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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

RYAN GENTILE, individually and on behalf of
all others similarly situated,

Plaintiff,

vs.

HOMESIDE FINANCIAL, LLC; and DOES 1
through 20, inclusive,

Defendants.

CASE NO.: 30-2021-01217575-CU-OE-CXC

*[Related to Case No. 30-2021-01230333-CU-
OE-CXC]*

*Assigned for all purposes to:
Hon. Peter Wilson, Dept. CX-101*

JOINT STIPULATION OF SETTLEMENT

1 It is stipulated and agreed by and among the undersigned Parties, subject to the approval of
2 the Court pursuant to the California Rules of Court, that the Settlement of this Action shall be
3 effectuated upon and subject to the following terms and conditions. Capitalized terms used herein
4 shall have the meanings set forth in Article I or as defined elsewhere in this Joint Stipulation of
5 Settlement (“Agreement” or “Settlement”).

6 This Agreement is made by and between Named Plaintiff Ryan Gentile (“Named Plaintiff”) and the Class Members, on the one hand, and Defendant Homeside Financial, LLC (“Defendant”),
7 on the other hand. Named Plaintiff and Defendant collectively are referred to in this Agreement as
8 “the Parties.”

10 The Parties agree that the Action shall be, and hereby is, ended, settled, resolved, and
11 concluded by agreement of Defendant to pay the settlement amount of Three Hundred Seventy-Six
12 Thousand Dollars (\$376,000.00) as provided in Section 3.06(a) below (“Gross Settlement Amount”) pursuant to the terms and conditions of this Agreement and for the consideration set forth herein,
13 including but not limited to, a release of all claims by Named Plaintiff and the Class Members as set
14 forth herein.

16 ARTICLE I

17 DEFINITIONS

18 Unless otherwise defined herein, the following terms used in this Agreement shall have the
19 meanings ascribed to them as set forth below:

20 a. “Action” means the actions described as follows: *Ryan Gentile v. Homeside*
21 *Financial, LLC*, Case No. 30-2021-01217575-CU-OE-CXC and Case No. Case No. 30-2021-
22 01230333-CU-OE-CXC, commenced on August 24, 2021 in the Superior Court of the State of
23 California for the County of Orange.

24 b. “Agreement” means this Joint Stipulation of Settlement, including the attached
25 Exhibit(s).

26 c. “Class” all current and former non-exempt employees of Defendant and all current
27 and former Senior Loan Officers – Outside Sales and Loan Officers – Outside Sales who worked in
28 California during the Covered Period (or if any such person is incompetent, deceased, or unavailable

1 due to military service, the person's legal representative or successor in interest evidenced by
2 reasonable verification). The "Settlement Class Members" shall not include any person who submits
3 a timely and valid request for exclusion.

4 d. "Class Counsel" means the attorneys for the Class and the Class Members, who are:

5 Kashif Haque
6 Samuel A. Wong
7 Jessica L. Campbell
8 Fawn F. Bekam
9 Daniel E. Ishu
10 AEGIS LAW FIRM, PC
11 9811 Irvine Center Drive, Suite 100
12 Irvine, California 92618
13 Telephone: (949) 379-6250
14 Facsimile: (949) 379-6251

15 e. "Class List" means a list based on Defendant's business records that identifies each
16 Class Member's name, last known home or mailing address, Social Security number or, as
17 applicable, other taxpayer identification number, and the number of Qualifying Workweeks worked
18 during the Class Period.

19 f. "Class Member(s)" means all members of the Class.

20 g. "Class Period" means February 27, 2017 through October 14, 2022.

21 h. "Court" means the California Superior Court for the County of Orange, where the
22 Action is currently pending.

23 i. "Date of Finality" means the later of the following: (1) the date the Final Order is
24 signed if no objections are filed to the Settlement; (2) if objections are filed and overruled, and no
25 appeal is taken of the Final Order, sixty-five (65) days after the Final Order; or (3) if an appeal or
26 other judicial review is taken from the Court's overruling of objections to the settlement, ten (10)
27 days after the appeal is withdrawn or after an appellate decision affirming the Final Order becomes
28 final.

29 j. "Defendant" means Defendant Homeside Financial, LLC

30 k. "Defense Counsel" means counsel for Defendant:

31 Aaron H. Cole
32 Catherine L. Brackett
33 OGLETREE, DEAKINS, NASH, SMOAK, & STEWART, P.C.
34 400 South Hope Street, Suite 1200

Los Angeles, CA 90071
Telephone: 213.239.9800
Facsimile: 213.239.9045

1. "Disposition" means the method by which the Court approves the terms of the Settlement and retains jurisdiction over its enforcement, implementation, construction, administration, and interpretation.

m. "Final Order Approving Settlement of Class Action" or "Final Order" means the final formal court order signed by the Court following the Final Fairness and Approval Hearing in accordance with the terms herein, approving this Agreement.

n. "Gross Settlement Amount" means Three Hundred Seventy-Six Thousand Dollars and Zero Cents (\$376,000.00) to be paid by Defendant as provided by this Agreement to settle this Action. All claims of the Class and all administration costs, attorney's fees and costs, and Incentive Awards, pursuant to Section 3.06(a) below, shall be paid out of the Gross Settlement Amount. The employer's share of payroll taxes arising from the payments made under this settlement shall be paid by Defendant separate from and in addition to the Gross Settlement Amount. The Gross Settlement Amount is subject to a pro rata increase pursuant to Section 3.04(e) below. No part of the Gross Settlement Amount shall revert to Defendant.

o. "Incentive Award" means a monetary amount of up to Five Thousand Dollars (\$5,000.00) for the Named Plaintiff, subject to Court approval, in recognition of his effort and work in prosecuting the Action on behalf of Class Members, and for their general release of claims.

p. "Individual Settlement Payment(s)" means each Participating Class Member's respective share of the Net Settlement Amount. Individual Settlement Payments will be determined by the calculations provided in this Agreement.

q. "LWDA" means The State of California Labor and Workforce Development Agency.

r. "LWDA Payment" means 75% of the \$25,000.00 allocated to the settlement of PAGA claims which, subject to Court approval, will be paid to the LWDA pursuant to Section 3.06(e) of this Agreement, as provided for below.

s. "Motion for Final Approval" means Plaintiffs' submission of a written motion, including any evidence as may be required for the Court to conduct an inquiry into the fairness of

1 the Settlement as set forth in this Agreement, to conduct a Final Fairness and Approval Hearing, and
2 to enter a Final Order in this Action.

3 t. "Motion for Preliminary Approval" means Plaintiffs' submission of a written motion,
4 including any evidence as may be required for the Court to grant preliminary approval of the
5 Settlement as required by Rule 3.769 of the California Rules of Court.

6 u. "Named Plaintiff" means Ryan Gentile.

7 v. "Net Settlement Amount" means the Gross Settlement Amount less Court-approved
8 administration costs, Class Counsels' attorney's fees and costs, Incentive Awards, and LWDA
9 Payment, pursuant to Section 3.06(a)-(f) below.

10 w. "Non-Participating Class Member(s)" means any Class Member(s) who submit to the
11 Settlement Administrator a valid and timely written request to be excluded from the Class pursuant
12 to Section 3.04(b) below.

13 x. "Notice Packet" means the Notice of Proposed Class Action Settlement in a form
14 substantially similar to the Notice Packet attached hereto as **Exhibit A**, subject to Court approval.

15 y. "PAGA" means the California Private Attorneys General Act of 2004, which is
16 codified in California Labor Code §§ 2698 *et seq.*

17 z. "PAGA Settlement Amount" means the portion of the Gross Settlement Amount
18 allocated to the resolution of Class Members' claims arising under PAGA. The Parties have agreed
19 that the PAGA Settlement Amount is Twenty Thousand Dollars (\$25,000.00), subject to Court
20 approval. Of the PAGA Settlement Amount, 75% will be considered the LWDA Payment, and the
21 remaining 25% will be added to the Net Settlement Amount and distributed to Participating Class
22 Members.

23 aa. "PAGA Group Members" means all Class Members employed by Defendant at any
24 time between August 24, 2020 and October 4, 2022.

25 bb. "Participating Class Member(s)" is defined as a Class Member who does not timely
26 exclude himself or herself from the Settlement and will therefore receive his or her share of the Net
27 Settlement Amount automatically without the need to return a claim form. Each Participating Class
28 Member will be paid his/her Individual Settlement Payment.

1 cc. "Preliminary Approval Date" means the date the Court preliminarily approves the
2 Settlement embodied in this Agreement.

3 dd. "Qualified Settlement Fund" or "QSF" means a fund within the meaning of Treasury
4 Regulation § 1.468B-1, 26 CFR § 1.468B-1 *et seq.*, that is established by the Settlement
5 Administrator for the benefit of Participating Class Members.

6 ee. "Qualifying Workweeks" means the number of weeks that Class Members worked
7 for Defendant as non-exempt employees during the Class Period.

8 ff. "Released Parties" means Defendant and its past, present, and/or future officers,
9 directors, shareholders, employees, agents, operators, principals, owners, heirs, representatives,
10 accountants, auditors, consultants, insurers and reinsurers, successors and predecessors in interest,
11 members, divisions, fiduciaries, trustees, partners, shareholders, investors, and attorneys, if any.

12 gg. "Response Deadline" means the deadline by which Class Members must postmark or
13 fax to the Settlement Administrator requests for exclusion or notices of objection. The Response
14 Deadline will be sixty (60) calendar days after the initial mailing of the Notice Packet by the
15 Settlement Administrator, unless the sixtieth (60th) calendar day falls on a Sunday or federal holiday,
16 in which case the Response Deadline will be extended to the next day on which the U.S. Postal
17 Service is open. The Response Deadline will be extended as set forth herein if there is a re-mailing.

18 hh. "Settlement Administration Costs" means all costs incurred by the Settlement
19 Administrator in administration of the Settlement, including, but not limited to, mailing of notice to
20 the class, calculation of Individual Settlement Payments, generation of Individual Settlement
21 Payment checks and related tax reporting forms, administration of unclaimed checks, and generation
22 of checks to Class Counsel for attorneys' fees and costs, to Named Plaintiffs for their Incentive
23 Awards, and to the LWDA. The Settlement Administration Costs shall be paid from the Gross
24 Settlement Amount.

25 ii. "Settlement Administrator" means Phoenix Settlement Administrators, which the
26 Parties have agreed will be responsible for the administration of the Individual Settlement Payments
27 to be made by Defendant from the Gross Settlement Amount and related matters under this
28 Agreement.

ARTICLE II

CONTINGENT NATURE OF THE AGREEMENT

Section 2.01: Stipulation of Class Certification for Settlement Purposes

Because the Parties have stipulated to the certification of the Class with respect to all causes of action alleged in the Action for settlement purposes only, this Agreement requires preliminary and final approval by the Court. Accordingly, the Parties enter into this Agreement on a conditional basis. This Agreement is contingent upon the approval and certification by the Court. If the Date of Finality does not occur, the fact that the Parties were willing to stipulate for the purposes of this Agreement to a Class shall have no bearing on, nor be admissible in connection with, the issue of certification of the Class with respect to all causes of action alleged in the Action. Defendant does not consent to certification of the Class for any purpose other than to effectuate settlement of the Action. If the Date of Finality does not occur, or if Disposition of this Action is not effectuated, any certification of the Class as to Defendant will be vacated and Named Plaintiffs, Defendant, and the Class will be returned to their positions with respect to the Action as if the Agreement had not been entered into. In the event that the Date of Finality does not occur: (a) any Court orders preliminarily or finally approving certification of any class contemplated by this Agreement shall be null, void, and vacated, and shall not be used or cited thereafter by any person or entity; and (b) the fact of the settlement reflected in this Agreement, the fact that Defendant did not oppose the certification of a Class under this Agreement, or that the Court preliminarily approved the certification of the Class, shall not be used or cited thereafter by any person or entity, including in any manner whatsoever, including without limitation any contested proceeding relating to the certification of any class. If the Date of Finality does not occur, this Agreement shall be deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose whatsoever. Defendant expressly reserves the right to challenge the propriety of class certification in the Action for any purpose, if the Date of Finality does not occur.

The Parties and their respective counsel shall take all steps that may be requested by the Court relating to the approval and implementation of this Agreement and shall otherwise use their respective best efforts to obtain Court approval and implement this Agreement. If the Court does not

grant the Motion for Preliminary Approval and/or the Motion for Final Approval, the Parties agree to meet and confer to address the Court's concerns. If the Parties are unable to agree upon a resolution, the Parties agree to seek the assistance of mediator Eve Wagner to resolve the dispute.

ARTICLE III

PROCEDURE FOR APPROVAL AND IMPLEMENTATION OF THE SETTLEMENT

The procedure for obtaining Court approval of and implementing this Agreement shall be as follows:

Section 3.01: Motion for Conditional Class Certification and Preliminary Approval

Named Plaintiff will bring a motion before the Court for an order conditionally certifying the Class to include all claims pled in the Action based on the preliminary approval of this Agreement. The date that the Court grants preliminary approval of this Agreement will be the "Preliminary Approval Date."

Section 3.02: The Settlement Administrator

The Parties have chosen Phoenix Settlement Administrators to administer this Settlement and to act as the Settlement Administrator, including but not limited to distributing and responding to inquiries about the Notice Packet; determining the validity of exclusions/opt-outs; calculating the Net Settlement Amount and the Individual Settlement Payments; issuing the Individual Settlement Payment checks and distributing them to Participating Class Members; establishing and maintaining the QSF; and issuing the payment to Class Counsel for attorneys' fees and costs, the Incentive Award checks to Named Plaintiffs, and the employer payroll taxes to the appropriate taxing authorities. The Settlement Administrator shall also create a website and/or Webpage that posts key documents in this matter, including Plaintiff's Operative Complaint, The Class Notice, Orders for Preliminary and Final Approval, as well as the Final Judgement. The Final Judgement shall be posted on the Administrator's website/webpage for 180 days after receipt. The Settlement Administrator shall expressly agree to all of the terms and conditions of this Agreement.

All costs of administering the Settlement, including but not limited to all costs and fees associated with preparing, issuing, and mailing any and all notices to Class Members and/or Participating Class Members; all costs and fees associated with computing, processing, reviewing,

1 and mailing the Individual Settlement Payments; all costs and fees associated with preparing any tax
2 returns and any other filings required by any governmental taxing authority or agency; all costs and
3 fees associated with preparing any other checks, notices, reports, or filings to be prepared in the
4 course of administering disbursements from the Net Settlement Amount; and any other costs and fees
5 incurred and/or charged by the Settlement Administrator in connection with the execution of its
6 duties under this Agreement (“Settlement Administration Costs”), shall be paid to the Settlement
7 Administrator from the Gross Settlement Amount.

8 **Section 3.03: Notice to Class Members**

9 No later than five (5) business days after the Preliminary Approval Date, Defendant will
10 provide the Settlement Administrator with a “Class List” in electronic format based on its business
11 records, identifying the names of the Class Members, their last known home addresses, Social
12 Security numbers or, as applicable, other taxpayer identification number, and their dates of
13 employment or weeks worked during the Class Period.

14 Within ten (10) business days of receiving a Class List from Defendant, the Settlement
15 Administrator will send Class Members, by first-class mail at their last known address, the Court
16 approved Notice Packet, including notice of this Settlement and of the opportunity to opt out of the
17 Settlement Class. The Notice Packet will include a calculation of the Class Member’s approximate
18 share of the Net Settlement Amount. Class Members will have forty-five (45) days from the date of
19 mailing in which to postmark requests for exclusion. Prior to the initial mailing, the Settlement
20 Administrator will check all Class Member addresses against the National Change of Address
21 database and shall update any addresses before mailing. The Settlement Administrator will skip trace
22 and re-mail all returned, undelivered mail within five (5) days of receiving notice that a Notice Packet
23 was undeliverable. If a Class Member’s notice is re-mailed, the Class Member shall have fifteen (15)
24 calendar days from the re-mailing, or forty-five (45) calendar days from the date of the initial mailing,
25 whichever is later, in which to postmark requests for exclusion. Class Members shall not be required
26 to submit claim forms in order to receive a proportional share of the Net Settlement Amount.

27 If the Notice Packet is returned with a forwarding address, the Settlement Administrator shall
28 re-mail the Notice Packet to the forwarding address. With respect to those Class Members whose

1 Notice Packet is returned to the Settlement Administrator as undeliverable, the Settlement
2 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or
3 mass search on LexisNexis or comparable databases based on set criteria and, if another address is
4 identified, shall mail the Notice Packet to the newly identified address. It is the intent of the parties
5 that reasonable means be used to locate Class Members and that the Settlement Administrator be
6 given discretion to take steps in order to facilitate notice of the Settlement and delivery of the
7 Individual Settlement Payments to all Participating Class Members.

8 If the Notice Packet is re-mailed, the Settlement Administrator will note for its own records
9 and notify Class Counsel and Defense Counsel of the date of each such re-mailing as part of a weekly
10 status report provided to the Parties.

11 In the event a Class Member's Notice Packet remains undeliverable sixty (60) calendar days
12 after the Notice Packet was initially mailed, the Settlement Administrator will not mail the Class
13 Member's Individual Settlement Payment. The Settlement Administrator will hold the Class
14 Member's Individual Settlement Payment during the check cashing period on behalf of the Class
15 Member. If at the conclusion of the check cashing period the Class Member's Notice Packet and
16 Individual Settlement Payment remain undeliverable and/or unclaimed and uncashed, the Settlement
17 Administrator will distribute the funds from unclaimed/uncashed checks in accordance with the
18 procedures set forth in Section 3.06(f) below within 30 days of the date the check cashing period
19 expires.

20 No later than twenty (20) court days prior to the Final Fairness and Approval Hearing, the
21 Settlement Administrator shall provide Defense Counsel and Class Counsel with a declaration
22 attesting to completion of the notice process, including any attempts to obtain valid mailing addresses
23 for and re-sending of any returned Notice Packets, as well as the number of valid requests for
24 exclusion and objections that the Settlement Administrator received.

25 **Section 3.04: Responses to Notice**

26 **a. Class Member Disputes**

27 If any Class Member disagrees with Defendant's records as to his or her Qualifying
28 Workweeks during the Class Period as reflected in the Notice Packet, the Class Member shall set

1 forth in writing the Qualifying Workweeks he/she claims to have worked during the Class Period
2 and submit such writing, through either mail or fax, to the Settlement Administrator by the Response
3 Deadline, along with any supporting documentation. In the event of a re-mailing, the Response
4 Deadline shall be extended fifteen (15) days from the date of the re-mailing. The Notice will also
5 provide a method for the Class Member to challenge the employment data on which his or her
6 Individual Settlement Payment is based. The Settlement Administrator shall contact the Parties
7 regarding the dispute and the Parties will work in good faith to resolve it. The Court shall have the
8 right to review and reverse any decision made by the Settlement Administrator regarding a claim
9 dispute. If the Parties are unable to resolve the dispute, the Court will be the final arbiter of the
10 Qualifying Workweeks for each Class.

11 **b. Requests for Exclusion from Class**

12 In order for any Class Member to validly exclude himself or herself from the Class and this
13 Settlement (*i.e.*, to validly opt out), a written request for exclusion must be signed by the Class
14 Member or his or her authorized representative, and must be sent to the Settlement Administrator,
15 postmarked or faxed no later than the Response Deadline (or fifteen (15) days after the Settlement
16 Administrator re-mails the Notice to the Class Member, whichever is later). The Notice Packet shall
17 contain instructions on how to validly exclude himself or herself from the Class and this Settlement
18 (*i.e.*, opt out). The date of the initial mailing of the Notice Packet, and the date the signed request for
19 exclusion was postmarked, shall be conclusively determined according to the records of the
20 Settlement Administrator. Any Class Member who timely and validly requests exclusion from the
21 Class and this Settlement will not be entitled to any Individual Settlement Payment, will not be bound
22 by the terms and conditions of this Agreement, and will not have any right to object, appeal, or
23 comment thereon.

24 Any Class Member who fails to timely submit a request for exclusion shall automatically be
25 deemed a Class Member whose rights and claims with respect to the issues raised in the Action are
26 determined by the Court's Final Order Approving Settlement of Class Action, and by the other
27 rulings in the Action. Thus, said Class Member's rights to pursue any claims covered by the Action
28 and/or released in this Agreement will be extinguished.

1 Should the number of Class Members who submit valid requests for exclusion exceed 15,
2 Defendant shall have the right to elect to void the Settlement. Should Defendant exercise the right to
3 void the Settlement, Defendant shall be responsible for the Settlement Administrator's costs incurred
4 to date.

5 **c. Objections to Settlement**

6 For any Class Member to object to this Agreement or any term therein, the person making
7 the objection must not submit a request for exclusion (*i.e.*, must not opt out), and should send to the
8 Settlement Administrator, postmarked or faxed no later than the Response Deadline (or fifteen (15)
9 days after the Settlement Administrator re-mails the Notice to the Class Member, whichever is later),
10 a written statement of the grounds of objection, signed by the objecting Class Member or his or her
11 attorney, along with all supporting papers. The date of the initial mailing of the Notice Packet, and
12 the date the signed objection was postmarked, shall be conclusively determined according to the
13 records of the Settlement Administrator. The Settlement Administrator shall send any objections it
14 receives to Defense Counsel and Class Counsel within three (3) business days of receipt. Class
15 Members may also appear at the final approval hearing to object. The Court retains final authority
16 with respect to the consideration and admissibility of any Class Member objections.

17 **d. Encouragement of Class Members**

18 The Parties to this Agreement and the counsel representing such Parties shall not, directly or
19 indirectly, through any person, encourage or solicit any Class Member to exclude himself or herself
20 from this Settlement (*i.e.*, opt out), or to object to it. However, Class Counsel may respond to
21 inquiries from Class Members.

22 **e. Right of Plaintiff to Adjust Gross Settlement Amount**

23 Defendant has estimated the number of workweeks in which Class Members worked for
24 Defendant during the Class Period as 4,700. If the number of workweeks in which Class Members
25 worked for Defendant during the Class Period increases by more than 10% as of the end of the Class
26 Period, there will be a pro rata adjustment to the Gross Settlement Amount equal to \$80 per additional
27 workweek in which Class Members worked for Defendant during the Class Period.
28

1 **Section 3.05: Final Fairness and Approval Hearing**

2 On the date set forth in the Order for Preliminary Approval and Notice Packet, a Final
3 Fairness and Approval Hearing shall be held before the Court in order to (1) review this Agreement
4 and determine whether the Court should give it final approval, and (2) consider any objections made
5 and all responses by the Parties to such objections. At the Final Fairness and Approval Hearing, the
6 Parties shall ask the Court to grant final approval to this Agreement and shall submit to the Court a
7 Proposed Final Order Approving Settlement of Class Action.

8 Notice of the Final Approval Order and Judgment shall be posted on the Settlement
9 Administrator's website. The URL for the website shall be printed on the checks sent to Participating
10 Class Members.

11 **Section 3.06: Settlement Payment Procedures**

12 **a. Settlement Amount**

13 In exchange for the Released Claims set forth in this Agreement, Defendant agrees to pay the
14 Gross Settlement Amount in the amount of Three Hundred Seventy-Six Thousand Dollars
15 (\$376,000.00), subject to a pro rata increase under the condition set forth in Section 3.04(e). The
16 Gross Settlement Amount includes all Individual Settlement Amounts to Participating Class
17 Members, all administration costs, Class Counsel's attorney's fees and costs, PAGA Settlement
18 Amount, and the Incentive Payments.

19 Within ten (10) business days after the Court signs the Final Order, Defendant shall transfer
20 the Gross Settlement Amount plus Defendant's share of employer-side payroll taxes, as set forth
21 herein, into a QSF established by the Settlement Administrator either directly or by sending the funds
22 to the Settlement Administrator to be deposited and distributed. The Settlement Administrator will use
23 these funds to fund payment of the Individual Settlement Payments to Participating Class Members,
24 Class Counsel's attorneys' fees and costs, the Incentive Awards, the LWDA Payment, and the
25 Settlement Administration Costs.

26 Within ten (10) business days after receiving Defendants' final payment, funding the Gross
27 Settlement Amount in full, the Settlement Administrator will pay the Individual Settlement Payments
28 to Participating Class Members, Class Counsel's attorneys' fees and costs, LWDA Payment, the

1 Incentive Awards, and employer and employee tax withholdings applicable to the Net Settlement
2 Amount allocated to wages. Prior to this distribution, the Settlement Administrator will perform a
3 search based on the National Change of Address Database to update and correct for any known or
4 identifiable address changes.

5 **b. Payment of Attorneys' Fees and Costs**

6 Class Counsel shall submit an application for an award of attorneys' fees of up to one-third
7 of the Gross Settlement Amount, which, based on the current Gross Settlement Amount, is One
8 Hundred Twenty-Five Thousand Three Hundred and Thirty-Three Dollars and Thirty-Three Cents
9 (\$125,333.33). Class Counsel shall submit an application for an award of costs not to exceed Twenty-
10 Five Thousand Dollars (\$25,000.00). Such application for attorneys' fees and costs shall be heard
11 by the Court at the Final Fairness and Approval Hearing. Defendant shall not object to or oppose any
12 such application in these amounts. Class Counsel shall serve Defendant with copies of all documents
13 submitted in support of their application for an award of attorneys' fees and costs.

14 Any attorneys' fees and costs awarded to Class Counsel by the Court shall be paid from the
15 Gross Settlement Amount and shall not constitute payment to any Class Member(s). The attorneys'
16 fees and costs for Class Counsel approved by the Court shall encompass all work performed, costs,
17 and expenses related to the investigation, prosecution, and settlement of the Action incurred through
18 the Date of Finality. To the extent that the Court approves less than the amount of attorney's fees
19 and/or costs that Class Counsel requests, the difference between the requested and awarded amounts
20 will be reallocated to the Net Settlement Amount.

21 **c. Payment of Settlement Administration Costs**

22 The Settlement Administration Costs shall be paid out of the Gross Settlement Amount and
23 shall not constitute payment to any Participating Class Member(s). The amount shall not exceed Six
24 Thousand Two Hundred and Fifty Dollars (\$6,250.00).

25 **d. Payment of Incentive Award to Named Plaintiffs**

26 Subject to Court approval, the Named Plaintiff shall receive an Incentive Award of up to Five
27 Thousand Dollars (\$5,000.00), the request for which Defendant will not object to or oppose. The
28 Incentive Award shall be paid out of the Gross Settlement Amount and shall not constitute payment

1 to any Participating Class Member(s) other than Named Plaintiff. To the extent that the Court
2 approves less than the amount of incentive award that Class Counsel request, the difference between
3 the requested and awarded amounts will be reallocated to the Net Settlement Amount.

4 Because it is the intent of the Parties that the Incentive Award represents payment to Named
5 Plaintiff for his service to the Class Members, and not wages, the Settlement Administrator will not
6 withhold any taxes from the Incentive Award. The Incentive Award will be reported on a Form 1099,
7 which the Settlement Administrator will provide to the Named Plaintiff and to the pertinent taxing
8 authorities as required by law.

9 **e. Payment to the Labor and Workforce Development Agency**

10 In consideration of claims made under PAGA, Class Counsel will request that the Court
11 approve allocation of Twenty-Five Thousand Dollars (\$25,000) of the Gross Settlement Amount to
12 these claims. Seventy-five percent (75%) of this PAGA Settlement Amount will be paid to the
13 California Labor and Workforce Development Agency ("LWDA Payment"), and twenty-five percent
14 (25%) will be paid to the Net Settlement Amount for distribution to Class Members. Defendant will
15 not oppose this request. The entire PAGA Settlement Amount will be paid out of the Gross
16 Settlement Amount. The Court's adjustment, if any, of the amount allocated to the Named Plaintiff's
17 PAGA claim in the Action will not invalidate this Agreement.

18 **f. Payment of Individual Settlement Payments to Participating Class Members**

19 The Parties agree that the Net Settlement Amount shall be used to fund Individual Settlement
20 Payments. The Parties agree that the Net Settlement Amount shall be divided between all
21 Participating Class Members in proportion to the number of individual Qualifying Workweeks for
22 each Class Member. To calculate the minimum amount each Class Member will receive based on
23 their individual Qualifying Workweeks, the Net Settlement Amount will be divided by the total
24 number of Qualifying Workweeks of all Class Members during the Class Period and then allocated
25 on a pro rata basis. Each individual Class Member's Qualifying Workweeks will be rounded up to
26 the next whole integer. To Calculate the minimum amount for the Individual PAGA Payments, 25% of
27 the PAGA Settlement Amount (\$6,250.00) will be divided by the total number of pay periods worked by
28 aggrieved employees, then allocated on a pro rata basis. The individual PAGA payments will be allocated

as 100% penalties for tax purposes. Each Class Member's approximate Individual Settlement Payment amount will be included in his or her Notice Packet. After final approval by the Court, the Net Settlement Amount will be dispersed to Participating Class Members (those who did not exclude themselves) on a pro rata basis based on the individual Qualifying Workweeks worked during the Class Period by each Participating Class Member.

Each Individual Settlement Payment will represent wages and penalties allocated using the following formula: 10% allocated to wages, 10% allocated to interest, and 80% allocated to penalties. The amounts paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. The employer-side taxes will be paid separate from and in addition to the Gross Settlement Amount. The amounts paid as penalties and interest shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms.

No later than ten (10) business days after receiving the Gross Settlement Amount from Defendant, the Settlement Administrator shall prepare and mail the checks for the Individual Settlement Payments to Participating Class Members. Individual Settlement Payments paid from the Net Settlement Amount allocated to wages will be reduced by applicable employer and employee tax withholdings, and the Settlement Administrator will issue a Form W-2 for the wage portion of the Individual Settlement Payments if required. The Settlement Administrator will issue a Form 1099 to the extent required by law for the interest and penalty portions of the Individual Settlement Payments. Participating Class Members shall have 180 days from the date their Individual Settlement Payment checks are dated to cash their Settlement checks. Any checks that are not cashed upon the expiration of that 180-day time period will be void, and the uncashed funds shall be paid to the State Controller Unclaimed Property Fund in the name of the Class Member for whom the funds are designated within 30 days of the date the check cashing period expires.

If a check is returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or a mass search on LexisNexis or comparable databases based on set criteria and, if another address is

1 identified, the Settlement Administrator shall mail the check to the newly identified address. If the
2 Settlement Administrator is unable to obtain a valid mailing address through this process, the
3 Settlement Administrator will tender the funds from the undeliverable checks to the State Controller
4 Unclaimed Property Fund in the name of the Class Member for whom the funds are designated within
5 30 days of the date the check cashing period expires.

6 **g. Default on Payment.**

7 Defendant's failure to fund the Gross Settlement Amount within ten (10) business days after
8 the date that the Court grants final approval of the Settlement shall be considered a default. In the
9 event Defendant fails to timely fund the Gross Settlement Amount, the Settlement Administrator will
10 provide notice to Class Counsel and Defendant's counsel within three (3) business days of the missed
11 payment. Thereafter, Defendant will have seven (7) business days to cure the default and tender
12 payment to the Settlement Administrator. In the event Defendant fails to cure the default within the
13 times set forth herein, the Named Plaintiff may elect to enter judgment against Defendant, on an ex
14 parte basis, for the balance of the unpaid Gross Settlement Amount to date, and the Named Plaintiff
15 will be entitled to recover interest at ten percent (10%) per year from the due date for such payment
16 and reasonable attorneys' fees and costs.

17 **h. No Credit Toward Benefit Plans.**

18 The Individual Settlement Payments made to Participating Class Members under this
19 Agreement, as well as any other payments made pursuant to this Agreement, will not be utilized to
20 calculate any additional benefits under any benefit plans to which any Class Members may be
21 eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase
22 plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties'
23 intention that this Agreement will not affect any rights, contributions, or amounts to which any Class
24 Members may be entitled under any benefit plans.

ARTICLE IV**RELEASES****Section 4.01: Released Claims by Class Members**

Upon the date Defendant fully funds the Gross Settlement Amount, Plaintiff and Participating Class Members will release the Released Parties from any and all claims, causes of actions, and factual or legal theories alleged during the Class Period, as alleged in or reasonably could have been alleged based on the facts and legal theories contained in the operative complaint, including all of the following claims for relief: (a) failure to pay all regular wages, minimum wages, piece-rate wages, commission wages, and overtime wages due; (b) failure to pay wages to piece-rate or commission workers for time spent in rest breaks or recovery period or nonproductive time; (c) failure to provide proper meal periods, and to properly provide premium pay in lieu thereof; (d) failure to provide complete, accurate, and/or properly formatted wage statements; (e) waiting time penalties; (f) unfair business practices that could have been premised on the claims, causes of action, or legal theories of relief described above, or any of the claims, causes of action, or legal theories of relief pleaded in the operative complaint; (g) any other claims or penalties under the wage and hour laws pleaded in the Action; and (h) all damages, penalties, interest, and other amounts recoverable under said claims, causes of action, or legal theories of relief. ("Released Claims.")

Section 4.02: Released Claims by PAGA Group Members

Upon the date Defendant fully funds the Gross Settlement Amount, the State of California and PAGA Group Members release the Released Parties from all claims exhausted in Plaintiff's notice(s) sent to the LWDA and all claims under the California Labor Code Private Attorneys General Act of 2004 that were alleged in the operative complaint or reasonably could have been alleged based on the facts and legal theories contained in the operative complaint, which arose during the PAGA Period, regardless of whether PAGA Group Members opt out of the Class Settlement.

Section 4.03: Named Plaintiff's Release of Unknown Claims

Upon the date Defendant fully funds the Gross Settlement Amount, the Named Plaintiff shall release and waive all claims, known and unknown, including all claims that were alleged in the Action or reasonably could have been alleged based on the facts and legal theories contained in the

operative complaints in the Action, except those claims as may be prohibited by law and except those claims alleged or reasonably could have been alleged based on the facts and legal theories contained in the Named Plaintiff's operative complaint in Orange County Case No. 30-2022-01261893-CU-WT-WJC.

Section 1542 of the California Civil Code provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

The Named Plaintiff's general release provided herein is made with an express waiver and relinquishment of any claim, right, or benefit under California Civil Code § 1542.

ARTICLE V

LIMITATIONS ON USE OF THIS SETTLEMENT

Section 5.01: No Admission

Defendant disputes the allegations in the Action and disputes that a class should or would have been certified in the Action, except for purposes of this Settlement. This Agreement is entered into solely for the purpose of settling highly disputed claims. Nothing in this Agreement is intended, nor will be construed as, an admission of liability or wrongdoing by Defendant.

Section 5.02: Non-Evidentiary Use

Whether or not the Date of Finality occurs, neither this Agreement, nor any of its terms, nor the Settlement itself, will be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant or any other of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage; or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further proceeding in the Action, except for the purposes of effectuating the Settlement pursuant to this Agreement or for Defendant to establish that a Class Member has resolved any of his or her claims released through this Agreement.

In the event of a timely appeal from the Final Order, the Final Order shall be stayed and the Gross Settlement Amount shall not be distributed pending the completion of the appeal.

MISCELLANEOUS PROVISIONS

The terms and provisions of this Agreement may be amended or modified only by an express written agreement that is signed by all the Parties (or their successors-in-interest) and their counsel.

None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Class Member, Class Counsel, or Defense Counsel without the express written consent of each other Party and their respective counsel. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement and shall not be construed to confer any right or to avail any remedy to any other person.

1 **Section 6.03: Governing Law**

2 This Agreement shall be governed, construed, and interpreted, and the rights of the Parties
3 shall be determined, in accordance with the laws of the State of California, without regard to conflicts
4 of laws.

5 **Section 6.04: Entire Agreement**

6 This Agreement, including the Exhibits referred to herein, which form an integral part hereof,
7 contains the entire understanding of the Parties with respect to the subject matter contained herein.
8 In case of any conflict between text contained in Articles I through VI of this Agreement and text
9 contained in the Exhibits to this Agreement, the former (*i.e.*, Articles I through VI) shall be
10 controlling, unless the Exhibits are changed by or in response to a Court order. There are no
11 restrictions, promises, representations, warranties, covenants, or undertakings governing the subject
12 matter of this Agreement other than those expressly set forth or referred to herein. This Agreement
13 supersedes all prior agreements and understandings among the Parties with respect to the settlement
14 of the Action, including correspondence between Class Counsel and Defense Counsel and drafts of
15 prior agreements or proposals.

16 **Section 6.05: Waiver of Compliance**

17 Any failure of any Party, Defense Counsel, or Class Counsel hereto to comply with any
18 obligation, covenant, agreement, or condition set forth in this Agreement may be expressly waived
19 in writing, to the extent permitted under applicable law, by the Party or Parties and their respective
20 counsel entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or
21 failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or
22 condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

23 **Section 6.06: Counterparts and Fax/PDF Signatures**

24 This Agreement, and any amendments hereto, may be executed in any number of counterparts
25 and any Party and/or their respective counsel may execute any such counterpart, each of which when
26 executed and delivered shall be deemed to be an original. All counterparts taken together shall
27 constitute one instrument. A fax or PDF signature on this Agreement shall be as valid as an original
28 signature.

1 **Section 6.07: Meet and Confer Regarding Disputes**

2 Should any dispute arise among the Parties or their respective counsel regarding the
3 implementation or interpretation of this Agreement, a representative of Class Counsel and a
4 representative of Defense Counsel shall meet and confer in an attempt to resolve such disputes prior
5 to submitting such disputes to the Court.

6 **Section 6.08: Agreement Binding on Successors**

7 This Agreement will be binding upon, and inure to the benefit of, the successors in interest
8 of each of the Parties.

9 **Section 6.09: Cooperation in Drafting**

10 The Parties have cooperated in the negotiation and preparation of this Agreement. This
11 Agreement will not be construed against any Party on the basis that the Party, or the Party's counsel,
12 was the drafter or participated in the drafting of this Agreement.

13 **Section 6.10: Fair and Reasonable Settlement**

14 The Parties believe that this Agreement reflects a fair, reasonable, and adequate settlement of
15 the Action and have arrived at this Agreement through arm's-length negotiation and in the context
16 of adversarial litigation, taking into account all relevant factors, current and potential. The Parties
17 further believe that the Settlement is consistent with public policy, and fully complies with applicable
18 law.

19 **Section 6.11: Headings**

20 The descriptive heading of any section or paragraph of this Agreement is inserted for
21 convenience of reference only and does not constitute a part of this Agreement and shall not be
22 considered in interpreting this Agreement.

23 **Section 6.12: Notice**

24 Except as otherwise expressly provided in the Agreement, all notices, demands, and other
25 communications under this Agreement must be in writing and addressed as follows:

26 *To Named Plaintiffs and the Class:*

27 Kashif Haque
28 Samuel A. Wong
 Jessica L. Campbell

1 Fawn F. Bekam
2 Daniel E. Ishu
3 AEGIS LAW FIRM, PC
4 9811 Irvine Center Drive, Suite 100
5 Irvine, California 92618
6 Telephone: (949) 379-6250
7 Facsimile: (949) 379-6251

8 And

9 *To Defendant:*

10 Aaron H. Cole
11 Catherine L. Brackett
12 OGLETREE, DEAKINS, NASH, SMOAK, & STEWART, P.C.
13 400 South Hope Street, Suite 1200
14 Los Angeles, CA 90071
15 Telephone: 213.239.9800
16 Facsimile: 213.239.9045

17 **Section 6.13: Enforcement of Settlement and Continuing Court Jurisdiction**

18 To the extent consistent with class action procedure, this Agreement shall be enforceable by
19 the Court pursuant to California Code of Civil Procedure section 664.6 and California Rule of Court
20 3.769(h). The Final Order entered by the Court will not adjudicate the merits of the Action or the
21 liability of the Parties resulting from the allegations of the Action. Its sole purpose is to adopt the
22 terms of the Settlement and to retain jurisdiction over its enforcement. To that end, the Court shall
23 retain continuing jurisdiction over this Action and over all Parties and Class Members, to the fullest
24 extent to enforce and effectuate the terms and intent of this Agreement. In the event that one or more
25 of the Parties institutes any legal action or other proceeding against any other Party or Parties to
26 enforce the provisions of this Settlement, the successful Party or Parties will be entitled to recover
27 from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness
28 fees incurred in connection with any enforcement actions.

29 **Section 6.14: Mutual Full Cooperation**

30 The Parties agree fully to cooperate with each other to accomplish the terms of this
31 Agreement, including but not limited to the execution of such documents, and the taking of such
32 other action, as may reasonably be necessary to implement the terms of this Agreement. The Parties
33 to this Agreement shall use their best efforts to effectuate and implement this Agreement and its

terms. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of the Settlement, the Parties agree to seek the assistance of the Court.

Section 6.15: Authorization to Act

Class Counsel warrants and represents that they are authorized by the Named Plaintiff, and Defense Counsel warrants that they are authorized by Defendant, to take all appropriate action required to effectuate the terms of this Agreement, except for signing documents that are required to be signed by the Parties themselves, including but not limited to this Agreement. Defendant represents and warrants that the individual executing this Agreement on its behalf has the full right, power, and authority to enter into this Agreement and to carry out the transactions contemplated herein.

Section 6.16: No Reliance on Representations

The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any other Party or its agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of entering into and executing this Agreement, or with respect to any other matters. No representations, warranties, or inducements, except as expressly set forth herein, have been made to any Party concerning this Agreement.

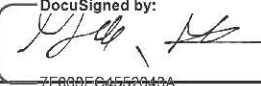
EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: 07-21-2023

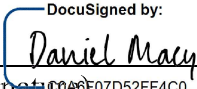
RYAN GENTILE

By:

DocuSigned by:

7F000E04652040A
Named Plaintiff

1 Dated: July 21, 2023

HOMESIDE FINANCIAL, LLC

2 By:  DocuSigned by:
3 (Signature) (Signature ID: F07D52FF4C0...)
4 Daniel Macy
5 (Printed Name)
6 EVP
7 (Title)

8 **APPROVED AS TO FORM ONLY:**

9
10 Dated: **August 4, 2023**

AEGIS LAW FIRM, PC

11 
12 By: _____
13 Kashif Haque
14 Samuel A. Wong
15 Jessica L. Campbell
16 Fawn F. Bekam
17 Daniel E. Ishu

18 ATTORNEYS FOR NAMED PLAINTIFF
19 RYAN GENTILE

20 Dated: July 21, 2023

**OGLETREE, DEAKINS, NASH, SMOAK, &
STEWART, P.C.**

21 By: 
22 Aaron H. Cole
23 Catherine L. Brackett

24 ATTORNEYS FOR DEFENDANT HOMESIDE
25 FINANCIAL, LLC