

**CLASS NOTICE**Superior Court of California, County of San Diego*Susana Valdez v. Fairway Independent Mortgage Corporation*

Case No. 37-2018-00053677-CU-OE-CTL

(consolidated with Case No. 37-2019-00003139-CU-OE-CTL)

**ATTN: «EmployeeName»****NOTICE OF PROPOSED CLASS SETTLEMENT**

**YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A CLASS ACTION SETTLEMENT IF YOU ARE OR WERE A NON-EXEMPT EMPLOYEE OF FAIRWAY INDEPENDENT MORTGAGE CORPORATION AT ANY TIME FROM OCTOBER 23, 2014 TO JANUARY 14, 2022.**

A state court permitted this notice. This is not an advertisement.

You are not being sued. Your legal rights are affected, whether you act or not.

Please read this notice carefully.

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### ***1. Why Should You Read This Notice?***

This notice tells of your rights to share in the settlement and your ability to “opt-out” of, or object to, the settlement. There was a hearing on January 14, 2022 in the San Diego Superior Court, and Judge Kenneth J. Medel directed that you receive this notice.

You have received this notice because records indicate that you are a class member in this lawsuit. The settlement will resolve all claims described below.

On September 16, 2022, at 9:30 a.m., the Court will hold a Final Fairness Hearing concerning the proposed settlement in San Diego Superior Court located at Central Civil Division, Hall of Justice, located at 330 West Broadway, San Diego CA 92101, Hon. Kenneth J. Medel in Department C-66.

### ***2. What is the Case About?***

This Notice is to inform you of a proposed settlement of the consolidated putative class action called Susana Valdez, et al. v. Fairway Independent Mortgage Corporation filed on October 23, 2018, Case No. 37-2018-00053677-CU-OE-CTL and the representative action called Susana Valdez, et. al. v. Fairway Independent Mortgage Corporation, Case No. 37-2019-00003139-CU-OE-CTL, filed on January 17, 2019, both currently pending in the Superior Court of the State of California, County of San Diego. The Actions were filed by Plaintiff Susana Valdez against Defendant Fairway Independent Mortgage Corporation (“Fairway”) on behalf of all Fairway’s non-exempt employees in California between October 23, 2014 and January 14, 2022. The complaints broadly allege that Fairway: (1) failed to pay overtime; (2) failed to provide meal periods; (3) failed to permit rest breaks; (4) failure to pay all wages due within the required time and upon separation of employment; (5) failure to furnish accurate wage statements; (6) failed to maintain proper payroll records; (7) failed to provide accurate wage statements; (8) and failed to reimburse employees for reasonable and necessary employment-related expenses. Plaintiff also pled derivative claims under Business and Professions Code Section 17200 and the California Private Attorney General Act (“PAGA”). Fairway denies the allegations raised in the Actions, and asserts that it did not violate the law and has no liability for any of the class members’ claims under any statute, wage order, regulation, common law, or equitable theory.

### ***3. What is This Notice About?***

You may be entitled to receive money from a settlement that has been reached in the Action. The Court must finally approve the terms of the settlement described below as fair and reasonable to the class. The settlement will affect all members of the class, including you. This notice will explain the terms of the settlement and the amount of money you may get.

### ***4. Who are the Parties in this Class Action?***

Susana Valdez is the Plaintiff in the Action, acting on behalf of herself and on behalf of certain current and former Fairway non-exempt employees in California.

The “Settlement Class” is comprised of all persons who are current or former non-exempt employees of Fairway in California at any time between October 23, 2014 and January 14, 2022, and who do not timely opt out of the settlement.

You have been identified as a member of the Settlement Class.

### ***5. Why did Fairway Join In This Notice?***

Fairway does not admit to any of the claims alleged in the Action. Fairway denies the allegations in the Action, and denies that it owes money for any of the claims alleged in the Action. Fairway is settling the Action as a compromise, in order to save attorneys’ fees and costs and to avoid the uncertainties of litigation.

Fairway reserves the right to object to any claims made in the Action if for any reason the settlement fails. The Court file has the settlement documents with more information on the Action.

**6. Who are the Attorneys Representing the Parties?**

<u>Attorneys for Plaintiff &amp; the Class are:</u>	<u>Attorneys for Fairway Independent Mortgage Corporation</u>
KASHIF HAQUE JESSICA L. CAMPBELL FAWN F. BEKAM <b>AEGIS LAW FIRM, PC</b> 9811 Irvine Center Drive, Suite 100 Irvine, California 92618  Telephone: (949) 379-6250 Facsimile: (949) 379-6251	JOHN P. ZAIMES ROXANNE M. WILSON <b>ARENT FOX LLP</b> 555 West Fifth Street, 48 <sup>th</sup> Floor Los Angeles, California 90013  Telephone: (213) 629-7400 Facsimile: (213) 629-7401

**7. How Do I Receive Money From This Settlement?**

**You will automatically receive money from the settlement if you do not submit a request to be excluded from the settlement.** Your individual settlement payment will be based on the information shown below. The deadline to request to be excluded from the settlement, or to object to the settlement is June 13, 2022. Class counsel listed above represents you in connection with the settlement.

**If you are a current Fairway employee, your decision as to whether or not to be excluded from the settlement will not have any effect your employment with Fairway.** If you would like to receive payment under the Settlement, you do not need to do anything further.

**8. Excluding Yourself From and/or Objecting to the Settlement.**

If you do not wish to be included in the settlement, you must mail to the Claims Administrator the attached “Exclusion from the Class Action Settlement” form postmarked no later than June 13, 2022.

If you send the Exclusion Form, you will receive **no money** from the settlement.

If you do nothing and do not request exclusion, following entry of judgment and exhaustion of appeals or other post-judgment proceedings, the judgment entered by the Court will bind you and you will release the claims described below. You will only receive money from the settlement if you do not request exclusion.

If you wish to object to the settlement, you must mail an objection that includes the case name identifies the Court, and states why you object to the settlement. Your objection must state your full name, address, and telephone number.

The objection should be mailed to the Claims Administrator CPT Group, Inc. at Valdez v. Fairway Independent Mortgage Corporation Settlement Administrator, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606 and, to be valid, must also be mailed to the attorneys listed above by June 13, 2022.

Please do not call the Court or the attorneys for Fairway. You may contact the Administrator or Class Counsel with questions.

If you properly object, you may also appear, through your own retained counsel or on your own behalf, and discuss your objections with the Court and the Parties at the Final Fairness Hearing set for September 16, 2022 at 9:30 a.m., in Department C-66 of San Diego Superior Court located at 330 West Broadway, San Diego CA 92101.

If the Court approves the settlement against your objection and you have not returned an Request for Exclusion Form, you will receive a payment from the settlement.

### ***9. Effect of the Settlement, Release of Claims, and Settlement Allocations.***

If the proposed settlement is finally approved by the Court, a Judgment will be entered by the Court that will release Fairway, and all of its past, present, and future parents, subsidiaries, companies, divisions and affiliates, and other current and former related entities thereof, and all of the past, present, and future shareholders, officers, directors, employees, independent contractors, agents, members, personal representatives, insurers, legal counsel, and successors and assigns of said entities, as well as its predecessors, successors, present and former affiliates, general partners, limited partners, owners, beneficiaries, representatives, heirs, assigns (including, without limitation, any investors, trusts, or other similar affiliated entities), attorneys, and all persons acting by, through, under or in concert with any of them, including any party that was or could have been named as a defendant in the Actions (“Released Parties”) from any and all claims, causes of action, counterclaims, remedies, liabilities, losses, debts, demands, costs, expenses, attorneys' fees, and/or set-offs whatsoever, whether known or unknown, foreseen or unforeseen, suspected or unsuspected, accrued or unaccrued resulting from, arising out of, or in any way connected to the claims made and facts alleged in the Actions and their underlying subjects matters, including, without limitation, claims or allegations made or that could have been made for unpaid, miscalculated or untimely wages and/or overtime, meal periods, rest periods, inaccurate or untimely wage statements, wages due within the required time and upon separation from employment, pre- and post-judgment interest, compensatory and statutory compensation, general damages, disgorgement, declaratory relief, statutory damages, accounting of all minimum wages and sums allegedly unlawfully withheld as a result thereof, injunctive relief, restitution, penalties and interest as a result thereof, including, but not limited, to claims under the California Labor Code Sections 201, 202, 203, 218.6, 226, 226.7, 510, 512, 1174, 1175, 11182.12, 1194, 1194.2, 1197, 1198, 2802, 2698 et seq. (the Labor Code Private Attorneys General Act), 2802, applicable Industrial Welfare Commission Wage Orders, California Code of Regulations, Title 8, section 11000 et seq., Business and Professions Code section 17200 (unfair business practices), and California Code of Civil Procedure section 1021.5, and any and all other claims, whether legal or equitable, that involve the same or similar facts alleged or that arise or have arisen in connection with the Actions, against the Released Parties.

Notice of final approval of the settlement and final judgment will be posted and available to all Settlement Class Members on the Claims Administrator's website at [www.cptgroupcaseinfo.com/fairwaymortgagesettlement](http://www.cptgroupcaseinfo.com/fairwaymortgagesettlement). In exchange for the above release, Fairway will pay no more than the Gross Settlement Amount of \$1,988,700.000 (One Million Nine Hundred Eighty-Eight Thousand Seven Hundred Dollars and Zero Cents) to satisfy payment of the following amounts: (i) Settlement Administration Expenses, which shall not exceed \$17,000; (ii) up to 35% (Thirty Five Percent) of the Gross Settlement Amount for payment of attorneys' fees to Class Counsel; (iii) \$37,500.000 (Thirty Seven Thousand Five Hundred Dollars and Zero Cents) to the California Labor & Workforce Development Agency (“LWDA”) for the payment of civil penalties under the PAGA statute, which takes into account Fairway's past payment to the LDWA of \$18,000.000 (Eighteen Thousand Dollars and Zero Cents); (iv) Service Award to the Named Plaintiff in an amount approved by the Court, but not to exceed Five Thousand Dollars and Zero Cents (\$5,000.00). If the settlement is approved and you do not request to be excluded, you will receive compensation and will be forever barred from asserting the Settled Claims against the Released Parties.

### 10. How Much Can I Expect to Receive?

Your payment under the settlement will be calculated based on the number of weeks you worked for Fairway as reflected below. The Net Settlement Amount shall be distributed by the Claims Administrator to Settlement Class Members who do not timely opt out of the Settlement Agreement. Each Settlement Class Member will be paid a pro rata share of the Net Settlement Amount based on the number of weeks he or she worked for Fairway between October 23, 2014 and January 14, 2022, divided by the total number of work weeks worked by all Settlement Class Members. Any of the above allocated funds which the Court does not finally approve will be added back into the Net Settlement Amount to be allocated to the Settlement Class Members as described above.

Any settlement award checks which remain undeliverable or uncashed for 180 days following their issuance will be voided and the Administrator will then remit the funds to the Unclaimed Property Office for the State of California to be held in the Unclaimed Property Fund for the Settlement Class Member's benefit so that he or she may claim them at a later date.

Fairway's records indicate that you worked for Fairway from «strDates» for a total of «Workweeks» work weeks. Therefore, your payment under the settlement is estimated to be «estAmount». This amount may decrease or increase without further notice to you depending on orders by the Court. It is important that you carefully check and confirm the dates of employment listed above and correct any inaccuracies below.

#### (a) Class Member Identification

This is the information that we have for you and where your settlement check will be mailed to you:

«EmployeeName»  
«Address1» «Address2»  
«City», «State» «Zip»

If any of this information is inaccurate or incomplete, please provide the correct information below and return it to the Administrator: (Please Type or Print)

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Class Member's Name (First, Middle, Last)

---

Class Member's Name Used While Employed by Fairway *[if different from current name - First, Middle, Last]*

---

Street Address

---

City, State Zip Code

---

Foreign Province / Foreign Country

---

Social Security No.

---

Telephone Number

#### **Information Provided by Class Member**

Complete the following section **only if** you believe that the information set forth above is not accurate. If you return this form to the Claims Administrator, you must also send any documentation you have that supports or relates to the information that you provide below. Please do not include any time periods before October 23, 2014.

Information for dates I worked at Fairway between October 23, 2014 and January 14, 2022 or the date of preliminary approval of the settlement by the Court are as follows:

Date began working for Fairway (approx. if unsure)			Date stopped working for Fairway (approx. if unsure)		
Month	Day	Year	Month	Day	Year

It is your responsibility to keep a current address on file with the Claims Administrator to ensure receipt of your settlement claim payment.

***11. How Will The Attorneys for the Class and Valdez be Paid?***

The attorneys for Valdez will be paid from the Gross Settlement Amount. The attorneys have asked for an award of 35% (Thirty Five Percent) of the Gross Settlement Amount in fees and reimbursement of up to \$30,000 in reasonable litigation costs, and will receive that award if their request is approved by the Court. If approved by the Court, Plaintiff Susana Valdez be paid from the Gross Settlement Amount an Incentive Award of up to \$5,000 (Five Thousand Dollars and Zero Cents) for her service, in addition to her individual Settlement Award pursuant to section 10 above.

***12. How Can I Receive Additional Information?***

If you need more information or have any questions, you may call Class Counsel at the telephone number listed above, or you may call the Claims Administrator at the telephone number listed below, toll free. Please refer to the Valdez Class Action Settlement. You may also refer to the case website, at [www.cptgroupcaseinfo.com/fairwaymortgagesettlement](http://www.cptgroupcaseinfo.com/fairwaymortgagesettlement) which includes this Notice and the other forms and approval and administration documents regarding this Settlement.

Valdez V. Fairway Independent Mortgage Corporation  
c/o CPT Group, Inc.  
50 Corporate Park  
Irvine, CA 92606  
Telephone: 1-888-694-2503

Please do not call the Court for information about this settlement. Please do not contact Fairway's attorneys for information about this settlement.