

AMENDED CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

I. INTRODUCTION

1. This Amended Class Action and PAGA Settlement Agreement (hereinafter “Settlement Agreement”) is made by and between Plaintiff Cindy Newman (“Plaintiff”), individually and on behalf of all others similarly situated, and Defendant WW North America Holdings, LLC¹ (“Defendant”) (collectively, the “Parties”), and their respective counsel of record. This Settlement Agreement is subject to the terms and conditions set forth below and to the approval of the Court. This Settlement Agreement supersedes any and all prior memoranda of understanding and accurately sets forth the Parties’ class action and PAGA settlement to resolve all claims as detailed below. The Parties agree that the consideration described herein constitute adequate consideration for the Settlement and releases described herein.

II. DEFINITIONS

2. “Action” means Plaintiff’s lawsuit captioned *Cindy Newman v. WW North America Holdings, Inc.*, Case No. 20STCV02332, initiated on January 21, 2020 and pending in Superior Court of the State of California, County of Los Angeles.

3. “Class Counsel” or “Plaintiff’s Counsel” means Raúl Pérez, Bevin Allen Pike, Daniel S. Jonathan and Trisha K. Monesi of Capstone Law APC and Kyle Todd of Kyle Todd, P.C.

4. “Class Member” or “Settlement Class Member” mean any person who worked for Defendant as a Studio Team Member in California at any time from January 21, 2016 through July 11, 2020, and who does not timely opt-out of the Settlement Class.

5. “Class Period” means the period commencing on January 21, 2016 through July 11, 2020.

6. “Class Representative” means Plaintiff Cindy Newman, who is to be designated as the Class Representative for settlement purposes subject to Court approval.

7. “Complaint” means the Second Amended Complaint in this Action.

¹ Formerly, WW North America Holdings, Inc.

8. “Court” means the Superior Court of California, County of Los Angeles.
9. “Date of Preliminary Approval” means the date the Court approves this Settlement Agreement, and the exhibits thereto, and enters an Order providing for notice to the Class Members, an opportunity to opt-out of being a Participating Class Member, an opportunity to submit timely objections to the settlement, and setting a hearing for Final Approval of the Settlement, including approval of attorneys’ fees and costs.
10. “Defendant’s Counsel” means Morgan, Lewis & Bockius LLP.
11. “Deficient Opt-Out” means a Class Member has submitted a Deficient Request for Exclusion and has failed to cure its deficiencies within the time required by this Settlement Agreement.
12. “Deficient Request for Exclusion” means a Request for Exclusion that is not signed by the Class Member submitting the Request for Exclusion or cannot be verified by the Settlement Administrator as being an authentic submission by the Class Member.
13. “Final Approval” means the date on which the Court enters the Final Approval Order.
14. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
15. “Final Approval Order” means the Court’s order approving the Settlement after the Final Approval Hearing.
16. “Funding Date” means the date on which Defendant funds the Gross Settlement Amount, which shall be within thirty (30) days of the Final Approval Order.
17. “Gross Settlement Amount” is the sum of Six Hundred Thirty Thousand U.S. Dollars (\$630,000.00), which represents the maximum amount payable in this Settlement by Defendant, and includes all attorneys’ fees, litigation costs and expenses, Settlement Administration Expenses, Incentive Payment to the Class Representative, LWDA PAGA Amount, PAGA Member Payment, Settlement Class Payment, and all taxes except the employer’s share of payroll taxes.

18. “Incentive Payment” means the incentive payment in an amount not to exceed \$10,000.00 total to the Class Representative.

19. “Judgment” means the judgment entered by the Court based upon the Final Approval.

20. “Late Request for Exclusion” means a Request for Exclusion that is submitted to the Settlement Administrator after the end of the Notice Period.

21. “LWDA” means the California Labor and Workforce Development Agency.

22. “LWDA PAGA Amount” is the 75% share of the \$20,000 (or \$15,000) allocated from the Gross Settlement Amount for PAGA penalties that will be paid to the LWDA.

23. “Named Plaintiff” means Plaintiff Cindy Newman.

24. “Net Settlement Amount” is the portion of the Gross Settlement Amount eligible for distribution to Participating Class Members. It equals the Gross Settlement amount less Class Counsel’s attorneys’ fees and actual litigation costs and expenses as ordered to be paid by this Court, Settlement Administration Expenses, Incentive Payment to the Class Representative, LWDA PAGA Amount, PAGA Member Payment, and all taxes except the employer’s share of payroll taxes.

25. “Notice Period” shall mean the period of sixty (60) days following the mailing of the Notice of Settlement by the Settlement Administrator. If the 60th day falls on a Sunday or holiday, the Notice Period shall end on the next business day that is not a Sunday or holiday.

26. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code §§ 2698 *et seq.*

27. “PAGA Member” means any person who worked for Defendant as a Studio Team Member in California at any time from January 21, 2019 and ending on July 11, 2020.

28. “PAGA Member Payment” is the 25% share of the \$20,000 (or \$5,000) allocated from the Gross Settlement Amount for PAGA penalties that will be paid to the PAGA Members.

29. “PAGA Period” means the period commencing on January 21, 2019 and ending on July 11, 2020.

30. “Participating Class Member” means any Class Member who does not opt out of the Settlement or who opts out but subsequently rescinds the opt-out in a timely manner.

31. “Pay Period” means any biweekly pay period in which a Class Member worked at least one day during the Class Period.

32. “Qualified Settlement Fund” means the Qualified Settlement Fund (“QSF”) created under Internal Revenue Code Section 468B, to be overseen by the Settlement Administrator.

33. “Released Parties” means Defendant and its predecessors (including WW North America Holdings, Inc.), successors and assigns, its current and former direct and indirect parents (including but not limited to WW International, Inc.), affiliates, subsidiaries, divisions, and related business entities, and its current and former officers, directors, shareholders, employees, agents, representatives and employee benefit programs (including the trustees, administrators, fiduciaries and insurers of such programs).

34. “Request for Exclusion” means a signed request from a Class Member to be excluded from the non-PAGA portions of this Settlement.

35. “Settlement Administration Expenses” are those expenses incurred by the Settlement Administrator in effectuating the Settlement and are not to exceed \$25,000.00.

36. “Settlement Administrator” means CPT Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

37. “Settlement Documents” means the Notice of Settlement attached hereto as Exhibit A.

38. “Settlement Effective Date” means the latter date of: (1) the date of final affirmance of an appeal of the Final Approval Order, or the expiration of the time for a petition for a writ of certiorari to review the Final Approval Order and, if certiorari be granted, the date of final affirmance of the Final Approval Order following review pursuant to that grant; or (2) the date of final dismissal of any appeal from the Final Approval Order or the final dismissal of any proceeding on certiorari to review the Final Approval Order; or (3) if no appeal is filed, the 61st

day after the entry of the Judgment on the Final Approval Order. The Settlement Effective Date cannot occur unless and until there is no possibility of an appeal or further appeal (by anyone who has the right to, or claims to have the ability to, take an appeal) that could potentially prevent this Settlement Agreement from becoming final and binding. The Parties intend that the Funding Date will be when all released claims, including but not limited to PAGA claims, will be extinguished pursuant to the Final Approval Order for the periods covered by this Settlement upon Final Approval of the Settlement and the issuance of payment to the Class/PAGA Members. The Court will retain jurisdiction to enforce the Settlement after the Settlement Effective Date.

39. “Settlement Class Payment” is the allocation from the Net Settlement Amount paid to Participating Class Members and does not include the PAGA Member Payment to the PAGA Members.

40. “Stipulation of Settlement” and “Settlement Agreement” shall mean this Joint Stipulation of Settlement.

III. LITIGATION BACKGROUND

41. On or about January 14, 2020, Plaintiff submitted a notice with the LWDA alleging Labor Code violations by Defendant (hereinafter referred to as the “LWDA Notice”). The allegations in the LWDA Notice included: (1) Failure to Pay Overtime; (2) Failure to Pay Minimum Wages; (3) Failure to Provide Compliant Wage Statements; (4) Failure to Maintain Accurate Payroll Records; (5) Failure to Timely Pay Wages During Employment; (6) Failure to Timely Pay Wages Upon Termination; and (7) Violation of Labor Code section 558.

42. On or about January 21, 2020, Plaintiff filed a lawsuit in the Los Angeles County Superior Court, asserting causes of action for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime; (3) Failure to Timely Pay Wages Upon Termination; (4) Failure to Pay Wages During Employment; (5) Failure to Provide Accurate Itemized Wage Statements; and (6) Violation of the California Business and Professions Code section 17200, *et seq.*

43. On February 24, 2020, Defendant filed its Answer to Plaintiff’s Complaint and

filed a Notice of Removal of Action to Federal Court.

44. On March 16, 2020, the U.S. District Court for the Central District of California remanded the action to the Los Angeles County Superior Court.

45. On December 10, 2020, the Parties participated in a full-day mediation with mediator Jeffrey A. Ross, Esq. but were not able to reach a resolution.

46. On December 15, 2020, Plaintiff filed her First Amended Complaint, re-asserting the same causes of action as in her original complaint and adding a cause of action under PAGA on behalf of herself and other allegedly aggrieved employees.

47. On May 26, 2022, Plaintiff filed her Second Amended Complaint, re-asserting the same causes of action as in her First Amended Complaint, adding causes of action for violation of Labor Code sections 226.2 and 226.7, and adding factual allegations, including that Defendant failed to pay for non-productive time, such as pre meeting prep time, time required to attend the meeting site prior to commencement of meetings, and rest periods.

48. On June 28, 2022, Defendant filed its Answer to Plaintiff's Second Amended Complaint.

49. Defendant denies Plaintiff's claims, and asserts that, during all relevant times, it complied with the California Labor Code and related authorities, and that Plaintiff and Class Members are not entitled to any recovery.

50. On or about August 12, 2022, Plaintiff filed her Motion for Class Certification.

51. On September 9, 2022, the Court granted the Parties' stipulation to stay the action pending mediation.

52. On November 7, 2022, the Parties participated in a further mediation session with mediator Jeffrey A. Ross, Esq. While the Parties did not reach a resolution at the further mediation session, they continued to discuss the terms of a possible settlement in the following months, and were ultimately able to reach a resolution that was memorialized in a Memorandum of Understanding signed on June 15, 2023.

53. It is the desire of the Parties to fully, finally, and forever settle, compromise, and

discharge all disputes and claims against the Released Parties arising from or related to the Action.

54. It is the intention of the Parties that this Settlement Agreement shall constitute a full and complete settlement and release of the claims averred in the Action. This release includes in its effect a release of all Released Parties.

IV. JURISDICTION AND VENUE

55. This Court has jurisdiction over the Parties and the subject matter of this Action. This Court will have continuing jurisdiction over the terms and conditions of this Settlement Agreement, until all payments and obligations provided for herein have been fully executed.

V. TERMS OF SETTLEMENT

56. NOW, THEREFORE, in consideration of the mutual covenants, promises, and undertakings set forth herein, the Parties agree, subject to the Court's approval, as follows:

- a. **Non-Admission.** Nothing in this Settlement shall be construed to be or deemed an admission by Defendant of any liability, culpability, negligence, or wrongdoing toward the Class Representative, the Class Members, or any other person, and Defendant specifically disclaims any liability, culpability, negligence, or wrongdoing toward the Class Representative, the Class Members, or any other person, or that class certification or proceeding on a representative basis is appropriate. Each of the Parties have entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant risk, inconvenience, expenses, and contingencies. This Settlement and any settlement-related court documents or orders between the Parties may not be cited or otherwise admitted as evidence of liability or that class or collective certification is appropriate or that a representative action could ever be manageably tried before a court. There has been no final determination by any Court as to the merits of the claims asserted by

Plaintiff against Defendant or as to whether a class should be certified, other than for settlement purposes only. Furthermore, nothing in this Settlement shall be considered any form of waiver of any alternative dispute resolution provisions, including but not limited to any arbitration agreements, if any, signed by any Class Members.

- b. **Certification.** The Parties stipulate, for settlement purposes only, to the certification of the Class described in Paragraph II.4 above as to all claims asserted in the Complaint. If for any reason the Court does not approve this Settlement, fails to enter the Final Approval Order, or fails to enter the Judgment, or if this Settlement Agreement is lawfully terminated for any other reason, Defendant shall retain the absolute right to dispute the propriety of class or conditional certification and/or the ability of this action to proceed as a representative action on all applicable grounds.
- c. The Parties further stipulate that, for settlement purposes only, Plaintiff's Counsel may be appointed Class Counsel and that Named Plaintiff may be appointed as Class Representative. The Settlement Class may be provisionally certified as a class action for the purposes of the monetary relief provided in this Settlement Agreement. Plaintiff's Counsel, Capstone Law APC and Kyle Todd, P.C. may be preliminarily and conditionally appointed as Class Counsel.
- d. **Non-Approval By The Court.** In the event that this Settlement Agreement is not approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court:
 - i. The Parties will meet and confer or attend mediation again in an effort to reach a settlement approved by the Court. Plaintiff may not withdraw from the Settlement if the Court reduces any amount of attorneys' fees, costs, or expenses or the enhancement payment

to Plaintiff;

- ii. The Settlement Agreement shall have no force or effect, other than the confidentiality and non-disclosure provisions in Section XVI and the non-admission provisions in Paragraph V.56.a;
- iii. The Settlement Agreement shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural;
- iv. The preliminary and conditional certification of the class shall become null and void, and the fact of certification shall not be cited to or admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and
- v. None of the Parties to this Settlement Agreement will be deemed to have waived any claims, objections, defenses or arguments with respect to the issue of class certification or the merits of Plaintiff's claims.

- e. **Settlement Payments.** Defendant agrees to pay a non-reversionary Gross Settlement Amount of Six Hundred Thirty Thousand U.S. Dollars (\$630,000.00), inclusive of all Settlement Payments, fees and costs identified in this Settlement Agreement, including Incentive Payment to the Class Representative, Settlement Administration Expenses, attorneys' fees and out-of-pocket litigation expenses, PAGA penalties (both the LWDA PAGA Amount and the PAGA penalties paid to the PAGA Members), and all taxes except the employer's share of payroll taxes. The Parties agree, subject to Court approval, to the following allocations to be paid from the Gross Settlement Amount:

- i. From the Gross Settlement Amount, provided there is no breach of

this Settlement Agreement by Named Plaintiff or her counsel, Class Counsel may seek from the Court a maximum of \$210,000.00 (1/3) of the Gross Settlement Amount in attorneys' fees, plus litigation costs and expenses not to exceed \$20,000 (representing actual out-of-pocket costs), for serving as Class Counsel, which Defendant will not oppose.

- ii. From the Gross Settlement Amount, provided there is no breach of this Settlement Agreement by Named Plaintiff or her counsel, Named Plaintiff may seek from the Court an Incentive Payment not to exceed \$10,000.00 for serving as Class Representative, which Defendant will not oppose. The Incentive Payment is in addition to whatever monetary settlement Plaintiff is entitled to recover from the Net Settlement Amount and PAGA Member Payment as a Participating Class Member and PAGA Member. Any amount of the Incentive Payment not approved by the Court shall become part of the Net Settlement Amount.
- iii. From the Gross Settlement Amount, a payment of \$15,000.00 to the California Labor and Workforce Development Agency (the LWDA PAGA Amount), representing the LWDA's 75% share of the settlement attributable to PAGA penalties. In connection with settlement approval, Plaintiff's counsel shall notify the LWDA of the existence of the settlement. Should the LWDA object to the amount of this payment, the Parties agree to work in good faith to negotiate another agreeable amount.
- iv. From the Gross Settlement Amount, a payment of \$5,000.00 to be allocated among the PAGA Members, calculated on a proportional basis by dividing the number of Pay Periods worked by each

PAGA Member by the total Pay Periods worked by all PAGA Members, with a 2x multiplier for the Pay Periods during which the PAGA Members worked back-to-back meetings/workshops, and multiplying the resulting fraction by the PAGA Member Payment.

- v. From the Gross Settlement Amount, Settlement Administration Expenses in a reasonable amount, which are not to exceed \$25,000.00. To the extent that Settlement Administration Expenses are less than \$25,000.00, the remainder shall become part of the Net Settlement Amount.
- vi. If the Court approves a lesser amount of attorney's fees or costs than those sought by Named Plaintiff or Class Counsel, the amount shall become part of the Net Settlement Amount, except that in the event Class Counsel appeals a reduction in the award of fees or costs by the Court, any appellate reduction of attorney fees and costs will be allocated *cy pres* to CASA of Los Angeles (Court Appointed Special Advocates of Los Angeles). The amount of reduction at issue in the appeal shall be held by the Settlement Administrator in trust pending the outcome of the appeal.
- vii. The Settlement Administrator will administer the notice, challenges, and opt-outs, informing Class Members of their rights in regard to the proposed settlement as specified below; will disburse monies from the Qualified Settlement Fund as and when authorized in this Settlement Agreement and by order of the Court; and will inform the Parties and the Court of its fulfillment of the duties imposed by this Settlement Agreement. Settlement Administrator Expenses shall be paid from the Gross Settlement

Amount.

- viii. The Net Settlement Amount is the balance of the Gross Settlement Amount including interest accruing to it, after payments have been made for attorneys' fees and litigation expenses including interest earned on those amounts, Settlement Administration Expenses, Class Representative's Incentive Payment, PAGA penalties (both the LWDA PAGA Amount and the PAGA Member Payment), and all taxes except the employer's share of the employer's share of payroll taxes.
- ix. The Settlement Administrator shall, after Final Approval of the Settlement Agreement by the Court and after the Settlement Effective Date, pay each Participating Class Member from the Net Settlement Amount based on a proportional basis according to the number of Pay Periods worked during the Class Period, with a 2x multiplier for the Pay Periods during which the Settlement Class Members worked back-to-back meetings/workshops. The Settlement Administrator will also conduct a similar proportional calculation for each PAGA Member to determine their share of the PAGA Member Payment, as set forth in Section VIII.
- x. The dates of employment for each Class Member and PAGA Member and the number of Pay Periods during which Class Members worked back-to-back meetings/workshops shall be provided by Defendant to the Settlement Administrator. The Administrator shall calculate the number of Pay Periods worked by Class Members during the Class Period and the PAGA Members during the PAGA Period. All Class Members will be deemed to have worked during at least one Pay Period during the Class

Period, and all PAGA Members will be deemed to have worked during at least one Pay Period during the PAGA Period. Class Members shall have the right to challenge the number of Pay Periods reflected in Defendant's records as set forth in Paragraph 76.

xi. Class Members entitled to recover under this Settlement Agreement will include only those individuals who are identified in Defendant's records as having worked as Class Members in California during the Class Period, or those additional individuals who can provide to the Settlement Administrator evidence that they worked in that capacity notwithstanding the absence of Defendant's records confirming such employment.

xii. Within ten (10) days of the Settlement Effective Date, the Settlement Administrator shall issue Settlement Class Payment checks to Participating Class Members under this Settlement Agreement, as well as an Incentive Payment to the Class Representative, attorneys' fees and expenses awarded to Class Counsel, the LWDA PAGA Amount, and the PAGA Member Payment by sending such payments by mail or other reliable means to the respective recipients as specified below.

f. **Objections.** Only Participating Class Members who do not opt-out may object to the non-PAGA portion of the Settlement. Plaintiff may not object to the Settlement. Class Members who opt-out of the Settlement are not eligible to object. All written objections must be sent no later than sixty (60) days after the mailing of the Settlement Documents and must include: (a) the Participating Class Member's full name, (b) the Participating Class Member's last four digits of their social security

number, and (c) a clear statement explaining why the Participating Class Member objects to the Settlement. Such deadline applies notwithstanding any argument regarding non-receipt of the Settlement Documents. Notwithstanding this deadline to submit a written objection, Class Members shall retain the right to appear at the Final Approval Hearing regardless of whether they have submitted a written objection to the settlement. Anyone who fails to send timely written objections or make an oral objection at the Final Approval Hearing shall be deemed to have waived any objections and shall be foreclosed from filing any appeal from any Final Approval Order issued by the Court. The Parties may file a response to any objections submitted by objecting Class Members at or prior to the Final Approval Hearing. Class Members shall be permitted to withdraw their objections in writing by submitting a withdrawal statement to the Settlement Administrator not later than one (1) business day prior to the Final Approval Hearing, or as otherwise ordered by the Court.

- g. **Opt Outs.** Class Members who wish to “opt out” of and be excluded from the non-PAGA portion of this Settlement must submit a written Request for Exclusion from the Settlement bearing a post-mark from a date within the Notice Period. Class Members are still bound by the release of PAGA claims even if they submit a valid Request for Exclusion and will receive a check with their PAGA Member Payment allocation from the \$5,000.00 PAGA Member Payment if they are a PAGA Member. The Request for Exclusion must include: (a) the Class Member’s name; (b) a statement that the Class Member desires to exclude himself or herself from the case; and (c) the last four digits of the Class Member’s social security number. If a Class Member submits a Deficient Opt-Out, the Settlement Administrator shall notify the Class Member of the deficiency

within five (5) business days of receipt. The Class Member shall have until the end of the Notice Period or five (5) business days after the close of the Notice Period if the notice of deficiency is sent by the Settlement Administrator within (5) business days of the end of the Notice Period to cure said deficiencies, at which point his or her Request for Exclusion will be rejected if not received. Class Members with Deficient Opt-Outs shall be bound by the Settlement and its releases and will be considered Participating Class Members for settlement distribution purposes. Class Members shall be permitted to rescind their Request for Exclusion in writing by submitting a rescission statement to the Settlement Administrator not later than one (1) business day prior to the Final Approval Hearing, or as otherwise ordered by the Court. The Settlement Administrator shall not accept Late Requests for Exclusion without the written authorization of the Parties. Plaintiff may not opt out of the Settlement.

- h. **Released Claims.** Upon the Funding Date, the Class Representative, PAGA Members, and Participating Class Members who did not opt out of the non-PAGA portion of this Settlement, shall be deemed to have fully, finally, and forever released the Released Parties from the released claims as set forth in Sections IX through XI below.
- i. **Entry of Judgment.** At the Final Approval Hearing, the Parties will request that the Court, among other things: (a) certify the Settlement Class for purposes of settlement only; (b) enter a Final Approval Order in accordance with the terms of this Settlement Agreement; (c) approve the settlement as fair, adequate, reasonable, and binding on all Participating Class Members; (d) enter an order whereby Participating Class Members shall release the Released Class Claims upon the Funding Date; and (e)

enter an order whereby the PAGA Members and LWDA shall release the Released PAGA Claims upon the Funding Date.

VI. SETTLEMENT ADMINISTRATION

57. The Parties have agreed to the appointment of CPT Group, Inc. to perform the duties of Settlement Administrator.

58. Within seven (7) days of the Final Approval Order, the Settlement Administrator shall calculate, and inform Defendant's counsel of, the employer's share of payroll taxes. Defendant shall provide all information necessary for the Settlement Administrator to calculate the employer's share of payroll taxes.

59. By the later of April 15, 2024 or within thirty (30) days of the Final Approval Order, Defendant shall fund the settlement with the Gross Settlement Amount and the employer's share of payroll taxes by wire transfer or otherwise transmit to a depository bank designated by the Settlement Administrator in an account titled in the name of "WWNA/Newman Wage and Hour Settlement Fund." The account will be organized and existing under the laws of the State of California, intended by the Parties to be a "Qualified Settlement Fund" as described in Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, *et seq.* The monies so transferred, together with any interest subsequently earned thereon, shall constitute the Qualified Settlement Fund. The \$630,000.00 for the Gross Settlement Amount and the employer's share of payroll taxes transferred into the Qualified Settlement Fund by Defendant shall constitute the total Settlement cash outlay by Defendant in connection with: (1) the resolution of this matter; (2) this Settlement Agreement; and (3) the entry of Judgment in this Action. This sum is inclusive of payment for the Gross Settlement Amount (and all payments to be made from the Gross Settlement Amount as described herein).

60. The Settlement Administrator shall serve as Trustee of the Qualified Settlement Fund and shall act as a fiduciary with respect to the handling, management and distribution of the Qualified Settlement Fund, including with regard to payment of valid claims and reporting

and paying taxes on such awards. The Settlement Administrator shall act in a manner necessary to qualify the Qualified Settlement Fund as a “Qualified Settlement Fund” under Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, *et seq.*, and to maintain that qualification.

61. The Settlement Administrator shall be responsible for: (a) calculating each Class Member’s potential recovery of the Net Settlement Amount and PAGA Member Payment amount; (b) preparing and mailing to all Class Members the Settlement Documents with estimated Settlement Class Payment amounts and (if applicable) a PAGA Member Payment amount, and instructions on how to opt out of or object, and will take appropriate steps to trace, update and locate any individual Class Members whose address or contact information as provided to the Settlement Administrator is inaccurate or outdated; (c) receiving and serving on Class Counsel and Defendant’s Counsel, and the Court, Requests for Exclusion and any withdrawal and rescission statements; (d) providing to Class Counsel and Defendant’s Counsel a weekly report of activity; (e) establishing a toll free telephone line and responding to inquiries and requests for information or assistance from Class Members; (f) establishing, maintaining, and using a website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Final Approval and the Judgment, and any other court filings; (g) determining and paying the final amounts due to be paid to Participating Class Members after adjustment for funds due to Class Members who opt-out of the non-PAGA portion of this Settlement; (h) reporting to Class Counsel, Defendant’s Counsel, and the Court regarding the completion of the tasks identified in this paragraph; and (i) carrying out other related tasks including the proper maintenance of the QSF and reporting required for that account, in accordance with the terms of this Settlement Agreement. The weekly report of activity should include: (a) the number of Class Members who have submitted valid Requests for Exclusion, (b) the number of Notices returned and re-mailed, (c) whether any Class Member has submitted a dispute to any

information contained in the Notice, and (d) the final count of Class Members who successfully opted-out of the non-PAGA portion of this Settlement.

62. All disputes relating to the Settlement Administrator's ability and need to perform its duties shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Settlement Agreement, until all payments and obligations contemplated by the Settlement Agreement have been fully executed.

63. When and if the Court grants Final Approval of the Settlement, and the Settlement Effective Date as defined herein has passed, the Settlement Administrator shall prepare a final list of all Participating Class Members and PAGA Members. The Settlement Administrator shall provide a redacted list to the Parties within ten (10) days after the Final Approval Order. For each Participating Class Member on this list, the Settlement Administrator will re-calculate the amounts due to each Participating Class Member. The Settlement Administrator shall also provide a non-redacted list to only Defendant within ten (10) days after the Final Approval Order.

64. Except for the Incentive Payment described above to be paid to the Class Representative, all Settlement Class Payments to Participating Class Members shall be allocated as follows: 1/3 allocation for wages to be reported on IRS Form W-2; 1/3 allocation as interest, and 1/3 allocation for penalties to be reported on IRS Form 1099. All PAGA Member Payments will be allocated entirely to penalties. The Settlement Administrator shall provide Participating Class Members, PAGA Members, and the Class Representative with an IRS Form 1099 as appropriate for the portions allocated to interest and penalties, if required. The Class Representative and Participating Class Members shall be exclusively liable for any and all tax liability, if any, resulting from any failure on their part to pay any taxes normally paid by an employee due on their Settlement Class Payments or PAGA Member Payments. All Parties represent that they have not received, and shall not rely on, advice or representations from other Parties or their agents or attorneys regarding the tax treatment of payments under federal, state, or local law.

65. The Incentive Payment to the Class Representative shall be treated as compensation for non-wage related claims, injuries, and reimbursement, and shall be reported on an IRS Form 1099 without withholdings.

66. After all payments have been disbursed from the QSF, the Settlement Administrator shall dissolve the QSF and file a return (SF-1120) with the IRS.

VII. NOTICE TO THE CLASS MEMBERS AND LWDA

67. Within twenty-eight (28) days after the Date of Preliminary Approval by the Court, and subject to the Settlement Administrator executing a confidentiality agreement required by Defendant, Defendant shall provide the Settlement Administrator only with a Microsoft Excel spreadsheet containing the following for each Class Member: (1) full name; (2) last known home address; (3) last known telephone number; (4) social security number; (5) start and end dates of active employment as a Studio Team Member in the state of California; (6) the number of Pay Periods during which Class Members worked back-to-back meetings/workshops; and (7) any other information required by the Settlement Administrator in order to effectuate the terms of the Settlement to the extent it can be reasonably provided. Class Counsel will not be provided with the aforementioned data (including names, contact information, and payroll data for Class Members) unless Defendant provides consent in writing, but may receive aggregated summaries of the aforementioned data, provided sensitive information such as names, addresses, telephone numbers, and social security numbers are redacted.

68. Class data shall only be used by the Settlement Administrator for the purpose of calculating settlement shares and finding and notifying Class Members of the settlement. Class data for Class Members shall not be disclosed to the Named Plaintiff, or any other Class Members without the prior written consent of Defendant and will be subject to the Settlement Administrator's confidentiality agreement and redaction.

69. Prior to mailing the Settlement Documents, the Settlement Administrator will update the addresses for the Class Members using the National Change of Address database and other available resources deemed suitable by the Settlement Administrator. Any returned

envelopes from the initial mailing that are returned no later than sixty (60) days after the initial mailing shall be remailed on one occasion. Those envelopes returned with forwarding addresses will be used by the Settlement Administrator to locate Class Members and re-mail the Settlement Documents to the correct or updated address within five (5) business days. For envelopes without a forwarding address, the Settlement Administrator will use all appropriate tracing methods, including skip tracing, to ensure that the Settlement Documents are received by the Class Members. The Settlement Administrator shall also take reasonable steps including skip tracing to locate any Class Member whose Notice of Settlement is returned as undeliverable. Individuals who receive a remailed envelope shall be entitled to an additional 15 days beyond the response deadline to submit written objections or opt-out of the non-PAGA portion of this Settlement.

70. Within fourteen (14) days of receiving the class data from Defendant and after it has completed all of the address updates for Class Members (including any skip tracing), the Settlement Administrator shall mail the Notice of Settlement to Class Members. The Notice of Settlement (attached as Exhibit A) shall provide a summary of the provisions of the Settlement. The Notice of Settlement shall also identify the dates of employment that Defendant's records indicate the individual worked as a Class Member, the number of Pay Periods when the Class Member worked back-to-back meetings/workshops during the Class Period and PAGA Period, and the estimated individual payment each Class Member will receive as a Class Member and PAGA Member. The Notice shall provide instructions to employees regarding how to request to be excluded from the Settlement, how to object to the Settlement, how to submit a dispute regarding the number of Pay Periods stated on the Settlement Documents, and the date of the final approval hearing. At least five (5) business days prior to this mailing, the Settlement Administrator shall provide the Parties with a report listing the estimated Settlement Class Payment amounts to each Class Member.

71. Class Members shall have sixty (60) days from the date of mailing of the Settlement Documents to opt-out of the Class (*i.e.*, the non-PAGA portion of this Settlement),

object to the Settlement, or submit a dispute. If the 60th day falls on a Sunday or holiday, the deadline will be the next business day that is not a Sunday or holiday. After recalculating estimated settlement allocations to account for disputed claims, Participating Class Members will receive their allocation from the Qualified Settlement Fund agreed upon pursuant to this Settlement Agreement and calculated by the Settlement Administrator. The Settlement Administrator shall provide Participating Class Members, PAGA Members, and the Class Representative with an IRS Form 1099 as appropriate for the portions allocated to interest and penalties, if required

72. Plaintiff's counsel shall provide notice of the Settlement to the LWDA.

VIII. CALCULATION OF SETTLEMENT PAYMENTS AND DISTRIBUTION OF NET SETTLEMENT AND PAGA MEMBER PAYMENT FUNDS

73. **Calculation of Settlement Class Payments.** The Settlement Administrator will calculate pro rata Settlement Class Payments to Class Members based on each Class Member's number of eligible Pay Periods during the Class Period as reflected on Defendant's payroll records with a 2x multiplier for the Pay Periods during which Class Members worked back-to-back meetings/workshops. That pro rata Settlement Class Payments shall be determined as follows: (1) the Settlement Administrator will divide the number of Pay Periods worked by each Class Member by the total Pay Periods of all Class Members, with a 2x multiplier for the Pay Periods during which Class Members worked back-to-back meetings/workshops, and (2) multiply the resulting fraction by the Net Settlement Amount allocated for distribution to Participating Class Members.

74. **Calculation of the PAGA Member Payment.** The Settlement Administrator will calculate pro rata PAGA Member Payments to PAGA Members by: (1) dividing the number of Pay Periods worked by each PAGA Member during the PAGA Period by the total Pay Periods of all PAGA Members during the PAGA Period, with a 2x multiplier for the Pay Periods during which PAGA Members worked back-to-back meetings/workshops, and (2) multiplying the resulting fraction by the PAGA Member Payment.

75. **Eligibility for Settlement Class Payments.** Only Class Members who have not opted-out of the non-PAGA portion of this Settlement will be considered Participating Class Members and eligible to receive a Settlement Class Payment.

76. Each Notice of Settlement mailed to a Class Member will identify the dates of employment that Defendant's records indicate the individual worked as a Class Member; the number of Pay Periods when the Class Member worked back-to-back meetings/workshops during the Class Period and PAGA Period; and an estimate of each Class Member's pro rata share of the Net Settlement Amount including the share of any PAGA Member Payment as a PAGA Member.

77. Participating Class Members will have the right to dispute only the information described in Paragraph 70, *supra*, as shown on the Notice of Settlement. Challenges to the information listed on the Notice of Settlement shall be sent directly to the Settlement Administrator at the address indicated on the Notice of Settlement. Any dispute must be made during the Notice Period. The Settlement Administrator will inform Class Counsel and Defendant's Counsel in writing of any timely filed disputes. The information listed on the Notice of Settlement is presumed to be accurate unless the Participating Class Member submits documentation demonstrating otherwise, *i.e.*, a Participating Class Member who fails to provide written proof will have his or her challenge denied. In the event of any dispute over an individual's employment information, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Parties shall meet and confer and shall attempt to agree on a resolution for any such dispute. In the event the Parties cannot agree to a resolution, the decision by the Administrator regarding disputes shall be binding on the Class Member and no additional rights of appeal shall exist.

78. The Settlement Administrator shall (a) date stamp all original Requests for Exclusion that it receives; (b) serve copies on Class Counsel and Defendant's Counsel no later than five (5) business days after receipt, or immediately if received within five (5) business days of the Final Approval Hearing; and (c) file the date-stamped originals (with contact information

and social security numbers redacted) with the Clerk of the Court no later than five (5) business days prior to the date of the Final Approval Hearing or immediately if received less than five (5) business days prior to the date of the Final Approval Hearing.

79. The Settlement Administrator shall also (a) date stamp all original rescission of Requests for Exclusion it receives; (b) serve copies on Class Counsel and Defendant's Counsel no later than five (5) business days after receipt, or immediately if received within five (5) business days of the Court's Final Approval Hearing; and (c) file the date-stamped originals with the Clerk of the Court no later than five (5) business days prior to the date of the Final Approval Hearing or immediately if received less than five (5) business days prior to the date of the Final Approval Hearing.

80. The Settlement Administrator shall make the final calculation of Settlement Class Payments and PAGA Member Payments and within seven (7) days of the Settlement Effective Date, the Settlement Administrator shall provide the Parties with a redacted report listing the Class Members by a unique identifier, the amount of Class Payment, any PAGA Member Payment, and the number of eligible Pay Periods. The Settlement Administrator shall also provide a non-redacted report to only Defendant within seven (7) days of the Settlement Effective Date.

81. Within ten (10) days after the Settlement Effective Date, the Settlement Administrator shall distribute and pay Settlement Class Payment checks to all Participating Class Members, pay the Class Representative her Incentive Payment, issue a check to the LWDA for the LWDA PAGA Amount, issue checks to the PAGA Member for their PAGA Member Payments, pay Class Counsel's attorneys' fees and costs, and pay the settlement administration fees.

82. The Settlement Administrator shall be responsible for issuing and mailing the checks and any necessary tax reporting forms to Participating Class Members, PAGA Members, the Class Representative, Class Counsel, and Defendant.

83. Uncashed Settlement Checks. Participating Class Members who are sent

Settlement Class Payments and PAGA Members who are sent PAGA Member Payments shall have one-hundred eighty (180) calendar days (which can be extended for good cause shown) after mailing by the Settlement Administrator to cash their checks and will be so advised of such deadline. If such Participating Class Members and/or PAGA Members do not cash their checks within that period, those checks will become void and a stop payment will be placed on the uncashed checks. Within thirty (30) days after the expiration date of the settlement checks, the Settlement Administrator shall provide to Class Counsel and Defendant's Counsel a verification/declaration signed under penalty of perjury that it has mailed the checks for Settlement Class Payments and PAGA Member Payments, and if uncashed, that such amounts have been sent *cy pres* to CASA of Los Angeles (Court Appointed Special Advocates of Los Angeles) ("Cy Pres Beneficiary"). The Parties do not have a connection to or a relationship with the Cy Pres Beneficiary that could reasonably create the appearance of impropriety as between the selection of the Cy Pres Beneficiary as the recipient of the unclaimed residuals and the interests of the Settlement Class. Defendant will not be required to pay any interest on such amounts and no such amount shall be reverted to Defendant.

IX. RELEASE BY PARTICIPATING CLASS MEMBERS

84. Release by Participating Class Members. The releases agreed upon and made part of the settlement by Participating Class Members shall include a full and final release of the Released Parties, as defined above, of the Released Class Claims. The "Released Class Claims" are all claims that were or reasonably could have been pled in Plaintiff's Second Amended Complaint or asserted in Plaintiff's LWDA Notice, based on the facts and matters pled or asserted therein or which reasonably could have been raised as part of Plaintiff's claims, including but not necessarily limited to allegations regarding unpaid minimum and overtime wages; failure to pay for nonproductive time including rest periods and pre-meeting prep or attendance time; failure to provide compliant rest breaks; failure to provide complete and accurate wage statements; failure to maintain accurate payroll records; failure to timely pay wages during employment; and failure to timely pay wages upon termination, and factual

allegations regarding Defendant's violations of Labor Code sections 201, 202, 203, 204, 216, 226(a), 226.2, 226.3, 226.7, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, and California Business and Professions Code section 17200 *et seq.* (collectively, the "Released Class Claims"). All Participating Class Members shall be bound by the release of the Released Class Claims during the Class Period, unless they formally opt-out of the non-PAGA portion of this Settlement. The Funding Date will effectuate this release and extinguish the Released Class Claims.

X. RELEASE BY PAGA MEMBERS AND THE LWDA

85. The PAGA Members and the LWDA shall release the Released Parties from all claims for civil penalties under PAGA that were, or reasonably could have been, raised as part of Plaintiff's claims in the Second Amended Complaint or as part of Plaintiff's allegations in Plaintiff's LWDA Notice, including any claim for attorneys' fees and costs permissible under PAGA that could reasonably have been raised based on the facts alleged (the "Released PAGA Claims."). The Released PAGA Claims are limited to those claims arising under PAGA during the PAGA Period. The Funding Date will effectuate this release by PAGA Members and the LWDA pursuant to the Final Approval Order. The Parties intend for this Settlement to have claim preclusion, issue preclusion, or otherwise bar a PAGA action if a PAGA Member were to bring a subsequent claim on behalf of the LWDA based on any claim covered by the Released PAGA Claims during the PAGA Period. In light of the binding nature of a PAGA judgment on non-party employees pursuant to *Arias v. Superior Court* (Angelo Dairy) 46 Cal. 4th 969 (2009) and *Cardenas v. McLane Foodservice, Inc.*, 796 F. Supp. 2d 1246 (2011), individuals otherwise meeting the definition of a PAGA Member who are eligible to receive a payment for the amount of each such individual's estimated share of the PAGA Member Payment shall be deemed to have released the Released PAGA Claims, regardless if the check is cashed or not, and may not opt-out of, or object to, the release of the Released PAGA Claims or the PAGA portion of the Settlement.

XI. RELEASE BY CLASS REPRESENTATIVE

86. Settlement by Class Representative. As of the Funding Date, in consideration of the mutual covenants and promises set forth herein and by operation of the Final Approval Order and Judgment, in the event the Court grants an Incentive Payment, the release agreed upon and made part of the settlement by the Class Representative (the “Class Representative General Release”) shall include a general release of the Released Parties, as defined above, from all claims, actions, causes of action, lawsuits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, bonuses, controversies, agreements, promises, claims, charges, complaints and demands whatsoever, whether in law or equity, known or unknown, which against the Released Parties, the Class Representative and his heirs, executors, administrators, successors, and assigns, may now have or hereafter later determine that they have or had upon, or by reason of, any cause or thing whatsoever including, but not limited to, claims arising under the Americans With Disabilities Act, the National Labor Relations Act, the Fair Labor Standards Act, the Equal Pay Act, the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 *et seq.*, as amended, but not limited to, breach of fiduciary duty and equitable claims to be brought under § 1132(a)(3) (“ERISA”), the Worker Adjustment and Retraining Notification Act, as amended, Title VII of the Civil Rights Act of 1964, the Vocational Rehabilitation Act of 1973, the Civil Rights Acts of 1866, 1871 and 1991, including Section 1981 of the Civil Rights Act, the Family and Medical Leave Act (to the extent permitted by law), the California Family Rights Act (“CFRA”), California’s PAGA, Cal. Bus. and Prof. Code § 17200 *et seq.* (“UCL”), the California Labor Code, and/or any other federal, state or local human rights, civil rights, wage-hour, pension or labor law, rule, statute, regulation, constitution or ordinance and/or public policy, contract or tort law, or any claim of retaliation under such laws, or any claim of breach of any contract (whether express, oral, written or implied from any source), or any claim of intentional or negligent infliction of emotional distress, tortious interference with contractual relations, wrongful or abusive or constructive discharge, defamation, prima facie tort, fraud, negligence, loss of consortium, malpractice, breach of duty of care, breach of fiduciary duty or any action similar thereto against the Released Parties,

including any claim for attorneys' fees, expenses or costs based upon any conduct up to and including the date of Final Approval; provided, however, that the Class Representative does not waive any right to file an administrative charge with the Equal Employment Opportunity Commission ("EEOC") or the National Labor Relations Board ("NLRB"), subject to the condition that the Class Representative agrees not to seek, or in any way obtain or accept, any monetary award, recovery or settlement therefrom and agrees that she understands that such limitation does not in any way restrict her ability to file and pursue such charge consistent with the confidentiality obligations set forth in this Joint Stipulation of Settlement; and further provided, however, that the Class Representative does not waive any rights with respect to, or release the Released Parties from, any claims for California Workers' Compensation benefits (except that the Class Representative hereby releases and waives any claims that she is entitled to additional benefits or payments); and further provided, however, that the Class Representative does not release any claim for unemployment compensation benefits; and further provided, however, that the Class Representative does not release any claim that cannot be released by private contract, or for breach of the terms of the Settlement Agreement between the Class Representative and Defendant. It is further agreed that:

- a. The Class Representative, for the purpose of implementing a full and complete release and discharge of the Released Parties, expressly acknowledges that this Class Representative General Release is intended to include in its effect, without limitations, all claims through the date of Final Approval, which the Class Representative does not know or suspect to exist in the Class Representative's favor at the time of execution hereof, and that this Class Representative General Release contemplates the extinguishment of any such claim or claims.
- b. The Class Representative, in connection with such waiver and relinquishment, hereby acknowledges that she or her attorneys may hereafter discover claims or facts in addition to, or different from, those

which she now knows or believes to exist, but that the Class Representative expressly agrees to fully, finally and forever settle and release any and all claims, known or unknown, suspected or unsuspected, which exist or may exist on her behalf against the Released Parties at the time of Final Approval, including, but not limited to, any and all claims relating to or arising from the Class Representative's employment with Defendant. The Parties further acknowledge, understand and agree that this representation and commitment is essential to each Party and that this Settlement Agreement would not have been entered into were it not for this representation and commitment.

- c. The Class Representative shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits she may otherwise have had relating to the claims covered by the Class Representative General Release pursuant to Section 1542 of the California Civil Code, which provides as follows:

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

- d. The Class Representative covenants that she will not participate in or receive recovery or monies as a plaintiff in connection with any proceeding seeking penalties under PAGA, which arises during the Class Period for any known and unknown claims.
- e. As of the Settlement Effective Date, in consideration of the mutual covenants and promises set forth herein and by operation of the Final Approval Order and Judgment, in the event the Court grants an Incentive

Payment, the Class Representative agrees to not disparage or impugn the reputation of any of the Released Parties. Notwithstanding the foregoing, the Parties agree that the Class Representative will not be prohibited or restricted from reporting to Defendant's management or directors regarding conduct she believes to be in violation of the law or from providing information to or cooperating with any government agencies or any self-regulating organizations.

XII. DUTIES OF THE PARTIES PRIOR TO PRELIMINARY APPROVAL AND BETWEEN PRELIMINARY AND FINAL APPROVAL.

87. The Parties shall promptly submit this Settlement Agreement to the Court together with a Motion for Preliminary Approval of Settlement and Certification of Settlement Class. The motion shall also seek an order, attached as Exhibit B:

- a. Preliminarily approving the Settlement;
- b. Approving as to form and content the proposed Notice of Settlement;
- c. Directing the mailing of the Notice of Settlement by first class mail to members of the Settlement Class;
- d. Preliminarily certifying the Settlement Class for purposes of settlement and preliminarily appointing Named Plaintiff and Plaintiff's Counsel as representatives of the Settlement Class;
- e. Preliminarily approving settlement administration services to be provided by the Settlement Administrator;
- f. Preliminarily approving the proposed Incentive Payment to Named Plaintiff as Class Representative;
- g. Preliminarily approving the application for payment of reasonable attorneys' fees and costs to Plaintiff's Counsel;
- h. Scheduling a Final Approval Hearing on the question of whether the proposed settlement should be finally approved as fair, reasonable and

adequate as to the members of the Settlement Class.

88. Plaintiff's Counsel shall provide the Court at least 5 days prior to the Final Approval Hearing a declaration by the Settlement Administrator of due diligence and proof of mailing of the Notice of Settlement required to be mailed to Class Members by this Settlement Agreement, and of the delivery results of the Settlement Administrator's mailings including tracing and re-mailing efforts.

XIII. DUTIES OF THE PARTIES AFTER FINAL COURT APPROVAL

89. The Parties will submit a proposed Final Approval Order, attached as Exhibit C, which shall include findings and orders:

- a. Approving the settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing that its terms and provisions be carried out;
- b. Approving the Incentive Payment to the Named Plaintiff as Class Representative;
- c. Approving Class Counsel's application for an award of attorneys' fees and reimbursement of out-of-pocket litigation expenses, and the Settlement Administrator's fees;
- d. Ordering that the settlement payments be distributed to the Participating Class Members and PAGA Members as set forth in the Agreement;
- e. Identifying the individuals who opted out of the Settlement;
- f. Ordering that upon the Funding Date, all Participating Class Members will release the Released Class Claims that arose during the Class Period, all PAGA Members will release all Released PAGA Claims that arise during the PAGA Period, and Plaintiff will release the Class Representative General Release; and
- g. Providing that the Court will retain jurisdiction to oversee administration and enforcement of the terms of the Settlement and the Court's orders.

90. Following entry of the Court's Final Approval Order, the Parties will each act to assure its timely execution and the fulfillment of all its provisions, including but not limited to the following:

- a. Should an appeal be taken from the Final Approval Order, all Parties will support the approval order on appeal;
- b. Class Counsel and Defendant's Counsel will assist the Settlement Administrator as needed or requested in the process of identifying and locating Class Members entitled to payments from the Qualified Settlement Fund;
- c. Class Counsel and Defendant's Counsel will assist the Settlement Administrator as needed or requested in responding to late requests for payments;
- d. Class Counsel and Defendant's Counsel will cooperate with each other and assist the Settlement Administrator as needed;
- e. The Parties and Class Counsel will certify to the Court completion of all payments required to be made by this Settlement Agreement.

XIV. PRELIMINARY TIMELINE FOR COMPLETION OF SETTLEMENT

91. The preliminary schedule for notice, approval, and payment procedures carrying out this settlement is as follows. The schedule may be modified depending on whether and when the Court grants necessary approvals and orders notice to the class and sets further hearings. In the event of such modification, the Parties shall cooperate in order to complete the settlement procedures as expeditiously and as reasonably practicable.

Within 28 days after the Date of Preliminary Approval	Defendant shall provide the Settlement Administrator only with the information set forth in Paragraph 67.
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Within 14 days after receipt of class data from Defendant	Settlement Administrator to complete updating any Class Member contact information pursuant to Paragraph 69. Mailing by first class mail of Settlement Documents.
5 business days before mailing Settlement Documents	Settlement Administrator to provide the Parties with estimated Settlement Class Payments to each Class Member and PAGA Member Payments to each PAGA Member.
60 days after mailing Settlement Documents	Deadline for Class Members to opt-out, object in writing, or submit Pay Period disputes.
1 business day prior to the Final Approval Hearing	Last day for Class Members to rescind objections or opt-outs.
Within 7 days of the Final Approval Order	Settlement Administrator to calculate and provide Defendant's counsel with the amount of the employer's share of payroll taxes.
Within 10 days of the Final Approval Order	Settlement Administrator to provide the Parties with a redacted list of all Participating Class Members and the re-calculated amounts due to each Participating Class Member. Settlement Administrator to also provide the same list in non-redacted format only to Defendant.
By the later of April 15, 2024 or within 30 days of the Final Approval Order	Defendant to fund the Qualified Settlement Fund.
The 61 st day after the entry of Judgment on the Final Approval Order, if no appeals are filed	Settlement Effective Date

Within 7 days of the Settlement Effective Date	Settlement Administrator to make the final calculation of Settlement Class Payments and PAGA Member Payments from the Net Settlement Amount to be distributed to the Participating Class Members and PAGA Members. Settlement Administrator to provide the Parties with a redacted report listing the Class Members with a unique identifier, the amount of Settlement Class Payment, any PAGA Member Payment, and number of eligible Pay Periods. Settlement Administrator to provide the same report in non-redacted format only to Defendant.
Within 10 days after the Settlement Effective Date	Settlement Administrator to distribute and pay Settlement Class Payment checks to all Participating Class Members, pay the Class Representative his Incentive Payment, issue a check to the LWDA for the LWDA PAGA Amount, issues checks to the PAGA Member for their PAGA Member Payments, pay Class Counsel's attorneys' fees and costs, and pay the settlement administration fees.
180 days after payment of first round settlement checks	Settlement Administrator to send amounts of uncashed Settlement checks to CASA of Los Angeles (Court Appointed Special Advocates of Los Angeles).
Within thirty (30) days after the expiration date of the settlement checks	Settlement Administrator to provide to Class Counsel and Defendant's Counsel a verification/declaration signed under penalty of perjury that it has mailed the checks for Settlement Class Payments and PAGA Member Payments, and if uncashed, that such amounts have been sent <i>cy pres</i> to CASA of Los Angeles (Court Appointed Special Advocates of Los Angeles).
After Settlement Administrator submits final declaration of distributions and within fourteen (14) days of written request by Defendant	Named Plaintiff and Class Counsel to destroy and confirm the destruction of all confidential documents produced to them for settlement purposes.

XV. VOIDING OR MODIFYING THE SETTLEMENT AGREEMENT

92. Defendant has the right to withdraw from the Settlement before Final Approval if:

(a) the Settlement is construed by the Court to be materially different from the Settlement Agreement; (b) more than 5% of Class Members request to be excluded from the Settlement; or

(c) if Plaintiff or Class Counsel breach the Settlement Agreement. In the event of Defendant's withdrawal because more than 5% of Class Members request to be excluded from the Settlement, Defendant will pay the costs already incurred by the Settlement Administrator. The Parties shall meet and confer prior to Defendant exercising its right to withdraw and Defendant shall provide Class Counsel with written notice.

93. If for any reason the Settlement is not approved by the Court, or if Defendant withdraws from the Settlement pursuant to this Section, this Settlement Agreement and any related Settlement Documents will be null and void, other than the confidentiality and non-disclosure provisions in Section XVI and the non-admission provisions in Paragraph V.56.a, and any class action certified for settlement purposes will be vacated. In such an event, neither this Settlement Agreement, nor the Memorandum of Understanding of Settlement, nor the settlement documents, nor the negotiations leading to the Settlement may be used as evidence for any purpose, and Defendant shall retain the right to challenge all claims and allegations in the action, to assert all applicable defenses, and to dispute the propriety of class or collective certification on all applicable grounds. If the Settlement is not initially approved by the Court following the filing of Plaintiff's Motion for Preliminary Approval, the parties shall meet and confer or attend mediation again in an effort to modify the Settlement in a manner that addresses the Court's concerns.

94. Other than as specified above, this Settlement Agreement may not be changed, altered, or modified, except in writing and signed by counsel for the Parties hereto, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

XVI. CONFIDENTIALITY AND PUBLICITY

95. The names of Participating Class Members and their allocation amounts shall be kept strictly confidential by the Settlement Administrator, who will not release such information to Class Counsel, unless anonymized and with contact information redacted, and will only file such information under seal if necessary. Any information received by Class Counsel in

connection with this Settlement may be used for this action only, and may not be used for any purpose or in any other action or proceeding.

96. Named Plaintiff, Defendant, Class Counsel and Defendant's Counsel agree not to disclose the terms of this settlement before the Motion for Preliminary Approval is filed. Thereafter the Parties agree that they shall not, directly or indirectly, issue a press release, hold a press conference, respond to any press inquiries, publish information about the settlement on any website (other than used by the Settlement Administrator for claims administration purposes) or on social media, or otherwise publicize the settlement, except that this provision will not apply to any reporting requirements by Defendant to its outside auditors or Board of Directors or as otherwise required by law.

97. Destruction of Confidential Settlement Materials. Named Plaintiff and Class Counsel agree to destroy and confirm the destruction of all confidential documents produced to them for settlement purposes in this action after the Settlement Administrator submits the final declaration of distributions and within fourteen (14) days of written request by Defendant.

XVII. PARTIES' AUTHORITY

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

XVIII. MUTUAL FULL COOPERATION

99. The Parties agree to fully cooperate with each other to promote participation in Settlement and in seeking court approval of this Settlement Agreement, including but not limited to, working cooperatively to address any questions raised by the Court, executing documents or amending documents as required by the Court, and taking such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court or otherwise to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, Plaintiff's Counsel shall, with the

assistance and cooperation of Defendant and Defendant's counsel, take all necessary steps to secure the Court's preliminary and final approval of this Settlement Agreement.

XIX. NOTICES

100. Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed as follows:

To Plaintiff's Counsel:

Raúl Pérez, Bevin Allen Pike, Daniel S. Jonathan and Trisha K. Monesi
CAPSTONE LAW APC
1875 Century Park East, Suite 1000
Los Angeles, CA 90067
Tel: (310) 556-4811
Fax: (310) 943-0396
bevin.pike@capstonelawyers.com

Kyle Todd
KYLE TODD, P.C.
171 N Altadena Dr.
Pasadena, CA 91107
Tel: (323) 208-9171
Fax: (323) 693-0822
kyle@kyletodd.com

To Defendant's Counsel:

Carrie A. Gonell and Samuel S. Sadeghi
MORGAN, LEWIS & BOCKIUS LLP
600 Anton Blvd., Suite 1800
Costa Mesa, CA 92626
Tel: 949.399.7000
Fax: 949.399.7001
carrie.gonell@morganlewis.com

If the identity of the persons to be notified for any Party changes, or their address changes, that Party shall notify all other Parties of said change in writing.

XX. MISCELLANEOUS PROVISIONS

101. **Captions and Titles.** Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any provision hereof. Each term of this Settlement

Agreement is contractual and not merely a recital.

102. **Drafting**. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms-length negotiations between the Parties. Neither party shall be considered the “drafter” of the Settlement Agreement for purposes of having terms construed against that party, and this Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his, her or its counsel participated in the drafting of this Settlement Agreement.

103. **Extensions of Time**. If a party cannot reasonably comply with an obligation under this Settlement Agreement by the deadline set forth herein applicable to that obligation, that party may apply to the Court for a reasonable extension of time to fulfill that obligation. Consent to such a request for an extension will not be unreasonably withheld by the other party. The parties agree to cooperate so that the matter will be resolved with appropriate dispatch and the settlement terms carried out without unnecessary delay.

104. **Governing Law**. The rights and obligations of the Parties hereunder shall be construed and enforced in accordance with, and shall be governed by, the laws of the State of California, without regard to principles of conflict of laws.

105. **No Impact on Benefit Plans**. Neither the Settlement nor any amounts paid under the Settlement will modify any previously credited hours or service under any employee benefit plan, policy, or bonus program sponsored by the Released Parties. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under the Released Parties’ sponsored benefit plans, policies, or bonus programs. The payments made under the terms of this Settlement shall not be applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of any of the Released Parties’ benefit plan, policy, or bonus program. The Released Parties retain the right to modify the language of the Released Parties’ benefit plans, policies and bonus programs to effect this intent, and to make clear that any amounts paid pursuant to this Settlement are not for “hours worked,” “hours paid,” “hours of service,” or any similar

measuring term as defined by applicable plans, policies and bonus programs for purposes of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Settlement Agreement.

106. **Integration.** This Settlement Agreement, along with attached exhibits, contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

107. **No Prior Assignments.** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors. The Parties hereto represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged except as set forth herein.

108. **Class Member Signatories.** It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each member of the Class execute this Settlement Agreement. The Notice of Settlement attached hereto will advise all Class Members of the binding nature of the release and such shall have the same force and effect as if this Settlement Agreement were executed by each member of the Class.

XXI. COUNTERPARTS

109. This Settlement Agreement may be executed in counterparts with signatures transmitted by facsimile or as an electronic image of the original signature. When each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement Agreement, which shall be binding upon and effective as to all Parties. A facsimile signature shall have the same force and effect as the original signature.

[signatures on next page]

READ CAREFULLY BEFORE SIGNING

PLAINTIFF CINDY NEWMAN

Dated: _____

Cindy Newman

DEFENDANT WW North America Holdings, LLC

Dated: _____

Seth Kaplan, Senior Vice President, Legal and People
On behalf of Defendant WW North America Holdings,
LLC

APPROVED AS TO FORM.

Dated: _____, 2024

MORGAN, LEWIS & BOCKIUS LLP

By _____
Carrie A. Gonell
Samuel S. Sadeghi
Attorneys for Defendant
WW North America Holdings, LLC

Dated: _____, 2024

CAPSTONE LAW APC

By _____
Raúl Pérez
Bevin Allen Pike
Daniel S. Jonathan
Trisha K. Monesi
Attorneys for Plaintiff
CINDY NEWMAN, individually and on
behalf of all others similarly situated

Dated: _____, 2024

KYLE TODD, P.C.

By _____
Kyle Todd
Attorney for Plaintiff
CINDY NEWMAN, individually and on
behalf of all others similarly situated

Exhibit A

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Cindy Newman v. WW North America Holdings, Inc.

Superior Court for the State of California, County of Los Angeles, Case No. 20STCV02332

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

IF YOU ARE OR WERE EMPLOYED BY DEFENDANT WW NORTH AMERICA HOLDINGS, LLC (formerly WW NORTH AMERICA HOLDINGS, INC.) (“DEFENDANT”) AS A STUDIO TEAM MEMBER IN CALIFORNIA AT ANY TIME DURING THE PERIOD FROM JANUARY 21, 2016 THROUGH JULY 11, 2020, A SETTLEMENT OF A CLASS ACTION LAWSUIT MAY AFFECT YOUR RIGHTS.

Why should you read this Notice?

A proposed settlement (the “Settlement”) has been reached in a class action lawsuit entitled *Cindy Newman v. WW North America Holdings, Inc.*, Case No. 20STCV02332 (Los Angeles County Superior Court) (the “Action”). The purpose of this Notice of Class Action Settlement (“Notice”) is to briefly describe the case, and to inform you of your rights and options in connection with the Action and the proposed Settlement. The proposed Settlement will resolve all claims in the Action and will result in the entry of Judgment in the Action.

A hearing concerning the Settlement will be held before the Hon. Kenneth R. Freeman on [REDACTED], 2024 at [REDACTED] X:XX x.m. in Department 14 of the Los Angeles County Superior Court, located at the Spring Street Courthouse at 312 North Spring Street, Los Angeles, California, 90012 to determine whether the Settlement is fair, adequate, and reasonable.

AS A CLASS MEMBER, YOU ARE ELIGIBLE TO RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT UNDER THE SETTLEMENT AND WILL BE BOUND BY THE RELEASE OF CLAIMS DESCRIBED IN THIS NOTICE AND THE SETTLEMENT AGREEMENT FILED WITH THE COURT, UNLESS YOU TIMELY REQUEST TO BE EXCLUDED FROM THE SETTLEMENT.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	If you do nothing, you will receive a Settlement Payment and will give up your right to pursue a separate legal action against Defendants for the claims alleged in this Action, as explained more fully below.
EXCLUDE YOURSELF FROM THE SETTLEMENT	You have the option to pursue separate legal action against Defendant about the claims in the Action, except as to the claim under the California Private Attorneys General Act (“PAGA”). If you choose to do so, you must exclude yourself, in writing, from the Settlement. As a result, you will not receive benefits under the Settlement as a Class Member; however, you may still receive a payment if you are determined to be a PAGA Member (a subset of the Class). Whether or not you submit a Request for Exclusion, you will still receive a PAGA Member Payment if you are determined to be a PAGA Member (a subset of the Class) and be bound by the release of the Released PAGA Claims.
OBJECT	You may submit written objections to the Settlement Administrator about why you do not like the Settlement. You may also appear at the Final Approval Hearing on [REDACTED], 2024, and make an objection at this time. Objecting is available only if you do not exclude yourself from the Settlement.
DISPUTE YOUR AMOUNT	The amount you are eligible to receive under the Settlement is based on how long you worked for Defendant as a Class Member and how many back-to-back meetings/workshops you worked during the Class Period. The number of Pay Periods and back-to-back meetings/workshops you have been credited is set forth in this notice. If you believe the number of Pay Periods is incorrect, you can dispute the number credited to you by following the procedures set forth below.

Who is affected by this proposed Settlement?

The Court has certified, for settlement purposes only, the following class (the “Class”):

All persons who worked for Defendant as a Studio Team Member in California at any time from January 21, 2016 through July 11, 2020 (“Class Period”).

According to Defendant’s records, you are a member of the Class (“Class Member”).

What is this case about?

In the Action, Plaintiff Cindy Newman (“Plaintiff”) alleges on behalf of herself and the Class the following claims against Defendant: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime; (3) Failure to Timely Pay Wages Upon Termination; (4) Failure to Pay Wages During Employment; (5) Failure to Provide Accurate Itemized Wage Statements; (6) Violation of the California Business and Professions Code section 17200, *et seq.*; (7) Recovery of Civil Penalties Under the Private Attorneys General Act (“PAGA”); and (8) Violation of Labor Code section 226.2; and (9) Violation of Labor Code section 226.7. In the Action, Plaintiff seeks alleged unpaid wages, civil penalties under the California Labor Code and PAGA, interest, attorneys’ fees, costs, and expenses.

Defendant denies all liability and is confident that it has strong legal and factual defenses to these claims, but it recognizes the risks, distractions, and costs associated with litigation. Defendant contends that its conduct is and has been lawful at all times relevant and that Plaintiff’s claims do not have merit and do not meet the requirements for class certification.

This Settlement is a compromise reached after good faith, arm’s length negotiations between Plaintiff and Defendant (the “Parties”), through their attorneys, and is not an admission of liability on the part of Defendant. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiff also believes this Settlement is in the best interests of all Class Members.

The Court has preliminarily approved the settlement, but the Court has not ruled on the merits of Plaintiff’s claims or Defendant’s defenses.

Who are the attorneys representing the Parties?

The attorneys representing the Parties in the Action are:

Class Counsel

Raúl Pérez, Bevin Allen Pike, Daniel S. Jonathan and
Trisha K. Monesi
CAPSTONE LAW APC
1875 Century Park East, Suite 1000
Los Angeles, CA 90067
Tel: 1 (888) 322-4568
Email: info@ww-lawsuit.com

Defense Counsel

Carrie A. Gonell and Samuel S. Sadeghi
MORGAN, LEWIS & BOCKIUS LLP
600 Anton Blvd., Suite 1800
Costa Mesa, CA 92626
Tel: 949.399.7000
Fax: 949.399.7001
carrie.gonell@morganlewis.com

Kyle Todd
KYLE TODD, P.C.
171 N Altadena Dr.
Pasadena, CA 91107
Tel: (323) 208-9171
kyle@kyletodd.com

What are the Settlement terms?

Subject to final Court approval, Defendant will pay \$630,000.00 (the “Gross Settlement Amount”) for: (a) Settlement Payments to Class Members; (b) the Court-approved Incentive Payment to Plaintiff; (c) the Court-approved attorneys’ fees and costs to Class Counsel; (d) the costs of administering the Settlement; (e) payment to

the State of California Labor and Workforce Development Agency (“LWDA”) for PAGA penalties; (f) payment to PAGA Members.

Class Settlement Payments. After deduction from the Gross Settlement Amount for attorneys’ fees and costs, the Incentive Payment to Plaintiff, the PAGA Member Payment, the payment to the LWDA, and the costs of administering the Settlement, there will be a Net Settlement Amount. From this Net Settlement Amount, each Class Member who does not opt out of the Settlement (“Participating Class Members”) will receive a Settlement Payment.

The Net Settlement Amount will be divided among all Participating Class Members based on a proportional basis according to the Pay Periods¹ worked during the period of January 16, 2016 through July 11, 2020, with a 2x multiplier for the Pay Periods during which Class Members worked back-to-back meetings/workshops.

According to payroll records maintained by Defendant, the total number of Pay Periods you worked in California during the Class Period is [REDACTED] and during ____ of those Pay Periods, you worked back-to-back meetings/workshops.

Based on that information, your estimated Settlement Payment is \$ [REDACTED]. If you believe the information about the number of Pay Periods assigned to you is inaccurate, you may contact the Settlement Administrator and provide the Settlement Administrator with a copy of any documentation you want to include to support your dispute. Absent such documentary evidence, your dispute, if any, will be ordinarily denied. However, you may not dispute the formula, calculation, or amount of your Settlement Payment.

Settlement Administrator
Address
Telephone Number
Fax Number

PAGA Settlement Payments. A portion of the Gross Settlement Amount, called the “PAGA Member Payment,” will be set aside for all persons who worked for Defendant as a Studio Team Member in California at any time from January 21, 2019 through July 11, 2020 (“PAGA Members”). The PAGA Member Payment will be \$5,000.00. Each PAGA Member will receive a pro rata share of the PAGA Member Payment based on the number of Pay Periods worked between January 21, 2019, and July 11, 2020 (with a 2x multiplier for the Pay Periods during which the PAGA Member worked back-to-back meetings/workshops), regardless of whether he or she opts out of the Settlement.

According to payroll records maintained by Defendant, the total number of Pay Periods you worked in California during the period from January 1, 2019 through July 11, 2020 (“PAGA Period”) is [REDACTED] and during [REDACTED] of those Pay Periods, you worked back-to-back meetings/workshops.

Based on that information, your estimated PAGA Member Payment is \$ [REDACTED].

Settlement Payments Generally. If a settlement check remains uncashed after 180 days from issuance, the check will become void and a stop payment will be placed on the uncashed check. These payments will then be sent to CASA of Los Angeles (Court Appointed Special Advocates of Los Angeles), a non-profit organization. In such event, the Class Member will remain bound by the terms of the Settlement and all Court orders.

For tax reporting purposes, the Settlement Payments to Class Members will be allocated as follows: 1/3 allocation for wages to be reported on IRS Form W-2; 1/3 allocation as interest, and 1/3 allocation for penalties. All PAGA Member Payments will be allocated entirely to penalties. The Settlement Administrator shall provide Participating Class Members and the Class Representative with an IRS Form 1099 as appropriate for the portions allocated to interest and penalties, if required.

¹ “Pay Period” means any biweekly pay period in which a Class Member worked at least one day during the Class Period.

None of the Parties or attorneys make any representations concerning the tax consequences of this Settlement or your participation in it. Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Class Member.

Any amounts paid to Participating Class Members will not count or be counted for determination of eligibility for, or calculation of, any employee benefits (for example, vacations, holiday pay, retirement plans, non-qualified deferred compensation plans, etc.), or otherwise modify any eligibility criteria under any collective bargaining agreement, employee pension benefit plan or employee welfare plan sponsored by Defendants, unless otherwise required by law.

Class Counsel Attorneys' Fees and Costs, Class Representative Incentive Payment, Settlement

Administration Costs and Payment to the California LWDA. Class Counsel will ask the Court to award attorneys' fees up to \$210,000.00 (1/3 of the Gross Settlement Amount), plus reimbursement of actual costs and expenses incurred in the Action not to exceed \$ [REDACTED] (representing actual out-of-pocket costs). In addition, Class Counsel will ask the Court to authorize an Incentive Payment of up to \$10,000.00 to Plaintiff for her efforts in prosecuting the case on behalf of the Class and \$ [REDACTED] to the Settlement Administrator for the cost of administering the Settlement. A payment in the amount of \$15,000 will also be made to the LWDA for the portion of the total amount allocated for PAGA penalties, as required by law.

Any amounts not requested or awarded by the Court will be included in the Net Settlement Amount and will be distributed to Participating Class Members as set forth above, except that in the event Class Counsel appeals a reduction in the award of fees by the Court, any appellate reduction of attorney fees and costs will be allocated to **CASA of Los Angeles (Court Appointed Special Advocates of Los Angeles)** as a *cy pres* organization. The amount of reduction at issue in the appeal shall be held by the Settlement Administrator in trust pending the outcome of the appeal.

What claims are being released by the proposed Settlement?

Upon the Settlement becoming final and Defendant funding the Settlement, Plaintiff and other Participating Class Members shall release and discharge the "Released Parties"² from all claims that were or reasonably could have been pled in Plaintiff's Second Amended Complaint or asserted in Plaintiff's LWDA Notice, based on the facts and matters pled or asserted therein or which reasonably could have been raised as part of Plaintiff's claims, including but not necessarily limited to allegations regarding unpaid minimum and overtime wages; failure to pay for nonproductive time including rest periods and pre-meeting prep or attendance time; failure to provide compliant rest breaks; failure to provide complete and accurate wage statements; failure to maintain accurate payroll records; failure to timely pay wages during employment; and failure to timely pay wages upon termination, and factual allegations regarding Defendant's violations of Labor Code sections 201, 202, 203, 204, 216, 226(a), 226.2, 226.3, 226.7, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, and California Business and Professions Code section 17200, *et seq.* The aforementioned release will hereinafter be referred to as the "Released Class Claims." All Participating Class Members shall be bound by the release of the Released Class Claims that arose during the Class Period, unless they formally opt out. Final Approval of the Settlement effectuates this release and extinguishes the Released Class Claims.

The PAGA Members and the LWDA shall be bound by a release as to all claims for civil penalties under PAGA that were, or reasonably could have been, raised as part of Plaintiff's claims in the Second Amended Complaint or as part of Plaintiff's allegations in Plaintiff's LWDA Notice, including any claim for attorneys' fees and costs permissible under PAGA that could reasonably have been raised based on the facts alleged (the "Released PAGA Claims."). The Released PAGA Claims are limited to those claims which arose during the period commencing on January 21, 2019 through July 11, 2020. The PAGA Members shall be bound by the release of the Released

² "Released Parties" means Defendant and each of its past or present, direct and/or indirect, officers, directors, members, managers, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors (including but not limited to WW North America Holdings, LLC or WW North America Holdings, Inc.), assigns, and joint venturers.

PAGA Claims even if they have formally opted out of being a Settlement Class Member. Final Approval of the Settlement effectuates this release by PAGA Members and the LWDA.

What are my options in this matter?

You have two options under this Settlement, each of which is further discussed below. You may: (A) remain in the Class and receive a Class Settlement Payment; or (B) exclude yourself from the Settlement (where you will not receive a Class Settlement Payment, but will still receive your PAGA Member Payment if you are entitled to such a payment). If you choose option (A), you may also object to the Settlement, as explained below.

If you remain in the Class, you will be represented at no cost by Class Counsel. Class Counsel, however, will not represent you for purposes of making objections to the Settlement.

OPTION A. Remain in the Class. If you wish to remain in the Class and be eligible to receive a Settlement Payment under the Settlement, you do not need to take any action. By remaining in the Class and receiving settlement monies, you consent to the Release of Claims as described above. You will also receive a PAGA Member Payment if you are determined to be a PAGA Member (a subset of the Class) and be bound by the release of the Released PAGA Claims.

OPTION B. If You Want To Be Excluded From the Class Settlement. If you do not want to be part of the Class Settlement, you must submit a written request to be excluded from the Settlement (“Request for Exclusion”) to the Settlement Administrator at **Newman v. WW North America Holdings, LLC Settlement, P.O. Box _____, [City], [State] [Zip]**, postmarked on or before **[Response Deadline]**. In order to be valid, your Request for Exclusion must: (1) state your full name, and the last four digits of your Social Security Number; (2) contain a clear statement that you are requesting to opt out of, or be excluded from, the Settlement in *Newman v. WW North America Holdings, LLC*; and (3) be signed by you. If you do not submit a timely and valid Request for Exclusion, you will be deemed a Participating Class Member, you will receive a Settlement Payment, and you will be bound by the Release of Claims as described above and all other terms of the Settlement. If you submit a valid and timely Request for Exclusion, you: will not be able to object to the Settlement; will not be guaranteed to receive benefits under the Settlement as a Class Member; and will have the option to pursue separate legal action against Defendant about the claims in the Action, except as to the claim under the PAGA. Whether or not you submit a Request for Exclusion, you will still receive a PAGA Member Payment if you are determined to be a PAGA Member (a subset of the Class) and be bound by the release of the Released PAGA Claims.

Objecting to the Settlement: If you believe disagree with the proposed Class Settlement you may object to it. To object, you must submit a written brief or statement of objection (“Notice of Objection”) to the Settlement Administrator at **Newman v. WW North America Holdings, LLC Settlement, P.O. Box _____, [City], [State] [Zip]**, postmarked on or before **[Response Deadline]**. In order to be valid, the Notice of Objection must include: (1) your full name, (2) the last four digits of your Social Security Number, and (3) a clear statement explaining why you object to the Settlement. You can also hire an attorney at your own expense to represent you in your objection. **You cannot object to the Settlement if you request exclusion from the Settlement. You also cannot object to the PAGA Member Payment whether or not you request exclusion from the Settlement. You may appear at the Final Approval Hearing and be heard regardless of whether you submit a written objection.**

Even if you submit an objection, you will be bound by the terms of the Settlement, including the Release of Claims as set forth above, unless the Settlement is not finally approved by the Court.

Disputing Your Pay Periods

As mentioned above, if you dispute the accuracy of Defendant’s records as to the number of Pay Periods worked during the Class Period, you must contact the Settlement Administrator and provide any documentation you have supporting such dispute by **[DATE]**. All disputes regarding your Pay Periods will be reviewed by the Parties and the Parties will attempt to agree to a resolution of the dispute. If the dispute is unable to be resolved by the Parties, Defendant will make the final decision on the dispute and the decision will be binding on the Class Member and no additional rights of appeal shall exist.

What is the next step in the approval of the Settlement?

The Court will hold a Final Approval Hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement, the plan of distribution, Class Counsel's request for attorneys' fees and costs, the Incentive Payment to Plaintiff, the settlement administration costs, and the payment to the LWDA for PAGA penalties on [REDACTED], 2024 at X:XX x.m. in in Department 14 of the Los Angeles County Superior Court, located at the Spring Street Courthouse at 312 North Spring Street, Los Angeles, California, 90012. The Final Approval Hearing may be continued without further notice to Class Members. You are not required to attend the Final Approval Hearing to receive a Settlement Payment but may attend if you wish. You may attend in person or remotely. Please see <https://my.lacourt.org/laccwelcome> for information on how to schedule remote appearances.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. For more information, the pleadings and other records in this litigation, including copies of the Settlement Agreement, may be examined at any time during regular business hours at the office of the Clerk of the Superior Court of the State of California for Los Angeles County, at the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California, 90012. You can also view the case records online at the court's website:

<https://www.lacourt.org/casesummary/ui/>. Follow the instructions for submitting the Case Number: 20STCV02332. Then click "search" to view the case record.

You may also visit [ADMINISTRATOR'S WEBSITE] to find information about the Settlement, including when the Court issues a final order to approve the Settlement and enters final judgment.

If you have questions regarding the Settlement, you may also contact the Settlement Administrator at 1-XXX-XXX-XXXX.

PLEASE DO NOT CALL OR WRITE TO THE COURT WITH QUESTIONS ABOUT THIS NOTICE.

BY ORDER OF THE LOS ANGELES COUNTY SUPERIOR COURT

Exhibit B

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

CINDY NEWMAN, an individual, individually,
on behalf of the general public, and all others
similarly situated,

Plaintiff,

vs.

WW NORTH AMERICA HOLDINGS, INC., a
corporation; and DOES 1 through 100, inclusive,

Defendants.

Case No. 20STCV02332

Assigned to the Hon. Kenneth R. Freeman

**[PROPOSED] ORDER GRANTING MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA SETTLEMENT**

Date:
Time:
Place:

Complaint Filed: January 21, 2020
Trial Date: None Set

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they may have against Defendant, or they may object to the Settlement and appear before this Court. However, to do so they must follow the procedures outlined in the Settlement Agreement and Notice of Class Action Settlement.

8. The Court approves, as to form and content, the proposed Notice of Class Action Settlement (“Class Notice”).

9. The Court directs the mailing, by First-Class U.S. mail, of the Class Notices to Class Members in accordance with the schedule set forth below and the other procedures described in the Settlement Agreement. The Court finds that the method selected for communicating the preliminary approval of the Settlement Agreement to Class Members is the best notice practicable under the circumstances, constitutes due and sufficient notice to all persons entitled to notice, and thereby satisfies due process.

10. The Court appoints Plaintiff Cindy Newman as the representative for the Settlement Class conditionally certified by this Order.

11. The Court appoints Capstone Law APC and Kyle Todd, P.C. as Class Counsel. The Court finds that counsel have demonstrable experience litigating, certifying, and settling class actions, and will serve as adequate counsel for the Class conditionally certified by this Order.

12. The Court approves and appoints CPT Group, Inc. as the Settlement Administrator.

13. The following dates shall govern for purposes of this Settlement:

Date	Event
[DATE] (or not later than 28 calendar days after the Court grants preliminary approval of the Settlement Agreement, if later)	Last day for Defendant to produce the Class List to the Settlement Administrator.
[DATE] (or not later than 14 calendar days after Defendant produces the Class List, if later)	Last day for the Settlement Administrator to mail Class Notices to all Class Members.
[DATE] (or not later than 60 calendar days after the Settlement Administrator mails the Class Notices, if later)	Last day for Class Members to submit Requests for Exclusion or Objections to the Settlement.
No later than 30 calendar days prior to the Final Approval Hearing	Last day for Plaintiff to file and serve the: (1) Motion for Final Approval of Class Action Settlement and (2) Motion for Attorneys’ Fees, Costs, and a Class Representative Incentive Payment.

Date	Event
_____ at 10:00 a.m.	Hearing on the: (1) Motion for Final Approval of Class Action Settlement and (2) Motion for Attorneys' Fees, Costs, and a Class Representative Incentive Payment.

14. The Court expressly reserves the right to continue or adjourn the final approval hearing without further notice to the Class Members.

IT IS SO ORDERED.

Dated: _____

Hon. Kenneth R. Freeman
Los Angeles County Superior Court Judge

Exhibit C

EXHIBIT C

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

CINDY NEWMAN, an individual,
individually, on behalf of the general public,
and all others similarly situated,

Plaintiff,

vs.

WW NORTH AMERICA HOLDINGS, INC. a
corporation; and DOES 1 through 100,
inclusive,

Defendant.

Case No. 20STCV02332

Hon. Kenneth R. Freeman
Dept. 14

**[PROPOSED] ORDER GRANTING
FINAL APPROVAL OF CLASS AND
PAGA ACTION SETTLEMENT AND
ENTERING FINAL JUDGMENT**

Hearing Date: _____, 2024
Hearing Time: _____
Location: Dept. 14

Action Filed: January 21, 2020
SAC Filed: May 26, 2022

1 On _____, a hearing was held on the motion of Plaintiff Cindy Newman
2 (“Plaintiff”) for final approval of class action settlement and for payments to the Plaintiff, Class
3 Members, PAGA Members, Class Counsel, the California Labor and Workforce Development
4 Agency (“LWDA”) and the Settlement Administrator. Capstone Law APC and Kyle Todd, P.C.
5 appeared for Plaintiff, and Morgan, Lewis & Bockius LLP appeared for Defendant WW North
6 America Holdings, LLC (formerly WW North America Holdings, Inc.) (“Defendant”). Having
7 considered the Settlement Agreement (“Settlement Agreement”), which this Court preliminary
8 approved by its Order dated _____ (the “Preliminary Approval Order”), and all
9 papers filed and all arguments made in connection with the Final Approval Hearing, and good cause
10 appearing therefore,

11 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:**

12 1. Except as otherwise specified herein, the Court for purposes of this Final Approval
13 Order adopts all defined terms set forth in the Settlement Agreement.

14 2. For the reasons set forth in the Preliminary Approval Order, which are adopted and
15 incorporated herein by reference, this Court finds that the requirements of California Code of Civil
16 Procedure section 382 and rule 3.769 of the California Rules of Court have been satisfied.

17 3. The Court finds that it has jurisdiction over the subject matter of the action and over
18 all parties to the action, including all Class Members.

19 4. The Court finds that the Settlement was made and entered into in good faith and
20 hereby approves the Settlement as fair, reasonable, adequate, and in the best interests of the entire
21 Class. The Court hereby directs implementation of all remaining terms, conditions, and provisions
22 of the Settlement Agreement. The Court also finds that settlement now will avoid additional and
23 potentially substantial litigation costs, as well as delay and risks if the Parties were to continue to
24 litigate the case. Additionally, after considering the monetary recovery provided by the settlement
25 in light of the challenges posed by continued litigation, the Court concludes that the settlement
26 provides Class Members with fair and adequate relief.

27 **Class Certification**

28 5. In the Court’s Preliminary Approval Order, the Court certified the Class for

1 purposes of settlement. The Court finds, for purposes of settlement only, that the Class meets the
2 requirements for certification on all other theories under California Code of Civil Procedure section
3 382. For purposes of effectuating the Settlement, the Court finally certifies the following Class:

4 All persons who worked for Defendant as a Studio Team Member in California at any time
5 from January 21, 2016 through July 11, 2020.

6 6. In the Court's Preliminary Approval Order, Plaintiff Cindy Newman was appointed
7 as Class Representatives as to the conditionally certified Class. The Court confirms her
8 appointment for purposes of this settlement.

9 7. In the Court's Preliminary Approval Order, Capstone Law APC and Kyle Todd,
10 P.C. were appointed as Class Counsel as to the conditionally certified Class. The Court confirms
11 their appointment as Class Counsel for purposes of this settlement.

12 **Class Notice**

13 8. Notice of Settlement ("Notice") to Class Members, as set forth in the Settlement
14 Agreement, has been completed in conformity with the terms of the Settlement Agreement and
15 Preliminary Approval Order as to all Class Members who could be identified through reasonable
16 effort. The Court finds that said notice was the best notice practicable under the circumstances. The
17 Notice provided due and adequate notice to Class Members of the proceedings and of the matters
18 set forth therein, including the Settlement, the manner by which objections to the Settlement could
19 be made and Class Members could opt out of the non-PAGA portion of the Settlement, and that
20 Class Members who opt out, provided they are also PAGA Members, will still be bound by the
21 PAGA terms of the Settlement and will be ineligible to pursue any Released PAGA Claims. The
22 Notice fully satisfied the requirements of due process.

23 **California Private Attorneys General Act**

24 9. The Court finds that Plaintiff was authorized to proceed on behalf of the State of
25 California under the California Private Attorneys General Act (Cal. Labor Code §§2698 *et seq.*)
26 ("PAGA") to resolve the PAGA claims asserted in the Second Amended Complaint, that the State
27 had an opportunity to review the PAGA claims that Plaintiff is releasing on the State's behalf
28 pursuant to California Labor Code Section 2699(l) and 2699.3, and that the State has expressed no

1 objection to the PAGA portion of this Settlement. Accordingly, Plaintiff, all PAGA Members
2 (whether or not they have opted out of the Class Settlement) on whose behalf Plaintiff has settled
3 these PAGA claims, and the State of California shall be deemed to have expressly waived and
4 relinquished, by operation of law and to the fullest extent permitted by law, the provisions, rights
5 and benefits they otherwise may have had related to the Released PAGA Claims as set forth in
6 Section IX the Settlement Agreement.

7 **Objections and Requests for Exclusion**

8 10. ____ objections to the Settlement were submitted by any Class Members. [If
9 objections were submitted: The Court has considered any objections filed along with responses to
10 the objections, and the Court finds that, notwithstanding the objections, the settlement is fair,
11 reasonable and non-collusive and is hereby approved.]

12 11. Requests for Exclusion were submitted by ____ Class Members. The Court finds
13 that the following Class Members submitted a valid and timely Request for Exclusion and therefore
14 shall not be bound by the terms of the Settlement Agreement related to the non-PAGA portion of
15 the Settlement:

- 16 1. _____
17 2. _____
18 3. _____

19 **Release of Claims**

20 Plaintiff and all other Participating Class Members, excluding the Class Member(s)
21 identified in Paragraph 11 above, shall have, by operation of this Judgment, fully, finally, and
22 forever released, relinquished, and discharged the Released Parties from the Released Class Claims
23 as set forth in Section IX of the Settlement Agreement. All Class Members who are PAGA
24 Members, as defined in the Settlement Agreement shall have, by operation of this Judgment, fully,
25 finally, and forever released, relinquished, and discharged the Released Parties from the Released
26 PAGA Claims. Additionally, Plaintiff will be bound by her covenant, as provided in the Settlement
27 Agreement, that she will not participate or receive recovery or monies, as a Plaintiff, in connection
28 with any proceeding seeking penalties under the PAGA, or in connection with any other claim

1 which arises during the Class Period for any known or unknown claims. Plaintiff is hereby enjoined
2 from filing or prosecuting any other cases, claims, suits or administrative proceedings involving
3 the Released Class Claims as set forth in the Settlement Agreement.

4 **Payments Pursuant to the Stipulation**

5 12. Within thirty (30) days after this Final Approval Order, Defendant is to fund the
6 Qualified Settlement Fund. The Court finds that the Gross Settlement Amount, the Net Settlement
7 Amount for Participating Class Members, the PAGA Member Payment for the PAGA Members,
8 and the methodology used to calculate and pay each Participating Class Member's portion of the
9 Net Settlement Amount and/or PAGA Member Payment is fair and reasonable, and authorizes the
10 Settlement Administrator to pay and distribute the Net Settlement Amount and PAGA Member
11 Payment to the Participating Class Members and PAGA Members in accordance with the terms of
12 the Settlement Agreement.

13 13. The funds for any check that remains uncashed one-hundred-eighty (180) days after
14 the payment of first round settlement checks by the Settlement Administrator will be sent by the
15 Settlement Administrator *cy pres* to CASA of Los Angeles (Court Appointed Special Advocates of
16 Los Angeles). In such event, the Participating Class Members whose checks remain uncashed one-
17 hundred-eighty (180) days after the payment of first round settlement checks by the Settlement
18 Administrator shall nevertheless remain subject to the terms of the Judgment.

19 14. Class Counsel shall be paid \$210,000 as their attorneys' fees and \$_____ for
20 reimbursement of actual litigation costs and expenses from the Gross Settlement Amount in
21 accordance with the terms of the Settlement Agreement. The Court finds that the requested award
22 of attorneys' fees is fair and reasonable for a contingency fee in a class action such as this, *i.e.*, one-
23 third of the common fund created by the settlement. Counsel have also established the
24 reasonableness of the requested award of attorneys' fees via their lodestar crosscheck, and the Court
25 finds that the rates, hours billed, and risk multiplier are fair and reasonable.

26 15. Plaintiff Cindy Newman shall be paid an Incentive Payment of \$10,000.00 from the
27 Gross Settlement Amount for her role as the Class Representative in accordance with the terms of
28 the Agreement. The Court finds this amount to be fair, reasonable, and sufficiently supported.

16. The Settlement Administrator shall be paid an amount not to exceed \$ _____ from the Gross Settlement Amount for the costs and expenses of administering the Settlement.

17. A payment in the amount of \$15,000 from the Gross Settlement Amount shall be allocated to penalties under the PAGA, California Labor Code sections 2698, *et seq.*, and paid by the Settlement Administrator directly to the LWDA.

Other Provisions

18. Nothing relating to this Order, or any communications, papers, or orders related to the Settlement, shall be cited to as, construed to be, admissible as, or deemed an admission by Defendant or the Released Parties of any liability, culpability, negligence, or wrongdoing toward the Plaintiff, the Class Members, or any other person, or that class or collective action certification is appropriate in this or any other matter. There has been no determination by any Court as to the merits of the claims asserted by Plaintiff or as to whether a class should be certified, other than for settlement purposes only. Furthermore, nothing in the Settlement Agreement shall be cited to as, construed to be, admissible as, or considered any form of waiver of any alternative dispute resolution agreements, provisions, or policies by Defendant or Released Parties.

19. The Parties shall implement the Settlement according to the terms of the Settlement Agreement.

20. The Court reserves exclusive and continuing jurisdiction over the Action, Plaintiff, the Class Members, and Defendant for purposes of supervising the implementation, enforcement, construction, administration and interpretation of the Settlement and this Judgment.

21. If the Settlement does not become final and effective in accordance with its terms, this Judgment shall be rendered null and void and shall be vacated and, in such event, all related orders entered and all releases delivered in connection herewith also shall be rendered null and void.

IT IS SO ORDERED.

Date: _____

The Honorable Kenneth R. Freeman
SUPERIOR COURT JUDGE