

JOINT STIPULATION OF SETTLEMENT AND RELEASE

This Settlement Agreement and Release (“Agreement”) is entered into between Angel Oak Mortgage Solutions LLC (“Angel Oak” or “Defendant”), on the one hand, and Anahita Banihashemi (“Named Plaintiff”), individually and on behalf of others similarly situated, on the other hand.

RECITALS

WHEREAS, the Named Plaintiff has asserted claims against Angel Oak under the Fair Labor Standards Act (“FLSA”), 29 U.S.C. §§ 201, *et seq.* and analogous state wage and hour law, based on the alleged failure to pay overtime compensation to the Named Plaintiff and others similarly situated for all hours worked. The Named Plaintiff also asserts claims for unpaid minimum wages, failure to provide meal and rest breaks, failure to reimburse business expenses, and other related and/or derivative claims.

WHEREAS, prior to the Named Plaintiff filing the complaint initiating this matter in the Circuit Court of the Ninth Judicial Circuit in and for Orange County (the “Litigation”), the parties engaged in pre-suit settlement negotiations, including an exchange of pre-suit discovery and all-day mediation sessions on January 31, 2024 and April 5, 2024, with experienced FLSA mediator Hunter Hughes, Esq.;

WHEREAS, Plaintiffs’ Counsel analyzed and evaluated the merits of the claims made against Defendant in the Litigation, conducted interviews with putative collective members, obtained and reviewed documents relating to Defendant’s compensation policies and practices, and analyzed payroll and other data and information;

WHEREAS, based upon their analysis and evaluation of a number of factors, and recognizing the substantial risks of litigation, including the possibility that these claims, if not settled now, might not result in any recovery or might result in a recovery less favorable, and that any recovery would not occur for several years, Plaintiffs’ Counsel are satisfied that the terms and conditions of this Agreement are fair, reasonable, and adequate and that this Agreement is in the best interests of the Named Plaintiff, the Putative Collective Members and PAGA Group Members (as defined below);

WHEREAS, Angel Oak denies all the claims and contentions alleged by the Named Plaintiff in the Litigation. Nonetheless, Angel Oak has concluded that further litigation of the claims encompassed by the Litigation would be protracted and expensive, and would also divert management and employee time. Angel Oak also has taken into account the uncertainty and risks inherent in litigation and has, therefore, concluded that it is desirable that the Litigation be settled in the manner and upon the terms and conditions set forth in this Agreement; and

WHEREAS, the purpose of this Agreement is to settle fully and finally all Released Claims (as hereinafter defined) that Named Plaintiff, any individuals who opt in to the Litigation,

and any PAGA Group Members (as defined below) may have against Angel Oak.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth in this Agreement, as well as the good and valuable consideration provided for herein, the parties hereto agree to a full and complete settlement of the Litigation on the following terms and conditions:

Angel Oak and the Named Plaintiff (collectively the “Settling Parties”) agree to do all things and procedures reasonably necessary and appropriate to obtain approval of this Agreement in consideration for: (a) payment by Angel Oak of the Gross Fund as defined in this Agreement subject to the terms, conditions and limitations of this Agreement; (b) the release and dismissal with prejudice of all claims as set forth in this Agreement; and (c) other valuable monetary and non-monetary consideration as set forth in this Agreement. This Agreement is contingent upon approval by the Court and is entered into voluntarily by the Settling Parties for settlement purposes only. If, for any reason the Court does not approve of this Agreement, Angel Oak reserves all available defenses.

I. CONSENT TO COURT-FACILITATED NOTICE

A. Potential Claimants. For settlement purposes only, the Settling Parties agree that the Named Plaintiff and the Putative Collective Members and PAGA Group Members (as defined below) are similarly situated for purposes of 29 U.S.C. § 216(b) of the Fair Labor Standards Act (“FLSA”) and consent to Court-facilitated notice to Named Plaintiff and Putative Collective Members. “Putative Collective Members” shall include all (i) individuals who worked as Account Executives regardless of exact title and (ii) non-exempt employees entitled to non-discretionary commissions/bonuses regardless of exact title (including but not limited to Underwriters) employed by Angel Oak (collectively, “Eligible Employees”) at any time (i) in California from four years prior to the entry of an order approving the settlement through same; and/or (ii) anywhere else in the United States from three years prior to the entry of an order approving the settlement through same (the “FLSA Covered Period”). The FLSA Covered Period also includes all time worked by the General Release Payment Recipients, as defined herein, as Eligible Employees. “PAGA Group Members” shall include all Eligible Employees who worked for Angel Oak in the state of California at any time from December 2, 2023, through the Court’s approval of the settlement (“PAGA Period”). Putative Collective Members and PAGA Group Members shall collectively be referred to as “Potential Claimants.”

B. The Settling Parties shall cooperate and present to the Court such information as may be reasonably requested for its consideration in connection with approving this Agreement and the anticipated Court-facilitated notice.

II. SETTLEMENT APPROVAL PROCEDURE

On or after February 5, 2025, and after execution of this Agreement, the Named Plaintiff shall file an Unopposed Motion for Order Approving Settlement of Collective Action and Authorizing Notice of Settlement and Opportunity to File Consent to Join and Release Forms, and Dismissal with Prejudice (“Approval Motion”) with this Settlement Agreement, the Notice of Settlement (to reflect the Named Plaintiff’s and each Potential Claimants’ individual settlement amount and a summary of the basis for settlement) and Consent to Join and Release Form (collectively, the “Notice Packet”), which is attached to this Agreement as Exhibit A, advising the Named Plaintiff and Potential Claimants of the material terms and provisions of this settlement, their estimated individual settlement amounts, the procedure for submitting Consent to Join and Release Forms, and their rights with respect to this settlement. To the extent the receiving Putative Collective Member is also a PAGA Group Member, their Notice of Settlement will also reflect their entitlement to settlement proceeds as a PAGA Group Member and the amount of their PAGA Payment (as defined below), and advise that they will be sent a settlement check reflecting their PAGA Payment after the close of the Claim Bar Date at the same time settlement checks are issued to Qualified Claimants (as defined below). The Settling Parties shall also submit an agreed-upon Proposed Order (“Approval Order”), which is attached to this Agreement as Exhibit B. Plaintiffs’ Counsel shall provide Angel Oak’s Counsel with a draft of the Approval Motion and all supporting papers for review and approval at least seven (7) days¹ before the Approval Motion is filed with the Court.

III. MODE, CALCULATION AND TIMING OF PAYMENT OF CLAIMS

A. Notice of Claims

1. Within thirty (30) days of the Court’s approval of this Agreement, Angel Oak shall provide the Settlement Claims Administrator an Excel chart listing for Named Plaintiff and each Potential Claimant their names, last known addresses, last known e-mail addresses (if available), Social Security numbers, number of workweeks employed as Eligible Employees during the FLSA Covered Period and PAGA Period (as applicable), and states of employment of the Named Plaintiff and Potential Claimants during the time periods that they worked as Eligible Employees for Angel Oak, as that information exists in Angel Oak’s electronic employment records for Named Plaintiff and Potential Claimants. Plaintiffs’ Counsel shall also provide the Settlement Claims Administrator with any updated addresses for the Named Plaintiff and Potential Claimants that Plaintiffs’ Counsel may have. Prior to the mailing of the Notice Packet to the Named Plaintiff and Potential Claimants, the Settlement Claims Administrator shall attempt to confirm the accuracy of the addresses through the United States Post Office’s National Change of Address database and shall mail the Notice Packet to any updated address obtained therefrom. The list of Potential Claimants shall be kept confidential by the Settlement Claims Administrator and shall not be provided to Plaintiffs’ Counsel at any time. The Settlement

¹ All references to “days” throughout this document refer to calendar days, unless otherwise stated.

Claims Administrator shall use it solely for the purposes of administering the settlement in accordance with this Agreement.

2. Within thirty (30) days of the Court's approval of the settlement becoming a final, non-appealable order, the Settlement Claims Administrator shall send via First Class U.S. Mail and e-mail (to the extent personal e-mail addresses are available) all Notice Packets to the Named Plaintiff and Putative Collective Members along with an enclosed, postage-paid return envelope. Each Consent to Join and Release shall include a unique number or other mark identifying the Putative Collective Member to whom it was sent. If any Notice Packet is returned as undeliverable for a Named Plaintiff or a Putative Collective Member the Settlement Claims Administrator shall promptly attempt to locate such Named Plaintiff or Putative Collective Member up to two times through an electronic search using the Social Security number and/or former address of that person and shall promptly mail an additional Notice Packet to such person, and shall also send the Notice Packet to such person via e-mail (to the extent a personal e-mail address is available). In order for the Named Plaintiff or any Putative Collective Member to receive any monetary proceeds from the settlement, the Settlement Claims Administrator must receive their original, properly-executed, and completed Consent to Join and Release Form by e-mail or facsimile within sixty (60) days (or, if sent by U.S. First Class Mail, postmarked no later than sixty (60) days) after the date the Notice Packets were initially mailed to the Named Plaintiff and Putative Collective Members (the "Claim Bar Date"), unless otherwise agreed by the parties.

3. Thirty (30) days after the initial mailing of the Notice, the Settlement Claims Administrator will distribute a reminder postcard via First Class U.S. Mail and e-mail (to the extent personal e-mail addresses are available) to any Named Plaintiff and Putative Collective Member who has not returned a Consent to Join and Release Form.

4. In the event that, before the Claim Bar Date, Plaintiffs' Counsel or the Settlement Claims Administrator becomes aware that a Named Plaintiff or Putative Collective Member did not receive the Notice Packet or misplaced the Notice Packet, the Settlement Claims Administrator shall mail and e-mail (to the extent a personal e-mail address is available) an additional Notice Packet to the Named Plaintiff or Putative Collective Member. To the extent any mailed Notice Packet was not received by a Named Plaintiff or Putative Collective Member and/or is returned as undeliverable within the 60-day Claim Bar Date, such person shall be permitted the longer of thirty (30) days from the re-mailing of the Notice or the Claim Bar Date to return his or her properly-executed and completed Consent to Join and Release Form ("Re-mailing Claim Bar Date"). Such Consent to Join and Release Form must be received by the Settlement Claims Administrator postmarked by, or received by e-mail or facsimile on or before, the Re-mailing Claim Bar Date.

5. In the event any Consent to Join and Release Form is timely submitted but does not contain sufficient information, the Settlement Claims Administrator shall provide the Named Plaintiff or Putative Collective Member with a letter ("Cure Letter") via e-mail (to the extent a personal e-mail address is available) and First Class U.S. Mail, with an included

postage-paid return envelope, requesting the information that was not provided and giving the Named Plaintiff or Putative Collective Member the longer of thirty (30) days from mailing of the Cure Letter or the Claim Bar Date (“Cure Claim Bar Date”) to return a properly completed Consent to Join and Release Form. Any Named Plaintiff or Putative Collective Member who fails to respond timely to a cure letter will not be considered a Qualified Claimant.

6. In the event of any dispute over a Putative Collective Member’s number of workweeks employed by Angel Oak and/or the late submission of any claims, the Settling Parties will meet and confer in good faith in an effort to resolve the dispute, and if the Settling Parties are unable to reach an agreement, the Settlement Claims Administrator shall decide the dispute, and its decision will be final. In the case of a dispute over a Named Plaintiff or Putative Collective Member’s number of workweeks employed by Angel Oak, Angel Oak’s records shall control and will have a rebuttable presumption of correctness.

7. The Named Plaintiff, General Release Payment Recipients, and any Putative Collective Members who timely return completed and executed Consent to Join and Release Forms, will be considered “Qualified Claimants” entitled to receive a Portion of the Revised Gross Fund (as defined in paragraph III(F)(2)-(3) below). For the avoidance of doubt, General Release Payment Recipients are considered Qualified Claimant whether or not they return a Consent to Join and Release Form.

8. Within seven (7) days after the close of the later of the Claim Bar Date, any open Cure Claim Bar Dates or any open Re-mailing Claim Bar Dates, the Settlement Claims Administrator shall provide to Angel Oak’s Counsel and Plaintiffs’ Counsel a list of Qualified Claimants and shall provide electronic copies of all timely received and completed Consent to Join and Release Forms and a calculation of the total amount needed to cover all payments for the timely received and completed Consent to Join and Release Forms and the total required for the employer’s share of payroll taxes.

9. At the conclusion of the settlement administration process, the Settlement Claims Administrator shall maintain an electronic copy of all Consent to Join and Release Forms received by Qualified Claimants and shall provide the original Consent to Join and Release Forms to Counsel for Angel Oak. At the conclusion of the settlement administration process, the Settlement Claims Administrator shall also provide the Settling Parties a register listing all Qualified Claimants and the payment amount made to each Qualified Claimant.

10. Within seven (7) days after receipt of the Consent to Join and Release Forms from the Settlement Claims Administrator, Angel Oak may, at its sole option, file redacted versions of all Consent to Join and Release Forms with the Court.

B. Angel Oak’s Payment Obligations. In consideration for the dismissal with prejudice of the Litigation as well as the release of claims effected by this Agreement and other good and valuable consideration, Angel Oak shall pay a maximum of One Million Three

Hundred Fifty Thousand Dollars and Zero Cents (\$1,350,000.00) (the “Gross Fund”) to settle claims associated with no more than the following weeks worked in the FLSA Covered Period: (i) 3,561 weeks worked by Account Executives in California; (ii) 86 weeks in training worked by Account Executives nationwide; and/or (iii) 15,701 weeks worked by non-exempt employees nationwide entitled to non-discretionary commissions/bonuses (i.e., the numbers identified in the data provided by Angel Oak to facilitate settlement discussions).² Subject to the terms of this Agreement, the Gross Fund is inclusive of payment for: (1) all Settlement Payments to Qualified Claimants and PAGA Group Members, or their respective authorized legal representatives; (2) the General Release Payments (as defined in paragraph III(F)(4) below) approved by the Court for the General Release Payment Recipients; (3) all attorneys’ fees, costs, and litigation expenses approved by the Court, including those in connection with securing Court approval of this Agreement, the claims process and implementing this Agreement, other than fees and costs awarded in connection with any successful proceeding to enforce the terms of this Agreement; (4) all costs incurred by the Settlement Claims Administrator and all costs in connection with the Settlement Fund (as defined in paragraph III(E)(1) below); and (5) the PAGA Group Members’ and Qualified Claimants’ share of applicable federal, state and local taxes required to be withheld by the Settlement Fund (as defined in paragraph III(E)(1) below), if any. The Gross Fund shall be the maximum that Angel Oak or Released Parties (as defined below) shall pay to settle the Litigation (with the exception of any employer’s share of payroll taxes, or as otherwise specifically agreed to by the Parties).

C. Payment. Forty-five (45) days after the Approval Order has become a final, non-appealable order, Angel Oak will pay to the Settlement Fund (as defined in paragraph III(E)(1) below) the total amount of the Gross Fund. Payment will be by wire transfer to a depository bank chosen by the Settlement Claims Administrator. Angel Oak may, at its discretion, deposit these funds into the Settlement Fund at any time after the Court approves the settlement, subject to the requirements of this paragraph. Within fifty-nine (59) days after the Approval Order has become a final, non-appealable order, the Settlement Claims Administrator shall pay to Plaintiffs’ Counsel by wire transfer such amount of attorneys’ fees, costs and litigation expenses as has been approved and ordered by the Court, and shall pay via First Class U.S Mail the Court-approved General Release Payments to the General Release Payment Recipients (as defined below). Payment of the individual Settlement Payments to Qualified Claimants and PAGA Group Members shall be made after the conclusion of the claim procedure, as described below.

² If the final number of workweeks at issue with respect to any of these groups is five (5) percent or more greater than the number identified herein, Angel Oak will pay a proportional amount in addition to the Gross Fund for each additional such workweek above the five (5) percent threshold, into the Gross Fund. Alternatively, in the event this clause is triggered, Angel Oak shall have the ability to shorten the FLSA Covered Period to limit the number of workweeks up to the five percent threshold. Angel Oak’s option to shorten the FLSA Covered Period shall expire at the time notice is scheduled to be mailed to the Named Plaintiff and Putative Collective Members.

D. Settlement Claims Administration

1. Selection of Settlement Claims Administrator. The Settlement Claims Administrator shall be selected by Plaintiffs' Counsel, subject to Defendant's approval.

2. Settlement Claims Administrator Responsibilities. The Settlement Claims Administrator shall be responsible for: (a) establishing a qualified settlement fund and qualified settlement fund account, and determining and finalizing the calculations of the Potential Gross Settlement Payments and tax withholding amounts for the Qualified Claimants and PAGA Group Members, as applicable; (b) preparing, printing and disseminating to the Named Plaintiff and Putative Collective Members the Notice Packet and return envelope; (c) copying counsel for all Settling Parties on material correspondence and promptly notifying all counsel for the Settling Parties of any material requests or communications made by any Settling Party or Putative Collective Member who receives a Notice Packet; (d) receiving and reviewing the Consent to Join and Release Forms submitted by Putative Collective Members to determine eligibility for payment; (e) determining the final Settlement Payment for each Qualified Claimant and PAGA Group Member in accordance with this Agreement; (f) mailing the settlement checks to Qualified Claimants and PAGA Group Members; (g) wiring Plaintiffs' Counsel's attorneys' fees, expenses, and costs and mailing the General Release Payments and Settlement Payments in accordance with this Agreement and Order of the Court; (h) paying all payroll tax obligations of Angel Oak in accordance with applicable law and this Agreement; (i) issuing W-2 and 1099 Forms for all amounts paid to Qualified Claimants and PAGA Group Members, as applicable; (j) ascertaining current address and addressee information for each Notice Packet returned as undeliverable; (k) referring to Plaintiffs' Counsel all inquiries by the Named Plaintiff, Putative Collective Members, and PAGA Group Members the Settlement Claims Administrator cannot resolve and/or which involve matters not within the Settlement Claim Administrator's duties specified herein; (l) responding to inquiries of Plaintiffs' Counsel or Angel Oak's Counsel; (m) promptly apprising counsel for the Settling Parties of the activities of the Settlement Claims Administrator; (n) maintaining adequate records of its activities, including the date of the mailing of the Notice Packets and receipt of Consent to Join and Release Forms, returned mail and other communications and attempted written or electronic communications with the Named Plaintiff, Putative Collective Members, and PAGA Group Members; (o) confirming in writing to Plaintiffs' and Angel Oak's Counsel its completion of the administration of the settlement and retaining copies of all endorsed settlement checks; (p) timely responding to communications from the Settling Parties or their counsel; and (q) such other tasks as called for by this Agreement, ordered by the Court, or the Settling Parties mutually agree.

3. Settlement Fund Fees and Expenses. All fees, expenses, and costs of the Settlement Claims Administrator related directly or indirectly to the Settlement Fund (as defined in paragraph III(E)(1) below), including but not limited to all fees, expenses, and costs in connection with the Gross Fund and Settlement Fund (including, but not limited to, those related to notice, check cutting and mailing, claims processing, court filings, legal and accounting advice relating to the establishment of the Settlement Fund and tax treatment and tax reporting of

awards to Qualified Claimants and PAGA Group Members, preparation of tax returns (and the taxes associated with such tax returns as defined below)) shall be paid from the Settlement Fund.

4. Reporting by Settlement Claims Administrator. Throughout the period of claims administration, the Settlement Claims Administrator will provide a weekly status report to the Settling Parties regarding the status of the mailing of the Notice Packets to Named Plaintiff and Putative Collective Members, and the receipt of Consent to Join and Release Forms. The Settlement Claims Administrator will also provide such other reports to the Settling Parties upon request by either Settling Party, regarding distribution of the settlement checks, and any other aspect of the claims administration process.

E. Creation and Implementation of a Qualified Settlement Fund

1. Establishing the Qualified Settlement Fund. The Gross Fund will be deposited in an account titled Angel Oak Settlement Fund (the “Settlement Fund”), intended by the Settling Parties to be a “Qualified Settlement Fund” as described in Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, et seq. The Settlement Fund shall be established as a Qualified Settlement Fund within the meaning of Section 468B of the Internal Revenue Code of 1986, as amended, the Treas. Reg. Section 1.468B-1, et seq., and shall be administered by the Settlement Claims Administrator, subject to the ultimate authority of the Court. The payments to the Settlement Fund, and the timing of the payments to the Settlement Fund are described in paragraphs III(C) and III(G)(1).

2. Administering the Settlement Fund. The Settlement Claims Administrator shall serve as Trustee of the Settlement Fund and shall act as a fiduciary with respect to the handling, management, and distribution of the Settlement Fund, including the handling of tax-related issues and payments. The Settlement Claims Administrator shall act in a manner necessary to qualify the Settlement Fund as a Qualified Settlement Fund and to maintain that qualification. The Settling Parties shall cooperate to ensure such treatment and shall not take a position in any filing or before any tax authority inconsistent with such treatment. The Settling Parties agree to any relation-back election required to treat the Settlement Fund as a Qualified Settlement Fund from the earliest possible date.

3. Tax Withholding and Reporting.

a. Employment Taxes. The Settlement Claims Administrator shall allocate forty percent (40%) of the total paid to each Qualified Claimant to wages (to be reported on an Internal Revenue Service (“IRS”) Form W-2), and sixty percent (60%) to non-wage compensation (to be reported on an IRS Form 1099). One hundred percent (100%) of the total PAGA Payment paid to each PAGA Group Member shall be allocated to non-wage compensation (to be reported on an IRS Form 1099). The Settlement Claims Administrator shall be responsible for withholding and timely remitting and reporting all taxes to the appropriate taxing authorities. The Settlement Claims Administrator shall determine the proper tax reporting treatment for the Court-approved General Release Payments.

b. Fund Taxes. All taxes (including any estimated taxes, interest, or penalties) arising with respect to the income earned by the Settlement Fund, if any, including any taxes or tax detriments that may be imposed on Angel Oak with respect to income earned for any period during which the Settlement Fund does not qualify as a “Qualified Settlement Fund” for federal and state income tax purposes (hereinafter “Settlement Fund Taxes”), and expenses and costs incurred in connection with the operation and implementation of this paragraph (including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses relating to filing (or failing to file) any returns described herein or otherwise required to be filed pursuant to applicable authorities) (hereinafter “Settlement Fund Tax Expenses”) shall be paid out of the Settlement Fund. Further, Settlement Fund Taxes and Settlement Fund Tax Expenses shall be treated as a cost of the administration of the Settlement Fund. The Settling Parties agree to cooperate with the Settlement Claims Administrator, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions set forth in this Section.

4. Other Payments and Indemnification. The Settlement Claims Administrator shall satisfy from the Settlement Fund: all federal, state, local, and other reporting requirements (including any applicable reporting with respect to attorneys’ fees and other costs subject to reporting) and any and all taxes, penalties and other obligations with respect to the payments or distributions not otherwise addressed in this Agreement. The Settlement Claims Administrator shall indemnify the Settling Parties for any penalty or interest arising out of an incorrect calculation or late deposit of the same.

5. Communication with Angel Oak and Plaintiffs’ Counsel. Angel Oak, Angel Oak’s Counsel, and Plaintiffs’ Counsel are authorized to communicate directly with the Settlement Claims Administrator to expedite the settlement administration process. All parties shall have full access to all information relating to claims administration, except as otherwise stated herein.

F. Allocation of the Settlement Fund

1. PAGA Claims. The Settling Parties agree that Fifty Thousand Dollars (\$50,000.00) of the Gross Fund shall be allocated as settlement of claims under the California Private Attorney General Act of 2004 (“PAGA”) (the “PAGA Fund”). Sixty-five percent (65%) of that total or, Thirty-Two Thousand Five Hundred Dollars and Zero Cents (\$32,500.00), shall be paid to the California Labor and Workforce Development Agency (“LWDA”) pursuant to the provisions of PAGA. The remaining thirty-five percent (35%), or Seventeen Thousand Five Hundred Dollars and Zero Cents (\$17,500.00) (“Revised PAGA Fund”), shall be distributed to the PAGA Group Members pursuant to the following allocation formula:

- (a) Each PAGA Group Member shall be assigned one (1) point for each week worked as an Eligible Employee in California at any time during

the PAGA Period. The calculation of all workweeks pursuant to this Paragraph shall be based on Angel Oak's business records.

(b) To calculate each PAGA Group Member's proportionate share:

- (i)** Add all points for each PAGA Group Member together to obtain the "PAGA Total Denominator;"
- (ii)** Divide the number of points for each PAGA Group Member by the PAGA Total Denominator to obtain each PAGA Group Member's "Portion of the Revised PAGA Fund."

(c) Multiply each PAGA Group Member's Portion of the Revised PAGA Fund by the Revised PAGA Fund to determine each PAGA Group Member's "PAGA Payment." The sum of the PAGA Payments for all PAGA Group Members shall equal the Revised PAGA Fund. The PAGA Payments shall be issued to all PAGA Group Members after the close of the Claim Bar Date at the same time settlement checks are issued to Qualified Claimants, as detailed herein. Any amounts of the Revised PAGA Fund not claimed by a PAGA Group Member shall escheat to California state unclaimed property fund thirty (30) days after the close of the 120-day deadline to negotiate PAGA Payment checks, as further defined below.

2. Revised Gross Fund. The amount approved by the Court for General Release Payments; the amount approved by the Court for attorneys' fees, expenses, and costs; the amount allocated to the PAGA Fund, and the fees and expenses of the Settlement Claims Administrator, shall all be deducted from the Gross Fund to obtain a "Revised Gross Fund."

3. Allocation of Revised Gross Fund. All Putative Collective Members (including PAGA Group Members) shall be allocated a portion of the Revised Gross Fund pursuant to the following allocation formula:

- (a)** The Named Plaintiff and Putative Collective Members shall be assigned one (1) point for each week worked as an Eligible Employee anywhere in the United States at any time during the "FLSA Covered Period". The calculation of all workweeks pursuant to this Paragraph shall be based on Angel Oak's business records.
- (b)** To calculate each Named Plaintiff and Putative Collective Member's proportionate share:

- (i)** Add all points for each Named Plaintiff and Putative

Collective Member together to obtain the “Total Denominator;”

(ii) Divide the number of points for each Named Plaintiff and Putative Collective Member by the Total Denominator to obtain each Named Plaintiff and Putative Collective Member’s “Portion of the Revised Gross Fund.”

(c) Multiply each Named Plaintiff and Putative Collective Member’s Portion of the Revised Gross Fund by the Revised Gross Fund to determine each Named Plaintiff and Putative Collective Member’s “Potential Gross Settlement Payment.” The sum of the Potential Gross Settlement Payments for the Named Plaintiff and Putative Collective Members shall equal the Revised Gross Fund. The individually applicable Potential Gross Settlement Payments and PAGA Payments shall be disclosed to the Named Plaintiff and Putative Collective Members in their respective Notice Packets. The Potential Gross Settlement Payments will be paid to the Qualified Claimants only (“Settlement Payment”). For the avoidance of doubt, PAGA Group Members who are also Qualified Claimants are entitled to their share of the Revised Gross Fund in addition to their PAGA Payment. Any and all amounts of the Revised Gross Fund not claimed by a Qualified Claimant shall revert to Angel Oak within thirty (30) days after the close of the 120-day deadline to negotiate Settlement Payment checks, as further defined below.

4. General Release Payments. From the Gross Fund, Plaintiffs’ Counsel shall seek General Release Payments of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) each for Anahita Banihashemi and Tiffany Nguyen-Telem (together, the “General Release Payment Recipients”), in exchange for a general release of their claims, as detailed in Sec. IV(C), *infra*. Angel Oak shall not oppose this request. The Settling Parties expressly agree that the Court’s approval or denial of any request for General Release Payments is not a material condition to this Agreement, and is to be considered by the Court separately from the fairness, reasonableness, adequacy, and good faith of the settlement. In the event the Court declines to award the General Release Payments in the amount requested and instead approves a lesser amount (but more than zero), the General Release Payment Recipients shall still be bound by the general release of claims as detailed herein. Any order or proceeding relating to the application by Plaintiffs’ Counsel for General Release Payments shall not operate to terminate or cancel this agreement.

5. Attorneys’ Fees and Costs Amounts. Plaintiffs’ Counsel shall make an application to the Court for an award of attorneys’ fees of up to one-third of the Gross Fund, e.g., Four Hundred Fifty Thousand Dollars and Zero Cents (\$450,000.00). In addition, Plaintiffs’ Counsel shall seek reimbursement of their reasonable costs and expenses from the Gross Fund.

Angel Oak will not oppose Plaintiffs' Counsel's request for attorneys' fees, costs, and expenses requests provided they are consistent with the terms of this Agreement. The settlement is not conditioned upon the Court's approval of Plaintiffs' Counsel's petition for fees, expenses, and costs. Payment of such attorneys' fees, expenses, and costs to Plaintiffs' Counsel shall be made in accordance with this Agreement and shall constitute full satisfaction of any and all obligations by Angel Oak to pay any person, attorney or law firm for attorneys' fees, expenses or costs incurred on behalf of Qualified Claimants and PAGA Group Members. The Settlement Claims Administrator shall report the payment of these fees, expenses and costs to Plaintiffs' Counsel on an IRS Form 1099. The Settling Parties expressly agree that the Court's approval or denial of any request for attorneys' fees and costs is not a material condition to this Agreement, and is to be considered by the Court separately from the fairness, reasonableness, adequacy, and good faith of the settlement. Any order or proceeding relating to the application by Plaintiffs' Counsel for an award for fees and costs shall not operate to terminate or cancel this agreement. However, Named Plaintiff reserves the right to appeal the denial of fees and costs (or the reduction of fees and costs requested).

G. Payments to Qualified Claimants

1. Funding of Payments to Qualified Claimants and PAGA Group Members. Within seven (7) days after the close of the later of the Claim Bar Date, any open Cure Claim Bar Dates or any open Re-mailing Claim Bar Dates, the Settlement Claims Administrator will provide Angel Oak with a register of all Qualified Claimants and PAGA Group Members, the total amount to be paid to them under the terms of the Agreement, the total amount necessary to satisfy all individual payments to the Qualified Claimants, and the total, additional amount necessary to pay the employer's share of payroll taxes arising out of the individual payments to Qualified Claimants and PAGA Group Members, if any. Within seven (7) days of the receipt of this register, Angel Oak will pay to the Settlement Fund the additional amounts needed, if any, to make payment to all Qualified Claimants and PAGA Group Members inclusive of the employer's share of taxes.

2. Timing of Payments. Within twenty-one (21) days after the close of the Claim Bar Date, any open Cure Claim Bar Dates or any open Re-mailing Claim Bar Dates, the Settlement Claims Administrator will transmit all payments to Qualified Claimants and PAGA Group Members by First Class U.S. Mail to the last known address for each Qualified Claimant and/or PAGA Group Member, or such other address provided by the Qualified Claimant and/or PAGA Group Member to the Settlement Claims Administrator. To the extent a PAGA Group Member is also a Qualified Claimant, the Settlement Claims Administrator may combine the Settlement Payment and PAGA Payment amounts on one settlement check.

3. Taxes on the Potential Gross Settlement Payments and PAGA Payments. The Potential Gross Settlement Payments attributed to the General Release Payment Recipients and Putative Collective Members who timely submit Consent to Join and Release Forms and become Qualified Claimants shall be forty percent (40%) to back wages and sixty percent (60%) to non-wage compensation including liquidated damages. The PAGA Payments attributed to

PAGA Group Members shall be one hundred percent (100%) to non-wage compensation. The back wages shall be subject to all required employee-paid payroll taxes (federal income taxes, state income taxes, employee's share of FICA and FUTA taxes, and other state or local-specific statutory deductions) and other authorized or required deductions (garnishments, tax liens, child support, etc.). The liquidated damages and non-wage compensation to Qualified Claimants and PAGA Group Members shall be treated as non-wage income to the Qualified Claimants and PAGA Group Members. The Settlement Claims Administrator shall report the back wage payments to the IRS on IRS Form W-2 and shall report the liquidated damages and non-wage compensation on IRS Form 1099.

4. Tax Advice. Named Plaintiff, on behalf of herself and Putative Collective Members, acknowledges and agrees that she has not relied upon any advice from Angel Oak or Plaintiffs' Counsel as to the taxability of the payments received pursuant to this Agreement.

5. Negotiation of Settlement Checks.

(a) Qualified Claimants and PAGA Group Members will have one hundred twenty (120) days after the date on the settlement checks (the "Check Issuance Date") in which to negotiate their checks. If any Qualified Claimant or PAGA Group Member does not negotiate his or her settlement check within one hundred twenty (120) days after the Check Issuance Date, the check will be void. Sixty (60) days after the distribution of settlement checks, the Settlement Claims Administrator shall send out reminder postcards via e-mail (to the extent personal e-mail addresses are available) and First Class U.S. Mail to Qualified Claimants and PAGA Group Members who have not yet negotiated their checks reminding them to negotiate their checks prior to the 120-day deadline. The Settlement Claims Administrator will provide Plaintiffs' Counsel with a list of any Qualified Claimants yet to cash their checks thirty (30) days prior to the 120-day deadline.

(b) Any funds remaining in the Qualified Settlement Fund after payment to: (1) all Qualified Claimants and PAGA Group Members who timely negotiate their settlement checks; (2) the Court-approved General Release Payments to the General Release Payment Recipients; (3) all attorneys' fees, costs, and litigation expenses approved by the Court; (4) the Settlement Claims Administrator's fee; and (5) applicable federal, state and local income taxes, and all federal and state employment taxes required to be withheld and/or paid by Angel Oak, shall be distributed as follows:

(i) Amounts remaining from the Revised PAGA Fund shall escheat to the California state unclaimed property fund

within thirty (30) days after the close of the 120-day deadline to negotiate PAGA Payment checks; and

- (ii) Amounts remaining in the Revised Gross Fund shall revert to Angel Oak and must be returned to Angel Oak within thirty (30) days after the close of the 120-day deadline to negotiate settlement checks.

IV. RELEASE

A. Release By Qualified Claimants. Conditioned upon the Court's entry of the Approval Order, and in exchange for the monetary consideration recited in this Agreement, upon full payment of all monetary obligations by Angel Oak, the Named Plaintiff does hereby agree to dismiss the Litigation with prejudice. In order to receive a settlement payment, all Qualified Claimants agree to execute a Consent to Join and Release Form, which shall release Angel Oak and its current or former owners, officials, directors, officers, shareholders, affiliates, subsidiaries, agents, employee benefit plans, plan administrators, representatives, servants, employees, former employees, attorneys, subsidiaries, parents, divisions, branches, units, insurers, successors, predecessors, and assigns (collectively the "Released Parties") from: any and all wage and hour claims that accrued during their employment as an Eligible Employee while employed by Angel Oak, relating back to the full extent of the FLSA Covered Period and continuing through the end of same, including, without limitations, all state and federal claims for alleged unpaid minimum wages, overtime wages, meal and rest break claims, expense reimbursement claims, and related and/or derivative claims for penalties, interest, liquidated damages, attorneys' fees, costs, and expenses.

B. Release By PAGA Group Members. All PAGA Group Members, in exchange for the issuance of their PAGA Payment, regardless of whether such PAGA Payment checks are negotiated by the PAGA Group Member, or whether such PAGA Group Member becomes a Qualified Claimant in this Litigation pursuant to this Agreement, shall release all the Released Parties from: any and all claims for penalties under PAGA which arose during the PAGA Period while employed by Angel Oak as an Eligible Employee, and which are based on, among other things, alleged unpaid minimum wages, overtime wages, meal and rest break claims, expense reimbursement claims, and any related and/or derivative claims for penalties, interest, liquidated damages, attorneys' fees, costs, and expenses.

C. General Release of Known and Unknown Claims By General Release Payment Recipients. In addition to the claims released as set forth in paragraphs (A) and (B) above, General Release Payment Recipients, in exchange for accepting and receiving an approved General Release Payment pursuant to paragraph III(F)(4) above, shall execute a general release in the form attached hereto as Exhibit C.

V. NOTICES

All notices, requests, demands and other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be delivered personally or mailed, postage prepaid, by first-class mail to the undersigned persons at their respective addresses as set forth herein:

Counsel for Plaintiffs:

Gregg I. Shavitz
Shavitz Law Group, P.A.
951 Yamato Road, Suite 285
Boca Raton, FL 33431
Tel: (561) 447-8888

Counsel for Angel Oak:

Nicky Jatana
Paul J. Cohen
Jackson Lewis P.C.
725 South Figueroa Street, Suite 2500
Los Angeles, CA 90017
Tel: (213) 689 0404

VI. REPRESENTATION BY COUNSEL

All of the Settling Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement and that this Agreement has been executed with the consent and advice of counsel.

VII. NO ADMISSION OF LIABILITY

Angel Oak enters into this Agreement to avoid further expense and disruption to its business. The Settling Parties acknowledge and agree that liability for the actions that are the subject matter of the Litigation is disputed by Angel Oak. This Agreement and the settlement are a compromise and shall not be construed as an admission of liability at any time or for any purpose, under any circumstances, by the Settling Parties to this Agreement. The Settling Parties further acknowledge and agree that this Agreement and the settlement shall not be used to suggest an admission of liability in any dispute the Settling Parties may have now or in the future with respect to any person or entity. Neither this Agreement nor anything herein, nor any part of the negotiations had in connection herewith, shall constitute evidence with respect to any issue or dispute other than for purposes of enforcing this Agreement.

VIII. MODIFICATION OF AGREEMENT

This Agreement may not be modified or amended except in writing, signed by the affected Settling Parties or the respective counsel of record for the Settling Parties, and as approved by the Court with respect to material modifications or amendments.

IX. CONSTRUCTION AND INTERPRETATION

A. Entire Agreement. This Agreement constitutes the entire agreement between the Settling Parties with respect to the subject matter contained herein and shall supersede all prior and contemporaneous negotiations between the Settling Parties. This Agreement shall be construed as a whole according to its fair meaning and intent, and not strictly for or against any party, regardless of who drafted or who was principally responsible for drafting this Agreement, or any specific term or condition thereof. The Named Plaintiff and Angel Oak participated in the negotiation and drafting of this Agreement and had available to them the advice and assistance of independent counsel. As such, neither the Named Plaintiff nor Angel Oak may claim that any ambiguity in this Agreement should be construed against the other.

B. No Reliance on Representations or Extrinsic Evidence. Except as expressly provided herein, this Agreement has not been executed in reliance upon any other oral or written representations or terms, and no such extrinsic oral or written representations or terms shall modify, vary or contradict its terms. In entering into this Agreement, the Settling Parties agree that this Agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence.

C. Controlling Law. This Agreement shall be subject to, governed by, construed, enforced and administered in accordance with the laws of the State of Florida, both in its procedural and substantive aspects, and without regard for the principle of conflict of laws, and shall be subject to the continuing jurisdiction of the Circuit Court in and for Orange County, Florida.

D. No Assignment. Plaintiffs' Counsel and the Named Plaintiff represent and warrant that they have not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim, or any portion thereof or interest therein, that is released herein, including, but not limited to, any interest in the Litigation, or any related action. A similar representation shall be included on the Consent to Join and Release Form sent to the Putative Collective Members with the Notice.

E. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be void, voidable, unlawful or unenforceable, except the Release, the remaining portions of this Agreement will remain in full force and effect to the extent that the effect of the Agreement remains materially the same and the obligations of the Settling Parties remain materially the same.

X. COUNTERPARTS

This Agreement, any amendments or modifications to it, and any other documents

required or contemplated to be executed in order to consummate this Agreement, may be executed in one or more counterparts, each of which shall be deemed an original of this Agreement. All counterparts of any such document together shall constitute one and the same instrument. A photocopy, facsimile, or digital image of an executed counterpart shall be enforceable and admissible as an original.

XI. BINDING EFFECT

This Agreement is binding upon and shall inure to the benefit of the Settling Parties to this Agreement. Without limiting the foregoing, this Agreement specifically shall inure to the benefit of the Released Parties and all persons acting by, through, under or in concert with any of them. Also without limiting the foregoing, this Agreement shall be binding upon the spouses, children, heirs, assigns, administrators, executors, beneficiaries, conservators, successors and offspring of all Qualified Claimants and PAGA Group Members. This Agreement is binding and effective if signed by Angel Oak and Named Plaintiff.

XII. ATTORNEYS' FEES, COSTS AND EXPENSES

Except as otherwise specifically provided herein, the Settling Parties and all Qualified Claimants and PAGA Group Members shall bear responsibility for their own attorneys' fees, costs and expenses, taxable or otherwise, incurred by them or arising out of this litigation and shall not seek reimbursement thereof from any party to this Agreement. However, in the event of any dispute to enforce the terms of this Agreement, the prevailing party shall be entitled to an award of their reasonable attorneys' fees and costs from the non-prevailing party. Additionally, to the extent Angel Oak fails to timely pay all sums due by virtue of this Agreement, Named Plaintiff shall be entitled to the immediate entry of a Final Judgment sufficient to permit collection of all outstanding sums owed.

XIII. AUTHORITY OF COUNSEL

A. Facsimile, Electronic, and E-mail Signatures. Any Settling Party may execute this Agreement by signing or by causing its counsel to sign, or by e-signature, on the designated signature block below and transmitting that signature page *via* facsimile, e-mail, or other electronic means to counsel for the other Settling Party. Any signature made and transmitted by facsimile, e-signature, or e-mail for the purpose of executing this Agreement shall be deemed an original signature for purposes of this Agreement and shall be binding upon the Settling Party whose counsel transmits the signature page by facsimile, e-signature or e-mail.

B. Voluntary Signature. All Settling Parties agree that they have signed this Agreement, or authorized their counsel to sign this Agreement on their behalf, knowingly, voluntarily, with full knowledge of its significance, and without coercion.

C. Warranty of Counsel. Plaintiffs' Counsel warrant and represent that they are expressly authorized by the Named Plaintiff to take all appropriate action required or permitted

to be taken pursuant to this Agreement in order to effectuate its terms. Counsel for Angel Oak warrants and represents that they are authorized to take all appropriate action required or permitted to be taken by Angel Oak pursuant to this Agreement in order to effectuate its terms.

XIV. CONTINUING JURISDICTION

The Settling Parties hereto agree to move for the Circuit Court in and for Orange County, Florida, to retain continuing jurisdiction to construe, interpret and enforce the provisions of this Agreement; to supervise the administration and distribution of the resulting settlement funds; and to hear and adjudicate any dispute or litigation arising from or related to this Agreement or the issues of law and facts asserted in the collective action litigation.

XV. TOLLING AGREEMENT

Upon (i) the Court's order approving the settlement becoming a final, non-appealable order; and (ii) Angel Oak's payment of all consideration due under the terms of this Agreement, any Tolling Agreements executed by the Settling Parties shall be deemed null and void.

XVI. EFFECT OF NON-APPROVAL

In the event that the Agreement is not approved by the Court for any reason in the form submitted by the Settling Parties, the Settling Parties will attempt in good faith to address any concerns raised by the Court and resubmit a revised settlement agreement for approval. If the Court denies the approval of a renegotiated settlement agreement, Named Plaintiff may dismiss the Florida action without prejudice and re-file the case in federal court with all statutes of limitations tolled for a period of thirty (30) days from the date of filing the first Approval Motion.

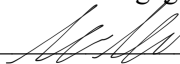
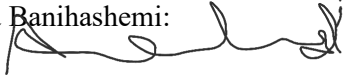
DATED: <u>2/05/2025</u>	Angel Oak Mortgage Solutions LLC: By: <u></u> Steven Schwalb, Member
DATED: <u>02/01/2025</u>	Anahita Banihashemi: <u></u>

EXHIBIT A

NOTICE OF SETTLEMENT OF COLLECTIVE ACTION LAWSUIT

[NAME]
[ADDRESS]
[CITY, STATE ZIP]

Circuit Court of the Ninth Judicial Circuit in and for Orange County, Florida

If you worked for Angel Oak Mortgage Solutions LLC (“Angel Oak”), you may be entitled to a payment from the settlement of a collective action lawsuit if you complete and return the enclosed form.

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

- This notice pertains to any (i) individuals employed by Angel Oak who worked as Account Executives regardless of exact title; and (ii) any other non-exempt employees of Angel Oak, regardless of job title, who were entitled to non-discretionary commissions/bonuses (together, “Eligible Employees”), in either event at any time employed (i) in California from [four years prior to the entry of an order approving the settlement] through [approval of the settlement]; and/or (ii) anywhere else in the United States from [three years prior to the entry of an order approving the settlement] through [approval of the settlement] (the “FLSA Covered Period”).
- A former Angel Oak employee, known as the “Plaintiff,” has sued Angel Oak in a lawsuit filed as a collective action under the Fair Labor Standards Act (“FLSA”) in the Circuit Court of the Ninth Judicial Circuit in and for Orange County, Florida. The lawsuit is known as *Banihashemi v. Angel Oak Mortgage Solutions LLC*, Case No. XXXXX. The lawsuit alleges that as to Account Executives, they were not paid overtime wages for all hours worked in training over 40 per week; and as to all non-exempt employees entitled to non-discretionary commissions/bonuses, their overtime rates of pay were not increased to account for commissions/bonuses earned such that they were underpaid for all hours worked over 40 per week. The lawsuit also asserts claims on behalf of Plaintiff and Eligible Employees for unpaid minimum wages, failure to provide meal and rest breaks, failure to reimburse business expenses, and other related and/or derivative claims.
- Angel Oak denies the allegations in the lawsuit, and maintains that it at all times properly compensated its Eligible Employees and complied with all applicable laws. The parties have entered into this settlement solely with the intention to avoid further disputes and litigation with the attendant inconvenience and expense. The Court has not made any ruling on the merits of the Plaintiff’s claims, and no party has prevailed in this action.
- Under the allocation formula created by the settlement, you are estimated to receive approximately \$, subject to deductions for applicable taxes. This amount is based on the number of weeks you worked as an Eligible Employee during the time period covered

by this settlement, according to Angel Oak’s records. The final amount to which you may be entitled may be higher or lower than the estimated amount.

Your legal rights may be affected, and you have a choice to make now:

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
RETURN THE CONSENT FORM	By returning a properly completed Consent to Join and Release Form, you agree to participate in the settlement, receive a monetary settlement payment, and release your claims.
DO NOT RETURN THE CONSENT FORM	If you do not wish to participate in, or be bound by, the settlement, you should not return the Consent to Join and Release Form. If you do not timely return a properly completed Consent to Join and Release Form, you will not receive a monetary settlement payment.
CALIFORNIA-BASED ELIGIBLE EMPLOYEES	If you worked as an Eligible Employee in California at any time from XXX through [approval of the settlement] (“PAGA Period”), you will be sent a check after the close of the claims period for the resolution of associated claims under the California Private Attorney General Act of 2004 (“PAGA”) (collectively, “PAGA Eligible Employees”). This payment is separate from the monetary settlement payment described in this notice and which is available to you under the non-PAGA portion of the settlement. All PAGA Eligible Employees are releasing PAGA claims as part of the settlement, regardless of whether or not they choose to cash their PAGA check, and regardless of whether or not they return a Consent to Join and Release Form.

- These rights and options – **and the deadlines to exercise them** – are explained in this notice.

BASIC INFORMATION

1. What is a collective action?

In a “Collective Action,” one or more people called “Named Plaintiffs” sue on behalf of people who have similar claims. The other Eligible Employees who have similar claims who opt in to the Collective Action will become “Collective Members.” You may opt in to the Collective Action and participate in the settlement of the lawsuit by signing and returning the enclosed Consent to Join and Release Form.

BENEFITS – WHAT YOU GET

2. What does the settlement provide?

Angel Oak has agreed to pay up to \$1,350,000.00 into a fund to pay: (1) Collective Members' and PAGA Eligible Employees' settlement payments (including Collective Members' and PAGA Eligible Employees' share of applicable federal, state and local taxes), (2) Court-approved attorneys' fees and costs of \$_____, (3) Court-approved General Release Payments of \$_____ each to the Named Plaintiff and one other General Release Payment Recipient who retained Plaintiffs' Counsel to bring this claim, in exchange for a full general release of their individual claims only, and (4) the fees and costs of Settlement Claims Administrator. Angel Oak has agreed to pay the employers' share of payroll taxes separately in addition to the fund.

After deducting the Court-approved attorneys' fees and costs, the Court-approved General Release Payments, \$50,000.00 allocated to the settlement of PAGA claims, and the fees and costs of the Settlement Claims Administrator, the remaining amount will be divided among current and former Eligible Employees who are covered by the settlement, based on the number of weeks they worked as Eligible Employees during the period covered by the settlement. **Settlement checks which are not cashed within 120 days of issuance will be null and void.**

3. How much will my payment be and how was it calculated?

Based on the formula that has been approved by the Court, in exchange for properly executing and timely returning your Consent to Join and Release Form, you are estimated to receive approximately \$_____, 40% of which is subject to deductions for applicable taxes and withholdings like any other paycheck, and for which you will receive a W-2; and 60% of which will be reported on an IRS Form 1099. The final amount to which you may be entitled may be higher or lower than the estimated amount.

[For PAGA Eligible Employees] If you are receiving this Notice, you are also a PAGA Eligible Plaintiff. Thus, regardless of whether or not you return the enclosed Consent to Join and Release Form to accept your payment of approximately \$_____, at the conclusion of the claims period you will also be sent a payment of approximately \$_____ associated with your PAGA claims, the amount of which will be reported on an IRS Form 1099. You have 120 days in which to cash this check.

The settlement allocation formula takes into account the number of weeks you worked as an Eligible Employee during the period covered by the settlement according to Angel Oak's records. The Settlement Agreement contains the exact allocation formula. You may obtain a copy of the Settlement Agreement by following the instructions in Paragraph 9, below.

HOW YOU GET A PAYMENT

4. How can I get my payment?

To get your payment of approximately \$_____ associated with your apportioned claims, you must fully complete the enclosed Consent to Join and Release Form and mail it in the enclosed envelope

to the Settlement Claims Administrator postmarked no later than **[date 60 days from mailing of Notice]**. You may also e-mail or fax the Consent to Join and Release Form to the Settlement Claims Administrator so that it is received no later than **[date 60 days from mailing of Notice]**. The Settlement Claims Administrator's complete contact information is:

Angel Oak Settlement Claims Administrator

[address]

[city state zip]

Phone: () -

Facsimile () -

E-mail:

If you return a properly completed Consent to Join and Release Form to the Settlement Claims Administrator by the deadline, you will be sent a settlement check after all appeals have been exhausted.

5. When will I get my payment?

You will be sent a check within approximately five months of submitting your Consent to Join and Release Form. Please be patient.

6. What am I giving up to get a payment and join the Collective Action?

You will not become a member of the Collective Action and participate in the settlement unless you return a properly completed Consent to Join and Release Form by the deadline. Once you become part of the Collective Action, you cannot sue, continue to sue, or be a party in any other lawsuit against Angel Oak about any of the claims at issue in this case or any other federal, state and/or local wage and hour claims. Specifically, you will release Angel Oak and its current or former owners, officials, directors, officers, shareholders, affiliates, subsidiaries, agents, employee benefit plans, plan administrators, representatives, servants, employees, former employees, attorneys, subsidiaries, parents, divisions, branches, units, insurers, successors, predecessors, and assigns (collectively the "Released Parties") from: any and all wage and hour claims that accrued during your employment as an Eligible Employee while employed by Angel Oak, relating back to the full extent of the FLSA Covered Period and continuing through the end of same, including, without limitations, all state and federal claims for unpaid minimum wages, overtime wages, meal and rest break claims, expense reimbursement claims, and related and/or derivative claims for penalties, interest, liquidated damages, attorneys' fees, costs, and expenses.

[For PAGA Eligible Employees] Additionally, as a PAGA Eligible Employee, in exchange for the issuance of your PAGA Payment, regardless of whether such PAGA Payment checks are deposited/cashed, and regardless of whether you return a Consent to Join and Release Form, you shall release all the Released Parties from: any and all claims for penalties under PAGA which arose during the PAGA Period while employed by Angel Oak as a Eligible Employee, and which are based on, among other things, alleged unpaid minimum wages, overtime wages, meal and rest break claims, expense reimbursement claims, and any related and/or derivative claims for penalties, interest, liquidated damages, attorneys' fees, costs, and expenses.

THE LAWYERS REPRESENTING YOU

7. Do I have a lawyer in this case?

The Court has decided that the lawyers at the law firm of the Shavitz Law Group, P.A. are qualified to represent you and all Collective Action Members. These lawyers are called “Plaintiffs’ Counsel.” You will not be charged for these lawyers. You can find more information about Plaintiffs’ Counsel at: www.shavitzlaw.com.

Otherwise, if you have any questions, you may contact Plaintiffs’ Counsel at:

Gregg I. Shavitz
Paolo Meireles
Tamra C. Givens
Shavitz Law Group, P.A.
951 Yamato Rd, Suite 285
Boca Raton, FL 33431
Telephone: (561) 447-8888
SLG@shavitzlaw.com

You do not need to retain your own attorney in order to participate in the settlement. However, if you want to be represented by your own lawyer, you may hire one at your own expense.

8. How will the lawyers be paid?

The Court has approved payment of \$ [REDACTED] for attorneys’ fees for Plaintiffs’ Counsel. These fees will compensate Plaintiffs’ Counsel for investigating the facts, litigating the case, and negotiating the settlement. The Court also has approved reimbursement to Plaintiffs’ Counsel of \$ [REDACTED] for their out-of-pocket costs.

GETTING MORE INFORMATION

9. Are there more details about the settlement?

This notice summarizes the proposed settlement. More details are in a Settlement Agreement. If there is any discrepancy between this notice and the Settlement Agreement, the terms of the Settlement Agreement will control. You can obtain a copy of the Settlement Agreement by sending a request in writing to the Settlement Claims Administrator at the contact information listed in Paragraph 4, above. Alternatively, you can contact your lawyers at Shavitz Law Group, P.A. at the contact information listed at Paragraph 7, above.

DATED: [REDACTED]

**IN THE CIRCUIT COURT OF THE NINTH JUDICIAL CIRCUIT
IN AND FOR ORANGE COUNTY, FLORIDA**

ANAHITA BANIHASHEMI,
individually and on behalf all others similarly
situated,

Case No.: XXXX

Plaintiff,

v.

ANGEL OAK MORTGAGE SOLUTIONS
LLC,

Defendant.

I. CONSENT TO JOIN

I hereby consent to join and opt-in to become a plaintiff for settlement purposes in the above-captioned lawsuit (the “Litigation”) against Angel Oak Mortgage Solutions LLC and to be bound by the settlement approved in the Litigation. I further agree that the Named Plaintiff in the Litigation shall act as my agent and make all decisions on my behalf concerning the Litigation, including the settlement thereof. I also agree to be bound by the collective action settlement described in the accompanying Notice. I hereby designate the law firm Shavitz Law Group, P.A. to represent me in the Litigation.

II. RELEASE

In exchange for the consideration described in the Notice of Settlement of Collective Action Lawsuit and approved by the Court in this matter, I, by my signature below, fully and completely release Angel Oak Mortgage Solutions LLC and its current or former owners, officials, directors, officers, shareholders, affiliates, subsidiaries, agents, employee benefit plans, plan administrators, representatives, servants, employees, former employees, attorneys, subsidiaries, parents, divisions, branches, units, insurers, successors, predecessors, and assigns (collectively the “Released Parties”) from: any and all wage and hour claims that accrued during my employment as an Eligible Employee while employed by Angel Oak, relating back to the full extent of the FLSA Covered Period and continuing through [date of settlement approval], including, without limitations, all state and federal claims for unpaid minimum wages, overtime wages, meal and rest break claims, expense reimbursement claims, and related and/or derivative claims for penalties, interest, liquidated damages, attorneys’ fees, costs, and expenses. I represent and warrant that I have not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim, or any portion thereof or interest therein, that is released herein, including, but not limited to, any interest in the Litigation, or any related action.

Full Legal Name (print)

Signature

Maiden or Other Names Worked Under

Street Address*

E-mail Address*

City, State and Zip Code*

Cell phone*

Home Telephone Number*

*This information will be redacted and will not be filed in the public record. This information will be used solely for Plaintiffs' Counsel and the Settlement Claims Administrator to communicate with you.

EXHIBIT B

**IN THE CIRCUIT COURT OF THE NINTH JUDICIAL CIRCUIT
IN AND FOR ORANGE COUNTY, FLORIDA**

ANAHITA BANIHASHEMI, individually
and on behalf of all others similarly situated,

Case No. **XXX**

Plaintiff,

v.

ANGEL OAK MORTGAGE SOLUTIONS
LLC,

Defendant.

**AGREED ORDER ON PLAINTIFF’S UNOPPOSED MOTION FOR ORDER
APPROVING SETTLEMENT OF COLLECTIVE ACTION AND AUTHORIZING
NOTICE OF SETTLEMENT AND OPPORTUNITY TO FILE CONSENT TO JOIN AND
RELEASE FORMS, AND DISMISSAL WITH PREJUDICE**

THIS MATTER came before the Court upon the Plaintiff’s Unopposed Motion for Order Approving Settlement of Collective Action and Authorizing Notice of Settlement and Opportunity to File Consent to Join and Release Forms, and Dismissal with Prejudice (the “Motion”). Having reviewed the Motion and the Settlement Agreement, and the Court being otherwise fully advised in the premises, it is

ORDERED AND ADJUDGED as follows:

The Motion is GRANTED. The Court finds that the Parties’ Settlement is fair, reasonable and just in all respects.

1. The Parties’ Settlement is APPROVED in its entirety.
2. This Action is DISMISSED WITH PREJUDICE in its entirety.
3. The RELEASE set forth in the Settlement Agreement at Section IV|(A) is enforced as to all Qualified Claimants.
4. This Court will RETAIN JURISDICTION to enforce the Settlement.

5. The case is closed and all pending motions are denied as moot.

DONE AND ORDERED, in Chambers, in Orange County, in the Ninth Judicial Circuit,
this _____ day of _____, 20____.

Honorable Judge XXX
Ninth Judicial Circuit of Florida

cc:

Plaintiffs' Counsel:

Gregg Shavitz, Esq., Paolo C. Meireles, Esq. and Tamra C. Givens, Esq., Shavitz Law Group, P.A.
951 Yamato Rd, Suite 285, Boca Raton, Florida 33431. Tel: (561) 447-8888, Fax: (561) 447-8831;
email: gshavitz@shavitzlaw.com; e-mail: pmeireles@shavitzlaw.com; tgivens@shavitzlaw.com

Defendants' Counsel:

[Defendant's counsel]

EXHIBIT C

GENERAL RELEASE IN EXCHANGE FOR GENERAL RELEASE PAYMENT
("General Release")

XX, on behalf of himself or herself and his or her heirs, representatives, successors, and assigns (collectively, "**EMPLOYEE**"), and Angel Oak Mortgage Solutions LLC ("**Defendant**" and, together with EMPLOYEE, the "**Parties**"), for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to resolve and settle finally, fully, and completely all matters or disputes that now or may exist between them, including the proceeding before the Circuit Court of the Ninth Judicial Circuit in and for Orange County, Florida titled *Banihashemi v. Angel Oak Mortgage Solutions LLC* (the "**Litigation**"), hereby agree as follows:

1. **Consideration.** EMPLOYEE understands and agrees that by signing and returning this General Release and, contingent upon the Court's approval of the Joint Stipulation of Settlement and Release filed in the Litigation ("**Settlement Agreement**"), and the Court's approval of a General Release Payment (as defined in the Settlement Agreement), EMPLOYEE will be eligible to receive a General Release Payment of \$7,500.00, or such other amount as approved by the Court, consistent with the provisions of Section III.F.4 of the Settlement Agreement, as well as an individual Settlement Payment as may be applicable (as discussed in the Settlement Agreement) consistent with the Settlement Agreement. The General Release Payment shall be deemed non-wage compensation and reported to EMPLOYEE on IRS Form 1099.

2. **Release and Waiver of Rights and Claims.** In exchange for the General Release Payment, and to the full extent permitted by law, EMPLOYEE voluntarily, completely, and irrevocably releases, acquits, and forever discharges Defendant and its current or former owners, officials, directors, officers, shareholders, affiliates, subsidiaries, agents, employee benefit plans, plan administrators, representatives, servants, employees, former employees, attorneys, subsidiaries, parents, divisions, branches, units, successors, predecessors, and assigns (collectively, "**RELEASED PARTIES**"), from any and all claims, whether in law or in equity, which EMPLOYEE asserts or could assert, whether known or unknown, at common law or under any statute, rule, regulation, order or law, whether federal, state, or local, or on any grounds whatsoever, including without limitation, claims under the Age Discrimination in Employment Act (the "**ADEA**"), Title VII of the Civil Rights Act of 1964, the federal Equal Pay Act, the Rehabilitation Act of 1973, the Americans with Disabilities Act, the Family and Medical Leave Act of 1993 (the "**FMLA**"), the Employee Retirement Income Security Act of 1974, the Racketeer Influenced and Corrupt Organizations Act, the Financial Reform Recovery and Enforcement Act of 1989, Section 1981 of Title 42 of the United States Code, the federal Worker Adjustment and Retraining Notification (WARN) Act, any other federal, state, or city laws concerning workplace rights or obligations or payment of wages, claims for violation of privacy rights, claims for violation of civil rights, claims for denial of equal rights, discrimination, wrongful termination, retaliation, breach of contract, equitable remedies, interference with advantageous relations, all tort claims, and all claims that were or could have been raised by EMPLOYEE in the Litigation, or which arose prior to the date the EMPLOYEE signs this General Release, against the RELEASED PARTIES with respect to any event, matter, claim, damage or injury arising out of EMPLOYEE's employment with Defendant, the termination of such employment, any application for employment with Defendant, EMPLOYEE's eligibility for employment with the Defendant,

and/or with respect to any other claim, matter, or event arising prior to execution of this General Release by EMPLOYEE.

3. **Waiver of California Civil Code section 1542.** To effect a full and complete general release as described above, EMPLOYEE expressly waives and relinquishes all rights and benefits of section 1542 of the Civil Code of the State of California, and does so understanding and acknowledging the significance and consequence of specifically waiving section 1542. Section 1542 of the Civil Code of the State of California states as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Thus, notwithstanding the provisions of section 1542, and to implement a full and complete release and discharge of the RELEASED PARTIES, EMPLOYEE expressly acknowledges this Settlement Agreement is intended to include in its effect, without limitation, all claims EMPLOYEE does not know or suspect to exist in EMPLOYEE's favor at the time of signing this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment of any such claims. EMPLOYEE warrants EMPLOYEE has read this Settlement Agreement, including this waiver of California Civil Code section 1542, and that EMPLOYEE has consulted with or had the opportunity to consult with counsel of EMPLOYEE's choosing about this Settlement Agreement and specifically about the waiver of section 1542, and that EMPLOYEE understands this Settlement Agreement and the section 1542 waiver, and so EMPLOYEE freely and knowingly enters into this Settlement Agreement. EMPLOYEE further acknowledges that EMPLOYEE later may discover facts different from or in addition to those EMPLOYEE now knows or believes to be true regarding the matters released or described in this Settlement Agreement, and even so EMPLOYEE agrees that the releases and agreements contained in this Settlement Agreement shall remain effective in all respects notwithstanding any later discovery of any different or additional facts. EMPLOYEE expressly assumes any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies released or described in this Settlement Agreement or with regard to any facts now unknown to EMPLOYEE relating thereto.

4. **Release Exclusions.** Excluded from the release in Section 2 above are any arising after execution of this General Release, and any claims this General Release cannot waive such as for unemployment or worker's compensation; any right to COBRA benefits or vested retirement benefits; any existing rights of defense and indemnity or liability insurance coverage; and the right to enforce this General Release. Nothing in this Agreement limits EMPLOYEE's right to file a claim, give information, or participate in an investigation or proceeding with a government agency such as the EEOC, SEC or OSHA under any law protecting such rights. But EMPLOYEE does give up, however, any money or other personal benefit he or she might receive from Defendant (not a government agency) for any such claim or litigation, unless prohibited by law.

5. **Covenant Not to Sue.** A "covenant not to sue" is a legal term meaning that an individual promises not to file a lawsuit in court. Besides waiving and releasing the claims covered

by Section 2 above, EMPLOYEE agrees never to sue Defendant or any other RELEASED PARTIES, or join a lawsuit against any such party, in any forum for any claim encompassed by the release in Section 2 above. Notwithstanding this agreement, EMPLOYEE may bring a claim to enforce this General Release or to challenge its validity under the ADEA, and may participate in the Litigation. If EMPLOYEE sues Defendant or any other RELEASED PARTIES in contravention of this provision and fails to cure EMPLOYEE's action within fourteen (14) days of written notice of the violation from the RELEASED PARTIES, EMPLOYEE shall be liable to the RELEASED PARTIES and any such other parties for the full sum of the General Release Payment paid to EMPLOYEE pursuant to this General Release and all attorneys' fees expended by the RELEASED PARTIES defending the lawsuit.

6. **Other Agreements.** EMPLOYEE also understands and agrees as follows:

(a) EMPLOYEE is entering into this General Release, intending to be bound by its terms, knowingly, voluntarily, and with full knowledge of their significance. EMPLOYEE has not been coerced, threatened, or intimidated into signing this General Release;

(b) EMPLOYEE has been advised to consult with a lawyer prior to signing this General Release and agreeing to be bound by its terms and has, in fact, consulted with counsel with the Shavitz Law Group, P.A.

(c) EMPLOYEE has been given a reasonable amount of time to consider this General Release;

(d) EMPLOYEE is not otherwise entitled to the consideration described in this General Release;

(e) EMPLOYEE has not suffered any on-the-job injury for which EMPLOYEE has not already filed a workers' compensation claim;

(f) EMPLOYEE shall not voluntarily assist, encourage, or cooperate with any person in threatening, commencing, or maintaining an employment-related claim, action, or demand against RELEASED PARTIES for an existing claim or potential claim covered by Section 2 of this General Release, whether presently known or unknown by the threatening, commencing, or maintaining party, except as required by court order or otherwise required by law;

(g) EMPLOYEE has been given at least twenty-one (21) days to consider this General Release; and

(h) For a period of seven (7) days following the execution of this General Release, EMPLOYEE may revoke his or her acceptance by delivering a written revocation within the seven (7) day period to Released Parties' counsel, Nicky Jatana, Jackson Lewis P.C., 725 South Figueroa Street, Suite 2500, Los Angeles, CA 90017.

By my signature below, I AFFIRM AND ACKNOWLEDGE that I have read the foregoing General Release, that I have had sufficient time and opportunity to review and discuss it with the attorney of my choice, that I have had any questions answered to my satisfaction, that I fully understand and appreciate the meaning of each of its terms, and that

I am voluntarily signing the General Release on the date indicated below, intending to be fully and legally bound by its terms.

[Intentionally Left Blank. Signature on Following Page.]

I further AFFIRM AND ACKNOWLEDGE that I consent to join and opt-in to become a plaintiff for settlement purposes in the Litigation against Angel Oak Mortgage Solutions LLC and to be subject to the release set forth in Section IV (“Release”) of the Settlement Agreement

EMPLOYEE SIGNATURE

EMPLOYEE NAME (print)

Dated: _____