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9 and the Settlement Class

10 Additional Counsel on Subsequent Page

11 **IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **FOR THE COUNTY OF SANTA CLARA**
13 **(UNLIMITED JURISDICTION)**

14 ANRIKA MILLS, on behalf of herself and all
15 others similarly situated,

16 Plaintiff,

17 vs.

18 CORE ANALYTICS LABORATORY,
19 INC., a California Corporation; CERF
20 DIAGNOSTICS, INC., a California
21 Corporation; MICHELLE YREKHMEN, an
22 individual; and DOES 1 through 50, inclusive;

23 Defendants.

Case No. 20CV363836

**JOINT STIPULATION REGARDING
CLASS ACTION SETTLEMENT AND
RELEASE**

Complaint Filed: February 20, 2020
Trial Date: None

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1 **STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE**

2 **IT IS HEREBY STIPULATED**, by and among Representative Plaintiff ANRIKA
3 MILLS (“Plaintiff”), on behalf of herself and the Settlement Class Members, on the one hand,
4 and Defendants CORE ANALYTICS LABORATORY, INC., CERF DIAGNOSTICS, INC.,
5 and MICHELLE YREKHMEN (“Defendant” or “Defendants”), on the other hand, and subject to
6 the approval of the Court, that the above-captioned Action is hereby being compromised and
7 settled pursuant to the terms and conditions set forth herein (the “Stipulation” or “Agreement”).

8 **1. DEFINITIONS**

9 Unless otherwise defined herein, capitalized terms used in this Agreement shall have the
10 meanings set forth below:

11 1.1. “Action” or “Lawsuit” means the litigation entitled *Mills v. Core Analytics*
12 *Laboratory, Inc. et al* (Santa Clara County Superior Court Case No. 20CV363836).

13 1.2. “Class Member (s),” “Class,” “Settlement Class Member(s),” or “Settlement
14 Class” means those all individuals who were employed by Defendants CORE ANALYTICS
15 LABORATORY, INC. or CERF DIAGNOSTICS, INC. as a non-exempt mobile phlebotomist
16 in California at any time during the Class Period.

17 1.3. “Class Counsel” means Kevin R. Allen, Allen Attorney Group.

18 1.4. “Class Counsel Award” means attorneys’ fees for Class Counsel’s litigation and
19 resolution of this Action in an amount up to One Hundred and Forty-Five Thousand Dollars and
20 No Cents (\$145,000.00) (33 1/3% of the Maximum Settlement Amount). The Court shall
21 determine the amount of the Class Counsel Award to be paid from the Maximum Settlement
22 Amount. Any portion of the requested Class Counsel Award that is not awarded to Class Counsel
23 shall be part of the Net Settlement Amount and available for distribution to Participating Class
24 Members and PAGA Employees as provided in this Agreement.

25 1.5. “Class Counsel Costs” means expenses and costs incurred by Class Counsel for
26 Class Counsel’s litigation and resolution of this Action not to exceed Ten Thousand Dollars and
27 No Cents (\$10,000.00). The Court shall determine the amount of the Class Counsel Costs, and it
28 shall be paid from the Maximum Settlement Amount. Any portion of the requested Class Counsel

Costs that is not awarded to Class Counsel shall be part of the Net Settlement Amount and available for distribution to Participating Class Members and PAGA Employees as provided in this Agreement.

1.6. “Class Information” or “Class List” means the list of Settlement Class Members that Defendants will diligently and in good faith compile from its records and provide to the Settlement Administrator in computer-readable format, which shall include the full name, last known mailing address, social security number, as well as each Class Member’s start and end dates in a covered position during the Class Period, as determined from Defendant’s records. If a Class Member left Defendants’ employment for thirty days or more, then the list should also identify the start and end dates of the break in employment.

1.7. “Class Period” means the period from February 20, 2016 through April 6, 2021, inclusive.

1.8. “Class Representative Enhancement Award” means the amount that the Court authorizes to be paid to the Plaintiff, in an amount up to Five Thousand Dollars (\$5,000), in addition to their Individual Settlement Payment, in recognition of the Plaintiff’s efforts and risks in assisting with the prosecution of the Action and as consideration for executing this Stipulation and general release of claims against Defendant. The Class Representative Enhancement Award shall be paid from the Maximum Settlement Amount and any portion of the requested amount that is not awarded to Plaintiff shall be part of the Net Settlement Amount and available for distribution to Participating Class Members and PAGA Employees as provided in this Agreement.

1.9. “Court” means the Superior Court of the State of California, County of Santa Clara in which the Action is currently pending. Court shall also mean any other Court that acquires proper jurisdiction of this Action.

1.10. “Defendant” or “Defendants” means CORE ANALYTICS LABORATORY, INC., CERF DIAGNOSTICS, INC., and MICHELLE YREKHMAN.

1.11. “Defense Counsel” or “Counsel for Defendant” shall mean Alfred Landegger and

1 Evelyn Zarraga of Landegger Rivas Verano & Davis, ALC.

2 1.12. “Effective Date” means the latest of the following dates, as applicable: (i) in the
3 event that any party or Settlement Class Member has filed an appeal regarding the trial court’s
4 final approval of the settlement, the date the Court of Appeals or the California Supreme Court
5 has rendered a final ruling affirming the trial court’s final approval of the settlement without
6 material modification or the date on which the appeal is settled, withdrawn or dismissed, the time
7 for further appeal has expired, and the trial court has regained jurisdiction; or (ii) in the event that
8 a Settlement Class Member has filed an objection to the Settlement that is not withdrawn before
9 hearing, the date that the deadline for seeking appellate review of the trial court’s final approval
10 of the settlement has passed without the filing of a timely appeal or timely request for review, or
11 (iii) in the event that no Settlement Class Member has filed an objection to the Settlement, the
12 date that the trial court enters an Order granting final approval of the Settlement.

13 1.13. “Estimated Individual Settlement Payment” means the total estimated amount
14 payable to each Settlement Class Member as calculated pursuant to Paragraph 3.10 herein.

15 1.14. “Final Approval Hearing” means the hearing held on the motion for final approval
16 of the Settlement.

17 1.15. “Final Judgment” means the Court’s entry of an order of judgment in this Action
18 following the Court’s final approval of the Settlement.

19 1.16. “Individual Settlement Payment” means the amount payable from the Net
20 Settlement Amount to each Participating Class Member and PAGA Employee. The Individual
21 Settlement Payment shall be calculated pursuant to Paragraph 3.10 herein.

22 1.17. “Maximum Settlement Amount” means Four Hundred and Thirty Thousand
23 Dollars and No Cents (\$435,000.00).

24 1.18. “Net Settlement Amount” means the Maximum Settlement Amount, less Class
25 Counsel Award, Class Counsel Costs, Class Representative Enhancement Award, Settlement
26 Administration Costs, and the LWDA PAGA Allocation.

27 1.19. “Notice of Settlement” means the Notice of Class Action Settlement (substantially
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1 in the form attached hereto as **Exhibit A**).

2 1.20. "Plaintiff's General Release" means the separate confidential general release that
3 Plaintiff is entering into with Defendants contemporaneously with this Class Action Settlement so
4 as to address her individual DLSE complaint alleging retaliation and/or wrongful termination
5 (filed January 7, 2021 and assigned case no. State Case No. RCI-CM-81810).

6 1.21. "PAGA Employee" or "PAGA Employees" means all Class Members employed at
7 any time during the PAGA Period.

8 1.22. "PAGA Allocation" means up to Ten Thousand Dollars and No Cents (\$10,000)
9 allocated from the Maximum Settlement Amount for the compromise of claims brought under the
10 California Private Attorneys General Act ("PAGA"). Per California Labor Code section 2699(i),
11 Seven Thousand Five Hundred Dollars and No Cents (\$7,500), representing 75% of the PAGA
12 Allocation, will be paid to California's Labor Workforce Development Agency ("LWDA")
13 ("LWDA PAGA Allocation"). The remaining Two Thousand Five Hundred Dollars and No
14 Cents (\$2,500.00), representing 25% of the PAGA Allocation, will be distributed to PAGA
15 Employees as part of the Net Settlement Amount as described in Paragraph 3.10.

16 1.23. "PAGA Period" means the period from February 20, 2019 through April 6, 2021,
17 inclusive.

18 1.24. "Participating Class Members" means those Class Members who do not timely file
19 a valid Request for Exclusion with the Settlement Administrator as provided under this
20 Agreement.

21 1.25. "Parties" means Plaintiff and Defendants, and "Party" shall mean either Plaintiff
22 or Defendants, individually.

23 1.26. "Plaintiff" means ANRIKA MILLS.

24 1.27. "Preliminary Approval" or "Preliminary Approval Date" means the date the Court
25 enters the Preliminary Approval Order.

26 1.28. "Preliminary Approval Order" means the Order signed by the Court granting
27 Plaintiff's Motion for Preliminary Approval of Class Action Settlement.
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1.29. “Released Claims” means any and all claims of any nature and description whatsoever, that were alleged in the operative Complaint or could have been asserted based on the factual allegations in the Action or the factual/legal allegation contained in Plaintiff’s February 20, 2020 Notice to the LWDA, including all attorneys’ fees and costs related thereto. The Released Claims include: (1) Failure to Pay All Wages Owed Including Overtime (Cal. Lab. Code §§ 226.2, 510, 1194, and 1197); (2) Failure to Provide Meal Periods (Cal. Lab. Code § 226.7); (3) Failure to Authorize and Permit Rest Breaks (Cal. Lab. Code § 226.7); (4) Failure to Provide Accurate Itemized Wage Statements (Cal. Lab. Code § 226); (5) Waiting Time Penalties (Labor Code § 201-203); (6) Failure to Reimburse Business Expenses (Cal. Lab. Code § 2802); and (7) Unfair Competition (Cal. Bus. & Prof. Code § 17200 *et seq.*) to the extent predicated on a Released Claim. With respect to the PAGA Employees, the Released Claims also includes any and all claims for civil penalties under the Private Attorneys General Act (Cal. Lab. Code § 2698 *et seq.*) that are based upon or arise from the factual allegations in the operative Complaint and/or Notice to the LWDA, arising during and/or with respect to the PAGA Period, including all attorneys’ fees and costs related thereto.

1.30. “Released Parties” means Defendants CORE ANALYTICS LABORATORY, INC., CERF DIAGNOSTICS, INC., and MICHELLE YREKHMAN, and each of their officers, directors, owners, managing agents, as well as any predecessors and successors in interest, any current or former parent corporations, subsidiary corporations, affiliates, and assigns.

1.31. “Request for Exclusion” refers to the process by which Settlement Class Members can request to opt out or be excluded from the Settlement, as set forth herein in Paragraph 3.5.

1.32. “Response Deadline” means the date thirty (30) days after the Settlement Administrator mails Notice Packets to Settlement Class Members and shall be the last date on which Settlement Class Members may submit a valid Request for Exclusion or Objection to the Settlement (measured by post-mark date). The Response Deadline will be extended as set forth in Paragraph 3.3.4 for those Settlement Class Members requiring a re-mailing.

1.33. “Settlement” means the disposition of the Action pursuant to this Agreement.

1.34. "Settlement Administration Costs" means the amount to be paid to the Settlement Administrator from the Maximum Settlement Amount for the administration of the Settlement. The cost is estimated to be Eight Thousand Five Hundred Dollars (\$8,500.00). Any portion of the requested amount that is not approved by the Court shall be part of the Net Settlement Amount and available for distribution to Participating Class Members and PAGA Employees as provided in this Agreement.

1.35. "Settlement Administrator" means the claims administrator that is mutually agreed to by the Parties and approved by the Court. The Parties propose using Phoenix Settlement Administrators, Inc., as the Settlement Administrator.

1.36. "Settlement Account" means the qualified settlement fund account established pursuant to the terms of this Stipulation from which all monies payable under the terms of this Settlement shall be paid, as set forth herein.

1.37. "Workweeks" is calculated, for purposes of this Settlement, by taking the number of days between each Class Member's first day of employment within the relevant period (i.e., the Class Period or PAGA Period) and their last day of employment within the relevant period, and dividing it by seven. Any break in employment of 30 days or more shall constitute a break in employment and shall not be included in the Workweek calculation.

2. **RECITALS**

2.1. Class Certification for Purposes of Settlement. The Parties hereby stipulate and agree to the certification of this Action for purposes of this Settlement. Should the Settlement not become final and effective, as herein provided, then this stipulation shall in no way prejudice either Parties' ability to argue for or against the propriety of class certification or effect further proceedings on motion of any party to certify or deny certification thereafter. The Parties' willingness to stipulate to class certification as part of the Settlement shall have no bearing on, and shall not be admissible in or considered in connection with, the issue of whether a class should be or remain certified in a non-settlement context in this Action and shall have no bearing on, and shall not be admissible or considered in connection with, the issue of whether a class

1 should be certified.

2 2.2. Procedural History. On February 20, 2020, Plaintiff filed a Complaint in the Santa
3 Clara County Superior Court which was assigned Case No. 20CV363836. The Complaint alleged
4 the following claims on behalf of all Plaintiff: (1) Failure to Pay Wages Owed Including
5 Overtime Pay (Cal. Lab. Code §§ 226.2, 510, 1194, 1197 and California Wage Orders); (2)
6 Failure to Provide Meal Periods (Cal. Lab. Code § 226.7); (3) Failure to Authorize and Permit
7 Rest Periods (Cal. Lab. Code § 226.7); (4). Failure to Provide Accurate Wage Statements (Cal.
8 Lab. Code §§ 226, 226.2); (5) Waiting Time Penalties (Cal. Lab. Code §§ 201, 202, 203); (6)
9 Failure to Reimburse Business Expenses (Cal. Lab. Code § 2802); and, (7) Unfair Competition
10 (Cal. Bus. & Prof. Code §§ 17200 *et seq.*). On July 2, 2020, Plaintiff filed a First Amended
11 Complaint to add Michelle Yerekhman as a named defendant and to add an eighth cause of action
12 for Civil Penalties Under Private Attorney General Act (Cal. Lab. Code §§ 2698 *et seq.*). The
13 Parties met and conferred regarding early mediation. They agreed to attend a mediation session,
14 preceded by an informal data exchange, in an attempt to resolve the individual and class claims
15 alleged in the Complaint. On January 7, 2021 Ms. Mills filed a complaint with the DLSE alleging
16 retaliation and wrongful termination arising from complaints she made relating to perceived wage
17 and hour violations at the company (which was assigned case no. State Case No. RCI-CM-
18 81810). On January 12, 2021 the Parties participated in a full day mediation session with Hon.
19 Jeffrey K. Winikow of Winikow Mediation. The matter did not resolve at the session but
20 negotiations continued thereafter, both through the mediator and through direct communications
21 of counsel. Finally, on April 27, 2021, the Parties executed a Memorandum of Understanding
22 (“MOU”) setting forth the key terms of a proposed Settlement. The MOU contemplated that the
23 Parties would negotiate and execute this long form Settlement agreement setting out all terms of
24 settlement in greater detail.

25 2.3. Benefits of Settlement to Settlement Class Members. Plaintiff and Class Counsel
26 recognize the length of continued proceedings necessary to litigate their disputes through trial and
27 through any possible appeals. Plaintiff has also taken into account the uncertainty and risk of the
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1 outcome of further litigation, and the difficulties and delays inherent in such litigation, including,
2 but not limited to risks related to liability questions raised by the issues in this case. Plaintiff and
3 Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims
4 asserted in the Action, both generally and in response to Defendant's defenses thereto, and the
5 potential difficulties in establishing damages for the Settlement Class Members. Plaintiff and
6 Class Counsel have taken Defendants' financial condition into consideration, by agreeing to
7 installment payments, and believe that there is a real risk that they would not have been able to
8 collect the full amount of any class judgment. Plaintiff and Class Counsel have also taken into
9 account Defendants' agreement to enter into a settlement that confers substantial relief upon
10 Settlement Class Members. Based on the foregoing, Plaintiff and Class Counsel have determined
11 that the Settlement set forth in this Agreement is a fair, adequate and reasonable settlement, and is
12 in the best interests of the Settlement Class Members.

13 2.4. Defendant's Reasons for Settlement. Defendants believe that the Settlement Class
14 Members were properly paid all wages owed, including, but not limited to, all straight time,
15 overtime, and were provided meal and rest periods as required under California law. However,
16 Defendants have concluded that any further defense of this litigation would be protracted and
17 expensive for all Parties. Substantial amounts of time, energy and resources of Defendants have
18 been and, unless this Settlement is made, will continue to be devoted to the defense of the claims
19 asserted by Plaintiff and Settlement Class Members. Defendants have also taken into account the
20 risks of further litigation in reaching its decision to enter into this Settlement. Despite continuing
21 to contend that it is not liable for any of the claims set forth by Plaintiff in the Action, Defendants
22 have, nonetheless, agreed to settle in the manner and upon the terms set forth in this Agreement to
23 put to rest the claims as set forth in the Action.

24 2.5. Settlement Class Members' Claims. Plaintiff on behalf of herself and other
25 Settlement Class Members has claimed and continues to claim that the Released Claims have
26 merit and give rise to liability on the part of Defendant. This Agreement is a compromise of
27 disputed claims. Nothing contained in this Agreement and no documents referred to herein and no
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1 action taken to carry out this Agreement may be construed or used as an admission by or against
2 the Settlement Class Members or Class Counsel as to the merits or lack thereof of the claims
3 asserted.

4 2.6. Defendants' Defenses. Defendants have claimed and continue to claim that the
5 dismissed and Released Claims have no merit and do not give rise to liability. This Agreement is
6 a compromise of disputed claims. Nothing contained in this Agreement and no documents
7 referred to herein and no action taken to carry out this Agreement may be construed or used as an
8 admission by or against Defendant as to the merits or lack thereof of the claims asserted.

9 2.7. Maximum Amount Payable by Defendant. Under the terms of this Settlement,
10 Defendants CORE ANALYTICS LABORATORY, INC. and CERF DIAGNOSTICS, INC.
11 shall pay the Maximum Settlement Amount of Four Hundred and Thirty-Five Thousand Dollars
12 and No Cents (\$435,000.00). None of this payment shall revert to the Defendants, or any of them,
13 under any circumstances. Defendants shall also be responsible to pay its share of employer's
14 payroll taxes (FICA, FUTA and SDI contributions) in addition to and outside of the Maximum
15 Settlement Amount. Under no circumstances will Defendant be responsible under this Settlement
16 to pay more than the Maximum Settlement Amount and the employer's share of payroll taxes.

17 **3. TERMS OF AGREEMENT**

18 The Parties agree as follows:

19 3.1. Release As To All Settlement Class Members. As of the Effective Date, all
20 Settlement Class Members, including Plaintiff, who do not opt-out of the Settlement, release the
21 Released Parties from the Released Claims arising during the Class Period. All PAGA
22 Employees, whether requesting exclusion from the Settlement or not, fully release and discharge
23 the Released Parties from any and all claims for civil penalties under the Private Attorneys
24 General Act (Cal. Lab. Code § 2698 et seq.) that are based upon or arise from the factual
25 allegations in the operative Complaint and/or Notice to the LWDA, arising during and/or with
26 respect to the PAGA Period, including all attorneys' fees and costs related thereto.

27 3.2. Tax Liability. The Parties make no representations as to the tax treatment or legal
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1 effect of the payments called for hereunder, and Settlement Class Members are not relying on any
2 statement or representation by the Parties in this regard. However, the “Class Claims Portion” (as
3 described in Paragraph 3.10.1) of Individual Settlement Payments will be allocated as follows:
4 twenty percent (20%) as wages, eighty percent (80%) as interest and penalties. The “PAGA
5 Claims Portion” (as described in Paragraph 3.10.2) of Individual Settlement Payments will be
6 characterized as 100% penalties. The amounts paid as wages shall be subject to all tax
7 withholdings customarily made from an employee’s wages and all other authorized and required
8 withholdings and shall be reported by W-2 forms. The amounts paid as penalties and interest shall
9 be reported by IRS 1099 forms. The Settlement Administrator shall make the employee-side
10 payroll deductions from the portion of the Individual Settlement Award that is allocated as W-2
11 wages. Defendant shall be responsible for its employer side payroll and employment taxes in
12 addition to and outside of the Maximum Settlement Amount. The Settlement Administrator will
13 calculate and submit the Defendants’ employer share of payroll taxes and withholdings after
14 advising Defendants of the total amounts owed.

15 3.3. Settlement Approval and Implementation Procedures. As part of this Settlement,
16 the Parties agree to the following procedures for obtaining the Court’s preliminary approval of the
17 Settlement, certifying a Settlement Class, notifying Settlement Class Members of the Settlement,
18 obtaining the Court’s final approval of the Settlement, and processing the Individual Settlement
19 Payments.

20 3.3.1. Preliminary Approval and Certification. As soon as practicable after
21 execution of this Stipulation, the Parties will jointly submit this Stipulation to the Court for its
22 preliminary approval. Such submission will include this Agreement, the proposed Notice Packet,
23 (attached hereto as **Exhibit “A”**) and any motions, memoranda and evidence as may be necessary
24 for the Court to determine that this Agreement is fair, adequate and reasonable. The Parties agree
25 to request the Court to enter an order approving the certification of a provisional Settlement Class
26 at the preliminary approval hearing in accordance with California Rules of Court, Rule 3.769(c).

27 3.3.2. Class Information. Within seven (7) days of preliminary approval
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1 Defendants shall provide the Settlement Administrator with the Class List.

2 3.3.3. Notice By First Class U.S. Mail. The Settlement Administrator will
3 perform a search using the National Change of Address database to update the Settlement Class
4 Members' addresses as included on the version of the Class List that they provide the Settlement
5 Administrator. No more than fourteen (14) calendar days of receiving the Class List, the
6 Settlement Administrator shall mail copies of the Notice Packet to all Settlement Class Members
7 by regular First-Class U.S. Mail. The Settlement Administrator shall exercise its best judgment to
8 determine the current mailing address for each Settlement Class Member. The address identified
9 by the Settlement Administrator as the current mailing address shall be presumed to be the best
10 mailing address for each Settlement Class Member. It will be conclusively presumed that if an
11 envelope so mailed has not been returned within twenty (20) days of the mailing that the
12 Settlement Class Member received the Notice Package.

13 3.3.4. Undeliverable Notices. Any Notice Packets returned to the Settlement
14 Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the
15 forwarding address affixed thereto (if any). For each Notice Packet that is returned as
16 undeliverable but without a forwarding address, the Settlement Administrator shall perform a
17 "skip trace" (aka credit header check) to obtain an updated address and, if such an address is
18 discovered, re-mail the Notice Packet thereto. Settlement Class Members to whom Notice Packets
19 are resent after having been returned undeliverable to the Settlement Administrator shall have
20 fourteen (14) calendar days from the date of mailing or until the Response Deadline has expired,
21 whichever is later, to respond. Notice Packets that are resent shall inform the recipient of this
22 adjusted deadline. The date of the postmark on the return envelope shall be the exclusive means
23 used to determine whether a Settlement Class Member has timely returned a Request for
24 Exclusion or Objection on or before the adjusted deadline. It will be conclusively presumed that
25 if an envelope so mailed has not been returned within twenty (20) days of the mailing that the
26 Settlement Class Member received the Notice Package. If a Settlement Class Member's Notice
27 Packet is returned to the Settlement Administrator more than once as non-deliverable, then an
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1 additional Notice Packet shall not be re-mailed.

2 3.3.5. Compliance with the procedures specified in Paragraphs 3.3.1 through
3 3.3.4 herein shall constitute due and sufficient notice to Settlement Class Members of this
4 Settlement and shall satisfy the requirement of due process. Nothing else shall be required of, or
5 done by, the Parties, Class Counsel, and Defense Counsel to provide notice of the proposed
6 settlement.

7 3.4. No Claim Form. As stated in the Notice Packet, Settlement Class Members who
8 wish to receive payment under the Settlement need not submit a claim form or otherwise respond
9 in any way by the Response Deadline.

10 3.5. Exclusions (Opt-Outs). As stated in the Notice Packet, Settlement Class Members
11 who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the
12 Response Deadline. The Request for Exclusion: (1) must contain the name, address, telephone
13 number of the person requesting exclusion, (2) must be signed by the Settlement Class Member;
14 and (3) must be postmarked by the Response Deadline and returned to the Settlement
15 Administrator at the specified address. Requests for Exclusion that do not contain the information
16 listed in (1)-(2) will not be deemed valid for exclusion from this Settlement (except that Requests
17 missing only the phone number will still be valid). The date of the postmark on the return mailing
18 envelope for the Request for Exclusion shall be the exclusive means used to determine whether a
19 Request for Exclusion has been timely submitted. Any Settlement Class Member who requests to
20 be excluded from the Settlement Class will not be entitled to any recovery under the Settlement
21 and will not be bound by the terms of the Settlement (except for PAGA Employees who retain a
22 right to receive a pro-rata share of the portion of the PAGA Allocation payable to the PAGA
23 Employees and will be bound by the Court's resolution of the PAGA claim regardless of whether
24 they submit a Request for Exclusion). Settlement Class Members who are sent a Notice Packet
25 but fail to submit a valid and timely Request for Exclusion on or before the Response Deadline
26 shall be bound by all terms of the Settlement and any Final Judgment entered in this Action if the
27 Settlement is approved by the Court. At no time shall any of the Parties or their counsel seek to
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1 solicit or otherwise encourage members of the Settlement Class to submit Requests for Exclusion
2 from the Settlement.

3 3.6. Objections. The Notice Packet shall state that Settlement Class Members who
4 wish to object to the Settlement may submit a written statement of objection (“Notice of
5 Objection”) by the Response Deadline. The date on the proof of service shall be deemed the
6 exclusive means for determining that a Notice of Objection was served timely. The Settlement
7 Administrator shall promptly provide the Parties with copies of all Notices of Objection. A
8 Notice of Objection should be signed by the Settlement Class Member and should state: (1) the
9 full name of the Settlement Class Member; (2) the dates of employment of the Settlement Class
10 Member; (3) the basis for the objection; and, (5) if the Settlement Class Member intends to appear
11 at the Final Approval Hearing. **Any Class Member, or person purporting to object on behalf
12 of any Class Member, may be received or considered by the Court at the Final Approval
13 Hearing, regardless of whether a valid notice of objection was served in a timely manner.**

14 At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage
15 Settlement Class Members to object to the Settlement or appeal from the Order and Final
16 Judgment. Class Counsel shall not represent any Settlement Class Members with respect to an
17 objection.

18 3.7. No Solicitation of Settlement Objections or Exclusions. The Parties and their
19 counsel agree to use their best efforts to carry out the terms of this Settlement. At no time shall
20 any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class
21 Members to submit either written objections to the Settlement or Requests for Exclusion from the
22 Settlement, or to appeal from the Court’s Final Judgment.

23 3.8. Funding and Allocation of Settlement. Defendant shall pay the Maximum
24 Settlement Amount in two equal installments with the first half of the Maximum Settlement
25 Amount (\$217,500.00) and one half of the employer’s share of the payroll taxes applicable to the
26 amounts allocated as wages to be paid within ten days of the Effective Date and the second half
27 of the Maximum Settlement Amount (\$217,500.00) and remaining half of the employer’s share of
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1 the payroll taxes applicable to the amounts allocated as wages to be paid within one year from the
2 date of the first installment. The Settlement Administrator shall provide to Defense Counsel as
3 soon as possible, by no later than two (2) weeks before Defendants' first payment is due
4 according to the terms of this Settlement, instructions for Defendants to tender the Maximum
5 Settlement Amount payment by electronic transfer to the Settlement Administrator, along with
6 the calculation of the amount of the employer's share of the payroll taxes applicable to the
7 amounts allocated to wages. If Defendant fails to timely make a payment set forth in this
8 Agreement, Defendant shall have twenty one (21) calendar days from the last day the payment is
9 due to cure the untimely payment ("Cure Provision"). Defendant shall make any payment under
10 this Cure Provision pursuant to the Settlement Administrator's electronic transfer instructions.
11 The Parties expressly agree that the Defendant's payment obligations with respect to any cure
12 shall be met upon initiating a wire transfer to the Settlement Administrator, pursuant to its
13 instructions. If Defendants do not cure the non-payment (referred to as a "Missed Payment") or
14 file a petition for bankruptcy protection then the entirety of the Maximum Settlement Amount
15 shall become due and owing immediately without any action being required by Class Counsel or
16 the Court. In the event of a Missed Payment, the Parties hereby stipulate that Class Counsel will
17 be permitted to apply to the appropriate judicial forum for an amended Judgment in the total
18 amount of the Maximum Settlement Amount then owed, pursuant to this clause. In the event of
19 an enforcement or collections action then Plaintiff and Class Counsel are entitled to their
20 reasonable attorneys' fees and costs as well as post judgment interest running from the due date
21 of the missed installment payment.

22 3.8.1. The Net Settlement Amount shall be calculated by deducting from the
23 Maximum Settlement Amount for the following payments: (1) Class Representative
24 Enhancement Award, as specified in this Agreement and approved by the Court; (2) Class
25 Counsel Award, as specified in this Agreement and approved by the Court; (3) Class Counsel
26 Costs, as specified in this Agreement and approved by the Court; (4) the Settlement
27 Administration Costs; and (5) the LWDA PAGA Allocation as specified in this Agreement and
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1 approved by the Court. The Net Settlement Amount shall be distributed in Individual Settlement
2 Payments in accordance with Paragraphs 3.9 and 3.10. Defendant's share of payroll taxes (FICA,
3 FUTA and SDI contributions) on that portion of the Individual Settlement Payments allocated as
4 a W-2 wage payment shall be paid by Defendant outside and in addition to the Maximum
5 Settlement Amount.

6 3.9. Individual Settlement Payments. Individual Settlement Payments shall be paid
7 from the Net Settlement Amount pursuant to the formulas set forth in Paragraphs 3.10.1 through
8 3.10.5 herein. The Individual Settlement Payments of Settlement Class Members shall be mailed
9 by regular First-Class U.S. Mail to their last known mailing address. The Settlement
10 Administrator shall issue Individual Settlement Payments to Settlement Class Members in two
11 tranches, with the first half being paid within fourteen (14) days of its receipt of the first
12 installment payment (reflecting payment of \$217,500.00) and the second half issued within
13 fourteen days of its receipt of the second and final installment payment (reflecting payment of the
14 entire Maximum Settlement Amount). Individual Settlement Payments reflect settlement of a
15 dispute regarding wages, interest, and penalties. Individual Settlement Payments will be allocated
16 as described in Paragraph 3.10.1 and 3.10.2. Each check issued to a Settlement Class Member
17 shall remain valid and negotiable for one hundred and eighty (180) days from the date of
18 issuance.

19 3.10. Individual Settlement Payment Formula. The Net Settlement Amount will be
20 distributed as follows:

21 3.10.1. Class Claims Portion. Each Settlement Class Member will be eligible to
22 receive an Individual Settlement Payment calculated as a *pro rata* portion of the Net Settlement
23 Amount not attributed to PAGA penalties (i.e., the Net Settlement Amount less \$2,500 or the
24 Court approved amount from the PAGA Allocation payable for PAGA penalties to PAGA
25 Employees) based on the individual's number of Workweeks worked during the Class Period
26 relative to the number of Workweeks worked by all Participating Class Members during the
27 Class Period. Twenty percent (20%) of this portion of each Participating Class Member's
28

1 Individual Settlement Payment shall be characterize as wages and eighty percent (80%) as
2 interest and penalties.

3 3.10.2. In addition, the Individual Settlement Payment of each PAGA Employee
4 will include a pro rata share of the \$2,500 (or the Court approved amount from the PAGA
5 Allocation for PAGA penalties to PAGA Employees) allocated to PAGA Employees based on
6 the individual's number of Workweeks worked during the PAGA Period relative to the number
7 of Workweeks worked by all PAGA Employees during the PAGA Period. One hundred percent
8 (100%) of this portion of each PAGA Employee's Individual Settlement Payment shall be
9 characterized as penalties.

10 3.10.3. Settlement Class Members will have the opportunity, should they disagree
11 with Defendant's records for their dates of employment being used to calculate the number of
12 Workweeks as presented on the Notice, to provide documentation and/or an explanation to show
13 contrary Workweeks during the Class Period. Class Members must notify the Settlement
14 Administrator of the dispute and submit documentation to support their dispute (such as, without
15 limitation, payroll or time keeping records, paycheck stubs) prior to the Response Deadline.
16 Moreover, a Class Member can only dispute his/her Workweeks if he/she does not exclude
17 himself/herself from the Settlement. If there is a dispute, the Settlement Administrator will
18 consult with the Parties to determine whether an adjustment is warranted. The Parties shall
19 engage in a good faith effort to reach an agreement as to whether a workweek adjustment for the
20 Class Member is warranted and, if the Parties are unable to reach an agreement, the
21 determination of the Settlement Administrator shall be deemed final.

22 3.10.4. Settlement Class Members who submit a valid request to be excluded from
23 the Settlement shall not receive an individual Settlement Award with a Class Claims Portion and
24 the funds allocated to that Settlement Class Member under Paragraph 3.10.1 shall be returned to
25 the Net Settlement Amount to be split between the remaining Settlement Class Members who
26 did not opt out. Class Members who are PAGA Employees will not be permitted to exclude
27 themselves from the PAGA claim portion of the settlement. PAGA penalty settlement payments
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1 in the appropriate amounts (as set forth in Paragraph 3.10.2) will be distributed by the Settlement
2 Administrator by mail to the PAGA Employees including to those Class Members who are
3 PAGA Employees who submitted a Request for Exclusion.

4 3.10.5. Settlement Class Members are not eligible to receive any compensation
5 other than the Individual Settlement Payment, and they may only receive an Individual
6 Settlement Payment with a Class Claims Portion if they do not opt out of the Settlement.

7 3.10.6. No benefit, including but not limited to pension, shall increase or accrue as
8 a result of any payment made as a result of this settlement.

9 3.11. Disposition of Uncashed Checks. If a Settlement Class Member fails to cash a
10 settlement check within 180 days after it is issued then that check will be voided. The funds from
11 voided checks in the first distribution (i.e., after installment number 10) shall be reissued and sent
12 to the same Settlement Class Member alongside or in addition to their second check (i.e., after the
13 second installment payment). Funds from uncashed checks sent in the second distribution shall be
14 turned over to the California State Controllers Unclaimed Property Fund to be held in the name of
15 the individual for whom the funds were designated, and the Participating Class Member and/or
16 PAGA Employee shall remain bound by the Settlement.

17 3.12. Class Representative Enhancement Award. The Parties have, contemporaneously
18 with this agreement, executed a separate Plaintiff's General Release which resolves, inter alia,
19 Ms. Mill's claims of retaliation and wrongful termination as alleged in her DLSE complaint. *See,*
20 *infra*, Paragraph 1.19. Any consideration provided for by the Plaintiff's General Release will be
21 paid separate from, and in addition to, the Maximum Settlement Amount. In addition to the
22 Plaintiff's General Release, Defendant agrees not to oppose or object to any application or motion
23 by Plaintiff for a Class Representative Enhancement Award, not to exceed Five Thousand Dollars
24 (\$5,000.00) as consideration for her time and effort, and risks undertaken, in bringing and
25 prosecuting this matter and the general release of all claims. The Class Representative
26 Enhancement Award shall be paid from the Maximum Settlement Amount. As a condition of
27 receiving this award, Plaintiff agrees to the release described in Paragraph 3.13 and in her
28

1 Plaintiff's General Release. The Settlement Administrator shall issue Class Representative
2 Enhancement Award Payments in two tranches, with the first half being paid within fourteen (14)
3 days of its receipt of the first installment payment (reflecting payment of \$217,500.00) and the
4 second half paid within fourteen days of its receipt of the second and final installment payment
5 (reflecting payment of the entire Maximum Settlement Amount). The Settlement Administrator
6 shall issue IRS Form 1099 to Plaintiff for her Class Representative Enhancement Awards.
7 Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on her Class
8 Representative Enhancement Award. The Class Representative Enhancement Awards shall be in
9 addition to Plaintiff's Individual Settlement Payment as a Settlement Class Member. In the event
10 that the Court awards less than the amount of the Class Representative Enhancement Award
11 requested, then any portion of the requested amount not awarded to Plaintiff shall be added to the
12 Net Settlement Amount. Plaintiff shall not have the right to revoke her agreement to the
13 Settlement on the grounds the Court does not approve any or all of the request for a Class
14 Representative Enhancement Award.

15 3.13. Additional Release by Class Representative. Plaintiff ANRIKA MILLS shall
16 execute a separate Plaintiff's General Release that releases Defendants, and each of their
17 respective affiliates, parent companies, subsidiaries, shareholders, officers, officials, partners,
18 directors, members, owners, servants, employees, employers, agents, contractors, attorneys,
19 insurers, predecessors, representatives, accountants, executors, personal representatives,
20 successors and assigns, past, present, and future, and all persons acting under, by, through, or in
21 concert with any of them, of and from any and all claims that relate in any way to her
22 employment with Defendants, whether under the laws of the State of California or federal law,
23 including, without limitation, statutory, constitutional, contractual, and/or common law claims for
24 wages, damages, restitution, unreimbursed expenses, equitable relief, penalties, liquidated
25 damages, and/or punitive damages (including, without limitation, claims under any applicable
26 Industrial Welfare Commission Wage Order, the California Private Attorneys General Act, or any
27 other provision of the California Labor Code); Title VII of the Civil Rights Act of 1964; 42
28

1 U.S.C. § 1981; the Americans With Disabilities Act; Sections 503 and 504 of the Rehabilitation
2 Act of 1973; the Family Medical Leave Act; the Fair Labor Standards Act; the Employee
3 Retirement Income Security Act; the Occupational Safety and Health Act; the Worker
4 Adjustment and Retraining Notification Act, as amended; the California Unfair Competition Law
5 (Cal. Bus. & Prof. Code § 17200 *et seq.*); the California Fair Employment and Housing Act; any
6 state, civil, or statutory laws, including any and all human rights laws and laws against
7 discrimination; any other federal, state, or local statutes, codes, or ordinances; any common law,
8 contract law, or tort law cause of action; and any claims for interest, attorneys' fees, and/or costs.
9 As to the release contemplated by this paragraph, Plaintiff waives the provisions of California
10 Civil Code Section 1542 which states:

11 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS**
12 **WHICH THE CREDITOR DOES NOT KNOW OR**
13 **SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE**
14 **TIME OF EXECUTING THE RELEASE, WHICH IF**
15 **KNOWN BY HIM OR HER MUST HAVE MATERIALLY**
16 **AFFECTED HIS OR HER SETTLEMENT WITH THE**
17 **DEBTOR.**

18 The release does not include claims unrelated to Plaintiff's employment with Defendants
19 or claims that cannot be released as a matter of law, such as claims for workers compensation.
20 The terms of the Plaintiff's General Release, which includes the same release and waiver
21 language set forth above, does not become effective or enforceable unless and until the Court
22 approves this class settlement. The Parties agree that, at the Court's request, a copy of the
23 Plaintiff's General Release may be disclosed to the Court in a manner intended to protect its
24 confidential nature (i.e., for review in chambers and/or filed under seal).

25 3.14. Class Counsel Award and Costs. Defendants agree not to oppose or object to any
26 application or motion by Class Counsel for attorneys' fees not to exceed One Hundred and Forty-
27 Five Thousand and No Cents (\$145,000.00) and Class Counsel Costs not to exceed Ten Thousand
28 Dollars and No Cents (\$10,000.00) from the Maximum Settlement Amount. The Settlement
Administrator shall issue the Class Counsel Award and Costs in two tranches, with the first half

1 being paid within fourteen (14) days of its receipt of the first installment payment (reflecting
2 payment of \$217,500.00) and the second half issued within fourteen days of its receipt of the
3 second installment payment (reflecting payment of the entire Maximum Settlement Amount).
4 Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payment
5 made pursuant to this paragraph. The Settlement Administrator shall issue an IRS Form 1099 to
6 Class Counsel for the payments made pursuant to this paragraph. This Settlement is not
7 contingent upon the Court awarding Class Counsel any particular amount in attorneys' fees and
8 costs. Any amount requested by Class Counsel for the Class Counsel Award and Class Counsel
9 Costs and not granted by the Court shall return to the Net Settlement Amount and be distributed
10 as provided in this Agreement.

11 3.15. PAGA. Subject to Court approval, the Parties shall allocate a total of Ten
12 Thousand Dollars (\$10,000.00) from the Maximum Settlement Amount for the compromise of
13 claims brought under the PAGA (the PAGA Allocation). Per California Labor Code section
14 2699(i), Seven Thousand Five Hundred Dollars (\$7,500.00), representing 75% of the PAGA
15 Allocation, will be paid to California's Labor Workforce Development Agency (the LWDA
16 PAGA Allocation). The remaining Two Thousand Five Hundred Dollars (\$2,500.00),
17 representing 25% of the PAGA Allocation, will be included and distributed as part of the Net
18 Settlement Amount as described in Paragraph 3.10.

19 3.16. Class Counsel, consistent with Labor Code section 2699(l)(2), will submit this
20 Agreement to the LWDA via its website portal at the same time that the Agreement is submitted
21 to this Court. Class Counsel will also submit this Court's final judgment, if entered, to the
22 LWDA, as required by statute.

23 3.17. The LWDA PAGA Allocation shall be paid to the State of California from the
24 Maximum Settlement Amount by the Claims Administrator in two tranches, with the first half
25 being paid within fourteen (14) days of its receipt of the first installment payment (reflecting
26 payment of \$217,500.00) and the second half issued within fourteen days of its receipt of the
27 second and final installment payment (reflecting payment of the entire Maximum Settlement
28

1 Amount).

2 3.18. Option to Terminate Settlement. If more than seven and half (7.5%) percent of the
3 Settlement Class Members opt out, Defendants will have the absolute right (but not the
4 obligation) in their sole discretion to terminate this Settlement. If Defendants exercise their right
5 to terminate, the Settlement will be *void ab initio* and of no force or effect, and will not be
6 admissible in any judicial, administrative, or arbitral proceeding for any purpose or with respect
7 to any issue, substantive or procedural. In addition, none of the Parties to this Settlement will be
8 deemed to have waived or assigned any claims, objections, defenses, or arguments in this action,
9 including with respect to the issue of class certification. The Settlement Administrator shall notify
10 Class Counsel and Counsel for Defendant of the number of timely opt-outs within five (5)
11 calendar days after the period to file an Opt-Out has expired. This option shall be exercised, if at
12 all, prior to Plaintiff filing its Motion for Final Approval, provided the Settlement Administrator
13 has first notified the Parties of the number of timely opt-out after the period to file an Opt-Out has
14 expired. If Defendants exercise this option, then it shall be responsible for paying any costs
15 incurred by the settlement administrator prior to the date Defendants terminate the agreement.

16 3.19. Settlement Administration Costs. The Settlement Administrator shall be paid for
17 the costs of administration of the Settlement from the Maximum Settlement Amount. The
18 Settlement Administrator, on Defendant's behalf, shall have the authority and obligation to make
19 payments, credits and disbursements, including payments and credits in the manner set forth
20 herein, to Settlement Class Members calculated in accordance with the methodology set out in
21 this Agreement and orders of the Court. The Parties agree to cooperate in the Settlement
22 Administration process and to make all reasonable efforts to control and minimize the cost and
23 expenses incurred in administration of the Settlement. The Parties each represent they do not
24 have any financial interest in the Settlement Administrator or otherwise have a relationship with
25 the Settlement Administrator that could create a conflict of interest. The Settlement Administrator
26 shall be responsible for: processing and depositing or mailing payments to the Plaintiff, Class
27 Counsel, Participating Class Members and PAGA Employees, printing and mailing the Notice
28

1 Packets to the Settlement Class Members as directed by the Court; receiving and reporting the
2 Requests for Exclusion and submitted by Settlement Class Members; making all court-approved
3 payments to the Settlement Class Members and the LWDA; providing declaration(s) as necessary
4 in support of preliminary and/or final approval of this Settlement; advising Defendants of the total
5 amounts owed as employer taxes with each installment; remitting any tax payments to the proper
6 governmental taxing authorities; and other tasks as the Parties mutually agree or the Court orders
7 the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties
8 timely apprised of the performance of all Settlement Administrator responsibilities. Any legally
9 mandated tax reports, tax forms, tax filings, or other tax documents required by administration of
10 this Agreement shall be prepared by the Settlement Administrator. Any expenses incurred in
11 connection with such preparation shall be a cost of administration of the Settlement. The
12 Settlement Administrator shall be paid the Court approved Settlement Administration Costs in
13 two tranches, with the first half being paid within fourteen (14) days of its receipt of the first
14 installment payment (reflecting payment of \$217,500.00) and the second half issued within
15 fourteen days of its receipt of the second and final installment payment (reflecting payment of the
16 entire Maximum Settlement Amount).

17 3.20. Final Approval Hearing. At a reasonable time following the Response Deadline,
18 the Court shall hold the Final Approval Hearing, where objections, if any, may be heard, and the
19 Court shall determine amounts properly payable for (i) the Class Counsel Award, (i) Class
20 Counsel Costs, (iii) the Class Representative Enhancement Award, (iv) Individual Settlement
21 Payments, (v) the LWDA PAGA Allocation and (vi) the Settlement Administration Costs.

22 3.21. Entry of Final Judgment. Pursuant to California Rule of Court 3.769(h), after
23 granting final approval of the Settlement, the Court shall retain jurisdiction over the Parties to
24 enforce the terms of the judgment. The Court shall set a final accounting hearing thereafter to
25 ensure that the terms have been fulfilled and, if so, to ultimately dismiss the case with prejudice.

26 3.22. No Effect on Employee Benefits. Amounts paid to Plaintiff or other Settlement
27 Class Members pursuant to this Agreement will not count as earnings or compensation for
28

1 purposes of any benefits (e.g., vacations, holiday pay, pensions, or retirement plans) sponsored by
2 Defendant.

3 3.23. Nullification of Settlement Agreement. In the event: (i) the Court does not enter
4 the Preliminary Approval Order as specified herein; (ii) the Court does not grant final approval of
5 the Settlement as provided herein; (iii) the Court does not enter a Final Judgment as provided
6 herein; or (iv) the Settlement does not become final for any other reason, this Settlement
7 Agreement (and the Plaintiff's General Release) shall be null and void and any order or judgment
8 entered by the Court in furtherance of this Settlement shall be treated as void from the beginning.
9 In such a case, the Parties and any funds to be awarded under this Settlement shall be returned to
10 their respective statuses as of the date and time immediately prior to the execution of this
11 Agreement, and the Parties shall proceed in all respects as if this Agreement had not been
12 executed, except that any fees already incurred by the Settlement Administrator shall be paid by
13 the Parties in equal shares. In the event an appeal is filed from the Court's Final Judgment, or any
14 other appellate review is sought, administration of the Settlement (and the Plaintiff's General
15 Release) shall be stayed pending final resolution of the appeal or other appellate review, but any
16 fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal
17 from the Court's Final Judgment, or any other appellate review, shall be paid to the Settlement
18 Administrator by Defendant within thirty (30) days of said notification.

19 3.24. No Admission By the Parties. Defendants deny any and all claims alleged in this
20 Action and deny all wrongdoing whatsoever. This Agreement is not a concession or admission,
21 and shall not be used against Defendants as an admission or indication with respect to any claim
22 of any fault, concession or omission by Defendants. Neither the acceptance nor the performance
23 by Defendants of the terms contained in this Agreement nor any of the related negotiations or
24 proceedings is or shall be claimed to be, construed as, or deemed a precedent or an admission by
25 Defendants of the truth of any allegations in any version of the Complaint. Defendants enter into
26 this Settlement Agreement solely for the purposes of compromising and settling the Action.

27 3.25. Non-Evidentiary Use. Neither this Agreement nor any of its terms, nor any
28

1 statements or conduct in the negotiation or drafting of it, shall be offered or used as evidence by
2 Plaintiff, any Class Member (including any individual who filed an Opt-Out), Defendants, or its
3 or their respective counsel, in the Action or any other proceeding, except as is reasonably
4 necessary to effectuate its purpose and terms. This Agreement may be used by Defendants and/or
5 the Released Parties to prove or defend against any claim released herein by any Class Member in
6 any judicial, quasi-judicial, administrative, or governmental proceeding.

7 3.26. Stay of Time Period to Bring Case to Trial. The Parties hereby agree that, once
8 this Settlement is executed by the Parties, it would be futile to bring the matter to trial and,
9 therefore, that the time limits to bring a case to trial, including those set forth in Cal. Code of Civ.
10 Proc. Section 583.310 *et seq.* are hereby stayed until such time as the Court has issued a final
11 ruling on whether or not the Parties' proposed Settlement is approved. In the event the proposed
12 Settlement is not approved, the Parties also hereby agree, pursuant to Cal. Code of Civ. Proc.
13 Section 583.330, that the deadline to bring this case to trial shall be extended by six months.

14 3.27. Exhibits and Headings. Any Exhibits to this Agreement are an integral part of the
15 Settlement. The descriptive headings of any paragraphs or sections of this Agreement are
16 inserted for convenience of reference only and do not constitute a part of this Agreement.

17 3.28. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the
18 Action, and thereafter implement and complete the Settlement, in abeyance pending the approval
19 hearing(s) to be conducted by the Court.

20 3.29. Amendment or Modification. This Agreement may be amended or modified only
21 by a written instrument signed by Plaintiff, Class Counsel, Defendants, and Counsel for
22 Defendant, or their successors-in-interest.

23 3.30. Entire Agreement. This Agreement and any attached Exhibits constitute the entire
24 Agreement among these Parties, and no oral or written representations, warranties or inducements
25 have been made to any Party concerning this Agreement or its Exhibits other than the
26 representations, warranties and covenants contained and memorialized in the Agreement and its
27 Exhibits.
28

1 3.31. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
2 and represent they are expressly authorized by the Parties whom they represent to negotiate this
3 Agreement and to take all appropriate actions required or permitted to be taken by such Parties
4 pursuant to this Agreement to effectuate its terms, and to execute any other documents required to
5 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each
6 other and use their best efforts to implement the Settlement. In the event the Parties are unable to
7 reach agreement on the form or content of any document needed to implement the Settlement, or
8 on any supplemental provisions that may become necessary to effectuate the terms of this
9 Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The
10 persons signing this Agreement on behalf of Defendant represent and warrant that they are
11 authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and warrants that
12 she is authorized to sign this Agreement and that she has not assigned any claim, or part of a
13 claim, covered by this Settlement to a third-party.

14 3.32. Binding on Successors and Assigns. This Agreement shall be binding upon, and
15 inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

16 3.33. California Law Governs. All terms of this Agreement and the Exhibits hereto
17 shall be governed by and interpreted according to the laws of the State of California.

18 3.34. This Settlement is Fair, Adequate and Reasonable. The Parties believe this
19 Settlement is a fair, adequate and reasonable settlement of this Class Action and have arrived at
20 this Settlement after extensive arms-length negotiations, taking into account all relevant factors,
21 present and potential.

22 3.35. Jurisdiction of the Court. In accordance with California Rule of Court 3.769(h),
23 the Parties agree that the Court shall retain jurisdiction with respect to the interpretation,
24 implementation and enforcement of the terms of this Agreement and all orders and judgments
25 entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction
26 of the Court for purposes of interpreting, implementing and enforcing the settlement embodied in
27 this Agreement and all orders and judgments entered in connection therewith.
28

1 3.36. Invalidity of Any Provision. Before declaring any provision of this Agreement
2 invalid, the Court shall first attempt to construe the provisions to be valid to the fullest extent
3 possible consistent with applicable precedents so as to define all provisions of this Agreement so
4 they are valid and enforceable.

5 3.37. Waiver of Certain Appeals. The Parties agree to waive their rights to bring an
6 appeal relating to this settlement; provided, however, Plaintiff may appeal any reduction to an
7 award of attorneys' fees.

8 3.38. Cooperation. The Parties agree to cooperate fully with one another to accomplish
9 and implement the terms of this Settlement. Such cooperation shall include, but not be limited to,
10 execution of such other documents and the taking of such other action as may be reasonably
11 necessary to fulfill the terms of this Settlement. The Parties to this Settlement shall use their best
12 efforts, including all efforts contemplated by this Settlement and any other efforts that may
13 become necessary by Court order, or otherwise, to effectuate this Settlement and the terms set
14 forth herein.

15 3.39. Notices. Unless otherwise specifically provided, all notices, demands or other
16 communications in connection with this Stipulation shall be: (1) in writing; (2) deemed given on
17 the third business day after mailing; and (3) sent via United States registered or certified mail,
18 return receipt requested and email addressed as follows:

19 To Plaintiff:

20 KEVIN R. ALLEN, SBN 237994
21 **ALLEN ATTORNEY GROUP**
22 2121 N. California Blvd., Suite 290
23 Walnut Creek, CA 94596
24 Tel. (925) 695-4913
25 Fax (925) 334-7470
26 kevin@allenattorneygroup.com

To Defendant:

Alfred J. Landegger, Esq.
alfred@landeggeresq.com
Evelyn Zarraga, Esq.
evelyn@landeggeresq.com
Landegger Rivas Verano & Davis, ALC
15760 Ventura Blvd., Suite 1200
Encino, California 91436
Main: 818.986.7561 ext. 108
Fax: 818.986.5147

26 3.40. Execution by Settlement Class Members. It is agreed that it is impossible or
27 impractical to have each Class Member execute this Settlement Agreement. The Notice will
28

1 advise all Settlement Class Members of the binding nature of the release and, unless the
2 Settlement Class Member opts-out, such shall have the same force and effect as if each
3 Participating Class Member executed this Stipulation. The Notice shall further advise all Class
4 Members that if the Court approves the compromise of the PAGA claim, all PAGA Employees
5 are bound by the Court's resolution of that claim regardless of whether they submit a Request for
6 Exclusion.

7 3.41. Arms Length Negotiations, Shared Drafting of Settlement Agreement. The Parties
8 hereto agree that the terms and conditions of this Stipulation of Settlement are the result of
9 lengthy, intensive, arms-length negotiations between the Parties and that this Stipulation shall not
10 be construed in favor of or against any of the Parties by reason of their participation in the
11 drafting of this Stipulation.

12 3.42. Defendant's Representations for Mediation: In preparation for mediation
13 Defendants represented that the class consisted of 215 members who worked 15,809 workweeks
14 between February 20, 2016 and January 14, 2021. If the actual number of workweeks between
15 February 20, 2016 and January 14, 2021 exceeds this representation by ten (10%) percent or more
16 then Plaintiff may, in her sole option, elect to either require Defendants to increase the Maximum
17 Settlement Fund proportionally (i.e., if there are 17,390 workweeks between February 20, 2016
18 and January 14, 2021 then Defendants would be required to pay an additional \$43,500.00 into the
19 Maximum Settlement Fund) or to terminate the Settlement. This option shall be exercised, if at
20 all, through providing Defendants' counsel notice of their option prior to the time Plaintiff files
21 her Motion for Final Approval. If Plaintiff exercises her option to terminate, the Settlement will
22 be void ab initio and of no force or effect, and will not be admissible in any judicial,
23 administrative, or arbitral proceeding for any purpose or with respect to any issue, substantive or
24 procedural. Furthermore, in the event Plaintiff exercises its option to terminate the agreement
25 pursuant to this provision then any costs incurred by the settlement administrator prior to the date
26 Plaintiff terminates the agreement shall be split evenly by the Parties.

27 3.43. Defendants agree to cooperate with Plaintiff's counsel in providing information
28

1 needed for the Motion for Preliminary/Final Approval including providing additional details on
2 Defendant's financial condition if required by the Court.

3 3.44. Circular 230 Disclaimer. Each party to this Agreement (for purposes of this
4 section, the "Acknowledging Party"; and each party to this Agreement other than the
5 Acknowledging Party, an "Other Party") acknowledges and agrees that (1) no provision of this
6 Agreement, and no written communication or disclosure between or among the parties or their
7 attorneys and other advisers, is or was intended to be, nor shall any such communication or
8 disclosure constitute or be construed or be relied upon as, tax advice within the meaning of
9 United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the
10 Acknowledging Party (a) has relied exclusively upon his, her, or its own, independent legal and
11 tax advisers for advice (including tax advice) in connection with this Agreement, (b) has not
12 entered into this Agreement based upon the recommendation of any other party or any attorney or
13 advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by
14 any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the
15 Acknowledging Party; and (3) no attorney or adviser to any other party has imposed any
16 limitation that protects the confidentiality of any such attorney's or adviser's tax strategies
17 (regardless of whether such limitation is legally binding) upon disclosure by the Acknowledging
18 Party of the tax treatment or tax structure of any transaction, including any transaction
19 contemplated by this Agreement.

20 3.45. Enforcement Action. In the event that one or more of the Parties to this Settlement
21 Agreement institutes any legal action or other proceeding against any other party or Parties to
22 enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under
23 this Settlement Agreement, the successful Party or Parties shall be entitled to recover from the
24 unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees
25 incurred in connection with any enforcement actions.

26 3.46. Counterparts. This Stipulation shall become effective upon its execution by the
27 Parties and this Stipulation maybe executed in counterparts, each of which shall have the same
28

1 force and effect as if each had signed the same instrument. Copies of the executed agreement
2 shall be effective for all purposes as though the signatures contained therein were original
3 signatures.

4 **IT IS SO AGREED:**

5 DATED: June 24, 2021

6 By: 
7 FOR DEFENDANT CORE ANALYTICS
8 LABORATORY, INC.
9 NAME: SHRUTI PARTI
10 TITLE PRESIDENT

11 DATED: June 24, 2021

12 By: 
13 FOR DEFENDANT CERF DIAGNOSTICS,
14 INC.
15 NAME: SHRUTI PARTI
16 TITLE PRESIDENT

17 DATED: June __, 2021

18 By: _____
19 PLAINTIFF ANRIKA MILLS

20 **APPROVED AS TO FORM:**

21 DATED: June __, 2021

22 **ALLEN ATTORNEY GROUP**

23 By: _____
24 KEVIN R. ALLEN
25 Class Counsel and Attorneys
26 for Plaintiff Anrika Mills

27 DATED: June 24, 2021

28 **LANDEGGER RIVAS VERANO & DAVIS,
ALC**

By: 
EVELYN ZARRAGA
Counsel for Defendants

1 force and effect as if each had signed the same instrument. Copies of the executed agreement
2 shall be effective for all purposes as though the signatures contained therein were original
3 signatures.

4 **IT IS SO AGREED:**

5 DATED: June __, 2021

6 By: _____
7 FOR DEFENDANT CORE ANALYTICS
8 LABORATORY, INC.
9 NAME: _____
10 TITLE _____

11 DATED: June __, 2021

12 By: _____
13 FOR DEFENDANT CERF DIAGNOSTICS,
14 INC.
15 NAME: _____
16 TITLE _____

17 DATED: June 24, 2021

18 By: ANRIKA C. MILLS
19 ANRIKA C. MILLS (JUN 24, 2021 16:00 PDT)
20 PLAINTIFF ANRIKA MILLS

21 **APPROVED AS TO FORM:**

22 DATED: June 27, 2021

23 **ALLEN ATTORNEY GROUP**

24 By: Kevin Allen
25 KEVIN R. ALLEN
26 Class Counsel and Attorneys
27 for Plaintiff Anrika Mills

28 DATED: June __, 2021

**LANDEGGER RIVAS VERANO & DAVIS,
ALC**

By: _____
EVELYN ZARRAGA
Counsel for Defendants

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EXHIBIT A

1 **NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

2 SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF SANTA CLARA

3 MILLS V. CORE ANALYTICS LABORATORY, INC. ET AL

4 (SANTA CLARA COUNTY SUP. CT CASE NO. 20CV363836).

5 **ATTENTION: IF YOU WERE EMPLOYED AS A NONEXEMPT**
6 **MOBILE PHLEBOTOMIST BY CORE ANALYTICS**
7 **LABORATORY, INC. OR CERF DIAGNOSTICS, INC. IN**
8 **CALIFORNIA BETWEEN FEBRUARY 2016 AND APRIL 6, 2021**
9 **YOU COULD GET A PAYMENT FROM THIS SETTLEMENT.**

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

- 11 • If approved by the Court the Settlement will provide \$435,000.00 to resolve claims of
12 individuals who were employed by defendant Core Analytics Laboratory, Inc. or Cerf
13 Diagnostics, Inc. as a non-exempt mobile phlebotomist in California at any time between
14 February 20, 2016 and April 6, 2021, inclusive (referred to as “Settlement Class Members”).
- 15 • The Settlement involves a lawsuit over whether Defendants paid their mobile phlebotomists
16 in California all wages owed, reimbursed business expenses, and provided lawful meal
17 periods and rest breaks. Plaintiff Anrika Mills also sought various Labor Code penalties
18 including penalties under the Private Attorney Generals Act (“PAGA”), Labor Code Sections
19 2698 *et seq.*
- 20 • The two sides disagree over how much money, if any, could have been won at trial.
- 21 • The Settlement provides cash payments to Settlement Class Members, based on the number of
22 workweeks worked from February 20, 2016, through April 6, 2021 (the “Class Period”). The
23 settlement also provides additional cash payments to those Class Members who worked at any
24 time during the period from February 20, 2019, through April 6, 2021 (the “PAGA Period”)
25 based on the number of workweeks worked during the PAGA Period. Class Members who
26 worked during the PAGA Period are referred to as “PAGA Employees”.
- 27 • Your legal rights are affected whether or not you act or don’t act. **READ THIS NOTICE**
28 **CAREFULLY!**

29 **OVERVIEW OF YOUR LEGAL RIGHTS AND OPTIONS UNDER THE SETTLEMENT**

30 **DO NOTHING**

31 Get a payment. Give up rights.

32 You do not have to do anything in response to this notice. If you do nothing,
33 you will remain eligible to automatically receive an Individual Settlement
34 Payment if the Court grants final approval of the settlement and will be bound
35 by the release provisions of the settlement.

EXCLUDE YOURSELF	Get <u>no</u> payment. This is the <u>only</u> option that allows you to be a part of another lawsuit against the Defendants for the legal claims in this lawsuit. You may opt out of the settlement by submitting a Request for Exclusion. If you opt out, you may not object to the settlement, will not be eligible to receive an Individual Settlement Payment for the class claims portion, and will not be bound by the release provisions of the settlement. However, if you are a PAGA Employee and the Court grants final approval of the settlement, you will still receive a share of the portion of the Net Settlement Amount allocated to the PAGA Employees and will be bound by the PAGA release provisions of the settlement, whether or not you submit a Request for Exclusion.
OBJECT	Tell the Court about why you don't like the Settlement. You may object to the settlement by submitting a written objection. If the Court grants final approval of the settlement despite your objection, you will remain eligible to automatically receive an Individual Settlement Payment and will be bound by the release provisions of the settlement.
SUBMIT A DATE DISPUTE	Tell the Settlement Administrator you disagree with the dates of employment listed for you. You may challenge the dates of employment and number of workweeks allocated to you by submitting a written dispute. The Settlement Administrator will evaluate your dispute along with the evidence you submit and make a determination as to your correct number of workweeks. If the Court grants final approval of the settlement, you will remain eligible to automatically receive an Individual Settlement Payment and will be bound by the release provisions of the settlement.

- **These rights and options – and the deadlines to exercise them- are explained in this notice.**
- **The Court handling this case still has to decide whether to approve the Settlement. Settlement payments for the Class Claims Portion will only be issued to Settlement Class Members who do not opt out and only if the Court approves the Settlement and all appeals are resolved. Please be patient.**
- **Additional information and settlement documents are available by contacting Class Counsel.**

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BASIC INFORMATION

1. Why did I get this notice?

Defendants' records show that you were employed as a non-exempt mobile phlebotomist in California between February 20, 2016 and April 6, 2021, inclusive. This is referred to as the "Class Period." This notice explains the lawsuit, the Settlement, and your legal rights.

The lawsuit is pending in the Superior Court of California for the County of Santa Clara, Case No. 20CV363836 (the "Action"). Arika Mills is called the Plaintiff or Class Representatives, and the companies she sued are called the Defendants (i.e., Core Analytics Laboratory, Inc., Cerf Diagnostics, Inc. and Michelle Yrekman).

2. What is this lawsuit about?

The lawsuit involves claims under California's wage and hour laws. Plaintiff worked in a covered position within the Class Period. She alleges that Defendants failed to pay her and other Settlement Class Members all wages owed due to time rounding, failed to provide timely and lawful meal periods and rest breaks, and whether it failed to reimburse employees for all necessary business expenses. As a result, Plaintiff alleges that she, and the members of the

1 Settlement Class (defined in response to Question 4 below), are entitled to recover unpaid wages,
2 interest, and statutory and civil penalties.

3 Defendants deny that they engaged in any wrongful conduct or that they violated the law in any
4 way, and believe that Plaintiff and the Settlement Class were properly compensated, including
final wages, and they were provided lawful meal and rest periods.

5 Both Plaintiff and Defendants believe that the Settlement is fair, adequate, and reasonable, and
6 that it is in the best interest of the members of the Settlement Class.

7 Plaintiff Anrika Mills also filed a retaliation complaint against Defendants with the California
8 Department of Labor Standards Enforcement (“DLSE”). The DLSE retaliation claim is also being
resolved but via a separate agreement.

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

10 In a class action, one or more people called the “Plaintiff” (in this case, Anrika Mills) sue on
11 behalf of people who have similar alleged claims. All of these similar people are a “class” or
12 “class members.” The Court resolves the issues for all class members, except for those who
13 exclude themselves from the class. On XXXXXX, the Honorable Patricia M. Miller certified the
class for purposes of settlement only.

14 **4. Who is in the Settlement Class?**

15 “Settlement Class Members” or “Settlement Class” means all individuals who were employed by
16 defendants CORE ANALYTICS LABORATORY, INC. or CERF DIAGNOSTICS, INC. as a
17 non-exempt mobile phlebotomist in California at any time between February 20, 2016 and April
6, 2021, inclusive.

18 Settlement Class Members employed at any time between February 20, 2019 and April 6, 2021,
19 inclusive, are referred to as “PAGA Employees”.

20 **5. Why is there a settlement?**

21 After conducting substantial investigation, including review of policies, payroll records and
22 personnel files, both sides agreed to the Settlement to avoid the cost and risk of further litigation.
23 The Settlement does not mean that any law was broken. Defendants deny all of the claims
asserted in the Action and deny that they have violated any laws. Plaintiff and her lawyers think
the Settlement is in the best interests of all Settlement Class Members.

24 **THE SETTLEMENT BENEFITS**

25 **6. What do I get?**

26 Under the terms of the Settlement, Defendants agreed to pay a total of \$435,000.00 which is
27 referred to as the Maximum Settlement Amount. Due to its financial condition this will be paid in
28 two installments, with half of the Maximum Settlement Amount due within ten days of the

1 Effective Date of the Settlement (which, absent any objections being filed, will be the date the
2 Court entered its Order and Judgment finally approving the Settlement) and the remaining half
3 paid one year later.

4 This Maximum Settlement Amount will be used to pay attorneys' fees (not to exceed 33 1/3% of
5 the Maximum Settlement Amount, i.e., \$145,000.00), attorneys' actual litigation costs (not to
6 exceed \$10,000.00), a Class Representative Enhancement Award to the named Plaintiff (not to
7 exceed \$5,000.00), a payment of \$7,5000.00 to the State of California Labor and Workforce
8 Development Agency ("LWDA") for alleged penalties under the Private Attorney General Act
9 ("PAGA"), the fees and expenses of the Settlement Administrator (estimated to cost \$8,500.00).
10 The remainder, referred to as the Net Settlement Amount, will be distributed in full to
11 Settlement Class Members who do not request to be excluded from the Settlement and PAGA
12 Employees.

13 Your Individual Settlement Payment

14 The Net Settlement Amount (minus \$2,500 allocated to the PAGA Employees) will be distributed
15 to Settlement Class Members who do not request to be excluded from the Settlement based on the
16 number of Workweeks worked for Defendants in a covered position during the Class Period
17 relative to the total number of Workweeks worked by all Settlement Class Members during the
18 Class Period. "Workweeks" is calculated by taking the number of days between your first day of
19 employment within the Class Period and last day of employment within the Class Period, and
20 dividing it by seven. Any break in employment of thirty days or longer will be subtracted from
21 your Workweek count. This portion is referred to as the Class Claims Portion.

22 In addition, the Individual Settlement Payment of each PAGA Employee will include a pro rata
23 share of the \$2,500 allocated to PAGA Employees based on the number of Workweeks worked
24 for Defendants in a covered position during the PAGA Period relative to the total number of
25 Workweeks worked by all PAGA Employee during the PAGA Period. This portion is referred to
26 as the PAGA Claims Portion.

27 PAGA penalty settlement payments in the appropriate amounts will be distributed by the
28 Settlement Administrator by mail to the PAGA Employees including to those Settlement Class
Members who are PAGA Employees who submitted a Request for Exclusion.

According to Defendants' records, your dates of employment in a covered position were
_____ to _____. **Based on these dates, your Individual Settlement Award is
estimated to be at least \$_____.** Your actual Individual Settlement Award may be
more than this amount depending on the number of Settlement Class Members who participate
and/or request to opt out of the Settlement.

Defendants' records shall be presumed correct, unless evidence to the contrary is timely
submitted to the Settlement Administrator. Settlement Class Members who disagree with
Defendants' records of their dates of employment, as presented above, must notify the Settlement
Administrator of the dispute and submit documentation to support their claimed dates of
employment (such as, without limitation, payroll or time keeping records, paycheck stubs). The
dispute must be received by [RESPONSE DEADLINE] or else it will be disregarded and you will
be paid according to the dates listed in Defendant's records.

NOTE: A Class Member can only dispute his/her dates of employment if he/she does not exclude himself/herself from the Settlement. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Parties shall engage in a good faith effort to reach an agreement as to whether a workweek adjustment for the Class Member is warranted and, if the Parties are unable to reach an agreement, the determination of the Settlement Administrator shall be deemed final.

The parties have agreed that twenty percent (20%) of the Class Claims Portion of each Class Member's settlement payment shall be treated as wages (reported on IRS Form W-2) and eighty percent (80%) as interest and penalties (reported on IRS Form 1099). One hundred percent (100%) of the PAGA Claims Portion of each PAGA Employee's settlement payment shall be characterized as penalties (reported on IRS Form 1099). The employee's share of payroll taxes (FICA, EDD) shall be withheld from the W-2 wage payment but the employer's share shall be paid by Defendants in addition to and outside of this Settlement.

7. What am I giving up?

If the Settlement is approved then Plaintiff and each member of the Settlement Class who does not submit a Request for Exclusion (defined in response to Question 10 below) will release Defendants CORE ANALYTICS LABORATORY, INC. and CERF DIAGNOSTICS, INC., and MICHELLE YREKHMANN, and each of their officers, directors, owners, managing agents, as well as any predecessors and successors in interest, any current or former parent corporations, subsidiary corporations, affiliates, and assigns (collectively, the "Released Parties") from any and all claims of any nature and description whatsoever, that were alleged in the operative Complaint or could have been asserted based on the factual allegations in the Action or the factual/legal allegation contained in Plaintiff's February 20, 2020 Notice to the LWDA, including all attorneys' fees and costs related thereto. The Released Claims include: (1) Failure to Pay All Wages Owed Including Overtime (Cal. Lab. Code §§ 226.2, 510, 1194, and 1197); (2) Failure to Provide Meal Periods (Cal. Lab. Code § 226.7); (3) Failure to Authorize and Permit Rest Breaks (Cal. Lab. Code § 226.7); (4) Failure to Provide Accurate Itemized Wage Statements (Cal. Lab. Code § 226); (5) Waiting Time Penalties (Labor Code § 201-203); (6) Failure to Reimburse Business Expenses (Cal. Lab. Code § 2802); and (7) Unfair Competition (Cal. Bus. & Prof. Code § 17200 *et seq.*) to the extent predicated on a Released Claim. With respect to the PAGA Employees, the Released Claims also includes any and all claims for civil penalties under the Private Attorneys General Act (Cal. Lab. Code § 2698 *et seq.*) that are based upon or arise from the factual allegations in the operative Complaint and/or Notice to the LWDA, arising during and/or with respect to the PAGA Period, including all attorneys' fees and costs related thereto.

The Released Claims do not apply to claims that arise outside the Class Period, claims that arise from work performed in a position other mobile phlebotomist; from work performed outside the state of California.

HOW TO GET A SETTLEMENT PAYMENT

8. How do I get a settlement payment?

You do not need to take any action in order to receive a settlement payment. If you do not request to be excluded then, provided the Settlement is approved by the Court, you will be sent a settlement payment at the address where this Notice was mailed.

IMPORTANT: Settlement checks will be mailed out in two tranches approximately twelve months apart (estimated to be approximately X, 2021 and Y, 2021). If this was sent to the wrong address, or you move before receiving both settlement checks and tax return documents, then it is very important that you provide a forwarding address to the Settlement Administrator! Otherwise, your settlement check and/or your tax return documentation could be sent to the wrong address.

9. When will I get my check?

If approved then Defendants will be required to fund the \$435,000.00 Maximum Settlement Amount in two equal installment payments. The first installment of \$217,500.00 will be due paid within 10 days of the Effective Date (defined below) and a second installment of \$217,500.00 will be paid one year later.

The “Effective Date” is defined as: (i) in the event of an appeal regarding the trial court’s final approval of the settlement, the date the Court of Appeals or the California Supreme Court has rendered a final ruling affirming the trial court’s final approval of the settlement without material modification; or (ii) in the event that a Settlement Class Member has filed an objection to the Settlement, the date that the deadline for seeking appellate review of the trial court’s final approval of the settlement has passed without the filing of a timely appeal or timely request for review, or (iii) in the event that no Settlement Class Member has filed an objection to the Settlement, the date that the trial court enters a judgment of dismissal or the equivalent. If there are any appeals, resolving them could take some time, so please be patient.

If approved by the Court then all payments required by the Settlement will be distributed in two checks, with the first check being issued within ten (14) days of the Settlement Administrator receiving the first installment payment (meaning Defendants have paid \$217,500.00 of the Maximum Settlement Amount) and the second half issued within fourteen days of the Settlement Administrator’s receipt of the second installment payment (meaning Defendants have paid the entire Maximum Settlement Amount).

Please be advised that you will only have 180 days from the date that the check is issued to cash it. If you do not deposit your check by this deadline then it will be cancelled and the funds turned over to the California State Controllers Unclaimed Property Fund to be held in your name.

EXCLUDING YOURSELF FROM THE SETTLEMENT

10. How do I ask the Court to exclude me from the Settlement Class?

If you do not want to participate in the Settlement (“opt-out”), you must request to opt out or exclude yourself from the Settlement. Settlement Class Members who timely request exclusion will not longer be eligible to receive an Individual Settlement Award but will also not be bound by the release of claims in the Settlement.

1 In order to be valid, your request to be excluded must be signed, dated and mailed by First Class
2 U.S. Mail, or the equivalent, postmarked no later than **[+30 days from date of mailing]** to:

3 **INSERT SETTLEMENT ADMINISTRATOR INFO**

4 Requests that do not include all required information and/or that are not timely submitted will be
5 deemed null, void, and ineffective. Settlement Class Members who fail to submit a valid and
6 timely Request for Exclusion on or before the above-specified deadline shall be bound by all
7 terms of the Settlement and any Final Judgment entered in the Action if the Settlement is
approved by the Court.

8 **11. If I exclude myself, can I get anything from the settlement?**

9 No, except for PAGA Employees who retain a right to receive a PAGA Claims Portion. If you are
10 not a PAGA Employee and ask to be excluded from the Settlement, you will not get a settlement
11 payment and you will not be bound by the Settlement. If you are a PAGA Employee and ask to be
12 excluded from the Settlement, you will still receive your pro rata share of the \$2,5000 allocated to
PAGA Employees and will remain bound by the Court's resolution of the PAGA claim only.

13 **12. If I don't exclude myself, can I sue later?**

14 Unless you exclude yourself, you give up the right to sue Defendant for the claims in this lawsuit
15 that are released by the Settlement. You must exclude yourself from the Settlement Class to start
or continue your own lawsuit.

16 **THE LAWYERS REPRESENTING YOU**

17 **13. Do I have a lawyer in this case?**

18 The Court has appointed Kevin R. Allen of Allen Attorney Group as class counsel. His firm
19 represents the named Plaintiff and the Settlement Class Members in this lawsuit. His contact
20 information is listed in Paragraph 21 ("Getting More Information").

21 **14. How will the costs of the lawsuit and the settlement be paid?**

22 Subject to Court approval, the Maximum Settlement Amount will be used to pay Class Counsel
23 up to \$10,000.00 in their actual litigation costs and up to \$145,000.00 in attorneys' fees (i.e., 33
24 1/3% of the Maximum Settlement Amount). It will also be used to pay Plaintiff up to \$5,000.00
25 as a "Class Representative Enhancement Award" for her participation in this lawsuit and for
taking on the risk of litigation. The Maximum Settlement Amount will also be used to pay the
Settlement Administrator's costs and fees associated with administering the Settlement, estimated
at \$8,500.00.

26 The Court may award less than these amounts. If lesser amounts are awarded, the difference will
27 be distributed to Settlement Class Members as part of the Net Settlement Amount.

28 **OBJECTING TO THE SETTLEMENT**

1
2 **15. How do I object to the Settlement?**

3 If you do not think the Settlement is fair then you can tell the court why. This is referred to as an
4 “objection.” In order to ensure the Court reviews your Objection, all written objections and
5 supporting papers, should be submitted no later than **[+30 days from mailing]**. You can submit
6 your written objection via mailed to the Settlement Administrator at the following address. In
7 order to be timely it must have a U.S. Mail postmark no later than **[+30 days from date of
8 mailing]**:

9
10 **INSERT SETTLEMENT
11 ADMINISTRATOR
12 INFORMATION**

13 A written objection should include the objecting person’s full name, current address, and include
14 all objections, with reasons and supporting papers (such as briefs, written evidence, and
15 declarations). Late or incomplete objections may not be considered invalid.

16 **You do not need to file a written objection. Any Class Member, or person purporting to
17 object on behalf of any Class Member, may be received or considered by the Court at the
18 Final Approval Hearing, regardless of whether a written notice of objection is filed or
19 delivered to the Parties.**

20 Any Settlement Class Member who files an objection remains eligible to get paid from the
21 Settlement unless he or she submits a valid request to be excluded from the Settlement Class.

22 **16. What’s the difference between objecting and asking to be excluded?**

23 Objecting is simply telling the Court you do not like something about the Settlement. Excluding
24 yourself is telling the Court that you do not want to be part of the Settlement.

25 **THE COURT’S FINAL APPROVAL HEARING**

26 The Court will hold a hearing to decide whether to approve the settlement. If you have filed an
27 objection on time you may attend and you may ask to speak, but you don’t have to.

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

The Court will hold a Final Approval Hearing on **[insert time/date]** in Department 3 at the
Superior Court of California for the County of Santa Clara, located at **191 N. First Street, San
Jose, California**. The hearing may be moved to a different date and/or time without additional
notice. At this hearing, the Court will consider whether the settlement is fair, reasonable, and
adequate. If there are objections, the Court will consider them. The Court will only listen to
people who have asked to speak at the hearing. The Court will also decide how much to pay
Class Counsel. After the hearing, the Court will decide whether to approve the Settlement. We
do not know how long these decisions will take.

1 **18. Do I have to come to the hearing?**

2 No. Class Counsel will answer any questions the judge may have. But, you are welcome to come
3 at your own expense. If you send a written objection, you don't have to come to Court to talk
4 about it. As long as you mailed/filed your written objection on time, the Court will consider it.
You may also pay (at your own expense) another lawyer to attend, but it is not required.

5 **19. May I speak at the hearing?**

6 You do not need to file a written objection in order to appear at the hearing. Any Class Member,
7 or person purporting to object on behalf of any Class Member, may be received or considered by
8 the Court at the Final Approval Hearing, regardless of whether a written notice of objection is
9 filed or delivered to the Parties. If you intend to appear at the hearing, please check the Court
website at <https://www.scsccourt.org/> for current social distancing procedures for attendance at
hearings.

10 **IF YOU DO NOTHING**

11 **20. What happens if I do nothing at all?**

12 If you do nothing, you will be bound by the release of claims described in this notice and will
13 receive an Individual Settlement Award, provided the Court approves the Settlement.

14 **GETTING MORE INFORMATION**

15 **21. How do I get more information?**

16 The above is a summary of the basic terms of the Settlement. For the precise terms and conditions
17 of the Settlement, you may review the detailed "Joint Stipulation Re: Class Action Settlement and
18 Release" which is on file with the Clerk of Court. The pleadings and other records in the Action,
including the proposed Settlement, may be examined at any time during regular business hours at
19 the Office of the Clerk of Court for the Superior Court of California, County of Santa Clara, 191
North First Street, San Jose, California, 95113. You may also review most of the filings,
20 including the initial complaint, the Motion for Preliminary Approval of the proposed Settlement,
and the Settlement itself on the Court's website which is located at
21 <https://cmportal.scsccourt.org/Portal>

22 If you want additional information about the Action and its proceedings, or copies of settlement
23 paperwork, then you may contact Class Counsel who represents Plaintiff Anrika Mills and the
Settlement Class in this lawsuit. His contact information is:

24 Kevin R. Allen
25 **ALLEN ATTORNEY GROUP**
26 2121 N. California Blvd., Suite 290
Walnut Creek, CA 94596
27 Tel. (925) 695-4913
Fax (925) 334-7470
kevin@allenattorneygroup.com