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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF ORANGE
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11 DEE DEVER, individually, on a
12 representative basis, and on behalf of all
others similarly situated;

13 Plaintiff,

14 vs.
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16 RESCUE 1 FINANCIAL, LLC, a California
17 Limited Liability Company; and DOES 1
through 20, inclusive;

18 Defendants.
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Case No.: 30-2023-01360010-CU-OE-CXC
*[Assigned to Hon. Melissa R. McCormick,
Dept CX105 for all purposes]*

**ORDER GRANTING PLAINTIFF'S
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

Complaint Filed: November 8, 2023

1
2 Having considered the Amended Class Action and PAGA Action Settlement Agreement
3 and Release of Claims ("Settlement Agreement"), the Memorandum of Points and Authorities in
4 Support of the Motion for Preliminary Approval of Class Action Settlement, all documents and
5 legal authorities in support thereof, the supplemental filings, and for good cause appearing
6 therefor, IT IS HEREBY ORDERED:

7 1. The Court grants preliminary approval of the Settlement based upon the terms set
8 forth in the Settlement Agreement (attached as **Exhibit A**) between Plaintiff Dee Dever and
9 Defendant Rescue 1 Financial, LLC (collectively, the "Parties"). The Settlement appears to be
10 fair, adequate, and reasonable to the Class.

11 2. For settlement purposes only, the Court conditionally certifies the following
12 Class:

13 All current and former sales employees of Defendant in California who were
14 eligible to receive commission pay as an "Inside Sales" exempt employee at any
15 time during the Class Period of November 8, 2019, through October 1, 2024,
16 including employees with the job title of Financial Consultant and/or a sales
17 individual entitled to earn commission from enrollment of debt resolution clients.

18 3. As set forth in the Settlement Agreement, Aggrieved Employees are: "current and
19 former sales employees of Defendant in California who were eligible to receive commission
20 pay as an 'Inside Sales' exempt employee at any time during the PAGA Period of November 8,
21 2022, through October 1, 2024, including employees with the job title of Financial Consultant
22 and/or a sales individual entitled to earn commission from enrollment of debt resolution
23 clients." Under the Settlement, \$20,000 will be allocated to PAGA Penalties, of which \$15,000
24 (75%) will be used to pay the LWDA in satisfaction of the PAGA Claims, and the remaining
25 \$5,000 (25%) will be paid to Aggrieved Employees on a pro rata basis according to the number
26 of Pay Periods Worked during the PAGA Period. Any Aggrieved Employee who timely
27 requests exclusion from the Settlement will still receive a share of PAGA Penalties and be
28 bound by the Released PAGA Claims upon entry of Final Judgment.

1 4. The Court has determined that sufficient evidence has been presented to grant
2 preliminary approval of the Settlement Agreement, as the terms appear to be presumptively
3 valid, proper, and fall within the range of a fair, reasonable, and adequate settlement, subject to a
4 final determination at the Final Approval Hearing.

5 5. For settlement purposes only, Plaintiff is preliminarily appointed as the Class
6 Representative, and Brian Mankin and Peter Carlson of Lauby Mankin Lauby LLP are
7 preliminarily appointed as Class Counsel.

8 6. The Court preliminarily approves the Gross Settlement Amount of \$490,000,
9 which is subject to possible increase if the Escalator Clause is triggered, and further preliminarily
10 approves attorneys' fees not to exceed \$163,333.33, litigation costs not to exceed \$25,000.00,
11 Plaintiff's enhancement award not to exceed \$5,000.00, and settlement administration fees not to
12 exceed \$8,000.00.

13 7. The Court approves, as to form and content, the Notice Packet (attached hereto as
14 **Exhibit B** which consists of the Class Notice, Exclusion Form, and Objection Form) and finds
15 that the Class Notice satisfies the requirements of California Rule of Court, rules 3.766 and
16 3.769, subd. (f), and fairly apprises the Class Members of the terms of the final approval hearing
17 date, the proposed settlement terms, and their options, including: (1) the nature of the action, the
18 definition of the Class, the identity of Class Counsel, and the essential terms of the Settlement;
19 (2) Class Counsel's request for attorneys' fees and litigation costs; (3) a formula used to
20 determine a Class Member's estimated payment; (4) Class Members' rights to appear through
21 counsel if they desire; (5) how to object to the Settlement or submit a request to opt-out of the
22 Released Class Claims if a Class Member wishes to do so; and (6) how to obtain additional
23 information regarding the action and the Settlement.

24 8. The Court preliminarily approves Phoenix Settlement Administrators to act as the
25 Settlement Administrator, who is ordered to fulfill all of the duties and services set forth in the
26 Settlement Agreement and this Order.

27 9. The Court finds that the deadlines and method set forth in the Settlement
28 Agreement for the mailing of the Notice and related forms described herein meet the

requirements of due process, provide the best notice practicable under the circumstances, constitute due and sufficient notice to all persons entitled to notice, and otherwise satisfy the requirements of California law.

10. The Parties and the Settlement Administrator are ordered to carry out the Settlement according to the terms of the Settlement Agreement.

11. The following dates shall govern for purposes of this settlement:

30 days after Preliminary Approval is granted/ordered.	Deadline for Settlement Administrator to mail the Notice Packet to all Class Members.
60 days after mailing of Class Notice	Deadline for Class Members to mail Requests for Exclusion, Objections to the Settlement, as well as dispute their Weeks Worked.
16 court days before Final Approval Hearing	Deadline for Plaintiff to file and serve Motion for Final Approval of Settlement and application for award of attorneys' fees, costs, and service payments.
9 court days before Final Approval Hearing	Deadline for filing of any written opposition to Plaintiff's Motion for Final Approval of Settlement, or filing any response to an objection to the Settlement.
5 court days before Final Approval Hearing	Deadline for filing of any written reply to opposition Motion for Final Approval of Settlement.
Final Approval Hearing	Final Approval Hearing: Thursday, March 12, 2026 at 2:00 p.m.

12. A final approval hearing shall be held in this Court on March 12, 2026, at 2:00 p.m. to determine (1) whether the proposed settlement is fair, reasonable, and adequate and should be finally approved by the Court; (2) the amount of attorneys' fees and costs to award to Class Counsel; and (3) the amount of the service award, if any, to be awarded to the Class Representative.

13. The Court may, for good cause shown, extend any of the deadlines set forth in this Order. If any Class Member submits an objection to the Settlement and the Final Approval Hearing is continued, either Class Counsel or the Settlement Administrator are directed to give notice of the new hearing date to the objecting party.

1 14. Pursuant to Code of Civil Procedure § 664.6, the Court retains jurisdiction to
2 enforce the Settlement.

3 **IT IS SO ORDERED.**

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6 Date: October 16, 2025



7 Melissa R. McCormick
8 Judge of the Superior Court
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EXHIBIT "A"

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

DEE DEVER, individually, on a
representative basis, and on behalf of all
others similarly situated;

Plaintiff,

vs.

RESCUE 1 FINANCIAL, LLC, a California
Limited Liability Company; and DOES 1
through 20, inclusive;

Defendants.

Case No.: 30-2023-01360010-CU-OE-CXC
*[Assigned to Hon. Melissa McCormick, Dept
CX105, for all purposes]*

**AMENDED CLASS ACTION AND PAGA
REPRESENTATIVE ACTION
SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

1 This Amended Class Action and PAGA Action Settlement Agreement and Release of
2 Claims is entered into by and between Plaintiff Dee Dever, individually and on behalf of the
3 proposed Class, and Defendant Rescue 1 Financial, LLC, and is approved as to form by their
4 respective counsel of record, subject to the terms and conditions hereof and the Court's approval.

5 **A. Definitions**

6 1. "Action" or "Lawsuit" means and refers to the case entitled *Dee Dever v. Rescue*
7 *1 Financial, LLC*, Orange County Superior Court, Case No. 30-2023-01360010-CU-OE-CXC,
8 which was commenced on November 8, 2023.

9 2. "Administrator" means and refers to Phoenix Settlement Administrators, the
10 third-party class action settlement administrator agreed to by the Parties, that will provide the
11 Notice Packet to the Class Members and distribute the settlement amounts as described in this
12 Agreement.

13 3. "Administration Costs" means the costs payable from the Settlement Amount to
14 the Administrator for administering this Settlement, including, but not limited to, printing and
15 mailing the Notice Packet, calculating Settlement payments, tracking documents for this
16 Settlement, tax reporting, and calculation and payment to the applicable tax authorities of the
17 employee and employer share of payroll taxes, unclaimed property due diligence, reporting and
18 remittance obligations, distributing the Settlement Amount, and providing necessary reports and
19 declarations, as requested by the Parties. The Administration Costs shall be paid from the
20 Settlement Amount, including, if necessary, any costs approved by the Court in excess of the
21 amount represented by the Administrator as being the maximum costs necessary to administer
22 the Settlement.

23 4. "Aggrieved Employee(s)" is defined as all current and former sales employees of
24 Defendant in California who were eligible to receive commission pay as an "Inside Sales"
25 exempt employee at any time during the PAGA Period, including employees with the job title of
26 Financial Consultant and/or a sales individual entitled to earn commission from enrollment of
27 debt resolution clients.

28 5. "Agreement" or "Settlement Agreement" or "Settlement" shall mean this

1 Amended Class Action and PAGA Representative Action Settlement Agreement and Release of
2 Claims.

3 6. "Class" is defined as all current and former sales employees of Defendant in
4 California who were eligible to receive commission pay as an "Inside Sales" exempt employee at
5 any time during the Class Period, including employees with the job title of Financial Consultant
6 and/or a sales individual entitled to earn commission from enrollment of debt resolution clients.

7 7. "Class Member(s)" refers to individual members of the Class.

8 8. "Class Counsel" refers to Brian Mankin and Peter Carlson of Lauby, Mankin &
9 Lauby LLP.

10 9. "Class Data" means a complete list that Defendant will diligently and in good
11 faith compile from its records and provide to the Administrator on one spreadsheet which shall
12 include, to the extent available from Defendant's records, for each Class Member, the
13 individual's full name; last known mailing address; Social Security Number; total Pay Periods
14 Worked during the PAGA Period; total Workweeks worked during the Class Period; and total
15 number of Workweeks in which the Class Member received commission pay and overtime pay
16 in the same Workweek.

17 10. "Class Period" is deemed to be any time during the period of November 8, 2019,
18 through October 1, 2024.

19 11. "Class Representative" or "Plaintiff" means and refers to Plaintiff Dee Dever.

20 12. "Complaint" refers to the operative First Amended Complaint, alleging class and
21 PAGA representative action claims, which was filed in the Orange County Superior Court on
22 January 12, 2024.

23 13. "Court" means the California Superior Court, County of Orange.

24 14. "Defendant" means and refers to Defendant Rescue 1 Financial, LLC.

25 15. "Defendant's Counsel" or "Defense Counsel" means and refers to Devon Lyon of
26 Lyon Legal, P.C.

27 16. "Effective Date" means the latest of the following dates: (i) if no Class Member
28 timely and properly intervenes or files a motion to vacate the Judgment under Code of Civil

1 Procedure section 663, then the date the Court enters an order granting Final Approval of the
2 Settlement; (ii) if a Class Member intervenes or files a motion to vacate the Judgment, then
3 sixty-one (61) calendar days following the date the Court enters an order granting Final Approval
4 of the Settlement, assuming no appeal is filed; or (iii) if a Class Member timely and properly
5 intervenes or files a motion to vacate the Judgment under Code of Civil Procedure section 663 or
6 initiates another collateral attack, and if a timely appeal is filed, then the date of final resolution
7 of that appeal or other collateral attack (including any requests for rehearing and/or petitions for
8 *certiorari*), resulting in final judicial approval of the Settlement.

9 17. "Escalator Clause:" Defendant represents that there are approximately 500 Class
10 Members who collectively worked approximately 35,000 Workweeks in California during the
11 Class Period. As such, the Parties agree that, should the total number of workweeks exceed
12 38,500 (which is 10% more than Defendant's representation), then the Settlement Amount shall
13 increase by \$14.00 (\$490,000 divided by 35,000) for each additional workweek above 38,500.

14 18. "Final Approval" refers to the order of the Court granting Final Approval of this
15 Settlement and entering a judgment approving this Agreement on substantially the terms
16 provided herein or as may be modified by subsequent agreement of the Parties.

17 19. "Individual Class Payment" refers to each Participating Class Member's share of
18 the Net Settlement Amount, as further discussed in Paragraph 47(c) below.

19 20. "Individual PAGA Payment" refers to the pro rata share of an Aggrieved
20 Employee's payment from the 25% of PAGA Penalties allocated to Individual PAGA Payments
21 to the Aggrieved Employees, as further discussed in Paragraph 47(h) below.

22 21. "Net Settlement Amount" is the Settlement Amount less the Attorneys' Fees and
23 Costs Award, Service Payment to the Class Representative as awarded by the Court,
24 Administration Costs, and PAGA Penalties, as further explained in Paragraph 47(b) below.

25 22. "Notice Packet" means the Class Notice (which is a notice of proposed class and
26 representative action settlement that will be sent to the Class Members and which will advise
27 each Class Member of the Settlement, including how their Individual Class Payment, and if
28 applicable, their Individual PAGA Payment, will be calculated; Class Member rights and

1 deadlines to be excluded from the Class; and the setting of a Final Approval Hearing), the
2 Request for Exclusion Form, and Objection Form.

3 23. "PAGA Penalties" means the amount that the Parties have agreed to pay allocated
4 to PAGA civil penalties, 75% of which will be paid to the Labor and Workforce Development
5 Agency ("LWDA"), and 25% of which will be allocated for Individual PAGA Payments, as
6 required by the PAGA.

7 24. "PAGA Period" is deemed to be any time during the period of November 8, 2022,
8 through October 1, 2024.

9 25. "Participating Class Member(s)" means any and all Class Members who do not
10 opt-out by submitting a valid Request for Exclusion. Only Participating Class Members will
11 receive an Individual Class Payment.

12 26. "Parties" mean Plaintiff and Defendant, collectively.

13 27. "Preliminary Approval Date" means the date the Court approves the Settlement
14 and enters the Preliminary Approval Order.

15 28. "Preliminary Approval Order" means the judicial Order to be jointly prepared by
16 the Parties and entered by the Court, upon the motion of Plaintiff, preliminarily approving this
17 Settlement and providing for the issuance of the Notice Packet to the Class, an opportunity to opt
18 out of the Settlement, an opportunity to submit timely objections to the Settlement, and setting a
19 final approval hearing on the fairness of the terms of Settlement, including approval of attorneys'
20 fees and costs. Provided that the motion is consistent with the terms herein, Defendant will not
21 object to Plaintiff's motion for preliminary approval. Defense Counsel will be provided with no
22 less than five (5) court days to review and comment upon the draft motion before it is filed, and
23 Class Counsel agrees to reasonably consider the comments from Defense Counsel.

24 29. "QSF" means the Qualified Settlement Fund set up by the Administrator which
25 the Parties agree will at all times be treated as a "qualified settlement fund" within the meaning
26 of Treasury Regulations section 1.468B-1, *et seq.* The Parties agree the Administrator shall, in
27 establishing the account, make any such elections as necessary or advisable to carry out the
28 "relation back election" (as defined in Treasury Regulations section 1.468B-1(j)(2)(i)) back to

1 the earliest permitted date. Such elections shall be made in compliance with the procedures and
2 requirements contained in such regulations. The Parties further agree and acknowledge that, for
3 purposes of Section 468B of the Internal Revenue Code of 1986, as amended (the “Code”), and
4 the Treasury Regulations promulgated thereunder, only the Defendant shall be treated as a
5 “transferor” (within the meaning of such term under Treasury Regulations section 1.468B-
6 1(d)(1)) with respect to the QSF.

7 30. “Released Class Claims” means all claims that were alleged in the Complaint, or
8 that reasonably could have been alleged based upon the facts stated in the Complaint, including:
9 (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal
10 periods, (4) failure to provide rest breaks, (5) failure to reimburse business expenses, (6) failure
11 to pay vested vacation, (7) failure to timely pay final wages, (8) failure to provide accurate
12 itemized wage statements, and (9) unfair and unlawful competition. The time period governing
13 the Released Class Claims shall be the Class Period.

14 31. “Released PAGA Claims” means the PAGA claims that were based on the facts
15 stated in the Complaint and in Plaintiff’s LWDA notice letter, including all PAGA claims
16 seeking civil penalties premised upon: (1) failure to pay minimum wages, (2) failure to pay
17 overtime wages, (3) failure to provide meal periods, (4) failure to provide rest breaks, (5) failure
18 to reimburse business expenses, (6) failure to pay vested vacation, (7) failure to timely pay
19 wages each period, (8) failure to timely pay wages upon separation of employment, (9) failure to
20 provide accurate itemized wage statements, and (10) failure to maintain records.. The time
21 period governing the Released PAGA Claims shall be the PAGA Period.

22 32. “Released Parties” means Defendant and its parents, subsidiaries, directors,
23 owners, shareholders and officers.

24 33. “Request for Exclusion” shall have the meaning ascribed to it in Paragraph 69(a)
25 below.

26 34. “Response Deadline” is 60 calendar days from the date the Notice Packet is
27 mailed to the Class Members.

28 35. “Service Payment” or “Service Award” means the amount approved by the Court

1 to be paid to Class Representative Dee Dever in addition to his Individual Class Payment as a
2 Participating Class Member and Individual PAGA Payment as an Aggrieved Employee.

3 36. "Settlement Amount" means the total maximum amount that Defendant will be
4 required to pay under this Agreement, which is \$490,000.00, unless increased pursuant to the
5 Escalator Clause, except for Defendant's obligation to fund its share of payroll taxes on the
6 portion of Individual Class Payments that are allocated to wages, as further discussed in
7 Paragraph 47I below.

8 37. "Share Points" will be used to calculate a Class Member's Individual Class
9 Payment, and each Class Member's Share Points shall be calculated as follows: (1) each Week
10 Worked by a Class Member during the Class Period shall be credited with 1 Share Point, and (2)
11 each Week Worked in which the Class Member received commission pay and overtime pay in
12 the same Workweek shall be credited with 4 Share Points. The total combined share points
13 credited will be referred to as a Class Member's Share Points.

14 38. "Share Point Rate" shall mean the value of each individual Share Point, as
15 calculated by dividing the Net Settlement Amount by the total of all Share Points credited to all
16 Class Members.

17 39. "Workweeks" or "Weeks Worked" means any and all workweeks during the
18 Class Period during which the Class Member worked at least one day for Rescue 1 Financial,
19 LLC, in California. As for Aggrieved Employees, "Pay Periods" or "Pay Periods Worked" means
20 any and all pay periods during the PAGA Period during which the Aggrieved Employee worked
21 at least one day for Rescue 1 Financial, LLC, in California.

22 **B. General Terms**

23 40. On November 7, 2023, Plaintiff sent a letter to the LWDA notifying it and
24 Defendant that Plaintiff intended to pursue claims against Defendant under the PAGA for
25 violation of California Labor Code sections 200, 201, 202, 203, 204, 208, 210, 218.6, 226, 226.3,
26 226.7, 227.3, 246, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1199, and 2802
27 ("LWDA Notice Letter"). The following day, Plaintiff filed a putative class action in the Orange
28

County Superior Court.¹ Ultimately, the LWDA declined to assert jurisdiction over the PAGA Claims, so on January 12, 2024, Plaintiff filed the operative first amended complaint (the “Complaint”), adding PAGA Claims. The Complaint alleges Class Claims and PAGA Claims for: (1) failure to pay minimum wages (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to provide rest breaks; (5) failure to reimburse business expenses; (6) failure to pay vested vacation; (7) failure to timely pay wages upon separation of employment; (8) failure to provide accurate itemized wage statements; (9) unfair and unlawful competition; and (10) claims for PAGA penalties.

41. Defendant denies any and all liability or wrongdoing of any kind associated with the claims asserted in the Action, dispute the damages and penalties claimed by Plaintiff, and further contends that, for any purpose other than settlement, Plaintiff’s claims are not appropriate for class or representative treatment.

42. Plaintiff believes that he can proceed with the representative and class claims, that the Action is meritorious, and that class certification is appropriate.

43. The Parties have conducted a thorough investigation into the facts of the Action. This includes conducting informal discovery by exchanging sampling of payroll and timekeeping records for Class Members, relevant policy documents, class size and workweek information, and information regarding average hourly rates. Class Counsel is both knowledgeable about and has done extensive research with respect to the applicable law and potential defenses to the claims of the Class. Class Counsel has diligently pursued an investigation of the Class Members’ claims against Defendant. Based on the foregoing data and on their own independent investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation,

¹ Plaintiff submitted the LWDA Notice Letter and filed the initial complaint using a pseudonym (“John Doe”) to protect his privacy and to protect the interests of the putative class members. However, after a series of meet and confers, the Parties stipulated that Plaintiff would disclose his identity in exchange for certain agreements including that Defendant is prohibited from contacting Plaintiff and his family members (other than through Plaintiff’s counsel) during the pendency of this litigation.

1 various defenses asserted by Defendant, and numerous potential appellate issues.

2 44. On September 11, 2024, Plaintiff and Defendant participated in a full-day
3 mediation with Hon. Dalila Lyons (Ret.), who has a long history of handling Mandatory
4 Settlement Conferences for the LA Superior Court system, including for class actions and PAGA
5 cases, and who now serves as a private mediator. At the conclusion of mediation, the Parties
6 agreed to settle for the Settlement Amount and entered into a memorandum of understanding.

7 45. This Settlement is a compromise of disputed claims. The Parties agree that
8 neither the Parties' Settlement, this Agreement, nor the acts to be performed or judgment to be
9 entered pursuant to the terms of the Settlement Agreement, shall be construed as an admission by
10 Defendant of any wrongdoing or violation of any statute, law, or liability on the claims or
11 allegations in the Action.

12 46. Stipulation for Class Certification. For settlement purposes only, Defendant will
13 stipulate that the Class Members described herein may be conditionally certified as a Class. This
14 stipulation to certification is in no way an admission that class action certification is proper and
15 shall not be admissible in this or in any other action except for the sole purposes of enforcing this
16 Agreement. Should, for whatever reason, the Court fail to issue Final Approval, the Parties'
17 stipulation to class certification as part of the Settlement shall become null and void ab initio and
18 shall have no bearing on, and shall not be admissible in connection with, the issue of whether
19 class certification would be appropriate in a non-settlement context. Defendant expressly reserve
20 its rights and declare that it would continue to oppose class certification and the substantive
21 merits of the case should the Court fail to issue Final Approval. Plaintiff expressly reserves his
22 rights and declares that he will continue to pursue class certification and a trial should the Court
23 fail to issue Final Approval.

24 **C. Terms of Settlement**

25 47. The financial terms of the Settlement are as follows:

26 (a) Settlement Amount: The Parties agree to settle this Action for the
27 Settlement Amount, unless increased pursuant to the Escalator Clause and Defendant's
28 obligation to separately pay its share of payroll taxes on the wage portion of the Individual Class

1 Payments, which is the maximum amount that will be paid by Defendant and includes Individual
2 Class Payments, Class Counsel's Attorneys' Fees and Costs Award, the Service Payment to the
3 Class Representative, Administration Costs, and PAGA Penalties.

4 (b) Net Settlement Amount: The entire Net Settlement Amount will be paid
5 to Participating Class Members. If the Court reduces the Attorneys' Fees and Costs Award,
6 Service Award, or Administrator Costs, or either increases or decreases the amount allocated to
7 the PAGA Penalties, the difference shall be placed in the Net Settlement Amount and allocated
8 to Participating Class Members.

9 (c) Calculation of Individual Class Payments: The Individual Class Payment
10 for each Participating Class Member will be calculated by the Administrator using the Class Data
11 provided by Defendant, and by determining each Class Member's Share Points, and then
12 multiplying the Class Member's Share Points by the Share Point Rate. If there are any timely
13 submitted Requests for Exclusion, the Administrator shall proportionately increase the Individual
14 Class Payments for each Participating Class Member so that the amount actually distributed to
15 Participating Class Members equals 100% of the Net Settlement Amount.

16 (d) Allocation of Individual Class Payments: The Individual Class Payments
17 to Participating Class Members will be allocated as follows: 20% will be allocated as wages
18 subject to withholding of all applicable local, state, and federal taxes; and 80% will be allocated
19 for interest and statutory penalties pursuant to applicable California Labor Code sections from
20 which no taxes will be withheld. If required based on the settlement amounts, the Administrator
21 will issue to each Participating Class Member and/or Aggrieved Employee an Internal Revenue
22 Service ("IRS") Form W-2 and comparable state forms with respect to the wage allocation and a
23 Form 1099 with respect to the penalties and interest allocations.

24 (e) Service Payment to Class Representative: The amount, if any, awarded to
25 the Class Representative as a Service Payment will be set by the Court in its discretion, not to
26 exceed \$5,000.00, in recognition of the service that Plaintiff performed on behalf of the Class.
27 Defendant agrees not to oppose this request. The Service Payment to Plaintiff will be paid out of
28 the Settlement Amount. The Class Representative will be issued an IRS Form 1099 in

1 connection with this Service Payment. Plaintiff shall be solely and legally responsible to pay all
2 applicable taxes on this Service Payment. The Parties agree that any amount awarded as the
3 Service Payment to Plaintiff less than the requested amount shall not be a basis for Class Counsel
4 to void this Settlement Agreement. Should the Court approve a lesser amount for the Service
5 Payment, the difference shall be added to the Net Settlement Amount to be distributed to the
6 Participating Class Members.

7 (f) Attorneys' Fees and Costs Award: Defendant agrees to not oppose a
8 request by Class Counsel to the Court for an award of attorneys' fees of one-third of the
9 Settlement Amount, plus reasonable litigation costs not to exceed \$25,000.00 ("Attorney's Fees
10 and Cost Award"). Defendant agrees not to oppose any contention by Class Counsel that
11 attorneys' fees should be based on the common fund theory. The Attorney's Fees and Cost
12 Award shall be paid from the Settlement Amount, and, except for this award, Defendant shall
13 have no further obligation to pay any attorneys' fees, costs, or expenses to Class Counsel.
14 Should the Court approve a lesser amount than what is sought by Class Counsel, the difference
15 shall be added to the Net Settlement Amount to be distributed to the Participating Class
16 Members. Any Court order awarding less than the amount sought by Class Counsel shall not be
17 grounds to rescind the Settlement Agreement or otherwise void the Settlement. The
18 Administrator shall issue to Class Counsel an IRS Form 1099 reflecting the amount of attorneys'
19 fees and costs awarded by the Court.

20 (g) Administration Costs: The fees and other charges of the Administrator
21 will be paid from the Settlement Amount, not to exceed \$8,000.00, unless an increase is justified
22 by the Administrator and is agreed to by the Parties and approved by the Court.

23 (h) PAGA Penalties: The Parties agree that \$20,000.00 is allocated to PAGA
24 Penalties, and is to be paid from the Settlement Amount, subject to Court approval. Of this
25 amount, \$15,000.00 (75%) shall be paid to the LWDA as its share of civil penalties under the
26 PAGA, and \$5,000.00 (25%) will be the total amount allocated to Individual PAGA Payments to
27 the Aggrieved Employees, which shall be calculated and allocated pro-rata on a Pay Period
28 Worked basis during the PAGA Period. The Individual PAGA Payments will be treated entirely

1 as civil penalties and shall be reported to the extent required on an IRS Form 1099. Class
2 Counsel shall give proper notice to the LWDA of the Settlement by submitting a copy of this
3 Settlement Agreement to the LWDA at the same time as they submit this Settlement Agreement
4 to the Court for Preliminary Approval, as required by California Labor Code section 2699(1)(2).
5 Within ten (10) days following the Final Approval Order, Class Counsel shall submit a copy of
6 the Final Approval Order and Judgment entered by the Court to the LWDA, as required by
7 California Labor Code section 2699(1)(3).

8 (i) Tax Liability: Class Counsel, Defendant, and Defense Counsel make no
9 representations as to the tax treatment or legal effect of settlement amounts called for hereunder,
10 and Plaintiff and the Class Members are not relying on any statement or representation by Class
11 Counsel, Defendant, or counsel for Defendant in this regard. Plaintiff, Participating Class
12 Members, and Aggrieved Employees understand and agree that they will be solely responsible
13 for the payment of any taxes and penalties assessed on their respective Individual Class
14 Payments and Individual PAGA Payments, described herein. The portion of Individual Class
15 Payments deemed payment for settlement of claims for wages and expenses shall be reported on
16 IRS Form W-2 with respect to the year of payment as wage income to the Class Member by the
17 Administrator on behalf of the QSF. The Administrator shall issue IRS Form 1099 if required
18 for the remaining portion of the Individual Class Payment and for any Individual PAGA
19 Payment. If the Code, the regulations promulgated thereunder, or other applicable tax law, is
20 changed after the date of this Agreement, the processes set forth in this Section may be modified
21 in a manner to bring Defendant into compliance with any such changes. Plaintiff, Participating
22 Class Members, and Aggrieved Employees understand and agree that they will be solely
23 responsible for the payment of any taxes and penalties assessed on their respective payments
24 described herein.

25 (j) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS
26 AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY"
27 AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING
28 PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO

1 PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR
2 DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND
3 OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH
4 COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE
5 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
6 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
7 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS
8 OWN INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
9 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO
10 THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY
11 OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT
12 ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
13 ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY
14 THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
15 ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION
16 THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR
17 ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS
18 LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF
19 THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING
20 ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

21 (k) "Non-Reversionary" Settlement. This is a "non-reversionary" settlement.
22 Under no circumstances will any portion of the Settlement Amount revert to Defendant.
23 Participating Class Members and Aggrieved Employees will not have to make a claim in order to
24 receive an Individual Class Payment or Individual PAGA Payment. Distributions, in the form of
25 Individual Class Payments or Individual PAGA Payments, will be made directly to each
26 Participating Class Member and Aggrieved Employee. The Administrator shall be responsible
27 for accurately and timely reporting and remittance obligations with respect to unclaimed funds as
28 a result of a Participating Class Member and/or Aggrieved Employee not cashing any checks

delivered pursuant to the Settlement by the check cashing deadline, as set forth herein.

(l) Class Counsel and Plaintiff believe that the Settlement is fair and reasonable and will so represent same to the Court.

D. Release by the Participating Class Members

48. Upon the Effective Date occurring, and after the Court's Judgment is final and Defendant fully funding the Settlement Amount, Plaintiff and the Participating Class Members will forever completely release and discharge the Released Parties from the Released Class Claims for the Class Period.

49. Each Participating Class Member will be deemed to have made the foregoing Release as if by manually signing it.

E. Release of PAGA Claims

50. Upon the Effective Date occurring, and after the Court's Judgment is final and Defendant has fully funded the Settlement Amount, Plaintiff – in his individual capacity and on behalf of the State of California, the LWDA and Aggrieved Employees – will be deemed to have released and discharged the Released Parties from the Released PAGA Claims for the PAGA Period.

51. Regardless of whether a Class Member and/or Aggrieved Employee submits a valid Request for Exclusion, neither Plaintiff nor any Aggrieved Employee shall have the right to opt-out or otherwise exclude themselves from the Released PAGA Claims.

52. It is the intent of the Parties that the Final Approval judgment shall have full equitable and collateral estoppel and res judicata effect to the fullest extent permitted by law.

F. Release by Plaintiff and Class Representative

53. Class Representative does hereby, for himself and his spouses, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, and assigns forever and completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, lawsuits, rights, demands, costs, losses, debts, and expenses (including back wages, statutory penalties, civil penalties, liquidated

1 damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever,
2 from the beginning of time through the execution of this Agreement, whether known or
3 unknown, suspected or unsuspected, including but not limited to all claims arising out of, based
4 upon, or relating to Class Representative's employment with Rescue 1 Financial, LLC, or the
5 termination of such employment (the "Class Representative's Released Claims").

6 54. Without limiting the generality of the foregoing, this general release by Plaintiff
7 includes all federal, state, and local statutory claims, federal, and state common law claims
8 (including but not limited to those for contract, tort, and equity), including without limitation the
9 Americans with Disabilities Act, Age Discrimination in Employment Act, Title VII of the Civil
10 Rights Act of 1964 (as amended), 42 USC sec. 1981, 42 USC sec. 1983, the Fair Labor
11 Standards Act, the Employment Retirement Security Income Act of 1974, the California
12 Constitution, the California Fair Employment and Housing Act, the California Unfair
13 Competition Act (California Business and Professions Code section 17200 et seq.), and the
14 California Labor Code.

15 55. Plaintiff agrees that there is a risk that any injury that he may have suffered by
16 reason of the Released Parties' relationship with him might not now be known, and there is a
17 further risk that said injuries, whether known or unknown as of the date of this Settlement
18 Agreement, might possibly become progressively worse, and that as a result thereof further
19 damages may be sustained. Nevertheless, Plaintiff agrees to forever and fully release and
20 discharge the Released Parties, and understands that, by the execution of this Settlement
21 Agreement, no further claims for any such injuries that existed at the time of the execution of this
22 Settlement Agreement may ever be asserted by Plaintiff with respect to claims arising in the time
23 period from the beginning of time to the execution of this Settlement Agreement.

24 56. In addition, Plaintiff has entered into a separate individual Settlement Agreement
25 for unrelated claims for discrimination and wrongful termination.

26 57. Plaintiff expressly waives and relinquishes all rights and benefits afforded by
27 Section 1542 of the Civil Code of the State of California and does so understanding and
28 acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code

1 of the State of California states:

2 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT
3 THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR
4 SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF
5 EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR
6 HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER
7 SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

8 Notwithstanding the provisions of Section 1542, and for the purpose of implementing a
9 full and complete release and discharge of all Parties, Plaintiff expressly acknowledges that this
10 Settlement Agreement is intended to include in its effect, without limitation, all claims against
11 the Released Parties, known or unknown, suspected or unsuspected, which exist or may exist on
12 behalf of or against the other at the time of execution of this Settlement Agreement, including,
13 but not limited to, any and all claims relating to or arising from Plaintiff's employment with
14 Rescue 1 Financial, LLC. The only claims not covered by this release are claims that cannot be
15 released by private or court approved agreement under applicable law.

16 **G. Interim Stay of Proceedings**

17 58. Pending completion of all of the prerequisites necessary to effectuate this
18 Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action
19 except such as is necessary to effectuate the Settlement.

20 **H. Notice Process**

21 59. Appointment of Administrator. The Parties have agreed to the appointment of the
22 Administrator to perform the duties of a settlement administrator, including mailing the Notice
23 Packet, exercising its judgment to determine the current mailing address for each Class Member,
24 including performing a skip-trace to identify any updated addresses, independently reviewing
25 and verifying documentation associated with any opt-out requests, resolving any disputes
26 regarding the calculation or application of the formula for determining the Individual Class
27 Payments and Individual PAGA Payments, issuing and mailing the settlement checks to
28 Participating Class Members and Aggrieved Employees, issuing all necessary tax forms, and
performing such other tasks as set forth herein or as the Parties mutually agree or that the Court
orders.

1 60. Additional Duties of the Administrator. The Administrator shall upload and
2 maintain on its website the following non-inclusive list of documents: the Settlement Agreement,
3 the Notice Packet, the Motion for Preliminary Approval, the Order granting Preliminary
4 Approval, the Motion for Final Approval, and the Order granting Final Approval. These
5 documents shall be accessible by the Class via URL link that will be provided in the Class
6 Notice.

7 61. Disputes Regarding Administration. Any disputes not resolved by the Parties and
8 the Settlement Administrator concerning the administration of the Settlement will be resolved by
9 the Court under the laws of the State of California. Prior to any such involvement of the Court,
10 counsel for the Parties will meet and confer in good faith to attempt to resolve the dispute
11 without involving the Court.

12 62. Class Data. Within twenty (20) days after entry of the Preliminary Approval
13 Order, Defendant shall provide the Class Data to the Administrator. The Administrator will
14 inform the Parties within five (5) days of receipt of the Class Data if the Escalator Clause has
15 been triggered and, if so, if the Administrator will seek an adjustment of the Administration
16 Costs. The Administrator also will run a check of the Class Members' addresses against those
17 on file with the U.S. Postal Service's National Change of Address List. The Class Data provided
18 to the Administrator will remain confidential, will be used solely for purposes of administration
19 of the Settlement, and will not be used or disclosed to anyone, except as required by applicable
20 tax authorities, pursuant to Defendant's express written consent, or by order of the Court.
21 Although Class Counsel will not be provided with the Class Data, nothing herein shall prevent
22 Class Counsel from responding to inquiries or requests from Class Members regarding the
23 Action and Settlement.

24 63. Total Workweeks. At least five (5) court days prior to mailing the Notice, the
25 Administrator shall provide a spreadsheet to Class Counsel and Defense Counsel containing a
26 preliminary calculation of all payments to be paid from the Settlement Amount, including the
27 estimated Individual Class Payments to each Class Member and Individual PAGA Payments to
28 each Aggrieved Employee (a person's name shall be redacted and a control number used in place

of the name). In the event that the total Workweeks worked by all Class Members during the Class Period triggers the Escalator Clause, the Administrator shall notify the Parties.

64. Class Notice. The Class Notice, as approved by the Court, shall be sent by the Administrator to the Class Members, by first class mail, in English only, within ten (10) calendar days following the Administrator's receipt of the Class Data. The Administrator shall use reasonable skip trace methods to obtain forwarding addresses of Class Members if any envelopes are returned.

65. Returned Class Notices. The Administrator will take steps to ensure that the Class Notice is received by all Class Members, including utilization of the National Change of Address Database maintained by the United States Postal Service to review the accuracy of and, if possible, update, a mailing address. Class Notices will be re-mailed to any Class Member for whom an updated address is located within ten (10) calendar days following both the Administrator learning of the failed mailing and its receipt of the updated address. The re-mailed Class Notice shall be identical to the original Class Notice, except that it shall notify the Class Member that the exclusion (opt-out) request or objection must be returned by no later than 15 (fifteen) days from the original Response Deadline.

66. Presumption Regarding Receipt of Notice Packet. It will be conclusively presumed that if an envelope has not been returned undeliverable to Administrator by the Response Deadline that the Class Member received the Notice Packet.

67. Disputes Regarding Class Data. Class Members are deemed to participate in the Settlement unless they opt-out. Regardless of whether any Class Members opt out of the Settlement, they will still be bound by the PAGA Release if they are an Aggrieved Employee. The Class Notice will inform Class Members of his/her estimated Individual Class Payment and Individual PAGA Payment, as well as the number of Share Points credited, the weeks he/she worked during the Class Period, and the number of Pay Period Worked during the PAGA Period. Class Members may dispute their Share Points or Weeks Worked, and Aggrieved Employees may dispute Pay Periods Worked, by timely submitting evidence to the Administrator. Defendant's records will be presumed determinative absent reliable evidence to rebut

1 Defendant's records, but the Administrator will evaluate the evidence submitted by the Class
2 Member or Aggrieved Employee, and provide the evidence submitted to Class Counsel and
3 Defense Counsel, who agree to meet and confer in good faith about the evidence to determine
4 the actual number of Workweeks, Pay Periods and estimated Individual Class Payment and
5 Individual PAGA Payment. The Administrator shall attach all disputes to its Declaration of Due
6 Diligence, along with any evidence submitted, and include an initial recommendation in its
7 declaration as to the number of Workweeks and Share Points to be credited for any disputing
8 Class Members and Pay Periods credited for any disputing Aggrieved Employees. However, the
9 Court shall have the right to review any decision and make a final decision, which will be
10 binding upon the Class Members, Aggrieved Employees and the Parties. Class Members and
11 Aggrieved Employees will have until the Response Deadline to dispute Weeks Worked, Share
12 Points and Pay Periods, and to object or opt out, unless extended by the Court. The Class Notice
13 will direct Class Members and Aggrieved Employees how to dispute Weeks Worked and Pay
14 Periods Worked, including the following statement: The number of weeks you worked during
15 the Class Period (and the corresponding Share Points you are credited) as well as the number of
16 Pay Periods Worked during the PAGA Period, as recorded in Defendant's records, are stated in
17 the tables on page 1 of this Notice . You have until _____, 2025 ("Response
18 Deadline") to dispute the number of Workweeks and/or Pay Periods credited to you by
19 submitting evidence to the Administrator.... You need to support your dispute by sending copies
20 of pay stubs or other records. The Administrator will accept Defendant's calculation of Weeks
21 Worked and Pay Periods based on Defendant's records as accurate unless you send copies of
22 records containing contrary information. You should send copies rather than originals because
23 the documents will not be returned to you. The Administrator will attempt to resolve Workweek
24 and Pay Period disputes based on your submission and on input from Class Counsel and
25 Defendant's Counsel, but the Court will have the right to review any initial decision made by the
26 Administrator along with the evidence submitted. You cannot appeal or otherwise challenge the
27 Court's final decision."

28 68. Declaration of Due Diligence. The Administrator shall provide counsel for the

Parties a declaration of due diligence and proof of mailing with regard to the mailing of the Notice seven (7) days after the initial Response Deadline.

69. Class Members' Rights. Each Class Member will be advised of the Settlement, the ability to object to the Settlement, and the ability to request exclusion from the Class Claims. The Class Notice will inform the Class Members of the Court-established deadlines for filing objections or requesting exclusion from the Settlement in accordance with the following guidelines:

(a) Requests for Exclusion from Class. Any Class Member, other than Plaintiff, may request to be excluded from the Class by submitting a Request for Exclusion Form, using the form provided within the Notice Packet. The Request for Exclusion Form must be mailed to the Administrator and postmarked on or before the Response Deadline in order to be timely, unless the Parties otherwise agree in writing. Any such request must be made in accordance with the terms set forth in the Notice Packet. The Administrator shall attach each Request for Exclusion Form to its declaration of due diligence and file with the Court prior to the Final Approval Hearing. Any Class Member who timely requests exclusion in compliance with these requirements: (i) will not have any rights under this Agreement as to the Class Action Settlement, including the right to object to or otherwise challenge the Settlement; (ii) will not be entitled to receive any Individual Class Payment under this Agreement; and (iii) will not be bound by the Class Action Settlement including the Released Class Claims. Any Class Member who is an Aggrieved Employee who requests timely exclusion will still be bound by the PAGA Settlement in regard to the Released PAGA Claims to the fullest extent permitted by law and will receive an Individual PAGA Payment. The Parties and their counsel shall not encourage or solicit Class members to submit requests for exclusion or objections, directly or indirectly, through any means.

(b) Binding Effect on Participating Class Members. All Participating Class Members will: (i) be bound by the terms and conditions of this Agreement, the Final Approval judgment, and the releases set forth herein; and (ii) unless they object as set forth herein, will be deemed to have waived all objections and oppositions to the fairness, reasonableness, and

1 adequacy of the Settlement.

2 (c) Objections to Settlement. Any Class Member, other than Plaintiff, who
3 does not submit a valid and timely Request for Exclusion Form may object to the terms of this
4 Agreement by completing an Objection Form provided within the Notice Packet. To object, the
5 Class Member must mail the Objection Form to the Administrator, postmarked by the Response
6 Deadline in order to be timely, unless the Parties otherwise agree in writing. Alternatively, the
7 Class Member may elect to make an oral objection at the Final Approval hearing; objecting
8 Class Members are not required to file a notice of intent to appear in advance. The Court will
9 consider all oral objections made in person or through counsel at the Final Approval Hearing
10 regardless of whether a written objection has been submitted. Additionally, any objection must
11 be made in accordance with the terms set forth in the Notice Packet. The Administrator shall
12 provide any written objections to Class Counsel and Defense Counsel within three (3) days of
13 receipt, and the Administrator shall attach the same to its declaration of due diligence and file
14 with the Court prior to the Final Approval Hearing. Any Participating Class Member who files
15 an Objection Form remains eligible to receive an Individual Class Payment. Plaintiff and
16 Defendant shall not be responsible for any fees, costs, or expenses incurred by any Class
17 Member and/or their counsel related to any objections to the Settlement. Submitting an
18 objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is
19 preserved by becoming a party of record by timely and properly intervening or filing a motion to
20 vacate the judgment under Code of Civil Procedure section 663.

21 (d) Failure to Object. Any Class Member who does not timely and properly
22 become a party of record by intervening or filing a motion to vacate the judgment waives any
23 and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding
24 and appellate proceeding, such as a motion to vacate judgment, motion for new trial, motion
25 under California Code of Civil Procedure section 473, and extraordinary writs.

26 (e) Responses to Objections. Counsel for the Parties may jointly or separately
27 file a response to any objections submitted by any Class Members at least five (5) court days
28 before the date of the Final Approval Hearing.

1 (f) Class Members will have until the Response Deadline to submit a Request
2 for Exclusion Form or Objection Form to the Administrator by U.S. Mail. The Administrator
3 shall disclose jointly to Class Counsel and Defense Counsel on a weekly basis all objections or
4 Requests for Exclusion Forms that were submitted.

5 70. Funding of the Settlement Amount. Defendant shall fund the Settlement Amount,
6 plus Defendant's share of payroll taxes, within twenty-one (21) days of the Effective Date into
7 an account established by the Administrator.

8 71. Distribution of Funds. No later than ten (10) calendar days after the receipt of the
9 Settlement Amount and Defendant's share of payroll taxes, the Administrator shall mail the
10 Individual Class Payments to the Participating Class Members, the Individual PAGA Payments
11 to the Aggrieved Employees, the payment to Class Counsel for the Attorneys' Fees and Costs
12 Award, any Service Payment to the Class Representative, and the payment to the LWDA for
13 PAGA Penalties in accordance with the percentages set forth herein, and will pay itself the
14 Administration Costs.

15 (a) Deadline for Cashing/Depositing Settlement Checks. Participating Class
16 Members and Aggrieved Employees shall have 180 calendar days after mailing by the
17 Administrator to cash their settlement checks. The release will be binding upon all Participating
18 Class Members who do not cash their checks within the 180-day period. In the event that any
19 settlement check is returned to the Administrator within 180 days of mailing, the Administrator
20 will, within five (5) business days of receipt of the returned settlement check, perform a skip
21 trace to locate the individual and notify Defense Counsel and Class Counsel of the results. If a
22 new address is located by these means, the Administrator will have ten (10) business days to re-
23 issue the check. Neither Defendant, Defense Counsel, Class Counsel, Plaintiff, nor the
24 Administrator will have any liability for lost or stolen settlement checks, forged signatures on
25 settlement checks, or unauthorized negotiation of settlement checks. Without limiting the
26 foregoing, in the event that a Participating Class Member and/or Aggrieved Employee notifies
27 the Administrator that they believe that a settlement check has been lost or stolen, the
28 Administrator shall immediately stop payment on such check. If the check in question has not

1 been negotiated prior to the stop payment order, the Administrator will issue a replacement
2 check. For any check is not cashed within 180 days of mailing, the check will be voided and a
3 stop-payment will be issued, and the Administrator shall issue the unclaimed funds to the
4 California State Controller's Office in the name of the Participating Class Member and/or
5 Aggrieved Employee.

6 **I. Duties of the Parties Prior to the Court's Approval**

7 72. Promptly after execution of this Agreement, Plaintiff will move the Court for
8 Preliminary Approval of this Settlement and entry of the Preliminary Approval Order jointly
9 prepared by the Parties, accomplishing the following:

- 10 (a) Approving as to form and content the proposed Notice;
- 11 (b) Directing the mailing of the Notice by first class mail to the Class
12 Members;
- 13 (c) Preliminarily approving this Settlement;
- 14 (d) Preliminarily certifying the class for purposes of this Settlement only;
- 15 (e) Advising the LWDA of the proposed Settlement; and
- 16 (f) Scheduling the Final Approval Hearing on the issue of whether this
17 Settlement should be finally approved as fair, reasonable, and adequate.

18 **J. Duties of the Parties Following Court's Final Approval**

19 73. In connection with the Final Approval Hearing provided for in this Agreement,
20 Class Counsel shall submit a proposed Final Approval Order jointly prepared by the Parties:

- 21 (a) Approving the Settlement, adjudging the terms thereof to be fair,
22 reasonable, and adequate, and directing consummation of its terms and provisions;
- 23 (b) Approving Class Counsel's application for an award of attorneys' fees and
24 reimbursement of litigation costs and expenses, the Service Payment to the Class Representative,
25 and the payment to the Administrator for costs of administering the settlement; and
- 26 (c) Entering judgment pursuant to the Settlement.

27 **K. Voiding the Agreement**

28 74. If the Court fails or refuses to issue the Final Approval Order or fails to approve

1 any material condition of this Agreement which effects a fundamental change of the Settlement,
2 the entire Agreement shall be rendered voidable and the Parties will be restored to their
3 respective positions as if they had not entered into the Agreement.

4 75. If the Settlement is voided or fails for any reason, Plaintiff and Defendant will
5 have no further obligations under the Settlement, including any obligation by Defendant to pay
6 the Settlement Amount, or any amounts that otherwise would have been owed under this
7 Settlement. The Parties further agree that this Agreement will not be admissible in this or any
8 other proceeding as evidence that either (i) a class action should be certified or not decertified, or
9 that this matter may proceed as a representative action; or (ii) Defendant is liable to Plaintiff or
10 any Class Member other than according to the Settlement's terms. In the event that the
11 Settlement is not approved or otherwise voided, the Parties expressly reserve all rights.

12 76. If the Settlement is voided or fails for any reason, any costs incurred by the
13 Administrator shall be borne equally by Defendant and Plaintiff, unless otherwise specified in
14 this Agreement.

15 **L. Other Terms**

16 77. Waiver. The waiver by one Party of any breach of this Agreement by another
17 Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

18 78. Parties' Authority. The signatories hereto represent that they are fully authorized
19 to enter into this Agreement and bind the Parties hereto to the terms and conditions hereof.

20 79. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to
21 accomplish the terms of this Agreement, including but not limited to, execution of such
22 documents and to take such other action as may reasonably be necessary to implement the terms
23 of this Agreement. The Parties shall use their best efforts, including all efforts contemplated by
24 this Agreement and any other efforts that may become necessary by order of the Court, or
25 otherwise, to effectuate this Agreement and the terms set forth herein. As soon as practicable
26 after execution of this Agreement, Class Counsel shall, with the assistance and cooperation of
27 Defendant and Defense Counsel, take all necessary steps to secure the Court's preliminary and
28 final approval of the settlement and final entry of judgment.

1 80. No Prior Assignments. The Parties hereto represent, covenant, and warrant that
2 they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign,
3 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,
4 cause of action, or rights released and discharged by this Agreement.

5 81. No Admission. Defendant denies any and all liability to Plaintiff, Class
6 Members, and Aggrieved Employees in this Action, as to any and all causes of action that were
7 asserted or that might have been asserted in this Action. Nonetheless, Defendant wishes to settle
8 and compromise the matters at issue in the Complaint to avoid further substantial expense and
9 the inconvenience and distraction of protracted and burdensome litigation. Defendant has taken
10 into account the uncertainty and risks inherent in litigation, and without conceding the validity of
11 any claims or any infirmity in the defenses that it has asserted or could assert in the Action, has
12 determined that it is desirable and beneficial that the Complaint's claims be settled in the manner
13 and upon the terms and conditions set forth in this Agreement.

14 82. Inadmissibility of Agreement. Whether or not the Court issues the Final
15 Approval Order, nothing contained herein, nor the consummation of this Agreement, is to be
16 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part
17 of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into
18 this Agreement with the intention of avoiding further disputes and litigation with the attendant
19 inconvenience and expenses. This Agreement is a settlement document, and it, along with all
20 related documents such as the notices, and motions for preliminary and final approval, shall,
21 pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be
22 inadmissible in evidence in any proceeding, except that the Settlement may be filed and used in
23 this litigation or any related litigation as necessary to approve, interpret, or enforce this
24 Settlement, or in any subsequent action against or by Defendant to support a stay of such
25 subsequent action, or to establish a defense of res judicata, collateral estoppel, release, good faith
26 settlement, judgment bar, or reduction, or any other theory of claim preclusion or issue
27 preclusion or similar defense or counterclaim. The stipulation for class certification as part of
28

1 this Agreement is for settlement purposes only and if, for any reason the settlement is not
2 approved, the stipulation will be of no force or effect.

3 83. No Publicity. The Parties will not publicize the Settlement or disclose it to third
4 parties prior to the Court granting Preliminary Approval, except as required or necessary to
5 effectuate its terms and comply with law. After Preliminary Approval and the Final Approval
6 Date, Class Counsel and Class Representative agree that they will not discuss the Settlement
7 with the media, any settlement and verdict reporting service, any social media postings, or other
8 Internet postings. Nothing herein shall be construed to prevent Class Counsel from the public
9 filing of motions or other case materials in the Action related to seeking and obtaining Court
10 approval of this Settlement and the related awards of attorneys' fees and costs, or to
11 communications with Class Members or their representatives about this Settlement, including
12 through the posting of Court-filed documents on Class Counsel's websites for access solely by
13 the Class Members, or to prevent the Parties or their representatives from communicating with
14 financial or legal advisors regarding the Settlement. In response to any media inquiry, Class
15 Counsel may state only that the Action has been settled on terms mutually agreeable to the
16 Parties.

17 84. Construction. The Parties hereto agree that the terms and conditions of this
18 Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and
19 that this Agreement shall not be construed in favor of or against any Party by reason of the extent
20 to which any Party or his or its counsel participated in the drafting of this Agreement. Plaintiff
21 and Defendant expressly waives the common-law and statutory rule of construction that
22 ambiguities should be construed against the drafter of an agreement and further agree, covenant,
23 and represent that the language in all parts of this Agreement shall be in all cases construed as a
24 whole, according to its fair meaning.

25 85. Captions and Interpretations. Paragraph titles or captions contained herein are
26 inserted as a matter of convenience and for reference, and in no way define, limit, extend, or
27 describe the scope of this Agreement or any provision hereof. Each term of this Agreement is
28 contractual and not merely a recital.

1 86. Modification. This Agreement may not be changed, altered, or modified, except
2 in writing and signed by the Parties hereto or their counsel, and if necessary, approved by the
3 Court. This Settlement Agreement may not be discharged except by performance in accordance
4 with its terms or by a writing signed by all of the Parties hereto.

5 87. Jurisdiction of the Court. Consistent with California Code of Civil Procedure
6 section 664.6 and California Rules of Court, Rule 3.769(h), the Court shall retain jurisdiction
7 over the Parties with respect to the interpretation, implementation, and enforcement of the
8 Agreement.

9 88. Choice of Law. This Settlement Agreement shall be governed by and construed,
10 enforced, and administered in accordance with the laws of the State of California, without regard
11 to its conflicts-of-law rules.

12 89. Integration Clause. This Settlement Agreement contains the entire agreement
13 between the Parties relating to the Settlement and transaction contemplated hereby, and all prior
14 or contemporaneous agreements, understandings, representations, and statements, whether oral
15 or written and whether by a Party or such Party's legal counsel, are merged herein. No rights
16 hereunder may be waived except in writing.

17 90. Binding On Assigns. This Agreement shall be binding upon and inure to the
18 benefit of the Parties hereto and their respective heirs, trustees, executors, administrators,
19 successors, and assigns.

20 91. Signatures of All Class Members Unnecessary to be Binding. It is agreed that,
21 because the members of the Class are numerous, it is impossible or impractical to have each
22 Class Member execute this Agreement. The Class Notice will advise all Class Members of the
23 binding nature of the release provided herein and such shall have the same force and effect as if
24 this Agreement were executed by each Class Member.

25 92. Counterparts. This Agreement may be executed in counterparts, and when each
26 Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an
27 original, and, when taken together with other signed counterparts, shall constitute one fully
28 signed Agreement, which shall be binding upon and effective as to all Parties. Electronic

signatures shall have the same force and effect as an original.

Dated: Sep 19, 2025

PLAINTIFF AND CLASS REPRESENTATIVE


Dee Dever (Sep 19, 2025 09:03:19 PDT)
Dee Dever

Dated: _____

DEFENDANT RESCUE 1 FINANCIAL, LLC

By: _____ (name)

_____ (title)

APPROVED AS TO FORM:

Dated: Sept. 23, 2025

CLASS COUNSEL
LAUBY, MANKIN & LAUBY LLP



Brian J. Mankin
Attorneys for Plaintiff

Dated: _____

DEFENSE COUNSEL
LYON LEGAL, P.C.

Devon M. Lyon, Esq.
Attorneys for Defendant

signatures shall have the same force and effect as an original.

Dated: _____

PLAINTIFF AND CLASS REPRESENTATIVE

Dee Dever

Dated: 9/22/25

DEFENDANT RESCUE 1 FINANCIAL, LLC

DocuSigned by:
Brad Smith
B3E2E9D82ECE440...

By: Brad Smith (name)

Co-CEO & Founder (title)

APPROVED AS TO FORM:

Dated: _____

CLASS COUNSEL
LAUBY, MANKIN & LAUBY LLP

Brian J. Mankin
Attorneys for Plaintiff

Dated: 9/23/25

DEFENSE COUNSEL
LYON LEGAL, P.C.
ANAND MATHEW (SBN 342661) for Devon Lyon


Devon M. Lyon, Esq.
Attorneys for Defendant

EXHIBIT “B”

COURT APPROVED NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

Dever v. Rescue 1 Financial, LLC

(Orange County Superior Court, Case No. 30-2023-01360010-CU-OE-CXC)

**YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT.
PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.**

A California court authorized this notice. This is not a solicitation from a lawyer.

A class and representative action settlement has been reached by the parties to a lawsuit involving wage and hour claims. The settlement covers all current and former sales employees of Defendant Rescue 1 Financial, LLC (“Defendant or Rescue 1 Financial”) in California who were eligible to receive commission pay as an “Inside Sales” exempt employee at any time from November 8, 2019 through October 1, 2024 (the “Class Period”), including employees with the job title of Financial Consultant and/or a sales individual entitled to earn commission from enrollment of debt resolution clients (the “Class Members”).

The settlement resolves a class and representative action lawsuit filed in Orange County Superior Court, entitled *Dee Dever v. Rescue 1 Financial, LLC, et al.* (the “Action”). Plaintiff and Class Representative Dee Dever (“Plaintiff”) alleges that Rescue 1 Financial failed to: pay all wages due during employment, including minimum wages, overtime wages, and vested vacation; provide compliant meal and rest periods or premium compensation in lieu thereof; reimburse business expenses; timely and properly pay final wages upon separation of employment; and issue accurate and complete wage statements. Plaintiff also brings a claim for civil penalties under the California Private Attorneys’ General Act of 2004 (“PAGA”) on behalf of all current and former sales employees of Defendant in California who were eligible to receive commission pay as an “Inside Sales” exempt employee at any time from November 8, 2022, through September 11, 2024 (the “PAGA Period”), including employees with the job title of Financial Consultant and/or a sales individual entitled to earn commission from enrollment of debt resolution clients (the “Aggrieved Employees”).

Rescue 1 Financial denies liability for all claims and contends that its policies and practices comply with the law. The Settlement avoids the costs and risks of continuing the Action; pays money to employees; and releases Defendant from liability from the claims that were or could reasonably have been asserted based on the facts alleged in the Action.

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments to the Class Members, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments to Aggrieved Employees and pay penalties to the California Labor and Workforce Development Agency (“LWDA”). Based on Defendant’s records and the Parties’ current assumptions, the number of Workweeks you are credited with working during the Class Period and/or the number of Pay Periods Worked during the PAGA Period, according to Defendant’s records, are shown in the chart below. The settlement amount you may receive will depend on several factors and will ultimately depend on the total “Share Points” you are credited with (Class Members are credited with 1 Share Point for each week worked during the Class Period and an additional 4 Share Points for each week worked during the Class Period where a Class Member received commission and overtime pay in the same workweek. (If no Pay Periods Worked are stated for the PAGA Period then, according to Defendant’s records, you are not eligible for an Individual PAGA Payment under the Settlement because you did not work during the PAGA Period.)

Calculations and Data Points for Estimated Individual Class Payment

Weeks Worked in Class Period <i>1 Share Point per Week</i>	Weeks Worked in Class Period with Commission and Overtime Pay <i>4 Share Points Per Week</i>	Total Share Points	Estimated Individual Class Payment
INSERT	INSERT	INSERT	INSERT

Calculations and Data Points for Estimated Individual PAGA Payment

Pay Periods Worked during PAGA Period	Estimated Individual PAGA Payment
INSERT	INSERT

If you believe that you worked a different number of weeks under any categories above, you can submit a dispute by **INSERT DATE**, 2025 (“Response Deadline”). See **Section 4** of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood this Notice. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff as a Service Payment and to Plaintiff’s attorneys (“Class Counsel”) for their requested attorneys’ fees and costs. If the Settlement is approved, the Court will enter an order and judgment that requires Defendant to make payments under the Settlement and bars Class Members and Aggrieved Employees from asserting certain claims against Defendant as described in Question 3 below.

Based on Defendant’s records showing that you worked for Defendant during the Class Period and/or PAGA Period, you have a few options as shown in the Chart below:

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE A SETTLEMENT PAYMENT IF THE SETTLEMENT IS APPROVED	To receive a cash payment from the Settlement, no further action is required on your part. If you do nothing and the Court approves the Settlement, you will be mailed a settlement payment and you will release certain claims. You will be bound by the terms of the Settlement Agreement and will give up your right to sue on the Released Class Claims described in Section 3 .
EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT	If you do <u>not</u> wish to participate in the Settlement of Class Claims, you may “opt-out” of the settlement of the Class Claims. You may not opt-out of the settlement of the PAGA claims. If you choose to opt-out of the Settlement of Class Claims, you must submit a Request for Exclusion Form by INSERT DATE, 2025 (see Section 6 for more details on how to opt-out). If you opt-out, you cannot object to the Class Settlement, and you will receive no money from the Class Settlement, but you will preserve your right to pursue the Released Class Claims described below subject to applicable statutes of limitations. If you are an Aggrieved Employee, you will be paid a share of the PAGA Payment and will be bound by the PAGA Release, as detailed below.
OBJECT TO THE SETTLEMENT	If you object to the Settlement of Class Claims, you may submit an Objection Form stating why you object to the Settlement by INSERT DATE , 2025. You may also orally object at the Final Approval Hearing (see Section 7 for details on how to object).
DISPUTE THE NUMBER OF WEEKS WORKED	If you believe the number of Workweeks that you were credited with working in the chart above is incorrect, you may submit a written dispute to the Administrator (see Section 4 for more details on how to dispute your credited Weeks Worked). Defendant’s records will be presumed to be correct, but you may provide evidence to the Administrator showing how many Workweeks you believe that you should be credited, and the Court will render a final decision.

YOU MAY ATTEND THE FINAL APPROVAL HEARING, BUT IT IS NOT EXPECTED OR REQUIRED	
DATE: INSERT DATE , 2025 TIME: INSERT TIME	At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement. You do not have to attend, but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone, or by using the Court’s virtual appearance platform. Class Members can object to the Settlement prior to or at the Final Approval Hearing. See Section 8 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Rescue 1 Financial. On November 8, 2023, Plaintiff filed the class and representative Action against Defendant, which alleges the following violations of the California Labor Code: (1) failure to pay minimum wages, (2) failure to pay overtime wages; (3) failure to provide meal periods, (4) failure to provide rest breaks, (5) failure to reimburse business expenses, (6) failure to pay vested vacation, (7) failure to timely pay wages upon separation of employment, (8) failure to provide accurate itemized wage statements, and (9) unfair and unlawful competition. Based on the same claims, Plaintiff also asserted a claim for civil penalties under the California Private Attorneys' General Act of 2004 (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action ("Class Counsel"). See Section 9 below for their contact information.

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

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

In preliminarily approving the Settlement, the Court did not make any determination in favor of Plaintiff or Defendant. There has been no decision on the merits or a trial. Instead, both sides conducted investigations and analysis of the facts and applicable law, and hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations and disputes Plaintiff's claims.

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

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

1. Defendant Will Pay \$490,000.00 as the Settlement Amount. Defendant has agreed upon final approval of the Settlement to deposit the Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Settlement Amount to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorneys' fees and expenses, the Administrator's Costs, and PAGA Penalties to be paid to the LWDA. Assuming the Court grants Final Approval, Defendant will fund the Settlement Amount within twenty-one days after the Judgment becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if any Participating Class Member objects to the proposed Settlement or the Judgment is appealed.

2. Court Approved Payments from the Settlement Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following payments from the Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. Up to one-third of the Settlement Amount to Class Counsel for attorneys' fees (\$163,333.33) and up to \$25,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. Up to \$5,000.00 to the Class Representative as a Service Payment for filing the Action, working with Class Counsel, and representing the Class Members and Aggrieved Employees. The Class Representative will also receive an Individual Class Payment and Individual PAGA Payment.
- C. Up to \$8,000.00 to the Administrator for services administering the Settlement.

- D. Up to \$20,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% to Individual PAGA Payments to all Aggrieved Employees, which will be divided based on their share of Pay Periods Worked during the PAGA Period.

3. Net Settlement Distributed to Class Members. After subtracting the above payments in amounts approved by the Court, the Administrator will distribute the remaining funds (the "Net Settlement Amount") by making Individual Class Payments to Participating Class Members based on the number of Share Points credited to each Class Member during the Class Period, and then multiplying the Class Member's Share Points by the Share Point Rate. "Share Points" will be credited as follows: (1) each Week Worked by a Class Member during the Class Period shall be credited with 1 Share Point, and (2) each Week Worked in which the Class Member received commission pay and overtime pay in the same Workweek shall be credited with 4 Share Points. The total combined share points credited to each Class Member will be multiplied by the Share Point Rate, which is the value of each Share Point, and is calculated by dividing the Net Settlement Amount by the total of all Share Points credited to all Class Members.

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to penalties and interest ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay the employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

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

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Settlement, unless you opt-out of the Settlement, no later than the Response Deadline. See Section 6 of this Notice for details on how to opt-out.

7. The Proposed Settlement Will be Void If the Court Denies Final Approval. It is possible that the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible that the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.

8. Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrators (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Request for Exclusion Forms, Objection Forms (if any) and disputes over Weeks Worked and/or Pay Periods. The Administrator will also mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

9. Participating Class Members' Release. Upon the Effective Date occurring, and after the Court's Judgment is final and Defendant fully funding the Settlement Amount, Plaintiff and the Participating Class Members will forever completely release and discharge the Released Parties from the Released Class Claims for the Class Period. "Released Class Claims" means all claims that were alleged in the Complaint, or that reasonably could have been alleged based upon the facts stated in the Complaint, including: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to provide rest breaks, (5) failure to reimburse business expenses, (6) failure to pay vested vacation, (7) failure to timely pay final wages, (8) failure to provide accurate itemized wage statements, and (9) unfair and unlawful competition. The time period governing the Released Class Claims shall be the Class Period.

As used herein, “Released Parties” means Defendant and its parents, subsidiaries, directors, owners, shareholders and officers.

10. Release of Released PAGA Claims. Upon the Effective Date occurring, and after the Court’s Judgment is final and Defendant has fully funded the Settlement Amount, Plaintiff – in his individual capacity and on behalf of the State of California, the LWDA and Aggrieved Employees – will be deemed to have released and discharged the Released Parties from the Released PAGA Claims for the PAGA Period. “Released PAGA Claims” means the PAGA claims that were based on the facts stated in the Complaint and in Plaintiff’s LWDA notice letter, including all PAGA claims seeking civil penalties premised upon: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to provide rest breaks, (5) failure to reimburse business expenses, (6) failure to pay vested vacation, (7) failure to timely pay wages each period, (8) failure to timely pay wages upon separation of employment, (9) failure to provide accurate itemized wage statements; and (10) failure to maintain records. The time period governing the Released PAGA Claims shall be the PAGA Period .

4. HOW IS MY SETTLEMENT PAYMENT CALCULATED?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments based on each person’s total Share Points. Each Class Member’s Share Points shall be calculated as follows: (1) each Week Worked by a Class Member during the Class Period shall be credited with 1 Share Point, and (2) each Week Worked by a Class Member during the Class Period in which the Class Member received commission apy and overtime pay in the same Workweek shall be credited with 4 Share Points. The total combined share points in both classes will be referred to as a Class Member’s Share Points. The Settlement Administrator will calculate Class Members’ Individual Class Payments by multiplying the Class Members’ Share Points by the “Share Point Rate” which is the value of each individual Share Point, as calculating by dividing the Net Settlement Amount by the total of all Share Points credited to all Class Members.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$5,000.00 by the total number of Pay Periods Worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by the number of Pay Periods Worked by each individual Aggrieved Employee during the PAGA Period.

3. Disputing Weeks Worked, Pay Periods and/or Share Points. The number of weeks you worked during the Class Period (and the corresponding Share Points you are credited) as well as the number of Pay Periods Worked during the PAGA Period, as recorded in Defendant’s records, are stated in the tables on page 1 of this Notice . You have until , 2025 (“Response Deadline”) to dispute the number of Workweeks and/or Pay Periods credited to you by submitting evidence to the Administrator.

You need to support your dispute by sending copies of pay stubs or other records. The Administrator will accept Defendant’s calculation of Weeks Worked and Pay Periods based on Defendant’s records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will attempt to resolve Workweek and Pay Period disputes based on your submission and on input from Class Counsel and Defendant’s Counsel, but the Court will have the right to review any initial decision made by the Administrator along with the evidence submitted. You cannot appeal or otherwise challenge the Court’s final decision.

5. HOW AND WHEN WILL I GET PAID?

1. Participating Class Members and Aggrieved Employees. Defendant has agreed to fund the Settlement Amount approximately thirty (30) days after the judgment is final. Upon receipt of the funds, the Administrator will send, by U.S. mail, a check to every Participating Class Member and Aggrieved Employee approximately ten (10) days after receipt of payment.

2. Aggrieved Employees Only. If you opted out of the Class Settlement, but qualify as an Aggrieved Employee, then the Administrator will send, by U.S. mail, one check containing your Individual PAGA Payment. Even if an Aggrieved Employee does not cash the settlement check, the Aggrieved Employee will be bound by the PAGA Released Claims.

3. Individual payments will be mailed to Participating Class Members and Aggrieved Employees only if the Court grants Final Approval of the Settlement and Defendant timely funds the Settlement Amount. The dates above are estimates; the dates after the Final Approval Hearing on which the above actions will take place will depend on several factors, including whether any Class Member objects to the Settlement or appeals the Court's Final Approval.

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

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

If you **do not** wish to take part in the release of the Class Claims in the Settlement, you may exclude yourself from the Class Settlement by completing and mailing to the Administrator the enclosed Request for Exclusion Form, postmarked no later than [REDACTED], 2025.

Any Class Member who submits a timely Request for Exclusion from the Class Claims (1) will not have any rights under the Class Settlement, including the right to object to, appeal, or comment on the Settlement; (2) will not be entitled to receive an Individual Class Payment; (3) will preserve the right to pursue the Released Class Claims; and (4) will not be bound by this Settlement, or the Judgment, except as to the release of PAGA claims in which case you remain eligible to receive a PAGA payment even if you opt-out.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement remain eligible for Individual PAGA Payments even if they opt-out of the Class Settlement.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. A Participating Class Member who disagrees with any aspect of the Settlement may wish to object. **The deadline for sending written objections to the Administrator is [REDACTED], 2025 (the "Response Deadline").**

If you wish to object to the proposed Settlement, you or your own attorney must submit a written objection on the enclosed Objection Form, and should include the basis for the objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support thereof. Additionally, if you are represented by an attorney, the objection should include the name and address of your attorney. The objection and all supporting information must be sent to the Administrator at the address listed in Section 9, **postmarked** on or before [REDACTED], 2025.

If you do not comply with these procedures and the deadline for objections, the Court may not consider your objection at the Final Approval Hearing, and you may lose the right to contest the approval of the Settlement. You are still eligible to receive a settlement payment should the Settlement become final even if you object to the Settlement. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment before entry of judgment.

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

8. WHEN IS THE FINAL APPROVAL HEARING?

On [REDACTED], 2025, at [REDACTED] a.m./p.m., the Court will hold a public hearing in Department CX105 of the Civil Complex Center for the Superior Court for the State of California, County of Orange, 751 W. Santa Ana Blvd., Santa Ana, CA 92701 for the purposes of determining whether the proposed Settlement is fair, adequate, and reasonable and should be approved, whether to approve Class Counsel's applications for attorneys' fees and costs, whether

to approve the payment to the LWDA, and whether to approve Plaintiff's request for the Service Payment. This hearing may be continued or rescheduled by the Court without further notice to you other than by you checking the Court's docket. If you do not object to the proposed Settlement, you can, but do not need to, appear at the hearing and do not need to take any other action. Class Counsel will answer any questions that Judge Melissa R. McCormick may have.

9. HOW CAN I GET MORE INFORMATION?

For your convenience, the Administrator has uploaded key case documents (including the Settlement Agreement, the Class Notice Packet, Motion for Preliminary Approval, and Orders granting Preliminary Approval, Final Approval, and the Judgment) for this case to the following website: [INSERT URL HERE](#). The website will be active for at least 180 days.

If you have questions about this Notice, the process to opt-out or object, or the Settlement, or if you did not receive this Notice in the mail but obtained it through other means and you believe that you are or may be a member of the Class, you should contact the Administrator for more information or to request that a copy of this Notice be sent to you in the mail. Additionally, should you desire any additional information, or if you wish to communicate directly with Class Counsel or Defendant's Counsel, you may contact them at the contact information noted here:

Settlement Administrator	Class Counsel	Defendant's Counsel
Name Mailing Address Telephone Number Case Website	Brian Mankin, Esq. <i>brian@LMLfirm.com</i> Peter Carlson, Esq. <i>peter@LMLfirm.com</i> Lauby Mankin Lauby LLP 5198 Arlington Ave, PMB 513 Riverside, CA 92504 Tel: (951) 320-1444	Devon Lyon, Esq. <i>d.lyon@lyon-legal.com</i> Anand Mathew, Esq. <i>a.mathew@lyon-legal.com</i> LYON LEGAL, P.C. 1154 E. Wardlow Road Long Beach, CA 90807 Tel: (562) 216-7382

You may also seek advice from your own private attorney at your own expense, if you so desire.

This Notice is only a summary. For more detailed information, you may review the Settlement Agreement, containing the complete terms of the proposed Settlement, which is posted on the Administrator's website (above), as well as on file with the Court and attached to the Supplemental Declaration of Brian J. Mankin in Support of Motion for Preliminary Approval of Class Action Settlement filed on [REDACTED], 2025 and which is available to be inspected at any time during regular business hours at the Office of the Clerk, Orange County Superior Court, at 700 Civic Center Drive West, Santa Ana, CA 92701.

DO NOT WRITE OR TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT

10. WHAT IF I DO NOT GET OR LOSE MY SETTLEMENT CHECK(S)?

The settlement check(s) will automatically expire 180 days after the check(s) is mailed. If you do not receive or do not cash any check, you may contact the Administrator to request that the check(s) be reissued so long as more than 180 days from the mailing of the third check has not passed. For any payments that are not cashed within 180 days of the third and final payment, the payment will be void and a stop-payment will be issued on any outstanding checks, and the Administrator shall issue the unclaimed funds to the California State Controller's Office in the name of the recipient. Contact the California State Controller's Office for information on how to claim uncashed funds.

11. WHAT IF MY ADDRESS HAS CHANGED?

To ensure that you receive your check, you should immediately notify the Administrator if you have moved or otherwise changed your mailing address.

OBJECTION FORM

Dever v. Rescue 1 Financial, LLC

Orange County Superior Court, Case No. 30-2023-01360010-CU-OE-CXC

Please verify and/or complete any missing identifying information:

[NAME]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

DO YOU OBJECT TO THE SETTLEMENT? (check the box that applies)

☐

NO: STOP HERE -- DO NOT RETURN THIS FORM

☐

YES: COMPLETE THE PORTION BELOW AND RETURN THIS FORM

I OBJECT to the Settlement in the case of *Dever v. Rescue 1 Financial, LLC* (Orange County Superior Court, Case No. 30-2023-01360010-CU-OE-CXC) on the following grounds (if additional space is necessary, please include additional sheets of paper):

Signed on _____, 2025

[NAME]

MAIL TO THE SETTLEMENT ADMINISTRATOR, BY U.S. MAIL, POSTMARKED NO LATER THAN [INSERT OBJECTION DEADLINE]:

Settlement Administrator:

Name
Mailing Address
Telephone Number

REQUEST FOR EXCLUSION FORM

Dever v. Rescue 1 Financial, LLC

Orange County Superior Court, Case No. 30-2023-01360010-CU-OE-CXC

[NAME]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

DO YOU WANT TO PARTICIPATE IN THE SETTLEMENT AND RECEIVE A SETTLEMENT CHECK? (check the box that applies)

☐

YES: STOP HERE -- DO NOT RETURN THIS FORM. NO FURTHER ACTION IS NEEDED TO PARTICIPATE IN THE SETTLEMENT.

☐

NO: SIGN, DATE, AND RETURN THIS FORM TO EXCLUDE YOURSELF FROM THE SETTLEMENT.

By signing below, I am excluding myself from the Settlement:

I do NOT want to participate in the settlement in *Dever v. Rescue 1 Financial, LLC* (Orange County Superior Court Case No. 30-2023-01360010-CU-OE-CXC). I understand that, by excluding myself from the settlement, I will not receive any money from the settlement other than an Individual PAGA Payment if I qualify as an Aggrieved Employee (see first page of the Court Approved Notice of Class Action Settlement).

Signed on _____, 2025

[NAME]

MAIL TO THE SETTLEMENT ADMINISTRATOR, BY U.S. MAIL, POSTMARKED NO LATER THAN [INSERT DEADLINE]:

Settlement Administrator:

Name

Mailing Address

Telephone Number