rest Period Violations:** Plaintiff contends that Defendant failed to provide Class Members with compliant rest periods, and that rest periods were frequently interrupted or missed entirely. Based on information provided by Plaintiff, Defendant's on-premises rest period policy, and the same underlying employment practices that cause meal period violations, Plaintiff's Counsel estimated that each Class Member experienced at least 2 rest period violations per week. Accordingly, Defendant's potential liability for rest period violations was estimated to be \$3,019,900.00 (65,000 Workweeks x 2 rest period violations per Workweek x \$23.23 average hourly rate of pay). Plaintiff's Counsel applied a 60% reduction for risks associated with class certification, a 60% reduction for risks associated with prevailing on the merits at trial, and a 60% reduction for risks associated with proving the extent of damages and obtaining an award thereon. This resulted in an adjusted estimated liability of \$193,273.60 for Plaintiff's rest period claim.

48. **Unreimbursed Business Expenses:** Plaintiff contends that Class Members were required to use personal cell phones for work-related purposes. Plaintiff alleges that Class Members were not reimbursed for these expenses. Plaintiff estimates that Class Members incurred approximately \$5.00 per workweek for these expenses. Accordingly, Defendant's potential liability for unreimbursed business expenses was estimated to be \$325,000.00 (65,000 Workweeks x \$5.00 per Workweek). Plaintiff's Counsel applied a 60% reduction for risks associated with class certification, a 60% reduction for risks associated with prevailing on the merits at trial, and a 40% reduction for risks associated with proving the extent of damages and obtaining an award thereon. This resulted in an adjusted estimated liability of \$31,200.00 for Plaintiff's expense reimbursement claim.

49. **Waiting Time Penalties:** Plaintiff contends that as result of the foregoing practices, Defendant failed to timely pay all wages due to its former employees upon termination of their employment. Based on information provided by Defendant, there are approximately 178 Class

Members whose employment ended within the 3-year statutory period for claims under Labor Code § 203. Accordingly, Defendant's maximum potential liability for waiting time penalties was estimated to be \$992,385.60 (178 terminated employees x \$23.23 average hourly rate x 8 hours per day x 30 days). Plaintiff's Counsel applied a 50% reduction for risks associated with class certification, a 40% reduction for risks associated with prevailing on the merits at trial, and a 40% reduction for risks associated with proving the extent of damages and obtaining an award thereon. This resulted in an adjusted estimated liability of \$178,629.41 for Plaintiff's waiting time penalty claim.

50. **Wage Statement Penalties:** Plaintiff contends that as result of the foregoing practices, Defendant failed to provide wage statements that accurately reflected the total hours worked and total wages owed to employees. Based on information provided by Defendant, there are approximately 288 Class Members who were employed during the 1-year statutory period for penalties under Labor Code § 226(e), and who worked a total of 12,385 pay periods during that period. Accordingly, Defendant's potential liability for statutory penalties under Labor Code § 226(e) was estimated to be \$1,224,100.00 ([$\$50.00$ initial penalty rate x 288 pay periods] + [$\$100.00$ subsequent penalty rate x 12,097 pay periods]). However, because this exceeds the maximum penalty of \$4,000 per employee pursuant to Labor Code section 226(e)(1), Plaintiff's Counsel adjusted Defendant's maximum liability to be \$1,152,000.00 ($\$4,000$ maximum penalty x 288 Class Members). Plaintiff's Counsel applied a 60% reduction for risks associated with class certification, a 50% reduction for risks associated with prevailing on the merits at trial, and a 40% reduction for risks associated with proving the extent of damages and obtaining an award thereon. This resulted in an adjusted estimated liability of \$138,240.00 for Plaintiff's wage statement penalty claim.

51. **PAGA Penalties:** In addition to calculating Defendant's maximum liability for the direct class claims, Plaintiff's Counsel also separately analyzed Defendant's potential exposure under PAGA. Based on this information, Plaintiff's Counsel estimated that if all PAGA claims were adjudicated in Plaintiff's favor and all available civil penalties were awarded, Defendant faced a potential exposure of \$6,955,750.00, which can be broken down by violation as follows: \$619,250.00 for unpaid overtime; \$1,238,500.00 for unpaid minimum wages; \$1,238,500.00 for meal period violations; \$1,238,500.00 for rest period violations; \$1,238,500.00 for failure to timely pay wages

1 during employment; \$144,000.00 for failure to maintain required payroll records; and \$1,238,500.00
2 for failure to reimburse business expenses.² Plaintiff's Counsel applied a 20% reduction for risks
3 associated with defeating claims that Plaintiff's PAGA claims violated Defendant's due process, an
4 80% reduction to Defendant's potential liability for PAGA penalties for risks associated with
5 prevailing on the merits at trial, and an 80% reduction for risks created by uncertainties regarding the
6 method for assessing penalties and the highly discretionary nature of any penalties. This resulted in
7 an adjusted estimated liability of \$222,584.00 for PAGA penalties.

8 52. While Plaintiff's Counsel was confident of the merits of this case and was prepared to
9 litigate the case through class certification, trial, and any appeals, Plaintiff's Counsel recognized the
10 significant risk and expense of continued litigation, trial, and possible appeals, all of which would
11 substantially delay and reduce any recovery by the Class Members. Even if Plaintiff prevailed at class
12 certification, proving the amount of wages due to each Class Member would be an expensive, time-
13 consuming, and extremely uncertain. In order to prove liability and damages, Plaintiff's Counsel
14 would need to request and analyze thousands of pages of documents and obtain numerous declarations
15 at great expense. Obtaining the cooperation of current employees could also be difficult, given the
16 likely reluctance to aid prosecution of a lawsuit against a current employer. On the other hand,
17 Defendant would likely be able to obtain the cooperation of their current employees. Moreover, even
18 if Plaintiff prevailed at class certification and trial, possible appeals would substantially delay any
19 recovery by the Class. These risks are all obviated by the Settlement, which if approved by the Court,
20 will ensure that class members receive timely relief without the risk of an unfavorable judgment.

21 53. Thus, based on these considerations, I submit that the Settlement is fair, adequate, and
22 reasonable, and is in the best interest of the Class. I further submit that the Gross Settlement Amount
23 of \$1,450,000.00 falls within an acceptable range of recovery for this type of litigation given the
24 strengths and weaknesses of the case, and the inherent costs and risks associated with class
25 certification, representative adjudication, trial, and/or appeals. *See, e.g., Stovall-Gusman v. W.W.*

26
27 ² Plaintiff's PAGA analysis does not include an estimate for claims for civil penalties for violations of Labor Code sections
28 201-202 or 226, as Plaintiff's class damages analysis already included calculations for statutory penalties for these Labor
Code violations.

1 *Granger, Inc.*, No. 13-cv-02540-HSG, 2015 U.S. Dist. LEXIS 78671, at *12 (N.D. Cal. June 17, 2015)
2 (approving settlement amount representing approximately 10% of the estimated actual damages to the
3 class); *Bellinghausen v. Tractor Supply Co.*, 306 F.R.D. 245, 256 (N.D. Cal. 2015) (approving
4 settlement representing approximately 8.5% of the maximum damages); *Avila v. Cold Spring Granite*
5 *Co.*, No. 1:16-cv-01533-AWI-SKO, 2017 U.S. Dist. LEXIS 130878 at *22 (E.D. Cal Aug. 15, 2017)
6 (approving settlement where gross recovery was 11% of the maximum damages).

7 54. I further submit that the allocation of \$150,000.00 towards PAGA Penalties
8 (approximately 10.3% of the Gross Settlement Amount) is well within the range of reasonableness for
9 settlement of PAGA claims. *See, e.g., Alcala v. Meyer Logistics, Inc.*, No. CV 17-7211 PSG (AGR_x),
10 2019 U.S. Dist. LEXIS 166879, *26 (C.D. Cal. June 17, 2019) (holding that allocation of 1.25% of
11 gross settlement amount to PAGA penalties “falls within the zero to two percent range for PAGA
12 claims approved by courts.”); *In re M.L. Stern Overtime Litig.*, No. 07-CV-0118-BTM (JMA), 2009
13 U.S. Dist. LEXIS 31650, *4 (S.D. Cal. Apr. 13, 2009) (approving allocation of 2% of gross settlement
14 amount towards PAGA penalties); *Davis v. Brown Shoe Co.*, No.: 1:13-cv-01211-LJO-BAM, 2015
15 U.S. Dist. LEXIS 149010 *34 (E.D. Cal. Nov. 3, 2015) (approving PAGA penalties of \$5,000.00 out
16 of a gross \$1.5 million settlement); *Zamora v. Ryder Integrated Logistics, Inc.*, No. 13cv2679-CAB
17 (BGS), 2014 U.S. Dist. LEXIS 184096, *28 (S.D. Cal. Dec. 23, 2014) (approving \$7,500 payment to
18 LWDA for PAGA on a \$1.5 million class settlement); *Lusby v. Gamestop Inc.*, No. C12-03783 HRL,
19 2015 U.S. Dist. LEXIS 42637, *26 (N.D. Cal. Mar. 31, 2015) (approving allocation of \$5,000 to
20 PAGA penalties out of \$500,000 class settlement); *Cruz v. Sky Chefs, Inc.*, No. C-12-02705 DMR,
21 2014 U.S. Dist. Lexis 176393, *8 (N.D. Cal. Feb. 12, 2014) (approving payment of \$10,000 to the
22 LWDA for PAGA out of \$1,750,000 class settlement).

23 **REQUESTED CLASS REPRESENTATIVE SERVICE PAYMENT**

24 55. As part of the Settlement, Plaintiff is requesting a reasonable enhancement award of
25 \$7,500.00. Plaintiff spent a substantial amount of time and effort in producing relevant documents
26 and past employment records and providing the facts and evidence necessary to attempt to prove the
27 allegations. This enhancement award is reasonable given the time and effort Plaintiff spent on this
28 case, the risks she assumed in acting as the named plaintiff, and the result obtained on behalf of Class

Members and Aggrieved Employees due to her actions. Plaintiff was available whenever her attorneys needed her and actively tried to obtain and provide information that would facilitate the pursuit of the Class and PAGA claims. Plaintiff's Motion for Final Approval will expand on Plaintiff's participation in the lawsuit and additional reasons regarding the reasonableness of the enhancement award. Notice of the requested enhancement award is disclosed to the Class Members in the proposed Class Notice and should be preliminarily approved by the Court.

ATTORNEYS' FEES AND COSTS

56. The attorneys' fees incurred by Parker & Minne and our co-counsel, Lawyers *for* Justice, are in line with the common fund requested. The Agreement provides for an award of attorneys' fees in the amount of thirty-five percent (35%) of the Gross Settlement Amount, i.e., \$507,500.00. Plaintiff's Counsel have achieved an excellent result for the Class during hard fought negotiations. Plaintiff's Counsel have extensive experience in wage and hour disputes and were able to use their extensive experience and skills to achieve this result. The Motion for Final Approval will elaborate on the nature of the legal services provided, the time incurred in performing those services, Plaintiff's Counsel's hourly rates, and the agreed upon fee split between Parker & Minne and Lawyers *for* Justice. The Motion for Final Approval will also elaborate on the reimbursement for costs sought by Plaintiff's Counsel, which are currently estimated not to exceed \$30,000.00. Notice of the requested attorneys' fees and costs are disclosed to the Class in the Class Notice.

SUBMISSION OF THE SETTLEMENT TO THE LWDA

57. Pursuant to California Labor Code § 2699(1)(2), I submitted a copy of the fully executed Settlement Agreement, as well as information regarding the preliminary approval hearing on this matter, to the California Labor Workforce Development Agency via online filing at <https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html> on September 6, 2024. A true and correct copy of a printout from the LWDA's website confirming submission of the Agreement to the LWDA on September 6, 2024 is attached hereto as Exhibit 4.

THERE ARE NO CONFLICTS OF INTEREST

58. No one at Parker & Minne has any financial interest in the Administrator, Phoenix Settlement Administrators, which would create a conflict of interest.

59. To my knowledge, there are no actual or potential conflict of interests between Parker & Minne and any of the Class Members which would interfere with our ability to fulfill our duties as Class Counsel or impede our representation of the Class.

60. To my knowledge, there are no other pending matters or actions that assert claims that will be extinguished to adversely affected by the Settlement.

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

Executed on September 6, 2024, at Los Angeles, California.

Jill J. Parker

EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Joselyn Correa (“Plaintiff”) and Defendant Financial Partners Credit Union (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Actions” means the Class Action and the PAGA Action, as defined below.
- 1.2. “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employees” means all current and former hourly-paid or non-exempt employees of Defendant in California employed at any time during the PAGA Period.
- 1.5. “Class” means all current and former hourly-paid or non-exempt employees of Defendant in California employed at any time during the Class Period.
- 1.6. “Class Action” means Plaintiff’s class action lawsuit alleging wage and hour violations against Defendant captioned *Joselyn Correa v. Financial Partners Credit Union*, Case No. 21STCV07183, initiated on February 24, 2021 and pending in the Superior Court of the State of California, County of Los Angeles.
- 1.7. “Class Counsel” means Arby Aiwarzian, Joanna Ghosh, and Yasmin Hosseini of Lawyers *for* Justice, PC, and Jill J. Parker and S. Emi Minne of Parker & Minne, LLP.
- 1.8. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Actions.
- 1.9. “Class Data” means Class Member identifying information in Defendant’s possession including each Class Member’s: (1) full name, (2) last-known mailing address, (3) last known telephone number, (4) Social Security number, (5) number of Class Period Workweeks and (6) number of PAGA Pay Periods.
- 1.10. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.11. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources,

methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

- 1.12. “Class Notice” means the Court approved notice of class action settlement and hearing date for final court approval, to be mailed to Class Members in English and Spanish in the form attached as Exhibit A and incorporated by reference into this Agreement.
- 1.13. “Class Period” means the period from February 24, 2017 through January 31, 2024.
- 1.14. “Class Representative” means Plaintiff Joselyn Correa.
- 1.15. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Actions and providing services in support of the Actions.
- 1.16. “Court” means the Superior Court of California, County of Los Angeles.
- 1.17. “Defendant” means named Defendant Financial Partners Credit Union
- 1.18. “Defense Counsel” means Jina Lee of Jackson Lewis, P.C.
- 1.19. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.20. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.21. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.22. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.23. “Gross Settlement Amount” means One Million Four Hundred Fifty Thousand Dollars and Zero Cents (\$1,450,000.00) which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and the Administration Expenses Payment.
- 1.24. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked

during the Class Period.

- 1.25. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.26. “LWDA” means the California Labor and Workforce Development Agency.
- 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. “MOU” means the Memorandum of Understanding – Class Action and PAGA Settlement, which was fully executed by the Parties on April 8, 2024.
- 1.29. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.30. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion. A Non-Participating Class Member who is also a PAGA Member shall receive their share of PAGA Penalties.
- 1.31. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.32. “PAGA Action” refers to the action entitled *Joselyn Correa v. Financial Partners Credit Union*, Los Angeles Superior Court Case No. 21NWCV00238.
- 1.33. “PAGA Notice” means Plaintiff’s February 10, 2021 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.35. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$37,500.00) and 75% to the LWDA (\$112,500.00) in settlement of PAGA claims.
- 1.36. “PAGA Period” means the period from February 24, 2020 through January 31, 2024.
- 1.37. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement and is therefore deemed to participate in the Settlement and will receive an Individual Settlement Payment.

- 1.38. “Plaintiff” means Joselyn Correa, the named plaintiff in the Actions.
- 1.39. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.40. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.41. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.42. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.43. “Released Parties” means Defendant and any of its former and/or current parents, subsidiaries, affiliates, and any other entities that could be considered to have jointly employed the Class Members or PAGA Members as well as each of their officers, directors, managers, owners, executives, partners, executive-level employees, shareholders, agents, attorneys, and any other predecessors, successors, assigns or legal representatives.
- 1.44. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.45. “Response Deadline” means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.46. “Settlement” means the disposition of the Actions effected by this Agreement and the Judgment.
- 1.47. “Workweek” means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. RECITALS.

- 2.1. On February 24, 2021, Plaintiff commenced the Class Action by filing a complaint alleging causes of action against Defendant for: (1) alleged failure to pay overtime wages pursuant to California Labor Code sections 510, 1194, and 1198 and the IWC Wage Orders; (2) alleged failure to provide meal periods pursuant to California Labor Code sections 226.7 and 512 and the IWC Wage Orders; (3) alleged failure to provide rest periods pursuant to California Labor Code sections 226.7 and the IWC Wage Orders; (4) alleged failure to pay all minimum wages owed pursuant to California Labor Code sections 1194, 1194.2, 1197, and 1197.1 and the IWC Wage Orders; (5) alleged failure to pay all

- wages owed at termination pursuant to California Labor Code sections 201-203 and the IWC Wage Orders; (6) alleged failure to timely pay wages during employment pursuant to California Labor Code section 204 and the IWC Wage Orders; (7) alleged failure to furnish accurate itemized wage statements pursuant to California Labor Code section 226 and the IWC Wage Orders; (8) alleged failure to keep complete or accurate payroll records pursuant to California Labor Code section 1174(d) and the IWC Wage Orders; (9) alleged failure to reimburse all necessary business expenses pursuant to California Labor Code sections 2800 and 2802 and the IWC Wage Orders; and (10) alleged violations of California Business & Professions Code sections 17200, *et seq.* (the “Class Action Complaint”).
- 2.2. On February 10, 2021 Plaintiff provided written notice by certified mail to the LWDA and to Defendant of the specific provisions of the California Labor Code that Defendant allegedly violated. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3. On April 21, 2021, Plaintiff commenced the PAGA Action by filing a complaint alleging a single representative cause of action under PAGA against Defendant (the “PAGA Complaint”).
- 2.4. Defendant denies the allegations in the Class Action Complaint, the PAGA Notice, and the PAGA Complaint, denies any failure to comply with the laws identified in the Class Action Complaint, the PAGA Notice, and the PAGA Complaint, and denies any and all liability for the causes of action alleged.
- 2.5. On June 27, 2022, the Parties participated in an all-day mediation presided over by Jeffrey A. Ross, Esq. which led to this Agreement to settle the Actions.
- 2.6. In order to facilitate the global settlement of the Class Action and the PAGA Action, the Parties have agreed that Plaintiff shall file a First Amended Complaint in the Class Action which adds an eleventh cause of action for civil penalties pursuant to PAGA (the “First Amended Complaint”) and that Plaintiff shall thereafter file a request for dismissal of the PAGA Action without prejudice. A stipulation and proposed order reflecting the Parties’ agreement regarding the filing of the First Amended Complaint shall be filed with the Court on or before the date Plaintiff files her Motion for Preliminary Approval.
- 2.7. Prior to mediation, Plaintiff obtained, through informal discovery, a random sampling of Class Members’ time and pay records, as well as information and documents concerning the claims set forth in the Actions, including but not limited to, Defendant’s employee handbooks and relevant wage and hour policies, information regarding the number of Class Members, the number of workweeks and pay periods worked, and the average rate of pay of the Class Members. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.8. The Court has not yet granted class certification as the Parties agreed to mediate prior to the filing of any motion to determine whether a class should be certified.

- 2.9. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay One Million Four Hundred Fifty Thousand Dollars and Zero Cents (\$1,450,000.00) and no more as the Gross Settlement Amount, and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member. Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
- 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35%, which is currently estimated to be Five Hundred Seven Thousand Five Hundred Dollars and Zero Cents (\$507,500.00) and a Class Counsel Litigation Expenses Payment of not more than Thirty Thousand Dollars and Zero Cents (\$30,000). Defendant will not oppose requests for these payments that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other plaintiff's Counsel arising from any claim to any portion of any Class Counsel Fee

Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed Fifteen Thousand Dollars and Zero Cents (\$15,000.00) except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$15,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments. 15% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 85% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for penalties, interest, and non-wage damages (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of One Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00) to be paid from the Gross Settlement Amount, with 75% (\$112,500.00) allocated to the LWDA PAGA Payment and 25% (\$37,500.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$37,500.00) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their

Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Class Workweeks. Defendant estimated that there are approximately sixty-five thousand (65,000) Workweeks from February 24, 2017 through January 31, 2024.
- 4.2. Class Data. Not later than fourteen (14) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Notwithstanding this provision, Class Counsel shall also receive redacted Class Data that shall only disclose an identification number attributed to each Class Member and their associated Workweeks during the Class Period and PAGA Period. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than thirty (30) days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within ten (10) days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
 - 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The checks issued by the Administrator to the Class Members and Aggrieved Employees will be valid and negotiable for one hundred eighty (180) days after issuance. The face of each check shall prominently state the date when the

check will be voided. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. For those Class Members whose checks are returned undelivered without a USPS forwarding address within thirty (30) days after the initial mailing, the Administrator must conduct a Class Member Address Search. Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to California State Controller's Unclaimed Property Fund in the name of the Class Member, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Aggrieved Employees will release claims against all Released Parties as follows:

5.1. Plaintiff's Release. Plaintiff and her respective former and present spouses, representatives, agents, attorney, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, whether known or unknown, which exist or may exist on her behalf as of the date of this Agreement, including but not limited to tort claims, contract claims, wage claims, wrongful termination claims, public policy claims, retaliation claims, statutory claims, personal injury claims, emotional distress claims, invasion of privacy claims, defamation claims, fraud claims, quantum meruit claims, and any and all claims arising under any federal, state or other governmental statute, law, regulation or ordinance, as well as all claims that were, or

reasonably could have been, alleged based on the facts contained in the Class Action Complaint, and all claims that were, or reasonably could have been, alleged based on the facts contained in the PAGA Notice and PAGA Complaint, or ascertained during the Actions and released under Sections 5.2 and 5.3, below. (“Plaintiff’s Release.”) Plaintiff’s Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers’ compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff’s Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff’s discovery of them.

5.1.1. Plaintiff’s Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff’s Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

5.2. Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims under state, federal, or local law, arising out of the claims expressly pleaded in the operative complaint in the Class Action or that could have been pleaded based on the allegations in the operative complaint in the Class Action, arising during the Class Period, including and not limited to claims under the California Labor Code, Wage Orders, regulations, and/or other provisions of law for: (1) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 203; (6) failure to timely pay wages during employment under Labor Code Sec. 204, 210; (7) failure to provide accurate, itemized wage statements under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d); (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; and (10) violation of California’s unfair competition law under Business and Professions Code Sec. 17200 (“Released Class Claims”). This Release of Class Claims extends to all theories of relief regardless of whether the claim is, was, or could have been alleged under the federal law, state law, or common law (including without limitation as violations of the California Labor Code, Wage Orders, applicable regulations, and California’s Business & Professions section 17200) and includes all types of relief available for the above-referenced claims, including any claims for damages, restitution, losses, penalties, fines, liens, attorneys’ fees, costs, expenses, debts, interest, injunctive relief, declaratory relief, or liquidated damages. The operative release period for the Released Class Claims is the Class Period. Except as

set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

- 5.3. Release by Aggrieved Employees: All Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, are deemed to release the Released Parties from all claims for civil penalties under the California Labor Code Private Attorneys General Act ("PAGA") alleged in Plaintiff's PAGA Notice and operative complaint in the PAGA Action, arising during the PAGA Period, for Defendant's alleged: (1) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 203; (6) failure to timely pay wages during employment under Labor Code Sec. 204, 210; (7) failure to provide accurate, itemized wage statements under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d); (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; and (10) failure to provide one day's rest in seven days; and (11) failure to pay reporting time pay ("Released PAGA Claims"). The time period governing the Released PAGA Claims shall be any time during the PAGA Period. The Released PAGA Claims do not release potential claims for wages or statutory penalties.

6. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

- 6.1. Defendant's Declaration in Support of Preliminary Approval. Within 14 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.2. Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary for obtaining Preliminary Approval, including: (i) the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of

funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), First Amended Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vii) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator. In their Declarations, Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval within 60 days of the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1. Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators ("Phoenix") to serve as the Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury

Regulation section 468B-1.

7.4. Notice to Class Members.

- 7.4.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
- 7.4.2. Using best efforts to perform as soon as possible, and in no event later than ten (10) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with Spanish translation, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3. For those Class Members whose Class Notice is returned by the USPS as undelivered within thirty (30) days after the initial mailing, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS not later than three (3) business days after the Administrator’s receipt of the undelivered Class Notice. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4. The deadlines for Class Members’ written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) days beyond the forty-five (45) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5. If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5. Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than forty-five (45) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes: (1) the case name and number of the Class Action; (2) the Class Member's full name, address, email address, telephone number, and last four digits of his or her Social Security Number; (3) the signature of the Class Member; (4) a clear statement that the Class Member requests to be excluded from the Settlement; and (5) is sent to the Administrator no later than the Response Deadline. Requests for Exclusion submitted to the Administrator by mail must be postmarked no later than the Response deadline.

7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6. Challenges to Calculation of Workweeks. Each Class Member shall have until the Response Deadline (plus an additional fourteen (14) calendar days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email, or

mail and must include: (1) the case name and number of the Class Action; (2) the Class Member's full name, address, telephone number, signature, and last four digits of his or her Social Security number; (3) a statement setting forth the number of Workweeks during the Class Period and/or PAGA Period that he or she contends is correct and attach any relevant documentation in support thereof; and (4) is submitted to the Administrator no later than the Response Deadline. Challenges submitted to the Administrator by mail must be postmarked no later than the Response deadline. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7. Objections to Settlement.

7.7.1. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.

7.7.2. Participating Class Members may send written objections to the Administrator by fax, email, or mail. A written objection to the Class Settlement must: (1) contain the case name and number of the Class Action; (2) contain the Settlement Class Member's full name, address, telephone number, signature, and last four digits of his or her Social Security number; (3) clearly state the grounds for the objection; (4) state whether the Settlement Class Member intends to appear at the Final Approval Hearing; and (5) be submitted no later than the Response Deadline. Written objections sent by mail must be postmarked no later than the Response Deadline. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than forty-five (45) days after the Administrator's mailing of the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice was re-mailed).

7.7.3. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1. Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time, and location for the Final Approval Hearing

and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls and emails.

7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

7.8.5. Administrator’s Declaration. Not later than fourteen (14) days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

7.8.6. Final Report by Settlement Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator

will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE. Based on its records, Defendant estimates that: (1) there are 480 Class Members and 65,000 Total Workweeks during the period from February 24, 2017 to January 31, 2024. If it is determined that the total number of Workweeks during the period from February 24, 2017 to January 31, 2024 actually exceeds 65,000 by more than ten percent (10%) (i.e., there are more than 71,500 Workweeks) then the Gross Settlement Amount will be increased on a proportional basis by the same number of percentage points above ten percent (10%). For example, if the Workweeks for the referenced time period exceed the Workweeks Threshold by one percent (1%), then the Gross Settlement Amount will be increased by one percent (1%).

9. DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds ten percent (10%) of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than thirty (30) days after expiration of the opt out period; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order, and a proposed Judgment (collectively "Motion for Final Approval"). Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class

Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, the Class Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

12.1. No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Actions have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Class Action or PAGA Action have merit. The Parties agree that class certification and representative treatment is for purposes of this

Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Class Action and the PAGA Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Actions will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 12.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things,

- modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court. Notwithstanding the forgoing, the Parties agree that any dates contained or contemplated in this Agreement may be modified by agreement of counsel for the Parties in writing without approval by the Court if the Parties agree and cause exists for such modification.
- 12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Actions and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's

obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class Data. Notwithstanding this provision, Class Counsel is entitled to retain an archival copy of all pleadings, motion papers, deposition transcripts, hearing transcripts, legal memoranda, correspondence, expert reports, attorney work product, and consultant and expert work product, even if such materials contain Class Data.

12.15. Neutral Employment Reference. Defendant agrees that it will adopt a neutral reporting policy regarding any future employment references related to Plaintiff. In the event that any potential or future employers of Plaintiff request a reference regarding Defendant's employment of Plaintiff, Defendant shall only provide the requested Plaintiff's dates of employment and job titles during employment. Defendant shall not refer to the Actions or this Settlement.

12.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

12.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Edwin Aiwazian, Esq.
edwin@calljustice.com
Arby Aiwazian, Esq.
arby@calljustice.com
Joanna Ghosh, Esq.
joanna@calljustice.com
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

Jill J. Parker, Esq.
jill@parkerminne.com
PARKER & MINNE, LLP
700 S. Flower Street, Suite 1000
Los Angeles, California 90017
Telephone: (310) 882-6833 / Fax: (310) 889-0822

To Defendant:

Jina Lee
Jina.Lee@jacksonlewis.com
JACKSON LEWIS, P.C.
200 Spectrum Center Drive, Suite 500
Irvine, California 92618
Telephone: (949) 885-1360 / Fax: (949) 885-1380

12.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

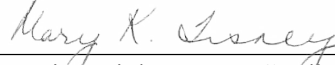
12.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

IT IS SO AGREED.

Dated: 07/02/2024

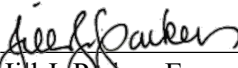
By: 
Joselyn Correa (Jul 2, 2024 12:26 PDT)
Plaintiff Joselyn Correa

Dated: 7/12/24

By: 
Defendant Financial Partners Credit Union
Mary Torsney
Name: _____
Title: EVP/CFO

APPROVED AS TO FORM ONLY:

Dated: July 2, 2024

By: 
Jill J. Parker, Esq.
PARKER & MINNE, LLP

Attorneys for Plaintiff Joselyn Correa and Proposed Class Counsel

Dated: July 18, 2024

By: 

Jina Lee
JACKSON LEWIS, P.C.

Attorneys for Defendant Financial Partners Credit Union

EXHIBIT A

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT
AND HEARING DATE FOR FINAL COURT APPROVAL**

Joselyn Correa v. Financial Partners Credit Union, Los Angeles Superior Court Case No. 21STCV07183

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Financial Partners Credit Union (“FPCU”) for alleged wage and hour violations. The Action was filed by a former FPCU employee, Joselyn Correa, (“Plaintiff”) and seeks payment of (1) unpaid wages, unreimbursed business expenses, restitution, statutory penalties, interest, and attorneys’ fees and costs for a class of all non-exempt or hourly-paid employees (“Class Members”) who worked for FPCU during the Class Period (February 24, 2017 to January 31, 2024); and (2) civil penalties under the California Private Attorneys General Act (“PAGA”) for all non-exempt or hourly-paid employees who worked for FPCU during the PAGA Period (February 24, 2020 to January 31, 2024) (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring FPCU to fund Individual Class Payments, and (2) a PAGA Settlement requiring FPCU to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on FPCU’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to FPCU’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on FPCU’s records showing that **you worked [REDACTED] workweeks** during the Class Period and **you worked [REDACTED] workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires FPCU to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against FPCU.

If you worked for FPCU during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against FPCU.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will,

however, preserve your right to personally pursue Class Period wage claims against FPCU, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

FPCU will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against FPCU that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is 	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. FPCU must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by 	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on . You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by 	The amount of your Individual Class Payment and PAGA Payment (if any) depends on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to FPCU's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by . See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of FPCU. The Action accuses FPCU of violating California labor laws by failing to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide compliant wage statements, keep requisite payroll records, reimburse business expenses, and thereby engaging in unfair business practices in violation of the California Business & Professions Code section 17200, *et seq.* Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, *et seq.*) (“PAGA”). Plaintiff is represented by attorneys in the Action:

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

Jill J. Parker, Esq.
PARKER & MINNE, LLP
700 S. Flower Street, Suite 1000
Los Angeles, California 90017
Telephone: (310) 882-6833 / Fax: (310) 889-0822

The above listed attorneys and their law firm are hereinafter referred to as “Class Counsel.”

FPCU strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether FPCU or Plaintiff is correct on the merits. In the meantime, Plaintiff and FPCU hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and FPCU have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, FPCU does not admit any violations or concede the merit of any claims. Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) FPCU has agreed to pay a fair, reasonable, and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable, and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. FPCU Will Pay \$1,450,000.00 as the Gross Settlement Amount (Gross Settlement). FPCU has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor

and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, FPCU will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$507,500.00 (35% of the Gross Settlement) to Class Counsel for attorneys’ fees and up to \$30,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$7,500.00 to Plaintiff as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff’s Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$15,000.00 to the Administrator for services administering the Settlement.
 - D. Up to \$150,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and FPCU are asking the Court to approve an allocation of 15% of each Individual Class Payment to taxable wages (“Wage Portion”) and 85% to penalties, interest, and non-wage damages (“Non-Wage Portion.”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. FPCU will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and FPCU have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be sent to the California State Controller’s Unclaimed Property Fund in your name.
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a

Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [45 Day Response Deadline], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [45 Day Response Deadline] Response Deadline. The Request for Exclusion should be a letter sent via mail, email or fax that: (1) contains the case name and number of the Action (*Correa v. Financial Partners Credit Union*, Case No. 21STCV07183); (2) contains your full name, address, email address, telephone number, and last four digits of your Social Security Number; (3) contains your signature; (4) contains a clear statement that you request to be excluded from the Settlement; and (5) is sent to the Administrator by no later than the Response Deadline. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against FPCU.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against FPCU based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and FPCU have agreed that, in either case, the Settlement will be void: FPCU will not pay any money and Class Members will not release any claims against FPCU.
8. Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrators (the “Administrator”), to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and FPCU has fully funded the Gross Settlement (and separately paid all employer payroll taxes), Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against FPCU or related entities for wages based on the Class Period facts and PAGA penalties based on the PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims under state, federal, or local law, arising out of the claims expressly pleaded in the operative complaint in the Class Action or that could have been pleaded based on the allegations in the operative complaint in the Class Action, arising during the Class Period, including and not limited to claims under the California Labor Code, Wage Orders, regulations, and/or other provisions of law for: (1) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 203; (6) failure to timely pay wages during employment under Labor Code Sec. 204, 210; (7) failure to provide accurate, itemized wage statements

under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d); (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; (10) violation of California's unfair competition law under Business and Professions Code Sec. 17200. Except as set forth in Section 5.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and FPCU has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against FPCU, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against FPCU or its related entities based on the facts alleged in the Action during the PAGA Period and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for civil penalties under the California Labor Code Private Attorneys General Act ("PAGA") alleged in Plaintiff's PAGA notice letter and operative complaint in the PAGA Action, arising during the PAGA Period, for Defendant's alleged: (1) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 203; (6) failure to timely pay wages during employment under Labor Code Sec. 204, 210; (7) failure to provide accurate, itemized wage statements under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d); (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; (10) failure to provide one day's rest in seven days; and (11) failure to pay reporting time pay.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$37,500.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in FPCU's records, are stated in the first page of this Notice. You have until **[45-Day Response**

Deadline to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by sending a letter to the Administrator via mail, email or fax, which: (1) contains the case name and number of the Action (*Correa v. Financial Partners Credit Union*, Case No. 21STCV07183); (2) contains your full name, address, telephone number, signature, and last four digits of your Social Security number; (3) contains a statement setting forth the number of Workweeks during the Class Period and/or PAGA Period that you contend is correct and attaches any relevant documentation in support thereof; and (4) is submitted to the Settlement Administrator by mail, postmarked no later than the Response Deadline. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept FPCU's calculation of Workweeks and/or Pay Periods based on FPCU's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and FPCU's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. **Participating Class Members.** The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. **Non-Participating Class Members.** The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter that: (1) contains the case name and number of the Action (*Correa v. Financial Partners Credit Union*, Case No. 21STCV07183); (2) contains your full name, address, email address, telephone number, and last four digits of your Social Security Number; (3) contains your signature; (4) contains a clear statement that you request to be excluded from the Settlement; and (5) is sent to the Administrator and postmarked by no later than the Response Deadline. The Administrator will exclude you based on any writing communicating your request to be excluded. You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by **45 Day Response Deadline**, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and FPCU are asking the Court to approve. At least 16 court days before the **Date of Final Approval Hearing** Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses, and Service Award stating (i)

the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website (url) or the Court's website for a fee at <https://www.lacourt.org/casesummary/ui/>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [45-Day Response Deadline].** Written objections may be sent via mail, email or fax, and must: (1) contain the case name and number of the Action (*Correa v. Financial Partners Credit Union*, Case No. 21STCV07183); (2) contain your full name, address, telephone number, signature, and last four digits of your Social Security number; (3) clearly state the grounds for your objection; (4) state whether you intend to appear at the Final Approval Hearing; and (5) be sent to the Administrator by no later than the Response Deadline. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on (Date) at (Time) in Department 1 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website (url) beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything FPCU and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment, or any other Settlement documents is to go to (specify entity)'s website at (url). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 21STCV07183. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel's contact information is listed in Section 1, above.

The contact information for the Settlement Administrator is as follows:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you will have no way to recover the money.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

EXHIBIT 2

~~MODEL~~ CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS
NOTICE[†]

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff _____ Plaintiff Joselyn Correa (“Plaintiff”) and defendant XYZ (“XYZ”); Defendant Financial Partners Credit Union (“Defendant”). The Agreement refers to Plaintiff and XYZ Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

1.1. ~~“Action” means the Plaintiff’s lawsuit alleging wage and hour violations against XYZ captioned _____ initiated on _____ and pending in Superior Court of the State of California, County of Los Angeles.~~

1.1. “Actions” means the Class Action and the PAGA Action, as defined below.

1.2. “Administrator” means _____ Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4. “Aggrieved EmployeeEmployees” means [e.g., a person employed by XYZ] all current and former hourly-paid or non-exempt employees of Defendant in California and classified as a _____ who worked for XYZ employed at any time during the PAGA Period].

1.5. “Class” means [define class e.g., all persons employed by XYZ] all current and former hourly-paid or non-exempt employees of Defendant in California and classified as _____ who worked for XYZ employed at any time during the Class Period].

1.6. ~~“Class Counsel” means _____.~~

1.6. “Class Action” means Plaintiff’s class action lawsuit alleging wage and hour violations against Defendant captioned *Joselyn Correa v. Financial Partners Credit Union*, Case No. 21STCV07183, initiated on February 24, 2021 and pending in the Superior Court of the State of California, County of Los Angeles.

1.7. “Class Counsel” means Arby Aiwazian, Joanna Ghosh, and Yasmin Hosseini of _____.

Lawyers for Justice, PC, and Jill J. Parker and S. Emi Minne of Parker & Minne, LLP.

~~1.7.1.8.~~ “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the ~~Action~~Actions.

~~1.8.1.9.~~ “Class Data” means Class Member identifying information in ~~XYZ’s~~Defendant’s possession including ~~the each~~ Class Member’s: (1) full name, (2) last-known mailing address, (3) last known telephone number, (4) Social Security number, ~~and~~ (5) number of Class Period Workweeks and (6) number of PAGA Pay Periods.

~~1.9.1.10.~~ “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

~~1.10.1.11.~~ “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

~~1.11.1.12.~~ “Class Notice” means the ~~COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL~~Court approved notice of class action settlement and hearing date for final court approval, to be mailed to Class Members in English ~~[with a and~~ Spanish ~~translation, if applicable]~~ in the form, ~~without material variation~~, attached as Exhibit A and incorporated by reference into this Agreement.

~~1.12.1.13.~~ “Class Period” means the period from _____ to _____.#February 24, 2017 through January 31, 2024.

~~1.13.1.14.~~ “Class Representative” means ~~the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative~~Joselyn Correa.

~~1.14.1.15.~~ “Class Representative Service Payment” means the payment to the Class Representative for initiating the ~~Action~~Actions and providing services in support of the ~~Action~~Actions.

~~1.15.1.16.~~ “Court” means the Superior Court of California, County of Los Angeles.

~~1.16.1.17.~~ “~~XYZ~~Defendant” means named Defendant _____.Financial Partners Credit Union

~~1.17.1.18.~~ “Defense Counsel” means —Jina Lee of Jackson Lewis, P.C.

~~1.18.1.19.~~ “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if

no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

~~1.19.~~1.20. “Final Approval” means the Court’s order granting final approval of the Settlement.

~~1.20.~~1.21. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

~~1.21.~~1.22. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

~~1.22.~~1.23. “Gross Settlement Amount” means \$~~_____~~One Million Four Hundred Fifty Thousand Dollars and Zero Cents (\$1,450,000.00) which is the total amount ~~XYZ~~Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and the ~~Administrator’s~~Administration Expenses Payment.

~~1.23.~~1.24. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

~~1.24.~~1.25. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.26. “LWDA” means the California Labor and Workforce Development Agency, ~~the agency entitled, under Labor Code section 2699, subd. (i).~~

1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.28. “MOU” means the Memorandum of Understanding – Class Action and PAGA Settlement, which was fully executed by the Parties on April 8, 2024.

~~1.28.~~1.29. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

~~1.29.~~1.30. “Non-Participating Class Member” means any Class Member who opts out of the

Settlement by sending the Administrator a valid and timely Request for Exclusion. A Non-Participating Class Member who is also a PAGA Member shall receive their share of PAGA Penalties.

~~1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for XYZ for at least one day during the PAGA Period.~~

~~1.31. “PAGA Period” means the period from _____ to _____.~~ⁱⁱⁱ

~~1.32.~~1.31. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.32. “PAGA Action” refers to the action entitled *Joselyn Correa v. Financial Partners Credit Union*, Los Angeles Superior Court Case No. 21NWCV00238.

1.33. “PAGA Notice” means Plaintiff’s February 10, 2021 letter to XYZDefendant and the LWDA ~~[and Plaintiff’s letter to XYZ and the LWDA]~~ providing notice pursuant to Labor Code section 2699.3, subd.(a).

~~1.34.~~ “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

~~1.34.~~1.35. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees ~~(~~ (\$37,500.00) and ~~the~~ 75% to the LWDA ~~(—(\$112,500.00))~~ in settlement of PAGA claims.

“PAGA Period” means the period from

1.36. February 24, 2020 through January 31, 2024.

~~1.35.~~1.37. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement and is therefore deemed to participate in the Settlement and will receive an Individual Settlement Payment.

~~1.36.~~1.38. “Plaintiff” means —Joselyn Correa, the named plaintiff in the ~~Action~~Actions.

~~1.37.~~1.39. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

~~1.38.~~1.40. ~~“Preliminary Approval Order”~~ means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

~~1.39.~~1.41. “Released Class Claims” means the claims being released as described in Paragraph ~~65.~~2 below.

~~1.40.~~1.42. “Released PAGA Claims” means the claims being released as described in Paragraph ~~6-25.~~3 below.

~~1.41.~~1.43. “Released Parties” means: ~~XYZ Defendant~~ and ~~each~~any of its former and ~~present~~/or current parents, subsidiaries, affiliates, and any other entities that could be considered to have jointly employed the Class Members or PAGA Members as well as each of their officers, directors, officers, managers, owners, executives, partners, executive-level employees, shareholders, owners, [members], agents, attorneys, insurers, and any other predecessors, successors, assigns [subsidiaries] [affiliates] or legal representatives.

~~1.42.~~1.44. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

~~1.43.~~1.45. ~~“Response Deadline”~~ means ~~[e.g., 60]~~45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

~~1.44.~~1.46. “Settlement” means the disposition of the ~~Action~~Actions effected by this Agreement and the Judgment.

~~1.45.~~1.47. “Workweek” means any week during which a Class Member worked for ~~XYZ Defendant~~ for at least one day, during the Class Period:^{iv}

2. RECITALS.

2.1. On February 24, 2021, Plaintiff commenced ~~this~~the Class Action by filing a ~~Complaint~~complaint alleging causes of action against ~~XYZ for~~ [The Complaint is the operative complaint in the Action (the “Operative Complaint.”)]

[Defendant for: (1) alleged failure to pay overtime wages pursuant to California Labor Code sections 510, 1194, and 1198 and the IWC Wage Orders; (2) alleged failure to provide meal periods pursuant to California Labor Code sections 226.7 and 512 and the IWC Wage Orders; (3) alleged failure to provide rest periods pursuant to California Labor Code sections 226.7 and the IWC Wage Orders; (4) alleged failure to pay all minimum wages owed pursuant to California Labor Code sections 1194, 1194.2, 1197, and 1197.1 and the IWC Wage Orders; (5) alleged failure to pay all wages owed at termination pursuant to California Labor Code sections 201-203 and the IWC Wage Orders; (6) alleged failure to timely pay wages during employment pursuant to California Labor Code section 204 and the IWC Wage Orders; (7) alleged failure to furnish accurate itemized wage statements pursuant to California Labor Code section 226 and the IWC Wage Orders; (8) alleged failure to keep complete or accurate payroll records pursuant to California Labor Code section 1174(d) and the IWC Wage Orders; (9) alleged failure to reimburse all necessary business expenses pursuant to California Labor Code sections 2800 and 2802 and the IWC Wage Orders; and (10) alleged violations of California Business & Professions Code sections 17200, *et seq.* (the “Class Action Complaint”).

2.2. On _____, February 10, 2021 Plaintiff provided written notice by certified mail to the LWDA and to Defendant of the specific provisions of the California Labor Code that Defendant allegedly violated. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.3. On April 21, 2021, Plaintiff commenced the PAGA Action by filing a complaint alleging causes a single representative cause of action against XYZ for _____. The [e.g., First Amended] Complaint is the operative complaint in the Action (the “Operative Complaint.”) XYZ under PAGA against Defendant (the “PAGA Complaint”).

2.1.2.4. Defendant denies the allegations in the Operative Class Action Complaint, the PAGA Notice, and the PAGA Complaint, denies any failure to comply with the laws identified in in the Operative Class Action Complaint, the PAGA Notice, and the PAGA Complaint, and denies any and all liability for the causes of action alleged.

2.2. On June 27, 2022, Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to XYZ and the LWDA by sending the PAGA Notice.

2.3.2.5. On _____ (type in additional dates), [the Parties participated in an all-day mediation presided over by Jeffrey A. Ross, Esq. which led to this Agreement to settle the Action (describe alternative means of negotiation). Actions.

2.6. In order to facilitate the global settlement of the Class Action and the PAGA Action, the Parties have agreed that Plaintiff shall file a First Amended Complaint in the Class Action which adds an eleventh cause of action for civil penalties pursuant to PAGA (the “First Amended Complaint”) and that Plaintiff shall thereafter file a request for dismissal of the PAGA Action without prejudice. A stipulation and proposed order reflecting the Parties’ agreement regarding the filing of the First Amended Complaint shall be filed with the Court on or before the date Plaintiff files her Motion for Preliminary Approval.

~~2.4.2.7.~~ Prior to ~~mediation~~ ~~negotiating the Settlement~~, Plaintiff obtained, through ~~formal~~ ~~informal~~ discovery, ~~(documents, testimony and a random sampling of Class Members' time and pay records, as well as information obtained) and documents concerning the claims set forth in the Actions, including but not limited to, Defendant's employee handbooks and relevant wage and hour policies, information regarding the number of Class Members, the number of workweeks and pay periods worked, and the average rate of pay of the Class Members.~~ Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

~~2.5.2.8.~~ The Court ~~has~~ ~~has not~~ yet granted class certification. ~~(insert details as needed)~~ the Parties agreed to mediate prior to the filing of any motion to determine whether a class should be certified.

~~2.6.2.9.~~ The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

~~3.1.~~ 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph ~~98~~ below, ~~XYZ~~ Defendant promises to pay \$ One Million Four Hundred Fifty Thousand Dollars and Zero Cents (\$1,450,000.00) and no more as the Gross Settlement Amount ~~f~~, and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. ~~XYZ.~~ Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph ~~6.4.3~~ of this Agreement. ~~*~~ The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to ~~XYZ~~ Defendant.

~~3.2.~~ 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

~~3.2.1.~~ 3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$ Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) in addition to any Individual Class Payment ~~f~~ and any Individual PAGA Payment ~~f~~ the Class Representative is entitled to receive as a Participating Class Member). ~~XYZ.~~ Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service ~~Payments~~ Payment no later than ~~f~~ 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form

1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

~~3.2.2.~~ 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than —35%, which is currently estimated to be \$ —Five Hundred Seven Thousand Five Hundred Dollars and Zero Cents (\$507,500.00) and a Class Counsel Litigation Expenses Payment of not more than \$ —XYZThirty Thousand Dollars and Zero Cents (\$30,000). Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than [16 court] days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff-splaintiff's Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds XYZDefendant harmless, and indemnifies XYZDefendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

~~3.2.3.~~ 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$ —Fifteen Thousand Dollars and Zero Cents (\$15,000.00) except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$ —15,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

~~3.2.4.~~ 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

~~3.2.4.1.~~ 3.2.4.1. Tax
Allocation of Individual Class Payments. % —15% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The % 85% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for [e.g., penalties, interest, and penalties] non-wage damages (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

~~3.2.4.2.~~ 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

~~3.2.5.~~ 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$~~_____~~One Hundred Fifty Thousand Dollars and Zero Cents (\$150,00.00) to be paid from the Gross Settlement Amount, with 75% (\$~~_____~~112,500.00) allocated to the LWDA PAGA Payment and 25% (\$~~_____~~37,500.00) allocated to the Individual PAGA Payments.

~~3.2.5.1.~~ 3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties \$~~_____~~(\$37,500.00) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

~~3.2.5.2.~~ 3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

~~4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to-date, XYZ estimates there are _____ Class Members who collectively worked a total of _____ Workweeks, and _____ of Aggrieved Employees who worked a total _____ of PAGA Pay Periods.~~

Class 4.1. Class Workweeks. Defendant estimated that there are approximately sixty-five thousand (65,000) Workweeks from February 24, 2017 through January 31, 2024.

~~4.2. 4.2.~~ Class Data. Not later than ~~[e.g., 15]~~fourteen (14) days after the Court grants Preliminary Approval of the Settlement, ~~XYZ Defendant~~ will ~~simultaneously~~ deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. ~~XYZ Notwithstanding this provision, Class Counsel shall also receive redacted Class Data that shall only disclose an identification number attributed to each Class Member and their associated Workweeks during the Class Period and PAGA Period. Defendant~~ has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible.

Without any extension of the deadline by which XYZDefendant must send the Class ~~Data~~Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

~~4.3.~~ 4.3. Funding of Gross Settlement Amount. XYZDefendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay XYZ'sDefendant's share of payroll taxes by transmitting the funds to the Administrator no later than ~~[14]thirty~~ (30) days after the Effective Date.

~~4.4.~~ 4.4. Payments from the Gross Settlement Amount. Within ~~[14]ten (10)~~ days after XYZDefendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The checks issued by the Administrator to the Class Members and Aggrieved Employees will be valid and negotiable for one hundred eighty (180) days after issuance. The face of each check shall prominently state the date ~~(not less than 180 days after the date of mailing)~~ when the check will be voided. ~~The Administrator will cancel all checks not cashed by the void date.~~ The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. ~~The Administrator must conduct a Class Member Address Search for all other~~For those Class Members whose checks are ~~retuned~~returned undelivered without a USPS forwarding address within thirty (30) days after the initial mailing, the Administrator must conduct a Class Member Address Search. Within ~~[seven (7)]~~ days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3. _____ For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks ~~[to the California Controller's State Controller's~~ Unclaimed Property Fund in the name of the Class Member, thereby leaving no ~~"unpaid residue"~~ subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).] ~~[or to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient") ____]. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.(b).~~

4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate ~~XYZ~~Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Effective on the date when ~~XYZ~~Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and ~~Class Counsel~~Aggrieved Employees will release claims against all Released Parties as follows:

~~5.1~~ 5.1. Plaintiff's Release. Plaintiff and ~~his or~~ her respective former and present spouses, representatives, agents, ~~attorneys~~attorney, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences ~~[that occurred during, whether known or unknown, which exist or may exist on her behalf as of the Class Period],~~ date of this Agreement, including, but not limited to: ~~(a) tort claims, contract claims, wage claims, wrongful termination claims, public policy claims, retaliation claims, statutory claims, personal injury claims, emotional distress claims, invasion of privacy claims, defamation claims, fraud claims, quantum meruit claims, and any and all claims arising under any federal, state or other governmental statute, law, regulation or ordinance, as well as all claims that were, or reasonably could have been, alleged based on the facts contained in the Class Action Complaint, and~~ all claims that were, or reasonably could have been, alleged, ~~based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on the facts contained in the Operative PAGA Notice and PAGA Complaint, Plaintiff's PAGA Notice, for ascertained during the Action~~Actions and released under ~~6~~Sections 5.2 and 5.3, below]. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

~~5.1.1~~ 5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For

purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

~~5.2~~ 5.2. Release by Participating Class Members ~~Who Are Not Aggrieved Employees~~: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, ~~release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint [and ascertained in the course of the Action] [including, e.g., "(a) any and all claims involving any alleged failure to pay minimum wage; etc.]. Except as set forth in Section 6~~ release Released Parties from all claims under state, federal, or local law, arising out of the claims expressly pleaded in the operative complaint in the Class Action or that could have been pleaded based on the allegations in the operative complaint in the Class Action, arising during the Class Period, including and not limited to claims under the California Labor Code, Wage Orders, regulations, and/or other provisions of law for: (1) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 203; (6) failure to timely pay wages during employment under Labor Code Sec. 204, 210; (7) failure to provide accurate, itemized wage statements under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d); (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; and (10) violation of California's unfair competition law under Business and Professions Code Sec. 17200 ("Released Class Claims"). This Release of Class Claims extends to all theories of relief regardless of whether the claim is, was, or could have been alleged under the federal law, state law, or common law (including without limitation as violations of the California Labor Code, Wage Orders, applicable regulations, and California's Business & Professions section 17200) and includes all types of relief available for the above-referenced claims, including any claims for damages, restitution, losses, penalties, fines, liens, attorneys' fees, costs, expenses, debts, interest, injunctive relief, declaratory relief, or liquidated damages. The operative release period for the Released Class Claims is the Class Period. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

~~5.3~~ 5.3. Release by ~~Non-Participating Class Members Who Are~~ Aggrieved Employees: All ~~Aggrieved Employees, including~~ Non-Participating Class Members who are Aggrieved

Employees ~~are deemed to release,~~ on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, are deemed to release the Released Parties from all claims for PAGA civil penalties that were under the California Labor Code Private Attorneys General Act (“PAGA”) alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint[,] [and] the in Plaintiff’s PAGA Notice [and ascertained operative complaint in the course of the PAGA Action]] including, e.g., “(a) any, arising during the PAGA Period, for Defendant’s alleged: (1) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; (3) failure to provide rest periods and all claims involving any alleged/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 203; (6) failure to timely pay wages during employment under Labor Code Sec. 204, 210; (7) failure to provide accurate, itemized wage; etc.- statements under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d); (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; and (10) failure to provide one day’s rest in seven days; and (11) failure to pay reporting time pay (“Released PAGA Claims”). The time period governing the Released PAGA Claims shall be any time during the PAGA Period. The Released PAGA Claims do not release potential claims for wages or statutory penalties.

6. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

6.1 XYZ’s 6.1.

Defendant’s Declaration in Support of Preliminary Approval. Within 14 days of the full execution of this Agreement, XYZ Defendant will prepare and deliver to Class Counsel a signed Declaration from XYZ Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator ~~and Cy Pres Recipient.~~ In their Declarations, Defense Counsel and XYZ Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.2 6.2. Plaintiff’s Responsibilities. Plaintiff will prepare ~~and deliver to Defense Counsel~~ all documents necessary for obtaining Preliminary Approval, including: (i) ~~a draft of~~ the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a ~~draft~~ proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a ~~draft~~ proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members ~~[and/or the proposed Cy Pres];~~ and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and

competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, ~~and/or the Administrator and/or the proposed Cy Pres~~; ~~(v)~~ (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), ~~Operative First Amended~~ Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); ~~(vii)~~ (viii) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and ~~(viii)~~ (ix) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator ~~and/or the Cy Pres Recipient~~. In their Declarations, ~~Plaintiff and Class Counsel Declaration~~ shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

~~6.3~~ 6.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval ~~no later than [30]~~ within 60 days ~~after~~ after of the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

~~6.4~~ 6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

~~7.1~~ 7.1. Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators ("Phoenix") to serve as the Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

~~7.2~~ 7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

~~7.3~~ 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4.4. Notice to Class Members.

7.4.1 7.4.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

7.4.2 7.4.2. Using best efforts to perform as soon as possible, and in no event later than ~~[14]~~ten (10) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice ~~[with Spanish translation, if applicable]~~ substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 ~~Not later than [7.4.3] business days after the Administrator’s receipt of any.~~
For those Class Members whose Class Notice is returned by the USPS as undelivered, within thirty (30) days after the initial mailing, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS not later than three (3) business days after the Administrator’s receipt of the undelivered Class Notice. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 7.4.4. The deadlines for Class Members’ written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional ~~[fourteen (14)]~~ days beyond the ~~[60]forty-five (45)~~ days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 7.4.5. If the Administrator, ~~XYZ~~Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than ~~[fourteen (14)]~~ days after receipt of Class Notice, or the deadline dates in the Class Notice, ~~which ever~~whichever are later.

7.5.5. Requests for Exclusion (Opt-Outs).

~~7.5.1~~ 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than ~~{60}~~forty-five (45) days after the Administrator mails the Class Notice (plus an additional ~~{fourteen (14)}~~fourteen (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes: (1) the case name and number of the Class Action; (2) the Class Member's full name, address and email address or telephone number. To, and last four digits of his or her Social Security Number; (3) the signature of the Class Member; (4) a clear statement that the Class Member requests to be valid, a Request excluded from the Settlement; and (5) is sent to the Administrator no later than the Response Deadline. Requests for Exclusion submitted to the Administrator by mail must be timely faxed, emailed, or postmarked by no later than the Response Deadline.

~~7.5.2~~ 7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

~~7.5.3~~ 7.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs ~~65.2~~65.2 and ~~65.3~~65.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

~~7.5.4~~ 7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph ~~6.45.3~~6.45.3 of this Agreement and are eligible for an Individual PAGA Payment.

~~7.6~~ 7.6. Challenges to Calculation of Workweeks. Each Class Member shall have ~~{60} days after until~~ the ~~Administrator mails the Class Notice~~Response Deadline (plus an additional ~~{fourteen (14)}~~fourteen (14) calendar days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any)

allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email ~~or mail~~, or mail and must include: (1) the case name and number of the Class Action; (2) the Class Member's full name, address, telephone number, signature, and last four digits of his or her Social Security number; (3) a statement setting forth the number of Workweeks during the Class Period and/or PAGA Period that he or she contends is correct and attach any relevant documentation in support thereof; and (4) is submitted to the Administrator no later than the Response Deadline. Challenges submitted to the Administrator by mail must be postmarked no later than the Response deadline. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

~~7.7~~ 7.7. Objections to Settlement.

~~7.7.1~~ 7.7.1. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.

~~7.7.2~~ 7.7.2. Participating Class Members may send written objections to the Administrator, by fax, email, or mail. A written objection to the Class Settlement must: (1) contain the case name and number of the Class Action; (2) contain the Settlement Class Member's full name, address, telephone number, signature, and last four digits of his or her Social Security number; (3) clearly state the grounds for the objection; (4) state whether the Settlement Class Member intends to appear at the Final Approval Hearing; and (5) be submitted no later than the Response Deadline. Written objections sent by mail must be postmarked no later than the Response Deadline. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than ~~{60}~~forty-five (45) days after the Administrator's mailing of the Class Notice (plus an additional ~~{fourteen (14)}~~ days for Class Members whose Class Notice was re-mailed).

~~7.7.3~~ 7.7.3. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

~~7.8~~ 7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

~~7.8.1~~ 7.8.1. Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time, and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, ~~faxes~~ and emails.

~~7.8.2~~ 7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than ~~five (5)~~ calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

~~7.8.3~~ 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

~~7.8.4~~ 7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

~~7.8.5~~ 7.8.5. Administrator’s Declaration. Not later than ~~fourteen (14)~~ days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

~~7.8.6~~ **7.8.6. Final Report by Settlement Administrator.** Within ~~ten (10)~~ days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least ~~fifteen (15)~~ days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. ~~CLASS SIZE ESTIMATES~~ AND ESCALATOR CLAUSE. Based on its records, ~~XYZDefendant~~ estimates that, ~~as of the date of this Settlement Agreement,~~ (1) there are ~~—~~ 480 Class Members and ~~—~~ 65,000 Total Workweeks during the ~~Class-period~~ and (2) ~~there were — Aggrieved Employees who worked — Pay Periods from February 24, 2017 to January 31, 2024. If it is determined that the total number of Workweeks during the PAGA Period.~~ period from February 24, 2017 to January 31, 2024 actually exceeds 65,000 by more than ten percent (10%) (i.e., there are more than 71,500 Workweeks) then the Gross Settlement Amount will be increased on a proportional basis by the same number of percentage points above ten percent (10%). For example, if the Workweeks for the referenced time period exceed the Workweeks Threshold by one percent (1%), then the Gross Settlement Amount will be increased by one percent (1%).

9. ~~XYZ'S~~ DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds ~~%—ten percent (10%)~~ of the total of all Class Members, ~~XYZDefendant~~ may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if ~~XYZDefendant~~ withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, ~~XYZDefendant~~ will remain responsible for paying all Settlement Administration Expenses incurred to that point. ~~XYZDefendant~~ must notify Class Counsel and the Court of its election to withdraw not later than ~~[seven]thirty (30)~~ days after ~~expiration of the Administrator sends the final Exclusion List to Defense Counsel~~ opt out period; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than ~~[sixteen (16)]~~ court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order, and a proposed Judgment (collectively “Motion for Final Approval”). ~~Plaintiff shall provide drafts of these documents to Defense Counsel not later than [seven] days prior to filing the Motion for Final Approval.~~ Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

~~10.1~~ **10.1. Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than ~~that [than] five (5)~~ court days prior to the Final Approval

Hearing, or as otherwise ordered or accepted by the Court.

~~10.2~~ 10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

~~10.3~~ 10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, the Class Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

~~10.4~~ 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

~~10.5~~ 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

~~12.1~~ 12.1. No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by XYZDefendant that any of the allegations in the Operative ComplaintActions have merit or that XYZDefendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that XYZ'sDefendant's defenses in the Class Action or PAGA Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, XYZDefendant reserves the right to contest certification of any class for any reasons, and XYZDefendant reserves all available defenses to the claims in the Class Action and the PAGA Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest XYZ'sDefendant's defenses. The Settlement, this Agreement and PartiesParties' willingness to settle the ActionActions will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

~~12.2~~ 12.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, XYZDefendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency.

Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, XYZDefendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, ~~any~~ with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

~~12.3~~ 12.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

~~12.4~~ 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations,

warranties, covenants, or inducements made to or by any Party.

- ~~12.5~~ 12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and ~~XYZ~~Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- ~~12.6~~ 12.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- ~~12.7~~ 12.7. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- ~~12.8~~ 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, ~~XYZ~~Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- ~~12.9~~ 12.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court. Notwithstanding the forgoing, the Parties agree that any dates contained or contemplated in this Agreement may be modified by agreement of counsel for the Parties in writing without approval by the Court if the Parties agree and cause exists for such modification.
- ~~12.10~~ 12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- ~~12.11~~ 12.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- ~~12.12~~ 12.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- ~~12.13~~ 12.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during ~~Action~~the Actions and in this Agreement relating to the

confidentiality of information shall survive the execution of this Agreement.

~~12.14~~ 12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by ~~XYZ~~Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy~~;~~ all paper and electronic versions of Class Data received from ~~XYZ~~Defendant unless, prior to the Court's discharge of the Administrator's obligation, ~~XYZ~~Defendant makes a written request to Class Counsel for the return, rather than the ~~destructions~~destruction, of Class Data. Notwithstanding this provision, Class Counsel is entitled to retain an archival copy of all pleadings, motion papers, deposition transcripts, hearing transcripts, legal memoranda, correspondence, expert reports, attorney work product, and consultant and expert work product, even if such materials contain Class Data.

12.15. Neutral Employment Reference. Defendant agrees that it will adopt a neutral reporting policy regarding any future employment references related to Plaintiff. In the event that any potential or future employers of Plaintiff request a reference regarding Defendant's employment of Plaintiff, Defendant shall only provide the requested Plaintiff's dates of employment and job titles during employment. Defendant shall not refer to the Actions or this Settlement.

~~12.15~~ 12.15.Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

~~12.16~~ 12.16.Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

~~12.17~~ 12.17.Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Edwin Aiwarzian, Esq.
edwin@calljustice.com
Arby Aiwarzian, Esq.

arby@calljustice.com
Joanna Ghosh, Esq.
joanna@calljustice.com
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

Jill J. Parker, Esq.
jill@parkerminne.com
PARKER & MINNE, LLP
700 S. Flower Street, Suite 1000
Los Angeles, California 90017
Telephone: (310) 882-6833 / Fax: (310) 889-0822

To ~~XYZ~~ Defendant:

Jina Lee
Jina.Lee@jacksonlewis.com
JACKSON LEWIS, P.C.
200 Spectrum Center Drive, Suite 500
Irvine, California 92618
Telephone: (949) 885-1360 / Fax: (949) 885-1380

~~12.18~~ 12.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

~~12.19~~ 12.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

~~For~~ **IT IS SO AGREED.**

Dated: _____ By: _____

Plaintiff _____ ~~For XYZ~~ Joselyn Correa

EXHIBIT A

(case name and number)

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against ~~XYZFPCU~~.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against ~~XYZFPCU~~, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

	Settlement at the Final Approval Hearing. See Section 8 of this Notice.
<u>You Can Challenge the Calculation of Your Workweeks/Pay Periods</u> <u>Written Challenges Must be Submitted by</u>	<u>The amount of your Individual Class Payment and PAGA Payment (if any) depends on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to FPCU's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by</u>
	<u>. See Section 4 of this Notice.</u>
<u>You Can Participate in the</u> <u>Final Approval Hearing</u>	<u>The Court's Final Approval Hearing is scheduled to take place on</u> <u>. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.</u>
<u>You Can Challenge the Calculation of Your Workweeks/Pay Periods</u> <u>Written Challenges Must be Submitted by</u>	<u>The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to XYZ's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by</u>
	<u>. See Section 4 of this Notice.</u>

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a ~~[n]~~ ~~[former]~~ ~~XYZ~~ employee of ~~FPCU~~. The Action accuses ~~XYZFPCU~~ of violating California labor laws by failing to properly pay ~~[e.g., minimum and~~ overtime wages, ~~minimum wages, wages due upon termination and reimbursable expenses]~~ and failing to provide ~~[e.g., compliant meal periods, and~~ rest breaks and ~~accurate itemized~~ associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide compliant wage statements], keep requisite payroll records, reimburse business expenses, and thereby engaging in unfair business practices in violation of the California Business & Professions Code section 17200, *et seq.* Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, *et seq.*) (“PAGA”). Plaintiff is represented by attorneys in the Action:

~~(“Class Counsel.”)~~

~~XYZ~~

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

~~Jill J. Parker, Esq.
PARKER & MINNE, LLP
700 S. Flower Street, Suite 1000
Los Angeles, California 90017
Telephone: (310) 882-6833 / Fax: (310) 889-0822~~

~~The above listed attorneys and their law firm are hereinafter referred to as “Class Counsel.”~~

~~FPCU~~ strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether ~~XYZFPCU~~ or Plaintiff is correct on the merits. In the meantime, Plaintiff and ~~XYZFPCU~~ hired ~~an experienced, neutral mediator~~ ~~a retired judge~~ ~~(describe alternative means of negotiation)~~ in an effort to resolve the Action by negotiating ~~an~~ to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and ~~XYZFPCU~~ have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, ~~XYZFPCU~~ does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) ~~XYZFPCU~~ has agreed to pay a fair, reasonable, and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable, and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. ~~XYZFPCU~~ Will Pay \$~~1,450,000.00~~ as the Gross Settlement Amount (Gross Settlement). ~~XYZFPCU~~ has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, ~~XYZFPCU~~ will fund the Gross Settlement not more than ~~14~~ days after the Judgment entered by the Court ~~become~~ becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$~~507,500.00~~ (~~35%~~ of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$~~30,000.00~~ for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$~~7,500.00~~ to Plaintiff as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$~~15,000.00~~ to the Administrator for services administering the Settlement.
 - D. Up to \$~~150,000.00~~ for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

- ~~3.~~ Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross

3. Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiff and XYZFPCU are asking the Court to approve an allocation of % 15% of each Individual Class Payment to taxable wages (“Wage Portion”) and % 85% to ~~[e.g., penalties, interest, etc.]~~ and non-wage damages (“Non-Wage Portion.”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. ~~[Option 1: (XYZFPCU will separately pay employer payroll taxes it owes on the~~

~~Wage~~
~~Portion.)]. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the~~ Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

~~Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.~~

Although Plaintiff and XYZFPCU have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be ~~automatically cancelled, and sent~~ to the monies California State Controller’s Unclaimed Property Fund in your name.

~~☐ will be deposited with the California Controller's Unclaimed Property Fund in your name.~~

~~☐ will irrevocably lost to you because they will be paid to a non-profit organization or foundation (“Cy Pres”).~~

~~If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.~~

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than 45 Day Response Deadline, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the 45 Day Response Deadline. ~~Response Deadline.~~ The Request for Exclusion should be a letter ~~from a Class Member~~ sent via mail, email or his/her representative setting forth a Class Member’s fax that: (1) contains the case name, ~~present and~~ number of the Action (Correa v. Financial Partners Credit Union, Case No. 21STCV07183); (2) contains your full name, address, email address, telephone number, and a simple last four digits of your Social Security Number; (3) contains your signature; (4) contains a clear statement electing that you request to be excluded from the Settlement; and (5) is sent to the Administrator by no later than the Response Deadline. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against XYZFPCU.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude

themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against XYZFPCU based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. PlaintiffsPlaintiff and XYZFPCU have agreed that, in either case, the Settlement will be void: XYZFPCU will not pay any money and Class Members will not release any claims against XYZFPCU.
- ~~8.—Administrator.~~ The Court has appointed a neutral company,
8. Phoenix Settlement Administrators (the “Administrator”), to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and XYZFPCU has fully funded the Gross Settlement ~~{Option 1: (and separately paid all employer payroll taxes)}~~, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against XYZFPCU or related entities for wages based on the Class Period facts and PAGA penalties based on the PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from ~~(i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint [and ascertained in the course of the Action] [including, e.g., “(a) any and all claims involving any alleged failure to pay minimum wage; etc.”]. Except as set forth in Section 6~~ all claims under state, federal, or local law, arising out of the claims expressly pleaded in the operative complaint in the Class Action or that could have been pleaded based on the allegations in the operative complaint in the Class Action, arising during the Class Period, including and not limited to claims under the California Labor Code, Wage Orders, regulations, and/or other provisions of law for: (1) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 203; (6) failure to timely pay wages during employment under Labor Code Sec. 204, 210; (7) failure to provide accurate, itemized wage statements under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d); (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; (10) violation of California’s unfair competition law under Business and Professions Code Sec. 17200. Except as set forth in Section 5.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and XYZFPCU has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against XYZFPCU, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against XYZFPCU or its related entities based on the ~~PAGA Period~~ facts alleged in the Action during the PAGA Period and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for ~~PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint[,]~~ ~~[and] the PAGA Notice [and ascertained in the course of the Action][including, e.g., (a) any and all claims involving any alleged failure to pay minimum wage; etc.].~~ civil penalties under the California Labor Code Private Attorneys General Act ("PAGA") alleged in Plaintiff's PAGA notice letter and operative complaint in the PAGA Action, arising during the PAGA Period, for Defendant's alleged: (1) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 203; (6) failure to timely pay wages during employment under Labor Code Sec. 204, 210; (7) failure to provide accurate, itemized wage statements under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d); (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; (10) failure to provide one day's rest in seven days; and (11) failure to pay reporting time pay.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$ 37,500.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in XYZ's FPCU's records, are stated in the first page of this Notice. You have until 45-Day Response Deadline to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by ~~signing and sending a letter to the Administrator via mail, email or fax.~~ signing and sending a letter to the Administrator via mail, email or fax, which: (1) contains the case name and number of the Action (*Correa v. Financial Partners Credit Union*, Case No. 21STCV07183); (2) contains your full name, address, telephone number, signature, and last four digits of your Social Security number; (3) contains a statement setting forth the number of Workweeks during the Class Period and/or PAGA Period that you contend is correct and attaches any relevant documentation in support thereof; and (4) is submitted to the Settlement Administrator by mail, postmarked no later than the Response Deadline. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept ~~XYZ'sFPCU's~~ calculation of Workweeks and/or Pay Periods based on ~~XYZ'sFPCU's~~ records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and ~~XYZ'sFPCU's~~ Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

- ~~1.~~ 1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
- ~~2.~~ 2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter ~~with that:~~ (1) contains the case name and number of the Action (*Correa v. Financial Partners Credit Union*, Case No. 21STCV07183); (2) contains your full name, ~~present~~ address, email address, telephone number, and a simple last four digits of your Social Security Number; (3) contains your signature; (4) contains a clear statement that you ~~do not want request~~ to ~~participate in~~ be excluded from the Settlement; and (5) is sent to the Administrator and postmarked by no later than the Response Deadline. The Administrator will exclude you based on any writing communicating your request be excluded. ~~Be sure to personally sign your request, identify the Action as _____, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes).~~ You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, [45 Day Response Deadline], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and ~~XYZFPCU~~ are asking the Court to approve. At least _____ ~~16 court~~ days before the _____ **[Date of Final Approval Hearing]** Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses, and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this

Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website (url) or the Court's website for a fee at <https://www.lacourt.org/casesummary/ui/>.

(url) or the Court's website (url).

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is _____.** ~~Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action _____ and include your name, current address,~~

~~telephone number, and approximate dates of employment for [XYZ] and sign the objection.~~ **[45-Day Response Deadline]**. Written objections may be sent via mail, email or fax, and must: (1) contain the case name and number of the Action (*Correa v. Financial Partners Credit Union*, Case No. 21STCV07183); (2) contain your full name, address, telephone number, signature, and last four digits of your Social Security number; (3) clearly state the grounds for your objection; (4) state whether you intend to appear at the Final Approval Hearing; and (5) be sent to the Administrator by no later than the Response Deadline. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ **(Date)** at **(time)(Time)** in Department **[7]1** of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website _____ **(url)** beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything ~~XYZFPCU~~ and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment, or any other Settlement documents is to go to _____ **(specify entity)**'s website at _____ **(url)**. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. _____ **21STCV07183**. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

~~Class Counsel: Name of Attorney: Email Address: Name of Firm: Mailing Address: Telephone:~~

~~Class Counsel's contact information is listed in Section 1, above.~~

~~The contact information for the Settlement Administrator is as follows:~~

Name of Company:

Email Address:
Mailing Address:
Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void

☐ ~~you should consult the Unclaimed Property Fund _____ for instructions on how to retrieve the funds~~

☐ ~~you will have no way to recover the money.~~

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

~~ⁱ This Model Class Action and PAGA Settlement Agreement has been approved by the Court, the Complex litigation judges, and a 2022 Ad Hoc Wage and Hour Committee co-chaired by Judge David Cunningham and Judge Amy Hogue and comprised of 16 attorneys who regularly represent plaintiffs and defendants in wage and hour case. It is written for settlements of single plaintiff wage and hour actions asserting class claims and PAGA claims against a single employer (XYZ). The parties will need to revise this form if there are multiple plaintiffs or multiple defendants. For settlements of wage and hour class actions that do not include PAGA claims, please use the Model Class Action Settlement Agreement and Class Notice. THE COURT ASKS ALL COUNSEL USING THIS MODEL AGREEMENT TO ATTACH A REDLINED VERSION TO THEIR MOTIONS FOR APPROVAL SO THAT THE COURT CAN EASILY SEE EXACTLY HOW THE PARTIES HAVE MODIFIED THIS MODEL AGREEMENT.~~

~~ⁱⁱ Whether the “date of preliminary approval” yields a fair and adequate payment to Class Members may depend on whether the Class Members, in exchange for their releases of claims, receive consideration for time worked between the date when parties reached a settlement and the date of preliminary approval. The Parties’ *Kullar* analysis must give the Court sufficient information to allow the Court to determine whether the Gross Settlement Amount “represents a reasonable compromise, given the magnitude and apparent merit of the claims being released, discounted by the risks and expenses of attempting to establish and collect on those claims by pursuing the litigation.” (*Luekey v. Superior Court* (2014) 228 Cal.App.4th 81, 94–95, internal quotation marks omitted.)~~

~~ⁱⁱⁱ See endnote ii above.~~

~~^{iv} The Parties may need to tailor this language to pay periods or shifts depending on the facts of the case.~~

~~^v The Parties are free to negotiate a payment plan structure, if appropriate, and payment deadlines may fall earlier as necessary thereto.~~

~~^{vi} Note that this is not the only possible appropriate breakdown depending on the claims at issue in the case (e.g., a settlement that is solely a Labor Code Section 226(a) claim.)~~

~~^{vii} Insert negotiated terms, if any, addressing the possibility that XYZ’s estimates of class size, Workweeks or Pay Periods turn out to be understated such as an ADR clause imposing a duty to engage in good faith negotiations or mediation or an “escalator” clause memorializing XYZ’s promise to increase the Gross Settlement Amount in an agreed upon proportion to the percentage by which the calculated class size, Workweeks, or Pay Periods exceeds XYZ’s estimates.~~

~~^{viii} Releases in Notice should track the releases in the Settlement Agreement.~~

~~ⁱ This Model Class Action and PAGA Settlement Agreement has been approved by the Court, the Complex litigation judges, and a 2022 Ad Hoc Wage and Hour Committee co-chaired by Judge David Cunningham and Judge Amy Hogue and comprised of 16 attorneys who regularly represent plaintiffs and defendants in wage and hour case. It is written for settlements of single plaintiff wage and hour actions asserting class claims and PAGA claims against a single employer (XYZ). The parties will need to revise this form if there are multiple plaintiffs or multiple defendants. For settlements of wage and hour class actions that do not include PAGA claims, please use the Model Class Action~~

~~Settlement Agreement and Class Notice. THE COURT ASKS ALL COUNSEL USING THIS MODEL AGREEMENT TO ATTACH A REDLINED VERSION TO THEIR MOTIONS FOR APPROVAL SO THAT THE COURT CAN EASILY SEE EXACTLY HOW THE PARTIES HAVE MODIFIED THIS MODEL AGREEMENT.~~

~~ⁱⁱ Whether the “date of preliminary approval” yields a fair and adequate payment to Class Members may depend on whether the Class Members, in exchange for their releases of claims, receive consideration for time worked between the date when parties reached a settlement and the date of preliminary approval. The Parties’ *Kullar* analysis must give the Court sufficient information to allow the Court to determine whether the Gross Settlement Amount “represents a reasonable compromise, given the magnitude and apparent merit of the claims being released, discounted by the risks and expenses of attempting to establish and collect on those claims by pursuing the litigation.” (*Luckey v. Superior Court* (2014) 228 Cal.App.4th 81, 94–95, internal quotation marks omitted.)~~

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~~^{viii} Releases in Notice should track the releases in the Settlement Agreement.~~

EXHIBIT 3



May 9, 2024

CASE ASSUMPTIONS

Class Members	500
Opt Out Rate	1%
Opt Outs Received	8
Total Class Claimants	492
Subtotal Admin Only	\$9,554.72

Flat Fee Total \$9,554.72

For 500 Class Members

Pricing Good for Scope of Estimate Only

All Aspects of Escheating to the State of CA Included

Language Translation, Printing & Mailing Included

Case: Correa v. Financcail Partners Credit Union, Opt-Out & PAGA Administration

Phoenix Contact: Michael E. Moore

Contact Number: 949.331.0131

Email: mike@phoenixclassaction.com

Requesting Attorney: Jill J. Parker

Firm: Parker & Minne, LLP

Contact Number: (310) 882-6833

Email: jill@parkerminne.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly.

Estimate is based on **500** Class Members. Class data **Must** be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 day

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item	Estimate
Programming Manager	\$100.00	2		\$200.00
Programming Database & Setup	\$100.00	2		\$200.00
Toll Free Setup*	\$100.00	1		\$100.00
Call Center & Long Distance	\$2.00	70		\$140.00
NCOA (USPS)	\$100.00	1		\$100.00
Total				\$740.00

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Language Translation / Website

Project Action	Rate	Hours/Units	Line Item	Estimate
Notice Packet Formatting	\$100.00	2		\$200.00
Language Translation	\$1,000.00	1		\$1,000.00
Data Merge & Duplication Scrub	\$0.10	500		\$50.00
Notice Packet & Opt-Out Form	\$1.34	500		\$670.00
Estimated Postage (up to 2 oz.)*	\$0.84	500		\$420.00
Static Website	\$200.00	1		\$200.00
Total				\$2,540.00

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



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CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item	Estimate
Case Associate	\$55.00	2		\$110.00
Skip Tracing Undeliverables	\$1.00	75		\$75.00
Remail Notice Packets	\$1.00	72		\$72.00
Estimated Postage	\$0.87	72		\$62.64
Programming Undeliverables	\$50.00	2		\$100.00
			Total	\$419.64

Database Programming / Processing Opt-Outs, Deficiencies or Disputes

Project Action:	Rate	Hours/Units	Line Item	Estimate
Programming Database	\$150.00	1		\$150.00
Non Opt-Out Processing	\$200.00	1		\$200.00
Case Associate	\$55.00	5		\$275.00
Deficiency & Dispute Letters	\$10.00	5		\$50.00
Case Manager	\$85.00	2		\$170.00
			Total	\$845.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item	Estimate
Programming Calculations	\$135.00	1		\$135.00
Disbursement Review	\$135.00	1		\$135.00
Programming Manager	\$95.00	1		\$95.00
QSF Bank Account & EIN	\$135.00	1		\$135.00
Check Run Setup & Printing	\$135.00	4		\$540.00
Mail Class Checks *	\$0.85	492		\$418.20
Estimated Postage	\$0.64	492		\$314.88
			Total	\$1,773.08

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing & Instructions for downloading tax forms from PHX secure portal



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations				
Project Action:	Rate	Hours/Units	Line Item	Estimate
Case Supervisor	\$115.00	2		\$230.00
Remail Checks (Postage Included)	\$2.00	86		\$172.00
Case Associate	\$55.00	3		\$165.00
Reconcile Uncashed Checks	\$85.00	5		\$425.00
Conclusion Reports	\$115.00	3		\$345.00
Case Manager Conclusion	\$85.00	3		\$255.00
Final Reporting & Declarations	\$115.00	3		\$345.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting & Escheating to the State of CA Included)	\$1,300.00	1		\$1,300.00
Total				\$3,237.00

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$9,554.72



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.

EXHIBIT 4

Subject: Thank you for your Proposed Settlement Submission

Date: Friday, September 6, 2024 at 6:58:29 AM Pacific Daylight Time

From: DIR PAGA Unit

To: jill@parkerminne.com

09/06/2024 06:58:12 AM

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