

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

IVONNE CARBAJAL, individually and on)	
behalf of all others similarly situated)	
)	
Plaintiff,)	
)	Case No. 23-cv-02391-PHX-SMB
v.)	
)	
CENLAR FSB,)	
)	
Defendant.)	

SETTLEMENT AGREEMENT

This Settlement Agreement (the “Agreement”) is entered into by and between IVONNE CARBAJAL (the “Named Plaintiff”), individually and on behalf of the proposed settlement collective (as defined herein) in the above-captioned matter, and Defendant, CENLAR FSB (“Defendant”) (together with Named Plaintiff, the “Parties” or, individually, “Party”).

RECITALS

WHEREAS, the Named Plaintiff filed her Collective Action Complaint (“Complaint”) asserting claims against Defendant under the Fair Labor Standards Act (“FLSA”), 29 U.S.C. § 201 *et seq.*, for the alleged failure to pay overtime wages to the Named Plaintiff and a putative collective of hourly-paid, telephone-dedicated employees (the “Litigation”); and

WHEREAS, the purpose of this Agreement is to settle fully and finally all claims as set forth in Section 4 of this Agreement, including all claims asserted in the Litigation and those claims that could have been so asserted under the FLSA and state wage and hour laws based on the allegations in the Complaint relating to the non-payment of overtime wages for work performed at the start and the end of shifts by individuals employed as hourly-paid, call-center/telephone-dedicated employees by Defendant; and

WHEREAS, Defendant denies all of the allegations made by Named Plaintiff in the Litigation and denies that it is liable or owes damages to anyone with respect to the alleged facts or causes of action asserted in the Litigation. Nonetheless, without admitting or conceding any liability or damages whatsoever, Defendant has agreed to settle the Litigation on the terms and conditions set forth in this Agreement, to avoid the burden, expense, and uncertainty of continuing the Litigation; and

WHEREAS, on August 22, 2025, the Parties participated in a mediation session of this matter, which was conducted by experienced and nationally recognized wage-and-hour collective and class action mediator, Hunter R. Hughes III, Esq., and the Parties reached a resolution at the mediation, resulting in this Agreement; and

WHEREAS, Collective Counsel analyzed and evaluated the merits of the claims made against Defendant in the Litigation, conducted interviews with the Named Plaintiff and Opt-In Plaintiffs, obtained and reviewed documents relating to Defendant’s compensation policies and practices, and analyzed payroll data, and based upon their analysis and evaluation of a number of factors, and recognizing the substantial risks of litigation, including the possibility that the Litigation, 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, Collective 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 Settlement Collective.

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 agree to a full and complete settlement of the Litigation on the following terms and conditions.

1. DEFINITIONS

The defined terms set forth in this Agreement have the meanings ascribed to them below. Unless otherwise indicated, capitalized terms used herein shall have the same meaning and definition as the following:

- 1.1 “**Claim Deadline**” means the date sixty (60) days after Notice of the Settlement is mailed to Settlement Collective Members.
- 1.2 “**Claim Form**” means the document entitled Claim Form to be approved by the Court in a form substantially similar to the document attached hereto as **Exhibit C**.
- 1.3 “**Claimant**” means any Settlement Collective Member who submits a valid and timely Claim Form.
- 1.4 “**Collective Counsel**” and “**Settlement Collective Counsel**” means James X. Bormes and Catherine P. Sons of the Law Office of James X. Bormes, P.C., Thomas M. Ryan of the Law Office of Thomas M. Ryan, P.C., and Michelle R. Matheson of Matheson & Matheson, P.C.
- 1.5 “**Collective Counsel Costs Award**” means no more than Forty-Five Thousand Dollars (\$45,000.00).
- 1.6 “**Collective Counsel Fee Award**” means Two Hundred Eighty Five Thousand Dollars in attorney’s fees (\$285,000.00), which is the maximum amount that Defendant has agreed to pay to fully resolve and settle any claim for attorneys’ fees relating to the Litigation, plus the Collective Counsel Costs Award, not to exceed \$45,000.
- 1.7 “**Complaint**” means the Collective Action Complaint dated November 14, 2023, that was filed by the Named Plaintiff in this Litigation.

- 1.8 “**Court**” means the United States District Court for the District of Arizona.
- 1.9 “**Defendant**” means Cenlar FSB and all of its subsidiaries.
- 1.10 “**Defendant’s Counsel**” means Ballard Spahr, LLP, including Jay Zweig and Melissa R. Costello.
- 1.11 “**Effective Date**” shall mean the thirtieth (30th) day after the Court’s issuance of the Final Approval Order, provided that the Final Approval Order is not appealed.
- 1.12 “**Eligible Workweek**” means any and all weeks during which a Settlement Collective Member worked forty (40) hours or more and performed any compensable work for Defendant as a non-exempt, hourly-paid, telephone-dedicated employee, during the period of November 14, 2020 through December 31, 2024. Defendant represents that the total number of Eligible Workweeks is 38,562.
- 1.13 “**Employer Payroll Taxes**” means all taxes and withholdings an employer is required to make arising out of or based upon the payment of employment/wage compensation in this Litigation, including FICA, FUTA, and SUTA obligations. Defendant shall pay the Employer Payroll Taxes separate from and in addition to the Collective Settlement Fund and the Collective Counsel Fee Award.
- 1.14 “**Final Approval Order**” means an Order which gives final approval to the Settlement, in a form substantially similar to the Proposed Final Approval Order attached hereto as **Exhibit A**.
- 1.15 “**Funding Date**” shall mean thirty (30) days after the date of issuance of the Final Approval Order, when the Collective Settlement Fund and the Collective Counsel Fee Award are paid to the Settlement Administrator.
- 1.16 “**Last Known Address**” or “**Last Known Addresses**” means the most recently recorded personal mailing address for a Settlement Collective Member as shown in Defendant’s records or as provided by Collective Counsel.
- 1.17 “**Litigation**” or the “**Lawsuit**” or the “**Action**” means the lawsuit entitled *Carbajal v. Cenlar FSB*, No. 23-cv-02391-PHX-SMB in the United States District Court for the District of Phoenix.
- 1.18 “**Named Plaintiff**” means Ivonne Carbajal.
- 1.19 “**Opt-In Plaintiffs**” means the two (2) individuals who have filed Consents to Join this Litigation (other than the Named Plaintiff): Carla Reynosa and Sheri Cooper.
- 1.20 “**Parties**” collectively means the Named Plaintiff and Defendant.

- 1.21** “**Qualified Settlement Fund**” or “**QSF**” means the account(s) established by the Settlement Administrator for the Collective Settlement Fund and Collective Counsel Fee Award paid by Defendant. The QSF will be controlled by the Settlement Administrator, subject to the terms of this Agreement and the Court’s Order(s). Interest, if any, earned on any monies in the QSF will become part of the Settlement Fund.
- 1.22** “**Releasees**” means Defendant and all of its past and present parents, subsidiaries, divisions, affiliates, predecessors, successors, holding companies, commonly controlled entities, enterprises, ventures, and their respective current and former employees, agents, attorneys, principals, officers, directors, board members, insurers, partners, shareholders, investors, assigns, transferees, agents and administrators, both individually and in their business capacities.
- 1.23** “**Service Award**” means the amount of the court-approved payment(s) to the Service Award Recipients.
- 1.24** “**Service Award Recipients**” shall mean Ivonne Carbajal and the two (2) Opt-In Plaintiffs.
- 1.25** “**Settlement**” means the settlement between the Parties embodied and contained in this Agreement.
- 1.26** “**Settlement Administrator**” means CPT Group.
- 1.27** “**Settlement Administration Expenses**” shall mean the amount Defendant pays to the Settlement Administrator in connection with the administration of this Settlement. Defendant shall pay the Settlement Administration Expenses, separate from and in addition to the Collective Settlement Fund and the Collective Counsel Fee Award.
- 1.28** “**Settlement Agreement**” or “**Agreement**” means this agreement and the exhibits hereto, which the Parties understand and agree set forth all material terms and conditions of the Settlement between them, and which is subject to Court approval.
- 1.29** “**Settlement Check**” means the checks issued to each Claimant for their proportionate share of the net Settlement Fund calculated in accordance with this Agreement.
- 1.30** “**Settlement Collective**” and “**Settlement Collective Member(s)**” means the 2,008 individuals who performed work as hourly telephone-dedicated employees at Defendant’s call centers within the states of Arizona, Missouri and New Jersey at any time during the period of November 14, 2020 through December 31, 2024.
- 1.31** “**Collective Settlement Fund**” means Two Hundred Seventy Thousand Dollars (\$270,000.00), which Defendant has agreed to pay to fully resolve and settle the claims of the Collective Members as asserted in this Litigation provided, however, that in the event the total number of Eligible Workweeks of 38,562 increases by 10% or more, the amount of the Collective Settlement Fund shall increase *pro rata*, and such *pro rata* adjustment will be triggered only for those amounts of Eligible Workweeks in excess of 10%.

The following amounts shall be paid from the Collective Settlement Fund: (i) all settlement payments to Claimants, as addressed in Section 3.1; and (ii) the Service Awards.

The Collective Settlement Fund does not include funds to pay the following: (i) the Employer Payroll Taxes, (ii) the Settlement Administration Expenses; or (iii) the Collective Counsel Fee Award, all of which will be paid by Defendant separate from and in addition to the Collective Settlement Fund..

1.32 “**Settlement Notice**” means the document entitled Notice of Settlement to be approved by the Court in a form substantially similar to the notice attached hereto as **Exhibit B**.

2. APPROVAL AND NOTICE TO SETTLEMENT COLLECTIVE MEMBERS

2.1 Binding Agreement. This Agreement is a binding agreement and contains all material agreed-upon terms for the Parties to seek a full and final settlement of the Litigation.

2.2 Duties of the Settlement Administrator. The Settlement Administrator will be responsible for, among other things, establishing a QSF account; running the Settlement Collective Members’ addresses through the U.S. Postal Service’s National Change of Address database and mailing the Notices using the most current mailing address; conducting a second mailing for any Settlement Collective Member whose Notice is returned as undelivered and for whom a forwarding address is provided by the U.S. Postal Service or through one entry level skip trace for each Settlement Collective Member whose Notice is returned as undelivered; preparing and mailing the Settlement Notices and Claim Forms to Settlement Collective Members; mailing a reminder postcard to the Settlement Collective Members during the claim in settlement process; providing Claim Forms as requested by Settlement Collective Members and/or Collective Counsel; setting up and monitoring a website that allows the Settlement Collective Members to submit a Claim Form; preparing and mailing Settlement Checks; distributing approved Service Awards and attorneys’ fees and expenses; calculating and paying all appropriate taxes and complying with all applicable tax reporting obligations, including preparing and filing all applicable tax forms; retaining copies of the signed Settlement Checks; providing copies of the signed Settlement Checks to the Parties’ counsel if requested; working with the Parties’ counsel as requested and/or needed; and preparing a declaration describing all duties performed and claims administration statistics.

2.3 The Parties will have equal access to the Settlement Administrator and all information related to the administration of the Settlement. The Settlement Administrator shall timely provide such information to counsel for either Party upon request. The Settlement Administrator will provide regular reports to counsel for the Parties regarding the status of the mailing of the Settlement Notice, the claims administration process, and distribution of the Settlement Checks.

- 2.4 The Parties agree to cooperate with the Settlement Administrator, provide accurate information necessary to calculate the Settlement Checks, and provide necessary assistance to the Settlement Administrator in locating Settlement Collective Members.
- 2.5 Collective Counsel shall prepare and submit to Defendant's counsel for comment ten (10) days before it is due, and then file a motion for approval of the Parties' collective action settlement ("Approval Motion"). With the Approval Motion, Collective Counsel will also file the Settlement Agreement, proposed Final Approval Order, Settlement Notice and Claim Form. Among other things, the Approval Motion will ask the Court to: (a) issue and enter the Final Approval Order approving the Settlement as fair, adequate, and reasonable, and (b) approve the proposed Settlement Notice and Claim Form to be sent to Settlement Collective Members and the claim in process.
- 2.6 Within ten (10) days of the Court's entry of the Final Approval Order, Defendant shall provide the Settlement Administrator with a list, in electronic form, of the names, Last Known Addresses, social security numbers, pertinent dates of employment, and Eligible Workweeks for each Settlement Collective Member ("Class List"). At the same time, Collective Counsel will also provide any updated addresses for the Settlement Collective Members.
- 2.7 This Settlement Agreement is intended to provide that approximately 2,008 individual Settlement Collective Members will have the opportunity to receive a settlement payment based upon the terms of the Settlement Agreement. Defendant represents that the Settlement Collective Members collectively worked approximately 38,562 workweeks of forty (40) hours or more during the time period of November 14, 2020 and December 31, 2024.
- 2.8 Settlement Notices and Claim Forms will be mailed, *via* First Class U.S. mail, postage prepaid, to Settlement Collective Members by the Settlement Administrator, and a static website shall be accessible no later than twenty-one (21) days after the Administrator's receipt from Defendant of the Class List, as addressed in Section 2.6.
- 2.9 The Settlement Notice and Claim Forms will notify Settlement Collective Members of the Settlement and include the amount of their approximate individual settlement amount, calculated based on their Eligible Workweeks. The Settlement Notice shall advise Settlement Collective Members of their rights with regard to the Settlement. The Settlement Notice shall advise Settlement Collective Members that by cashing or depositing a Settlement Check, they will be providing Releasees with a release of their FLSA and state wage and hour claims during the time they worked as hourly-paid, telephone-dedicated employees, as set forth in Section 4 below.
- 2.10 Named Plaintiff shall file her Motions for Final Approval of the Settlement and for Service Fees Award and an Attorney's Fees and Costs Award, no later than December 19, 2025.
- 2.11 Settlement Checks will be mailed, *via* First Class U.S. mail, postage prepaid, to Claimants by the Settlement Administrator no later than ten (10) days after the date of the Claim

Deadline. If there is an appeal of the Final Approval Order by any person, Settlement Checks shall not be sent until all appeals are decided and the case is returned to the Court and the Court enters an Order that the Settlement Checks should be sent.

- 2.12** Settlement Checks shall be valid for one hundred twenty (120) days after they are mailed. If a Settlement Check has not been cashed by any Claimant within sixty (60) days after it is mailed, the Settlement Administrator shall send those individuals who have not cashed their Settlement Checks a reminder via First Class U.S. mail, postage prepaid of the expiration of the time to cash their check. If the Settlement Check is not cashed within one hundred twenty (120) days of the mailing of the Settlement Checks as described in Section 2.11, then the Settlement Administrator will issue a stop payment order on any uncashed or returned Settlement Checks. In the event a Claimant reports a lost or destroyed Settlement Check within one hundred twenty (120) days of the mailing of the Settlement Checks as described in Section 2.11, then the Settlement Administrator shall issue a stop payment order on the original check and issue and mail that Claimant a new check. The reissued check shall be valid for one hundred twenty (120) days from re-issuance. In the event a Claimant does not cash a Settlement Check during the time to do so, then the Settlement Administrator shall take all reasonable steps to escheat to the appropriate state government agency for unclaimed property of that particular Claimant.
- 2.13** The Settlement Administrator shall take reasonable steps to obtain the correct address of Settlement Collective Members for whom the Settlement Notice or Settlement Check is returned by the United States Postal Service as undeliverable. The Settlement Administrator shall perform one entry level skip trace for each Settlement Collective Member whose Settlement Notice or Settlement Check is returned as undelivered, and then will remail the Settlement Notice or Settlement Check to an updated address if discovered from the skip trace process.
- 2.14** Collective Counsel and Defendant's Counsel have the right to make inquiries and receive any information from the Settlement Administrator related to the claims administration process. The Settlement Administrator will periodically update Collective Counsel and Defendant's Counsel regarding returned mailings for which it is unable to obtain corrected addresses. The Settlement Administrator shall provide .pdf copies of the Claim Forms to Collective Counsel on a weekly basis.
- 2.15** Retention/Filing of Copies of Settlement Checks. The Settlement Administrator shall on a weekly basis compile and transmit to Defendant's Counsel and Collective Counsel statistics on the number of Settlement Collective Members who have submitted Claim Forms. The Settlement Administrator shall provide to Collective Counsel and Defendant's Counsel copies of the Claim Forms.
- 2.16** Effect of Court Failure to Approve Settlement. In the event that the Court fails to approve the Settlement, the Parties (a) must attempt to renegotiate and/or remediate the Settlement for the purpose of obtaining Court approval of a renegotiated Settlement; and/or (b) either or both Parties may seek reconsideration or appellate review of the decision denying approval of the Settlement. In the event reconsideration and/or appellate review is denied,

or a mutually agreed-upon settlement modification is not approved by the Court, and the Parties decide to forego further negotiation of a settlement, the Litigation will proceed as if no settlement had been attempted, except that both Parties agree to work cooperatively and to petition the Court for additional time such that neither Party is prejudiced by the delay caused by the Parties' settlement efforts. In that event, nothing in the Settlement or Agreement may be used by or against any Party under Rule 408 of the Federal Rules of Evidence.

3. SETTLEMENT TERMS

3.1 Settlement Payments.

- (A) Defendant agrees to pay a gross settlement amount not to exceed a total of \$600,000.00, subject to §§ 1.31 and separate from the employer's share of payroll taxes set forth in §3.4(E)(3) and the payment to the Settlement Administrator set forth in §1.27. Subject to Section 1.31, Defendant agrees to pay no more than Two Hundred Seventy Thousand Dollars (\$270,000.00), to fully resolve and satisfy any and all amounts to be paid to participating Settlement Collective Members, and any Court-approved Service Awards as more fully set forth herein. Any portion of the \$330,000.00 requested for attorneys' fees and costs not awarded by the Court shall be added to the Collective Settlement Fund. Defendant further agrees to pay (i) the Employer Payroll Taxes and (ii) the Settlement Administration Expenses, separate from and in addition to the \$270,000.00 Collective Settlement Fund and the \$330,000.00 Collective Counsel Fee Award.
- (B) By the Funding Date, Defendant shall deliver to the Settlement Administrator the Collective Settlement Fund and the Collective Counsel Fee Award for deposit into the QSF. If any additional funds are needed for Employer Payroll Taxes, Defendant shall deliver to the Settlement Administrator the additional funds required to cover Employer Payroll Taxes within fourteen (14) days of being notified of that amount by the Settlement Administrator for deposit into the QSF.
- (C) The Settlement Administrator shall return to Defendant any portion of the Collective Settlement Fund that remains in the Qualified Settlement Fund after the payment of all claims and the Employer Payroll Taxes.

3.2 Settlement Amounts Payable as Attorneys' Fees and Costs.

- (A) Collective Counsel shall file a separate motion requesting the Court to approve payment of the Collective Counsel Fee Award which shall be based on their lodestar. In their motion, Collective Counsel shall seek reimbursement of their attorneys' fees not to exceed \$285,000, and their reasonable actual case-related taxable and non-taxable costs and expenses, including travel costs, not to exceed \$45,000.00. These amounts shall constitute full satisfaction of any claim for attorneys' fees or costs, and Collective Counsel and Settlement Collective Members agree that they shall not seek, nor be entitled to, any additional attorneys' fees or

costs under any theory or from any source, incurred in relation to the Litigation and distributed *pro rata* to Claimants.

- (B) The settlement is not conditioned on the Court's approval of Collective Counsel's petition for fees, costs, and expenses. The outcome of any proceeding related to Collective Counsel's application for attorneys' fees and costs shall not terminate this Agreement or otherwise affect the Court's ruling on the motion for settlement approval. In the event that the Court (or any appellate court) awards less than the requested amounts for fees and costs as stated in this Settlement Agreement, then only the awarded amounts shall be paid and shall constitute full satisfaction of the obligations of this Section and full payment hereunder. Any money requested for attorneys' fees or costs that is not approved by the Court shall be added to the Collective Settlement Fund.

3.3 Service Awards to Named Plaintiff and Opt-In Plaintiffs.

- (A) Named Plaintiff will apply to the Court to receive Service Awards from the Settlement Fund in the amount of: (a) Seven Thousand Five Hundred (\$7,500.00) to Named Plaintiff Ivonne Carbajal; and (b) One Thousand Five Hundred Dollars (\$1,500.00) each to Carla Reynosa and Sheri Cooper.
- (B) These Service Awards and any requirements for obtaining any such payment are separate and apart from, and in addition to, the Service Award Recipients' recovery from the Collective Settlement Fund as Claimants. The settlement is not conditioned on the Court's approval of the Service Awards. The substance of Named Plaintiff's application for the Service Awards is not part of this Agreement and is to be considered separately from the Court's consideration of the fairness, reasonableness, adequacy and good faith of the Settlement and this Agreement and their release of all other known or unknown claims against Defendant, from the beginning of time through the date of this Agreement. The outcome of the Court's ruling on the application for the Service Awards shall not terminate this Agreement or otherwise affect the Court's ruling on the motion for settlement approval. Service Awards approved by the Court shall be deemed non-wage compensation in their entirety and shall be reported to the IRS on a Form 1099. Service Award Recipients who receive and accept a Service Award shall provide Defendant with a general release (**Exhibit D**) of claims that shall benefit Releasees. Any Service Award money not approved by the Court shall remain part of the Collective Settlement Fund.
- (C) Named Plaintiff and the Opt-in Plaintiffs shall not be required to submit a Claim Form to receive their Service Awards or their payments as Settlement Collective Members.

3.4 Distribution of Payments.

- (A) In order to receive a settlement payment under this Settlement Agreement, a

Settlement Collective Member must timely submit a valid Claim Form.

- (B) The Settlement Administrator shall mail the Settlement Checks to the Claimants within ten (10) days of the Claim Deadline set forth in Section 1.1. However, if there is an appeal of the Final Approval Order by any person, no payments under this Section shall be made until all appeals are decided and the case is returned to the district court and the district court enters an Order that the payments under this Section should be made.
- (C) Service Awards, allocated from the Settlement Fund, shall be paid to the Service Award Recipients from the QSF by the Settlement Administrator at the same time that Settlement Checks are issued.
- (D) The allocation to Settlement Collective Members for their available Settlement Checks will be made from the Collective Settlement Fund. The estimated proportionate share of the Collective Settlement Fund for each Settlement Collective Member will be determined by the Settlement Administrator pursuant to the following formula:
 - (1) To calculate each Settlement Collective Member's proportionate share:
 - (a) Add together the number of Eligible Workweeks worked by all Settlement Collective Members to obtain the "Denominator";
 - (b) Divide the number of Eligible Workweeks for each Settlement Collective Member by the Denominator to obtain each Settlement Collective Member's available "Portion of the Collective Settlement Fund"; and
 - (c) Multiply each Settlement Collective Member's Portion of the Collective Settlement Fund by the net amount of the Collective Settlement Fund after deducting the total amount of the Service Awards the Court approved to determine each Settlement Collective Member's available payment.
 - (2) Each Settlement Collective Member who timely submits a valid Claim Form in accordance with the Settlement Agreement is entitled to a payment, before applicable taxes, equal to a proportionate share of the Net Collective Settlement Fund as calculated in accordance with Section 3.4(D)(1) above.
- (E) Tax Characterization of Payments.
 - (1) For tax purposes, 50% of the payment to a Settlement Collective Member pursuant to this Section 3.4 shall be treated as wages and 50% of such payment shall be treated as liquidated damages.

- (2) Subject to 3.4(E)(3) below, payments treated as wages shall be made net of all applicable employment taxes, including, without limitation, federal, state and local income tax withholding and the employee share of the FICA tax, and shall be reported to the Internal Revenue Service (“IRS”) and the payee under the payee’s name and Social Security number on an IRS Form W-2. Payments treated as liquidated damages shall be made without withholding and shall be reported to the IRS and the payee, to the extent required by law, under the payee’s name and Social Security number on an IRS Form 1099. The Settlement Administrator shall be responsible for determining the appropriate number of exemptions to be used in calculating payroll tax and withholding, deciding the appropriate tax rate, issuing the Settlement Checks and Service Awards and issuing IRS Form W-2 and Form 1099.
 - (3) Separate from and in addition to the Collective Settlement Fund, Defendant will pay the employer’s share of payroll taxes.
 - (4) The employee portion of all applicable state or federal income and payroll taxes or penalties will be the sole responsibility of the Claimant receiving the Settlement Check or Service Award. Defendant, Defendant’s Counsel and Collective Counsel make no representations, and it is understood and agreed that Defendant, Defendant’s Counsel, and Collective Counsel have made no representations as to the taxability of any portions of the settlement payments or Service Payments to any Claimants, the payment of any costs or award of attorneys’ fees, or any payments to Named Plaintiff or Opt-In Plaintiffs. Neither Collective Counsel nor Defendant’s Counsel intend anything contained herein to constitute legal advice regarding the taxability of any amount paid hereunder, nor will it be relied upon as such by any Settlement Collective Member or the Plaintiff or Opt-In Plaintiffs.
 - (5) The Settlement Administrator shall report payments of attorneys’ fees and costs pursuant to Section 3.2 to each payee under the payee’s name and taxpayer identification number, which each such payee shall provide for this purpose on an IRS Form 1099.
 - (6) None of the amounts paid to any Claimant shall create any credit for, be included in, or otherwise affect the calculation or the accrual of any employee benefits in any plans, programs, agreements or policies sponsored, maintained or contributed to by Defendant, including for purposes of any bonus of any kind.
- (F) The payments from this Settlement to Collective Counsel for any Court-approved attorneys’ fees and costs will be wired to Collective Counsel by the Settlement Administrator within fifteen (15) business days after both (1) the Effective Date and (2) receipt by the Settlement Administrator and Defendant’s Counsel of completed Forms W-9 from Collective Counsel. However, if there is an appeal of the Final Approval Order by any person, no payments under this Section shall be

made until all appeals are decided and the case is returned to the Court and the Court enters an Order that the payments under this Section should be made.

4. RELEASE OF CLAIMS

4.1 Any Settlement Collective Member who submits a timely and valid Claim Form will release and forever discharge Releasees, all of their past and present parents, subsidiaries, divisions, predecessors, insurers, successors, holding companies, and their respective current and former employees, attorneys, officers, directors, board members, and shareholders, both individually and in their business capacities, from any and all known and unknown FLSA and state law wage and hour claims, causes of action and liabilities against Defendant and its current and former agents, owners, shareholders, affiliates, employees and attorneys, that accrued from the beginning of time through December 31, 2024, that arise from or relate to the claims as alleged or that could have been alleged in the Litigation. This release does not include any claims for any unpaid sick time, vacation time, or paid time off, or any claims that may not be released or waived under applicable state and/or federal law.

4.2 Any Settlement Collective Member who does not submit a timely and valid Claim Form will not release any claims or be bound by any release of claims against Defendant.

4.3 To receive their Service Awards, the Service Award Recipients will each execute (and not revoke) the general release attached hereto as **Exhibit D** and return the general release to the Settlement Administrator no later than the Claim Deadline.

5. PARTIES' AUTHORITY

5.1 The signatories hereto hereby represent that they are fully authorized to enter into this Agreement and to bind the Parties hereto to the terms and conditions hereof.

6. MUTUAL COOPERATION

6.1 The Parties agree to reasonably cooperate with each other and to take all steps necessary and appropriate to obtain the Court's approval of this Agreement and all of its terms and to effectuate the terms of this Agreement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Agreement. The Parties to this Agreement shall use their commercially reasonable efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Agreement and the terms set forth herein. As soon as practicable after execution of this Agreement, Collective Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the Court's approval of this Agreement.

7. NOTICES

7.1 Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and addressed as follows:

To Collective Counsel:

James X. Bormes
Catherine P. Sons
Law Office of James X. Bormes, P.C.
8 S. Michigan Ave., Suite 2600
Chicago, IL 60603
(312) 201-0575
bormeslaw@sbcglobal.net
cpsons@bormeslaw.com

Thomas M. Ryan
Law Office of Thomas M. Ryan, P.C.
35 E. Wacker Drive, Suite 650
Chicago, IL 60610
(312) 726-3400
tom@tomryanlaw.com

Michelle R. Matheson
Matheson & Matheson, P.L.C.
15300 North 90th Street, Suite 550
Scottsdale, AZ 85260
(480) 889-8951
mmatheson@mathesonlegal.com

To Defendant:

Jay A. Zweig
Melissa R. Costello
Ballard Spahr LLP
1 East Washington St., Suite 2300
Phoenix, AZ 85004-2555
(602) 798-4500
zweigj@ballardspahr.com
costellomr@ballardspahr.com

8. NO ADMISSION OF LIABILITY

8.1 Defendant denies all of the allegations made by Named Plaintiff and in the Litigation and denies that it is liable or owes damages to anyone with respect to the alleged facts or causes of action asserted in the Litigation. Nonetheless, without admitting or conceding any violation of law, liability, or damages whatsoever, Defendant has agreed to settle the Litigation on the terms and conditions set forth in this Agreement, to avoid the burden, expense, and uncertainty of continuing the Litigation.

9. VOLUNTARY EXECUTION

The Parties acknowledge that they have executed this Agreement knowingly, voluntarily, and without coercion. The Parties further acknowledge that they have been advised and provided the opportunity to seek the advice of independent legal counsel and have in fact been so advised at all states incident to the execution of this Agreement.

10. INTERPRETATION AND ENFORCEMENT/MISCELLANEOUS TERMS

- 10.1** Further Acts. Each Party, upon the request of any other Party, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this Agreement.
- 10.2** No Assignment. Collective Counsel and Named Plaintiff and the Opt-In Plaintiffs 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, including, but not limited to, any interest in the Litigation, or any related action, and any attempt to do so shall be of no force or effect.
- 10.3** Entire Agreement. This Agreement constitutes the entire agreement between the Parties with regard to the subject matter contained herein, and all prior and contemporaneous negotiations and understandings between the Parties shall be deemed merged into this Agreement.
- 10.4** Severability. If any term or provision of this Agreement is held to be invalid or unenforceable, the remaining portions of this Agreement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.
- 10.5** Binding Effect. This Agreement shall be binding upon the Parties and, with respect to Settlement Collective Members, their spouses, children, representatives, heirs, administrators, executors, beneficiaries, conservators, attorneys and assigns.
- 10.6** Arms' Length Transaction; Materiality of Terms. The Parties have negotiated all the terms and conditions of this Agreement at arms' length. All terms and conditions of this Agreement in the exact form set forth in this Agreement are material to this Agreement and have been relied upon by the Parties in entering into this Agreement, unless otherwise expressly stated.
- 10.7** Captions. The captions or headings of the sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall have no effect upon the construction or interpretation of any part of this Agreement.

- 10.8 Construction.** The determination of the terms and conditions of this Agreement has been by mutual agreement of the Parties. Each Party participated jointly in the drafting of this Agreement, and therefore the terms and conditions of this Agreement are not intended to be, and shall not be, construed against any Party by virtue of draftsmanship.
- 10.9 Continuing Jurisdiction.** The Court shall retain jurisdiction over the interpretation and implementation of this Agreement as well as any and all matters arising out of, or related to, the interpretation or implementation of this Agreement and of the Settlement contemplated thereby.
- 10.10 No Publicity.** Named Plaintiff, the Opt-In Plaintiffs and Collective Counsel will neither seek nor respond to any media or press attention and agree not to disclose the terms of this Settlement to the media or through publication of a press release, public comment, or via social media, their respective firm's websites or otherwise.
- 10.11 Waivers, etc. to Be in Writing.** No waiver, modification, or amendment of the terms of this Agreement, whether purportedly made before or after the Court's approval of this Agreement, shall be valid or binding unless in writing, signed by or on behalf of all Parties, and then only to the extent set forth in such written waiver, modification, or amendment with any required Court approval. Any failure by any Party to insist upon the strict performance by the other Party of any of the provisions of this Agreement shall not be deemed a waiver of future performance of the same provisions or of any of the other provisions of this Agreement, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.
- 10.12 Choice of Law.** This Agreement shall be construed in accordance with the laws of the State of Arizona.
- 10.13 Counterparts.** The Parties may execute this Agreement in counterparts, and execution in counterparts shall have the same force and effect as if all Parties had signed the same original instrument.
- 10.14 Facsimile, Electronic and Email Signatures.** Any Party may execute this Agreement by causing its counsel to sign on the designated signature block below and transmitting that signature page via facsimile, email or other electronic means to counsel for the other Party. Any signature made and transmitted by facsimile, email or other electronic means for the purpose of executing this Agreement shall be deemed an original signature for purposes of this Agreement and shall be binding upon the Party whose counsel transmits the signature page by facsimile or email.
- 10.15 Signatories.** This Agreement is valid and binding if signed by Defendant's authorized representative and Named Plaintiff and Collective Counsel.

WE AGREE TO THESE TERMS.

Dated: _____

IVONNE CARBAJAL

Dated: 1/8/2026 | 4:39 PM EST

CENLAR FSB

Signed by:

Leslie Peeler

BE69D94C60204CA...

By Its: EVP and COO

Dated: _____

LAW OFFICE OF THOMAS M. RYAN, P.C.

By: Thomas M. Ryan, Collective Counsel

Dated: _____

LAW OFFICE OF JAMES X. BORMES, P.C.

By: James X. Bormes, Collective Counsel

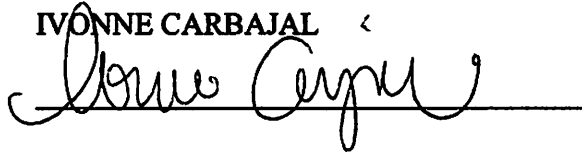
Dated: _____

MATHESON & MATHESON, P.L.C.

By: Michelle R. Matheson, Collective Counsel

WE AGREE TO THESE TERMS.

Dated: 12/16/25

IVONNE CARBAJAL <


Dated: _____

CENLAR FSB

By Its: _____

Dated: _____

LAW OFFICE OF THOMAS M. RYAN, P.C.

By: Thomas M. Ryan, Collective Counsel

Dated: _____

LAW OFFICE OF JAMES X. BORMES, P.C.

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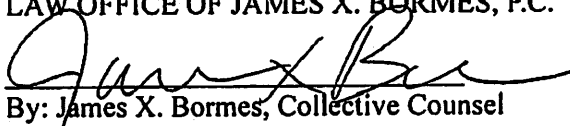
Dated: _____

LAW OFFICE OF THOMAS M. RYAN, P.C.

By: Thomas M. Ryan, Collective Counsel

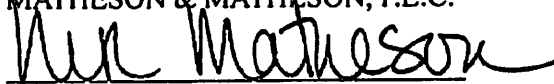
Dated: 12/15/25

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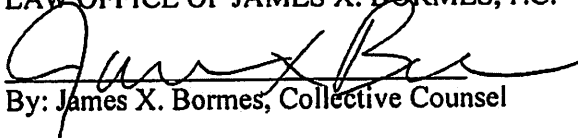
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