

STIPULATION OF CLASS ACTION AND PAGA REPRESENTATIVE ACTION SETTLEMENT AND RELEASE

This Stipulation of Class Action and PAGA Representative Action Settlement and Release (“Stipulation” or “Settlement”) is entered into by and between Plaintiffs Anh Duong and Chau Ngoc Bao Phan (“Plaintiffs”), individually and on behalf of the Class (as defined herein), and Defendants Loan Factory, Inc. and Thuan Nguyen (“Defendants”) (Plaintiffs and Defendants herein, collectively, the “Parties”) with regard to the action Plaintiffs filed on May 26, 2021, pending in the Superior Court of California, County of Santa Clara (the “Court”), entitled *Anh Duong, et al. v. Loan Factory, Inc., et al.*, Case No. 21CV382467 (the “Action”), subject to the terms and conditions herein and the approval of the Court.

1. DEFINITIONS

1.1 “Action” means the civil action entitled *Anh Duong, et al. v. Loan Factory, Inc., et al.*, Case No. 21CV382467, pending in the Superior Court of California, County of Santa Clara.

1.2 “Class” or “Class Member” means all individuals employed by Defendant Loan Factory, Inc. as a Loan Advisor, Client Advisor, Escrow Officer Assistant, Client Manager, Insurance Agent, Branch Manager, Team Lead, Loan Originator, Customer Service Manager, Underwriter, Admin, Front Desk, Business Development, Loan Officer Assistant, Loan Processor, Administration Assistant, Accountant, and/or Chief Credit Officer in California at any time from May 26, 2017 through the date of the Court’s Preliminary Approval of Settlement, or December 1, 2021 whichever is earlier.

1.3 “Class Counsel” means Michael R. Crosner, Zachary M Crosner, Blake R. Jones, and Kim Anglin of Crosner Legal, PC.

1.4 “Class Notice” means the Court-approved Notice of Proposed Class Action Settlement, attached hereto as Exhibit A and incorporated by reference herein, which, following the Court’s Preliminary Approval of the Settlement, the Settlement Administrator shall mail to all Class Members.

1.5 “Class Period” means May 26, 2017 through the date that the Court grants Preliminary Approval of the Settlement.

1.6 “Class Representative” means Plaintiffs Anh Duong and Chau Ngoc Bao Phan, collectively.

1.7 “Class Representative Service Award” means the sum to be paid to Plaintiffs Anh Duong and Chau Ngoc Bao Phan in recognition for their efforts in obtaining the benefits of this Settlement. The Service Award shall not exceed Ten Thousand Dollars and No Cents (\$10,000.00) each and will be paid in addition to their Individual Settlement Payment that Plaintiffs are entitled to as a Class Member.

1.8 “Court” means the Superior Court of California, County of Santa Clara, the Honorable Patricia M. Lucas presiding.

1.9 “Defendants’ Counsel” means Karen Sloat, Alanna Reichle, of the Law Office of Karen J. Sloat, APC and Christopher Hellmich of Hellmich Law Group P.C.

1.10 “Effective Date” means the date on which this Settlement receives Final Approval and the Court’s order granting Final Approval no longer is appealable.

1.11 “Final Approval” means the final settlement approval order and judgment that will be entered by the Court.

1.12 “Final Approval Date” shall mean the date upon which the Court enters Final Approval, after having determined that the Class Settlement is fair, adequate, and reasonable to the Class as a whole, following: (i) notice to the Class; (ii) an opportunity to submit timely objections to the Settlement; and (iii) the Final Approval Hearing.

1.13 “Final Approval Hearing” means the hearing set by the Court to: (a) determine whether the Court should give final approval to this Settlement; (b) consider any objections made; (c) consider the request for attorney’s fees and costs submitted by Class Counsel; (d) consider the Settlement Administration Costs; (e) consider the PAGA payment to the State of California Labor and Workforce Development Agency (“LWDA”), and (f) consider the request for the Class Representative Service Award.

1.14 “Individual Settlement Payment(s)” means the portion of the Net Settlement Amount that each Participating Class Member shall be entitled to receive pursuant to this Settlement.

1.15 “Maximum Settlement Amount” means the gross sum of One Million Dollars and No Cents (\$1,000,000.00) that Defendants shall be required to pay pursuant to this Settlement. The Maximum Settlement Amount includes: (1) the Individual Settlement Payments; (2) the Class Representative Service Award; (3) Class Counsel’s fees and costs; (4) the Settlement Administration Costs, and (5) the PAGA Payment. The Maximum Settlement Amount does not include Defendants share of all state and federal payroll taxes and withholding such as FICA, FUTA, UI, ETT, and SDI (“Payroll Taxes”) on Individual Settlement Payments made pursuant to this Agreement to Class Members, which will be paid separate and apart from the Maximum Settlement Amount. No portion of the Maximum Settlement Amount will revert to Defendants.

1.16 “Net Settlement Amount” means the portion of the Maximum Settlement Amount available for distribution to Participating Class Members after deduction of the Court-approved attorney’s fees and costs to Class Counsel, Settlement Administration Costs, the Class Representative’s Service Award, and the LWDA’s portion of the PAGA payment. No portion of the Net Settlement Amount will revert to Defendants.

1.17 “Non-Participating Class Member” means a Class Member who submits a timely and valid Request for Exclusion.

1.18 “Objection” means a Class Member’s valid and timely written objection to the Settlement. A Class Member may submit a written objection in any written format that complies with the provision of this paragraph. For a written Objection to be valid, it must include: (i) the objector’s full name, signature, address, and telephone number; (ii) a written statement of all

grounds for the objection accompanied by any legal support for such objection; (iii) copies of papers, briefs, or other documents upon which the objection is based, if any; (iv) be returned to the Settlement Administrator; and (v) be postmarked on or before the Objection/Request for Exclusion Deadline. Alternatively, any Class Member may Object by appearing at the Final Approval Hearing either with or without submitting a written Objection.

1.19 “Objection/ Request for Exclusion Deadline” means the date forty-five (45) days after the Settlement Administrator first mails the Notice to Class Members, by which date Class Members who wish to object or exclude themselves from the Settlement must submit a timely and valid objection or Request for Exclusion. The timeliness of a Class Member’s Request for Exclusion or Objection shall be determined based on the post-marked date of the Request for Exclusion or Objection.

1.20 “PAGA Payment” means the sum of Ten Thousand Dollars and No Cents (\$10,000.00), which shall be allocated from the Maximum Settlement Amount to pay all applicable penalties under PAGA to the Labor and Workforce Development Agency (“LWDA”), seventy-five percent (75%) of which will be paid to the LWDA, with the remaining twenty-five (25%) to be included in the Net Settlement Amount and available for distribution to Participating Class Members and categorized as penalties.

1.21 “Participating Class Member” means a Class Member who does not submit a timely and valid Request for Exclusion and is entitled to receive his or her Individual Settlement Payment pursuant to the terms of this Settlement.

1.22 “Parties” means Plaintiffs Anh Duong and Chau Ngoc Bao Phan and Defendants Loan Factory, Inc. and Thuan Nguyen.

1.23 “Preliminary Approval” means the entry of an Order by the Court preliminarily approving this Settlement.

1.24 “Qualified Settlement Fund” or “QSF” means the qualified settlement fund set up by the Settlement Administrator and from which the Individual Settlement Payments to Participating Class Members shall be made. The QSF shall be an interest-bearing account(s) at a federally insured bank(s) that is mutually acceptable to the Parties and the Settlement Administrator. The Parties agree that the QSF shall be a non-reversionary fund and that under no circumstance will there be any reversion to Defendant Loan Factory, Inc. of any of the funds from the Maximum Settlement Amount or the QSF.

1.25 “Qualifying Workweek” means each week that a Participating Class Member worked at least one day of the week for Defendants (i.e., was not on a leave of absence) in California during the Class Period, according to Defendants’ records. Workweeks of Non-Participating Class Members will not be included in the total number of Workweeks that are reported to the Settlement Administrator for purposes of calculating and distributing Individual Settlement Payments to Participating Class Members. The number of full payroll periods that a Participating Class Member was on a leave of absence or vacation during the Class Period shall be excluded from the total number of Workweeks.

1.26 “Released Claims” means all claims that were, or could have been, pleaded based on the factual allegations in the Complaint, including, but not limited to, claims related to unpaid wages, inaccurate wage statements, failure to timely pay wages, unfair business practices, and penalties under the Private Attorneys General Act (“PAGA”).

1.27 “Released Parties” means Defendants Loan Factory, Inc. and Thuan Nguyen, and all of Loan Factory, Inc.’s past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its respective successors in interest, subsidiaries, affiliates, parents, and attorneys.

1.28 “Request for Exclusion” means a letter or written request submitted by a Class Member to the Settlement Administrator and postmarked by the Objection/Exclusion Deadline. In order to be valid, the Request for Exclusion must include the Class Member’s name and signature, the last four digits of their Social Security Number, and contain a statement to the effect of: “I wish to be excluded from the Settlement.”

1.29 “Settlement” means the terms and conditions set forth in this Stipulation of Class Action and PAGA Representative Action Settlement and release, including the disposition of the Released Claims as defined herein.

1.30 “Settlement Administrator” means the third-party entity jointly selected by the Parties to mail the Class Notice to the Class Members and perform all duties relating to the administration of the Settlement. The Parties agree that ILYM Group, Inc. shall serve as the Settlement Administrator subject to the Court’s approval.

1.31 “Settlement Administration Costs” means the actual and direct fees and expenses reasonably incurred by the Settlement Administrator in administering the Settlement, which shall not exceed Twelve Thousand Dollars and Zero Cents (\$12,000).

1.32 “Settlement Funding Date” means the date on which Defendants shall deposit the necessary funds pursuant to the terms of this Settlement into the QSF set up by the Settlement Administrator, which shall be no later than twenty (20) business days after the Effective Date.

2. PROCEDURAL HISTORY

2.1 Plaintiff Anh Duong is a former employee of Defendant Loan Factory, Inc. and worked for Defendants from March 2020 until her separation in April 2021.

2.2 Plaintiff Chau Ngoc Bao Phan is a former employee of Defendant Loan Factory, Inc. and worked for Defendants from September 2020 until her separation in April 2021.

2.3 On May 26, 2021, Plaintiffs filed the original complaint in this Action in the Superior Court for the County of Santa Clara, California. On or about August 19, 2021, Plaintiffs filed a First Amended Complaint. The First Amended Complaint is the operative Complaint in this Action and alleges a total of ten causes of action for Defendants: (1) recovery of unpaid minimum wages and liquated damages; (2) failure to pay unpaid overtime wages; (3) failure to provide meal periods or compensation; (4) failure to provide rest periods or compensation; (5) failure to compensate for nonproductive time in violation of Labor Code Section 226.2; (6) failure to furnish

accurate itemized wage statements; (7) failure to pay all wages due and owing upon separation of employment; (8) failure to reimburse business expenses; and (9) unfair competition. Plaintiffs' First Amended Complaint also seeks in the 10th cause of action all available civil penalties under the Private Attorneys General Act of 2004, Labor Code section 2698, et seq.

2.4 The case was deemed complex and was assigned to Department 3 in the Superior Court of California, County of Santa Clara where it is presided over by the Honorable Patricia M. Lucas.

2.5 Soon after the Action was filed, the Parties agreed to attend mediation and engage in informal mediation discovery. At the request of Class Counsel, Defendants produced the total number of Class Members, the total number of Class Members who no longer work for Defendants, the total number of weeks in which the Class Members performed work for Defendants, in whole or in part, during the Class Period, a random sample of the Class Members' wage statements and time records; a redacted Class memberlist; the total number of pay periods in which the Aggrieved Employees performed work for Defendants, the total amount of meal and rest period premiums Defendants paid to the Class, Plaintiffs' personnel file, Defendants' efforts to cure any PAGA violations, including proof of Defendants' reissued wage statements to all members of the Class, Defendants' payments of overtime compensation, and Defendants' payments of meal and rest period premium pay, to certain Class Members; and Defendants' efforts to change any practices or at policies at issue in this lawsuit. Class Counsel and Defendants' Counsel thoroughly reviewed these records in preparation for mediation, investigated the claims and facts alleged in the action, and made a thorough study of the legal principles applicable to the claims asserted against Defendants.

2.6 On September 22, 2021, a Case Management conference was held by the Honorable Patricia M. Lucas and she left the stay of proceedings in place for responsive pleadings and discovery. The Court continued the Case Management Conference to January 5, 2022.

2.7 On September 28, 2021, the Parties participated in a full-day mediation before well-respected class action mediator Steve Cerveris of Cerveris Mediation. During mediation, the Parties engaged in good-faith, arm's length negotiations. At the conclusion of the mediation, the Parties resolved the Action, subject to the preparation and execution of this comprehensive Settlement Agreement and entry of Final Approval by the Court.

3. THE PARTIES' POSITION IN THE ACTION

3.1 Defendants deny any liability and wrongdoing of any kind associated with the claims alleged in the Action, and further deny that the Action is appropriate for Class or representative treatment for any purpose other than this Settlement. Defendants in no way admit any violation of law or any liability whatsoever to Plaintiffs and/or the Class Members, or "aggrieved" employees, individually or collectively; all such liability being expressly denied. Defendants contend that they complied with the California Labor Code, the Wage Orders, and the California Business and Professions Code at all times and contend that the amount of damages is small, even if Plaintiffs and the Class can establish any wrongdoing.

3.2 Plaintiffs believe that the Action is meritorious and that Class Certification is appropriate.

3.3 The Parties have engaged in substantial investigation and thoroughly researched the relevant law for each of the causes of action alleged, and the defenses thereto. Class Counsel interviewed Class Members, conducted a comprehensive investigation into the facts of the case, and reviewed and analyzed all applicable policies and practices, as well as the significant sample of the time and pay records and other documents produced by Defendants.

3.4 Based on the data reviewed and Class Counsel's thorough investigation and evaluation of all known facts and circumstances underlying each cause of action, including the possible risk of significant delay and uncertainty associated with litigation, the various defenses asserted by Defendants, and the risk of obtaining no recovery at all due to Defendants' precarious financial situation, Class Counsel is of the opinion that the Settlement is fair, reasonable, and adequate and is in the best interest of all Class Members

3.5 Class Counsel weighed the monetary benefit of the Settlement to the Class against the expenses and length of continued proceedings in the trial court and appellate courts that would be necessary to prosecute the Action fully against Defendants. Class Counsel also took into account the uncertain outcome and risk of any further litigation, especially in complex actions such as this one. Class Counsel has determined that the Settlement set forth in this Stipulation is in the best interests of the Class.

3.6 Defendants and their counsel have similarly concluded that it is desirable that the Action be settled in the manner and upon such terms and conditions set forth herein in order to avoid further expense, inconvenience, and distraction of further legal proceedings, as well as the uncertainty of the outcome of the Action. Therefore, Defendants has determined that it is desirable and beneficial to put to rest the claims in the Action. Defendants agree the Settlement is fair, reasonable, and adequate.

4. SETTLEMENT COMPONENTS

4.1 The Settlement shall have five components: (1) the Individual Settlement Payments; (2) the Class Representative's Service Award; (3) Class Counsel's attorney's fees and costs award; (4) the Settlement Administration Costs; and (5) the PAGA Payment. All of these components are included and shall be paid from the Maximum Settlement Amount.

4.2 **Calculation of Individual Settlement Payments.** The Settlement Administrator shall have the authority and obligation to calculate the amounts of Individual Settlement Payments in accordance with the methodology set forth in this Stipulation and any Orders of the Court. After deducting: (i) the Court-approved Class Representative's Service Award; (ii) the Court-approved attorneys' fees and litigation expenses to Class Counsel; (iii) the Settlement Administration Costs; and (iv) the PAGA Payment to the LWDA, the remainder of the Maximum Settlement Amount shall constitute the Net Settlement Amount, which will be distributed among Participating Class Members as follows:

- (a) Each Participating Class Member shall be entitled to receive a pro-rata portion of the Net Settlement Amount based upon the respective number of

Qualifying Workweeks that he or she worked during the Class Period compared to the total number of Qualifying Workweeks that all Participating Class Members worked during the Class Period.

- (b) The parties agree that Class Members will not have to submit a claim form in order to receive their Individual Settlement Payment. Each Class Member who does not submit a Request for Exclusion will automatically be mailed checks representing their Individual Settlement Payment, consistent with the distribution schedule described in paragraph 6.

4.3 Class Counsel's Attorney's Fees and Costs. Class Counsel will request a payment in an amount not to exceed one-third (1/3) of the Maximum Settlement Amount (or \$333,333.33), to compensate Class Counsel for all of the work already performed in this Action and all work remaining to be performed, including without limitation, documenting the Settlement, providing any notices required as part of the Settlement, securing Court and/or appellate court approval of the Settlement, ensuring that the Settlement is fairly administered and implemented, and obtaining Final Approval in accordance with the Settlement. If the amount awarded to Class Counsel for attorney's fees is less than the amount sought, the remainder will be retained by the Settlement Administrator in the Net Settlement Amount for distribution to Participating Class Members. Class Counsel will request reimbursement for reasonable litigation costs and expenses incurred in prosecuting the Action and implementing the terms of the Settlement, in an amount not to exceed twenty thousand dollars (\$20,000.00), which shall be paid from the Maximum Settlement Amount, and shall be subject to Class Counsel's itemization of costs, presented to the Court. Defendants agree not to object to Class Counsel's fees and costs application as long as it is consistent with the terms of this Stipulation.

4.4 Class Representative Service Award. Subject to Court approval Plaintiffs Anh Duong and Chau Ngoc Bao Phan will request a Class Representative Service Award in an amount not to exceed Ten Thousand Dollars and No Cents (\$10,000.00) each, to be paid from the Maximum Settlement Amount, in addition to their Individual Settlement Payment. If the Court approves a Class Representative Service Award to Plaintiffs that is less than the amount sought, the remainder will be retained in the Net Settlement Amount for distribution to Participating Class Members. The Class Representatives assume full responsibility for paying all taxes and penalties, if any, federal and state, due as a result of their Class Representative Service Award.

4.5 Payment to Labor and Workforce Development Agency. Subject to Court approval, the Parties agree that Ten Thousand Dollars and No Cents will be allocated to cover any and all claims for civil penalties associated with the Released Claims that were or could have been brought in the Action pursuant to PAGA. 75% of this amount (\$7,500.00) will be paid directly to the LWDA and the remaining 25% (\$2,500.00) will be allocated to the Net Settlement Amount for distribution to Participating Class Members as penalties.

4.6 Settlement Administration Costs: The reasonable costs incurred by the Settlement Administrator in administering the settlement, as approved by the Court, shall be deducted from the Maximum Settlement Amount and shall not exceed Twelve Thousand Dollars and Zero Cents (\$12,000).

5. SETTLEMENT FUNDING SCHEDULE

- 5.1 Defendants shall fund the QSF no later than twenty (20) business days after the Effective Date, at which time Defendants shall wire transfer the Maximum Settlement Amount and all amounts required to pay Defendants' share of employer-side payroll taxes to the QSF set up by the Settlement Administrator.

6. SETTLEMENT DISTRIBUTION SCHEDULE

6.1 No later than ten (10) business days after the Settlement Funding Date, the Settlement Administrator shall make all distributions required under the Settlement, including mailing Individual Settlement Payments to Participating Class Members, issuing to the LWDA its share of the PAGA Payment, issuing Class Counsel's attorney's fee and costs via wire transfer, mailing the Class Representative Service Awards, and paying itself the Settlement Administration costs.

7. DISPOSITION OF RETURNED AND UNCASHED CHECKS

7.1 This is a non-reversionary "all-in" settlement. No unclaimed amounts will revert to Defendants.

7.2 Returned Checks. If a Class Member's check is returned as undeliverable to the Settlement Administrator at any point during the distribution period, the Settlement Administrator will make all reasonable efforts to re-mail it to the Class Member at his or her correct address. Settlement checks that are returned a second time and settlement checks not cashed within 180 days of issuance will not be re-issued.

7.3 Uncashed Checks. Any portion of the Settlement Proceeds that are not distributed to Settlement Class members due to un-cashed checks shall be forwarded to the California State Controller's Unclaimed Property Fund.

8. TAXATION AND WITHHOLDING

8.1 Individual Settlement Payments paid to Participating Class Members will be allocated as one-fifth wages, and 4/5 penalties, unreimbursed expenses, and interest. The portion of each Participating Class Member's Individual Settlement Payment that is attributable to wages will be subject to normal tax withholding and shall be reported to the taxing authorities on an IRS Form W-2. The portion of each Participating Class Member's Individual Settlement Payment that is attributable to penalties and interest will not be subject to tax withholding and an IRS Form 1099 shall be issued if the payment is above the minimum threshold required for the issuance of a Form 1099.

8.2 Defendants' Counsel and Class Counsel make no warranty and have provided no advice regarding the tax treatment of Individual Settlement Payments to Participating Class Members pursuant to the terms of this Settlement. All taxes, other than the employer's share of payroll taxes, which are not a part of the Maximum Settlement Amount, are the sole responsibility of the Participating Class Member.

8.3 Individual Settlement Payments paid to Participating Class Members shall not be deemed pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any employee benefits (e.g., vacations, holiday pay, retirement plans, etc.). The Parties agree that Individual Settlement Payments to Participating Class Members do not represent any modification of Participating Class Members' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by the Released Parties. Any Individual Settlement Payments paid pursuant to this Settlement shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by the Released Parties.

8.4 The Payroll Taxes will be computed by the Settlement Administrator based on the amounts paid to Participating Class Members. The Settlement Administrator shall be responsible for making all necessary payments and government filings in connection with such payments.

8.5 No person shall have any claim against Defendants, Defendants' Counsel, Plaintiffs, the Class, Class Counsel, or the Settlement Administrator based on mailings, distributions, and payments made in accordance with this Stipulation of Settlement.

9. RELEASE BY CLASS REPRESENTATIVES AND THE CLASS

9.1 In exchange for the consideration recited in this Settlement, Plaintiffs and all Class Members who do not submit a Request for Exclusion do hereby and forever release, acquit, and discharge all claims that were, or could have been, pleaded based on the factual allegations in the Complaint, including, but not limited to, claims related to unpaid wages, inaccurate wage statements, failure to timely pay wages, unreimbursed business expenses, unpaid overtime wages, unfair business practices, meal break and rest period violations, and violations or penalties under the California Labor Code including the Private Attorneys General Act ("PAGA") (collectively, "the Released Claims") against Defendants, and all of its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its respective successors in interest, subsidiaries, affiliates, parents, and attorneys ("the Released Parties").

10. SETTLEMENT APPROVAL PROCEDURE

10.1 Solely for purposes of settling this Action, the Parties stipulate and agree that the prerequisites for establishing class certification with respect to the Class have been met.

10.2 The Parties hereby agree that the formula for allocating the Individual Settlement Payments to Class Members described in paragraph 4.2 of this Settlement is reasonable and that the payments provided are designed to provide a fair settlement to Participating Class Members. Based on their own independent investigations and evaluations, and in light of all known facts and circumstances, the Parties and their respective counsel believe that the Settlement is fair, reasonable, and adequate.

10.3 The Parties and their counsel agree to the conditional certification of the Class for the sole purpose of effectuating this Settlement. Should, for whatever reason, the Settlement not become final the fact that the Parties were willing to stipulate to class certification as part of the

Settlement shall have no bearing on and shall not be admissible in this Action or any other legal proceeding in any jurisdiction. Defendants expressly reserve the right to oppose class certification in this Action should the Settlement not become final.

10.4 The Parties agree to fully cooperate with each other to accomplish the terms of this Stipulation of Settlement, including but not limited to, execution of such documents and to take such other actions as may reasonably be necessary to implement the terms of this Stipulation.

10.5 Class Counsel shall request a hearing before the Court to seek Preliminary Approval of the Settlement on a mutually available date as soon as reasonably practicable. In conjunction with such hearing, Class Counsel shall submit this Stipulation of Settlement, together with the exhibits attached hereto, and any other documents necessary to implement the Settlement.

11. NOTICE TO THE CLASS

11.1 Within twenty-one (21) calendar days following the Court's entry of its Order Granting Preliminary Approval of Settlement, to the extent practicable, Defendants shall provide the Settlement Administrator with a list containing the names, last known addresses, last known telephone numbers, and social security numbers of all Class Members and data indicating the number of Workweeks each Participating Class Member worked during the Class Period (the "Class Data").

11.2 Defendants' Counsel shall consult with the Settlement Administrator prior to the production date to ensure that the format of the database will be acceptable to the Settlement Administrator. The Settlement Administrator shall not share the identity of Class Members with the Class Representative or Class Counsel, except as otherwise provided herein.

11.3 Prior to mailing the Class Notice to Class Members, the Settlement Administrator shall perform a National Change of Address (NCOA) search and an Accurant, or substantially similar, skip trace to attempt to obtain the best possible address for the Class Members.

11.4 Within fourteen (14) calendar days after receipt of the Class Data from Defendants, to the extent practicable, the Settlement Administrator shall mail to all Class Members, by first-class U.S. mail, the Class Notice.

11.5 The Class Notice shall provide that Class Members who wish to exclude themselves from the Settlement must submit a Request for Exclusion that conforms with the requirements of Section 1.26 and postmarked by the Objection/Exclusion Deadline – forty-five (45) calendar days following the initial mailing of the Class Notice. Any Class Member who properly requests exclusion using this procedure will not receive any payment from the Settlement and will not be bound by the Stipulation of Settlement or have any right to object, appeal or comment thereon. Class Members who do not submit a valid and timely Request for Exclusion shall be bound by all terms of the Stipulation of Settlement and any judgment entered in the Actions once the Settlement receives Final Approval. If a Class Member submits a Request for Exclusion that does not conform with the requirements of Section 1.26, the Settlement Administrator will mail the Class Member a cure notice within three (3) business days and the Class Member shall have until the later of the Objection/Exclusion Deadline or the date five (5) business days thereafter to cure the defect(s) in their Request for Exclusion.

11.6 The Class Notice shall provide that Class Members who wish to object to the Settlement must submit a written Objection that conforms with the requirements of Section 1.18 and postmarked by the Objection/Exclusion Deadline – forty-five (45) calendar days following the initial mailing of the Class Notice. The Class Notice shall also provide that any Class Member may appear at the Final Approval Hearing and be heard regardless of whether they have submitted a written Objection.

11.7 If a Class Notice is returned as undeliverable with a forwarding address provided by the United States Postal Service, the Settlement Administrator will promptly resend the Class Notice to that forwarding address along with a brief letter stating that the recipient of the Class Notice has until the original deadline set forth on the Class Notice, or ten (10) calendar days after the re-mailing of the Class Notice (whichever is later), to submit a Request for Exclusion.

11.8 If a Class Notice is returned as undeliverable without a forwarding address from its first mailing, the Settlement Administrator will make reasonable efforts to locate forwarding addresses, including performing an Experian (or substantially similar) in-depth skip trace service (which attempts to locate individuals using information from credit bureaus and public records) on the Class Member to attempt to ascertain their current mailing address. If the Settlement Administrator obtains a more recent address, the Settlement Administrator will resend the Class Notice along with a brief letter stating that the recipient of the Class Notice has until the original deadline set forth on the Class Notice or ten (10) calendar days after the re-mailing of the Class Notice (whichever is later) to submit a Request for Exclusion.

11.9 The Settlement Administrator shall provide the Parties' counsel with a weekly report showing any Requests for Exclusion and objections received.

11.10 The Settlement Administrator will provide a declaration specifying the due diligence the Settlement Administrator has undertaken with regard to the mailing of the Class Notice; verifying its Settlement Administration Costs; and reporting on the number of objections and Requests for Exclusion submitted, as well as any disputes (and explain the status of the disputes), which declaration will be filed with the Court by Class Counsel concurrently with the motion for final approval. The Settlement Administrator shall authenticate and append to the declaration copies of all Objections and Requests for Exclusion received from Class Members.

12. SETTLEMENT IMPLEMENTATION PROCEDURE AND FINAL REPORT

12.1 Defendants shall fund the QSF according to the schedule described in paragraph 5 and shall provide the full amount of all funds described therein no later than the corresponding Settlement Funding Date.

12.2 By a date to be set by the Court, the Settlement Administrator shall provide written certification of such completion and a declaration providing a final report on the disbursements of all funds pursuant to this Settlement to Class Counsel and Defendants' Counsel. Class Counsel shall file that written certification and a final report with the Court.

13. RESOLUTION OF DISPUTES

13.1 If a Class Member who receives a Notice wishes to dispute the number of his or her Qualifying Workweeks, the Class Member may so notify the Settlement Administrator no later than the Objection/Request for Exclusion Deadline. The Class Member must produce any available supporting evidence to the Settlement Administrator of the correct number of Qualifying Workweeks that the Class Member contends he or she worked for Defendants during the Class Period, as explained in the Class Notice. Defendants shall review its records and provide information to the Settlement Administrator in response to any such disputed claim. Defendants' records shall be presumed to be determinative, but the Settlement Administrator shall evaluate the evidence submitted by the Class Member and make the decision as to which dates should be applied. The determination by the Settlement Administrator shall be final and binding.

13.2 If a person believes that he or she was wrongly excluded from the Class, the Parties shall endeavor to resolve the issue informally, but if they are unable to do so, the Parties shall refer the matter to the Court for a final determination on whether relief should be provided to that individual.

14. VOIDING THE AGREEMENT

14.1 Defendants may elect, at their option, to rescind the Settlement if more than ten percent (10%) of Class Members submit timely and valid Requests for Exclusion. If Defendants exercise the conditional right to rescind, they must do so by written communication to Class Counsel that is received by Class Counsel within thirty (30) calendar days of the Objection/Exclusion Deadline. In the event Defendants exercise the conditional right to rescind, Defendants will be responsible for all Settlement Administration Costs incurred prior to notice to the Administrator of the rescission.

14.2 In the event that: (i) the Court does not finally approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning.

15. MISCELLANEOUS PROVISIONS

15.1 Defendants' Costs: All of Defendants' own legal fees, costs, and expenses incurred in this Action shall be borne by Defendants.

15.2 The Parties agree to cooperate in the Settlement administration process and to make all reasonable efforts to control and minimize the costs and expenses incurred in the administration of the Settlement, noting that the cost of administering the Settlement shall be deducted from the Maximum Settlement Fund subject to approval by the Court.

15.3 Parties' Authority: The signatories hereto represent that they are fully authorized to enter into this Settlement and bind the Parties to the terms and conditions hereof.

15.4 Mutual Full Cooperation: The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this

Settlement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set forth herein. In the event, the Parties are unable to reach an agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions or actions that may become necessary to effectuate the terms of this Settlement, the Parties shall seek the assistance of the Court to resolve such disagreement.

15.5 No Admission: Nothing contained herein, nor the consummation of this Settlement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendants or any of the other Released Parties. Each of the Parties hereto has entered into this Settlement with the intention of avoiding further disputes and litigation with the attendant risk, inconvenience, and expenses. This Settlement is a settlement document and shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408 and/or any other similar law, be inadmissible as evidence in any proceeding, except an action or proceeding to approve the settlement, and/or interpret or enforce this Settlement.

15.6 Construction: The Parties agree that the terms and conditions of this Settlement are the results of lengthy, intensive, arms-length negotiations between the Parties and that this Settlement shall not be construed in favor of or against any of the Parties by reason of the extent to which any Party participated in the drafting of this Settlement.

15.7 Jurisdiction of the Court: Except for those matters to be resolved by the Settlement Administrator as expressly stated, any dispute regarding the interpretation or validity of or otherwise arising out of this Settlement or relating to the Actions or the Class Released Claims, shall be subject to the exclusive jurisdiction of the Court, and Plaintiffs, Class Members, and Defendants agree to submit to the personal and exclusive jurisdiction of the Court. The Court shall retain jurisdiction solely with respect to the interpretation, implementation, and enforcement of the terms of this Settlement and all orders and judgments entered in connection therewith, and the Parties submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Settlement and all orders and judgments entered in connection therewith.

15.8 California Law Governs: All terms of this Settlement and exhibits hereto shall be governed by and interpreted according to the laws of the State of California, regardless of its conflict of laws.

15.9 Invalidity of Any Provision: The Parties request that before declaring any provision of this Stipulation of Settlement invalid, the Court shall first attempt to construe all provisions valid to the fullest extent possible consistent with applicable precedents.

15.10 Amendment or Modification: This Settlement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest, except that counsel for the Parties may stipulate to non-material changes requested by the Court or as otherwise necessary to secure approval of the Settlement.

15.11 Entire Agreement: This Settlement, including Exhibits attached hereto, contains the entire agreement between the Parties. All prior or contemporaneous agreements, understandings,

representations, and statements, whether oral or written and whether by a party or such party's legal counsel, including the Memorandum of Understanding between the Parties, are merged herein.

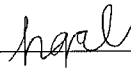
15.12 Interim Stay of Proceedings: The Parties agree to hold in abeyance all proceedings in the Actions, except such proceedings necessary to implement and complete the Settlement, pending the final approval hearing to be conducted by the Court.

15.13 Counterparts: This Settlement may be executed in counterparts, and when each of the Parties has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully-signed Settlement, which shall be binding upon and effective as to all Parties. Counterparts signed and/or transmitted electronically shall be treated as original signatures.

IT IS SO AGREED.

Dated: November 16, 2021

PLAINTIFF:


ANH DUONG

Dated: November 15, 2021

PLAINTIFF:


CHAU NGOC BAO PHAN

APPROVED AS TO FORM AND CONTENT:

Dated: November 15, 2021

CLASS COUNSEL:
CROSNER LEGAL, PC

By:



MICHAEL R. CROSNER
ZACHARY M. CROSNER
BLAKE R. JONES
KIM ANGLIN

Dated: November 11/18, 2021

DEFENDANT:

DocuSigned by:

Thuan Nguyen

701A4E908A2B473...

LOAN FACTORY, INC.

Dated: November 11/18, 2021

DEFENDANT:

DocuSigned by:

Thuan Nguyen

701A4E908A2B473...

THUAN NGUYEN

Dated: November 18, 2021

DEFENDANTS' COUNSEL:

LAW OFFICE OF KAREN J. SLOAT, APC

By:

Karen J. Sloat

KAREN J. SLOAT

ALANNA M. REICHLE

CHRISTOPHER W. HELLMICH

EXHIBIT

A

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

**IF YOU WORKED AS AN HOURLY NON-EXEMPT EMPLOYEE
FOR LOAN FACTORY, INC. YOU MAY OBTAIN PAYMENTS
FROM A SETTLEMENT REACHED IN A PROPOSED CLASS
ACTION LAWSUIT**

**PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE
AFFECTED.**

This Notice is court approved. This is not a solicitation from an attorney.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT	
DO NOTHING	Receive compensation but lose rights to sue separately. If you do nothing, you will receive compensation for your claims alleged in this lawsuit. You will also give up your rights to ever sue Loan Factory, Inc. about any of the claims in this case.
EXCLUDE YOURSELF FROM THE SETTLEMENT	Get no compensation but keep rights to sue separately. If you ask exclude yourself from the settlement you will not receive any compensation from the settlement, but you will keep your rights to file a separate claim. Please be advised, however, that the time limits for filing a separate claim may have expired.
OBJECT OR COMMENT	Tell the Court why you like or don't like the settlement. You may write to the Court, or you may appear personally or through your own attorney and your own expense, and tell the Court about why you do or do not like the settlement. You must remain a part of the lawsuit to comment or object to the settlement, and you cannot object if you also ask to be excluded.
These rights and options – and the time deadlines for exercising them – are explained further in this Notice.	

Any Questions? Call [Settlement Admin Toll Free Ph. #]

1. WHY DID I GET THIS NOTICE?

You have received this Notice because we believe that you are a class member who may be entitled to money from this settlement.

This Notice describes a proposed settlement of the lawsuit *Anh Duong, et al. v. Loan Factory, Inc., et al.*, Case No. 21CV382467, filed on or about May 26, 2021 in the Superior Court of California, in and for the County of Santa Clara (the "Lawsuit"). This Notice is being sent to you by the order of the Santa Clara County Superior Court, which preliminarily approved the settlement and conditionally certified the Settlement Class on _____.

This Notice informs you of the terms of the proposed settlement, describes your rights and options in connection with the settlement, and explains what steps you may take to participate in, object to, or exclude yourself from, the settlement. **If you do not exclude yourself from the settlement and the settlement is finally approved by the Court, you will receive a settlement payment and be bound by the terms of the settlement and any final judgment.**

2. WHAT IS THIS LAWSUIT ABOUT?

The Lawsuit was filed by Plaintiffs Anh Duong and Chau Ngoc Bao Phan ("Plaintiffs") on behalf of individuals who worked as non-exempt employees for Loan Factory, Inc. ("Loan Factory"), and the settlement of the Lawsuit covers all individuals who worked for Loan Factory in California from May 26, 2017 to December 1, 2021 in the following positions: Loan Advisor, Client Advisor, Escrow Officer Assistant, Client Manager, Insurance Agent, Branch Manager, Team Lead, Loan Originator, Customer Service Manager, Underwriter, Admin, Front Desk, Business Development, Loan Officer Assistant, Loan Processor, Administration Assistant, Accountant, and/or Chief Credit Officer.

The Lawsuit alleges Loan Factory failed to pay Class Members for all hours worked, failed to properly calculate and pay for all overtime wages owed, and failed to provide all meal and rest breaks required under California law. The Lawsuit also seeks related penalties for alleged inaccurate wage statements and the alleged failure to pay all wages due upon separation of employment, as well as civil penalties under the California Private Attorneys General Act ("PAGA"). Loan Factory denies each and all of the claims and contentions alleged by the Plaintiffs. The Court has not made any rulings regarding the merits of the Lawsuit.

After engaging in extensive discovery and investigation and a full day of mediation before an experienced mediator, in which both sides recognized the substantial risks of an adverse result in the Lawsuit for either side, Plaintiffs and Loan Factory agreed on a class settlement that was preliminarily approved by the Court on _____. Plaintiffs and Class Counsel support the settlement.

The settlement represents a compromise of highly disputed claims. Nothing in the settlement is intended to or will be construed as an admission by Loan Factory that Plaintiffs' claims in the Lawsuit have merit or that it has any liability to Plaintiffs or the Class on those claims.

The parties and their counsel have concluded that the settlement is advantageous, considering the risks and uncertainties to each side of continued litigation and trial.

Any Questions? Call [Settlement Admin Toll Free Ph. #]

3. WHO IS INCLUDED IN THE SETTLEMENT CLASS?

All individuals who worked for Loan Factory in California as a Loan Advisor, Client Advisor, Escrow Officer Assistant, Client Manager, Insurance Agent, Branch Manager, Team Lead, Loan Originator, Customer Service Manager, Underwriter, Admin, Front Desk, Business Development, Loan Officer Assistant, Loan Processor, Administration Assistant, Accountant, and/or Chief Credit Officer from May 26, 2017 through December 1, 2021, are included in the Class.

According to Loan Factory's records, you are member of the Class and eligible for payments under the settlement. If you are still not sure if you are entitled to participate in the settlement, please call [SETTLEMENT ADMIN. TOLL FREE PHONE NUMBER].

4. WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?

In exchange for the release of claims against it and final disposition of the Lawsuit, Loan Factory will pay One Million Dollars and Zero Cents (\$1,000,000.00) ("Maximum Settlement Amount") following final Court approval of the Settlement.

After attorney's fees and costs, a service payment to each Plaintiff, a payment to the California Labor & Workforce Development Agency, and settlement administration costs are deducted from the Maximum Settlement Amount, the remaining "Net Settlement Amount" will be distributed to Participating Class Members.

Subject to Court approval, the Maximum Settlement Amount will be allocated as follows:

- **Individual Settlement Payment:** Each Participating Class Member will receive a payment based the total number of "Qualifying Workweeks" they were employed by Loan Factory as an hourly non-exempt employee during the relevant time period.

Individual Settlement Payments will be calculated as follows: first, the Net Settlement Amount will be divided by the total number of Qualifying Workweeks worked by all of the Class Members to determine the "Weekly Amount." Second, the number of Qualifying Workweeks worked by each individual Class Member will be multiplied by the Weekly Amount to arrive at each person's Individual Settlement Payment.

Your estimated Individual Settlement Payment is set forth in Section 5 below.

- **Class Representative Service Payment:** For acting as the Class Representatives, each Plaintiff will request from the Court an award of \$10,000.00 in recognition of and as compensation for their efforts, such as starting the Lawsuit, volunteering time to assist with the case, and providing information and documents, as well as risks they assumed in starting and assisting with the prosecution of the Lawsuit. Any amounts ordered by the Court will be paid from the Gross Settlement Amount.
- **Class Counsel's Attorney's Fees and Costs:** Class Counsel will request from the Court no more than one-third (1/3) of the Maximum Settlement Amount (\$333,333.33) as attorney's fees for litigation and resolution of the Lawsuit. Class Counsel will also request from the Court reimbursement for litigation costs advanced on behalf of the Class, which are estimated to be no

Any Questions? Call [Settlement Admin Toll Free Ph. #]

more than \$20,000.00. Any amount ordered by the Court for Class Counsel's attorney's fees and costs will be paid from the Maximum Settlement Amount.

- **PAGA Payment:** \$10,000.00 from the Maximum Settlement Amount is allocated for payment to the State of California under PAGA. Upon Court approval, 75% of the allocation (\$7,500.00) will be paid to the California Labor & Workforce Development Agency, and 25% (\$2,500.00) of the allocation will be distributed as part of the Net Settlement Amount.
- **Settlement Administration:** The costs of settlement administration will not exceed \$_____, which pays for tasks such as mailing and tracking this Notice, mailing checks and tax forms, and reporting to the parties and the Court. Any amount ordered by the Court will be paid from the Maximum Settlement Amount.
- All checks issued to Participating Class Members shall remain valid and negotiable for one hundred and eighty (180) days from the date of their issuance. After the check expiration date the money corresponding to any unclaimed or uncashed checks will be sent to the California State Controller's Unclaimed Property Fund.

5. WHAT DO I NEED TO DO TO RECEIVE A SETTLEMENT PAYMENT, AND HOW MUCH WILL I RECEIVE?

You do not need to do anything to receive a payment from the settlement.

Loan Factory's records show that, while you worked in one of the specified job positions in California during the relevant time period, you worked a total of [Number of Qualifying Workweeks]. Accordingly, your anticipated Individual Settlement Payment is [\$ AMOUNT]. The actual amount may vary somewhat based on the actual implementation of the settlement.

Twenty percent (20%) of your settlement award will be issued in a check representing unpaid wages with applicable federal, state, and local tax withholdings taken out, and you will be sent an IRS Form W-2 for tax purposes (just like a paycheck). The remaining eighty percent (80%) of your settlement award will be issued in a check representing penalties, unreimbursed expenses, and interest, and you will be issued an IRS Form 1099 for tax purposes. You will need to speak with an accountant or other tax professional about any tax issues related to your settlement checks.

If you dispute the information about the amount of your anticipated settlement share, you must advise the Settlement Administrator and follow the steps below to substantiate your dispute.

To dispute the amount of your anticipated settlement share you must send in the mail any records (such as paystubs, pay checks or other records) supporting your calculation of the total number of weeks you were employed by Loan Factory in an hourly non-exempt position along with a letter explaining the dispute, and be sure to include the last four digits of your social security number by [RESPONSE DEADLINE]. The date of the postmark will determine if it was timely mailed. The Settlement Administrator will review the information you submit along with Loan Factory's records and make a final determination as to the correct amount of your settlement share.

The Settlement Administrator is:

Any Questions? Call [Settlement Admin Toll Free Ph. #]

Duong v. Loan Factory Settlement Administration
c/o Settlement Administrator
Street Address/PO Box
City, State, Zip Code

6. WHAT AM I GIVING UP TO STAY IN THE CLASS AND GET COMPENSATION?

Unless you ask to be excluded, you will remain a part of the Settlement Class, and that means you can't sue, continue to sue, or be a part of any other lawsuit or proceeding making any of the same claims and allegations made in *this* case. It also means all of the Court's orders will apply to you and legally bind you. If you stay in the Settlement Class, you will be deemed to have forever released, acquitted, and discharged all claims that were, or could have been, pleaded based on the factual allegations in the operative complaint in the Lawsuit, including but not limited to claims related to unpaid wages, inaccurate wage statements, failure to timely pay wages, unfair business practices, and penalties under PAGA ("the Released Claims") against Defendants, and all of its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its respective successors in interest, subsidiaries, affiliates, parents, and attorneys ("the Released Parties"). The period of the Release shall extend to the limits of the Class Period of May 26, 2017 through December 1, 2021.

The Settlement Agreement contains additional details about the scope of the Release and Released Claims, and you may obtain a copy from the Settlement Administrator or Class Counsel listed below.

7. DO I HAVE A LAWYER IN THIS CASE?

The Court has decided the law firm below is qualified to represent you and the Settlement Class. This law firm is called "Class Counsel."

Crosner Legal, P.C.
9440 Santa Monica Blvd., Suite 301
Beverly Hills, California 90210
Telephone: (310) 496-5818

If you want to be represented by your own lawyer, you may hire one at your own expense.

8. WHAT IF I DON'T WANT TO PARTICIPATE IN THIS SETTLEMENT?

You have the right to request exclusion from the settlement. To do so, you must submit a written opt out request to the Settlement Administrator at the following address:

Duong v. Loan Factory Settlement Administration
c/o Settlement Administrator
Street Address/PO Box
City, State, Zip Code

Any Questions? Call [Settlement Admin Toll Free Ph. #]

To be valid, a written request for exclusion must: (1) state your name, address, telephone number, and last four digits of your social security number; (2) be signed by you; (3) be mailed by first-class mail no later than [RESPONSE DEADLINE] to the Settlement Administrator at the above address; and (4) clearly state that you do not wish to be included in the settlement. The date of the postmark will determine if your request for exclusion was timely mailed. Unless you timely request to be excluded from the settlement, you will be bound by the judgment upon final approval of the settlement and payment of the Class Settlement Amount, including the Release described in this Notice.

If you timely mail a complete and valid request for exclusion, you will no longer be a member of the class and you will not be eligible to object to the terms of the Settlement or receive money under the Settlement except for that portion of the settlement allocated to PAGA penalty payments. Except for the PAGA release, you will not be bound by the terms of the Settlement, and may pursue any valid claims you may have, at your own expense, against Loan Factory. Individuals otherwise meeting the definition of Class Members who exclude themselves from the class pursuant and were employed during the PAGA Period shall still receive a payment for the amount of each such individual's estimated share of the PAGA Payment that was included by the Settlement Administrator in calculating the Claim Amount and shall still be bound by the PAGA release.

9. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

Any Class Member who has **not** asked to be excluded from the settlement may object to the proposed settlement either in writing, by appearing at the Final Approval Hearing in person or through an attorney at your own expense, or both. The Final Approval Hearing is scheduled to take place on _____, at _____ a.m. in Department 3 of the Superior Court of the State of California for the County of Santa Clara, located at 191 North First Street, San Jose, California 95113.

To be valid, all written objections and supporting papers if any, must: (1) state your full name, address and telephone number; (2) provide a written statement of all grounds for the objection accompanied by any legal support for the objection; (3) state the last four digits of your social security number (4) be signed by you or your counsel; and (5) clearly identify the case name and number. The case name is "Duong v. Loan Factory, Inc." and the case number is "21CV382467."

You must submit your written objection and all supporting papers if any to the Settlement Administrator by mailing to the following address:

Duong v. Loan Factory Settlement Administration
c/o Settlement Administrator
Street Address/PO Box
City, State, Zip Code

To be valid, your written objection and all supporting papers must be postmarked on or before [RESPONSE DEADLINE].

If you do not submit a written objection, you may still appear at the Final Approval Hearing and make your objection to the Court.

10. WHAT HAPPENS IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?

Any Questions? Call [Settlement Admin Toll Free Ph. #]

The settlement, if finally approved by the Court, will bind all Class Members who do not request to be excluded from the settlement whether or not they receive or timely cash their Individual Settlement Payment. Final approval of the settlement will bar any Class Member who does not request to be excluded from the settlement from initiating a lawsuit or proceeding regarding the Released Claims.

11. THE FINAL APPROVAL HEARING

The Final Approval Hearing is scheduled to take place on _____, at _____ a.m. in Department 3 of the Superior Court of the State of California for the County of Santa Clara, located at 191 North First Street, San Jose, California 95113. The date and time may change without further notice to the Class.

At the Final Approval Hearing, the Court will make a final decision whether to approve the settlement, and will also decide what amounts will be awarded to Plaintiffs for a service award, and to Class Counsel for attorney's fees and costs.

12. FURTHER INFORMATION

This Notice is only a summary of the settlement. **IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS**, or wish to see a copy of the Settlement Agreement (which defines the capitalized terms used in this Notice), the Court's Preliminary Approval Order, the operative complaint filed in the Lawsuit, and other filed documents related to the Lawsuit and this settlement, you may contact the Settlement Administrator at [SETTLEMENT ADMIN. TOLL FREE PHONE NUMBER] or Class Counsel listed above. Please refer to the Loan Factory Class Action Settlement.

PLEASE DO NOT TELEPHONE OR CONTACT THE COURT WITH QUESTIONS OR FOR INFORMATION REGARDING THIS SETTLEMENT

Any Questions? Call [Settlement Admin Toll Free Ph. #]

