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

RICHARD SOUTSOS, as an individual and
on behalf of all others similarly situated,

Plaintiffs,

vs.

CALIFORNIA RESOURCES
CORPORATION, a Delaware corporation;
and DOES 1 through 50, inclusive,

Defendants.

Case No.: 20STCV15170

[Assigned for all purposes to the Honorable
William F. Highberger, Department 10]

**DECLARATION OF MAX W. GAVRON IN
SUPPORT OF PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: September 21, 2021

Time: 10:00 a.m.

Dept.: 10

Complaint Filed: April 20, 2020

Trial Date: None Set

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I, Max W. Gavron, declare as follows:

1. I am an attorney at law duly admitted to practice before all courts in the State of California and am a member of the law firm of the Diversity Law Group, P.C., one of the attorneys of record for Plaintiff Richard Soutsos (“Plaintiff”) in the above-entitled action. I have personal knowledge of the matters set forth herein, and if called upon as a witness to testify thereto, I could and would competently do so.

PROCEDURAL HISTORY

2. From the inception of the case, Class Counsel has zealously represented the interests of the Class. The proposed settlement was obtained for the benefit of the Class, not for the individual Plaintiff.

3. On March 30, 2020, Plaintiff submitted his written notice under Labor Code § 2699.3 (the “PAGA Notice”) to the California Labor & Workforce Development Agency (“LWDA”) and Defendant. As set forth in the PAGA Notice, Plaintiff alleges that Defendant failed to identify the correct rate of pay for overtime wages and accurate total hours worked whenever overtime and/or shift differential wages were paid, in violation of Labor Code § 226(a).

4. On April 20, 2020, Plaintiff filed a complaint in this action in the Los Angeles County Superior Court. The complaint alleges class and representative PAGA claims for violation of Labor Code § 226(a), and violation of California Labor Code § 2698, *et seq.*, based on the same facts. Plaintiff seeks statutory and civil penalties under the California Labor Code and the PAGA, as well as attorneys' fees and costs.

MEDIATION

5. In approximately January 2021, the Parties agreed to attempt to resolve this matter through private mediation. The Parties engaged in informal discovery in order for Class Counsel to assess the claims, as well as analyze the maximum exposure of damages and penalties. Defendant provided my office with informal data and information pertaining to the putative class size, the number of aggrieved employees, the number of wage statements at issue,

1 and information regarding Defendant's wage statement policies and practices.

2 6. On April 29, 2021, the Parties participated in an all-day mediation session with
3 neutral Ronald M. Sabraw, Esq., of JAMS.

4 7. During the mediation, Defendant argued that Plaintiff would be unable to
5 establish a "knowing and intentional" violation of Labor Code section 226(a). Defendant
6 maintains that it acted in good faith and should not be subject to penalties for a "technical"
7 violation. Defendant also argued that total hours worked could easily be determined by
8 employees by simply adding the hours worked at a particular rate of pay, and that its wage
9 statements complied with Labor Code § 226(a).

10 8. Defendant also maintained that maximum liability exposure is unrealistically high
11 and subject to significant reduction.

12 9. After a full day of negotiation, the Parties were not initially able to resolve their
13 dispute. Thereafter, with the aid of continuing discussions, the Parties were able to reach an
14 agreement for settlement and the key terms, which was memorialized in a memorandum of
15 understanding. After further negotiations, the Parties reached the present class-wide settlement.

16 **SUMMARY OF THE MONETARY TERMS OF THE SETTLEMENT**

17 10. The material terms of the settlement are memorialized in the Class and
18 Representative Action Settlement Agreement and Release of Claims ("Settlement Agreement" or
19 "SA"). Attached hereto as **Exhibit A** is a true and correct copy of the Settlement Agreement. A
20 copy of the proposed notice to be sent to Class Members is attached as **Exhibit A to the**
21 **Settlement Agreement**.

22 11. As defined by the Settlement Agreement, the proposed Class consists of "all
23 current and former non-exempt employees employed by Defendant in California, including
24 Plaintiff, who received a Qualifying Wage Statement during the Class Period." SA ¶ A.6. The
25 Class Period is defined as "the period of March 30, 2019 through April 1, 2021, inclusive of the
26 beginning and ending dates." SA ¶ A.7. Defendant represents that 19,400 wage statements
27 reflecting the payment of overtime wages and/or shift differential wages ("Qualifying Wage
28 Statement") were issued during the Class Period. SA ¶¶ A.32, C.48.(c).

1 12. The Settlement Agreement provides for the Gross Settlement Amount of Five
2 Hundred Twenty-Five Thousand Dollars (\$525,000.00). SA ¶ C.48.(a). The balance of the Gross
3 Settlement Amount remaining after deduction of the approved Service Award, LWDA's portion
4 of the PAGA Penalties, Settlement Administration Costs, and Attorneys' Fees and Costs) is the
5 "Net Settlement Amount." The Net Settlement Amount will be available for distribution to Class
6 Members who do not opt out of the settlement. SA ¶¶ C.48.(b), C.48.(d).

7 13. The amount allocated to each Class Member will be based on the number of
8 Qualifying Wage Statements each employee received, as compared to the total number of
9 Qualifying Wage Statements issued to all Class Members. SA ¶ C.48(d). This is fair, as it
10 directly allocates greater recovery to individual Class Members who have allegedly suffered
11 greater harm.

12 14. Additionally, the Settlement Agreement allocates Twenty-Five Thousand Dollars
13 (\$25,000.00) of the Gross Settlement Amount to PAGA penalties. SA ¶ C.48.(e). Pursuant to the
14 PAGA, 75% of this amount, *i.e.*, the sum of Eighteen Thousand Seven Hundred Fifty Dollars
15 (\$18,750.00), shall be paid to the LWDA. *Id.* The remaining 25%, *i.e.*, the sum of Six Thousand
16 Two Hundred Fifty Dollars (\$6,250.00), shall be distributed to Aggrieved Employees. *Id.*
17 Aggrieved Employees consist of "all current and former non-exempt employees employed by
18 Defendant in California, including Plaintiff, who received a Qualifying Wage Statement during
19 the Class Period." SA ¶ A.2.

20 15. As part of the Settlement Agreement, Defendant does not object to Plaintiff's
21 Counsel's request for attorneys' fees up to one-third of the Gross Settlement Amount, *i.e.*, the
22 sum of One Hundred Seventy-Five Thousand Dollars (\$175,000.00), plus up to Fifteen
23 Thousand Dollars (\$15,000.00) for reimbursement of actual litigation costs, subject to the Court
24 finally approving this Settlement. SA ¶ C.48.(j).

25 16. Defendant also does not object to Plaintiff's request for a Service Award of Ten
26 Thousand Dollars (\$10,000.00). SA ¶ C.48.(i). Both Plaintiff and Class Counsel expressly
27 acknowledge that the Court has final discretion in any fee award or Class Representative Service
28 Award. *See* SA ¶¶ C.48.(i), C.48.(j).

1 17. Finally, the Settlement Agreement provides for the payment of the fees and
2 expenses reasonably incurred by the Settlement Administrator. SA ¶ C.48.(k). The Parties have
3 received a quote from Phoenix Settlement Administrators for a fee of approximately Eight
4 Thousand Five Hundred Dollars (\$8,500.00) to administer the settlement. *Id.* Phoenix Settlement
5 Administrators is a well-recognized class action settlement administrator. The Parties believe
6 that the administration fee is reasonable and should be approved. Any portion of the Settlement
7 Administration Costs not used or approved by the Court shall be added to the Net Settlement
8 Amount. The Parties believe that the administration fee is reasonable and should be approved.

9 **PAYMENTS TO CLASS MEMBERS**

10 18. Provided that the Court approves the Class Representative Service Award
11 (\$10,000.00), attorneys' fees (\$175,000.00), litigation costs (\$15,000.00), payment to the LWDA
12 (\$18,750.00) and the Settlement Administration Costs (\$8,500.00), I estimate that the Net
13 Settlement Amount will total \$297,750.00.

14 19. Defendant has determined that there are approximately 350 individuals that
15 comprise the Class. Based on the number of Class Members, employees will be entitled to
16 recover, on average, up to \$850.71 each. The amount any particular Class Member will be
17 entitled to recover will be greater or lower than this average, depending on the number of
18 Qualifying Wage Statements received during the Class Period and the number of opt-outs
19 received.

20 20. Any Individual Settlement Payments to Settlement Class Members that remain
21 un-cashed within one hundred eighty (180) days of the mailing of settlement payment checks by
22 the Settlement Administrator will be sent to the California State Controller in the name of the
23 Class Member. *See* SA ¶ G.71.

24 **POTENTIAL STATUTORY AND CIVIL PENALTIES**

25 21. Using the data provided by Defendant, I performed a comprehensive damages
26 analysis. Defendant issued approximately 19,400 Qualifying Wage Statements between March
27 30, 2019, through April 1, 2021. The total penalties under Labor Code § 226(e) amount to
28 approximately \$1.9 million [19,400 wage statements x \$100].

1 22. The penalty calculation assumes that Plaintiff will prevail both on class
2 certification and the merits. However, Plaintiff's claims are contested. This calculation assumes
3 that the Court would find that the Class suffered "injury" as a result of the alleged violation, and
4 also that the violation was "knowing and intentional." As explained above, Defendant strongly
5 disputes that Plaintiff can establish either on a class-wide basis.

6 23. Based on the data provided, I also calculated potential civil penalties for
7 Plaintiff's PAGA claim. I estimated that Defendant could face civil penalties of approximately
8 up to a maximum \$4.85 million, which is premised on \$250 per wage statement if Plaintiff were
9 successful at trial.

10 24. Assuming that Plaintiff prevailed on liability, under the facts of this case, I
11 appreciate the substantial risk that Defendant could present a persuasive argument to reduce the
12 amount of PAGA penalties at trial. Defendant, for example, has argued that even if the Court
13 ultimately found that the wage statements violate Labor Code section 226, the alleged violation
14 is a technical one. Defendant has also argued that the award of both statutory and civil penalties
15 for the same "technical" violation would be confiscatory. I am also aware that Courts routinely
16 award far less than the statutory maximum amount of civil penalties, even where an underlying
17 violation of the Labor Code is found. For example, just very recently, in the matter of *Magadia*
18 *v. Wal-Mart Assocs. et al.*, while the trial court imposed substantial PAGA penalties upon the
19 defendant, such amount still represented reductions of 67% and 80% of the potential PAGA
20 penalties at issue. 384 F. Supp. 3d 1058, 1069 (N.D. Cal. 2019). Thereafter, on appeal, the Ninth
21 Circuit reversed the award completely. *Magadia*, 999 F.3d at 680. Similarly, in *Fleming v.*
22 *Covidien, Inc.*, 2011 U.S. Dist. LEXIS 154590 (C.D. Cal. Aug. 12, 2011), while the plaintiff
23 ultimately prevailed in a PAGA trial predicated on a violation of Labor Code section 226(a), *i.e.*,
24 inaccurate wage statements, the Court assessed only 17% of the maximum penalties. Thus, the
25 approximate maximum penalty calculation does not factor in the likelihood that the Court would
26 reduce the amount of penalties at trial.

27 25. Based on the data provided by Defendant, I estimate that Defendant's maximum
28 liability exposure is approximately \$6.75 million. However, this number assumes that Section

226(e) statutory penalties and full PAGA penalties are awarded. If the Court were to reduce the maximum PAGA penalties by 90%, as was done in *Carrington*, the settlement value is an even higher percentage of the potentially available recovery.

THE SETTLEMENT IS FAIR, REASONABLE, AND ADEQUATE

26. I strongly believe that a class can be certified and that Plaintiff can prevail at trial. However, after taking into account sharply disputed factual and legal issues involved in this litigation, the risks attending further prosecution, and the substantial benefits to be received pursuant to the compromise and settlement of the litigation, I have concluded that settlement on the terms set forth in the Settlement Agreement is appropriate and in the best interests of Plaintiff and the Class.

ATTORNEY EXPERIENCE

27. Class Counsel has a great deal of experience in wage and hour class action litigation and has been approved as class counsel in a number of class actions. My co-counsel and I can and will adequately represent the Class Members in this action and will pursue this lawsuit to its conclusion. I have no conflicts with the Class and will adequately represent the Class.

28. I have spent significant time researching and pursuing the claims that have been alleged in this action. From the inception of the case, my co-counsel and I have solely represented the interest of the Class and have expended significant time and resources reviewing the pleadings, meeting and conferring with defense counsel, calculating and analyzing the potential range of recoverable penalties, preparing for and attending mediation, negotiating the terms of the settlement, and drafting the Settlement Agreement. The settlement was obtained for the benefit of the Class, not for the individual Plaintiff. Based on my review of all the information, and based on my experience in class action litigation, I believe this settlement to be fair, adequate, and reasonable.

29. I am one of the primary attorneys on this matter. My qualifications are as follows: I received a full-tuition scholarship, and graduated from Southwestern Law School in 2013, magna cum laude. I was in the top 5% of my class. During my time at Southwestern, I was a

1 Notes and Comments Editor on the Southwestern Law Review. I also received awards for
2 achieving the highest grade in my class in several courses. In 2012, I was a full-time extern, at
3 the United States District Court for the Central District. Immediately after law school, I taught
4 several courses at Southwestern, including Principles of Legal Analysis and Legal Methods. I
5 taught those courses for approximately four years.

6 30. I practiced civil litigation at Haight Brown & Bonesteel LLP from approximately
7 September 2013, through January 2016. I was third-chair in a federal court jury trial that resulted
8 in a defense verdict in our client's favor on a \$21 million commercial breach of contract dispute.
9 I also regularly litigated cases across the civil litigation spectrum, including employment matters.

10 31. From February 2016, through Fall 2017, I practiced at the international law firm
11 of Arnold & Porter, which had recently merged with Kaye Scholer, LLP. I defended Fortune 50
12 companies in Multi-District Litigation primarily in the product liability sphere. I also
13 successfully drafted an appellate brief in the Ninth Circuit resulting in the reversal of a summary
14 judgment decision regarding trade secret issues, in addition to working in several other practice
15 groups.

16 32. From September 2017, through September 2018, I served as a law clerk to a
17 Judge sitting on the United States District Court, Central District of California. I regularly
18 prepared bench memoranda, on cases involving all types of civil litigation, including regularly
19 working on wage and hour class actions.

20 33. I am currently an associate at the law firm Diversity Law Group, P.C., an
21 employment law firm that has handled numerous wage and hour class and individual actions, on
22 both plaintiff and defense sides. My current practice focuses on employment matters involving
23 both class actions, and single plaintiffs. The firm currently has cases in the Los Angeles Superior
24 Courts, the Orange County Superior Courts, the San Diego County Superior Courts, and the
25 United States District Courts for the Central, Northern, and Eastern Districts of California. I am
26 currently handling numerous wage and hour class action lawsuits with the firm, including, but
27 not limited to: *Agar v. Sensient Natural Ingredients, LLC* (Case No. CV-19-001906, Stanislaus
28 County Superior Court); *Cunningham, et al. v. Diverse Business Solutions* (Case No.

1 CIVDS1817095, San Bernardino County Superior Court); *Heredia v. Eddie Bauer LLC* (Case
2 No. 16CV300475, United States District Court, Northern District of California); *Parsons v.*
3 *Estenson Logistics, LLC* (Case No. 34-2019-00252929, Sacramento County Superior Court); and
4 *Coronel v. Pinnacle Agriculture* (Case No. 18CV004287, Monterey County Superior Court).

5 34. On June 14, 2019, I argued two related cases in front of the Ninth Circuit Court of
6 Appeals. One of them was *Rodriguez v Nike Retail Service Inc.*, Case No. 17-16866. On June 28,
7 2019, the Ninth Circuit issued a published decision, reversing and remanding in favor of our
8 clients. *Rodriguez v. Nike Retail Servs., Inc.*, 928 F.3d 810 (9th Cir. 2019).

9 35. I have also assisted the firm in numerous wage and hour class action mediations.

10 **NOTICE TO THE LWDA**

11 36. Concurrent with the filing of the Motion for Preliminary Approval of Class
12 Action Settlement, my office uploaded the Motion and Settlement Agreement to the LWDA's
13 website.

14 I declare under penalty of perjury under the laws of the State of California that the
15 foregoing is true and correct.

16 Executed on this 27th day of August 2021, at Los Angeles, California.

17 

18
19 _____
Max W. Gavron

EXHIBIT A

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Attorneys for Defendant California Resources Corporation

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

RICHARD SOUTSOS, individually, on a
representative basis, and on behalf of all
others similarly situated;

Plaintiff,

vs.

CALIFORNIA RESOURCES
CORPORATION; and DOES 1 through 50,
inclusive;

Defendants.

Case No.: 20STCV15170

**CLASS AND REPRESENTATIVE
ACTION SETTLEMENT AGREEMENT
AND RELEASE OF CLAIMS**

1 This Class and Representative Action Settlement Agreement and Release of Claims is
2 entered into by and between Plaintiff Richard Soutsos, individually and on behalf of all others
3 similarly situated, and Defendant California Resources Corporation, and is approved by their
4 respective counsel of record, subject to the terms and conditions hereof and the Court's approval,
5 and shall supersede any and all prior settlement agreements.

6 **A. Definitions**

7 1. "Action" or "Lawsuit" means and refers to the case entitled *Richard Soutsos v.*
8 *California Resources Corporation, et al.*, Los Angeles County Superior Court Case
9 No. 20STCV15170 filed on April 20, 2020.

10 2. "Aggrieved Employees" includes all current and former non-exempt employees
11 employed by Defendant in California, including Plaintiff, who received a Qualifying Wage
12 Statement during the Class Period.

13 3. "Agreement" or "Settlement Agreement" shall mean this Class and
14 Representative Action Settlement Agreement and Release of Claims, including the attached
15 Exhibits.

16 4. "Class Counsel" refers to Larry W. Lee and Max W. Gavron of Diversity Law
17 Group, P.C. and William L. Marder of Polaris Law Group LLP.

18 5. "Class Data" means a complete list of all Settlement Class Members that
19 Defendant will diligently and in good faith compile from its records and provide to the
20 Settlement Administrator. The Class List shall be on one spreadsheet and shall include the
21 Settlement Class Members' full names; last known addresses; telephone numbers; Social
22 Security Numbers; the total number of Qualifying Wage Statements.

23 6. "Class Members" includes all current and former non-exempt employees
24 employed by Defendant in California, including Plaintiff, who received a Qualifying Wage
25 Statement during the Class Period.

26 7. "Class Period" is deemed to be any time during the period of March 30, 2019
27 through April 1, 2021, inclusive of the beginning and ending dates.

28 8. "Class Released Claims" means any and all statutory penalty and damages claims,

1 interest, attorneys' fees and costs that Plaintiff alleged or could have alleged against the
2 Released Parties, on behalf of Class Members, based on the facts stated in Plaintiff's Complaint
3 and in Plaintiff's notice letter to the Labor and Workforce Development Agency ("LWDA"),
4 including any and all alleged violations of California Labor Code § 226 and §226.3, whether
5 based on federal, state or local law now existing or created in the future and, with respect to the
6 penalties claimed in the Action, any source of obligation as a basis for claiming such penalties
7 during the Class Period against the Released Parties.

8 9. "Class Representative" or "Plaintiff" means and refers to Richard Soutsos.

9 10. "Complaint" refers to the class and representative action complaint filed in the
10 Los Angeles County Superior Court on April 20, 2020.

11 11. "Court" (or "Judge") means and refers to the California Superior Court, County of
12 Los Angeles.

13 12. "Defendant" (or "CRC") means and refers to California Resources Corporation
14 and its subsidiaries and affiliates.

15 13. "Defendant's Counsel" or "Defense Counsel" means and refers to R. Brian Dixon
16 and Kurt R. Bockes of Littler Mendelson, P.C.

17 14. "Dispute Form" means and refers to a written statement from a Class Member
18 disputing the number of Qualifying Wage Statements he or she received during the Class Period.

19 15. "Effective Date" means and refers to the latest of the following dates: (i) sixty-
20 one (61) calendar days following the date the Court enters an order granting final approval,
21 assuming no appeal is filed; or (ii) if a timely appeal is filed, then the date of final resolution of
22 that appeal (including any requests for rehearing and/or petitions for *certiorari*), resulting in final
23 judicial approval of the Settlement.

24 16. "Final Approval" means and refers to the order of the Court granting final
25 approval of this Settlement Agreement and entering a judgment approving this Agreement on
26 substantially the terms provided herein or as the same may be modified by subsequent agreement
27 of the Parties, subject to the approval of the Court if the Court has previously approved the order.

28 17. "Final Approval Order" means and refers to the order by which the Court grants

1 Final Approval of this Settlement Agreement. The proposed Final Approval Order is attached
2 hereto as Exhibit A.

3 18. "Final Settlement Class" means and refers to, collectively, all Settlement Class
4 Members who have not opted out of the Settlement Class by submitting timely Requests for
5 Exclusion.

6 19. "Individual Settlement Amount" means and refers to the sum of a Class
7 Member's Class Settlement Payment and PAGA Settlement Payment.

8 20. "Net Settlement Amount" shall have the meaning ascribed to it in Paragraph 49(b)
9 below.

10 21. "Notice" means and refers to the notice of proposed class settlement that will be
11 sent to the Settlement Class Members and which will advise each Settlement Class Member of
12 the settlement and his or her estimated Individual Settlement Amount and will further advise of
13 the setting of a Final Approval Hearing. The proposed form of Notice is attached hereto as
14 Exhibit B.

15 22. "Notice Packet" means and refers to the Notice.

16 23. "Notice Response Deadline" is the date falling Forty-Five (45) calendar days
17 from the date the Notice Packet is first mailed to the Settlement Class Members.

18 24. "Objecting Settlement Class Member" means a Settlement Class Member, other
19 than Plaintiff, who submits a valid and timely objection to the terms of this Agreement, pursuant
20 to Paragraph 68(c) below.

21 25. "PAGA Penalties" means the amount that the Parties have agreed to pay to the
22 LWDA in connection with the California Labor Code Private Attorneys General Act of 2004
23 (Cal. Lab. Code §§ 2698, *et seq.*, "PAGA"). PAGA Penalties include both the amount to be paid
24 to the LWDA and the amount to be paid to Aggrieved Employees out of the PAGA Penalties.

25 26. "PAGA Settlement Payment" shall have the meaning ascribed to it in Paragraph
26 49(e).

27 27. "PAGA Released Claims" means and refers to any and all PAGA claims that
28 Plaintiff alleged or could have alleged on behalf of Aggrieved Employees and State of California

1 and pursues on behalf of the Labor and Workforce Development Agency, interest, attorneys'
2 fees and costs based on the facts stated in Plaintiff's Complaint and in Plaintiff's LWDA notice
3 letter, including: (1) any and all alleged violations of California Labor Code § 226 and §226.3,
4 and all recoverable penalties related thereto, whether based on federal, state or local law now
5 existing or created in the future; and (2) any and all alleged civil penalties provided by the
6 California Labor Code §§ 2698, et seq. premised upon the claims for violation of § 226 and
7 §226.3 against the Released Parties and, with respect to the penalties claimed in the Action, any
8 source of obligation as a basis for claiming such penalties during the Class Period against the
9 Released Parties.

10 28. "Participating Class Members" means and refers to all Settlement Class Members
11 who are deemed to participate in the settlement and receive an Individual Settlement Amount,
12 and do not opt-out by submitting timely valid Request for Exclusion.

13 29. "Parties" or "Settling Parties" means and refers to Plaintiff, the Settlement Class,
14 and Defendant, collectively.

15 30. "Preliminary Approval Date" means and refers to the date the Court approves the
16 Settlement Agreement, and the exhibits thereto, and enters the Preliminary Approval Order.

17 31. "Preliminary Approval Order" means and refers to the judicial Order to be entered
18 by the Court, upon the application or motion of the Plaintiff, preliminarily approving this
19 Settlement and providing for the issuance of the Notice Packet to the Settlement Class, an
20 opportunity to opt out of the Settlement, an opportunity to submit timely objections to the
21 Settlement, and setting a hearing on the fairness of the terms of Settlement, including approval of
22 attorneys' fees and costs. The proposed form of the Preliminary Approval Order is attached
23 hereto as Exhibit C. Defendant will not object to Plaintiff's motion for preliminary approval but
24 will be provided with an opportunity to review and comment upon the motion before it is filed.

25 32. "Qualifying Wage Statement" means and refers to a wage statement issued to a
26 Class Member during the Class Period which included overtime wages and/or shift differential
27 wages, including, but not limited to "Shift Pay." There shall be no duplicate counting of wage
28 statements which included both overtime wages and shift differential wages,

1 33. “Released Parties” means and refers to Defendant and each and all of its past and
2 present parent, subsidiary, and affiliated corporations, entities, divisions, general and limited
3 partners, joint venturers and affiliates, and each of their respective current and former directors,
4 officers, managers, employees, principals, members, agents, insurers, reinsurers, shareholders,
5 attorneys, advisors, representatives, general partners, limited partners, joint venturers, and
6 affiliated companies, and each of their respective executors, predecessors, successors, assigns
7 and legal representatives.

8 34. “Request for Exclusion” shall have the meaning ascribed to it in Paragraph 68(a)
9 below. A Request for Exclusion will not exclude a Class Member from the release of their rights
10 to any and all PAGA claims based on the Labor Code sections alleged to have been violated in
11 the Complaint or any complaints.

12 35. “Service Payment” or “Service Award” means and refers to the amount approved
13 by the Court to be paid to the Class Representative, Richard Soutsos. The Service Payment is in
14 addition to his Individual Settlement Amount as a Participating Class Member.

15 36. “Settlement Administrator” means and refers to Phoenix Class Action
16 Administrators, the third-party class action settlement administrator agreed to by the Parties, who
17 will provide the Notice Packet to the Class Members and distribute the settlement amounts as
18 described in this Agreement.

19 37. “Settlement Administration Costs” means and refers to the costs payable from the
20 Settlement Amount to the Settlement Administrator for administering this Settlement, including,
21 but not limited to, printing, distributing, and tracking documents for this Settlement, distributing
22 the Settlement Amount, and providing necessary reports and declarations, as requested by the
23 Parties. The Settlement Administration Costs shall be paid from the Settlement Amount,
24 including, if necessary, any such costs in excess of the amount represented by the Settlement
25 Administrator as being the maximum costs necessary to administer the Settlement.

26 38. “Gross Settlement Amount” shall have the meaning ascribed to it in Paragraph
27 49(a) below.

28 39. “Settlement Class Member” or “Class Members” means and refers to individual

1 members of the Settlement Class.

2 40. "Settlement Class" means and refers to all current and former non-exempt
3 employees employed by Defendant in California who were issued a Qualifying Wage Statement
4 during the Class Period.

5 **B. General Terms**

6 41. Plaintiff filed a class and representative action complaint in the Court on April 20,
7 2020 alleging a cause of action for failure to provide accurate itemized wage statements.
8 Thereafter, in preparation for mediation, Plaintiff further investigated claims on behalf of all
9 non-exempt employees that were alleged in Plaintiff's initial notice to the LWDA.

10 42. Defendant denies Plaintiff's claims and allegations and contends that the Action is
11 not suitable for class certification.

12 43. The Class Representative believes he can proceed with his representative and
13 class claims, that the Action is meritorious, and that class certification is appropriate.

14 44. The Parties have conducted a thorough investigation into the facts of the Action.
15 This includes conducting written discovery into Defendant's written policies and practices and
16 an informal exchange of information prior to mediation. Class Counsel is both knowledgeable
17 about and has done extensive research with respect to the applicable law and potential defenses
18 to the claims of the Settlement Class. Class Counsel has diligently pursued an investigation of
19 the Class Members' claims against Defendant. Based on the foregoing data and on their own
20 independent investigation and evaluation, Class Counsel is of the opinion that the settlement with
21 Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair,
22 reasonable, and adequate and is in the best interest of the Class Members in light of all known
23 facts and circumstances, including the risk of significant delay and uncertainty associated with
24 litigation, various defenses asserted by Defendant, and numerous potential appellate issues.

25 45. On April 29, 2021, Plaintiff and Defendant participated in a full-day mediation
26 with the Honorable Ron Sabraw, (ret.), a well-respected jurist and employment mediator. After
27 the conclusion of mediation and with further assistance from Judge Sabraw and extensive arms-
28 length negotiations, the Parties reached this Settlement.

1 46. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts
2 to be performed or judgments to be entered pursuant to the terms of the Settlement and
3 Agreement, shall be construed as an admission by Defendant of any wrongdoing or violation of
4 any statute or law or liability on the claims or allegations in the Action.

5 47. Stipulation for Class Certification. For settlement purposes only, Defendant will
6 stipulate that the Settlement Class Members described herein who do not Request Exclusion
7 from the Settlement Class may be conditionally certified as a settlement class. This stipulation to
8 certification is in no way an admission that class action certification is proper and shall not be
9 admissible in this or in any other action except for the sole purposes of enforcing this
10 Agreement. Should, for whatever reason, the Court fail to issue Final Approval, the Parties'
11 stipulation to class certification as part of the Settlement shall become null and void ab initio and
12 shall have no bearing on, and shall not be admissible in connection with the issue of whether or
13 not certification would be appropriate in a non-settlement context. Defendant expressly reserves
14 its rights and declares that it would continue to oppose class certification and the substantive
15 merits of the case should the Court fail to issue Final Approval. Plaintiff expressly reserves his
16 rights and declares that he will continue to pursue class certification and a trial should the Court
17 fail to issue Final Approval.

18 **C. Terms of Settlement**

19 48. The financial terms of the Settlement are as follows:

20 (a) Gross Settlement Amount: The Parties agree to settle this Action for Five
21 Hundred Twenty-Five Thousand dollars and Zero Cents (\$525,000.00) ("the Gross Settlement
22 Amount"). The Settlement Amount is the maximum amount that will be paid by Defendant,
23 subject only to adjustment as provided in Paragraph 49(c). The Gross Settlement Amount,
24 subject only to adjustment as provided in Paragraph 49(c), is the maximum amount that will be
25 paid, and includes Individual Settlement Amounts, attorneys' fees of Class Counsel, costs and
26 expenses of Class Counsel, the Service Payment to the Class Representative, all Settlement
27 Administration Costs, and PAGA Penalties.

28 (b) Net Settlement Amount: The "Net Settlement Amount" is defined as the

1 Settlement Amount less attorneys' fees and litigation costs as approved and awarded by the
2 Court, the Service Payment to the Class Representative as awarded by the Court, the Settlement
3 Administration Costs, and PAGA Penalties. In the event that the Court reduces the attorneys'
4 fees, costs, expenses or Service Award or the Settlement Administration Costs, the difference
5 shall be placed in the Net Settlement Amount and allocated to the Settlement Class.

6 (c) Defendant represented that during the Class Period, Defendant issued
7 approximately Nineteen Thousand Four Hundred (19,400) Qualifying Wage Statements to the
8 Settlement Class. If the number of Qualifying Wage Statements issued to the Settlement Class
9 during the Class Period increases by more than Five Percent (5%) above Nineteen Thousand
10 Four Hundred (19,400), then the Gross Settlement Amount shall increase by One Percent (1%)
11 for each percent increase in excess of Five Percent (5%). For example, if the number of
12 Qualifying Wage Statements issued to the Settlement Class during the Class Period is Six
13 Percent (6%) more than Nineteen Thousand Four Hundred (19,400), the Net Settlement Amount
14 shall increase by One Percent (1%), and so on.

15 (d) Class Settlement Payments: Each Class Member shall receive a pro rata
16 portion of the Net Settlement Amount based upon the Class Member's number of Qualifying
17 Wage Statements as compared to the total number of Qualifying Wage Statements for all Class
18 Members. The result of dividing a Class Member's Qualifying Wage Statements by the total
19 number of Qualifying Wage Statements shall be multiplied by the Net Settlement Amount to
20 determine the Class Member's Class Settlement Payment.

21 (e) PAGA Penalties and PAGA Settlement Payments to Aggrieved
22 Employees: The Parties agree that Twenty-Five Thousand Dollars (\$25,000.00) is allocated to
23 PAGA Penalties, and is to be paid from the Settlement Amount, subject to Court approval.
24 Pursuant to PAGA, Seventy Five Percent (75%) of this amount which is Eighteen Thousand
25 Seven Hundred Fifty Dollars (\$18,750) shall be paid to the LWDA in satisfaction of Plaintiff's
26 claims for penalties under the PAGA and Twenty Five Percent (25%) of this amount or Six
27 Thousand Two Hundred Fifty Dollars (\$6,250.00) will be paid to the Aggrieved Employees.
28 The PAGA Settlement Payments to the Aggrieved Employees shall be calculated by dividing the

1 total number of Aggrieved Employees into the Six Thousand Two Hundred Fifty Dollars
2 (\$6,250.00).

3 (f) The Parties agree that under no circumstances shall Defendant be
4 obligated to pay any amount under this Agreement more than the Gross Settlement Amount
5 except to the extent, if any, the amount is adjusted in accordance with Paragraph 49(c).

6 (g) The Parties acknowledge and agree that the above formula was devised as
7 a practical and logistical tool to simplify the payment process in a fair and reasonable manner
8 based on the claims and damages alleged.

9 (h) Tax Allocation of Individual Settlement Amounts: The Individual
10 Settlement Amounts, being the sum of the Class Settlement Payments and PAGA Settlement
11 Payments will be treated 100% as penalties and interest reportable on IRS form 1099 and
12 corresponding state form for the Class Members. The Class Members are responsible for any
13 taxes and accounting with regard to the payments received. The Settlement Administrator will
14 issue to each Settlement Class Member an Internal Revenue Service Form 1099 and
15 corresponding state form as required by then-applicable federal and state law.

16 (i) Service Payment to Class Representative: The amount, if any, awarded to
17 the Class Representative as a Service Payment will be set by the Court in its discretion, not to
18 exceed Ten Thousand Dollars (\$10,000.00). Defendant agrees not to oppose this request. The
19 Service Payment to Plaintiff will be paid out of the Settlement Amount. The Class
20 Representative will be bound by a General Release, set forth below, in exchange for this
21 payment and will be issued an IRS Form 1099 and corresponding state form in connection with
22 this payment. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes
23 on this payment. The Parties agree that any amount awarded as the Service Payment to Plaintiff
24 less than the requested amount shall not be a basis for Class Counsel to void this Agreement.
25 Should the Court approve a lesser amount for the Service Payment, the difference shall be added
26 to the Net Settlement Amount to be distributed to the Participating Class Members.

27 (j) Attorneys' Fees and Costs: Defendant agrees not to oppose a request by
28 Class Counsel to the Court for an award of attorneys' fees of One-Third (1/3) of the Settlement

1 Amount, plus reasonable litigation costs not to exceed Fifteen Thousand Dollars (\$15,000.00).
2 Defendant agrees not to oppose any contention by Class Counsel that attorneys' fees should be
3 based on the common fund theory. Should the Court approve a lesser amount than what is
4 sought by Class Counsel, the difference shall be added to the Net Settlement Amount to be
5 distributed to the Participating Class Members. Any Court order awarding less than the amount
6 sought by Class Counsel shall not be grounds to rescind the Settlement Agreement or otherwise
7 void the Settlement. The Settlement Administrator shall issue to Class Counsel an IRS Form
8 1099 and corresponding state form reflecting the amount of attorneys' fees and costs awarded by
9 the Court.

10 (k) Settlement Administration Costs: The fees and other charges of the
11 Settlement Administrator will be paid from the Settlement Amount not to exceed Eight
12 Thousand Five Hundred Dollars (\$8,500.00.00). Should the Court approve a lesser amount as
13 Settlement Administration Costs or the Settlement Administrator incur less in the way of costs,
14 the difference shall be added to the Net Settlement Amount to be distributed to the Participating
15 Class Members.

16 (l) Tax Liability: Class Counsel and Defendant make no representation as to
17 the tax treatment or legal effect of payments called for hereunder, and Plaintiff and the
18 Settlement Class Members are not relying on any statement or representation by Class Counsel
19 or Defendant in this regard. Plaintiff and Participating Class Members understand and agree that
20 they will be solely responsible for the payment of any taxes and penalties assessed on their
21 respective payments described herein. Forms 1099 and corresponding state forms, when
22 required by then applicable federal and state law, will be distributed by the Settlement
23 Administrator in accordance with such law. If the Code, the regulations promulgated thereunder,
24 or other applicable tax law, is changed after the date of this Agreement, the processes set forth in
25 this Section may be modified in a manner to bring Defendant into compliance with any such
26 changes.

27 49. No Credit Toward Benefit Plans. The Settlement Payments made to Settlement
28 Class Members under this Agreement shall not be utilized to calculate any additional benefits

1 under any benefit plans to which any Settlement Class Members or Class Members may be
2 eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock
3 purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather,
4 it is the Parties' intention that this Agreement will not affect any rights, contributions, or
5 amounts to which any Settlement Class Members or Class Members may be entitled under any
6 benefit plans.

7 50. "Non-Reversionary" Settlement. This is a "non-reversionary" settlement. Under
8 no circumstances will any portion of the Settlement Amount revert to Defendant. Participating
9 Class Members will not have to make a claim in order to receive an Individual Settlement
10 Amount. Distributions, in the form of Individual Settlement Amounts, will be made directly to
11 each Participating Class Member.

12 51. Class Counsel and Plaintiff believe that the Settlement is fair and reasonable and
13 will so represent same to the Court.

14 **D. Release by the Settlement Class**

15 52. Upon the Effective Date and funding of the Gross Settlement Amount, and except
16 as to such rights or claims as may be created by this Settlement Agreement, the Class Members
17 (except for those who submit a timely and valid Request for Exclusion) and each of them will
18 forever completely release and discharge the Released Parties from the Class Released Claims
19 and the PAGA Released Claims for the Class Period.

20 53. Each Settlement Class Member will be deemed to have made the foregoing
21 Release as if by manually signing it.

22 54. It is the intent of the Parties that the Final Approval Order entered by the Court
23 shall have full equitable and collateral estoppel and res judicata effect to the fullest extent
24 permitted by law.

25 **E. General Release by Class Representative**

26 55. Separate and apart from Plaintiff's Release of PAGA Claims, as a material
27 inducement for Defendant to enter into this Settlement Agreement, Class Representative does
28 upon execution of this Settlement Agreement, for himself and for his respective spouses, heirs,

1 successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators,
2 guardians, personal representatives, and assigns forever and completely release and discharge the
3 Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises,
4 agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs,
5 losses, debts, and expenses (including back wages, statutory penalties, civil penalties, liquidated
6 damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever,
7 from the beginning of time through the execution of this Agreement, whether known or
8 unknown, suspected or unsuspected, including but not limited to all claims arising out of, based
9 upon, or relating to Class Representative's employment with Defendant or the remuneration for
10 such employment (collectively, the "Class Representative's Claims").

11 56. Plaintiff expressly waives and relinquishes all rights and benefits afforded by
12 Section 1542 of the Civil Code of the State of California and does so understanding and
13 acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code
14 of the State of California states:

15 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS
16 THAT THE CREDITOR OR RELEASING PARTY DOES NOT
17 KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT
18 THE TIME OF EXECUTING THE RELEASE AND THAT, IF
19 KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
20 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR
21 OR RELEASED PARTY.

22 57. Nothing in this Agreement, including the General Release by Plaintiff, shall be
23 construed to prevent the disclosure of factual information related to any acts of sexual assault,
24 sexual harassment, workplace harassment or discrimination based on sex, failure to prevent an
25 act of workplace harassment or discrimination based on sex, or act of retaliation against a person
26 for reporting harassment or discrimination based on sex related to the Action or waives
27 Plaintiff's right to testify in an administrative, legislative, or judicial proceeding concerning
28 alleged criminal conduct or alleged sexual harassment on the part of Defendant, or on the part of
the agents or employees of the Defendant, when Plaintiff has been required or requested to attend
such a proceeding pursuant to a court order, subpoena, or written request from an administrative

1 agency or the legislature, prevents Plaintiff from communicating with, filing a charge or
2 complaint with, or from participating in an investigation or proceeding conducted by the Equal
3 Employment Opportunity Commission, National Labor Relations Board, the Securities and
4 Exchange Commission, or any other any federal, state or local agency charged with the
5 enforcement of any laws, including providing documents or any other information, or limits
6 Plaintiff from exercising rights under Section 7 of the NLRA to engage in protected, concerted
7 activity with other employees, although by signing this Agreement Plaintiff is waiving rights to
8 individual relief (including backpay, front pay, reinstatement or other legal or equitable relief) in
9 any charge, complaint, or lawsuit or other proceeding brought by Plaintiff or on Plaintiff's behalf
10 by any third party, except for any right Plaintiff may have to receive a payment or an award from
11 a government agency (and not Defendant) for information provided to the government agency or
12 where otherwise prohibited.

13
14 **F. Interim Stay of Proceedings**

15 58. Pending completion of all of the prerequisites necessary to effectuate this
16 Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action
17 except such as are necessary to effectuate the Settlement.

18 **G. Notice Process**

19 59. Appointment of Settlement Administrator. The Parties have agreed to the
20 appointment of the Settlement Administrator to perform the duties of a settlement administrator,
21 including mailing the Notice Packet, using standard devices to obtain forwarding addresses,
22 independently reviewing and verifying documentation associated with any claims or opt-out
23 requests, resolving any disputes regarding the calculation or application of the formula for
24 determining the Individual Settlement Amounts, drafting and mailing the settlement checks to
25 Participating Class Members, issuing all necessary tax forms, and performing such other tasks as
26 set forth herein or as the Parties mutually agree or that the Court orders.

27 60. Disputes Regarding Settlement Administration. Any and all disputes relating to
28 administration of the Settlement by the Settlement Administrator (except for disputes regarding
Class Data) shall be referred to the Court, if necessary, which will have continuing jurisdiction

1 over the terms and conditions of this Settlement Agreement, until Plaintiff and Defendant notify
2 the Court that all payments and obligations contemplated by this Agreement have been fully
3 carried out. Prior to presenting any issue to the Court, counsel for the Parties will confer in good
4 faith to resolve the dispute without the necessity of Court intervention. The Settlement
5 Administrator shall also be responsible for issuing to Plaintiff, Settlement Class Members, and
6 Class Counsel any Tax Forms as may be required by law for all amounts paid pursuant to this
7 Agreement.

8 61. Class Data. Within Fifteen (15) calendar days after entry of the Preliminary
9 Approval Order, Defendant shall provide to the Settlement Administrator with the Class Data.
10 The Settlement Administrator will run a check of the Class Members' addresses against those on
11 file with the United States Postal Service's National Change of Address List. The Class Data
12 provided to the Settlement Administrator will remain confidential and will not be used or
13 disclosed to anyone, except as required by applicable tax authorities, pursuant to Defendant's
14 express written consent, or by order of the Court.

15 62. Notice Packet. The Notice Packet shall, subject to the approval of the Court, be
16 sent by the Settlement Administrator to the Settlement Class Members, by first class mail in
17 English within Ten (10) calendar days following the Settlement Administrator's receipt of the
18 Class Data. The Settlement Administrator shall use standard devices, including a skip trace, to
19 obtain forwarding addresses of Settlement Class Members if any envelopes are returned.

20 63. Returned Notice Packets. The Settlement Administrator will take steps to ensure
21 that the Notice Packet is received by all Settlement Class Members, including utilization of the
22 National Change of Address Database maintained by the United States Postal Service to review
23 the accuracy of and, if possible, update a mailing address. Notices will be re-mailed to any Class
24 Member for whom an updated address is located within Ten (10) calendar days following both
25 the Settlement Administrator learning of the failed mailing and its receipt of the updated address.
26 The Notice Packet shall be identical to the original Notice Packet, except that it shall notify the
27 Class Member that the exclusion (opt-out) request or objection must be returned by the later of
28 the Notice Response Deadline or Fifteen (15) days after the remailing of the Notice Packet.

1 64. Presumption Regarding Receipt of Notice Packet. It will be conclusively
2 presumed that if an envelope has not been returned by the Notice Response Deadline that the
3 Settlement Class Member received the Notice Packet.

4 65. Disputes Regarding Class Data. Class Members are deemed to participate in the
5 Settlement, unless they opt-out. The Notice will inform Class Members of his or her estimated
6 Individual Settlement Amount and the number of Qualifying Wage Statements that he or she
7 received in each class during the Class Period. Class Members may dispute their number of
8 Qualifying Wage Statements if they believe they received more Qualifying Wage Statements
9 during the Class Period than Defendant's records show by timely submitting the Dispute Form
10 with any evidence to the Settlement Administrator. Defendant's records will be presumed
11 determinative absent reliable evidence to rebut Defendant's records, but the Settlement
12 Administrator will evaluate the evidence submitted by the Class Member and provide the
13 evidence submitted to Class Counsel and Defense Counsel who agree to meet and confer in good
14 faith about the evidence to determine the Class Member's actual number of Qualifying Wage
15 Statements to be credited and estimated Individual Settlement Amount. If Class Counsel and
16 Defense Counsel are unable to agree, they agree to submit the dispute to the Court to render a
17 final decision. Class Members will have until the Notice Response Deadline to dispute his or her
18 number of Qualifying Wage Statements, object or opt out, unless extended by the Court. Class
19 Members may also object to the Settlement at the Final Approval hearing, which will be
20 explained to Class Members in the Notice Packet.

21 66. Declaration by Settlement Administrator. The Settlement Administrator shall
22 provide counsel for the Parties in preparation for the Preliminary Approval hearing, as required
23 by the Court's Case Management Order. The Settlement Administrator shall also provide a final
24 declaration of accounting and disbursements as may be requested by the Court and/or Parties.

25 67. Settlement Class Members' Rights. Each Settlement Class Member will be fully
26 advised of the Settlement, retain the ability to object to the settlement, and the ability to opt-out
27 or request exclusion from the Settlement. The Notice Packet will inform the Settlement Class
28 Members of the Court-established deadlines for filing objections or requesting exclusion from

1 the Settlement in accordance with the following guidelines:

2 (a) Requests for Exclusion from Settlement Class. Any Settlement Class
3 Member, other than Plaintiff, may request to be excluded from the Settlement Class by sending a
4 signed and written request to be excluded to the Settlement Administrator, which shall include
5 the following information: (1) the Settlement Class Member's name, address, telephone number,
6 and last four digits of his or her social security number; and (2) a clear statement that the
7 Settlement Class Member does not wish to be included in the Settlement. The Request for
8 Exclusion must be mailed to the Settlement Administrator and postmarked on or before the
9 Notice Response Deadline in order to be timely, unless the Parties otherwise agree in writing.
10 Any such Request must be made in accordance with the terms set forth in the Notice Packet.
11 Any Settlement Class Member who timely requests exclusion in compliance with these
12 requirements: (i) will not have any rights under this Agreement, including the right to object,
13 appeal or comment on the Settlement; (ii) will not be entitled to receive any payments under this
14 Agreement except for his or her share of the PAGA payment; and (iii) will not be bound by this
15 Agreement, or the Judgment, except as to the resolution of PAGA claims. Any Settlement Class
16 Member who requests timely exclusion will still receive a pro rata share of PAGA Penalties.
17 Further, upon the Court's final approval, the State of California will be deemed to have waived
18 its rights to any and all claims for civil penalties under PAGA or otherwise based on the Labor
19 Code sections alleged to have been violated in the Complaint.

20 (b) Binding Effect on Final Settlement Class Members. Except for those
21 Settlement Class Members who exclude themselves in compliance with the procedures set forth
22 above, all Settlement Class Members will: (i) be deemed to be Participating Class Members for
23 all purposes under this Agreement; (ii) will be bound by the terms and conditions of this
24 Agreement, the Judgment, and the releases set forth herein; and (iii) except as otherwise
25 provided herein, will be deemed to have waived all objections and oppositions to the fairness,
26 reasonableness, and adequacy of the Settlement.

27 (c) Objections to Settlement. Any Settlement Class Member, other than
28 Plaintiff, who does not submit a valid and timely Request for Exclusion may object to the terms

1 of this Agreement by sending a written objection to the Settlement Administrator, which should
2 include: (a) the objector's full name, signature, address, and telephone number; (b) a written
3 statement of basis for the objection; and (c) any copies of papers, briefs, or documents upon
4 which the objection is based. Any Settlement Class Member that intends to object should mail
5 the written statement explaining his or her objection to the Settlement Administrator and be
6 postmarked on or before the Notice Response Deadline in order to be timely, unless the Parties
7 otherwise agree in writing. Alternatively, a Settlement Class Member may appear at the Final
8 Approval hearing and state his or her objection to the Settlement. Additionally, any objection
9 must be made in accordance with the terms set forth in the Notice Packet. The Settlement
10 Administrator shall provide any objections to Class Counsel and Defense Counsel within three
11 (3) days of receipt, and the Settlement Administrator shall provide the objections to file with the
12 Court prior to the Final Approval Hearing. Any Participating Class Member who files an
13 objection remains eligible to receive monetary compensation from the Settlement. Plaintiff and
14 Defendant shall not be responsible for any fees, costs, or expenses incurred by any Class
15 Member and/or his or her counsel related to any objections to the Settlement. Submitting an
16 objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is
17 preserved by becoming a party of record by timely and properly intervening or filing a motion to
18 vacate the judgment under Code of Civil Procedure § 663.

19 (d) Failure to Object. Any Settlement Class Member who does not timely and
20 properly become a party of record by intervening or filing a motion to vacate the judgment
21 waives any and all rights to appeal from the Judgment, including all rights to any post-judgment
22 proceeding and appellate proceeding, such as a motion to vacate judgment, motion for new trial,
23 a motion under California Code of Civil Procedure section 473, and extraordinary writs.

24 (e) Responses to Objections. Counsel for the Parties may file a response to
25 any objections submitted by Objecting Settlement Class Members at least Five (5) court days
26 before the date of the Final Approval Hearing, or respond at the Final Approval hearing.

27 68. Settlement Class Members will have until the Notice Response Deadline to object
28 or submit a Request for Exclusion to the Settlement Administrator by United States Mail. The

1 Settlement Administrator shall disclose jointly to Class Counsel and Defense Counsel what
2 objections or Requests for Exclusion were timely submitted on a weekly basis, and upon the
3 request of Class Counsel or Defense Counsel.

4 69. Funding of the Settlement Amount. Defendant shall wire the Settlement Amount
5 to the Settlement Administrator within Fifteen (15) calendar days of the Effective Date by wiring
6 the Settlement Amount to a bank account to be created by the Settlement Administrator. The
7 bank account will be used solely for the purpose of administering the Class Settlement.

8 70. Distribution of Funds. No later than Ten (10) calendar days after the wiring of the
9 Settlement Amount, the Settlement Administrator will mail the payments to the Participating
10 Class Members, the payment for the attorneys' fees and costs to Class Counsel, any Service
11 Payment to the Class Representative, the payment to the LWDA for PAGA penalties, and will
12 pay itself the Settlement Administration Costs.

13 71. Deadline for Cashing Settlement Checks. Participating Class Members shall have
14 One Hundred Eighty (180) calendar days after mailing by the Settlement Administrator to cash
15 their settlement checks. If any Participating Class Member's check is not cashed within One
16 Hundred Eighty (180) calendar days of the final payment to the Participating Class Member, the
17 check will be void and a stop-payment will be issued, and the Settlement Administrator shall
18 issue the unclaimed funds to the California State Controller in the name of the Class Member.
19 The release will be binding upon all Participating Class Members who do not cash their checks
20 within the One Hundred Eighty (180)-day period. In the event that any settlement check is
21 returned to the Settlement Administrator within One Hundred Eighty (180) calendar days of
22 mailing the final payment to the Participating Class Member, the Settlement Administrator will,
23 within Five (5) business days of receipt of the returned settlement check, perform a skip trace to
24 locate the individual, and notify Defense Counsel and Class Counsel of the results. If a new
25 address is located by these means, the Administrator will have Ten (10) business days to re-issue
26 the check. Neither Defendant, Defense Counsel, Class Counsel, Plaintiff, nor the Settlement
27 Administrator will have any liability for lost or stolen settlement checks, forged signatures on
28 settlement checks, or unauthorized negotiation of settlement checks. Without limiting the

foregoing, in the event a Participating Class Member notifies the Settlement Administrator that he or she believes that a settlement check has been lost or stolen, the Settlement Administrator shall immediately stop payment on such check. If the check in question has not been negotiated prior to the stop payment order, the Settlement Administrator will issue a replacement check.

H. Duties of the Parties Prior to the Court's Approval

72. Promptly after execution of this Agreement, Plaintiff will notify the LWDA of the proposed settlement and move the Court for Preliminary Approval of this Settlement and entry of the Preliminary Approval Order in the form attached hereto as Exhibit C in order to accomplish the following:

- (a) Scheduling the Final Approval Hearing on the issue of whether this Settlement should be finally approved as fair, reasonable and adequate as to the Class Members and a hearing on fees, costs and the Service Payment;
- (b) Approving as to form and content the proposed Notice Packet;
- (c) Directing the mailing of the Notice Packet by first class mail to the Settlement Class Members;
- (d) Preliminarily approving this Settlement; and
- (e) Preliminarily certifying the class for purposes of this Settlement.

I. Duties of the Parties Following Court's Final Approval

73. In connection with the Final Approval Hearing provided for in this Settlement Agreement, Class Counsel shall submit a proposed Final Approval Order in the form attached hereto as Exhibit A in order to accomplish the following:

- (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- (b) Approving Class Counsel's application for an award of attorneys' fees and reimbursement of litigation costs and expenses, the Service Payment to the Class Representative, and the payment to the Settlement Administrator for costs of administering the settlement; and
- (c) Entering judgment approving settlement.

1 **J. Voiding the Agreement**

2 74. If the Court fails or refuses to issue the Final Approval Order or fails to approve
3 any material condition of this Agreement, the entire Agreement shall be rendered voidable and
4 unenforceable as to all Parties herein at the option of either Party.

5 75. If the Settlement is voided or fails for any reason, Plaintiff and Defendant will
6 have no further obligations under the Settlement, including any obligation by Defendant to pay
7 the Settlement Amount, or any amounts that otherwise would have been owed under this
8 Settlement.

9 76. If the Settlement is voided or fails for any reason, any costs incurred by the
10 Settlement Administrator shall be borne equally by Defendant and Plaintiff, unless otherwise
11 specified in this Agreement. If Defendant exercises its right to rescind the Settlement because of
12 the level of participation of Class Members, as described in Paragraph 77, Defendant shall be
13 solely responsible for the costs incurred by the Settlement Administrator.

14 77. In the event that Five Percent (5%) or more of the Class Members submit valid
15 requests not to participate in the Settlement, Defendant shall have the exclusive right in its sole
16 discretion to rescind the Settlement, and all actions taken in its furtherance will be null and void.
17 Defendant must exercise this right within Fifteen (15) calendar days after the due date on which
18 the Claims Administrator first informs Defendant that at least Five Percent (5%) of the potential
19 Class Members have made valid requests to be excluded from the Settlement.

20 **K. Other Terms**

21 78. Waiver. The waiver by one Party of any breach of this Agreement by another
22 Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

23 79. Parties' Authority. The signatories hereto represent that they are fully authorized
24 to enter into this Agreement and bind the Parties hereto to the terms and conditions hereof.

25 80. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to
26 accomplish the terms of this Agreement, including but not limited to, execution of such
27 documents and to take such other action as may reasonably be necessary to implement the terms
28 of this Agreement. The Parties to this Agreement shall use their best efforts, including all efforts

1 contemplated by this Agreement and any other efforts that may become necessary by order of the
2 Court, or otherwise, to effectuate this Agreement and the terms set forth herein. As soon as
3 practicable after execution of this Agreement, Class Counsel shall, with the assistance and
4 cooperation of Defendant and Defense Counsel, take all necessary steps to secure the Court's
5 preliminary and final approval of the settlement, and the final entry of judgment.

6 81. No Prior Assignments. The Parties hereto and Class Counsel represent, covenant,
7 and warrant that they have not, directly or indirectly, assigned, transferred, encumbered, or
8 purported to assign, transfer, or encumber to any person or entity any portion of any liability,
9 claim, demand, action, cause of action or rights released and discharged by this Agreement.

10 82. No Admission. Defendant denies any and all liability to Plaintiff and/or any
11 Settlement Class Member in this Action, as to any and all causes of action that were asserted or
12 that might have been asserted in this Action. Nonetheless, Defendant wishes to settle and
13 compromise the matters at issue in the Complaint to avoid further substantial expense and the
14 inconvenience and distraction of protracted and burdensome litigation. Defendant also has taken
15 into account the uncertainty and risks inherent in litigation, and without conceding any infirmity
16 in the defenses that it has asserted or could assert against Plaintiff, has determined that it is
17 desirable and beneficial that Plaintiff's claims be settled in the manner and upon the terms and
18 conditions set forth in this Agreement.

19 83. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval
20 Order, nothing contained herein, nor the consummation of this Agreement, is to be construed or
21 deemed an admission of liability, culpability, negligence, or wrongdoing on the part of
22 Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this
23 Agreement with the intention of avoiding further disputes and litigation with the attendant
24 inconvenience and expenses. This Agreement is a settlement document, and it, along with all
25 related documents such as the notices, and motions for preliminary and final approval, shall,
26 pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be
27 inadmissible in evidence in any proceeding, except an action or proceeding to approve the
28 settlement, and/or interpret or enforce this Agreement, including the releases obtained herein.

1 The stipulation for class certification as part of this Agreement is for settlement purposes only
2 and if, for any reason the settlement is not approved, the stipulation will be of no force or effect.
3 However, the Parties intend the Agreement to be enforceable pursuant to Code of Civil
4 Procedure § 664.6, and admissible for the purposes of enforcing the Agreement. Should either
5 Party be required to enforce the terms of the Agreement, the prevailing party to such
6 enforcement action shall be entitled to reasonable costs and attorneys' fees.

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

11 *To the Settlement Class:*

12 Larry W. Lee
13 Max W. Gavron
14 Diversity Law Group, P.C.
15 515 South Figueroa Street, Suite 1250
16 Los Angeles, CA 90071
17 Tel: (213) 488 6555
18 lwlee@diversitylaw.com
19 mgavron@diversitylaw.com

20 *To Defendant:*

21 R. Brian Dixon
22 Kurt R. Bockes
23 Littler Mendelson, P.C.
24 333 Bush Street, 34th Floor
25 San Francisco, CA 94104
26 Tel: (415) 433-1940
27 bdixon@littler.com
28 kbockes@littler.com

25 85. Construction. The Parties hereto agree that the terms and conditions of this
26 Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and
27 that this Agreement shall not be construed in favor of or against any Party by reason of the extent
28 to which any Party or her or its counsel participated in the drafting of this Settlement Agreement.
Plaintiff and Defendant expressly waive the common-law and statutory rule of construction that

1 ambiguities should be construed against the drafter of an agreement and further agree, covenant,
2 and represent that the language in all parts of this Agreement shall be in all cases construed as a
3 whole, according to its fair meaning.

4 86. Captions and Interpretations. Paragraph titles or captions contained herein are
5 inserted as a matter of convenience and for reference, and in no way define, limit, extend, or
6 describe the scope of this Agreement or any provision hereof. Each term of this Agreement is
7 contractual and not merely a recital.

8 87. Modification. This Agreement may not be changed, altered, or modified, except
9 in writing and signed by the Parties hereto, and, after Preliminary Approval, as approved by the
10 Court. This Settlement Agreement may not be discharged except by performance in accordance
11 with its terms or by a writing signed by all of the Parties hereto.

12 88. Dispute Resolution. Prior to instituting legal action to enforce the provisions of
13 this Agreement or to declare rights and/or obligations under this Agreement, a Party shall
14 provide written notice to the other Party and allow an opportunity to cure the alleged
15 deficiencies, and Plaintiff and Defendant may agree to seek the help of the mediator to resolve
16 any dispute they are unable to resolve informally. During this period, the Parties shall bear their
17 own attorneys' fees and costs. This provision shall not apply to any legal action or other
18 proceeding instituted by any person or entity other than Plaintiff or Defendant.

19 89. Choice of Law. This Settlement Agreement shall be governed by and construed,
20 enforced and administered in accordance with the laws of the State of California, without regard
21 to its conflicts-of-law rules.

22 90. Integration Clause. This Settlement Agreement contains the entire agreement
23 between the Parties relating to the settlement and transaction contemplated hereby, and all prior
24 or contemporaneous agreements, understandings, representations, and statements, whether oral
25 or written and whether by a Party or such Party's legal counsel, are merged herein. No rights
26 hereunder may be waived except in writing.
27
28

91. Binding on Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

92. Signatures of All Class Members Unnecessary to be Binding. It is agreed that, because the members of the Settlement Class are numerous, it is impossible or impractical to have each Class Member execute this Agreement. The Notice Packet will advise all Settlement Class Members of the binding nature of the release provided herein and such shall have the same force and effect as if this Agreement were executed by each Settlement Class Member.

93. Counterparts. This Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully-signed Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original.

Dated: August 27, 2021

CLASS REPRESENTATIVE:

DocuSigned by:

Richard Soutsos

Richard Soutsos

Dated: August 27, 2021

CLASS COUNSEL:
DIVERSITY LAW GROUP, P.C.

[Signature]

Larry W. Lee, Esq.
Max W. Gavron, Esq.
Attorneys for Plaintiff

Dated: August 26, 2021

DEFENDANT:

[Signature]

California Resources Corporation

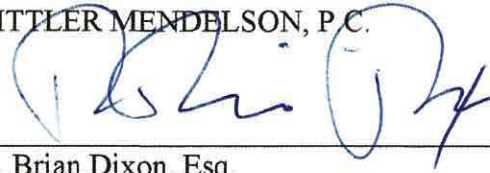
By: Jody Johnson
Deputy General Counsel

CLASS AND REPRESENTATIVE ACTION SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

-25-

1 Dated: August 26, 2021

DEFENSE COUNSEL:
LITTLER MENDELSON, P.C.



R. Brian Dixon, Esq.
Kurt R. Bockes, Esq.
Attorneys for Defendant

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6 END OF DOCUMENT EXCLUSIVE OF EXHIBITS
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EXHIBIT A

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SUPERIOR COURT OF CALIFORNIA
COUNTY OF LOS ANGELES

RICHARD SOUTSOS, as an individual
and on behalf of all others similarly
situated,

Plaintiff,

v.

CALIFORNIA RESOURCES
CORPORATION, a Delaware corporation,
and DOES 1-50, inclusive,

Defendants.

CASE NO. 20STCV15170

CLASS AND REPRESENTATIVE ACTION

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

1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 The Motion for Final Approval of the Class Settlement came before this Court, the
3 Honorable William F. Highberger, presiding.

4 The above captioned Action is a class and representative action lawsuit brought by Plaintiff
5 Richard Soutsos, (“Plaintiff”) against California Resources Corporation (“Defendant”).

6 **WHEREAS**, on _____, this Court granted preliminary approval of the
7 Stipulation of Class Action Settlement and Release of Claims (“Stipulation of Settlement” or
8 “Settlement”), attached as Exhibit ____ to the concurrently filed declaration of _____ on
9 _____.

10 **WHEREAS**, Plaintiff has applied to the Court for an order granting final approval of the
11 Settlement.

12 **WHEREAS**, the Stipulation of Settlement sets forth the terms and conditions for the
13 proposed Settlement and for entry of an order of final approval and entry of final judgment thereon.
14 The Court having read and considered Plaintiff’s Motion for Final Approval of Class Action
15 Settlement, Plaintiff’s Motion for Approval of Attorneys’ Fees and Costs, and the supporting
16 documents and exhibits annexed thereto including the Declarations of _____ and _____, Plaintiff
17 Richard Soutsos, and the Claims Administrator, now finds:

18 **NOW THEREFORE, GOOD CAUSE APPEARING, IT IS HEREBY ORDERED**

19 1. The Court has personal jurisdiction over all members of the Settlement Class and that
20 the Court has subject matter jurisdiction to approve the Settlement.

21 2. This Order incorporates by reference the definitions in the Settlement and all
22 capitalized terms defined therein shall have the same meaning in this Order as set forth in the
23 Settlement Agreement.

24 3. The terms of the Settlement are fair, just, reasonable, and adequate, consistent and in
25 compliance with California Code of Civil Procedure, the California and United States Constitutions
26 (including the due process clauses), the California Rules of Court and any other applicable law, and
27 in the best interest of each of the Parties and the Class Members and is hereby finally approved in all
28 respects.

1 4. The Parties are hereby directed to perform the terms of the Settlement as described in
2 the Settlement Agreement according to its terms and provisions.

3 5. There is/are ____ valid Requests for Exclusion.

4 6. It is ordered that the Settlement Class is certified for settlement purposes only. The
5 Court finds that an ascertainable class exists and a well-defined community of interest exists in the
6 questions of law and fact involved because in the context of the Settlement: (i) there are questions of
7 law and fact common to the Class Members which, as to the Settlement and all related matters,
8 predominate over any individual questions; (ii) the claims of Plaintiffs are typical of the claims of
9 the Class Members; and (iii) in negotiating, entering into and implementing the Settlement, Plaintiff
10 and Plaintiffs' Attorneys have fairly and adequately represented and protected the interest of the
11 Class Members.

12 7. The Court finds that the Notice and notice methodology implemented pursuant to this
13 Settlement (i) constituted the best practicable notice; (ii) constituted notice that was reasonably
14 calculated, under the circumstances, to apprise members of the Settlement Class of the pendency of
15 the Action, their right to object to or exclude themselves from the proposed Settlement and their
16 right to appear at the Final Approval Hearing; (iii) were reasonable and constituted due, adequate
17 and sufficient notice to all persons entitled to receive notice; and (iv) met all applicable requirements
18 of the California Code of Civil Procedure, the California and United States Constitution (including
19 the Due Process Clause), the California Rules of Court and any other applicable law.

20 8. The Settlement Class is hereby made final. The Settlement Class is defined as all
21 current and former non-exempt employees employed by Defendant in California, including Plaintiff,
22 who received a Qualifying Wage Statement during the Class Period.

23 9. The Class Period is deemed to be any time during the period of March 30, 2019
24 through April 1, 2021, inclusive of the beginning and ending dates.

25 10. The Settlement Agreement is not an admission by Defendant, nor is this Final Order a
26 finding of the validity of any allegations or of any wrongdoing by Defendant. Neither this Final
27 Order, the Settlement, nor any document referred to herein, nor any action taken to carry out the
28 Settlement, shall be construed or deemed an admission of liability, culpability, negligence, or

1 wrongdoing on the part of Defendant.

2 11. The Court orders that pursuant to the Settlement Agreement, and upon the funding of
3 the settlement by Defendant, (i) Plaintiff and all Class Members who have not been timely and
4 properly excluded from the Settlement Class, and any person acting on their behalf, are deemed to
5 have waived, released, and discharged, and are permanently barred from prosecuting the Class
6 Released Claims against Defendant and all of the Released Parties as fully set forth in the Settlement
7 Agreement and (ii) Plaintiff and all Class Members, including those who have timely and duly
8 requested exclusion are deemed to have waived, released, and discharged, and are permanently
9 barred from prosecuting the PAGA Released Claims against Defendant and all of the Released
10 Parties as fully set forth in the Settlement Agreement.

11 12. The Settlement Agreement provides that the Maximum Settlement Fund is Five
12 Hundred Twenty-Five Thousand Dollars (\$525,000.00). The Net Settlement Amount shall be
13 determined according to the terms of the Settlement.

14 13. The Court orders the calculations and the payments to be made and administered in
15 accordance with the terms of the Settlement.

16 14. The Court hereby finds that Plaintiff and Class Counsel adequately represented the
17 Settlement Class for purposes of entering into and implementing the Settlement. The Court hereby
18 confirms Diversity Law Group, P.C. and Polaris Law Group as Class Counsel in the Action.

19 15. The Court hereby finds the unopposed application of Class Counsel for a costs and
20 attorneys' fees award provided for under the proposed Settlement to be fair and reasonable in light of
21 all the circumstances and is hereby granted. Of the Maximum Settlement Fund of Five Hundred
22 Twenty-Five Thousand Dollars (\$525,000.00), one third being One Hundred Seventy Five Thousand
23 Dollars (\$175,000.00) shall be paid for attorney fees and (_____) Thousand Dollars
24 (\$_____.00) shall be paid for litigation costs in accordance with the terms of the Settlement. In
25 addition, the Court finds that the requested Class Counsel Award is reasonable and commensurate
26 with market rates in Los Angeles County and approves the requested fee distribution. No other costs
27 or fees arising out of or related to the institution, prosecution or resolution of this matter shall be
28 awarded, either against Defendant or the Released Parties, or from the award to the Settlement Class.

1 16. The unopposed application of Class Counsel for a Class Representative Enhancement
2 Payment is hereby granted. Of the Gross Settlement Amount, a Service Payment of Ten Thousand
3 Dollars (\$10,000.00) each shall be allocated to named Plaintiff Richard Soutsos in accordance with
4 the terms of the Settlement.

5 17. The Court hereby approves a PAGA Payment in the amount of Twenty Five
6 Thousand Dollars (\$25,000.00) to the Labor & Workforce Development Agency of which 75% or
7 Eighteen Thousand Seven Hundred Fifty Dollars (\$18,750.00) shall be remitted to the California
8 Labor and Workforce Development Agency for the resolution of all Class Members' claims under
9 the PAGA, California Labor Code Section 2698, *et seq.* and 25% or (\$6,250.00) Six Thousand Two
10 Hundred Fifty Dollars (\$6,250.00) of which will be distributed to Class Members as part of the Net
11 Settlement Amount.

12 18. The unopposed application of Class Counsel for claims administration fees to be paid
13 to the Settlement Administrator is hereby granted. Of the Gross Settlement Amount, _____
14 Thousand Dollars (\$_____.00) shall be paid for Settlement Administration Costs in accordance
15 with the terms of the Settlement.

16 19. Defendant shall have no further liability for costs, expenses, interest, attorneys' fees,
17 or for any other charge, expense, or liability, except as provided for in the Settlement. Defendant is
18 hereby relieved of any obligation to retain electronically stored information or other data, documents
19 or information as a result of the filing or pursuit of the instant matter but is not relieved of any
20 obligation arising independently of this matter to retain electronically stored information or other
21 data, documents or information.

22 20. The Court hereby grants and authorizes the Parties, without further approval from the
23 Court, to agree to and to adopt such amendments, modifications and expansions of this Settlement
24 and all exhibits attached hereto as (i) are consistent with the Final Judgment; and (ii) do not limit the
25 rights of members of the Settlement Class under the Settlement.

26 21. Final Judgment is hereby entered pursuant to the terms of the Settlement.

27 22. Pursuant to California Rule of Court Rule 3.769(h) and C.C.P. §664.6, the Court shall
28 retain jurisdiction of this Action, the Parties, and the Settlement Class, as well as the administration

1 and enforcement of the terms of the Settlement of the Action to enforce the terms of the judgment.
2 Without affecting the finality of the Final Judgment, the Court shall retain continuing jurisdiction
3 over the Action, the Parties, and the Settlement Class, as well as the administration and enforcement
4 of the Settlement. Any disputes or controversies arising with respect to the interpretation,
5 consummation, enforcement, or implementation of the Settlement not resolved by the Claims
6 Administrator shall be presented by motion to the Court; provided however, that nothing in this Part
7 shall restrict the ability of the Parties to exercise their rights to terminate the Settlement pursuant to
8 the terms of the Settlement Agreement.

9 23. This Final Order shall constitute a Final Judgment.

10 24. The Court hereby dismisses the Action (including all individual claims and Released
11 Claims presented thereby) with prejudice, without fees or costs to any party except as provided by
12 the Settlement.
13

14 **DATED:** _____

15 **JUDGE OF THE SUPERIOR COURT**

16 4851-0111-7944.1 / 082323-1008
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EXHIBIT B

NOTICE OF PROPOSED CLASS AND REPRESENTATIVE ACTION SETTLEMENT
("NOTICE")

IF YOU ARE A CURRENT OR FORMER NON-EXEMPT EMPLOYEE OF CALIFORNIA RESOURCES CORPORATION IN THE STATE OF CALIFORNIA AND RECEIVED WAGE STATEMENTS THAT INCLUDED OVERTIME WAGES AND/OR SHIFT DIFFERENTIAL WAGES FROM MARCH 30, 2019 THROUGH APRIL 1, 2021, YOU MAY BE ABLE TO COLLECT MONEY FROM A CLASS ACTION SETTLEMENT.

The Los Angeles County Superior Court ("Court") authorized this Notice to be sent by Phoenix Settlement Administrators ("Settlement Administrator"). This is not an advertisement. This is not a solicitation from a lawyer.

DEFENDANT CANNOT AND WILL NOT RETALIATE AGAINST YOU IN ANY WAY FOR PARTICIPATING IN THIS SETTLEMENT.

«BarcodeString»
SIMID «SIMID»

ATTN: «FirstName» «LastName»
«Address1» «Address2»
«City» «Abbrev» «Zip»

**YOU ARE ESTIMATED TO RECEIVE
APPROXIMATELY
\$«MERGED EstSettAmnt CALC»
THROUGH THIS CLASS ACTION
SETTLEMENT**

- Richard Soutsos ("Named Plaintiff") has sued California Resources Corporation ("Defendant") on behalf of himself and all other similarly situated employees.
- The parties to the lawsuit have reached a tentative settlement, and the Court has preliminarily approved it.
- The settlement resolves the lawsuit.
- Your legal rights are affected whether you act or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT

**You Can DO NOTHING and
receive a settlement payment**

If you do nothing, you will participate in the settlement and receive a payment from the settlement. You will receive a settlement payment; however, you will **lose** any rights to sue Defendant separately for the same legal claims made in the lawsuit. The estimated amount of your settlement payment is shown above. To receive your settlement payment, all you need to do is keep the Settlement Administrator informed of your current mailing address. Once the Court grants final approval of the settlement, the Settlement Administrator will mail your check to the address on file for you.

**You Can ASK TO BE
EXCLUDED FROM THE
SETTLEMENT
(Deadline: _____, 2021)**

If you ask to be excluded from the settlement, you will get no payment from the class settlement, but you will keep any rights to sue Defendant separately for the same legal claims made in this lawsuit. Important: You cannot ask to be excluded and still get a class settlement payment.

	Regardless of whether you exclude yourself from the Settlement, you will still receive a small portion of the settlement for release of the penalty claims pursuant to the California Private Attorneys General Act.
You Can OBJECT TO THE SETTLEMENT (Deadline: _____, 2021)	If you do not like the settlement, you can send a written objection to the Settlement Administrator by the deadline. If your objection is overruled, you will still be bound by the terms of the settlement and will receive a settlement payment. You can also appear at the Final Approval hearing to object to the settlement. Important: If you object to the settlement, you cannot also ask to be excluded.

THESE RIGHTS AND OPTIONS—AND THE DEADLINES TO EXERCISE THEM—ARE EXPLAINED IN THIS NOTICE.

The Court is in charge of this lawsuit and still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after appeals, if any, are resolved. **Please be patient.**

1. Why Should You Read This Notice?

You should read this Notice because you may be entitled to money from a class action settlement.

2. What is This Lawsuit About?

In the lawsuit, the Named Plaintiff claimed that Defendant failed to provide accurate itemized wage statements to Class Members, in violation of California Labor Code section 226(a). Specifically, Plaintiff alleges that the wage statements did not identify the correct hourly rate of pay when overtime wages were paid or the correct total hours worked when overtime and/or shift differential wages were paid. Defendant denies the allegations in the lawsuit and denies it has engaged in any wrongdoing. Defendant asserts that it complied with all legal requirements, but is resolving this action in order to avoid the costs of further legal proceedings.

3. Why is This a Class and Representative Action?

This lawsuit is a class action. In a class action, one or more persons, called a class representative (in this case, Richard Soutsos), sue on behalf of people who allegedly have similar claims. All these people are a class or class members. One case resolves the issues for all class members, except for those who exclude themselves from the class. This lawsuit is also a representative action in which Plaintiff has sued on behalf of the State of California for the same claims as are presented in the class action. The Los Angeles County Superior Court is in charge of the case. The lawsuit is known as *Richard Soutsos v. California Resources Corporation*, Case No. 20STCV15170.

4. Why is There a Settlement?

The Court did not decide in favor of Named Plaintiff or Defendant. Named Plaintiff thinks he could have won at trial. Defendant thinks that it would have won at trial. But there was no trial. Instead, both parties agreed to a settlement. That way, they avoid the cost of litigation, and the individuals potentially affected will get compensation. The class representative and the attorneys think the settlement is best for class members.

5. How Do I Know If I Am Part of the Settlement?

The Court has decided that all current and former non-exempt employees employed by Defendant in California, including Plaintiff, who received a Qualifying Wage Statement during the Class Period, the period of March 30, 2019 through April 1, 2021, inclusive of the beginning and ending dates, is a Class Member. A Qualifying Wage Statement means a wage statement issued to a Class Member during the Class Period which included overtime wages and/or shift differential wages, including, but not limited to “Shift Pay.”

6. What Does the Settlement Provide?

The proposed settlement provides for a payment by Defendant of \$525,000.00 to fully and finally resolve all claims in the lawsuit (referred to as the “Gross Settlement Amount”). The total amount to be distributed to class members who can be located and who do not exclude themselves from the settlement (known as “Participating Class Members”), will be the value of the Gross Settlement Amount after deducting the following (the “Net Settlement Amount”): (a) settlement administration costs not to exceed \$ [REDACTED].00; (b) class representative service award to Named Plaintiff not to exceed \$10,000.00 for his work and efforts in prosecuting this case, and for undertaking the risks of costs in the event the outcome of this lawsuit was not favorable; (c) Class Counsel’s attorneys’ fees not to exceed \$175,000.00; (d) Class Counsel’s actual litigation costs and expenses as supported by declaration not to exceed \$15,000.00; and (f) payment of \$18,750.00 to the Labor and Workforce Development Agency. **Class Counsel’s attorneys’ fees and costs, and Named Plaintiff’s class representative service award, remain subject to Court approval.**

No portion of the Net Settlement Amount will be returned to Defendant under any circumstances.

7. How Much Will My Payment Be?

Your estimated share of the settlement is shown above and is based on the number of Qualifying Wage Statements you received during the period of March 30, 2019 through April 1, 2021, as compared to the total number of Qualifying Wage Statements all Participating Class Members received during that same period. Based upon Defendant’s records, the number of Qualifying Wage Statements you received that included overtime and/or shift differential wages is determined to be **. If this information appears correct, you do not need to do anything further to receive your settlement payment. If you disagree with the number of Qualifying Wage Statements shown, see below (Question 9).

8. How Do I Receive a Payment?

To qualify for payment, you need not do anything. The Settlement Administrator will mail you a check within approximately seventy five days after the Court enters a judgment based on this settlement, but possibly later depending on whether there is any appeal of the judgment entered by the Court.

9. What If I Believe the Information is Inaccurate?

If you believe the number of Qualifying Wage Statements that you received that included overtime and/or shift differential wages from March 30, 2019 through April 1, 2021 is inaccurate, you may dispute it by sending a letter to [REDACTED] [ADMINISTRATOR’S ADDRESS] no later than [REDACTED], 2021. Be sure to include your name, home address, telephone number, last four digits of your Social Security Number, and a statement as to what and why you are disputing. Also attach a copy of any documentation you want to include to support your dispute.

10. What Am I Giving Up to Receive a Settlement Payment?

Unless you request to be excluded from the settlement, you remain a part of the settlement class, and that means you cannot sue, continue to sue, or be part of any other lawsuit against Defendant for any legal claims that are based on the facts alleged by Named Plaintiff in the lawsuit, or any claims that could have been brought under the facts and allegations made in the lawsuit. Specifically, you will be giving up or “releasing” the Class Released Claims described below:

Any and all statutory penalty and damages claims, interest, attorneys’ fees and costs that Plaintiff alleged or could have alleged against the Released Parties, on behalf of Class Members, based on the facts stated in Plaintiff’s Complaint and in Plaintiff’s notice letter to the Labor and Workforce Development Agency (“LWDA”), including any and all alleged violations of California Labor Code § 226 and §226.3, whether based on federal, state or local law now existing or created in the future and, with respect to the penalties claimed in the Action, any source of obligation as a basis for claiming such penalties during the Class Period against the Released Parties (“Class Released Claims”);

and the PAGA Released Claims described below:

Any and all PAGA claims that Plaintiff alleged or could have alleged on behalf of Aggrieved Employees and State of California and pursues on behalf of the Labor and Workforce Development Agency, interest, attorneys’ fees and costs based on the facts stated in Plaintiff’s Complaint and in Plaintiff’s LWDA notice letter, including: (1) any and all alleged violations of California Labor Code § 226 and §226.3, and all recoverable penalties related thereto, whether based on federal, state or local law now existing or created in the future; and (2) any and all alleged civil penalties provided by the California Labor Code §§ 2698, et seq. premised upon the claims for violation of § 226 and §226.3 against the Released Parties and, with respect to the penalties claimed in the Action, any source of obligation as a basis for claiming such penalties during the Class Period against the Released Parties (“PAGA Released Claims”).

The Class Released Claims and PAGA Released Claims do not include claims for workers’ compensation benefits or any other claims not included in the releases.

11. How Do I Exclude Myself from the Settlement?

To exclude yourself from the settlement (also referred to as “opt-out”), you must mail a letter to the Settlement Administrator saying that you want to be excluded from the *Richard Soutsos v. California Resources Corporation* settlement.

Be sure to include your full name, address, telephone number, last four digits of your Social Security Number, signature, and a statement in the following or similar language: “I request to be excluded from this class action settlement.” You must mail your exclusion letter postmarked no later than [REDACTED], 2021, to the Settlement Administrator at [REDACTED].

If you submit a timely and valid “opt-out” request, you will no longer be a member of the class and you will not receive any money from the class portion of the settlement, or be able to object to the settlement, but you will not be legally bound by anything that happens regarding the class action portion of this lawsuit. **However**, you will still receive your pro rata portion of the PAGA Penalties and will still be bound by the PAGA Released Claims.

You will keep any rights to sue (or continue to sue) Defendant in the future for the same legal claims made in this lawsuit, at your own expense.

12. If I Don't Exclude Myself, Can I Sue Defendant or Receive Money from the Settlement?

If you do not exclude yourself from the settlement, you will be a Participating Class Member and you cannot sue Defendant for any of the claims that this settlement resolves. If you exclude yourself from the Settlement, you will not receive any money from the settlement of the class action claims in this matter. However, you will still receive a portion from the settlement of the PAGA claims.

13. How Do I Tell the Court that I Don't Believe that the Settlement is Fair?

If you are a class member and you do not exclude yourself from the settlement, you can object to the settlement if you believe that the settlement is unfair or inadequate. You can give reasons why you think the Court should not approve the settlement. If you object and follow the procedures set out in this section, your objection will be considered.

If you decide to object to the proposed settlement, you can do so in writing. All objections must be signed by you and must include: (1) your full legal name, home address, and telephone number; (2) a written statement of the basis for your objection; and (3) any copies of papers, briefs, or documents upon which the objection is based. You must file your objection with the Court no later than _____, 2021, at the following address: Clerk of the Court, Superior Court of California, County of Los Angeles, 111 N. Hill Street, Los Angeles, California 90012. You must also serve a copy of the objection on Class Counsel and Defense Counsel at the addresses listed below.

Class Counsel

DIVERSITY LAW GROUP, P.C.

Larry W. Lee
Max W. Gavron
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071

POLARIS LAW GROUP

William L. Marder
501 San Benito Street, Suite 200
Hollister, CA 95023

Defense Counsel

LITTLER MENDELSON, P.C.

R. Brian Dixon
Kurt R. Bockes
333 Bush Street, 34th Floor
San Francisco, CA 94104

Alternatively, you may appear at the final approval hearing (see section 17 below for details as to when this hearing will take place) and state your objection to the settlement, either in person or through an attorney at your own expense.

14. What Is the Difference Between Objecting and Excluding?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the class. Excluding yourself, on the other hand, is telling the Court that you don't want to be part of the class. If you exclude yourself, you have no basis to object because the case no longer affects you. However, if you file do not exclude yourself and file an objection, you will still receive settlement benefits under the settlement if it is approved by the Court.

15. Do I Have a Lawyer in this Case?

The Court decided that the law firms of Diversity Law Group and Polaris Law Group, both of which represent the Named Plaintiff, are also qualified to represent you and all class members. You will not be charged for these lawyers. These law firms are referred to as "Class Counsel." If you want to be represented by your own lawyer, you may hire one at your own expense.

16. How Will the Attorneys for the Class and the Class Representative be Paid?

The attorneys for the Named Plaintiff and the class will be paid from the Gross Settlement Amount. Class Counsel will ask for up to \$175,000.00 in attorneys' fees and for actual litigation costs incurred up to a maximum of \$15,000.00, the actual amount of which will be determined by the Court at the final approval hearing (see section 17 below for details as to when this hearing will take place). Class members (like you) do not have to pay the fees and costs of Class Counsel. **If you elect to hire your own lawyer, however, you must make your own arrangements to compensate your lawyer.**

If approved by the Court, an incentive payment for the Named Plaintiff of an amount up to \$10,000.00 will be paid from the Gross Settlement Amount for his work and efforts in prosecuting this case, and for undertaking the risks of costs in the event the outcome of this lawsuit was not favorable.

17. Notice of Hearing on Final Approval and Objections to Class Action Settlement.

The Court has preliminarily approved the settlement and will hold a final approval hearing to decide whether to give final approval to the settlement. This hearing will be held before the Honorable William F. Highberger on _____, 2021, at ____ a.m., in Department 10 of the Superior Court of California for the County of Los Angeles, 312 N. Spring Street, Los Angeles, California 90012, to determine whether the proposed settlement is fair, reasonable, and adequate, and whether it should be finally approved by the Court. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take. The final approval hearing may be continued without further notice. The Court may adjourn or continue the hearing from time to time, without further notification, as the Court may direct.

Once final approval is granted by the Court, the Court will enter judgment against Defendant, and all class members who have not requested exclusion will be deemed to have waived the Class Released Claims and PAGA Released Claims set forth above.

18. How Do I Get More Information?

This Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by contacting Class Counsel or the Settlement Administrator: Phoenix Settlement Administrators, [Address], Toll-Free Phone Number: [insert].

19. What is the Contact Information for the Court, Class Counsel, and Defense Counsel?

The address for the Court and Class Counsel are as follows:

COURT	CLASS COUNSEL
Clerk of Court Superior Court of California, County of Los Angeles 111 N. Hill Street Los Angeles, CA 90012	DIVERSITY LAW GROUP, P.C. Larry W. Lee Max W. Gavron 515 S. Figueroa Street, Suite 1250 Los Angeles, CA 90071 Telephone: (213) 488-6555 Facsimile: (213) 488-6554 POLARIS LAW GROUP William L. Marder 501 San Benito Street, Suite 200 Hollister, CA 95023 Telephone: (831) 531-4214 Facsimile: (831) 634-0333

WHAT IF I HAVE QUESTIONS?

If you have any questions about the settlement, you may contact the Settlement Administrator:

Richard Soutsos v. California Resources Corporation
c/o Phoenix Settlement Administrators
Address
City, CA, Zip
Toll-Free Phone Number: [insert]

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE COURT CLERK FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS.

4833-9822-9240.1 / 082323-1008

EXHIBIT C

Larry W. Lee (State Bar No. 228175)
Max W. Gavron (State Bar No. 291697)
DIVERSITY LAW GROUP, P.C.
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
(213) 488-6555
(213) 488-6554 facsimile

William L. Marder, Esq. (State Bar No. 170131)
Polaris Law Group
501 San Benito Street, Suite 200
Hollister, CA 95023
Tel: (831) 531-4214
Fax: (831) 634-0333

Attorneys for Plaintiff and the Class

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

RICHARD SOUTSOS, as an individual and
on behalf of all others similarly situated,

Plaintiffs,

vs.

CALIFORNIA RESOURCES
CORPORATION, a Delaware corporation;
and DOES 1 through 50, inclusive,

Defendants.

Case No.: 20STCV15170

[Assigned for all purposes to the Honorable
William F. Highberger, Department 10]

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S MOTION FOR PRELIMINARY
APPROVAL OF CLASS AND
REPRESENTATIVE ACTION SETTLEMENT**

Date: September 21, 2021

Time: 10:00 a.m.

Dept.: 10

Complaint Filed: April 20, 2020

Trial Date: None Set

1 Plaintiff Richard Soutsos' ("Plaintiff") application for an Order Granting Preliminary
2 Approval of Class Action Settlement was filed with the Court on August 27, 2021, and a hearing
3 was held before this Court on September 21, 2021. **[OR: ... "and came on before this Court
4 for hearing on _____, at _____ m. On _____, the Court issued a tentative
5 ruling, which the Parties do not contest."]**

6 The Court has considered the Class and Representative Action Settlement Agreement and
7 Release of Claims ("Settlement Agreement") and all other papers filed in this action.

8 NOW THEREFORE, IT IS HEREBY ORDERED:

9 1. This Court grants preliminary approval of the Settlement Agreement between
10 Plaintiff and Defendant filed herewith. The Settlement Agreement is attached to the Declaration
11 of _____ as Exhibit _____. The Settlement Agreement appears to be fair, adequate, and
12 reasonable to the Class.

13 2. The Class Representative and Defendant (hereafter, "Settling Parties"), through
14 their counsel of record in the Litigation, have reached an agreement to settle the class and PAGA
15 claims in the Litigation as set forth in the Settlement Agreement, on behalf of the Class as
16 defined below and in the Settlement Agreement.

17 3. This Order incorporates by reference the definitions in the Settlement, and all
18 capitalized terms defined therein shall have the same meaning in this Order as set forth in the
19 Settlement Agreement.

20 4. The Court hereby approves the terms and conditions provided for in the
21 Settlement Agreement. The Court finds that on a preliminary basis the Settlement Agreement
22 falls within the range of reasonableness of a settlement, including the amount of the PAGA
23 penalties, and appears to be presumptively valid, subject only to any objections that may be
24 raised at the final fairness hearing and final approval by the Court. It appears to the Court on a
25 preliminary basis that the settlement is fair, adequate, and reasonable as to all potential Class
26 Members when balanced against the probable outcome of further litigation relating to liability
27 and damages issues. It also appears that investigation, research, and court proceedings have been
28 conducted so that counsel for the Settling Parties are able to reasonably evaluate their respective

positions. It appears to the Court that settlement at this time will avoid substantial additional costs by all Settling Parties, as well as avoid the delay and risks that would be presented by the further prosecution of the Litigation. It also appears that settlement has been reached as a result of intensive, serious, and non-collusive arm's length negotiations.

5. The Settlement is not a concession or admission and shall not be used against Defendant as an admission or indication with respect to any claim of any fault or omission by Defendant. Whether or not the Settlement is finally approved, neither the Settlement, nor any document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts thereof, shall in any event be construed as, offered or admitted into evidence as, received as, or deemed to be in evidence for any purpose adverse to Defendant, including, but not limited to, evidence of a presumption, concession, indication, or admission by Defendant of any liability, fault, wrongdoing, omission, concession, or damage.

6. The Court preliminarily finds that, for settlement purposes only, the Class meets the requirements for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is impracticable; (b) common questions of law and fact predominate, and there is a well-defined community of interest amongst the members of the Class with respect to the subject matter of the litigation; (c) Plaintiffs' claims are typical of the claims of the members of the Class; (d) the Class Representatives will fairly and adequately protect the interests of the members of the Class; (e) a class action is superior to other available methods for the efficient adjudication of the controversy; and (f) Class counsel is qualified to act as counsel for the Plaintiffs in their individual capacities and as the representative of the Class.

7. The Court hereby conditionally certifies the following Class for settlement purposes only:

All current and former non-exempt employees employed by Defendant in California, including Plaintiff, who received a Qualifying Wage Statement during the Class Period (the period of March 30, 2019 through April 1, 2021, inclusive of the beginning and ending dates).

Should for whatever reason the Settlement Agreement not become Final, this Order shall be rendered null and void and shall be vacated and the Parties shall revert back to their respective positions as of before entering the Settlement Agreement. The fact that the Parties were willing to stipulate to certification of a class as part of the Settlement Agreement shall have no bearing on, or be admissible in connection with, the Litigation or the issue of whether a class should be certified in a non-settlement context.

8. The Court provisionally appoints and designates: (a) Plaintiff Richard Soutsos as the Class Representative and (b) Larry W. Lee and Max W. Gavron of Diversity Law Group, P.C. and William L. Marder of Polaris Law Group as Class Counsel for the Class. Class Counsel is authorized to act on behalf of the Class with respect to all acts or consents required by, or which may be given, pursuant to the Settlement Agreement, and such other acts reasonably necessary to finalize the Settlement Agreement and its terms.

9. The Court hereby approves, as to form and content, the Notice of Proposed Class Action Settlement (“Notice”) to be sent to Class Members, which is attached as **Exhibit A** to the Settlement Agreement. The Court finds that distribution of the Notice to Class Members substantially in the manner and form set forth in the Settlement Agreement and this Order meets the requirements of due process and shall constitute due and sufficient notice to all parties entitled thereto.

10. The Court appoints and designates Phoenix Settlement Administrators as the Settlement Administrator. The Court hereby directs the Settlement Administrator to provide the approved Notice to Class Members using the procedures set forth in the Settlement Agreement.

11. Any Class Member may choose to opt out of and be excluded from the Settlement as provided in the Settlement Agreement and Notice, and by following the instructions for requesting exclusion. Any person who timely and properly opts out of the Settlement by the deadline in the Settlement Agreement and Notice will not be bound by the Settlement Agreement or have any right to object, appeal, or comment thereon, except as to the resolution of PAGA claims. Any Settlement Class Member who timely requests exclusion will still receive a pro rata share of PAGA Penalties and will be deemed to have waived his or her rights to any claims for

1 civil penalties under PAGA or otherwise based on the Labor Code sections alleged to have been
2 violated in the Complaint. Any requests for exclusion must be in writing and signed by each such
3 Class Member opting out and must otherwise comply with the requirements delineated in the
4 Settlement Agreement and Notice. Class Members who have not requested exclusion by
5 submitting a valid and timely request by the deadline defined in the Settlement Agreement and
6 Notice shall be bound by all determinations of the Court, the Settlement Agreement, and
7 Judgment.

8 12. Any Class Member may object to the Settlement Agreement or express his or her
9 views regarding the Settlement Agreement and may present evidence and file briefs or other
10 papers that may be proper and relevant to the issues to be heard and determined by the Court as
11 provided in the Settlement Agreement and Notice. Any Class Member may object to the
12 Settlement Agreement by appearing at the Final Approval hearing and explaining their basis for
13 objecting as more fully described in Paragraph 16.

14 13. If more than five percent (5%) of the total number of Class Members submit
15 timely and valid Requests for Exclusion, Defendant shall have the option to cancel the
16 Settlement in its sole discretion. To exercise this option, Defendant must send written
17 notification to Class Counsel within fifteen (15) days of receiving a report from the Settlement
18 Administrator informing Defendant that the total number of timely and valid Requests for
19 Exclusion is more than five percent (5%).

20 14. The Parties are directed to implement the settlement in accordance with and
21 subject to the terms of the Settlement Agreement and this Order.

22 15. A final fairness hearing on the question of whether the proposed Settlement
23 Agreement, the allocation of payments to Settlement Class Members, attorneys' fees and costs to
24 Class Counsel, the payment to the Settlement Administrator, the payment to the Labor
25 Workforce & Development Agency, and the Class Representative Service Award should be
26 finally approved as fair, reasonable, and adequate as to the members of the Class is hereby set for
27 _____ at _____ in this Court.

28 16. Any party to this case, including any Class Member, may be heard at the final

1 fairness hearing in person or by counsel, to the extent allowed by the Court, in support of, or in
2 opposition to, the Court's determination of the good faith, fairness, reasonableness, and adequacy
3 of the proposed Settlement, the requested attorneys' fees and costs, the requested Enhancement
4 Payment to the Class Representative, and any order of Final Approval and Judgment regarding
5 such Settlement, fees, costs, and payment.

6 17. The Motion for Final Approval shall be filed by the Class Representative no later
7 than sixteen (16) court days before the Settlement Fairness Hearing.

8 18. The Court reserves the right to adjourn or continue the date of the Settlement
9 Fairness Hearing and all dates provided for in the Settlement Agreement without further notice to
10 the Class, and retains jurisdiction to consider all further applications arising out of or connected
11 with the Class Settlement Agreement.

12 IT IS SO ORDERED.

13
14 DATED: _____

15 HON. WILLIAM F. HIGHBERGER
SUPERIOR COURT OF CALIFORNIA

16 4832-5738-6488.1 / 082323-1008
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1 **PROOF OF SERVICE**

2 **(Code of Civil Procedure Sections 1013a, 2015.5)**

3
4 STATE OF CALIFORNIA]
5]ss.
6 COUNTY OF LOS ANGELES]

7 I am employed in the County of Los Angeles, State of California. I am over the age of
8 18 and not a party to the within action; my business address is 515 S. Figueroa Street, Suite
9 1250, Los Angeles, California 90071.

10 On August 30, 2021, I served the following document(s) described as:
11 **DECLARATION OF MAX W. GAVRON IN SUPPORT OF PLAINTIFF'S MOTION
12 FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT** on the interested
13 parties in this action as follows:

14 R. Brian Dixon
15 bdixon@littler.com
16 Colin W. Larson
17 clarson@littler.com
18 Littler Mendelson, P.C.
19 333 Bush Street, 34th Floor
20 San Francisco, California 94104
21 *Attorneys for Defendant California Resources Corporation*

22 X BY ELECTRONIC SERVICE VIA CASE ANYWHERE: Based on a court
23 order I caused the above-entitled document(s) to be served through Case Anywhere at the
24 website www.caseanywhere.com, addressed to all parties appearing on the electronic service list
25 for the above-entitled case. The service transmission was reported as complete and a copy of the
26 Case Anywhere Filing Receipt/Confirmation will be filed, deposited, or maintained with the
27 original document(s) in this office.

28 I declare under penalty of perjury under the laws of the State of California that the
above is true and correct. Executed on August 30, 2021, at Los Angeles, California.

24 
25 Erika Mejia