

**Harmoning et al. v. First Bank**  
Superior Court of California, County of County of Sacramento  
Case No. 34-2017-00223939

*A court authorized this notice. This is not a solicitation.  
This is not a lawsuit against you and you are not being sued.  
However, your legal rights are affected whether you act or don't act.*

**NOTICE OF CLASS ACTION SETTLEMENT**

To: All persons employed by First Bank as a mortgage loan officer, home loan consultant, home loan advisor, or mortgage banker in the State of California at any time during the period from December 18, 2013 through September 30, 2022 (the "Class Members" or "Settlement Class").

**PLEASE READ THIS NOTICE CAREFULLY.**

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>DO NOTHING TO RECEIVE A PAYMENT</b>	To receive your Individual Settlement Payment, you do not need to do anything. Your payment will be automatically mailed to you at the address on file if the Court grants final approval of the Settlement.
<b>CHANGE CONTACT INFORMATION</b>	If you need to change your address and contact information, you must provide the Settlement Administrator with updated contact information to ensure your Individual Settlement Payment is mailed to the correct mailing address. A Change of Address Form and return envelope are enclosed.
<b>EXCLUDE YOURSELF</b>	If you ask to be excluded from the Settlement, and money is later awarded, you will not receive a share of the Class funds. But, you will keep any rights as an individual to sue First Bank separately about the same legal claims that are being settled in this case. If you now have an action pending against First Bank you must speak with your attorney immediately about the impact this Settlement and its releases may have on your individual case. You may exclude yourself from this Settlement and Class by submitting a written Request for Exclusion according to the instructions contained in this Notice. <b>The deadline to submit a Request for Exclusion is August 8, 2023.</b> However, PAGA does not allow individuals to exclude themselves, so if you exclude yourself from the Settlement and are a PAGA Period Employee, you will still receive your share of the PAGA Payment and release your PAGA Claims.
<b>OBJECT</b>	Object to the Settlement if you think the Settlement is not fair by sending your written objection to the Settlement Administrator and, if you wish, appear at the Final Approval Hearing. You may also appear at the Final Approval Hearing to orally object, even if you have not submitted a written objection. If you submit a Request for Exclusion from the Settlement, you cannot also object to it because the settlement no longer affects you. <b>The deadline to submit an objection is August 8, 2023.</b>

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.**
- **DEFENDANT SUPPORTS THE SETTLEMENT AND WILL NOT RETALIATE IN ANY MANNER AGAINST ANY CLASS MEMBER WHO REMAINS IN THE CLASS AND RECEIVES A SETTLEMENT PAYMENT.**

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**BASIC INFORMATION**

**1. Why was this notice issued?**

A Court authorized this notice because you have a right to know about a proposed Settlement of the class action lawsuit, and about all of your options, before the Court decides whether to approve it. This notice explains the lawsuit, the Settlement, your legal rights, the payments that are available, who is eligible to receive them, and how to get them.

The Court in charge of the case is the Superior Court of the State of California, County of Sacramento, and the case is known as *Harmoning et al. v. First Bank*, Case No. 34-2017-00223939 (the "Action").

**2. What are these lawsuits about?**

On December 18, 2017, Adam Harmoning filed this Action in the Sacramento County Superior Court on behalf of all mortgage loan officers, home loan consultant, home loan advisor, or mortgage banker employed by First Bank (“Defendant”) in the State of California at any time during the period from December 18, 2013 through September 30, 2022 (“Class Period”). On February 27, 2019 Marcus Castro filed a similar action in the Orange County Superior Court. In these Actions together, Plaintiffs alleged Defendant did not pay all compensation for involuntarily forfeited meal and rest periods; did not reimburse for all necessary business expenses; did not provide accurate wage statements; failed to timely pay employees; did not pay minimum wage for all hours worked; did not pay overtime; that employees were improperly classified as exempt; and failed to maintain accurate employment records, among other allegations. The Castro Complaint was subsequently amended on to include civil penalty claims for Labor Code violations under the Private Attorneys General Act (“PAGA”). A first amended complaint was filed in this Action on February 6, 2023 in order to include Marcus Castro as a class and PAGA representative plaintiff and to include those claims which had been asserted by Mr. Castro in the similar action which had been filed in Orange County.

Defendant denies all of the claims. However, Defendant has agreed to settle the Action to avoid continued litigation. The Settlement is not an admission of any wrongdoing by Defendant or an indication that any law was violated.

**3. What is a class action?**

In a class action lawsuit, one or more people called Class Representatives (in this case, Plaintiffs Adam Harmoning and Marcus Castro) sue on behalf of others who may have similar claims, who are called a class or class members.

**4. Why is there a Settlement?**

The Court did not decide in favor of Plaintiffs, nor did the Court decide in favor of Defendant. Instead, both sides agreed to a no-fault settlement of the Action (“Settlement”). That way, they avoid the cost of further litigation, including a trial, and the people affected will get compensation from the Settlement.

**5. Who are the Parties in these Lawsuits?**

Plaintiffs Adam Harmoning and Marcus Castro were employed by Defendant as mortgage loan officers during a portion of the Class Period.

First Bank is the Defendant.

**6. Who are the Attorneys representing the Plaintiff and the Class?**

<b>CLAYEO C. ARNOLD, APLC</b> Clayeo C. Arnold John T. Stralen 865 Howe Avenue Sacramento, CA 95825 Telephone: (916) 777-7777	<b>THE DARREN GUEZ LAW FIRM</b> Darren Guez 930 Tahoe Blvd., Suite 802 #44 Incline Village, NV 89451 Telephone: (916) 520-0988	<b>COHELAN KHOURY &amp; SINGER</b> Isam C. Khoury 605 C Street, Suite 200 San Diego, CA 92101 Telephone: (619) 595-3001
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**THE TERMS OF THE SETTLEMENT**

**7. What is the Settlement Amount?**

The proposed Settlement provides for a maximum payment of \$550,000.00 to fully and finally resolve all claims in the Action (referred to as the “Gross Settlement Amount”). Class Counsel will apply to the Court for attorneys’ fees of up to \$183,333.00 (33.33% of the Gross Settlement Amount); litigation costs not to exceed \$15,000.00; a Class Representative Service Payment of up to \$10,000.00 each for Plaintiffs Adam Harmoning and Marcus Castro for their work and effort in prosecuting this case, risks taken for the payment of costs in the event of loss, and a general release of all claims; settlement administration expenses to CPT Group Inc., not to exceed \$7,250.00; and a PAGA payment in the sum of \$15,000.00 (75% or \$11,250.00 to be paid to the California Labor Workforce and Development Agency and the remaining 25% or \$3,750.00

to be distributed to the PAGA Period Employees). The exact amount of the attorneys’ fees, litigation costs, Class Representative Service Payment, and settlement administration expenses will be determined by the Court at the Final Approval hearing if the Settlement is approved.

Following the Court-approved deductions, the remaining portion of the Settlement, the Net Settlement Amount (“NSA”), is estimated to be \$309,417.00. The NSA will be apportioned and will automatically be paid out entirely to all Participating Class Members. No portion of the NSA will revert to Defendant under any circumstances. Class Members, who worked any time during the PAGA Period (defined below) will also receive a proportionate share of the \$3,750.00 PAGA Payment regardless of whether they request exclusion from the Settlement.

**8. How will the Settlement Payments be calculated and how much will my award be?**

Class Members will receive their pro-rata share of the NSA based on the number of eligible pay periods they worked during the Class Period. “Pay Periods” are defined as seven consecutive calendar days beginning on Sunday at 12:00 a.m. and ending on Saturday at 11:59 p.m. A Class Member is deemed to have worked during a “Pay Period” if such Class Member worked for Defendant at least one (1) shift during a given Pay Period.

Here’s how it works – the NSA will be entirely distributed to the members of the Class. The NSA allocated to each individual Class Member will be based on the individual Class Member’s total number of eligible pay periods worked during the Class Period, in relation to the total number of eligible pay periods worked by all Class Members. Eligible pay periods will be calculated by the Settlement Administrator according to Defendant’s records. It is estimated Class Members will be paid approximately <<EstRatePerPayPeriod>> per eligible pay period worked during the Class Period, less applicable tax withholdings, although the actual amount that is paid may be lower or higher than the amount estimated.

Based on Defendant’s records, you worked <<ClassPeriods>> eligible pay periods as a Class Member during the Class Period. If you wish to dispute your number of pay periods during the Class Period noted above, you must notify the Settlement Administrator in writing, no later than **August 8, 2023**. Please provide any proof you may have that you worked a different number of pay periods during the Class Period.

PAGA Period Employees, defined as members of the Class employed at any time during the PAGA Period (from December 24, 2017 to September 30, 2022), regardless of whether they exclude themselves from the Settlement, will receive a proportionate share of the \$3,750.00 PAGA Payment allocated to PAGA Period Employees based on their number of pay periods employed during the PAGA Period in relation to the aggregate number of pay periods that all PAGA Period Employees worked, estimated to be <<Total\_PAGAPeriods>>. It is estimated PAGA Period Employees will received approximately <<EstRatePerPAGAPayPeriod>> per pay period during the PAGA Period.

Based on Defendant’s records, you worked <<PAGAPeriods>> pay periods during the PAGA Period. If you wish to dispute your number of pay periods worked during the PAGA Period, you must notify the Settlement Administrator in writing, no later than **August 8, 2023**. Please provide any proof you may have that you worked a different number of pay periods during the PAGA Period.

Settlement Payments based on the number of pay periods shall be subject to applicable withholding taxes on that portion of the payment allocated to wages. Settlement Payments will be allocated 20% to wages for which an IRS W-2 form will be issued, and 80%, plus any share of the PAGA Payment, to penalties and interest, for which an IRS 1099 form will be issued. You will be responsible for the tax consequences of your Settlement Share, for filing your own returns and reporting all income received to state and federal taxing authorities, and for payment of any other applicable taxes due.

**HOW TO GET A PAYMENT**

**9. How can I get my Settlement Payment?**

If the Settlement is finally approved, you do not need to do anything to receive your Individual Settlement Payment check. If the Court approves the Settlement at the Final Approval hearing, your Individual Settlement Payment will be mailed to the address on file with the Settlement Administrator. **It is your responsibility to keep the Settlement Administrator**

**informed of any change in your address, as your Individual Settlement Payment will be mailed to the last known address it has on file for you if the Court approves the settlement.** A Change of Address Form, and preprinted return envelope are enclosed for your convenience.

**10. When can I expect to receive my Settlement Award?**

If the Court approves the settlement, and there are no pending objections, your Individual Settlement Payment will be paid approximately 60 days after the Court grants final approval of the Settlement. ***It will be mailed to the address on file for you.*** Again, if this address is not correct, or if you move after you receive this Notice, you should notify the Settlement Administrator by mail or by calling the Settlement Administrator at toll free **1-833-816-0834**, or by returning the enclosed Change of Address Form.

**11. What am I giving up to get a Settlement Payment?**

Class Members will be giving up or “releasing” the claims described below:

Released Class Claims: any and all claims and/or causes of action alleged or that could have been alleged based on the facts asserted during the Class Period in the Operative Complaint filed on February 6, 2023, including (1) failure to indemnify-reimburse business expenses, Labor Code section 2802; (2) failure to pay regular/minimum wages, Labor Code sections 1182.12, 1194, 1194.2, 1197, and IWC Wage Order No. 4-2001, §4(A); (3) failure to pay overtime and double overtime compensation, Labor Code section 1194, and IWC Wage Order No. 4-2001, §(3)(A); (4) failure to provide compliant meal periods, Labor Code sections 226.7, 512, and IWC Wage Order 4-2001, §11; (5) failure to provide compliant rest periods, Labor Code section 226.7, and IWC Wage Order 4-2001, §12; (6) failure to make payments within the required time, Labor Code sections 201, 202, 203, 204; (7) failure to provide accurate wage statements, Labor Code section 226; (8) failure to maintain required records, Labor Code sections 1174, 1174.5, and IWC Wage Order No. 4, §7; and (9) unfair business practices, Business & Professions Code sections 17200, et seq. The release of these claims shall be effective for the Class Period as of the date Defendant funds the Gross Settlement Amount. The Released Class Claims expressly exclude all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and claims outside of the Class Period.

Class Members who do not exclude themselves from the Settlement will be considered to have accepted the Release Class Claims as against the Released Parties, and will be bound by the Judgment, whether or not they negotiate their Individual Settlement Payment check.

Regardless of whether a Class Member opts out of the Class Settlement, they will still be bound by the Released PAGA Claims if they are PAGA Period Employees. PAGA Period Employees will be giving up or “releasing” the claims described below:

Released PAGA Claims: any and all claims and/or causes of action alleged or that could have been alleged based on the facts asserted during the PAGA Period in the Operative Complaint filed on February 6, 2023, including (1) PAGA Civil Penalties pursuant to Labor Code sections 2802, 2699(f)(2); (2) PAGA Civil Penalties pursuant to Labor Code sections 1182.2, 1194, 1194.2, 1197, 2699(f)(2), and IWC Wage Order No. 4-2001, §4(A); (3) PAGA Civil Penalties pursuant to Labor Code sections 226.7, 512, 2699(f)(2), and IWC Wage Order No. 4-2001, §§11, 12; (4) PAGA Civil Penalties pursuant to Labor Code sections 203, 210, 256, 2699(f)(2); (5) PAGA Civil Penalties pursuant to Labor Code section 226.3; (6) PAGA Civil Penalties pursuant to Labor Code section 558(a). The release of these claims shall be effective for the PAGA Period as of the date Defendant funds the Gross Settlement Amount. The Released PAGA Claims expressly exclude all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and claims outside of the PAGA Period.

**EXCLUDING YOURSELF FROM THE SETTLEMENT**

**12. Can I exclude myself from the Settlement?**

If you wish to pursue your own separate lawsuit or arbitration against Defendant for the claims asserted in the Action, or if you otherwise wish not to participate in the Settlement for whatever reason, you can exclude yourself from this Settlement (that is, “opt out” of the Settlement). To opt out and exclude yourself from the Class and this Settlement, you must provide a signed and dated letter to the Administrator requesting to be excluded from the Class and Settlement. The letter must state in substance:

“I have read and understand the Notice of Class Action Settlement of Class and I wish to exclude myself from the Settlement described in the Notice.”

Your letter requesting to exclude yourself must include the case name: *Harmoning et al. v. First Bank*, Sacramento Superior Court Case No. 34-2017-00223939, your full name, current address, telephone number and the last four digits of your Social Security Number, and must be signed. It must be addressed to the Administrator at *Harmoning et al. v. First Bank* c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606, and must be postmarked on or before **August 8, 2023**. Requests for exclusion postmarked after this date may be disregarded. If you are a PAGA Period Employee and return a valid and timely request for exclusion, you will still receive a share of the PAGA Penalties and will release PAGA claims.

**13. If I don’t exclude myself, can I sue Defendant for the same thing later?**

No. Unless you exclude yourself, you give up any right to sue Defendant for the claims that this Settlement resolves. ***If you have a separate arbitration or lawsuit already filed against the Defendant, or plan to separately file your own action, you should speak to your lawyer in that case immediately.*** You may need to exclude yourself from this Action, Class and Settlement by **August 8, 2023** in order to continue your separate arbitration or lawsuit.

**14. If I exclude myself, can I get money from this Settlement?**

No. If you request to be excluded from the Settlement, you will not receive a Settlement Payment, however, you will still receive the Individual PAGA Payment if you were employed during the PAGA Period. If you request to be excluded from the Settlement, you also will not be able to object to the Settlement because the Settlement no longer affects you. The Individual Settlement Payment you would have been entitled to receive will be redistributed to Participating Class Members. No portion of the Settlement monies will go back to Defendant as a result of any person requesting to be excluded from the Settlement.

**OBJECTING TO THE SETTLEMENT**

**15. How do I tell the Court that I don’t like the Settlement?**

If you don’t think the Settlement is fair, and you don’t request to be excluded from the Settlement, you may object to the Settlement and tell the Court that you don’t agree with the Settlement or some part of it before the Court decides whether to grant final approval of the Settlement.

To object, you must submit a timely written objection to the Administrator. Your objection must state that you object to the proposed Settlement of the case entitled *Harmoning et al. v. First Bank*, Sacramento Superior Court Case No. 34-2019-00255123. Your objection must include your name, address, telephone number and signature, and include the specific reasons you object to the Settlement. If you intend to appear at the Final Approval hearing, you must also indicate your intention to appear in person at the hearing. Your written objection must be mailed to the Administrator at *Harmoning et al. v. First Bank* c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606, and must be postmarked on or before **August 8, 2023**. Objections postmarked after this date may be disregarded.

Class Counsel will ensure that any timely postmarked Notice of Objection received by the Settlement Administrator will be filed with the Court.

If you have submitted a timely objection, you may also appear at the Final Approval hearing on the Settlement, set for September 15, 2023 at 9:00 a.m. in Department 28 of the Superior Court of California, County of Sacramento, Gordon D.

Schaber Courthouse located at 720 9<sup>th</sup> Street, Sacramento, California 95814 to state your objection. The date and time of the hearing may change without notice. If you have returned a written objection, Class Counsel will notify you of any changes in the date and time of the Final Approval hearing.

You may also appear at the Final Approval Hearing to object orally even if you have not objected in writing.

If you have questions regarding this Settlement, you should contact attorneys for Plaintiff and the Class (see Paragraph 6) or the Settlement Administrator. Please **DO NOT** contact attorneys for Defendant or any of the Defendant’s managers and supervisors, etc. Do not contact the Court.

**THE COURT’S FINAL FAIRNESS HEARING**

**16. When and where will the Court decide whether to approve the settlement?**

The Court will hold a Final Approval hearing in Department 28 of the Superior Court of California, County of Sacramento, Gordon D. Schaber Courthouse located at 720 9<sup>th</sup> Street, Sacramento, California 95814, on September 15, 2023 at 9:00 a.m. At this hearing the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel’s request for attorneys’ fees and litigation costs, the Class Representative’s Service Payment, and the Settlement Administrator’s fees and expenses. The Court may reschedule the Final Approval hearing without further notice to Class Members. However, any Class Member who has submitted a written objection will be notified by Class Counsel of any rescheduling of the date and time of the Final Approval hearing.

**17. Do I have to come to the hearing?**

No. Class Counsel will answer any questions the Judge may have. But you are welcome to come at your own expense to support or object to the settlement. If you send an objection, you don’t have to come to Court to object but you can if you wish to. As long as you mailed your written objection on time, the Court will consider it. You may also hire and if required pay your own lawyer to attend if you so desire.

**18. May I speak at the hearing?**

You may appear at the Final Approval Hearing and ask the Court for permission to speak

**GETTING MORE INFORMATION**

**19. Who may I contact if I have questions about the settlement?**

This Notice is a summary of the basic terms of the Settlement. For more information, you may review the settlement pleadings in this case, including the Settlement Agreement, at any time during regular business hours in the Superior Court of California, County of Sacramento, located at 720 9<sup>th</sup> Street, Sacramento, California 95814. You may also examine case records online on the Sacramento County Superior Court’s website, [www.saccourt.ca.gov](http://www.saccourt.ca.gov) by clicking on “Online Services,” “Public Case Access,” “Civil,” Search by Case,” and, under “Case Number, YYYY-12345678 Format,” type in case number “2017-00223939” and click, “Search.” The documents filed in this case are listed in the Register of Actions.

You may also see a copy of the Settlement Agreement, Notice of Class Action Settlement, the Court’s Order Granting Preliminary Approval, the operative complaint filed in the Action, and other important documents relating to the Action by visiting <https://www.cptgroupcaseinfo.com/FirstBankSettlement>

You may also contact any of the attorneys representing Plaintiff and the Class shown in Paragraph 6 above, if you need more information or have questions. You may also contact the Settlement Administrator by calling toll free **1-833-816-0834**, or you can write to the Settlement Administrator, at Harmoning et al. v. First Bank c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANT OR ANY OF THEIR MANAGERS, SUPERVISORS, OR ATTORNEYS FOR INFORMATION.**

**ADDITIONAL IMPORTANT INFORMATION**

A. **It is your responsibility to ensure that the Settlement Administrator** has your current mailing address and telephone number on file, as this will be the address to which your Settlement Award will be sent if the Settlement is approved.

B. **Settlement Award checks should be cashed promptly upon receipt**. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be donated to the organization Legal Aid at Work, a non-profit organization which provides free or reduced legal assistance to persons, depending on need. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

C. The Settlement Administrator's contact information and mailing address are:

Harmoning et al. v. First Bank

c/o CPT Group, Inc.

50 Corporate Park

Irvine, CA 92606

Toll Free: **1-833-816-0834**

Website: <https://www.cptgroupcaseinfo.com/FirstBankSettlement>