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12 PROPERTY PREP SERVICES, INC. and
PARKING PROS, INC.
13

14 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
15 **FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE**
16

17 CARLOS FRANCO, on behalf of himself and
all other similarly situated,

18 Plaintiffs,
19

20 v.

PROPERTY PREP SERVICES, INC., a
21 California corporation; PARKING PROS,
INC., a California corporation; and DOES 1
22 through 100, Inclusive

23 Defendants.
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25
26
27
28

CASE NO.: 20STCV05646

[Assigned for all purposes to the Hon.
Maren E. Nelson - Dept. 17]

**JOINT STIPULATION FOR CLASS
ACTION SETTLEMENT**

1 TO THE COURT:

2 This Joint Stipulation for Class Action Settlement ("Settlement Agreement") is made
3 and entered into by and between Carlos Franco ("Plaintiff"), individually and on behalf of all
4 others similarly situated and acting in his private attorney general capacity, and Property Prep
5 Services, Inc. and Parking Pros, Inc. ("Defendants") (collectively, referred to as the "Parties"),
6 and is subject to the terms and conditions below, and to the Court's approval. The Parties
7 expressly acknowledge that this Settlement Agreement is entered into solely for the purpose of
8 compromising significantly disputed claims and that nothing in this Settlement Agreement is an
9 admission of liability or wrongdoing by Defendants. If for any reason the Settlement
10 Agreement is not approved, it will be of no force or effect, and the Parties will be returned to
11 their respective positions immediately prior to and as if they had never executed this Settlement
12 Agreement as more fully set forth below.

13 DEFINITIONS

14 The following definitions are applicable to this Settlement Agreement. Definitions
15 contained elsewhere in this Settlement Agreement will also be effective:

16 1. "Action" means *Franco v. Property Prep Services, Inc., et al.*, Los Angeles
17 County Superior Court Case No. 20STCV05646.

18 2. "Claims Administrator" means Simpluris, Inc. or any other third-party class
19 action settlement claims administrator agreed to by the Parties and approved by the Court for
20 the purposes of administering this Settlement. The Parties each represent that they do not have
21 any financial interest in the Claims Administrator or otherwise have a relationship with the
22 Claims Administrator that could create a conflict of interest.

23 3. "Claims Administration Expenses" means the costs payable to the Claims
24 Administrator for administering this Settlement, including, but not limited to, printing,
25 translating into Spanish, conducting a National Change of Address ("NCOA") search,
26 distributing (including with appropriate postage), and tracking documents for this Settlement in
27 English and Spanish, any searches to locate any Class Members, tax reporting, distributing the
28 Individual Settlement Payments, Class Representatives Enhancement Payment, Class Counsel

1 Fees and Costs, and providing necessary certification of completion of notice, reports and
2 declarations, establishing and administering a qualified settlement fund account and other
3 responsibilities set forth in this Settlement Agreement and as requested by the Parties. The
4 Claims Administration Expenses are currently estimated to be not more than Six Thousand
5 Dollars (\$6,000).

6 4. "Class Counsel" means Michael Nourmand and James A. DeSario of The
7 Nourmand Law Firm, APC.

8 5. "Class Counsel Fees and Costs" means attorneys' fees, costs, and expenses
9 approved by the Court for Class Counsel's litigation and resolution of the Action, and all costs
10 incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs
11 associated with documenting the Settlement, providing any notices required as part of the
12 Settlement or Court order, securing the Court's approval of the Settlement, administering the
13 Settlement, and obtaining entry of the Judgment terminating the Action. Class Counsel will
14 request attorneys' fees of not to exceed 33.33% of the Gross Settlement Amount or One
15 Hundred Twenty-Five Thousand Dollars (\$125,000) and litigation costs and expenses not to
16 exceed Twenty Thousand Dollars (\$20,000). Defendants have agreed not to oppose Class
17 Counsel's request for Class Counsel Fees and Costs.

18 6. "Class List" means a complete list of all Class Members that Defendants will
19 diligently and in good faith compile from their records and provide on a confidential basis to
20 the Claims Administrator within seven (7) calendar days after the Court's entry of an order
21 granting preliminary approval of this Settlement. The Class List will be formatted in Microsoft
22 Office Excel and Defendants will use their best efforts to include each Class Member's full
23 name; most recent mailing address; last known telephone number if readily available; dates of
24 employment or number of workweeks worked during the Class Period; and Social Security
25 number.

26 7. "Class Member(s)" or "Settlement Class" means Plaintiff and all current and
27 former hourly non-exempt employees of Defendants within California at any time during the
28 Class Period.

1 8. “Class Period” means the period from February 13, 2016 through January 24,
2 2021.

3 9. “Class Representative Enhancement Payment” means the amount to be paid from
4 the Gross Settlement Amount to the named Plaintiff in exchange for executing a general release
5 and in recognition of his effort in prosecuting the Action on behalf of Class Members. Plaintiff
6 will request and Defendants will not oppose Plaintiff’s application to the court for a payment of
7 Seven Thousand Five Hundred Dollars (\$7,500) for enhancement payment for his willingness
8 to serve as Class Representative.

9 10. “Court” means the Los Angeles County Superior Court, or any other court taking
10 jurisdiction of the Action.

11 11. “Defense Counsel” or “Defendants’ Counsel” means Alfred J. Landegger, Oscar
12 E. Rivas, and Evelyn Zarraga of Landegger Rivas Verano & Davis, ALC.

13 12. “Effective Date” means the date when the Final Approval Order becomes final
14 and Defendants fully fund the Gross Settlement Amount. For purposes of this Paragraph, the
15 Final Approval Order “becomes final” upon the last to occur of the following: (a) if there are no
16 objections to the Settlement, the date the Court enters an order granting final approval of the
17 Settlement; or (b) if there are objections to the Settlement, and if an appeal, review, or writ is
18 not sought from the Final Approval Order, the day after the time period to appeal the Settlement
19 has expired, i.e., 60 days from the date the Court enters an order granting final approval of the
20 Settlement.

21 13. “Gross Settlement Amount” means the maximum settlement amount of Three
22 Hundred Seventy-Five Thousand Dollars (\$375,000) (“Gross Settlement Amount”), which has
23 been and/or will be paid by Defendants in full satisfaction of all claims arising from the Action.
24 The Gross Settlement Amount includes all Individual Settlement Payments to Participating
25 Class Members, the Class Representative Enhancement Payment, Claims Administration
26 Expenses, Class Counsel Fees and Cost, and PAGA penalties in the amount of Ten Thousand
27 Dollars (\$10,000) of which 75% or Seven Thousand Five Hundred Dollars (\$7,500) will be
28 paid to the Labor Workforce Development Agency (“LWDA”) and 25% or Two Thousand Five

1 Hundred Dollars (\$2,500) to PAGA Group Members. Defendants will pay the employer's share
2 of payroll taxes, as applicable, in addition to the Gross Settlement Amount. The Claims
3 Administrator will calculate the appropriate amount of the employers' share of the payroll taxes
4 for Defendants and advise Defendants of the total amount owed as employer-side payroll taxes.
5 Except for employer-side payroll taxes as provided in this Settlement Agreement, and as
6 provided for in Paragraph 50 regarding an Increase in Workweeks, under no circumstances
7 shall Defendants be required to pay more than the Gross Settlement Amount.

8 14. "Individual Settlement Payment" means each Participating Class Member's and
9 PAGA Group Member's share of the Net Settlement Amount, to be distributed to Plaintiff,
10 PAGA Group Members, and Class Members who do not request exclusion from the settlement.
11 Individual Settlement Payments will be determined by the calculations provided in this
12 Agreement.

13 15. "Net Settlement Amount" means the maximum amount available for distribution
14 to the Class Members, after deduction of Class Counsel Fees and Costs, Class Representative
15 Enhancement Payment, Claims Administration Expenses, and \$7,500 as PAGA penalties to the
16 LWDA from the Gross Settlement Amount.

17 16. "Notice of Objection" means a Class Member's valid and timely written
18 objection to the Settlement Agreement. For the objection to be valid, it must include: (i) the
19 objector's full name, signature, address, and telephone number; (ii) a written statement of all
20 grounds for the objection accompanied by any legal support for such objection; (iii) copies of
21 any papers, briefs, or other documents upon which the objection is based; and (iv) a list of all
22 persons who will be called to testify in support of the objection. Further, an objector may
23 appear at the Final Approval hearing, either in person or through counsel, at his or her expense.
24 The Parties will be permitted to respond in writing to such objections at least seven calendar
25 days prior to the Final Approval hearing or within the time period set by the Court.

26 17. "Notice" means the Notice of Class Action Settlement, substantially in the form
27 attached as Exhibit A.
28

1 18. "PAGA" means the California Private Attorneys General Act of 2004, which is
2 codified in California Labor Code §§ 2698 et seq.

3 19. "PAGA Group Member(s)" means Plaintiff and all current and former hourly
4 non-exempt employees of Defendants within California at any time during the PAGA Period.

5 20. "PAGA Period" means the period from February 13, 2019 through January 24,
6 2021.

7 21. "PAGA Settlement Amount" means the portion of the Gross Settlement Amount
8 allocated to the resolution of Class Members' claims arising under PAGA. The Parties have
9 agreed that the PAGA Settlement Amount is Ten Thousand Dollars (\$10,000), subject to Court
10 approval. Of the PAGA Settlement Amount, 75% or Seven Thousand Five Hundred Dollars
11 (\$7,500) will be paid to the LWDA ("LWDA Payment"), and the remaining 25% or Two
12 Thousand Five Hundred Dollars (\$2,500) will be distributed to PAGA Group Members.

13 22. "Participating Class Members" means all Class Members who do not submit
14 valid Requests for Exclusion.

15 23. "Preliminary Approval" means the Court order granting preliminary approval of
16 the Settlement Agreement.

17 24. "Released Class Claims" means any and all *California* wage and hour claims,
18 debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages,
19 penalties, interest, and causes of action, arising from or related to the claims pled in Plaintiff's
20 operative complaint ("Complaint") or that could have been pled in the Complaint based on the
21 factual allegations pled in the Complaint, including all claims for allegedly unpaid minimum
22 and overtime wages, failure to provide compliant meal breaks, failure to provide compliant rest
23 breaks, inaccurate wage statements, and failure to pay all wages owed upon termination under
24 the California Labor Code, or applicable wage order(s), unfair competition claims under
25 California Business & Professions Code §17200, et seq. based on the labor code violations
26 alleged and violations of California Labor Code §§ 201-203, 226, 226.2, 226.7, 510, 512, 1194,
27 1194.2, 1197 including any penalties, restitution, disgorgement, interest or attorneys' fees
28 thereon. This release will cover all Class Members who do not opt out.

1 25. “Released PAGA Claims” means any and all claims for civil Penalties under
2 PAGA [Cal. Lab. Code §§ 2699, *et seq.*] based on the labor code violations alleged and that are
3 based upon or arise from the factual allegations in Plaintiff’s notice(s) sent to the LWDA and
4 alleged in the operative Complaint, including all attorneys’ fees and costs related thereto,
5 regardless of whether PAGA Group Members opt out from the Settlement Agreement.

6 26. “Released Parties” means Defendants and Defendants’ former and present
7 parents, subsidiaries and affiliated companies and entities, franchisors and franchisees, and its
8 current, former, and future owners, officers, shareholders, directors, members, managers,
9 operators, principals, employees, consultants, vendors, partners, affiliates, subsidiaries,
10 members, divisions, fiduciaries, trustees shareholders, attorneys, insurers, payroll providers,
11 joint venturers and agents, and any successors and predecessors in interest, assigns, or legal
12 representatives and any individual or entity who or which could be jointly liable with
13 Defendants and all persons or entities acting by, through under or in concert with any of them.

14 27. “Request for Exclusion” means a timely letter submitted by a Class Member
15 indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a)
16 set forth the name, address, telephone number and last four digits of the Social Security
17 Number of the Class Member requesting exclusion; (b) be signed by the Class Member; (c) be
18 returned by mail or fax to the Claims Administrator at the specified address or fax number
19 indicated in the Notice; (d) clearly state that the Class Member does not wish to be included in
20 the Settlement; and (e) be faxed or postmarked on or before the Response Deadline.

21 28. “Response Deadline” means the deadline by which Class Members must fax or
22 postmark to the Claims Administrator a valid Request for Exclusion, submit objections to the
23 Settlement or dispute workweeks. The Response Deadline will be forty-five (45) calendar days
24 from the initial mailing of the Notice by the Claims Administrator. The Response Deadline for
25 Request for Exclusion, objection or dispute workweeks will be extended fifteen (15) calendar
26 days for any Class Member who is re-mailed a Notice by the Claims Administrator in
27 accordance with the notice procedure described in Paragraphs 41 through 44 of this Settlement
28

1 Agreement. The Response Deadline may also be extended by express agreement between Class
2 Counsel and Defendants' counsel.

3 29. "Workweeks" means the number of weeks that Class Members worked for
4 Defendants as hourly non-exempt employees within California during the Class Period.

5 TERMS OF AGREEMENT

6 Plaintiff, on behalf of himself and the Settlement Class, and Defendants agree as
7 follows:

8 30. Settlement Funding. Defendants shall fund the Gross Settlement Amount by
9 making twenty-four equal installment payments in the amount of Fifteen Thousand Six
10 Hundred Twenty-Five Dollars (\$15,625) commencing December 30, 2020 to be transferred
11 and/or deposited with the Claims Administrator who will deposit the funds into an interest-
12 bearing trust account referred to as the Qualified Settlement Fund account from which the
13 Claims Administrator will have authority to distribute money in accordance with the terms of
14 this Settlement Agreement. The employers' share of the payroll taxes arising from the payments
15 made under this Settlement shall be paid by Defendants in addition to the Gross Settlement
16 Amount and paid in addition to the twenty-fourth installment payment. The Claims
17 Administrator will calculate the appropriate amount of the employers' share of the payroll taxes
18 for Defendants. The Parties agree that Defendants' payment obligations with respect to each
19 installment payment made pursuant to this Agreement shall be met upon initiating the
20 electronic transfer of funds to the Claims Administrator, pursuant to its instructions. Except as
21 provided in Paragraphs 61 and 62, no part of the Gross Settlement Amount shall revert to
22 Defendants.

23 31. Cure Provision. If Defendants fail to timely make an installment payment as set
24 forth in this Agreement, Defendants and Guarantors shall have fourteen (14) calendar days from
25 the date written notice of default in payment is provided to counsel for Defendants and
26 Guarantors to cure the untimely installment payment. Defendants and Guarantors shall make
27 any payment under this provision pursuant to the Claims Administrator's electronic transfer
28 instructions. The Parties expressly agree that the Defendants' payment obligations with respect

1 to any cure shall be met upon initiating the electronic transfer of funds to the Claims
2 Administrator, pursuant to its instructions.

3 32. Class Counsel Fees and Costs. Defendants agree not to oppose or impede any
4 application or motion by Class Counsel for Class Counsel Fees in the amount of up to One
5 Hundred Twenty-Five Thousand Dollars (\$125,000), plus the reimbursement of the actual costs
6 and expenses associated with Class Counsel's litigation and settlement of the Action, not to
7 exceed Twenty Thousand Dollars (\$20,000). In consideration of their awarded attorneys' fees
8 and costs and expenses, Plaintiff and Class Counsel waive any and all claims to any further
9 attorneys' fees and expenses in connection with the Action. To the extent that the Court
10 approves less than the amount of attorney's fees and/or costs that Class Counsel requests, the
11 difference between the requested and awarded amounts will be reallocated to the Net Settlement
12 Amount. The Claims Administrator shall issue an IRS Form 1099 to Class Counsel for any
13 attorneys' fees and costs award.

14 33. Class Representative Enhancement Payment. In exchange for named Plaintiff's
15 executing a general release, and in recognition of his effort in prosecuting the Action on behalf
16 of Class Members, Defendants agree not to oppose or impede any application or motion for a
17 Class Representative Enhancement Payment of up to Seven Thousand Five Hundred Dollars
18 (\$7,500) to the named Plaintiff. The Class Representative Enhancement Payment, which will
19 be paid from the Gross Settlement Amount, will be in addition to Plaintiff's Individual
20 Settlement Payment paid pursuant to the Settlement. Plaintiff will be solely and legally
21 responsible to pay any and all applicable taxes, penalties and interest on the payment made
22 pursuant to this paragraph and will hold Defendants harmless from any claim or liability for
23 taxes, penalties, or interest arising as a result of the payment. The Claims Administrator shall
24 issue an IRS Form 1099 to Plaintiff for any Class Representative Enhancement Payment. To the
25 extent that the Court approves less than the amount of Class Representative Enhancement
26 Payment that Class Counsel request, the difference between the requested and awarded amounts
27 will be reallocated to the Net Settlement Amount.

1 34. Claims Administration Expenses. The Claims Administrator will be paid for the
2 reasonable fees and costs of administration of the Settlement, which are estimated no to exceed
3 Six Thousand Dollars (\$6,000). These will include, *inter alia*, fees and costs payable to the
4 Claims Administrator for printing, translating into Spanish, distributing (including with
5 appropriate postage), and tracking documents for this Settlement in English and Spanish, any
6 searches to locate any Class Members, calculating estimated amounts per Class Member, tax
7 reporting, distributing the Individual Settlement Payments, Class Representative Enhancement
8 Payment, Class Counsel Fees and Costs, payment to LWDA for PAGA penalties, and providing
9 necessary certification of completion of notice, reports and declarations, establishing and
10 administering a Qualified Settlement Fund account, required tax reporting on the Individual
11 Settlement Payments, the issuing of 1099 and W-2 IRS forms, calculating the employers' share
12 of payroll taxes on the wage portion of the Individual Settlement Payments and coordinating
13 related reporting, and other responsibilities as requested by the Parties. The Claims
14 Administration Expenses will be paid from the Gross Settlement Amount. To the extent that the
15 Court approves less than the amount of Claims Administration Expenses that Class Counsel
16 requests, the difference between the requested and awarded amounts will be reallocated to the
17 Net Settlement Amount. Any amounts not used by the Claims Administrator for Claims
18 Administration Expenses shall be added to the Net Settlement Amount. The Claims
19 Administrator shall issue an IRS Form 1099 to the Claims Administrator for any Claims
20 Administration Expenses.

21 35. Net Settlement Amount. The Net Settlement Amount will be used to satisfy
22 Individual Settlement Payments to Participating Class Members from the Settlement Class and
23 PAGA Group Members in accordance with the terms of this Agreement.

24 36. Individual Settlement Payment Calculations. Defendants will provide the Claims
25 Administrator with the total number of Workweeks for each Class Member during the Class
26 Period and Workweeks for each PAGA Group Member during the PAGA Period. The Claims
27 Administrator will divide the Net Settlement Amount less \$2,500 (or the Court approved
28 amount from the PAGA Settlement Amount allocated for PAGA penalties to PAGA Group

Members) by the total number of workweeks ("Work Week Rate Amount") and then multiply this amount by each Class Member's total number of Workweeks to yield that employee's Net Settlement Payment. In the event a Class Member submits a timely Request for Exclusion from the settlement, his/her share of the settlement will be added to the Net Settlement Amount.

$$\frac{\text{[NET SETTLEMENT AMOUNT minus \$2,500]}}{\text{Total number of Workweeks for all Participating Class Members}} \times \text{Participating Class Member's Workweeks}$$

In additional, each Class Member who is a PAGA Group Member will be paid a pro-rata share of the \$2,500.00 allocated for PAGA penalties to PAGA Group Members, as calculated by the Claims Administrator, with a formula similar to payments to Participating Class Members.

$$\frac{\text{\$2,500 for PAGA Penalties to PAGA Group Members}}{\text{Total number of Workweeks for all PAGA Group Members during PAGA Period}} \times \text{Individual PAGA Group Member's Workweeks during PAGA Period}$$

The Individual Settlement Payment for any Participating Class Member who is also a PAGA Employee shall include the Participating Class Member's share of the PAGA Settlement Amount allocated for PAGA penalties to PAGA Group Members.

Class Members who are PAGA Employees will not be permitted to exclude themselves from the PAGA claim portion of the Settlement. PAGA penalty settlement payments in the appropriate amounts will be distributed by the Claims Administrator by mail to the PAGA Group Members including to those Class Members who are PAGA Group Members who submitted a request for exclusion.

1 37. No Credit Toward Benefit Plans. All Settlement Awards to Class Members shall
2 be deemed to be income to such Class Members solely in the year in which such awards
3 actually are received by the Class Members. It is expressly understood and agreed that the
4 receipt of such Settlement Awards will not entitle any Class Member to additional
5 compensation or benefits under any company bonus, paid time off (including vacation and sick
6 leave), or other compensation or benefit plan or agreement in place during the period covered
7 by the Settlement, nor will it entitle any Class Member to any increased retirement, 401(k)
8 benefits or matching benefits, or deferred compensation benefits. It is the intent of this
9 Settlement that the Settlement Awards provided for in this Agreement are the sole payments to
10 be made by Defendants to the Class Members in connection with this Settlement, and that the
11 Class Members are not entitled to any new or additional compensation or benefits as a result of
12 having received the Settlement Awards (notwithstanding any contrary language or agreement in
13 any benefit or compensation plan document that might have been in effect during the period
14 covered by this Settlement).

15 38. Claims Administration Process. The Parties agree to cooperate in the
16 administration of the settlement and to make all reasonable efforts to control and minimize the
17 costs and expenses incurred in administration of the Settlement.

18 39. Delivery of the Class List. Within seven (7) calendar days of Preliminary
19 Approval, Defendants will provide the Class List to the Claims Administrator.

20 40. Notice by First-Class U.S. Mail. Within seven (7) calendar days after receiving
21 the Class List from Defendants, the Claims Administrator will mail the Notice to all Class
22 Members via regular First-Class U.S. Mail.

23 41. Confirmation of Contact Information in the Class Lists. Prior to mailing, the
24 Claims Administrator will perform a search based on the National Change of Address Database
25 for information to update and correct for any known or identifiable address changes. Any
26 Notice returned to the Claims Administrator as non-deliverable on or before the Response
27 Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address, and
28 the Claims Administrator will indicate the date of such re-mailing on the Notice. If no

1 forwarding address is provided, the Claims Administrator will promptly attempt to determine
2 the correct address using a skip-trace, or other search using the name, address and/or Social
3 Security number of the Class Member involved, and will then perform a single re-mailing.
4 Those Class Members who receive a re-mailed Notice will have between the latter of (i) an
5 additional fifteen calendar (15) days or (ii) the Response Deadline to fax or postmark a Request
6 for Exclusion, submit an objection to the Settlement or dispute workweeks.

7 42. Notice. All Class Members will be mailed the Notice. The Notice will provide:
8 (1) information regarding the nature of the Action, (2) a summary of the Settlement's principal
9 terms, (3) the Settlement Class definition, (4) each Class Member's number of workweeks
10 worked during the Class Period, (5) each Class Member's estimated Individual Settlement
11 Payment; (6) the dates which comprise the Class Period, (7) instructions on how to submit valid
12 Requests for Exclusion, objections or dispute workweeks, (8) the deadlines by which the Class
13 Member must fax or postmark Request for Exclusions, submit objections to the Settlement or
14 dispute workweeks, and (9) the claims to be released, as set forth in this Settlement Agreement.

15 43. Request for Exclusion Procedures. Any Class Member wishing to opt out from
16 the Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the
17 Claims Administrator within the Response Deadline. The date of the fax or postmark on the
18 return mailing envelope will be the exclusive means to determine whether a Request for
19 Exclusion has been timely submitted. The Parties to this Agreement and their counsel agree that
20 they will not solicit or encourage Class Members to opt-out or object to this Settlement
21 Agreement. If the Court approves the compromise of the PAGA claim, all PAGA Group
22 Members are bound by the Court's resolution of that claim. Class Members who are also
23 PAGA Group Members submitting a request for exclusion will nevertheless receive their pro-
24 rata share of the 25% of the PAGA Settlement Amount allocated for PAGA penalties to PAGA
25 Group Members.

26 44. Defective Submissions. If a Class Member's Request for Exclusion is defective
27 as to the requirements listed in this Settlement Agreement, that Class Member will be given an
28 opportunity to cure the defect(s). The Claims Administrator will mail the Class Member a cure

1 letter within three (3) calendar days of receiving the defective submission to advise the Class
2 Member that his or her submission is defective and that the defect must be cured to render the
3 Request for Exclusion valid. The Class Member will have until the later of (i) Response
4 Deadline or (ii) fifteen (15) calendar days from the date of the cure letter to fax or postmark a
5 revised Request for Exclusion.

6 45. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
7 Member who requests to be excluded from the Settlement Agreement will not be entitled to any
8 recovery under the Settlement and will not be bound by the terms of the Settlement (other than
9 as it applies to the PAGA claim with respect to the PAGA Group Members) or have any right to
10 object, appeal, or comment thereon. Any Class Member who does not affirmatively opt out of
11 the Settlement Agreement by submitting a timely and valid Request for Exclusion will be
12 bound by all of its terms, including those pertaining to the Released Class Claims, as well as
13 any Judgment that may be entered by the Court if it grants final approval to the Settlement. If
14 the Court approves the compromise of the PAGA claim, Class Members who are also PAGA
15 Group Members submitting a request for exclusion will nevertheless be bound by the Court's
16 resolution of that claim and receive their pro-rata share of the 25% of the PAGA Payment
17 allocated to the PAGA Group Members.

18 46. Objection Procedures. To object to the Settlement Agreement, a Class Member
19 may not submit a Request for Exclusion and must mail a valid Notice of Objection to the
20 Claims Administrator by the Response Deadline. The Claims Administrator will notify counsel
21 for the Parties forthwith via email. Class Counsel will lodge the objection with the Court. The
22 Notice of Objection must be signed by the Class Member and contain all information required
23 by this Settlement Agreement. The postmark date of the mailing will be deemed the exclusive
24 means for determining that the Notice of Objection is timely. Class Members who wish to
25 object will have a right to appear at the Final Approval Hearing, with or without counsel at
26 his/her own expense, in order to have their objections heard by the Court. At no time will any
27 of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit
28

1 written objections to the Settlement Agreement or appeal from the Final Approval Order and
2 Judgment.

3 47. Certification Reports Regarding Individual Settlement Payment Calculations.

4 The Claims Administrator will provide Defendants' counsel and Class Counsel a weekly report
5 which certifies: (i) the number of Class Members who have submitted valid Request for
6 Exclusion and objections; and (ii) the number of any deficient Request for Exclusion.
7 Additionally, the Claims Administrator will provide to counsel for both Parties any updated
8 reports regarding the administration of the Settlement Agreement as needed or requested.

9 48. Timing of Distribution of Individual Settlement Payments. Within three (3)
10 calendar days of Defendants depositing the twenty-fourth and final installment payment as set
11 forth above, the Claims Administrator will issue payments to (1) Participating Class Members
12 and PAGA Group Members; (2) Plaintiff; (3) Class Counsel; and (4) payment to LWDA. The
13 Claims Administrator will also issue a payment to itself for Court-approved services performed
14 in connection with the settlement.

15 49. Uncashed or Undeliverable Settlement Checks. Individual settlement checks
16 paid to participating Class Members will be valid for 180 days. Participating Class Members
17 will have one hundred eighty (180) calendar days from the date of issuance of the check to cash
18 their check. For any check not cashed after 180 calendar days, the Claims Administrator will
19 send the amount represented by the check to the California State Controller Unclaimed
20 Property, with the identity of the Participating Class Member to whom the funds belong, to be
21 held for the participating Class Member per California Unclaimed Property Law, in the interest
22 of justice. The money paid to the California State Controller Unclaimed Property will remain
23 the Participating Class Member's property. This will allow Participating Class Members who
24 did not cash their checks to collect their Individual Settlement Amounts at any time in the
25 future. Therefore, there will be no unpaid residue or unclaimed or abandoned class member
26 funds, and the California Code of Civil Procedure section 384 shall not apply. The funds will
27 be held by the State until claimed by the employee and the uncashed check never ceases to be
28 the employee's property.

1 50. Increase in Workweeks. Defendants represent that that there are approximately
2 13,612 total workweeks as of November 19, 2020. In the event the total number of workweeks
3 exceeds by more than 10%, i.e., 14,973 by the end of the Class Period, the Net Settlement
4 Amount shall be increased by determining the workweek value calculated off of 14,973
5 workweeks and multiplied by the additional number of workweeks. For example, if the total
6 number of workweeks is 15,000 and the workweek value is \$10.00 per workweek, Defendants
7 would have to increase the Net Settlement Amount by \$270 ($15,000 - 14,973 = 27 \times \$10.00 =$
8 \$270).

9 51. Certification of Completion. Upon completion of administration of the
10 Settlement, the Claims Administrator will provide a written declaration under oath to certify
11 such completion to the Court and counsel for all Parties.

12 52. Treatment of Individual Settlement Payments. All Individual Settlement
13 Payments will be allocated as follows: 100% of each PAGA Groups Members pro-rate share of
14 the \$2,500.00 allocated for PAGA penalties shall be allocated as penalties; 20% of each
15 Individual Settlement Payment (less any amounts attributed to PAGA penalties) will be
16 allocated for the settlement of wage claims; and 80% of each Individual Settlement Payment
17 (less any amounts attributed to PAGA penalties) will be allocated for the settlement of interest
18 and penalties. The portion allocated to wages in each Individual Settlement Payment will be
19 reported on an IRS Form W-2 and the portion allocated to interest and penalties will be reported
20 on an IRS Form-1099 by the Claims Administrator.

21 53. Administration of Taxes by the Claims Administrator. The Claims
22 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, PAGA
23 Group Members, Class Counsel, and Defendants any W-2, 1099, or other tax forms as may be
24 required by law for all amounts paid pursuant to this Settlement Agreement. The Claims
25 Administrator will also be responsible for forwarding all payroll taxes and other legally
26 required withholdings, and related reporting, to the appropriate government authorities.

27 54. Defendants' Responsibility for Employer Taxes: For any portion of the Class
28 Members' Individual Settlement Payments that are designated as "wages" for purposes of tax

1 reporting, the employer's taxes, employer contributions of all federal, state, and local taxes
2 (including, but not limited to, FICA, FUTA, and SDI), will be paid in addition to the Gross
3 Settlement Amount, via and with the Claims Administrator's assistance.

4 55. No Tax Advice or Liability. The Parties have had an opportunity to consult with
5 independent tax counsel. The Parties are not giving any tax advice in connection with the
6 settlement or any payments to be made pursuant to the Agreement. The Parties do not intend
7 anything contained in this Agreement, or any written communication or disclosure between or
8 among the parties or their attorneys and other advisers, to constitute legal advice regarding the
9 taxability of any amount paid hereunder, nor shall anything in this Agreement, nor any written
10 communication or disclosure between or among the parties or their attorneys and other advisers,
11 constitute or be relied upon as such. By participating in the settlement, each Participating Class
12 Members and PAGA Group Members shall agree to be solely and legally responsible for paying
13 all other applicable taxes on their respective Individual Settlement Payments and shall
14 indemnify and hold harmless the Parties from any claim or liability for taxes, penalties, or
15 interest arising as a result of the payments.

16 56. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
17 PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY
18 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER
19 PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
20 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN
21 OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR
22 WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR
23 DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX
24 ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT
25 CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY
26 (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT
27 LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN
28 CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS

1 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR
2 ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED
3 TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR
4 ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE
5 IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISOR
6 TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE
7 CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S TAX STRATEGIES
8 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
9 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR
10 TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION
11 CONTEMPLATED BY THIS AGREEMENT.

12 57. No Prior Assignments. The Parties and their counsel represent, covenant, and
13 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported
14 to assign, transfer, or encumber to any person or entity any portion of any liability, claim,
15 demand, action, cause of action or right released and discharged in this Settlement Agreement.
16 58. Release of Claims by Class Members. Upon the date the Court enters an order
17 granting final approval of the Settlement and Defendants fully fund the Cross Settlement

18 Amount, all Class Members who do not timely submit a valid Request for Exclusion do and
19 will be deemed to have fully, finally and forever released, settled, compromised, relinquished,
20 waived, and discharged any and all of the Released Parties of and from any and all Released
21 Class Claims accruing during the Class Period. In addition, on the date the Court enters an
22 order granting final approval of the settlement, all Class Members who do not timely submit a
23 valid Request for Exclusion and all successors in interest will be barred from prosecuting or
24 participating in any and all Released Class Claims against the Released Parties. Furthermore,
25 upon the date the Court enters an order granting final approval of the Settlement and
26 Defendants fully fund the Cross Settlement Amount, the State of California and PAGA Group
27 Members (regardless of whether PAGA Group Members opt out of the Class Settlement)
28 release the Released Parties from the Released PAGA Claims.

1 59. Release by Plaintiff. Upon the date the Court enters an order granting final
2 approval of the settlement and Defendants fully fund the Gross Settlement Amount, in addition
3 to the claims being released by all Class Members, Plaintiff will provide the following
4 additional general release ("General Release") : Plaintiff, on his own behalf and on behalf of
5 his heirs, spouses, executors, administrators, attorneys, agents and assigns, fully and finally,
6 irrevocably and unconditionally releases the Released Parties from all complaints, claims,
7 demands, rights, obligations, penalties, liabilities, damages, debts, expenses (including
8 attorneys' fees and costs actually incurred) and causes of action of every nature and description
9 whatsoever, known or unknown, asserted or that might have been asserted, whether in tort,
10 contract, or for violation of any state or federal statute, rule or regulation arising out of, relating
11 to, or in connection with any act or omission by or on the part of any of the Released Parties
12 committed or omitted prior to the execution of this Agreement, including but not limited to
13 claims arising from the California Constitution; Title VII of the Civil Rights Act of 1964 (42
14 U.S.C. §2000e); the California Fair Employment and Housing Act (Cal. Govt. Code §12900 et
15 seq.); the Americans with Disabilities Act; the Age Discrimination in Employment Act (29
16 U.S.C. §§621-633a); the Older Workers' Benefit Protection Act; the Private Attorneys General
17 Act of 2004; and claims of intentional infliction of emotional distress; defamation and/or libel,
18 or any other damage to reputation claims; breach of implied contract or for claims of a breach
19 of the covenant of good faith and fair dealing, as well as any other express or implied covenant;
20 or any other statute or common law principle of similar effect. This General Release includes
21 any unknown claims Plaintiff does not know or suspect to exist in his favor at the time of this
22 General Release, which, if known by him, might have affected his settlement with, and release
23 of, the Released Parties or might have affected his decision not to object to this Settlement or
24 this Release. To the extent the foregoing releases are releases to which Section 1542 of the
25 California Civil Code or similar provisions of other applicable law may apply, Plaintiff
26 expressly waive any and all rights and benefits conferred upon them by the provisions of
27 Section 1542 of the California Civil Code or similar provisions of applicable law which are as
28 follows:

1 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH**
2 **THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS**
3 **OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE,**
4 **WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY**
5 **AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.**

6 The significance of this release and waiver of Civil Code Section 1542 has been explained to
7 Plaintiff by his respective counsel. Release by Plaintiff expressly excludes any claims for
8 workers compensation against Defendants.

9 60. Neutral Reference. Defendants agree that they will only provide a neutral
10 reference for Plaintiff should any prospective employers or anyone contact them regarding
11 Plaintiff's employment. Defendants shall only provide the dates of employment and Plaintiff's
12 last job title held with Defendants.

13 61. Nullification of Settlement Agreement. The Parties have agreed to the
14 certification of the Class encompassing all claims alleged in the Action for the sole purpose of
15 effectuating this Agreement. If (a) the Court should for any reason fail to certify this Class for
16 settlement, or (b) the Court should for any reason fail to approve this Settlement, or (c) the
17 Court should for any reason fail to enter the Final Approval Order, or (d) the Final Order is
18 reversed, or declared or rendered void, or (e) the Court should for any reason fail to dispose of
19 the Action in its entirety, then (i) this Agreement shall be considered null and void; (ii) neither
20 this Agreement nor any of the related negotiations or proceedings shall be of any force or
21 effect; (iii) any order or judgment entered by the Court in furtherance of this Settlement
22 Agreement will likewise be treated as void from the beginning; (iv) all Parties to this
23 Agreement shall stand in the same position, without prejudice, as if the Agreement had been
24 neither entered into nor filed with the Court; (v) Defendants will not be deemed to have waived,
25 limited, or affected in any way any of its objections, or defenses in this Action; (vi) the fact that
26 the Parties were willing to stipulate to class certification of all causes of action pled in the
27 Action as part of the Settlement will have no bearing on, and will not be admissible in
28 connection with, the issue of whether the Class should be certified by the Court in a non-

1 settlement context in this Action or any other action, and in any of those events, Defendants
2 expressly reserves the right to oppose certification of the Class; (vii) any installment payments
3 made to the Claims Administrator pursuant to this agreement, including any interest accrued
4 thereon, will revert back to Defendants; and (viii) Defendants and Plaintiff will each be
5 responsible for one-half of the Settlement Administration Costs incurred to date, not to exceed a
6 combined total of \$6,000. Invalidation of any material portion of this Settlement shall
7 invalidate this Settlement in its entirety unless the Parties agree in writing that the remaining
8 provisions shall remain in full force and effect.

9 62. Right to Withdraw. Notwithstanding any other provision contained in this
10 Agreement, if more than Ten Percent (10%) of the Class Members submit timely and valid
11 requests for exclusion from the Settlement during the opt-out period outlined herein,
12 Defendants shall have the option but not the obligation, in its sole discretion, to withdraw from
13 this Settlement Agreement (“Right to Withdraw”), whereupon the Agreement shall be null and
14 void for any and all purposes and may not be used or introduced in the Action or any other
15 proceeding. The Parties will be restored to their respective positions in the litigation as if this
16 Agreement was never negotiated, drafted or agreed upon. Any installment payments made to
17 the Claims Administrator pursuant to this agreement, including any interest accrued thereon,
18 will revert back to Defendants. However, if Defendants exercise their Right to Withdraw,
19 Defendants will be responsible for all Settlement Administration Costs incurred up to the date
20 when the Defendants exercise their Right to Withdraw, not to exceed \$6,000. The Settlement
21 Administrator shall notify Class Counsel and Counsel for Defendants of the number of timely
22 opt-outs within five (5) calendar days after the period to file an Opt-Out has expired. If
23 Defendants elect to exercise their Right to Withdraw under this provision, Defendants will so
24 notify Class Counsel and the Court no later than five (5) calendar days after receiving notice of
25 the number of opt-outs and/or value of the valid claims made by the Participating Class
26 Members.

27 63. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to
28 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary

1 Approval Order for: (i) conditional certification of the Settlement Class for settlement purposes
2 only, (ii) preliminary approval of the proposed Settlement Agreement, and (iii) setting a date
3 for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will
4 provide for the Notice to be sent to all Class Members as specified in this Settlement
5 Agreement. In conjunction with the Preliminary Approval motion, Plaintiff will submit this
6 Settlement Agreement, which sets forth the terms of this Settlement and will include the
7 proposed Notice. Prior to Plaintiff applying to the Court for Preliminary Approval of the
8 Settlement Agreement, Class Counsel shall submit the Settlement Agreement to the LWDA in
9 conformity with California Labor Code § 2699(l)(2).

10 64. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of
11 the deadlines to fax or postmark Request for Exclusion or submit objections to the Settlement
12 Agreement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will
13 be conducted to determine the Final Approval of the Settlement Agreement along with the
14 amounts properly payable for (i) Individual Settlement Payments; (ii) the Class Counsel Fees
15 and Costs; (iii) the Class Representative Enhancement Payment; (iv) payment to LWDA for
16 PAGA penalties; and (v) all Claims Administration Expenses. Class Counsel will be
17 responsible for drafting all documents necessary to obtain final approval. Class Counsel will
18 also be responsible for drafting the attorneys' fees and costs application to be heard at the Final
19 Approval/Settlement Fairness Hearing.

20 65. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by
21 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present a
22 proposed Judgment to the Court for its approval. Pursuant to California Rules of Court, Rule
23 3.771(b), the Claims Administrator shall post on its website a copy of the Judgment for a period
24 of thirty days from the date the Court signs the Judgment. After entry of the Judgment, the
25 Court will have continuing jurisdiction pursuant to California *Code of Civil Procedure* section
26 664.6 solely for purposes of addressing: (i) the interpretation and enforcement of the terms of
27 the Settlement Agreement, (ii) settlement administration matters, and (iii) such post- Judgment
28 matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

1 Upon entry of the Judgment by the Court, Class Counsel shall submit the Judgment to the
2 LWDA in conformity with California Labor Code § 2699(l)(3).

3 66. Exhibits Incorporated by Reference. The terms of this Settlement Agreement
4 include the terms set forth in any attached Exhibits, which are incorporated by this reference as
5 though fully set forth in this Settlement Agreement. Any Exhibits to this Agreement are an
6 integral part of the Settlement.

7 67. Entire Agreement. This Settlement Agreement and any attached Exhibits
8 constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous
9 written or oral agreements may be deemed binding on the Parties. The Parties expressly
10 recognize California Civil Code Section 1625 and California Code of Civil Procedure Section
11 1856(a), which provide that a written agreement is to be construed according to its terms and
12 may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such
13 extrinsic oral or written representations or terms will modify, vary or contradict the terms of
14 this Agreement.

15 68. Amendment or Modification. This Settlement Agreement may be amended or
16 modified only by a written instrument signed by counsel for all Parties or their successors-in-
17 interest.

18 69. Authorization to Enter Into Settlement Agreement. Counsel for all Parties
19 warrant and represent they are expressly authorized by the Parties whom they represent to
20 negotiate this Settlement Agreement and to take all appropriate action required or permitted to
21 be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to
22 execute any other documents required to effectuate the terms of this Settlement Agreement.
23 The Parties and their counsel will cooperate with each other and use their best efforts to effect
24 the implementation of the Settlement. If the Parties are unable to reach agreement on the form
25 or content of any document needed to implement the Settlement Agreement, or on any
26 supplemental provisions that may become necessary to effectuate the terms of this Settlement
27 Agreement, the Parties may seek the assistance of the Court to resolve such disagreement.

28

1 70. Binding on Successors and Assigns. This Settlement Agreement will be binding
2 upon, and inure to the benefit of, the successors or assigns of the Parties to this Settlement
3 Agreement, as previously defined.

4 71. Execution and Counterparts. This Settlement Agreement is subject only to the
5 execution of all Parties. However, the Settlement Agreement may be executed in one or more
6 counterparts. All executed counterparts and each of them, including facsimile and scanned
7 copies of the signature page, will be deemed to be one and the same instrument provided that
8 counsel for the Parties will exchange among themselves original signed counterparts.

9 72. Acknowledgement that the Settlement is Fair and Reasonable. The Parties
10 believe this Settlement Agreement is a fair, adequate and reasonable settlement of the Action
11 and have arrived at this Settlement Agreement after arm's-length negotiations and in the
12 context of adversarial litigation, taking into account all relevant factors, present and potential.
13 The Parties further acknowledge that they are each represented by competent counsel and that
14 they have had an opportunity to consult with their counsel regarding the fairness and
15 reasonableness of this Settlement Agreement.

16 73. Invalidity of Any Provision. Before declaring any provision of this Settlement
17 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest
18 extent possible consistent with applicable precedents so as to define all provisions of this
19 Settlement Agreement valid and enforceable.

20 74. Waiver of Certain Appeals. The Parties agree to waive appeals; except,
21 however, that Plaintiff or Class Counsel may appeal any reduction in the Class Counsel Fees
22 and Costs below the amount requested from the Court.

23 75. Captions. The captions and section numbers in this Agreement are inserted for
24 the reader's convenience, and in no way define, limit, construe or describe the scope or intent of
25 the provisions of this Agreement.

26 76. Waiver. No waiver of any condition or covenant contained in this Agreement or
27 failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
28

1 constitute a further waiver by such party of the same or any other condition, covenant, right or
2 remedy.

3 77. Enforcement Actions. In the event that one or more of the Parties institutes any
4 legal action or other proceeding against any other Party to enforce the provisions of this .
5 Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement,
6 the successful Party will be entitled to recover from the unsuccessful Party reasonable
7 attorneys' fees and costs, including expert witness fees incurred in connection with any
8 enforcement actions.

9 78. Mutual Preparation. The Parties have had a full opportunity to negotiate the
10 terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement
11 will not be construed more strictly against one party than another merely by virtue of the fact
12 that it may have been prepared by counsel for one of the Parties, it being recognized that,
13 because of the arms-length negotiations between the Parties, all Parties have contributed to the
14 preparation of this Agreement.

15 79. Representation By Counsel. The Parties acknowledge that they have been
16 represented by counsel throughout all negotiations that preceded the execution of this
17 Settlement Agreement, and that this Settlement Agreement has been executed with the consent
18 and advice of counsel.

19 80. All Terms Subject to Final Court Approval. All amounts and procedures
20 described in this Settlement Agreement will be subject to final Court approval.

21 81. Cooperation and Execution of Necessary Documents. All Parties will cooperate
22 in good faith and execute all documents to the extent reasonably necessary to effectuate the
23 terms of this Settlement Agreement.

24 82. Binding Agreement. The Parties warrant that they understand and have full
25 authority to enter into this Agreement, and further intend that this Agreement will be fully
26 enforceable and binding on all Parties, and agree that it will be admissible and subject to
27 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
28 provisions that otherwise might apply under federal or state law.

1 83. No Admission of Liability. Nothing contained in this Settlement Agreement shall
2 be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the
3 part of Defendants. Neither the acceptance nor the performance by Defendants of the terms
4 contained in this Agreement nor any of the related negotiations or proceedings is or shall be
5 claimed to be, construed as, or deemed a precedent or an admission by Defendants of the truth
6 of any allegations in any version of the Complaint. Each of the Parties has entered into this
7 Settlement Agreement with the intention to avoid further disputes and litigation, and the
8 attendant inconvenience and expense, and to fully and forever buy their respective peace. This
9 Settlement Agreement shall be inadmissible in evidence in any action or proceeding, by any
10 party, except an action or proceeding by one of the Parties to approve, interpret, or enforce the
11 Settlement Agreement's terms. Neither this Settlement Agreement, nor any of its terms, nor the
12 Settlement itself, will be: (a) construed as, offered, or admitted in evidence as, received as, or
13 deemed to be evidence for any purpose adverse to Defendants or any other of the Released
14 Parties, including but not limited to, evidence of a presumption, concession, indication, or
15 admission by any of the Released Parties of any liability, fault, wrongdoing, omission,
16 concession, or damage, or (b) disclosed, referred to, or offered in evidence against any of the
17 Released Parties in any further proceeding in the Action, except for the purposes of effectuating
18 the Settlement pursuant to this Agreement or for Defendants to establish that a Class Member
19 has resolved any of his or her claims released through this Agreement, including in any judicial,
20 quasi-judicial, administrative, or governmental proceeding.

21 84. Communications. The Parties and their counsel agree that they will not publicize
22 or issue or post any press releases, advertising, or marketing, or initiate any contact with the
23 media about this case or the parties involved, including the fact, amount, or terms of the
24 Settlement. If counsel for either Party receives an inquiry about the Settlement from the media,
25 counsel may only respond that a settlement has been reached. Before the date on which the
26 Parties file their motion for preliminary approval of the Settlement, Plaintiff and Class Counsel
27 will not initiate any contact with Class Members about the Settlement, except that, if contacted
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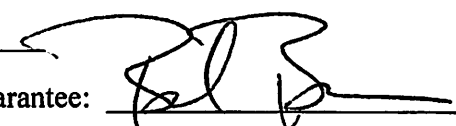
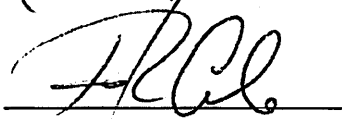
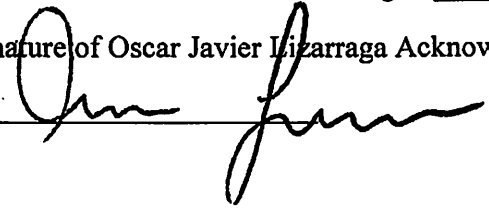
1 by a Class Member, they may respond that a settlement has been reached and that the details
2 will be communicated in a forthcoming Court-approved notice.

3 85. Disputes. Any dispute between the Parties concerning the interpretation or
4 implementation of this Settlement Agreement will be resolved by the Court. Prior to any such
5 resort to the Court, counsel for the Parties will confer in good faith to resolve the dispute. If the
6 Parties are unable to resolve the dispute themselves, the dispute will be submitted to Marc
7 Feder, Esq. for mediation before being submitted to the Court, unless the Parties agree
8 otherwise.

9 86. Applicable Law. All terms and conditions of this Stipulation and its exhibits will
10 be governed by and interpreted according to the laws of the State of California, without giving
11 effect to any conflict of law or choice of law principles.

12 87. Declaration Regarding Financial Hardship: Defendants shall provide a
13 declaration from an individual with personal knowledge of its financial condition to attest to the
14 fact that the Gross Settlement Amount needs to be paid in twenty-four installments. Plaintiff
15 shall file the declaration with the Court in support of the motion for preliminary approval.

16 88. Personal Guarantee. In the event Defendants fail to fully comply with the terms
17 of this Settlement Agreement, and in consideration for the acceptance of the Gross Settlement
18 Amount in installments, Brad Burns, Tim R. Cole, and Oscar Javier Lizarraga (referred to
19 collectively as "Guarantors") hereby irrevocably, absolutely and unconditionally personally
20 guarantee to Plaintiff the prompt and complete payment of the Gross Settlement Amount,
21 thereon, when due. In the event that Defendants fail to make any installment payment pursuant
22 to this Settlement Agreement, the Guarantors shall be provided the opportunity to cure any
23 untimely installment payment in accordance with Paragraph 31 of this Settlement Agreement
24 and shall have the option to make the installment payments in the same manner as if they were
25 the principals of this Settlement Agreement pursuant to the same terms and conditions provided
26 by this Agreement. Brad Burns, Tim R. Cole, and Oscar Javier Lizarraga hereby waive the
27 right to assert any defenses they may have to the liability for the Gross Settlement Amount,
28 thereon, in case of payment default by Defendants.

1 Print Name of Brad Burns: BRAD BURNS
2 Signature of Brad Burns Acknowledging Personal Guarantee: 
3 Print Name of Tim R. Cole: TIM R. COLE
4 Signature of Tim R. Cole Acknowledging Personal Guarantee: 
5 Print Name of Oscar Javier Lizarraga: OSCAR JAVIER LIZARRAGA
6 Signature of Oscar Javier Lizarraga Acknowledging Personal Guarantee: 
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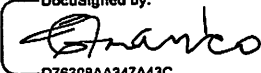
9 SIGNATURES

10 READ CAREFULLY BEFORE SIGNING

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13 Dated: 4/8/2021
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PLAINTIFF

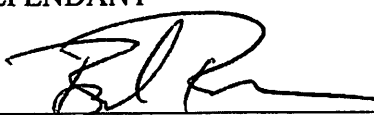
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Carlos Franco

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17 Dated: 04/02/21
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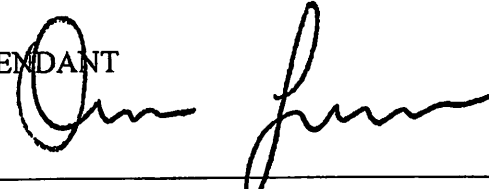
DEFENDANT



By:

On behalf of Property Prep Services, Inc.

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21 Dated: 04-2-21
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DEFENDANT


By:

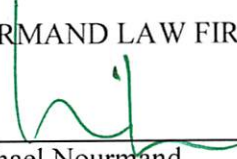
On behalf of Parking Pros, Inc.

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APPROVED AS TO FORM

Dated: 4/8, 2021

THE NOURMAND LAW FIRM, APC

By: 
Michael Nourmand
James A. De Sario

Attorneys for Plaintiffs
CARLOS FRANCO, on behalf of himself and
all others similarly situated

Dated: April 2, 2021

LANDEGGER RIVAS VERANO & DAVIS,
ALC

By: 
Alfred J. Landegger
Oscar Rivas
Evelyn Zarraga

Attorneys for Defendants
PROPERTY PREP SERVICES, INC. and
PARKING PROS, INC.