

## **MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding was entered into on January 24, 2022 by and between Alejandra Hernandez ("Plaintiff") on behalf of herself and the putative class and aggrieved employees and Yolo Federal Credit Union and Jenee Rawlings ("Defendants"), (hereinafter the "parties").

NOW, THEREFORE, the parties hereto agree as follows:

- A class action Fund settlement of \$425,000.00 ("the Fund"). Defendant shall pay employer-side payroll tax obligations that shall be paid separately and in addition the Settlement Fund Amount.
- From the Fund, Defendants will not oppose Plaintiff's request for attorneys' fees of up to 33% of the Fund;
- From the Fund, Defendants will not oppose Plaintiff's request for reasonable attorneys' costs of up to \$15,000, provided that Plaintiff's counsel submits a declaration substantiating the costs;
- The parties agree to utilize CPT Group, Inc. The Administration fee is to come out of the Fund, but not to exceed \$15,000;
- \$25,000.00 of the Fund will be classified as PAGA penalties (75% paid to the LWDA, 25% to be included in the payment to the class);
- Defendants will stipulate to a filing of a Second Amended Complaint to include two additional representatives: Hector Cazares and Veronica Lopez. Defendants will not oppose a request by the named Plaintiffs to be appointed Class Representatives and for an enhancement payment of up to \$10,000. to be deducted from the Fund, in exchange for their service as Class Representative and a General Release of all claims against Defendants;
- The class action release will cover all wage and hour claims that were or could have been brought based on the facts alleged in the First Amended Complaint relating to wage and hour claims, including but not limited to alleged unpaid overtime and/or minimum wage under *Labor Code* sections 223, 510, 1194, 1194.2, 1197, 1997.1 and 1198, failure to provide meal and rest periods pursuant to *Labor Code* sections 204, 223, 226.7, 512, and 1198, alleged waiting time penalties under *Labor Code* sections 201, 202, and 203, alleged payroll stub violations under *Labor Code* section 226(a), retaliation in violation of California Sick Leave Laws, alleged PAGA penalties under *Labor Code* section 2698 *et seq.* and other associated penalties from June 2, 2017 to the date 90 days after the MOU is executed or at preliminary approval, whichever is earlier. The release will be as to the released parties, which shall include Yolo Federal

Credit Union and Jenee Rawlings and their respective parent companies, subsidiaries, affiliates, shareholders, members, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors and employees) predecessors, successors, and assigns;

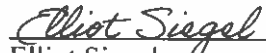
- The Parties agree that the proper scope and definition of the class alleged in the operative complaint and the definition of the Settlement Class Members for purposes of this agreement are *"All persons who worked at least one 3.5-hour shift as a non-exempt employee in the State of California from the period four years prior to the filing of the Action and 90 days after mediation or at preliminary approval, whichever is earlier"*. The Parties will cooperate in the filing of an Amended Complaint that defines the Class as set forth above if necessary.
- Notwithstanding any other provision of this Memorandum, Defendant shall retain the right, in the exercise of its sole discretion, to nullify the settlement within thirty (30) days after expiration of the Opt-Out period if more than ten percent (10%) of the class opt out of this settlement. If Defendant exercises this option, it shall remain liable for Claims Administrator fees incurred through that date.
- Defendant has represented that the Class size through mediation is 106 Settlement Class Members. Plaintiff has relied upon this representation in entering into this MOU. In the event the Class size increases by more than 10%, the Fund shall increase proportionately.
- Class member payments shall be distributed to each class member based on the number of workweeks worked as a class member;
- The classification of the settlement Fund payments to the class will be 20% wages and 80% interest and penalties;
- The Parties intend to enter into a more formal "long form" agreement ("Stipulation of Settlement") not inconsistent with the terms of this MOU, but if they fail to execute a more formal agreement, this MOU will be final, binding and enforceable pursuant to California Code of Civil Procedure section 664.6 and admissible pursuant to California Evidence Code Section 1123. The Parties shall have 45 days from the date of this MOU to agree to a "long form" Stipulation of Settlement, including a proposed Notice form, Share form, and preliminary/final approval orders. Plaintiff shall prepare the initial draft. The parties agree to cooperate fully with each other to accomplish the terms of the Settlement by entering into the long-form Stipulation of Settlement, to use their best efforts to finalize the Settlement, and to use any other efforts that may become necessary by order of the court, or otherwise, to effectuate the Settlement. In the event that the Parties do not complete that "long form" Settlement Stipulation within 30 days, either party may move for preliminary approval of this class action settlement on the basis of the terms set forth in this MOU. In that

event, Plaintiff will propose customary terms and procedures for the notice process and settlement administration.

- The Parties and their counsel agree not to take any action to encourage any Settlement Class Members to opt out of and/or object to the Settlement

  
Alejandra Hernandez (Jan 25, 2022 10:52 PST)

Alejandra Hernandez,  
individually, and on behalf of the Putative Class

  
Jenee Rawlings,  
President and CEO  
Yolo Federal Credit Union  
Elliot Siegel,  
Class Counsel  
Xavier Villegas,  
Class Counsel  
Derek Sachs,  
Counsel for Defendants