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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES
CENTRAL DISTRICT – SPRING STREET COURTHOUSE

ANDREW BARROSO, individually and on
behalf of a class of similarly situated person,

Plaintiff,

v.

UMG RECORDINGS, INC. dba DEF JAM
RECORDINGS, a Delaware Corporation;
CORPORATE MANAGEMENT
SOLUTIONS, INC., a California Corporation;
ANTHONY LOW, an individual; and DOE 1
through and including DOE 10,

Defendants.

CASE NO. 20STCV37535

Judge: Hon. Maren Nelson
Dept: 17

**FIRST AMENDED CLASS
SETTLEMENT AGREEMENT**

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1. RECITALS

1.2 The Settlement Class Representative believes that the Settled Claims have merit and that the evidence developed to date supports his claims. However, the Settlement Class Representative and Settlement Class Counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the claims through trial, appeals, and ancillary actions. The Settlement Class Representative and Settlement Class Counsel also have taken into account the uncertain outcome and the risk of any litigation, as well as the difficulties, complexities, and delays inherent in such litigation. The Settlement Class Representative and Settlement Class Counsel also are mindful of the inherent problems of proof in establishing, and possible defenses to, the claims asserted in this Action. The Settlement Class Representative and Settlement Class Counsel believe that the Settlement set forth in this Agreement confers substantial benefits upon the Settlement Class. Based upon their evaluation, the Settlement Class Representative and Settlement Class Counsel have determined that the Settlement set forth in this Agreement is in the best interest of the Settlement Class and is fair, adequate, and reasonable.

1.3 Defendants have denied and continue to deny all liability with respect to any and all of the Settled Claims or the facts alleged in support thereof and have denied and continue to deny all charges of wrongdoing or liability against them arising out of or relating to any conduct, acts, or omissions alleged or that could have been alleged in the Action. Defendants' willingness to resolve the Settled Claims on the terms and conditions embodied in this Agreement is based on, among other things: (i) the time and expense associated with litigating the Settled Claims through trials and any appeals; (ii) the benefits of resolving the Settled Claims, including limiting further

1 expense, inconvenience and distraction, disposing of burdensome and protracted litigation, and
2 permitting Defendants to conduct their business unhampered by the distractions of continued
3 litigation; and (iii) the uncertainty and risks inherent in any litigation.

4 **1.4** The Parties to this Agreement recognize that the claims against Defendants are
5 strongly disputed, and the Parties wish to resolve completely and totally all Settled Claims against
6 Defendants and the other Released Parties.

7 **1.5** **NOW THEREFORE**, subject to Court approval, as hereinafter provided, it is
8 hereby agreed by the Parties that, in consideration of the promises and covenants set forth in this
9 Agreement, and upon the entry by the Court of a final order approving the Settlement and directing
10 the implementation of the terms and conditions of the Settlement as set forth in this Agreement,
11 this Action shall be settled and compromised upon the terms and conditions contained herein.

12 **2. DEFINITIONS**

13 As used in this Agreement, in addition to any definitions elsewhere in this Agreement, the
14 following terms shall have the meanings set forth below:

15 **2.1** **“Action”** means and refers to *Andrew Barroso v. UMG Recordings, Inc., et al.*, Los
16 Angeles County Superior Court Case No. 20STCV37535.

17 **2.2** **“Aggrieved Employees”** means and refers to all Persons who were issued itemized
18 wage statements for services on the Production during the PAGA Period.

19 **2.3** **“Agreement”** means and refers to this Settlement Agreement.

20 **2.4** **“Class Notice”** means and refers to a mutually-agreeable class notice approved by
21 the Court.

22 **2.5** **“Compensable Pay Periods”** means and refers to each payroll period during which
23 a Settlement Class Member worked on the Production and received payment at any time during
24 the Release Period.

25 **2.6** **“Complaint”** means and refers to the operative complaint in the Action. The
26 Parties may stipulate to file an amended complaint for purposes of facilitating approval.

27 **2.7** **“Court”** means and refers to the Superior Court of California, County of Los
28 Angeles.

1 **2.8 “Defendants”** means and refers collectively to UMG Recordings, Inc. and
2 Corporate Management Solutions, Inc.

3 **2.9 “Employment Taxes”** means and refers to all amounts which an employer is
4 required by state or federal law to withhold from wages paid to employees on behalf of the
5 employee including, without limitation, withholding of federal and state income taxes and payment
6 of the employee’s portion of FICA, Medicare taxes, and California State Disability Insurance.

7 **2.10 “Final Approval Order”** means and refers to the Court’s judgment and order
8 granting final approval of the class settlement following the motion as set forth in Section 5.3.
9 This Final Approval Order shall constitute approval pursuant to California Rules of Court 3.769(a)
10 and a judgment pursuant to California Rules of Court 3.769(h).

11 **2.11 “Final Effective Date”** means and refers to: (a) if no appeal, writ, or other request
12 for appellate review is filed, the expiration date of the time for the filing for any such appeal, writ,
13 or request for appellate review (which expiration date will be sixty-five (65) calendar days after
14 service of notice of entry of the Final Approval Order); and (b) if any appeal, writ, or other request
15 for appellate review is filed, the date when that appeal, writ, or request for appellate review is
16 finally ruled upon, denied, or dismissed, and no other appeal, writ or appellate review is possible.
17 However, the release of Settled Claims shall not become effective until the Settlement is fully-
18 funded by Defendants.

19 **2.12 “LWDA”** means and refers to the Labor & Workforce Development Agency.

20 **2.13 “Notice Program”** means and refers to the notice procedures set forth in Section 6.

21 **2.14 “Opt Out Period”** means and refers to the period of time between the
22 commencement of the Notice Program and an agreed date certain sixty (60) calendar days later
23 during which members of the Settlement Class may exercise the right to opt out of the Settlement
24 Class pursuant to the provisions of Section 7.

25 **2.15 “PAGA Letter”** means and refers to the letter sent by or on behalf of the
26 Settlement Class Members to the LWDA regarding the allegations in the Complaint, specifically
27 including the February 13, 2020 letter from Settlement Class Counsel to the LWDA regarding
28 Settlement Class Representative.

1 **2.16 “PAGA Period”** means and refers to the period between November 1, 2019 and
2 February 14, 2020.

3 **2.17 “PAGA Settled Claims”** means and refers to any and all claims raised in the
4 PAGA Letter. The Release of the PAGA Settled Claims will only become effective on the date
5 upon which Defendants fully fund the Settlement.

6 **2.18 “Participating Class Member”** means and refers to a Settlement Class Member
7 who does not timely and validly opt-out of the Settlement Class pursuant to the provisions of
8 Section 7.

9 **2.19 “Participating Class Member Allocation Amount”** means and refers to the
10 amount to be allocated to individual Participating Class Members as calculated pursuant to the
11 provisions of Section 10.2.1.

12 **2.20 “Participating Class Member Allocation Amount”** means and refers to the
13 amount to be allocated to individual Participating Class Members, as calculated pursuant to the
14 provisions of Section 10.2.1.

15 **2.21 “Parties”** means and refers to the Settlement Class Representative, for himself and
16 on behalf of the Settlement Class, and Defendants.

17 **2.22 “Person”** means and refers to any individual, proprietorship, corporation, personal
18 loan-out corporation, partnership, association, trustee, unincorporated association, or any other
19 type of legal entity, except a governmental entity.

20 **2.23 “Preliminary Approval Order”** means and refers to the Court’s order granting
21 preliminary approval of this Agreement and approval of the Notice Program following the motion
22 as set forth in Section 5.1. This Preliminary Approval Order shall constitute an order for and
23 setting a final approval hearing pursuant to California Rules of Court 3.769(d) and 3.769(e).

24 **2.24 “Production”** means and refers to the “Yummy” (also known as “Dinner Party”)
25 music video produced by Doomsday Entertainment in November 2019.

26 **2.25 “Release Period”** means and refers to the period between November 1, 2019 and
27 February 14, 2020.

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1 **2.26 “Released Party” and “Released Parties”** means and refers to: (a) Defendants and
2 each and all of Defendants’ past or present partners, parents, subsidiaries, or related entities
3 (regardless of whether such partners, parents, subsidiaries, or related entities are individuals,
4 corporations, partnerships, limited partnerships, limited liability companies, or other forms of
5 entity); (b) each and all of the predecessor or successor entities of any of those entities identified in
6 subparagraph (a); (c) any other individuals or entities of any kind, including but not limited to any
7 payroll companies employed or used by the Released Parties, which have been or could be alleged
8 to be in any manner responsible (whether on an alter ego, joint employer, statutory employer,
9 integrated enterprise, or any other theory) for any actual or alleged violations described in
10 Section 2.28 (specifically including, but not limited to, Doomsday Entertainment, Inc.); and (d) all
11 past and present owners, directors, officers, representatives, insurers, agents, shareholders,
12 partners, members, lawyers, and employees of any of the individuals or entities identified in
13 subparagraphs (a), (b), or (c) (specifically including, but not limited to, Anthony Low).

14 **2.27 “Releasing Party” and “Releasing Parties”** means and refers to the Settlement
15 Class and its members, agents, partners, joint venturers, affiliates, predecessors, successors, heirs,
16 assigns, insurers, personal loan-out corporations, and any other Persons or entities claiming by or
17 through the Settlement Class, in their capacities as such.

18 **2.28 “Settled Claims”** means and refers, in connection with the work or services
19 performed by the Settlement Class Member on the Production during the Release Period, to any
20 and all claims, liabilities, rights, demands, suits, matters, obligations, liens, damages, losses, costs,
21 expenses, debts, actions, and causes of action which in any way arises out of, is based on, or
22 relates in any way to the facts alleged in the Complaint, which specifically includes:
23 (a) minimum, regular, and/or overtime wages allegedly due; (b) meal or rest periods allegedly
24 missed, not provided, and/or denied; (c) check stubs, wage statements, documentation,
25 information, or records provided, delivered, or maintained, or not provided, delivered, or
26 maintained; (d) the payment, non-payment, or timeliness of payment of wages or premiums due or
27 allegedly due; (e) record-keeping obligations; (f) the payment or non-payment of reimbursements
28 required under California Labor Code Section 2802; (g) any penalties allegedly arising from the

1 classification of certain workers on the Production as independent contractors; (h) violation or
2 alleged violation of California Labor Code Sections 201.5, 203, 204, 210, 226, 226.7, 510, 515,
3 558, 558.1, 1193.6, 1194, 1194.2, 1197, 1197.1, 1198, 2810.3, or 2698 *et seq.*, the Business &
4 Professions Code, the federal Fair Labor Standards Act, any California Industrial Commission
5 Wage Order, and/or any other statute or regulation regarding the payment of minimum, regular,
6 and/or overtime wages, meal or rest period premiums, timing of payments, check stubs or wage
7 statements, record-keeping obligations, and/or reimbursement of expenses; (i) attorneys' fees due
8 or allegedly due under California Labor Code Section 218.5 or any other statute, regulation, or
9 contractual provision; (j) any other claims that Releasing Party has arising out of, based upon, or
10 relating to the allegations contained in the Complaint or in the PAGA Letter; and (k) penalties or
11 other payments which in any way arise out of, are based on, or relate in any way to any of the
12 foregoing, including but not limited to penalties, premiums, or payments under California Labor
13 Code Sections 201.5, 203, 204, 210, 226, 226.7, 226.8, 510, 512, 515, 558, 558.1, 1194, 1194.2,
14 1197, 1198, 2802, or 2698 *et seq.* the federal Fair Labor Standards Act, any California Industrial
15 Commission Wage Order, and/or any other statute or regulation regarding the payment of
16 minimum, regular, and/or overtime wages, meal or rest period premiums, timing of payments,
17 check stubs or wage statements, record-keeping obligations, worker classification, and/or
18 reimbursement of expenses. Without in any way limiting the foregoing, Settled Claims shall
19 include all claims, liabilities, rights, demands, suits, matters, obligations, liens, damages, losses,
20 costs, expenses, debts, actions, and causes of action under statutes and regulations set forth in this
21 Section, whether enforced directly or pursuant to California Labor Code Section 2699, California
22 Business and Professions Code Section 17200, *et seq.*, or any other mechanism. The Release of
23 the Settled Claims will only become effective on the date upon which Defendants fully fund the
24 Settlement.

25 **2.29 "Settlement"** means and refers to the settlement reflected in and to be effectuated
26 through this Agreement.

1 **2.30 “Settlement Administrator”** means and refers to a mutually-agreeable settlement
2 administrator with adequate security protocols, subject to Court approval, which will administer
3 the Settlement Fund as described in this Agreement.

4 **2.31 “Settlement Class” or “Settlement Class Member”** means and refers to the
5 Persons who were issued itemized wage statements for services on the Production during the
6 Release Period, except for SAG-AFTRA union members. Excluded from the Settlement Class are
7 all Persons who properly and timely elect to opt out pursuant to Section 7.

8 **2.32 “Settlement Class Counsel”** means and refers to Alan Harris, David Garrett, and
9 Min Ji Gal of Harris & Ruble.

10 **2.33 “Settlement Class Counsel’s Fees, Costs, and Expenses”** means and refers to the
11 amount awarded by the Court to Settlement Class Counsel for reasonable attorneys’ fees, costs,
12 and expenses associated with this Action and the resolution thereof, and no other settlement, as
13 described in Section 11.1.

14 **2.34 “Settlement Class Representative”** means and refers to Andrew Barroso.

15 **2.35 “Settlement Fund”** means and refers to the financial institution account established
16 to hold all proceeds from whatever source necessary to provide the benefits under this Agreement.

17 **2.36 “Settlement Termination Date”** means and refers to the date, if any, that
18 Defendants exercise their right to terminate this Agreement.

19 **3. SETTLEMENT PURPOSES ONLY**

20 **3.1 General.** This Agreement is for settlement purposes only.

21 **3.2 Settlement Class Only.** Any certification of a preliminary or final Settlement
22 Class pursuant to the terms of this Agreement shall not constitute nor be construed as an
23 admission, and shall not be admissible in any proceeding as an admission, on the part of
24 Defendants or any other Person that this Action or any other action is appropriate for class or
25 representative treatment at trial pursuant to Rule 23 of the Federal Rules of Civil Procedure,
26 California Code of Civil Procedure Section 382, California Labor Code Section 2698, *et seq.*
27 California Business and Professions Code Section 17200, *et seq.*, or any similar class and/or
28 representative action statute or rule. This Agreement shall not prejudice Defendants’ rights or any

1 other Person's rights to oppose certification of a litigated class or other representative treatment in
2 this Action or in any other action or proceeding. Settlement Class Counsel shall not refer to this
3 Agreement or make any argument concerning this Agreement in any contested proceeding to
4 certify a litigated class or obtain other representative treatment.

5 **3.3 Admissibility.** This Agreement, any negotiations or proceedings related hereto, the
6 implementation hereof, and any papers submitted in support of the motions for approval hereof
7 (collectively, the "Settlement Proceedings") shall not be construed as, nor be deemed to be
8 evidence of, any admission or concession by any of the Parties or any other Person regarding
9 liability or the appropriateness of class treatment, and shall not be offered or received in evidence
10 in any action or proceeding for any purpose whatsoever; provided, however, that this Agreement
11 and the Settlement Proceedings may be presented to the Court in connection with the
12 implementation or enforcement of this Agreement.

13 **3.4 Denial of Liability.** By entering into this Agreement, it is understood that
14 Defendants do not admit and, in fact, expressly deny that: (i) they have breached any duty,
15 obligation, or agreement; (ii) they have engaged in any illegal, tortious, or wrongful activity;
16 (iii) they are liable to members of the Settlement Class; or (iv) any damages have been sustained
17 by any Settlement Class Member or by any other Person.

18 **4. JURISDICTION**

19 **4.1 Continuing Jurisdiction.** The Court has, and shall continue to have, jurisdiction
20 to make any orders as may be appropriate to effectuate, consummate, and enforce the terms of this
21 Agreement, to approve the award of attorneys' fees, costs, and expenses pursuant hereto, and to
22 supervise the administration and distribution of money from the Settlement Fund pursuant to
23 California Code of Civil Procedure Section 664.6. Any dispute or question relating to or
24 concerning the interpretation, enforcement, or application of this Agreement shall be presented to
25 the Court for resolution.

26 **5. COURT APPROVAL OF THE SETTLEMENT**

27 **5.1 Preliminary Approval and Notice Approval.** After the execution of this
28 Agreement, Settlement Class Counsel shall move the Court for an order granting preliminary

1 approval of this Agreement and approval of the proposed Notice Program and, in connection
2 therewith, submit to the Court a mutually-acceptable proposed Preliminary Approval Order.

3 **5.2 Objections.** The Preliminary Approval Order shall specify that Settlement Class
4 Members shall have until an agreed date certain, which shall be sixty (60) calendar days from the
5 commencement of the Notice Program pursuant to Section 6, to send objections regarding this
6 Agreement to the Claims Administrator, which then shall serve those objections on the Court and
7 counsel for the Parties. The Court will also hear from any Settlement Class Member who attends
8 the final approval hearing and asks to speak regarding his or her objection, regardless of whether a
9 written objection was submitted.

10 **5.3 Final Approval.** Within thirty (30) calendar days following the expiration of the
11 Opt Out Period, if the Agreement has not been terminated in accordance with Section 8,
12 Settlement Class Counsel shall file a motion for final approval and, in connection therewith,
13 submit to the Court a mutually-acceptable proposed Final Approval Order.

14 **6. CLASS NOTICE**

15 **6.1 Mailed Notice.** Within twenty (20) calendar days after entry of the Preliminary
16 Approval Order, Defendants shall submit to the Settlement Administrator, in electronic form, a
17 list of all Settlement Class Members. The list shall include each Settlement Class Member's
18 name, last known address, social security number, and the number of pay periods on the
19 Production during the Release Period for which the Settlement Class Member received an
20 itemized wage statement, which the Settlement Administrator shall use to calculate the total
21 number of Compensable Pay Periods. Within fifteen (15) calendar days after receipt of the
22 foregoing list, the Settlement Administrator and/or its designee shall run a national change of
23 address update and send by first class postage prepaid U.S. mail a copy of the Class Notice
24 approved by the Court to each Settlement Class Member on the final list. Such Class Notice to
25 each Settlement Class Member shall contain the Settlement Class Member's Compensable Pay
26 Periods calculated from records and the estimated Participating Class Member Allocation
27 Amount. Any Class Notices returned to the Claims Administrator as undeliverable on or before
28 the deadline for postmarking the opt outs shall be sent promptly via First-Class U.S. Mail to the

1 forwarding address affixed thereto, and the Settlement Administrator shall indicate the date of
2 such re-mailing on the Notice Packets. If no forwarding address is provided, the Settlement
3 Administrator shall promptly attempt to determine the correct address using a single skip-trace or
4 other search using the name, address and/or Social Security Number of the Settlement Class
5 Member involved, and it shall then perform a single re-mailing within five (5) days of receiving
6 notice that the Class Notice was undeliverable. If, after performing a skip-trace search, the Class
7 Notice is still returned to the Settlement Administrator as undeliverable, that Person will be
8 deemed a Settlement Class Member. Those Settlement Class Members who receive a re-mailed
9 Class Notice shall have their deadline for postmarking an opt out or objecting to the Settlement
10 extended by fifteen (15) calendar days from the date of re-mailing or until the original deadline
11 for postmarking an opt out, whichever is later. There is no obligation to attempt to locate
12 Settlement Class Members after the opt out deadline set forth in the Class Notice.

13 **6.2 Cost of Notice and Administration.** The notice administration fees and costs for
14 this Settlement shall be paid from the Settlement Fund. Settlement Class Counsel preliminarily
15 estimates that such fees and costs will be approximately \$5,000. If the actual fees and costs
16 exceed \$5,000, the amounts payable to Settlement Class Members under Section 10 shall be
17 reduced *pro rata* to cover any excess notice and administration costs. Any amounts not utilized
18 for administration costs shall be included in the distributions to Participating Class Members.

19 **6.3 Records of Notice.** The Settlement Administrator shall keep records of all notices,
20 and the cost thereof. Promptly upon request, the Settlement Administrator shall provide a sworn
21 proof of mailing.

22 **6.4 Notice in English.** Based on the nature of their employment, all Settlement Class
23 Members are fluent in English such that no translation of the Class Notice is required.

1 **7. RIGHT OF EXCLUSION**

2 **7.1 Procedure.** Settlement Class Members may elect to opt out of the Settlement Class
3 and thus exclude themselves from the Action and the Settlement Class at any time during the Opt
4 Out Period. To exercise the opt out right set forth in this Section 7.1, a Settlement Class Member
5 must submit a written request to the Settlement Administrator to exclude himself or herself from
6 this Agreement, which request shall contain the Settlement Class Member's name, address,
7 telephone number, and last four digits of his or her social security number. Such requests for
8 exclusion must be sent to the Settlement Administrator and must be postmarked on or before the
9 end of the Opt Out Period. All Settlement Class Members who do not opt out in accordance with
10 this Agreement during the Opt Out Period will be deemed to have forever waived their right to opt
11 out of the Settlement Class and will be deemed Settlement Class Members for all purposes under
12 this Agreement and will be irrevocably bound by this Agreement. Any individual who timely and
13 properly opts out shall not be entitled to any individual relief under this Agreement. The
14 Settlement Administrator shall provide regular updates to Settlement Class Counsel and Mitchell
15 Silberberg & Knupp LLP as to any and all individuals who opt out of the Settlement Class.

16 **7.2 Withdrawal of Election to Opt Out.** Prior to the entry of the Final Approval
17 Order, any Person who has elected to opt out may withdraw that election by notifying the
18 Settlement Administrator in writing that he or she wishes to be a Settlement Class Member. The
19 Settlement Administrator shall maintain records of all withdrawn opt outs, and shall provide such
20 information to Settlement Class Counsel, Mitchell Silberberg & Knupp LLP, and the Court. At
21 any time after the entry of the Final Approval Order, any Person who has elected to opt out of this
22 Agreement may withdraw that election only upon receiving the written consent of Defendants and
23 Court approval. Whether or not a Class Member excludes himself/herself from the Settlement,
24 he/she will receive a check for his/her portion of the PAGA Payment (as defined herein), and
25 he/she shall release the PAGA Settled Claims.

26 **8. SETTLEMENT TERMINATION**

27 **8.1 Termination if Court Approval Is Not Obtained.** This Agreement is expressly
28 conditioned upon: (i) Court approval of this Agreement; (ii) entry of the Preliminary Approval

1 Order in a mutually-agreeable form; and (iii) entry of the Final Approval Order in a mutually-
2 agreeable form. If the Court declines to enter either of these Orders, or modifies (in what
3 Defendants reasonably determine to be a material way) any aspect of this Agreement or of such
4 Orders, Defendants shall have the independent right to terminate this Agreement as set forth in
5 Section 8.4. For purposes of this Section 8, a “material” modification shall include, but is not
6 limited to, any modification in the releases to be provided, or any modification that would increase
7 the Total Maximum Settlement Payment (defined below).

8 **8.2 Termination if Opt Out Limit Is Exceeded.** If more than ten percent (10%) of
9 Settlement Class Members opt out of the Settlement Class, Defendants shall have the right to
10 terminate this Agreement as set forth in Section 8.4.

11 **8.3 Termination after Appeal.** If a Court of Appeal on review of this Agreement
12 and/or the Final Approval Order declares unenforceable, reverses, vacates, or modifies (in what
13 Defendants reasonably determine to be a material way) any aspect of this Agreement or the Final
14 Approval Order, Defendants shall have the independent right to terminate this Agreement as set
15 forth in Section 8.4.

16 **8.4 Termination Procedure and Effect.** If Defendants elect to terminate this
17 Agreement pursuant to Sections 8.1, 8.2, and/or 8.3, Defendants may do so by giving written
18 notice to Settlement Class Counsel. Notice of termination pursuant to Section 8.1 must be given
19 within thirty (30) calendar days of the act or order declining to enter the Order or modifying this
20 Agreement, unless subject to further appeal, in which case the notice must be given prior to the
21 Final Effective Date. Notice of termination pursuant to Section 8.2 must be given prior to Final
22 Approval. Notice of termination pursuant to Section 8.3 must be given prior to the Final Effective
23 Date. If Defendants terminate this Agreement pursuant to Section 8, the termination shall void all
24 of the rights, obligations, and releases under this Agreement, except for those provisions that are
25 necessary to effectuate the termination. Within fifteen (15) calendar days after notice of
26 termination, the Settlement Administrator shall return all settlement payments made by Defendants
27 prior to such termination (inclusive of interest and exclusive of notice and administration costs
28 already expended). The Settlement Administrator shall then allocate such previously expended

1 notice and administration costs equally between Plaintiff and Defendants and invoice Plaintiff and
2 Defendants for half of such costs (with a credit to Defendants for previously paid costs). All
3 payments to the Settlement Administrator shall be due thirty (30) calendar days after receipt of the
4 Settlement Administrator's invoice.

5 **9. SETTLEMENT PAYMENTS**

6 **9.1 Funding Commitment.** Defendants shall fund the obligations of this Agreement
7 in accordance with the procedures set forth herein with a non-reversionary amount certain of
8 \$100,000 (the "Total Maximum Settlement Payment" or "TMSP"). The TMSP shall be used to
9 pay all of Settlement Class Counsel's Fees, Costs, and Expenses, all costs of claims
10 administration, all incentive payments to the Settlement Class Representative, the payment to the
11 LWDA, and all settlement payments to Participating Class Members. No Released Party shall be
12 required to pay anything above or beyond the TMSP, under any circumstance, as a result of this
13 Agreement.

14 **9.2 Funding upon Preliminary Approval.** Within ten (10) calendar days after the
15 entry of the Preliminary Approval Order, Defendants shall mail or wire to the Settlement
16 Administrator the sum of \$3,000 to pay for the notice program and initial administrative expenses.
17 The time to make such payment may be extended by mutual consent of the Parties.

18 **9.3 Additional Funding upon Final Effective Date.** Within ten (10) calendar days
19 after the Final Effective Date, Defendants shall mail or wire to the Settlement Administrator the
20 sum sufficient to pay Settlement Class Counsel's Fees, Costs, and Expenses, the incentive
21 payments to the Settlement Class Representative, the payment to the LWDA, any unpaid notice
22 and administration costs incurred to date, and the payments to the Participating Class Members.
23 The time to make such payment may be extended by mutual consent of the Parties.

24 **9.4 Payment of Settlement Class Counsel's Fees, Costs, and Expenses.** Within ten
25 (10) calendar days after receipt of the funds described in Section 9.3 above, the Settlement
26 Administrator shall wire the amount of Settlement Class Counsel's Fees, Costs, and Expenses to
27 Settlement Class Counsel from the Settlement Fund, unless the Agreement is terminated.

1 **9.5 Funding for Final Administrative Expenses.** Within fifteen (15) calendar days
2 after all of the checks distributed by the Settlement Administrator to Participating Class Members
3 are cashed, deposited, and/or expired (based on a 180-day stale date), the Settlement Administrator
4 shall notify the Parties in writing as to the total additional amount, if any, needed to pay the
5 Settlement Administrator's final invoice for fees and expenses. Within twenty (20) calendar days
6 after receipt of any notice under this Section 9.5, Defendants shall deposit such additional amount
7 into the Settlement Fund. In no circumstances will Defendants be responsible for more than the
8 TMSP, however.

9 **9.6 Interest on the Settlement Fund.** All interest generated by the monies in the
10 Settlement Fund shall accumulate and become part of the Settlement Fund.

11 **10. PROTOCOL FOR PAYMENTS TO SETTLEMENT CLASS MEMBERS**

12 **10.1 Settlement Administrator.** Subject to Court approval, a reputable, experienced
13 entity shall be the Settlement Administrator. The Settlement Administrator shall have the sole
14 authority to administer the Settlement Fund, and to disburse sums from the Settlement Fund. The
15 Settlement Administrator shall carry out its duties in strict accordance with the procedures set
16 forth in this Agreement, and any Party may move the Court to compel such compliance. The
17 Settlement Administrator shall submit monthly invoices to the Parties. With or without good
18 cause, the Parties may jointly move the Court to replace the Settlement Administrator. With good
19 cause, any Party may, of its own accord, move the Court to replace the Settlement Administrator.
20 The Court may on its own motion replace the Settlement Administrator at any time with or
21 without cause. Except for the specific funding obligations set forth in Section 9, the Parties shall
22 have no responsibility to members of the Settlement Class for the administration of claims or the
23 distribution of the cash benefits under this Agreement. The Claims Administrator shall set up a
24 website where the relevant documents for the Action shall be posted.

25 **10.2 Determination of Benefits.** After the Settlement Class Counsel's Fees, Costs, and
26 Expenses, all costs of claims administration (including a reasonable reserve for reasonably
27 anticipated future expenses), all incentive payments to the Settlement Class Representative, and
28 the payment to the LWDA have been satisfied from the Settlement Fund (or reserved for such

purpose if not yet paid), the remainder (the “Remainder”) shall be available to pay Participating Class Members. All Participating Class Members shall receive a payment based on their Participating Class Member Allocation Amount, as calculated below.

10.2.1 Calculation of Participating Class Member Allocation Amount. Each Participating Class Member shall be notified of their Participating Class Member Allocation Amount. The Participating Class Member Allocation Amount for each Participating Class Member shall be calculated as follows: (a) the number of Compensable Pay Periods the Participating Class Member worked; divided by (b) the aggregate number of Compensable Pay Periods worked by all Participating Class Members, which will result in the Participating Class Member’s “Pay Period Factor.” The Participating Class Member’s Pay Period Factor shall then be multiplied by (c) one hundred percent (100%) of the Remainder to determine the Class Member Allocation Amount. This calculation shall be based on the employer’s books and records and shall be provided to the Participating Class Members in the Class Notice provided in Section 6.1.

10.2.2 Disputes of Compensable Pay Periods. If any Settlement Class Member disputes the number of Compensable Pay Periods attributed to the Settlement Class Member as indicated in the Class Notice, the Settlement Class Member may state the basis of his or her disagreement and submit documentation supporting the Settlement Class Member’s position, by no later than the expiration of the Opt Out Period.

10.3 Notification of Proposed Benefits. Within ten (10) calendar days after the determination of the Participating Class Member Allocation Amounts, the Settlement Administrator shall send a report to Settlement Class Counsel and Mitchell Silberberg & Knupp LLP showing the proposed Participating Class Member Allocation Amount for each Participating Class Member. Neither this report nor any other document provided to Settlement Class Counsel shall include any identifying information for members of the Settlement Class.

10.4 Corrections to the Proposed Benefits. Settlement Class Counsel and Defendants shall have ten (10) calendar days from the mailing of the report of proposed benefits referenced in

1 Section 10.3 to notify the Settlement Administrator in writing of any errors in the calculation of
2 the Participating Class Member Allocation Amounts.

3 **10.5 Taxes.** Based upon an analysis of the facts of this Action, Settlement Class
4 Counsel determined that all payments to the Participating Class Members will be treated as
5 penalties and interest and shall not be subject to Employment Taxes. The Settlement
6 Administrator shall issue to each Participating Class Member an IRS Form 1099 to report each
7 Participating Class Member's cash benefit.

8 **10.6 Notice and Payment to Settlement Class Members.** Within twenty (20) calendar
9 days after receipt of the funds described in Section 9.3 above, the Settlement Administrator shall
10 distribute to each Participating Class Member a check in the amount equal to the total cash
11 payment(s) such member is entitled to receive under Section 10.2, as corrected pursuant to
12 Section 10.4.

13 **10.6.1** All settlement checks sent to Participating Class Members and not cashed
14 within one hundred eighty (180) calendar days of issuance shall be sent to the California
15 State Controller's Office: Unclaimed Property Fund. Any cash benefit owed to any
16 Participating Class Member whose addresses cannot be located (after use of the search
17 processes described in Section 6.1) shall also be sent to the California State Controller's
18 Office: Unclaimed Property Fund.

19 **10.7 Payment to LWDA.** Andrew Barroso, as an allegedly aggrieved employee, filed
20 this lawsuit on behalf of other current and former employees under the Private Attorneys General
21 Act, California Labor Code Section 2699, *et seq.* ("PAGA"). From the TMSP, \$10,000 is
22 allocated to and designated as penalties pursuant to PAGA, seventy-five percent (75%) of which
23 shall be paid to the LWDA. Within twenty (20) calendar days after receipt of the funds described
24 in Section 9.3 above, the Settlement Administrator shall pay \$7,500 to the LWDA from the
25 Settlement Fund. This payment shall constitute full satisfaction of the obligation, if any, to pay
26 civil penalties to the LWDA pursuant to California Labor Code Section 2699(i). Twenty-five
27 percent (25%) of the PAGA Payment (the "Aggrieved Employees' PAGA Share") shall be
28 payable to the Aggrieved Employees, based upon the Aggrieved Employee's pro rata share of

1 work weeks worked during the PAGA Period. The Aggrieved Employees' individual awards will
2 be determined by first dividing the PAGA Payment by the total number of work weeks worked by
3 the Aggrieved Employees during the PAGA Period, resulting in the PAGA Work Week Value.
4 The PAGA Work Week Value will then be multiplied by the number of work weeks worked by
5 each Aggrieved Employee during the PAGA Period to arrive at their individual Settlement
6 awards.

7 **10.8 Maintenance of Records.** The Settlement Administrator shall maintain complete,
8 accurate, and detailed records regarding the administration of the Settlement Fund, including but
9 not limited to, any objection to proposed benefits and the resolution thereof and any and all
10 receipts by and disbursements from the Settlement Fund. The Settlement Administrator shall
11 make such records available to counsel for the Parties or to their designee upon reasonable request
12 and at reasonable times. Upon request, the Settlement Administrator shall provide such records to
13 Defendants in an electronic format designated by Defendants. The Settlement Administrator shall
14 maintain all records for a period of not less than four (4) years following the expiration of the
15 Final Effective Date.

16 **11. SETTLEMENT CLASS COUNSEL'S FEES, COSTS, AND EXPENSES AND**
17 **SETTLEMENT CLASS REPRESENTATIVE'S INCENTIVE PAYMENT**

18 **11.1 Settlement Class Counsel's Fees, Costs, and Expenses.** In connection with the
19 motion for final approval, Settlement Class Counsel shall file a motion with the Court seeking
20 approval of an award of attorneys' fees in an aggregate amount that does not exceed the sum of
21 \$33,333 and an award of actual costs and expenses that does not exceed \$5,000. Defendants agree
22 not to oppose such motion for attorneys' fees, costs, and expenses. In the event that any Court
23 approves an award in excess of \$33,333 for attorneys' fees or in excess of \$5,000 for costs and
24 expenses, Settlement Class Counsel shall take only the amounts listed in this Section and the
25 difference shall be treated as otherwise provided herein. The amounts so awarded shall be for and
26 in complete satisfaction of all attorneys' fees, costs, and expenses incurred to date by the
27 Settlement Class Representative, Settlement Class Counsel on behalf of the Settlement Class
28 Representative and the Settlement Class, and of all such future fees, costs, and expenses, including

1 fees, costs, and expenses incurred in documenting this Settlement, securing Court approval of this
2 Settlement, monitoring this Settlement, reviewing and participating in the claims and distribution
3 administration process, and obtaining the Final Approval Order. The Settlement Administrator
4 will give Settlement Class Counsel an IRS Form 1099 for the awarded Settlement Class Counsel's
5 Fees, Costs, and Expenses. Not later than the Final Effective Date, Settlement Class Counsel shall
6 provide a fully and properly executed IRS Form W-9 for purposes of the payments which the
7 Settlement Administrator will make to Settlement Class Counsel.

8 **11.2 Incentive Payment.** In connection with the motion for final approval, Settlement
9 Class Counsel shall submit a request to the Court seeking approval for an award of incentive
10 payment to the Settlement Class Representative appointed by the Court that does not exceed the
11 sum of \$5,000. Such payment shall be in addition to the Settlement Class Representative's cash
12 benefit under Section 10. In the event that any Court awards an incentive payment in excess of
13 \$5,000 to Settlement Class Representative, the Settlement Class Representative shall take only
14 \$5,000, and the difference shall be treated as otherwise specified herein. The Settlement
15 Administrator shall mail the incentive payment check to the Settlement Class Representative (care
16 of Settlement Class Counsel) within ten (10) calendar days after receipt of the funds described in
17 Section 9.3 above. Settlement Class Representative agrees that the incentive payment is not a
18 wage payment. The Settlement Administrator shall issue an IRS Form 1099 to the Settlement
19 Class Representative for the incentive payment.

20 **11.3 No Additional Fees, Costs, or Expenses.** Except as provided herein, each
21 Settlement Class Member shall bear his/her/its own attorneys' fees, costs, and expenses incurred
22 in connection with any claim against Defendants.

23 **12. FINAL ACCOUNTING AND DISPOSITION OF SETTLEMENT MONIES**

24 **12.1 Final Accounting.** By no later than ninety (90) calendar days after the earlier of
25 (a) the Settlement Termination Date or (b) the occurrence of both the Final Effective Date and the
26 distribution of all checks referenced in Section 10.6, the Settlement Administrator shall submit to
27 the Parties a final accounting of all monies paid into and out of the Settlement Fund.
28

1 **12.2 No Further Obligations.** Upon receipt of the final accounting referenced in
2 Section 12.1 and the satisfaction of the final invoice referenced in Section 9.5, Defendants shall
3 have no obligation to provide further funding pursuant to this Agreement.

4 **13. RELEASES**

5 **13.1 Final Approval Order.** The Final Approval Order shall include a release by the
6 Releasing Parties of and from any and all Settled Claims. The release will only become effective
7 on the date upon which Defendants fully fund the Settlement.

8 **13.2 Release.** Except for the obligations and rights created by this Agreement, the
9 Releasing Parties hereby release and absolutely and forever discharge Defendants and all other
10 Released Parties and Persons of and from any and all Settled Claims upon the date that Defendants
11 fully fund the Settlement.

12 **13.3 California Civil Code Section 1542.**

13 **13.3.1 Settlement Class Representative.** To the fullest extent permitted by law,
14 Settlement Class Representative waives and relinquishes any and all rights or benefits he
15 has or may have under California Civil Code Section 1542, or any comparable provision of
16 state or federal law, against Released Parties. California Civil Code Section 1542
17 provides:

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

21 Settlement Class Representative acknowledges that he is aware that he or his
22 attorneys may hereafter discover claims or facts in addition to or different from those now
23 known or believed to be true with respect to the subject matter of this Agreement and/or
24 the Settled Claims. Settlement Class Representative acknowledges that he intends to and
25 will fully, finally, and forever settle and release any and all claims, including but not
26 limited to the Settled Claims described in Section 2.28, whether known or unknown,
27 suspected or unsuspected, which now exist, hereinafter may exist, or heretofore may have
28 existed. In furtherance of this intention, the releases contained in this Agreement shall be

1 and remain in effect as full and complete releases by the Settlement Class Representative
2 without regard to the subsequent discovery or existence of such different or additional
3 claims or facts.

4 **13.4 Release of FLSA Claims.** Without conceding that any release of claims under the
5 Fair Labor Standards Act (“FLSA”) requires any affirmative conduct or opt-in by the Releasing
6 Parties, the Parties agree that the cashing of checks by the Releasing Parties shall be deemed an
7 opt-in to an FLSA collective action, the settlement of which includes the FLSA releases specified
8 in Section 2.28. However, nothing in this Section or elsewhere in this Agreement shall preclude
9 the Releasing Parties from being bound by the releases in this Agreement whether or not they
10 receive or cash their checks. Each Releasing Party’s check will include the following language, or
11 words to that effect, immediately above the endorsement signature line: “I understand and
12 acknowledge that, by cashing or depositing this check, I reiterate my agreement to the release set
13 forth in the Settlement, including release of wage and hour claims, and to opt into the Settlement
14 for purposes of the Fair Labor Standards Act (FLSA), and forever release any FLSA claims related
15 to the claims asserted in the Action.”

16 **14. NOTICES**

17 **14.1 Designated Recipients.** Unless otherwise specified in this Agreement or agreed to
18 in writing by the Party receiving such communication, all notices, requests, or other required
19 communications hereunder shall be in writing and shall be sent by one of the following methods:
20 (a) by electronic mail; (b) by facsimile, with the original by first class mail, postage prepaid; or
21 (c) by personal or overnight delivery (including by Federal Express or other courier service). All
22 such communications shall be sent to the undersigned persons at their respective addresses as set
23 forth herein.

24 Settlement Class Counsel:

25 Alan Harris (harrisa@harrisandruble.com)
26 David Garrett (dgarrett@harrisandruble.com)
27 Min Ji Gal (mgal@harrisandruble.com)
28 Harris & Ruble
655 North Central Avenue, 17th Floor
Glendale, California 91203
Facsimile: (323) 962-3004

1 Defendants:
2 Emma Luevano (eyl@msk.com)
3 Mitchell Silberberg & Knupp LLP
4 2049 Century Park East, 18th Floor
5 Los Angeles, California 90067
6 Facsimile: (310) 312-3100

7 Notice shall be deemed effective: (1) if given by electronic means, at the time of
8 transmission if the sender does not receive an error message; (2) if given by mail or personal
9 delivery, when signed for or when delivery is refused; and (3) if given by facsimile, when received
10 as evidenced by a confirmation or evidence of delivery.

11 **14.2 Changes in Designated Recipients.** Any Party may re-designate the Person to
12 receive notices, requests, demands, or other communications required or permitted by this
13 Agreement by providing written notice to the other Parties and the Settlement Administrator.

14 **15. MISCELLANEOUS**

15 **15.1 Entire Agreement.** This Agreement supersedes and replaces any and all other
16 prior agreements and all negotiations leading up to the execution of this Agreement, whether oral
17 or in writing, between the Parties with respect to the subject matter hereof. The Parties
18 acknowledge that no representations, inducements, promises, or statements, oral or otherwise,
19 have been made or relied upon by any of the Parties or by anyone acting on behalf of the Parties
20 which are not embodied or incorporated by reference herein, and further agree that no other
21 covenant, representation, inducement, promise or statement not set forth in writing in this
22 Agreement shall be valid or binding.

23 **15.2 Modification or Amendment.** This Agreement may not be modified or amended,
24 except in writing with the unanimous consent of the Parties and with the approval of the Court.

25 **15.3 Execution in Counterparts.** This Agreement may be executed by signature of the
26 Parties hereto, or their authorized representatives, on multiple copies of this Agreement, including
27 copies transmitted by facsimile or electronic portable document format (PDF), and, upon being so
28 executed by all Parties hereto, shall be effective as if all signatures appeared on the original of this
29 Agreement.

1 **15.4 Authority of Counsel.** Settlement Class Counsel are authorized by the members
2 of the Settlement Class, and by the Court, to take all appropriate action required and permitted to
3 be taken by the Settlement Class pursuant to this Agreement to effectuate its terms, and, subject to
4 Court approval, are authorized to enter into any modification or amendments to this Agreement on
5 behalf of the Settlement Class which they deem appropriate.

6 **15.5 Headings.** The headings of the sections, paragraphs, subparagraphs, and exhibits
7 of this Agreement are included for convenience only and shall not be deemed to constitute part of
8 this Agreement or to affect its construction.

9 **15.6 Liens.** The Parties released under this Agreement shall have no obligation to pay
10 or otherwise resolve any liens that are or may be asserted against settlement payments to members
11 of the Settlement Class pursuant to the terms of this Agreement. In the event any such lien is
12 asserted, it is the responsibility of the Settlement Class Member to pay, compromise, or otherwise
13 resolve the lien at no cost to Defendants, the Released Parties, or the Settlement Fund.

14 **15.7 Inapplicability of California Code of Civil Procedure Section 384.** The Parties
15 agree that California Code of Civil Procedure Section 384 does not apply to this Settlement, as
16 Defendants will not pay any portion of the TMSP to Settlement Class Members who opt out of the
17 Settlement. Thus, there will be no “unpaid residue” within the meaning of California Code of
18 Civil Procedure Section 384. Neither the Settlement Class Representative nor Settlement Class
19 Counsel shall take, or cause any other person to take, a position before the Court that California
20 Code of Civil Procedure Section 384 applies to this Settlement.

21 **15.8 No Encouragement to Opt Out.** The Parties agree that neither they nor their
22 counsel will solicit or otherwise directly or indirectly encourage Settlement Class Members to
23 request exclusion from the Settlement Class, to object to this Settlement, or to appeal from the
24 Final Approval Order. The Settlement Class Representative will not request exclusion from the
25 Settlement Class. The Settlement Class Representative and Settlement Class Counsel will not
26 object to this Settlement and will not appeal from the Final Approval Order, or any portion of it.

27 **15.9 No Publicity.** The Parties agree not to contact the press, which includes issuing a
28 press release, or to hold a press conference announcing the terms of the Settlement. If the Parties

1 are contacted by the press or receive other third party inquiries regarding the Settlement or the
2 case, the Parties shall be limited in their response to inform the initiating contactor that the Parties
3 have reached agreement to their mutual satisfaction and that the initiating contactor should refer to
4 the public records filed with the Court for more information. Each Party shall use all reasonable
5 efforts to ensure that any public statements or press communication about the Settlement with
6 Settlement Class Members prior to the Court-approved Class Notice being mailed by the
7 Settlement Administrator will be limited to a general statement that a settlement has been reached
8 and the details will be communicated to them by U.S. Mail in a forthcoming Court-approved Class
9 Notice.

10 **15.10 Gender.** Whenever in this Agreement the context so requires, the neuter gender
11 shall refer to and include the masculine or feminine or non-binary, and the singular shall refer to
12 and include the plural.

13 **15.11 Further Acts.** The Parties shall perform such further acts and execute such further
14 documents as may be reasonably necessary or appropriate to effectuate the terms and purposes of
15 this Agreement.

16 **15.12 Beneficiaries.** This Agreement shall be binding upon the Parties and each of them,
17 and each of their respective heirs, successors, and assignees, and shall inure to the benefit of the
18 Parties, as well as to each of the Released Parties, each of whom shall be deemed a third party
19 beneficiary of this Agreement.

20 **15.13 Choice of Law and Jurisdiction.** This Agreement in all respects shall be
21 interpreted, enforced, and governed by and under the laws of the State of California applicable to
22 instruments, Persons, and transactions which have legal contacts and relationships solely within
23 the State of California. Any action pertaining to the terms of this Agreement that is not covered
24 by Section 4.1 shall be brought in a court of competent jurisdiction located in the State of
25 California.

26 **15.14 Warranty Regarding Advice.** Settlement Class Counsel warrants that Settlement
27 Class Representative has been fully advised of and agrees to the terms of this Agreement.
28 Settlement Class Representative hereby acknowledges that he has been represented by legal counsel

1 throughout all negotiations which preceded the execution of this Agreement, and that this
2 Agreement has been executed with the consent and on the advice of said counsel.

3 **15.15 No Tax Advice.** None of the Released Parties has any responsibility or liability for
4 any tax matters relating to any payments made under this Agreement including, but not limited to,
5 tax advice and/or the withholding of or reporting of taxes.

6 **15.16 Notice of Entry of Judgment.** Notice of Entry of Judgment Following Final
7 Approval of Class Settlement shall state that “[o]n [date of entry of Judgment], 2022, the Court
8 entered Judgment in this Class Action Settlement. The Judgment shall be attached to the Notice of
9 Entry of Judgment. The Notice of Entry of the Court’s Judgment shall be effectuated by:
10 (a) serving it on the Settlement Class through service upon Defendants’ counsel by Class Counsel,
11 and (b) posting it on the Settlement Administrator’s website. See Cal. Rules of Court, Rule
12 3.771(b)).

13
14 AGREED TO AND ACCEPTED.

15
16 **ANDREW BARROSO**

17
18 Dated: _____

17 By: _____
18 Andrew Barroso
19 Settlement Class Representative

20 **UMG RECORDINGS, INC.**

21
22 Dated: _____

21 By: _____
22
23 Its: _____

24 **CORPORATE MANAGEMENT
SOLUTIONS, INC.**

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26 Dated: _____

25 By: _____
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27 Its: _____
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APPROVED AS TO FORM.

HARRIS & RUBLE

Dated: _____ By: _____
Alan Harris
Settlement Class Counsel

MITCHELL SILBERBERG & KNUPP LLP

Dated: _____ By: _____
Emma Luevano
Attorneys for Defendants