

# NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED CLASS SETTLEMENT

## LEGAL NOTICE:

If you worked for Guild Mortgage Company as a Loan Processor in California during some or all of the period from June 9, 2010 through December 31, 2015, a class action settlement will affect your rights

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

YOU ARE HEREBY NOTIFIED that a proposed class settlement (the "Class Settlement") in the case entitled, *Jamille R. Travis v. Guild Mortgage Company*, Case No. 30-2014-00727549-CU-OE-CXC (the "Action") filed in the Orange County Superior Court (the "Court"), has been reached between the plaintiff Jamille R. Travis ("Plaintiff" or "Class Representative") and defendant Guild Mortgage Company ("Defendant" or "Guild," collectively the "Parties"). The Court granted preliminary approval of the Class Settlement. The proposed Class Settlement will resolve all class claims in the Action. The Court ordered this Notice be sent to you because you may be a class member. This Notice informs you of the settlement and your legal rights under the Class Settlement.

## SUMMARY OF CASE

- Plaintiff, a former Loan Processor, sued Guild on behalf of herself and other Loan Processors (the "Class Members"), and alleged various California Labor Code violations including, but not limited to, failure to pay all regular and overtime wages, unpaid meal and rest premiums, waiting time penalties, failure to provide and maintain accurate paystubs, and civil penalties under the Private Attorneys General Act ("PAGA"). After extensive discovery, investigation and an exchange of relevant information, the Parties agreed to participate in private mediation to try and resolve the claims. After the second mediation, the Parties reached the Class Settlement memorialized in the Joint Stipulation of Class Action Settlement and Release on file with the Court, and whose terms are generally summarized in this Notice.

**If you qualify as a Class Member, you could receive money from the settlement. Your legal rights are affected whether you act or don't act. Read this Class Notice carefully.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
<b>SUBMIT A CLAIM FORM</b>	This is the only way to receive payment from the Class Settlement. In exchange for this payment you will give up any rights to sue for the same claims that were part of this Class Settlement.
<b>DO NOTHING</b>	You will get no money <b>and</b> you will give up any rights to sue for the same claims that were part of this Class Settlement.
<b>EXCLUDE YOURSELF</b>	Give up all benefits, including money, from the Class Settlement. Retain all rights you may have against GUILD, explained below.
<b>OBJECT</b>	Write to the Court about why you don't agree with the Class Settlement. The Court may or may not agree with your objection.
<b>SUBMIT A CLAIM FORM AND OBJECT</b>	You can submit a claim form and object in order to receive a payment just in case the Court overrules your objection.

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**How MUCH CAN I GET?** Look at the top of the enclosed Claim Form.

- Your rights and options – and the deadlines to exercise them – are explained in this Notice.
- The Court in charge still has to decide whether to grant final approval of the Class Settlement. If the Court approves the Class Settlement and after any appeals are resolved, payments will be made to Class Members who comply with this Notice by submitting a valid claim form.

## 1. Why Did I Get This Notice Package?

**You are not being sued.** Plaintiff sued Guild in a class action on behalf of herself and similarly situated employees like you.

Guild's records show you are a current or former Loan Processor who worked at GUILD within the state of California during the period from June 9, 2010 through December 31, 2015 (the "Class Period").

You received this Notice because you have a right to know about a proposed settlement of a class action lawsuit and about your options before the Court decides whether to grant final approval of the Class Settlement. If the Court approves the Class Settlement, and after any objections and appeals are resolved, a Claims Administrator appointed by the Court will make the payments that the Class Settlement allows.

This Notice explains the lawsuit, the Class Settlement, your legal rights, what benefits are available, who is eligible for them and how to get them.

## 2. What Is This Lawsuit About?

Plaintiff claims, on behalf of herself and other Loan Processors who worked for Guild in California during the Class Period, that Guild: (a) failed to pay all wages due to Loan Processors; (b) failed to provide compliant meal-and-rest periods; (c) failed to provide accurate wage statements; (d) failed to timely pay all wages due upon discharge or termination of employment; and (e) failed to pay penalties for violation of the PAGA.

## 3. Do I Need to Hire an Attorney?

**You need not hire your own attorney.** You are already represented by the attorneys and law firm indicated below ("Class Counsel"). At the preliminary approval hearing, the Court appointed the following attorneys as Class Counsel to represent the Class Members in this Action:

Brian D. Chase  
Jerusalem F. Beligan  
**BISNAR | CHASE LLP**  
1301 Dove Street, Suite 120  
Newport Beach, CA 92660  
(949) 752-2999

However, you may hire your own attorney at your own expense if you choose to do so.

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### 4. What is Guild's Position?

Guild denies all of Plaintiff's allegations, or that it violated any law, and contends that it complied with federal, state and local laws. Specifically, Guild denies that Plaintiff or Class Members: (a) are owed any additional compensation for the hours they worked; (b) are owed meal or rest period premiums; (c) have been denied meal or rest periods; (d) have received inaccurate or deficient wage statements; and (e) have not been timely paid all wages due upon termination.

### 5. Why Is There A Class Settlement?

The Court did not decide in favor of Plaintiff or Defendant. Instead of going to trial, after discovery and a thorough investigation into the facts, both sides agreed to a Class Settlement after mediating this case twice before a neutral, third-party mediator. The class claims were settled because Class Counsel and Class Representative believe that the terms of the Class Settlement are fair and reasonable in light of the strength and weaknesses of the claims and other factors.

### 6. How Do I Know If I Am Part Of The Class Settlement?

Class Members are all current and former Loan Processors who worked for GUILD in California during the Class Period. If you fit within these parameters, then you are a Class Member and therefore part of the Class Settlement.

### 7. What Does The Class Settlement Provide?

The Class Settlement provides that Defendant is willing to pay up to \$500,000 (the "Gross Settlement Amount") to fully resolve the claims in the Action. Class Members who submit timely and valid Claim Forms will receive money from the Net Settlement Amount. The Net Settlement Amount is the portion of the Gross Settlement Amount available for distribution to Class Members, who submit timely and valid Claim Forms, after deduction of Court approved Class Counsel's attorneys' fees and costs, Plaintiff's enhancement award, settlement administration costs, and the State of California's portion of the PAGA payment. The Parties anticipate that the Net Settlement Amount will be \$298,709. The Parties agreed that at least 50% of the Net Settlement Amount (or \$149,354.50) must be distributed to Class Members. If the total settlement payments are less than fifty percent (50%) of the Net Settlement Amount, the Claims Administrator will proportionately increase the individual settlement payment for each participating Class Member to ensure that the total settlement payment equals 50% of the Net Settlement Amount.

Deductions for Class Counsel's attorneys' fees and costs, Plaintiff's enhancement award, settlement administration costs, and the State of California's portion of the PAGA payment. Class Counsel will ask the Court to award attorneys' fees in the amount of \$166,666, which represents thirty three and one-third percent (33 1/3%) of the Gross Settlement Amount and litigation costs of up to \$20,000 from the Gross Settlement Amount. In addition, Class Counsel will ask the Court to authorize an enhancement award from the Gross Settlement Amount of \$5,000 to Plaintiff to compensate her for the risks, time and expense of each of her involvement in the Action. This payment is in addition to whatever payment Plaintiff is otherwise entitled to as Class Member.

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The State of California will also be paid \$1,125 for its share of the \$1,500 PAGA payment for claims under the PAGA. The remaining \$375 will be distributed to claiming Class Members by adding that sum to the Net Settlement Amount, subject to Court approval. The Claims Administrator will also be reimbursed for the expense of notifying the Class Members of the Class Settlement, processing claims and requests for exclusions submitted by Class Members and distributing Class Settlement payments. Settlement Administration Costs are estimated to be \$8,500 but may be higher or lower depending on the results of the claim process. In any event, the cost to administer the Class Settlement will not exceed ten thousand dollars (\$10,000).

### **8. What Can I Get From the Class Settlement?**

Participating Class Members will be paid out of the Net Settlement Amount. The Class Settlement payment received by Class Members will be broken down as follows: twelve percent (12%) will be designated for alleged unpaid wages and other damages, for which IRS Form W-2 shall be issued; eighty-eight percent (88%) will be designated for alleged interest, and penalties, for which IRS Form 1099 shall be issued, as appropriate. The employer-side payroll taxes will not be deducted from your payments.

If you submit a completed Claim Form by the Claim Period Deadline, you will receive your share of the Net Settlement Amount after the Court approves the Class Settlement. Your estimated share is listed in the enclosed Claim Form.

### **9. How Was My Share Calculated?**

Your share will be calculated and apportioned from the Net Settlement Amount based on the number of Workweeks you worked during the Class Period divided by the total Workweeks worked by all Class Members during the Class Period.

The term "Workweeks" is defined as the number of weeks of employment that you worked as a Loan Processor for Guild in California at any time during the Class Period. Guild will determine the number of Workweeks by calculating the number of days you worked as a Loan Processor in California during the Class Period, dividing by seven (7), and rounding up to the nearest whole number.

### **10. How Can I Get Payment?**

To qualify for payment, you must complete and return a Claim Form. A Claim Form is enclosed with this Notice. Read the instructions carefully, fill out the Claim Form completely, sign and date it, and mail it postmarked to the Claims Administrator no later than October 28, 2016. Alternatively, you may submit a Claim Form via fax to (949)-209-2503 or online at [www.phoenixclassaction.com/travisvguildmortgage](http://www.phoenixclassaction.com/travisvguildmortgage), by completing the procedures set forth on the website and receiving a confirmation number no later than 11:59 pm, October 28, 2016. If you do nothing or fail to timely and properly submit your Claim Form, you will be included in the Class Settlement class, and be bound by the terms of the Class Settlement (including the Released Claims described in Section 12 below), but will not receive money.

California law protects Class Members from retaliation based on their decision to participate in a class action settlement.

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### **11. When Would I Get My Payment?**

The Court will hold the Final Approval Hearing on or about December 21, 2016 at 1:30p.m. in Department CX102 of the Orange County Superior Court, Civil Complex Center, 751 W. Santa Ana Blvd., Santa Ana, CA 92701, to decide whether to approve the Class Settlement. If the Court approves the Class Settlement on that date, your settlement share will be mailed to you within approximately 22 days from that date, unless there are objections or appeals. If there are objections or appeals, it is always uncertain when they will be resolved, and resolving them can take time.

### **12. What Rights Do I Give Up If I Participate Or Do Nothing?**

Unless you exclude yourself, you will remain a Class Member, and you will be bound by the terms of the Class Settlement, including the Released Claims described below. That means you cannot sue, or to continue to sue, or be part of any other lawsuit related to the Released Claims. It also means that all of the Court's orders will apply to you and legally bind you.

#### **Released Claims**

Upon the final approval by the Court of the Class Settlement, unless you submit a valid and timely opt-out request, you will be deemed to have released all wage and hour claims, rights, demands, liabilities and causes of action of every nature and description which arose during the Class Period related to the claims litigated in the Action against Defendant, including without limitation statutory, contractual or common law claims for wages, damages, unpaid costs, penalties, liquidated damages, interest, restitution, equitable relief, or any other relief, including claims based on the following categories of allegations: (a) claims for unpaid overtime; (b) claims for meal and rest period violations; (c) claims for unpaid wages, including and not limited to, minimum wages; (d) claims for the failure to timely pay wages upon discharge or termination of employment; (e) claims for the failure to timely pay wages during employment; (f) claims for wage statement violations; (g) claims for conversion, fraud, and unjust enrichment arising out the alleged failure to pay wages; (h) all claims asserted through the PAGA arising out of the aforementioned claims; and (i) all claims asserted through California Business & Professions Code § 17200 *et seq.* arising out of the aforementioned claims.

No other claims (except for attorneys' fees and costs) will be released as part of this Class Settlement. The Released Claims do not include any claims related to work performed while not a Class Member (e.g., for work performed while not a Loan Processor, or work performed outside California).

Notwithstanding the foregoing, the scope of these Released Claims is not meant to be and shall not be interpreted or understood to include any claim beyond the scope of *res judicata* in this Action.

### **13. How Do I Exclude Myself From The Class Settlement?**

If you do not wish to participate in the Class Settlement, you may exclude yourself (called "opting out") by completing and returning the Exclusion Form. An Exclusion Form is enclosed with this Notice. Read the instructions carefully, fill out the Exclusion Form completely, sign and date it, and mail it postmarked to the Claims Administrator no later than October 28, 2016. Alternatively, you may submit a Exclusion Form via fax to (949)209-2503 or online at [www.phoenixclassaction.com/travisvguildmortgage](http://www.phoenixclassaction.com/travisvguildmortgage), by completing the procedures set forth on the website and receiving a confirmation number no later than 11:59 pm, October 28, 2016.

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If you timely submit the Exclusion Form, then you will no longer be a member of the class, you will be barred from participating in any portion of the Class Settlement, you may not object to the Class Settlement, and you will receive no benefits, including money, from the Class Settlement. If you wish, you may pursue, at your own expense, any claims you may have against Guild. If you do not submit a complete and timely Exclusion Form, you will be included in the class, and you will be bound by the terms of the Class Settlement (including the Released Claims described in Section 12 above), whether or not you filed a Claim Form and/or objected to the Class Settlement.

**Do not submit both the Claim Form and an Exclusion Form.** If you submit both, the Exclusion Form will be valid, and you will be excluded from the Class Settlement.

### 14. When Is The Final Approval Hearing?

The Court will hold a Final Approval Hearing in Department CX102 of the Orange County Superior Court, Civil Complex Center, 751 W. Santa Ana Blvd., Santa Ana, CA 92701 on December 21, 2016 at 1:30p.m. or such other, later date as the Court may authorize, to determine whether the Class Settlement is fair, reasonable, and adequate; and if there are objections, the Court will consider them. The Court will also be asked to approve Class Counsel's request for attorneys' fees and costs, Plaintiff's enhancement award, settlement administration costs, and the PAGA payment.

The hearing may be continued without further notice to Class Members. You are not required to attend the Final Approval Hearing.

### 15. How Do I Object To The Class Settlement And Appear At The Final Approval Hearing?

To object to the Class Settlement, you must serve your Objections to Class Counsel and Guild's attorneys:

<b>CLASS COUNSEL</b>	<b>GUILD'S ATTORNEYS</b>
BRIAN D. CHASE JERUSALEM F. BELIGAN BISNAR CHASE LLP 1301 Dove Street, Suite 120 Newport Beach, California 92660 Telephone: (949) 752-2999	JAMES M. PETERSON EDWIN M. BONISKE HIGGS, FLETCHER & MACK LLP 401 West "A" Street, Suite 2600 San Diego, California 92101 Telephone: (619)236-1551

Your Objections must state your full name, address, telephone number, and a written statement of all grounds for the objection accompanied by any legal support for such objection and copies of any papers, briefs, or other documents upon which the objection is based. To be valid and effective, any objections to approval of the Class Settlement must be served upon each of the above-listed attorneys by U.S. mail postmarked no later than October 28, 2016. **DO NOT FILE OBJECTIONS WITH THE COURT OR TELEPHONE THE COURT.**

You do not have to attend the hearing, but you may do so at your own expense. If you served Objections, you do not have to appear at the hearing. As long as you serve Objections on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

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**You can submit a Claim Form and Object. If you do not submit a Claim Form and the Court approves the Class Settlement despite objections from you or other Class Members, you will receive no settlement proceeds and you will be bound by the terms of the Class Settlement (including the Released Claims described in Section 12 above).**

**You cannot both object and opt-out. If you submit a timely Exclusion Form and object, the Exclusion Form will take priority. You will be excluded from the class and you will be prohibited from objecting to the Class Settlement.**

### **16. How Do I Get Additional Information?**

The above is a summary of the basic terms of the Class Settlement. For the precise terms and conditions of the Class Settlement, you should consult the detailed Joint Stipulation of Class Action Settlement and Release, which is on file with the Clerk of the Court.

The pleadings and all other records from this litigation may be examined by visiting the Orange County Superior Court at the Civil Complex Center, 751 W. Santa Ana Blvd., Santa Ana, California 92701 during regular office hours (Mon.–Fri., 8:30 a.m. to 4:30 p.m.). You may also view some of the key documents at [www.phoenixclassaction.com/travisvguildmortgage](http://www.phoenixclassaction.com/travisvguildmortgage).

**If you have questions, you can call the Claims Administrator at (800) 784-2174 or Class Counsel (see Section 3 for phone number).**

**PLEASE DO NOT WRITE OR TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS CLASS SETTLEMENT OR THE CLAIM PROCESS.**