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SAN MATEO COUNTY

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF SAN MATEO**

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| VIRGINIA BREW, TONY GROSBEIER, COURTNEY TOLBERT, D C SNYDER, AND TIMOTHY MELLEN on behalf of themselves and all similarly situated persons, and the general public,<br><br>Plaintiffs,<br><br>v.<br><br>ROCKET MORTGAGE, LLC.; and DOES 1 through 25, inclusive,<br><br>Defendants. | CASE NO. **24-CIV-00893**<br><br>*Assigned for all purposes to the Honorable Nancy L. Fineman, Dept. 4*<br><br>**SECOND AMENDED [PROPOSED] ORDER GRANTING MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**<br><br>Hearing Date: September 24, 2024<br>Time: 2:00 p.m.<br>Dept: 4 |

Plaintiffs' Notice of Motion and Unopposed Motion for Preliminary Approval of Class Action and PAGA Settlement came on for hearing before this Court on September 24, 2024 at 2:00 p.m., the Honorable Nancy L. Fineman, presiding.

As noted herein, the parties have addressed the Court's concerns set forth in the Court's Tentative Ruling dated September 24, 2024. Having considered the motion and its supporting papers and for good cause shown,

**IT IS HEREBY ORDERED:**

Originally, this action was a Private Attorney General Act (PAGA) case brought by Brew against Defendant, Rocket Mortgage, LLC (Rocket). However, on June 11, 2024, Brew as well as Grosbeier, Mellen, Tolbert, and Snyder combined allegations made in other lawsuits into a class and PAGA First Amended Complaint in this court alleging wage and hour and Labor Code violations. Plaintiffs now ask this court to preliminary approve a settlement in this case.

According to the motion, it is estimated based on Rocket's records that there are approximately 644 class members, who worked 40,803 workweeks. The proposed settlement amount of $4,500,000.00 is expected to provide the settlement class members with an average individual payment of approximately $3,738.16 per class member (i.e., $59.00 per workweek) based on the formula. The estimated average gross recovery per class member is $6,987.57. The settlement will also provide a payment of $187,500.00 to the California Labor and Workforce Development Agency (i.e., 75% of the $250,000.00 amount allocated to resolve the PAGA allegations). The remaining $62,500.00 shall be distributed amongst approximately 545 PAGA Employees who worked 15,632 pay periods. The settlement provides the settlement class members, who worked during the PAGA period ("PAGA Employees"), with an average PAGA payment of approximately $114.67 per PAGA Employee.

In ruling on class action and PAGA settlements, this court has a duty to independently determine whether a settlement is fair, reasonable and adequate. (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 76 77, disapproved of on other grounds by *Turrieta v. Lyft, Inc.* (2024) 16 Cal.5th 66 ["trial court should evaluate a PAGA settlement to determine whether it is fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws."] *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129 [" 'The court has a fiduciary responsibility as guardians of the rights of the absentee class members when deciding whether to approve a settlement agreement.' "]; *In re Microsoft I-V Cases* (2006) 135 Cal.App.4th 706, 723.)

Plaintiffs primarily rely on Federal Rule of Civil Procedure 23 and federal law in support of their motion. While state courts look to Rule 23 and federal law in class actions, California has robust statutory and case authority which governs state court class and PAGA actions. This court analyzes the settlement under California law. Review of a proposed class action settlement typically involves a two-step process: preliminary approval and a subsequent final approval hearing. (*Cellphone Termination Fee Cases* (2009) 180 Cal.App.4th 1110, 1118; Cal. Rules of Court, 3.769; Code. Civ. Proc., § 581, subd. (k).)

Precertification settlements in class actions should be scrutinized carefully. (*Cho v. Seagate Technology Holdings, Inc.* (2009) 177 Cal.App.4th 734, 743 (*Cho*).) This is accomplished through careful review by the trial court, and precertification settlements are routinely approved where they are found fair, adequate and reasonable. (*Ibid*.; see also *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 240, disapproved of on other grounds by *Hernandez v. Restoration Hardware, Inc.* (2018) 4 Cal.5th 260.) " 'Due regard,' … 'should be given to what is otherwise a private consensual agreement between the parties. The inquiry "must be limited to the extent necessary to reach a reasoned judgment that the agreement is not the product of fraud or overreaching by, or collusion between, the negotiating parties, and that the settlement, taken as a whole, is fair, reasonable and adequate to all concerned." [Citation.].... ' " (*7–Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85 Cal.App.4th 1135, 1145, quoting *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1802 (*Dunk*).) The test is not whether the maximum amount is secured, but whether the settlement is reasonable under all circumstances. For example, a trial court does not abuse its discretion in approving a settlement when it found that the settlement was achieved at arm's length negotiation, including review of the mediator's declaration; the fact the case was vigorously litigated; plaintiff was represented by experienced counsel; the number of class members who objected or opted out was very small; and plaintiff faced considerable risk in proceeding to trial. (*Cho*, *supra*, at p. 745.)

The trial court possesses a broad discretion to determine the fairness of the settlement, a discretion exercised through the application of a handful of identified criteria. Both the federal circuit courts and our Court of Appeal have adopted a mix of relevant considerations, including "[1] the strength of plaintiffs' case, [2] the risk, expense, complexity and likely duration of further litigation, [3] the risk of maintaining class action status through trial, [4] the amount offered in settlement, [5] the extent of discovery completed and the stage of the proceedings, [6] the experience and views of counsel, ... and [7] the reaction of the class members to the proposed settlement." (*Dunk*, *supra*, 48 Cal.App.4th at p. 1801.) The list of factors is not exhaustive and "should be tailored to each case." (*Id*. at p. 1801.) According to the *Dunk* court, "a presumption of fairness exists where: (1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small." (*Id*. at p. 1801.)

The parties have confirmed that the release in the settlement agreement and proposed class notice completely tracks the allegations in the First Amended Complaint filed June 11, 2024.

The parties have revised the proposed notice under "Your Legal Rights & Options in this Settlement" so it bolds "You cannot opt-out of the PAGA portion of the proposed Settlement" and shall state "Private Attorney General Act (PAGA)" rather than simply PAGA as shown in the revised notice package appended hereto ("Exhibit A").

The parties have revised the proposed notice to include opt-out and objection forms as shown in the revised notice package appended hereto.

The parties have revised the proposed notice to state that the court will consider the attorneys' fees, costs and a service award at the final approval hearing up to the amounts currently listed in the notice but has not yet made any order on the request as shown in the revised notice package appended hereto.

The parties have revised the proposed notice to state that the Hon. Nancy L. Fineman, Department 4 is located at Hall of Justice, 400 County Center, Courtroom 4C, Redwood City, CA

94063 and providing a link to Judge Fineman's Zoom link from the San Mateo Superior Court website and to state that appearances can be by Zoom as shown in the revised notice package appended hereto.

The parties have revised the proposed notice to state that he Response Deadline shall be 45-days from initial mailing *or re-mailing* as shown in the revised notice package appended hereto.

The Court is satisfied that there is no need for the notice to be sent in other languages in addition to English.

The Court finds that unpaid cash residue or unclaimed or abandoned class member funds, if any, shall go to *cy pres* recipient(s) pursuant to further order of the Court as necessary and appropriate for the payment, administration, supervision, and accounting of any unpaid cash residue or unclaimed or abandoned class member funds in accordance with Code of Civ. Proc., § 384, subd. (b).

As to the other requirements for preliminary approval of a class settlement, the Court finds that they have been met. Plaintiffs have sufficiently addressed the following factors:

Plaintiffs have provided notice to the Labor Workforce Development Agency (LDWA) as required by Labor Code section 2699, subdivision (s)(2). (Glugoski Decl., ¶ 38, Ex. 6.)

The court finds Phoenix Settlement Administrator is an experienced third-party claims administrator (Glugoski, ¶ 29) and approves its retention.

The court finds that the settlement is preliminarily fair and reasonable. While the court places reliance on counsel's opinion, the court "must also receive and consider enough information about the nature and magnitude of the claims being settled, as well as the impediments torecovery, to make an independent assessment of the reasonableness of the terms to which the parties have agreed. We do not suggest that the court should attempt to decide the merits of the case or to substitute its evaluation of the most appropriate settlement for that of the attorneys. However, as the court does when it approves a settlement as in good faith under Code of Civil Procedure section 877.6, the court must at least satisfy itself that the class settlement is within the 'ballpark' of reasonableness. (See *Tech–Bilt, Inc. v. Woodward–Clyde & Associates* (1985) 38 Cal.3d 488, 499–500.) While the court is not to try the case, it is ' 'called upon to consider and weigh the nature of the claim, the possible defenses, the situation of the parties, and the exercise of business judgment in determining whether the proposed settlement is reasonable.' ' (*City of Detroit v. Grinnell Corp*., [2nd Cir. 1974] *supra*, 495 F.2d [448] at p. 462, italics added.) This the court cannot do if it is not provided with basic information about the nature and magnitude of the claims in question and the basis for concluding that the consideration being paid for the release of those claims represents a reasonable compromise." (*Kullar*, *supra*, 168 Cal.App.4th at p. 133.) In this case, the memorandum of points and authorities and declaration of John Glugoski provides information regarding each of these factors:

> **The settlement was negotiated at arms-length.** It does not appear that the parties used a mediator to assist them with the settlement. However, based upon the extent of discovery conducted, the experience of both Plaintiffs' and Rocket's counsel in these types of cases, and the vigorous defense by Rocket, the court finds that the settlement was negotiated at arms-length.
>
> **The Settlement is Within the Ballpark of Reasonableness.** The settlement is for $4.5 million. Glugoski explains his analysis of the potential recovery and the strength and weaknesses of the claims, including the risks of going forward. (Glugoski Decl., ¶¶ 33-38.) The benefits of settling now for a lesser amount than might be received at trial is reasonableness based upon the risks inherent in all litigation, the cost of going forward, and the time value of money.
>
> **There has been sufficient investigation and discovery and Plaintiff's counsel is experienced in similar litigation**. This case has been vigorously litigated, with substantial discovery and the retention by Plaintiffs of experts to assist them.

The court finds that the allocation of the settlement between the class and PAGA is fair and reasonable. (*Nordstrom Com. Cases* (2010) 186 Cal.App.4th 576, 589 [finding no abuse of discretion to allocate nothing to PAGA in a PAGA/class settlement]). Further, LDWA has been provided notice of the settlement and has not objected.

Plaintiffs show that for settlement purposes only, class certification is appropriate.

- **Numerosity/Ascertainability**: Plaintiffs demonstrate numerosity of the settlement and have stated that the class is ascertainable. Plaintiffs define the class according to objective criteria, and the class members are easily identifiable and can be easily located from defendant's records. The class consists of approximately 644 individuals, making joinder impracticable. The court finds numerosity and ascertainability.

- **Commonality**: Common issues predominate over whether Rocket violated wage and hour laws.
- **Superiority**: The court finds the superiority requirement satisfied because of the benefits and efficiencies of this proposed settlement, when compared to continued litigation of the case on either a class basis or through multiple individual lawsuits.
- **Typicality**: Plaintiffs represent that their claims are the same as those of the class members they seek to represent and the court agrees.
- **Adequacy of Representation:** Plaintiffs met their burden to demonstrate that they do not have any disabling conflicts and their counsel is more than adequate to represent the class. If the court grants preliminary approval, it will approve the appointment of Plaintiffs Brew, Grosbeier, Mellen, Tolbert, and Snyder as class representatives and Righetti Glugoski, P.C. and Nathan & Associates as class counsel.

The Court finds the contents of the settlement notice to be substantively adequate. (Cal. Rules of Court, rule 3.769(f); *Martorana v. Marlin & Saltzman* (2009) 175 Cal.App.4th 685, 694.) The court also finds the method of notice—first class mail— to be sufficient. (*City of San Diego v Haas* (2012) 207 Cal.App.4th 472, 502; *Chavez v Netflix*, Inc. (2008) 162 Cal.App.4th 43, 57; *Wershba v Apple Computer, Inc.*, *supra*, 91 Cal.App.4th at p. 251.)

The court will decide attorneys' fees, costs and incentive awards at a hearing based upon a noticed motion, which will be heard on the same date as the hearing on final approval. The motion shall be filed no later than 14 days before the deadline for class members to object to the settlement or request exclusion from the class. The court will consider the attorneys' fees, costs and service awards proposed by Plaintiffs. Plaintiffs' counsel is to submit evidence supporting each of these requests. For the attorneys' fees award, counsel shall provide sufficient evidence so that the court can perform a lodestar cross-check, including either billing records or comparable evidence, including which attorneys or support staff worked on each task, support for the hourly rate as reasonable in San Mateo County, and evidence, if any, supporting an award of a multiplier. For the costs, they shall be sufficiently identified so that the court can determine their reasonableness. For the service award, the class representative must submit a declaration with specific facts regarding their contribution; general statements are insufficient. (*Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785, 805.) If there is any specific claim of Plaintiffs that is consideration for any general release or specific reputational harm, Plaintiffs shall identify them for the court. Some of this information has already been provided but should also be provided in the motion for attorneys' fees, costs, and service award.

The Court approves the format and content of the Notice of Class Action Settlement (the "Notice Packet") appended hereto. The Court finds that the dissemination of the Notice Packet in the manner set forth in the Settlement Agreement complies with the requirements of due process and appears to be the best notice practicable under the circumstances.

Any opt-out requests submitted by Class Members shall be submitted to the Settlement Administrator as opposed to filed with the Court. The Settlement Administrator shall forward copies of these submitted opt-out requests to counsel of record. The Settlement Administrator shall file a declaration concurrently with the filing of any motion for final approval, authenticating a copy of every opt-out request received by the Settlement Administrator.

Neither this Order, the Settlement Agreement, nor any document referred to therein, nor any action taken to carry out the settlement embodied in the Settlement Agreement may be construed as or may be used as an admission by or against Defendant or any of the other Released Parties (as that term is defined in the Settlement Agreement) of any fault, wrongdoing or liability whatsoever. The entering into or carrying out of the Settlement Agreement, and any negotiations or proceedings related thereto, shall not in any event be construed as, or deemed to be evidence of, an admission or concession with regard to the denials or defenses by Defendant or any of the other Released Parties and shall not be offered in evidence in any action or proceeding against Defendant or any of the Released Parties in any court, administrative agency or other tribunal for any purpose whatsoever other than to enforce the provisions of this Order, the Settlement Agreement, or any related agreement or release.

The Court orders the following implementation schedule for further proceedings:

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| a. | Deadline for Defendants to Submit Class List and Data to Settlement Administrator | **Twenty-one (21) calendar days after the Preliminary Approval Order** |
| b. | Deadline for Settlement Administrator to Mail the Notice to Class Members | **Fourteen (14) calendar days after Defendants provide the Settlement Administrator with the Class List and Data** |
| c. | Deadline for Class Members to Opt-Out of or Object to Settlement | **Forty-five (45) calendar days after mailing of Notices to Class Members** |
| e. | Deadline for Class Counsel to file (1) Motion for Final Approval of Class Action Settlement and (2) Motion for Award of Class Representative Enhancement Award, Claims Administrator's Expenses and Attorneys' Fees and Costs | **Thirty days after mailing of Notices to Class Members** |
| f. | Hearing on:<br>• Motion for Final Approval of Class Action Settlement;<br>• Motion for Award of Class Representative Enhancement Award, Settlement Administrator's Expenses and Attorneys' Fees and Costs | **___________, 2025**<br>**at _______ a.m.** |

If there is any continuance of the hearing date on Final Approval, the Settlement Administrator must give notice of the new date to all Objectors.

**IT IS SO ORDERED**.

Dated: ______________________

______________________________________
HONORABLE NANCY L. FINEMAN
Judge of the Superior Court of California

# EXHIBIT A

# NOTICE OF CLASS ACTION SETTLEMENT

***COURTNEY TOLBERT, VIRGINIA BREW, TONY GROSBEIER, TIMOTHY MELLEN, AND D C SNYDER,*** **PLAINTIFFS,** ***V. ROCKET MORTGAGE, LLC,*** **DEFENDANT.**

**SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF SAN MATEO**
**CASE NO. 24-CIV-00893 ("ACTION")**

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

**You have received this Notice because a) Rocket Mortgage, LLC's records show that you were employed by Rocket Mortgage, LLC in California as a non-exempt employee at some time between June 21, 2019, through [insert date of preliminary approval of settlement], and b) you are eligible to receive compensation from a class action settlement.**

| **YOUR LEGAL RIGHTS & OPTIONS IN THIS SETTLEMENT** | |
|---|---|
| **DO NOTHING AND GET AUTOMATIC PAYMENT** | If you received this Notice of Class Action Settlement, you will automatically receive your share of the settlement, unless you exclude yourself. You do not need to submit a claim form to receive this payment. |
| **EXCLUDE YOURSELF** | You can opt-out of the Class Settlement if you do not want to participate by sending the Administrator a written Request for Exclusion by ______________, 2024. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement.<br>**You cannot opt-out of the Private Attorneys General Act (PAGA) portion of the proposed Settlement.** |
| **OBJECT** | Class Members who do not opt out of the proposed settlement ("Participating Class Members") may object to the settlement. The deadline to file objections with the Court is __________, 2024. |

A proposed settlement (the "Settlement") has been reached in the above-referenced lawsuit (the "Action"). The Settlement resolves a class and representative action lawsuit in which Plaintiffs Courtney Tolbert, Virginia Brew, Tony Grosbeier, Timothy Mellen, and D C Snyder ("Plaintiffs or "Class Representatives") claim Defendant Rocket Mortgage, LLC ("Rocket Mortgage) violated California's wage and hour laws. Rocket Mortgage has denied and continues to deny the factual and legal allegations in the case and believes it consistently complied with all applicable laws at all relevant times.

Because your rights may be affected by this Settlement, it is important that you read this Notice carefully. If you still have questions, or if you wish to update your mailing information, please contact the settlement administrator, __________, at (xxx) xxx-xxxx.

## 1. Why did I get this notice?

You received this notice because Rocket Mortgage's records show that you are a member of the Settlement Class. The "Settlement Class" or "Settlement Class Members" consist of all non-exempt employees who worked in California for Rocket Mortgage between June 21, 2019 through [INSERT DATE OF PRELIMINARY APPROVAL OF SETTLEMENT] (the "Class Period"). This notice tells you how you can a) be part of the class action Settlement, b) object to the proposed class action Settlement, or c) exclude yourself from the class action Settlement.

## 2. What is the Action and Settlement about?

Plaintiffs assert claims on behalf of themselves and other non-exempt employees who worked for Rocket Mortgage in California during the Class Period. Plaintiffs allege that Rocket Mortgage failed to pay minimum wages and overtime, failed to provide meal or rest periods, and failed to reimburse business expenses, among other claims. Rocket Mortgage denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

The parties disagree as to the probable outcome of the Action with respect to liability and damages if the Action were not settled. That notwithstanding, each side has decided to amicably resolve this matter rather than continue to trial.

The parties reached a settlement, subject to Court approval, to resolve all claims asserted in the Action. Plaintiffs believe the Settlement is fair, adequate, and reasonable, and is in the best interest of Settlement Class Members. By agreeing to settle, Rocket Mortgage is not admitting liability on any of the factual allegations or claims in the Action or that the Action can or should proceed as a class or representative action. The Court has not ruled on the merits of the Plaintiffs' claims or Rocket Mortgage's defenses (which means the court has not decided who is right or wrong).

On DATE, the Court issued an order preliminarily approving the proposed Settlement, approving this Notice and setting deadlines and a final approval hearing date. The Court will decide whether to give final approval to the proposed Settlement at a hearing scheduled for INSERT DATE ("Final Approval Hearing"). See below for details.

## 3. What does the settlement provide?

Subject to the Court's final approval, the terms of the Settlement are as follows:

A. Rocket Mortgage will pay the gross settlement amount of $4,500,000 ("the Settlement Amount"), which is inclusive of: attorneys' fees of not more than 35% of the Gross Settlement Amount ($1,575,000) and costs incurred for representing Plaintiffs and the Settlement Class in the Action (not to exceed $200,000); class representative service payments to Plaintiffs for their services as Class Representatives of not more than $25,000 total ($10,000 to Courtney Tolbert; $7,500 to D C Snyder; and $2,500 each to Virginia Brew, Tony Grosbeier, Timothy Mellen); release payments to Plaintiffs of not more than $30,000 total ($15,000 to Courtney Tolbert; $7,500 to D C Snyder; and $2,500 each to Virginia Brew, Tony Grosbeier, Timothy Mellen) in consideration for Plaintiff's general release of claims against Rocket Mortgage; a payment of $250,000 in settlement of Plaintiffs' claims under the California Private Attorneys General Act of 2004 (the "PAGA Settlement"), of which 75% ($187,500) will be paid to the California Labor and Workforce Development Agency ("LWDA") and 25% ($62,500) will be paid to Settlement Class Members who worked for Rocket Mortgage between April 14, 2021 through DATE OF PRELIMINARY APPROVAL OF SETTLEMENT ("PAGA Employees"), pursuant to PAGA; and an administrator expenses payment not to exceed $10,500 to Phoenix Settlement Administrators. Each of these sums will be paid from the Settlement Amount. The remaining amount (the "Net Settlement Amount") will be paid to Settlement Class Members who did not submit a valid and timely Request for Exclusion ("Participating Class Members"). The Court will consider the attorneys' fees, costs, and service awards at the Final Approval Hearing up to the amounts listed in this notice, but has not yet made any order on the request.

B. Each Participating Class Member will be allocated an "Individual Class Payment," that will be calculated based on the number of "Workweeks" the Participating Class Member worked for Rocket Mortgage in California as a non-exempt employee during the Class Period, as follows: (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and (b) multiplying the result by the number of Workweeks each Participating Class Member worked during the Class Period. The parties 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. (Rocket Mortgage will separately pay employer payroll taxes it owes on the Wage Portion.) The Administrator will report the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

C. In addition to the Individual Class Payment, each Participating Class Member who is also a PAGA Employee will be allocated an "Individual PAGA Payment," which will be calculated based on the number of "Pay Periods" the PAGA Employee worked for Defendant in California as a non-exempt employee during the PAGA Period, as follows: (a) dividing the PAGA Employees' twenty-five percent (25%) share of the PAGA Payment ($62,500.00) by the total number of Pay Periods worked by all PAGA Employees during the PAGA Period, and (b) multiplying the result by the number of Pay Periods each PAGA Employee worked during the PAGA Period. The Administrator will report the full amount of the Individual PAGA Payment on IRS 1099 Forms.

According to Rocket Mortgage's records, you worked for Rocket Mortgage as a non-exempt employee in California for a total of _____ Workweeks during the Class Period, of which _____ qualify as Pay Periods during the PAGA Period. Based on the above methodology, your estimated Individual Class Payment is $___________ and your estimated Individual PAGA Payment is $___________.

Although the parties have agreed to the above allocations, neither side is giving you any advice on whether your Individual Class Payment or Individual PAGA Payment 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 Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement. None of the above payments will be eligible for benefit contributions or employee matching.

## 4. What am I giving up in exchange for the settlement benefits?

If you do not timely exclude yourself from the class action Settlement as explained below, then upon the date on which the settlement becomes Effective, you will release Rocket Mortgage and all related parties ("Released Parties") from all claims under state, federal or local law, whether statutory, common law or administrative, arising out of or related to the class action allegations set forth in the Action ("Released Class Claims"), as follows:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims under state, federal or local law, whether statutory, common law or administrative law, that were alleged, or reasonably could have been alleged, based on the allegations set forth in the operative Complaint in this Action and ascertained in the course of the Action, including without limitation, claims under California Labor Code sections 201-204, 218, 221, 223, 224, 226, 226.2, 226.3, 226.7, 510, 512, 558, 1194, 1197, 1197.1, 1198, 2800 et. seq., 2802, 2751, California Industrial Commission Wage Orders, the California Code Regulations, and Business and Professions Code sections 17200, et seq., and including all claims for or related to alleged failure to pay minimum wages, failure to pay overtime wages and double time wages, failure to provide meal periods, failure to provide rest periods, unlawful deductions, failure to provide accurate and itemized wage statements, failure to provide timely wages owed during employment and upon separation, failure to reimburse business expenses, and unfair competition, including, but not limited to, claims for injunctive relief, liquidated damages, penalties of any nature, interest, fees, costs, as well as all other claims and allegations made or which could have been made in the Action based on the facts and allegations pled in the operative Complaint during the Class Period ("Released Class Claims"). In addition, those Participating Class Members who cash, deposit, or otherwise negotiate their Individual Class Payment checks will be deemed to have opted in for purposes of the Fair Labor Standards Act ("FLSA") and to have, thereby, released the Released Parties of all minimum wage and overtime claims which arose from June 21, 2020 through the date of Preliminary Approval of the Settlement. Individual Class Payment checks will contain the following printed notice advising Participating Class Members that they are opting in to the Settlement and releasing their minimum wage and overtime claims under the FLSA by cashing, depositing or otherwise negotiating their Individual Class Payment checks: "BY CASHING THIS CHECK YOU ARE AGREEING TO THE TERMS OF THE SETTLEMENT REACHED IN TOLBERT ET AL. V. ROCKET MORTGAGE, LLC, CASE NO. 24-CIV-00893, AND AGREE TO OPT-IN TO THE SETTLEMENT AND TO RELEASE CLAIMS UNDER THE FAIR LABOR STANDARDS ACT PURSUANT TO THE SETTLEMENT." Other than the claims identified above, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

In addition to the Released Class Claims, upon the date on which the payment of the Gross Settlement Amount is made by Defendant, all PAGA Employees shall be deemed to have released their respective PAGA claims against the Released Parties, as follows:

All PAGA Employees (including any Class Members who validly opt out of the Class Settlement), on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, and the LWDA, release the Released Parties from all claims for civil penalties under PAGA that were alleged, or reasonably could have been alleged, based on the allegations set forth in Plaintiffs' notices to the LWDA (as described in Paraphs 2 above), the operative Complaint in this Action and ascertained in the course of the Action, including without limitation, alleged violations of California Labor Code sections 200-204, 210, 212, 216, 218.5, 221-224, 225.5, 226.3, 226, 226.6, 226.7, 233, 234, 245-248.5, 256, 432, 432.5, 432.7, 500-508, 510, 512, 515, 558, 558.1, 976, 1024.5, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1198.3, 1198.5, 1199, 2699, 2751, 2800, 2802, 2804, and 2810.5, California Industrial Commission Wage Orders, and the California Code Regulations, and including all claims for or related to alleged failure to pay minimum or straight time wages, failure to pay overtime wages, failure to provide meal periods, failure to provide rest periods, failure to provide accurate and itemized wage statements, failure to maintain required records, failure to produce records, failure to reimburse necessary business expenditures, failure to provide timely wages owed upon separation, failure to timely pay wages, failure to provide sick pay, failure to adopt a compliant sick pay or paid time off policy, failure to provide written commission agreements, Violations of Labor Code §§ 976, 1198, 1199, and 2751, Violations of Labor Code §§ 500-508 and 2810.5, failure to pay for all hours worked at the proper wage rate, unlawful deductions, unlawful financial and criminal background checks, statutory wage violations, standard conditions of labor violations, interest, fees, costs, as well as all other claims and allegations made or which could have been made in the Action based on the facts and allegations pled in the operative Complaint during the PAGA Period.

## 5. Who are the attorneys representing the parties?

<u>Class Counsel</u>
Matthew Righetti – matt@righettilaw.com
John Glugoski – jglugoski@righettilaw.com
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<u>Defendant's Counsel</u>
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Telephone: (213) 689-0404

## 6. How do I participate in the settlement?

You are not required to take any action to receive your individual settlement payments. If you do nothing, your share of the settlement proceeds will be mailed to you by check after the Court grants "final approval" of the Settlement, and after time for appeals has ended or any appeals have been resolved, if applicable.

## 7. How do I opt-out of the Settlement Class?

If you do not wish to participate in the class Settlement (i.e., "Opt Out"), you must complete and sign a request for exclusion and return it by first class mail, facsimile, or email to:

**PHOENIX SETTLEMENT ADMINISTRATORS**
**1411 N. Batavia St., Suite 105**
**Orange, California 92867**
**Fax: (949) 209-2503**
**Email: jarrrod@phoenixclassaction.com**

Your Request for Exclusion must include the following: (1) a statement that reasonably communicates your election to be excluded from the class Settlement (e.g., "I wish to exclude myself from the class settlement reached in the matter of *Courtney Tolbert, Virginia Brew, Tony Grosbeier, Timothy Mellen, and D C Snyder v. Rocket Mortgage, LLC.*"); (2) your name, address, email address or telephone number, and the last four digits of your Social Security number; and (3) your signature. Your Request for Exclusion must also (4) be faxed, emailed, or postmarked on or before DATE and returned to the Settlement Administrator at the mailing address, email, or fax number specified above.

Your Request for Exclusion will not be valid if it does not comply with the above requirements. The date of the postmark on the return mailing envelope or the fax stamp, or in the event of an email, the date the email was sent, shall be the exclusive means used to determine whether the Request for Exclusion was timely submitted. Settlement Class Members who fail to submit a valid and timely written Request for Exclusion on or before DATE shall be bound by all terms of the Settlement and any final judgment entered in the Action if the Settlement is approved by the Court.

Any person who submits a complete and timely Request for Exclusion will not be eligible to participate in the class Settlement, will not receive proceeds from the class Settlement, and will not be bound by the class releases of the Settlement. However, by excluding yourself from the class Settlement you may pursue your own claims against Rocket Mortgage in the future, subject to any defenses that Rocket Mortgage may assert.

There is no statutory right for any PAGA Employee to opt out or otherwise be excluded from the PAGA portion of the Settlement and the associated release of claims and rights under PAGA.

### 8. What happens with any uncashed settlement checks?

All individual settlement checks that are not cashed within 180 days of issuance shall be canceled, and the money represented by such checks shall be transferred to the *cy pres* beneficiary approved by the Court pursuant to Code of Civ. Proc., § 384, subd. (b).

### 9. What if I have questions about my Individual Class and/or PAGA Payment calculations?

If any Settlement Class Member wants additional information about the calculation of his or her Individual Class or PAGA Payment, details may be obtained from the Settlement Administrator. The Settlement Class Member has the right to challenge whether the Workweek calculations are proper under the terms of the Settlement by submitting information or documentation to the Settlement Administrator. To be valid, a challenge to the calculation of Workweeks and/or Pay Periods must be in writing, be postmarked, emailed, or fax stamped by **DATE** and returned to the Settlement Administrator at the specified address, email or fax telephone number below, and contain: (1) the Settlement Class Member's full name, signature, address, telephone number, and the last four digits of his/her Social Security number; (2) the number of Workweeks and/or Pay Periods the Settlement Class Member contends is correct; and (3) any evidence supporting his/her contention. The date of the postmark on the return mailing envelope, email or fax stamp shall be the exclusive means used to determine whether the challenge was timely submitted. The Workweeks and/or Pay Periods identified for each Settlement Class Member in this Notice will be presumed to be correct unless a particular Settlement Class Member proves otherwise to the Settlement Administrator by credible evidence. The Settlement Administrator shall make the final, non-appealable determination as to all valid Workweek and Pay Period challenges.

### 10. How do I object to the Settlement?

If you do not file a Request for Exclusion, you can object to the terms of this Settlement before it is granted final approval by the Court. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. To object to the Settlement, you may fax, email, or mail via first class mail to the Settlement Administrator a written statement objecting to this Settlement setting forth the legal and factual grounds for any objection. You cannot ask the Court for a larger settlement; the Court can only approve or deny the proposed settlement. A Settlement Class Member who elects to send a written objection to the Settlement Administrator must do so no later than **DATE**. If you do not send a written objection, you may still appear at the final approval hearing or through an attorney you hire, at your own expense, to object. If you are represented by counsel, your attorney must file with the Superior Court a notice of appearance providing the attorney's contact information. If you fail to object, you shall be deemed to have waived any objections and shall be foreclosed from making any objection to the Settlement.

Objecting is simply telling the Court you do not like something about the Settlement. You can object to the class action Settlement only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you will have no basis to object because the Settlement will no longer affect you.

### 11. When and where will the Court decide whether to approve the Settlement?

The Court will hold a hearing in Department 4 of the San Mateo County Superior Court, located at Hall of Justice Courthouse, 400 County Center, Courtroom 4C, Redwood City, CA 94063, on XXX at __:00 a.m. Appearances at the hearing can also be made by Zoom at this link: https://sanmateocourt.zoomgov.com/j/1606248977?pwd=TzhrcjNIbmxlcFNqZFdvREdCMERZUT09 Meeting ID: 160 624 8977 Password: 230279. Notification of any changes to the time or location of the fairness hearing, as well as the final judgment following final approval, if any, will be available at this link: ______________________________. If there are objections, the Court will consider them at the final approval hearing. The Court will also consider how much to pay Class Counsel and the amount of any class representative service payments and release payments to Plaintiffs. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

You do not need to come to the hearing. Class Counsel will answer any questions the judge may have. But you are welcome to come to the hearing at your own expense. If you send an objection, you don't have to come to court to talk about it. You can appear at the hearing, at your own expense, to discuss any objections you may have with the Court whether or not you file an objection in writing. You may also pay another lawyer to attend, but this is not required.

## ADDITIONAL INFORMATION

This Notice is only a summary of the Action and the Settlement. For a more detailed statement of the matters involved in the Action and the Settlement, you may refer to the settlement agreement and other information located at www.xxxxxx. You may also review the pleadings, the settlement agreement, and other papers filed in the Action which may be inspected in person at the courthouse, or by searching case number 24-CIV-00893 on the Court's website located at https://web.sanmateocourt.org/midx/. All inquiries by Class Members regarding this Notice and/or the settlement should be directed to the Settlement Administrator using the contact information set forth below:

Settlement Administrator
**PHOENIX SETTLEMENT ADMINISTRATORS**
**1411 N. Batavia St., Suite 105**
**Orange, California 92867**
**Tel: (800)523-5773/Fax: (949) 209-2503**
**Email: Taylor@phoenixclassaction.com**

PLEASE DO NOT CONTACT THE COURT OR THE JUDGE WITH INQUIRIES.

THIS NOTICE IS NOT A RECOMMENDATION BY THE COURT AS TO ANY ACTION YOU SHOULD OR SHOULD NOT TAKE.

# <u>OPT OUT FORM</u>

**<u>(Deadline to Submit This Form to Settlement Administrator is XXXX)</u>**

**SUPERIOR COURT OF CALIFORNIA**

**COUNTY OF SAN MATEO**

***COURTNEY TOLBERT, VIRGINIA BREW, TONY GROSBEIER, TIMOTHY MELLEN, AND D C SNYDER, V. ROCKET MORTGAGE, LLC,***

**Case No. 24-CIV-00893**

I declare as follows:

I received and reviewed the Notice of Class Action Settlement in this action, and I wish to be ***excluded*** from the class and ***<u>not</u>*** to participate in the proposed class settlement. I understand that by excluding myself, I will be a Non-Participating Class Member, and I will <u>not</u> receive any money from the Settlement. I understand that, as a Non-Participating Class Member, I cannot object to any portion of the proposed settlement. I further understand that I cannot opt-out of the Private Attorneys General Act (PAGA) portion of the proposed Settlement.

Dated: ______________________

______________________________________
(Signature)

______________________________________
(Typed or Printed Name)

______________________________________
(Last 4 Digits of Social Security Number)

______________________________________
(Address)

______________________________________
(City, State, Zip Code)

______________________________________
(Telephone Number, Including Area Code)

# OBJECTION FORM

**(Deadline to File is XXXX)**

**SUPERIOR COURT OF CALIFORNIA**
**COUNTY OF SAN MATEO**

***COURTNEY TOLBERT, VIRGINIA BREW, TONY GROSBEIER, TIMOTHY MELLEN, AND D C SNYDER, V. ROCKET MORTGAGE, LLC,***

**Case No. 24-CIV-00893**

I declare as follows:

I wish to Object to the Settlement.

I am a potential Class Member in this case and I received and reviewed the Notice of Class Action Settlement in this action.

I understand that I cannot submit a request to exclude myself as a Class Member from the Settlement and at the same time also object to the Settlement.

I further understand that if the Court overrules my Objection, I will be deemed a Settlement Class Member and receive my pro-rata share of the Settlement.

The Nature of My Objection to the Settlement is as follows:______________________________________

_____________________________________________________________________________

_____________________________________________________________________________

_____________________________________________________________________________

Dated: ______________________ ______________________________________
(Signature)

______________________________________
(Typed or Printed Name)

______________________________________
(Last 4 Digits of Social Security Number)

______________________________________
(Address)

______________________________________
(City, State, Zip Code)

______________________________________
(Telephone Number, Including Area Code)