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NEP GROUP, INC. DBA NEP
SCREENWORKS

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE

AARON ANDRADE, an individual and class
representative on behalf of himself and all other
similarly situated non-exempt former and current
employees,

Plaintiff,

vs.

NEP GROUP, INC. DBA NEP
SCREENWORKS; and DOES 1 through 100,
inclusive,

Defendants.

Case No. CVRI2100122

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

[Assigned for all purposes to
The Honorable Harold Hopp, Dept. 1]

Action Filed: January 20, 2021
Trial Date: None

1 This Joint Stipulation of Class Action Settlement and Release of Claims (“Stipulation” or
2 “Settlement”) is entered into by and between plaintiff Aaron Andrade (“Plaintiff”), individually and
3 on behalf of all others similarly situated and the State of California, as a private attorney general, on
4 the one hand, and defendant NEP Group, Inc. (“Defendant”) on the other hand (collectively referred
5 to as “the Parties”).

6 This Settlement shall be binding on Plaintiff, the current and former employees he seeks to
7 represent, on Defendant, and on their respective counsel, subject to the terms and conditions
8 definitions, recitals, and terms set forth herein and to the approval of the Court.

9 **I. DEFINITIONS**

10 **1. Action**

11 “Action” or “Lawsuit” is defined as *Aaron Andrade v. NEP Group, Inc. dba NEP*
12 *Screenworks*, which was filed in Riverside County Superior Court (Case No. CVRI 2100122).

13 **2. Class Counsel**

14 “Class Counsel” means Solouki Savoy, LLP, who, subject to Court approval, shall act as
15 counsel for the Settlement Class.

16 **3. Class Counsel Award**

17 “Class Counsel Award” means attorneys’ fees for Class Counsel’s litigation and resolution
18 of this Lawsuit, and Class Counsel’s expenses and legal costs incurred in connection with this
19 Lawsuit.

20 **4. Class Information**

21 “Class Information” means information regarding Class Members that Defendant will in
22 good faith compile from Defendant’s internal and currently available electronic timekeeping, payroll,
23 and/or HRIS records and provide to the Settlement Administrator. To the extent possible, it shall be
24 formatted as a Microsoft Excel spreadsheet. It shall include: each Class Member’s full name; last
25 known address; last known home telephone number; social security number; and Compensable Work
26 Weeks.

27 **5. Class Members**

28 “Class Members” means all current and former non-exempt employees of NEP Screenworks

who worked in California during the Class Period (or if any such person is incompetent, deceased, or unavailable due to military service, the person's legal representative or successor in interest evidenced by reasonable verification).

6. Class Period

"Class Period" means the period from January 20, 2017 through the date of the order approving Plaintiff's Motion for Preliminary Approval of Class Action Settlement.

7. Class Representative

"Class Representative" means Plaintiff Aaron Andrade.

8. Class Representative Service Award

"Class Representative Service Award" means the amount that the Court authorizes to be paid to Plaintiff, in recognition of Plaintiff's efforts and risks in assisting with the prosecution of the Lawsuit. The Class Representative Service Award shall be in addition to the Plaintiff's Individual Settlement Payment as a Settlement Class Member. The proposed Class Representative Service Award is \$10,000 subject to Court approval.

9. Compensable Pay Periods

"Compensable Pay Periods" means the number of pay periods in which PAGA Member(s) was or were employed as a non-exempt employees for Defendant in the State of California during the PAGA Period based on information from Defendant's internal and currently available electronic timekeeping and HRIS records.

10. Compensable Work Weeks

"Compensable Work Weeks" means the number of weeks in which Settlement Class Member(s) was or were employed as a non-exempt employees for Defendant in the State of California during the Class Period based on information from Defendant's internal and currently available electronic timekeeping and HRIS records.

11. Complaint

"Complaint" means the operative complaint in the Action, which was filed in the Superior Court of California for the County of Riverside.

1 **12. Court**

2 “Court” means the Superior Court of California for the County of Riverside.

3 **13. Defendant**

4 “Defendant” means Defendant NEP Group, Inc. and includes its past, present and/or future,
5 direct and/or indirect, officers, directors, members, managers, employees, agents, representatives,
6 attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries,
7 affiliates, divisions, predecessors, successors, assigns, and joint venturers.

8 **14. Effective Date**

9 “Effective Date” of the Settlement means the date on which the Court’s order granting Final
10 Approval of this Joint Stipulation becomes final. Such order becomes final upon the following
11 events: (i) upon the Court issuing the Final Approval Order granting approval of this Settlement
12 Agreement if no objections to the settlement are filed, or if an objection is filed but is withdrawn
13 prior to the Court’s Final Approval Hearing; or (ii) in the event there are written objections filed
14 prior to the Final Approval Hearing which are not thereafter withdrawn prior to the hearing, the later
15 of the following events: (a) the day after the last day by which a notice of appeal of the order may be
16 timely filed with an appellate court, and none is filed; (b) if an appeal is filed and is finally disposed
17 of by ruling, dismissal, denial, or otherwise, the day after the last date for filing a request for further
18 review of the appellate court’s decision passes and no further review is requested; (c) if an appeal is
19 filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the appellate court,
20 and further review of the appellate court’s decision is requested, the day after the request for review
21 is denied with prejudice and/or no further review of the order can be requested; or (d) if review is
22 accepted, the day the appellate court affirms the Settlement.

23 **15. Final Approval Hearing**

24 “Final Approval Hearing” means the final hearing held to ascertain the fairness,
25 reasonableness, and adequacy of the Settlement.

26 **16. Final Approval Order**

27 “Final Approval Order” means the proposed order granting final approval of the Parties’
28 settlement and constituting a Final Judgment.

1 **17. Final Judgment**

2 “Final Judgment” means a judgment issued by the Court approving this Agreement as binding
3 upon the Parties.

4 **18. Gross Settlement Fund**

5 “Gross Settlement Fund” means the agreed upon settlement amount totaling \$200,000.00
6 (Two Hundred Thousand Dollars and Zero Cents) to be paid by Defendant in full settlement of the
7 Released Claims, and includes without limitation the Class Counsel Award, Class Representative
8 Service Award, Individual Settlement Payments, PAGA Payment, and Settlement Administrator
9 Costs. In no event shall Defendant be liable for more than the Gross Settlement Fund, except that
10 Defendant’s portion of payroll taxes will be paid separately and in addition to the Gross Settlement
11 Fund.

12 **19. Individual PAGA Settlement Payment**

13 “Individual PAGA Settlement Payment” means the amount paid from the PAGA Payment to
14 a PAGA Member, based upon his/her Compensable Pay Periods.

15 **20. Individual Settlement Payment**

16 “Individual Settlement Payment” means the amount paid from the Net Settlement Fund to a
17 Settlement Class Member, based upon his/her Compensable Work Weeks.

18 **21. LWDA**

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

20 **22. Net Settlement Fund**

21 “Net Settlement Fund” means the Gross Settlement Fund, less Court-approved Class Counsel
22 Award, Class Representative Service Award, payment to the LWDA, and Settlement Administration
23 Costs.

24 **23. Notice of Class Action Settlement**

25 “Notice of Class Action Settlement” means the Notice of Class Action Settlement and
26 Hearing Date for Court Approval substantially in the form attached hereto as **Exhibit A**, which shall
27 include an estimated individual settlement payment, number of workweeks worked, number of pay
28 periods worked, dates of employment, how to opt-out of the settlement, and how to object to the

1 settlement, and how to dispute the number of estimated workweeks/pay periods worked.

2 **24. PAGA**

3 “PAGA” refers to the Labor Code Private Attorneys General Act of 2004, codified at Labor
4 Code §§ 2699 et seq.

5 **25. PAGA Members**

6 “PAGA Members” means all means all current and former non-exempt employees of NEP
7 Screenworks who worked in California during the PAGA Period (or if any such person is
8 incompetent, deceased, or unavailable due to military service, the person’s legal representative or
9 successor in interest evidenced by reasonable verification)..

10 **26. PAGA Payment**

11 “PAGA Payment” means the payment made hereunder to the LWDA and PAGA Members
12 pursuant to PAGA. The Parties will seek approval from the Court for a PAGA Payment of \$10,000
13 out of the Gross Settlement Amount, which shall be allocated 75% (\$7,500) to the California Labor
14 and Workforce Development Agency (“LWDA”) as the LWDA’s share of the settlement of civil
15 penalties paid under this Agreement pursuant to the PAGA and 25% (\$2,500) will be distributed to
16 the PAGA Members as Individual PAGA Settlement Payments to be allocated based on the number
17 of pay periods worked as an PAGA Member during the PAGA Period. If the Court approves a PAGA
18 Payment of less than \$10,000, the remainder will be retained in the Net Settlement Fund for
19 distribution to Class Members.

20 **27. PAGA Period**

21 “PAGA Period” means the period from November 16, 2019 through the date of the order
22 approving Plaintiff’s Motion for Preliminary Approval of Class Action Settlement.

23 **28. Parties**

24 “Parties” means Plaintiff and Defendant, collectively, and “Party” shall mean Plaintiff or
25 Defendant, individually.

26 **29. Plaintiff**

27 “Plaintiff” means Plaintiff Aaron Andrade.
28

1 **30. Preliminary Approval Date**

2 “Preliminary Approval Date” means the date on which the Court issues an order granting
3 preliminary approval of the proposed order.

4 **31. Released Class Claims**

5 “Released Class Claims” means any All causes of action and factual or legal theories that
6 were alleged in the Complaint or reasonably could have been alleged based on the facts and legal
7 theories contained in the Complaint, including all of the following claims for relief: (a) failure to
8 pay all regular wages, minimum wages and overtime wages due; (b) failure to provide proper meal
9 periods, and to properly provide premium pay in lieu thereof; (c) failure to provide proper rest
10 periods, and to properly provide premium pay in lieu thereof; (d) waiting time penalties; (e) failure
11 to provide complete, accurate or properly formatted wage statements; (f) failure to maintain required
12 payroll records; (g) failure to indemnify employees for necessary business expenses; (h) unfair
13 business practices that could have been premised on the claims, causes of action or legal theories of
14 relief described above or any of the claims, causes of action or legal theories of relief pleaded in the
15 operative complaint; (j) any other claims or penalties under the wage and hour laws pleaded in the
16 Action; and (k) all damages, penalties, interest and other amounts recoverable under said claims,
17 causes of action or legal theories of relief pleaded in the complaint (collectively, the “Released
18 Claims”). The period of the Release shall extend to the limits of the Class Period. The res judicata
19 effect of the Judgment will be the same as that of the Release. Defendant shall be entitled to a release
20 of Released Class Claims which occurred during the Class Period only during such time that the
21 Settlement Class Member was classified as non-exempt, and expressly excluding all other claims,
22 including claims for vested benefits, wrongful termination, unemployment insurance, disability,
23 social security, workers’ compensation, claims while classified as exempt, and claims outside of the
24 Class Period.

25 **32. Released PAGA Claims**

26 “Released PAGA Claims” means any and all claims, causes of action, and factual or legal
27 theories that were alleged in Complaint, or reasonably could have been alleged based on the facts
28 and legal theories of the Complaint during the PAGA Period for civil penalties pursuant to the PAGA

for Defendant’s alleged failure to: (a) failure to pay all regular wages, minimum wages and overtime wages due; (b) failure to provide proper meal periods, and to properly provide premium pay in lieu thereof; (c) failure to provide proper rest periods, and to properly provide premium pay in lieu thereof; (d) waiting time penalties; (e) failure to provide complete, accurate or properly formatted wage statements; (f) failure to maintain required payroll records; (g) failure to indemnify employees for necessary business expenses; and (h) any other claims or penalties under the wage and hour laws pleaded in the Action (collectively, the “PAGA Released Claims”).

33. Released Parties

“Released Parties” means Defendant and any of its former and present parents, subsidiaries, affiliates, officers, directors, employees, partners, shareholders, attorneys, agents, successors, assigns, or legal representatives.

34. Request for Exclusion

“Request for Exclusion” means a letter setting forth a Class Member’s name, present address, and a simple statement electing to be excluded from the Settlement.

35. Response Deadline

“Response Deadline” means the date forty-five (45) days after the Settlement Administrator mails the Notice of Class Action Settlement to Class Members, which is the last date on which Class Members may: (a) submit a Request for Exclusion; (b) file and serve objections to the settlement; or (c) dispute the information contained in the Notice of Class Action Settlement. If the forty-fifth (45th) day falls on a Sunday or Federal holiday, then the deadline is extended to the next day that the U.S. Postal Service is open.

36. Settlement

“Settlement” or “Settlement Agreement” means the disposition of the Lawsuit pursuant to this Joint Stipulation of Class Action Settlement and Release of Claims.

37. Settlement Check

“Settlement Check” means the check mailed to Settlement Class Member and/or PAGA Member comprising their Individual Settlement Payment and/or Individual PAGA Settlement Payment amount(s).

1 **34. Settlement Administrator**

2 “Settlement Administrator” means the third-party company that is responsible for
3 administering the Settlement. This Settlement Administrator is ILYM Group, Inc.

4 **38. Settlement Administrator Costs**

5 “Settlement Administrator Costs” means the amount to be paid to the Settlement
6 Administrator from the Gross Settlement Fund for administration of this Settlement, currently
7 estimated at \$5,450.00

8 **39. Settlement Class Members**

9 “Settlement Class Members” means those Class Members who did not file a valid and timely
10 Request for Exclusion pursuant to section III, paragraph 12 of this Agreement.

11 **II. RECITALS**

12 **1. Class Certification**

13 The Parties stipulate to class certification of the Settlement Class for purposes of settlement
14 only. If the Court does not grant either preliminary or final approval of this Settlement, the Parties
15 shall work together in good faith to agree on a revised settlement agreement to address the Court’s
16 concerns. If the Parties are unable to reach agreement, or the Court does not grant either preliminary
17 or final approval of the revised settlement, the Parties agree that this stipulation regarding class
18 certification will be revoked and the Parties will return to a point in litigation prior to the execution
19 of this Agreement.

20 **2. Procedural History**

21 On March 5, 2020, Plaintiff sent the LWDA notice, via online filing, of his intent to file an
22 action against Defendant to seek civil penalties under PAGA.

23 On January 20, 2021, Plaintiff filed his class action and PAGA Complaint in Riverside
24 County Superior Court, Case No. CVRI 2100122, namely, the Action.

25 On March 15, 2021, Defendant filed its Answer to Plaintiff’s Complaint.

26 On May 17, 2022, the Court lifted the class certification discovery stay and set a deadline of
27 December 30, 2022 for Plaintiff to file a Motion to Certify a Class.

28 On May 17, 2022, Plaintiff served written discovery on Defendant;

On October 29, 2022, Defendant produced time and payroll records for the entire putative class of employees;

The Parties subsequently agreed to mediate Plaintiff's class and PAGA claims in the Action. The Parties began to engage in informal and formal discovery to understand the nature of the allegations and the scope of potential liability. Defendant provided Plaintiff's counsel with pertinent data for the Class Members, as well as relevant documents, so that the Parties could fully-investigate the claims at issue and understand their strengths and weaknesses. This included timekeeping records, payroll records, relevant policies and forms, and class data points.

On September 26, 2023, the Parties attended a full-day mediation with experienced mediator Brandon Coen. After a full-day's mediation, the Parties reached an agreement to settle Plaintiff's claims on a class- and PAGA-wide basis.

3. Compromise and Settlement Of Disputed Claims

Defendant denies any liability or wrongdoing of any kind associated with the claims asserted in Plaintiff's Action, disputes the damages and penalties claimed by Plaintiff, and further contends that, for any purpose other than settlement, Plaintiff's claims are not appropriate for class or representative action treatment. This Stipulation is a compromise of disputed claims. Nothing contained in this Stipulation, no documents referred to herein, and no action taken to carry out this Stipulation, shall be construed or used as an admission by or against Defendant as to the merits or lack thereof of the claims asserted in this Action. Defendant contends, among other things, that, at all times, it has complied with all applicable state, federal and local laws related to the Class Members' employment.

The Class Representative is represented by Class Counsel. Class Counsel conducted an investigation into the facts relevant to the Action, including reviewing documents and information provided by Defendant. Based on their own independent investigation and evaluation, Class Counsel are of the opinion that the Settlement with Defendant is fair, reasonable and adequate, and in the best interest of the Class in light of all known facts and circumstances, including the risks of significant delay, defenses asserted by Defendant, uncertainties regarding a class and representative action trial on the merits, and numerous potential appellate issues. Although Defendant denies liability,

Defendant is agreeing to this Settlement solely to avoid the cost of further litigation. Accordingly, the Parties and their counsel desire to fully, finally, and forever settle, compromise and discharge all disputes and claims arising from or relating to the Action on the terms set forth herein.

4. Benefits of Settlement to Class Members

Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to litigate their disputes through trial and through any possible appeals. Plaintiff has also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Lawsuit, both generally and in response to Defendant's defenses thereto, and the difficulties in establishing damages for the Class Members. Plaintiff and Class Counsel have also taken into account Defendant's agreement to enter into a settlement that confers substantial relief upon the members of the Class. Based on the foregoing, Class Counsel have concluded that settlement for the consideration and on the terms set forth in this Settlement Agreement, is fair, reasonable, and adequate and is in the best interest of the putative class in light of all known facts and circumstances, including the risk of significant delay, defenses asserted by Defendant, Defendant's financial condition, numerous potential appellate issues, and other risks inherent in litigation.

5. Defendant's Reasons for Settlement

Defendant has concluded that any further defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of Defendant's time, energy, and resources have been and, unless this Settlement is completed, will continue to be devoted to, the defense of the claims asserted by Plaintiff and Class Members. Defendant has also taken into account the risks of further litigation in reaching its decision to enter into this Settlement. Even though Defendant continues to contend that it is not liable for any of the claims set forth by Plaintiff in this Action, Defendant has agreed, nonetheless, to settle in the manner and upon the terms set forth in this Agreement to put to rest the claims in this Lawsuit. Defendant contends that it has complied with all applicable state, federal, and local laws.

III. TERMS OF AGREEMENT

1 **1. Release as to All Settlement Class Members**

2 As of the Effective Date, all Settlement Class Members will release the Released Parties from
3 the Released Class Claims, whether known or unknown. To be clear, the scope of this release is
4 limited to the Released Class Claims. Settlement Class Members may later discover facts or legal
5 arguments in addition to or different from those that they now know or currently believe to be true
6 with respect to the Released Class Claims. Regardless, the discovery of new facts or legal arguments
7 shall in no way limit the scope or definition of the Released Class Claims, and by virtue of this
8 Agreement, Plaintiff and Settlement Class members shall be deemed to have, and by operation of the
9 final judgment approved by the Court, shall have, fully, finally, and forever settled and released all
10 of the Released Class Claims. The Parties understand and specifically agree that the scope of this
11 Release described in this Paragraph is a material part of the consideration for this Agreement, was
12 critical in justifying the agreed upon economic value of the Settlement and without it, Defendant
13 would not have agreed to the consideration provided, and is narrowly drafted and necessary to ensure
14 that Defendant is obtaining peace of mind regarding the resolution of the claims that were or could
15 have been alleged based on facts, causes of action, and legal theories contained in the Action.

16 Defendant shall be entitled to a release of all Released Class Claims which occurred during
17 the Class Period only during such time that the Settlement Class Member was non-exempt, and
18 expressly excluding all other claims, including but not limited to claims for vested benefits, wrongful
19 termination, unemployment insurance, disability, social security, workers' compensation, claims
20 while classified as exempt, and claims outside of the Class Period.

21 **2. Release as to all PAGA Members**

22 As of the Effective Date, all PAGA Members will release the Released Parties from the
23 Released PAGA Claims, whether known or unknown. To be clear, the scope of this release is limited
24 to the Released PAGA Claims. PAGA Members may later discover facts or legal arguments in
25 addition to or different from those that they now know or currently believe to be true with respect to
26 the claims, causes of action, and legal theories of the Action. Regardless, the discovery of new facts
27 or legal arguments shall in no way limit the scope or definition of the Released PAGA Claims, and
28 by virtue of this Agreement, Plaintiff and PAGA Members shall be deemed to have, and by operation

of the final judgment approved by the Court, shall have, fully, finally, and forever settled and released all of the Released PAGA Claims. The Parties understand and specifically agree that the scope of this Release described in this Paragraph is a material part of the consideration for this Agreement, was critical in justifying the agreed upon economic value of the Settlement and without it, Defendant would not have agreed to the consideration provided, and is narrowly drafted and necessary to ensure that Defendant is obtaining peace of mind regarding the resolution of the claims that were or could have been alleged based on facts, causes of action, and legal theories contained in the Action and as defined in the Released Claims.

3. Release of Claims by Plaintiff

As of the Effective Date, Plaintiff for himself only releases the Released Parties from all of the Released Claims during the Class Period. Plaintiff, for himself and his heirs, successors and assigns, further waives, releases, acquits and forever discharges the Released Parties from any and all claims, actions, charges, complaints, grievances and causes of action, of whatever nature, whether known or unknown, which exist or may exist on Plaintiff's behalf as of the date of this Agreement, including, but not limited to, any and all tort claims, contract claims, wage claims, wrongful termination claims, disability claims, benefit claims, public policy claims, retaliation claims, statutory claims, personal injury claims, emotional distress claims, invasion of privacy claims, defamation claims, fraud claims, quantum meruit claims, and any and all claims arising under any federal, state or other governmental statute, law, regulation or ordinance, including, but not limited to, claims for violation of the Fair Labor Standards Act (FLSA), the California Labor Code, the Wage Orders of California's Industrial Welfare Commission, other state wage and hour laws, the Americans with Disabilities Act, the Age Discrimination in Employment Act (ADEA), the Employee Retirement Income Security Act, Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act, the California Family Rights Act, the Family Medical Leave Act, California's Whistleblower Protection Act, California Business & Professions Code §§17200 et seq., and any and all claims arising under any federal, state or other governmental statute, law, regulation or ordinance.

Plaintiff's releases set forth herein include a waiver of all rights under California Civil Code

§1542, which provides:

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

Plaintiff may hereafter discover claims or facts in addition to, or different from, those which he now knows or believes to exist, but Plaintiff expressly agrees to fully, finally and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, which exist or may exist on behalf of or against the other at the time of execution of this Agreement, including, but not limited to, any and all claims relating to or arising from Plaintiff's employment with Defendant.

4. Tax Liability and Medicare

The Parties make no representations as to the tax treatment or legal effect of the payments called for hereunder, and Settlement Class Members are not relying on any statement or representation by the Parties in this regard. Settlement Class Members understand and agree that they will be responsible for the payment of taxes and penalties assessed on the payments described herein and will hold the Parties free and harmless from and against any claims resulting from treatment of such payments as non-taxable damages, including the treatment of such payment as not subject to withholding or deduction for payroll and employment taxes. Moreover, this Agreement is based upon a good faith determination of the Parties to resolve a disputed claim. The Parties have not shifted responsibility of medical treatment to Medicare in contravention of 42 U.S.C. Sec. 1395y(b), especially since this is strictly a wage and hour case. The Parties resolved this matter in compliance with both state and federal law. The Parties made every effort to adequately protect Medicare's interest and incorporate such into the settlement terms. Plaintiff warrants that he is not a Medicare beneficiary as of the date of this Agreement. As such, no conditional payments have been made by Medicare.

5. Circular 230 Disclaimer

Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges

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

15 **6. Preliminary Approval of Settlement**

16 Promptly upon execution of this Agreement, Plaintiff will move the Court to grant
17 preliminary approval of this Settlement, certifying the Class for settlement purposes only and setting
18 a date for the Final Approval Hearing. All Parties agree to work diligently and cooperatively to have
19 this Settlement presented to the Court for preliminary approval. The proposed preliminary approval
20 order shall provide for the Notice of Class Action Settlement to be sent to Settlement Class Members
21 as specified herein.

22 **7. Settlement Administrator**

23 Upon the Court granting preliminary approval of this Agreement, Defendant shall provide
24 the Settlement Administrator with the Class Information within ten (10) business days for purposes
25 of mailing the Notice of Class Action Settlement to the Class Members. No later than three (3)
26 business days after receipt of the Class Information, the Settlement Administrator shall notify
27 counsel for the Parties that the list has been received and state the number of Class Members included
28 in the Class Information.

1 **8. Notice by First Class U.S. Mail**

2 Upon receipt of the Class Information, the Settlement Administrator will perform a search
3 based on the National Change of Address Database to update and correct any known or identifiable
4 address changes. Within thirty (30) calendar days of the Preliminary Approval Date, the Settlement
5 Administrator shall mail copies of the Notice of Class Action Settlement to all Class Members via
6 regular First-Class U.S. Mail with a return postage-paid envelope. The Settlement Administrator
7 shall exercise its best judgment to determine the current mailing address for each Class Member,
8 including performing a skip-trace to identify any updated addresses. The address identified by the
9 Settlement Administrator as the current mailing address shall be presumed to be the best mailing
10 address for each Class Member. A reminder postcard will be mailed out 30 days after the Class
11 Notice is mailed to Class Members.

12 **9. Undeliverable Notices**

13 Any Notice of Class Action Settlement returned to the Settlement Administrator as
14 undeliverable on or before the Response Deadline shall be re-mailed once to the forwarding address
15 affixed thereto. If no forwarding address is provided, the Settlement Administrator shall promptly
16 attempt to determine a correct address by use of skip-tracing, or other search using the name, address
17 and/or social security number of the Class Member whose notice was undeliverable, and shall then
18 re-mail all returned, undelivered mail within five (5) calendar days of receiving notice that a notice
19 was undeliverable. Class Members who receive a re-mailed Notice of Class Action Settlement shall
20 have their Response Deadline extended by the longer of fourteen (14) calendar days from the date of
21 re-mailing or the remaining original Response Deadline period.

22 **10. Disputes Regarding Individual Settlement Payments**

23 Class Members will have the opportunity, should they disagree with Defendant's records
24 regarding the weeks worked stated on their Notice of Class Action Settlement, to provide
25 documentation and/or an explanation to show contrary information by the Response Deadline. If
26 there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an
27 adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the
28 amounts of, any Individual Settlement Payments under the terms of this Agreement. The Settlement

1 Administrator's determination of the eligibility for and amount of any Individual Settlement Payment
2 shall be binding upon the Class Members and the Parties. In the absence of circumstances indicating
3 fraud, manipulation or destruction, Defendant's records will be given a rebuttable presumption of
4 accuracy.

5 **11. Disputes Regarding Administration of Settlement**

6 Any disputes not resolved by the Settlement Administrator concerning the administration of
7 the Settlement will be resolved by the Court, under the laws of the State of California. Prior to any
8 such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes
9 without the necessity of involving the Court.

10 **12. Requests for Exclusion**

11 The Notice of Class Action Settlement shall state that Class Members who wish to exclude
12 themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The
13 Notice will state that the Request for Exclusion: (1) must contain the name, address, and telephone
14 number of the Class Member requesting exclusion; (2) must contain a statement expressing that the
15 Class Member elects to be excluded from the Settlement; (3) must be signed by the Class Member;
16 and (4) must be postmarked or fax stamped by the Response Deadline and returned to the Settlement
17 Administrator at the specified address or fax number. The Request for Exclusion will be deemed
18 invalid if it does not contain a Class Member's name, address, signature, and a statement requesting
19 exclusion. The date of the postmark on the return mailing envelope or fax stamp on the Request for
20 Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been
21 timely submitted. If the Settlement Administration is unsure of the validity of a Request for
22 Exclusion, it must provide a copy of the Request for Exclusion to the Parties to review and make a
23 determination as to its validity. Any Class Member who requests to be excluded from the Settlement
24 Class will not be entitled to any recovery under the Settlement and will not be bound by the terms of
25 the Settlement or have any right to object, appeal, or comment thereon. Class Members who fail to
26 submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound
27 by all terms of the Settlement and any Final Judgment entered in this Lawsuit if the Settlement is
28 approved by the Court. No later than five (5) calendar days after the Response Deadline, the

Settlement Administrator shall provide counsel for the Parties with a complete list of all members of the Settlement Class who have timely submitted a Request for Exclusion.

13. Objections

The Notice of Class Action Settlement shall state that Class Members who wish to object to the Settlement may do so in person at the Final Approval Hearing and/or in writing. Any written objection (“Notice of Objection”) must be mailed or faxed to the Settlement Administrator by the Response Deadline. The date of mailing on the envelope or the date of the fax transmission shall be deemed the exclusive means for determining that a Notice of Objection was timely received. The Notice of Objection must be signed by the Class Member and state: (1) the full name of the Class Member; (2) the basis for the objection; and (3) if the Class Member intends to appear at the Final Approval Hearing. The Settlement Administration must provide a copy of written objections to the Parties within three (3) calendar days of receipt. Class Counsel will ensure that any Notices of Objection received by the Settlement Administrator by the Response Deadline are filed with the Court along with the Motion for Final Approval. Either of the Parties may file a responsive document to any objection at least ten (10) court days before the Final Approval Hearing. Any attorney who will represent an individual objecting to this Settlement who has not filed a written objection must file a notice of appearance with the Court and serve Class Counsel and counsel for Defendant no later than the Response Deadline. Class Counsel shall not represent any Class Members with respect to any such objections.

Any Class Member who fails to submit a timely written objection or to present an objection in person at the Final Approval Hearing shall be deemed to have waived any objections and shall be foreclosed from making any objection to the Settlement whether by appeal or otherwise.

An individual who submits a valid Request for Exclusion may not object to the Settlement.

14. No Solicitation of Settlement Objections or Exclusions

The Parties agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit either written objections to the Settlement or requests for exclusion from the Settlement, or to appeal from the Court’s Final Judgment.

1 **15. Funding and Allocation of Gross Settlement Fund**

2 No later than twenty-one (21) calendar days after the Effective Date, Defendant shall provide
3 the Gross Settlement Fund to the Settlement Administrator to fund the Settlement, as set forth in this
4 Agreement, and the employer's share of payroll taxes due on the portion of the Individual Settlement
5 Payments that is allocated to wages. Defendant will not be obligated to make any payments
6 contemplated by this Agreement unless and until the Court enters the Final Approval Order and Final
7 Judgment, and after the Effective Date of the Agreement. Within five (5) calendar days of the receipt
8 of the Gross Settlement Fund, the Settlement Administrator shall make the Settlement payments as
9 specified in this Settlement Agreement,

10 **16. Net Settlement Fund**

11 The Net Settlement Fund will be determined by the Settlement Administrator by subtracting
12 the Court-approved Class Counsel Award, Class Representative Service Award, PAGA Payment,
13 and Settlement Administrator Costs from the Gross Settlement Fund. The anticipated Net Settlement
14 Fund is \$200,000. The Parties estimate the amount of the Net Settlement Fund as follows:

15

16 Gross Settlement Fund:	\$ 200,000
17 Class Representative Service Award:	\$ 10,000
18 Class Counsel Fees:	\$ 66,660
19 Class Counsel Costs:	\$ 15,000
20 PAGA Payment	\$ 10,000
21 Settlement Administrator Costs:	\$ 5,450

22 **Anticipated Net Settlement Fund \$ 92,890**

23 This is a non-reversionary Settlement in which Defendant is required to pay the entire Gross
24 Settlement Fund, which includes, the Class Counsel Award, Class Representative Service Award,
25 Individual Settlement Payments, PAGA Payment, and Settlement Administrator Costs. No portion
26 of the Gross Settlement Fund will revert to Defendant.

27 Defendant's share of payroll taxes due on the portion of the Individual Settlement Payments
28 allocated to wages, including but not limited to Defendant's FICA and FUTA contributions, shall be

paid separately from, and in addition to, the Gross Settlement Fund.

17. Class Member's Individual Settlement Payments

Individual Settlement Payments will be paid from the Net Settlement Fund and shall be paid pursuant to the settlement formula set forth herein. Individual Settlement Payments shall be mailed by regular First-Class U.S. Mail to each Settlement Class Member's last known mailing address within seven (7) calendar days after Defendant makes the final settlement payment. All Individual Settlement Payments will be allocated as follows: twenty percent (20%) as wages and eighty percent (80%) as interest and penalties.

Settlement Class Members will be paid on a pro-rata basis. A Settlement Class Member's Individual Settlement Payment will be based on the number of Compensable Work Weeks during which s/he worked in proportion to the aggregate number of Compensable Work Weeks worked by all Settlement Class Members, reduced as necessary to account for the employee's mandatory payroll withholdings.

18. PAGA Member's PAGA Individual PAGA Settlement Payment

PAGA Members will be paid an Individual PAGA Settlement Payment on a pro-rata basis from the PAGA Payment. A PAGA Member's Individual PAGA Settlement Payment will be based on the number of Compensable Pay Periods during which s/he worked in proportion to the aggregate number of Compensable Pay Periods worked by all PAGA Members. The Parties will seek approval from the Court for a PAGA Payment of \$10,000 out of the Gross Settlement Amount, which shall be allocated 75% (\$7,500) to the California Labor and Workforce Development Agency ("LWDA") as the LWDA's share of the settlement of civil penalties paid under this Agreement pursuant to the PAGA and 25% (\$2,500) will be distributed to the PAGA Members to be allocated based on the number of pay periods worked as an PAGA Member during the PAGA Period.

19. Payment to Settlement Class Member and PAGA Members

Settlement Checks shall be made payable to each Settlement Class Member and/or PAGA Member for payment of each Settlement Class Member and/or PAGA Member's Individual Settlement Payment and/or Individual PAGA Settlement Payment as set forth in Paragraphs III.17-18 of this Agreement.

1 **20. Form of Payment to Class Member**

2 The Individual Settlement Payment and/or Individual PAGA Settlement Payment amount(s)
3 due to each Settlement Class Member and/or PAGA Member shall be paid in the form of a single
4 Settlement Check to each Settlement Class Member and/or PAGA Member.

5 **21. Unclaimed Settlement Payment(s)**

6 After one hundred and eighty (180) calendar days of the mailing of the Settlement Checks,
7 funds attributable to unclaimed, undeliverable, or expired Settlement Checks will be transmitted to
8 the State of California Office of the Controller Unclaimed Property Fund in the name of the
9 Settlement Class Members who did not cash his/her Settlement Check. The Parties agree to
10 coordinate their efforts to seek Court approval for such an escheatment process of uncashed funds.
11 If, for some reason, the Court does not approve the escheatment of uncashed funds, the Parties agree
12 to meet and confer to identify a mutually-agreeable cy pres recipient(s).

13 **22. Class Representative Service Award**

14 Plaintiff will request that the Court approve a Class Representative Service Award of up to
15 \$10,000. The Class Representative Service Award shall be paid to Plaintiff from the Gross Settlement
16 Fund within seven (7) calendar days after Defendant provides the Gross Settlement Fund to the
17 Settlement Administrator. The Settlement Administrator shall issue an IRS Form 1099 – MISC to
18 Plaintiff for his respective Class Representative Service Award. Plaintiff shall be solely and legally
19 responsible to pay any and all applicable taxes on his Class Representative Service Award and shall
20 hold harmless Defendant and Class Counsel from any claim or liability for taxes, penalties, or interest
21 arising as a result of the Class Representative Service Award. The Class Representative Service
22 Award shall be in addition to the Plaintiff's Individual Settlement Payment as a Settlement Class
23 Member. Any amount requested by Plaintiff for the Class Representative Service Award and not
24 granted by the Court shall return to the Net Settlement Fund and be distributed to Settlement Class
25 Members as provided in this Agreement.

26 **23. Class Counsel Award**

27 Class Counsel will request that the Court approves attorneys' fees in the amount of up to
28 thirty-three and one-third percent (33.33%) of the Gross Settlement Fund. This amount is currently

1 anticipated to be \$66,660.00. Class Counsel will request that the Court approve the reimbursement
2 of any litigation costs or expenses associated with Class Counsel's prosecution of this matter from
3 the Gross Settlement Fund not to exceed \$15,000. Even in the event that the Court reduces or does
4 not approve the requested Class Counsel Award and costs, Plaintiff's Counsel shall not have the right
5 to revoke the Settlement and it will remain binding. Class Counsel shall be paid any Court-approved
6 fees and costs no later than seven (7) calendar days after Defendant provides the Gross Settlement
7 Fund to the Settlement Administrator. Class Counsel shall be solely and legally responsible to pay
8 all applicable taxes on the payment made pursuant to this paragraph. The Settlement Administrator
9 shall issue an IRS Form 1099 – MISC to Class Counsel for the payments made pursuant to this
10 paragraph. This Settlement is not contingent upon the Court awarding Class Counsel any particular
11 amount in attorneys' fees and costs. Any amount requested by Class Counsel for the Class Counsel
12 Award and not granted by the Court shall return to the Net Settlement Fund and be distributed to
13 Settlement Class Members as provided in this Agreement.

14 **24. Settlement Administrator Costs**

15 The Parties agree to allocate up to \$5,450 of the Gross Settlement Fund for Settlement
16 Administrator Costs. The Settlement Administrator shall have the authority and obligation to make
17 payments, credits and disbursements to Settlement Class Members in the manner set forth herein,
18 calculated in accordance with the methodology set out in this Agreement and orders of the Court.
19 The Parties agree to cooperate in the Settlement administration process and to make all reasonable
20 efforts to control and minimize the cost and expenses incurred in administration of the Settlement.

21 **25. Responsibilities of the Settlement Administrator**

22 The Settlement Administrator shall be responsible for the following: processing and mailing
23 payments to Plaintiff, Class Counsel, and Settlement Class Members; printing, and mailing the
24 Notice of Class Action Settlement and tax forms to the Settlement Class Members as directed by the
25 Court; receiving and reporting the requests for exclusion and objections submitted by Settlement
26 Class Members; providing declaration(s) as necessary in support of preliminary and/or final approval
27 of this Settlement; and other tasks as the Parties mutually agree or the Court orders the Settlement
28 Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the

performance of all Settlement Administrator responsibilities. Plaintiff, Class Counsel, Defendant, and Defendant's counsel shall not bear any responsibility for errors or omissions in the calculation or distribution of the settlement payments or development of the list of recipients of settlement payments.

26. Settlement Administrator Fees

The Settlement Administrator shall be paid the Settlement Administrator Costs within seven (7) calendar days after Defendant provides the Gross Settlement Fund to the Settlement Administrator.

27. Payment to the LWDA

A total payment of \$10,000 from the Gross Settlement Fund will be allocated as the PAGA Payment to be paid as penalties under the Labor Code Private Attorneys General Act of 2004, to the LWDA. Seventy-five percent (75%) of the PAGA Payment (\$7,500) will be paid to the LWDA and the remaining twenty-five (25%) (\$2,500) shall be included in the Net Settlement Fund distributed to PAGA Members.

28. Final Approval Hearing and Entry of Final Judgment

Upon expiration of the Response Deadline, with the Court's permission, the Final Approval Hearing shall be conducted to determine final approval of the Settlement along with the amount properly payable for: (i) the Class Counsel Award; (ii) the Class Representative Service Award; (iii) Individual Settlement Payments; (iv) the Settlement Administrator Costs; and (v) PAGA Payment.

29. Final Approval Order

Plaintiff will request that the Court enter, after the Final Approval Hearing, a Final Approval Order. Plaintiff will request that the Final Approval Order certify the Settlement Class; find that this Agreement is fair, just, adequate, and in the best interests of the Class; and require the Parties to carry out the provisions of this Agreement.

30. Nullification of Settlement Agreement

In the event: (i) the Court denies preliminary approval of the Settlement; (ii) the Court denies final approval of the Settlement; (iii) the Court refuses to enter a Final Judgment as provided herein; or (iv) the Settlement does not become final for any other reason, this Settlement Agreement shall

1 be null and void and any order or judgement entered by the Court in furtherance of this Settlement
2 shall be treated as void from the beginning. To the extent the total number of opt outs exceed five
3 percent (5%), Defendant has the option to nullify this settlement prior to the final fairness hearing
4 via a written notice to Plaintiff's counsel. If one or more of such events occur causing the Settlement
5 Agreement to become null and void, the Parties shall proceed in all respects as if this Agreement had
6 not been executed, except that any fees already incurred by the Settlement Administrator shall be
7 paid by the party terminating the Settlement or Defendant will be solely responsible for the costs
8 incurred for the settlement administration should it exercise its' option to nullify this agreement. The
9 return of any paid Settlement funds to Defendant shall occur no later than five (5) business days after
10 one or more of the triggering events leading to nullification occurs. In the event an appeal is filed
11 from the Court's Final Judgment, or any other appellate review is sought, administration of the
12 Settlement shall be stayed pending final resolution of the appeal or other appellate review, but any
13 fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from
14 the Court's Final Judgment, or any other appellate review, shall be paid to the Settlement
15 Administrator by Defendant within thirty (30) days of said notification.

16 **31. Class and PAGA Period Adjustment**

17 It is estimated that between January 20, 2017 and June 29, 2023 (the "Data Period") there
18 were approximately 5,903 workweeks worked by Class Members during that same period. If, during
19 settlement administration, it turns out that the actual number of weeks in which Class Members
20 performed work during the Data Period exceeds 10% above the 5,903 estimate (*i.e.*, 6,494 work
21 weeks), the percentage above 10% shall be considered the "Escalator." If the number of workweeks
22 exceeds 5,903 workweeks through June 29, 2023 by more than 10%, Defendant will increase the
23 Maximum Settlement Amount by the percentage over 10%. For example, if the actual number is
24 increased by 12%, then the Maximum Settlement Amount will be increased by 2%.

25 **32. No Effect on Employee Benefits**

26 Amounts paid to Plaintiff or other Settlement Class Members pursuant to this Agreement
27 shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or
28 calculation of, any of the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of

Plaintiff or Settlement Class members.

33. No Admission by Defendant

Defendant denies any and all claims alleged in this Lawsuit and denies all wrongdoing whatsoever. This Agreement 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, concession, or omission by Defendant.

34. Exhibits and Headings

The terms of this Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

35. Interim Stay of Proceedings

The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval Hearing to be conducted by the Court. Defendant will not be obligated to file an answer to the Complaint.

36. Amendment or Modification

This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

37. Entire Agreement

This Agreement and any attached Exhibits constitute the entire Agreement among these Parties, and no oral or written representations, warranties, or inducements have been made to any Party concerning this Agreement or its Exhibits other than the representations, warranties, and covenants contained and memorialized in the Agreement and its Exhibits. The Parties are entering in to this Agreement based solely on the representations and warranties herein and not based on any promises, representation, and/or warranties not found herein.

38. Authorization to Enter into Settlement Agreement

Counsel for all Parties warrant and represent they are expressly authorized by the Parties

whom they represent to negotiate this Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The persons signing this Agreement on behalf of Defendant represent and warrant that they are authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and warrants that he is authorized to sign this Agreement and that he does have not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

39. Binding on Successors and Assigns

This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

40. California Law Governs

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

41. Counterparts

This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

42. Jurisdiction of the Court

The Parties agree that the Court shall retain jurisdiction with respect to the interpretation, implementation and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the Settlement embodied in this Agreement and all orders and judgments entered in connection therewith.

43. Invalidity of Any Provision

Before declaring any provision of this Agreement invalid, the Court shall first attempt to

construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

44. Publicity

Plaintiff and Class Counsel agree not to disclose or publicize this Settlement, including the fact of the Settlement, its terms or contents, and the negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any person or entity, except potential Settlement Class Members and as shall be contractually required to effectuate the terms of the Settlement. For the avoidance of doubt, this section means Plaintiff and Class Counsel agree not to issue press releases, communicate with, or respond to any media or publication entities, publish information in manner or form, whether printed or electronic, on any medium or otherwise communicate, whether by print, video, recording, website or social media post, or any other medium, with any person or entity concerning the Settlement, including the fact of the settlement, its terms or contents and the negotiations underlying the Settlement, except as shall be contractually required to effectuate the terms of the Settlement. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the name of the Parties in this action and the venue/case number of this action (but not any other settlement details) for such purposes.

45. No Unalleged Claims

Plaintiff and Class Counsel represent that they, as of the date of execution of this Settlement, (a) are not currently aware of any unalleged claims in addition to, or different from, those which are finally and forever settled and released against the Released Parties by this Settlement, (b) they have no current intention of asserting any other claims against Defendant or any of the Released Parties in any judicial or administrative forum, and (c) that they do not currently represent any persons who have expressed any interest in pursuing litigation or seeking any recovery against Defendant or any of the Released Parties. Nothing in this Paragraph will be construed as a restraint on the right of any counsel to practice.

46. Notice of Settlement to LWDA.

Plaintiff will provide submit this Agreement and proposed settlement to the Labor Workforce

Development Agency ("LWDA") as required by Labor Code Section 2699(l)(2) at the same time that it is submitted to the Court for preliminary approval.

WHEREFORE, Plaintiff, on behalf of himself and the Settlement Class members, and Defendant has executed this Agreement as of the dates set forth below.

IT IS SO AGREED:

Dated: January 3, 2024

By: *Aaron Andrade*

Aaron Andrade

Dated: January 3, 2024

By: *Nicole Letourneau* Digitally signed by Nicole Letourneau
Date: 2024.01.03 11:48:57 -05'00'

NEP Group, Inc.

APPROVED AS TO FORM:

DATED: January 3, 2024

SOLOUKI SAVOY, LLP

By: *Shoham Solouki*
Shoham Solouki
Grant Savoy

Attorneys for Plaintiff and Proposed Class

DATED: January 3, 2024

OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.

By: *Betsy Johnson*
Betsy Johnson
Omar M. ANIFF

Attorneys for Defendant
NEP GROUP, INC. DBA NEP SCREENWORKS

EXHIBIT “A”

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE

NOTICE OF CLASS ACTION SETTLEMENT

PLEASE READ CAREFULLY AS
THIS NOTICE MAY AFFECT YOUR RIGHTS

AARON ANDRADE, an individual and class representative on behalf of himself and all other similarly situated non-exempt former and current employees,, Plaintiff, v. NEP GROUP, INC. DBA NEP SCREENWORKS; and DOES 1 through 100, inclusive, Defendants.	Judge: Hon. Harold Hopp NOTICE OF CLASS ACTION SETTLEMENT
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I. WHY DID I GET THIS NOTICE?

This notice explains that a proposed settlement has been reached in the case entitled *Aaron Andrade v. NEP Group, Inc. dba NEP Screenworks* (“Defendant”) (the “Action”). You are receiving this notice because the records of *NEP Group, Inc.* (“NEP”) indicate that you are a current or former employee who worked for NEP as a non-exempt employee or an equivalent positions within the State of California during the period of January 20, 2017 through [date of preliminary approval]. The Court has ordered that this notice be sent to you (i) to describe the terms of the proposed settlement, including how settlement monies will be allocated and how the settlement may affect you, and (ii) to advise you of your rights and options with respect to the proposed settlement.

This is **not** a notice of a lawsuit against you. **You are not being sued.** Your participation in the Settlement will not adversely affect your employment with NEP.

II. WHAT IS THE CLASS ACTION LAWSUIT ABOUT?

On January 20, 2021, Aaron Andrade (“Plaintiff”), a former NEP employee, filed a lawsuit in Riverside County Superior Court (Case No. CVRI2100122), in which he alleged multiple alleged violations of California wage-and-hour law, including for failure to pay all wages including minimum and overtime wages; failure to provide meal periods; failure to provide rest periods; failure to pay wages timely at the time of termination and/or during employment; failure to provide complete, accurate or properly formatted wage statements; failure to indemnify necessary business expenses, unfair business practices, and a claim for civil penalties under the Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698, *et seq.* (“PAGA”). Plaintiff’s complaint sought to represent a putative class consisting of all current and former non-exempt NEP employees in California within the relevant time period.

NEP disputes Plaintiff's allegations, denies that Plaintiff's claims have merit, and denies that Plaintiff's claims could properly proceed as a class and/or representative action. NEP further contends that the members of the Class have been paid all monies that were due to them, maintains that it has at all times complied with California's wage-and-hour laws, and vigorously denies any wrongdoing alleged by Plaintiff.

The Court has not ruled on whether Plaintiff's allegations have any merit. However, for the purpose of avoiding the time and expense of further litigation, the ultimate outcome of which is uncertain, and to provide a fair and reasonable resolution of this legal dispute, Plaintiff and NEP have negotiated a settlement whereby NEP has agreed to pay \$200,000.00 to resolve the matter, and Class Members will be eligible to claim a portion of this amount. This settlement is **not** an admission by NEP or its affiliates of any liability.

III. WHO IS INCLUDED IN THIS CLASS ACTION?

All persons who work or worked for NEP in California as non-exempt employee at any time during the period of January 20, 2017 through [date of preliminary approval].

IV. WHAT DOES THE PROPOSED SETTLEMENT OFFER?

Under the terms of the parties' proposed settlement, the following will occur if the settlement is given final approval by the Court:

A. NEP will pay Two Hundred Thousand Dollars and no cents (\$200,000.00) to settle the claims of all Class Members.

B. A claims administrator has been appointed by the Court to administer the settlement. The claims administrator will pay from the \$200,000.00: **(1)** Plaintiff's counsel's attorneys' fees, up to \$66,660.00; **(2)** Plaintiff's costs of litigation, up to the amount of \$15,000.00; **(3)** The expenses of administering the settlement, up to the amount of \$5,450.00; **(4)** An enhancement award of \$10,000.00 to the Plaintiff; **(5)** The sum of \$10,000.00 allocated to the settlement of Plaintiff's claim for penalties under PAGA distributed as follows: (a) 75% (\$7,500.00) to the California Labor & Workforce Development Agency, and 25% (\$2,500.00) to be distributed to the Class Members who worked in a non exempt or equivalent position in California during the PAGA Period between November 16, 2019 and [preliminary approval date]. The remainder of the \$200,000.00 will be available to make individual settlement payments to Class Members.

C. The amount to be distributed to Class Members will be divided among all Class Members. The amount of money you will receive will be based on the total amount to be distributed to Class Members, after the amounts described in paragraph IV.B, above, are deducted, divided by the number of aggregate compensable weeks worked by all Settlement Class Members during the Class Period to produce a Weekly Settlement Value. A "compensable week" is any week in which a Settlement Class Member worked as a non-exempt employee for NEP during the Class Period. If you do not opt out of the settlement, you will be eligible to receive a settlement payment in the amount of the total number of compensable weeks you worked for NEP during the Class Period multiplied by the Weekly Settlement Value, less applicable withholdings. **According to Defendant's records, you worked XX compensable weeks. Your estimated individual settlement payment is: \$INDIVIDUAL'S AMOUNT.**

D. If the Court grants final approval of the settlement agreement and you do not opt out of the settlement, then you will release NEP Group, Inc., and any of their former and present parents, subsidiaries, affiliates, officers, directors, employees, partners, shareholders, attorneys, agents, successors, assigns, or legal representatives (the "Released Parties"), from any and all claims, causes of action, and factual or legal theories that were alleged in the Complaint, or reasonably could have been alleged based on the facts and legal theories of the Complaint during the Class Period, including all of the following claims for relief: : (a) failure to pay all

regular wages, minimum wages and overtime wages due; (b) failure to provide proper meal periods, and to properly provide premium pay in lieu thereof; (c) failure to provide proper rest periods, and to properly provide premium pay in lieu thereof; (d) waiting time penalties; (e) failure to provide complete, accurate or properly formatted wage statements; (f) failure to maintain required payroll records; (g) failure to indemnify employees for necessary business expenses; (h) unfair business practices that could have been premised on the claims, causes of action or legal theories of relief described above or any of the claims, causes of action or legal theories of relief pleaded in the operative complaint; (j) any other claims or penalties under the wage and hour laws pleaded in the Action; and (k) all damages, penalties, interest and other amounts recoverable under said claims, causes of action or legal theories of relief pleaded in the complaint (collectively, the “Released Claims”).

You will also release claims for civil penalties pursuant to the Private Attorneys General Act of 2004 against the Released Parties irrespective of whether you opt out of the Settlement, including all causes of action, claims, and/or legal theories for civil penalties, that were alleged or reasonably could have been alleged based on the facts and theories of the operative complaints in the Action.

V. WHAT ARE MY OPTIONS?

A. You may accept your share of the \$200,000.00 settlement and be bound by the release of all claims described above. Settlement awards will be paid by check after the settlement is given final approval by the Court. The checks will be mailed to you by the claims administrator. Your check will remain valid and negotiable for one hundred eighty (180) days from the date on which it is issued. After those one hundred eighty (180) days expire, the check will become void. After one hundred and eighty (180) calendar days of the mailing of the Individual Settlement Payment checks, funds attributable to unclaimed, undeliverable, or expired Individual Settlement Payment checks will be transmitted to the State of California Office of the Controller Unclaimed Property Fund in the name of the Settlement Class Members who did not cash his/her Settlement check.

B. You may exclude yourself from the settlement, in which case you will not receive your share of the settlement and you will not be bound by the settlement. If you choose to be excluded, by no later than [redacted] (45 calendar days after mailing of this Notice), you must send a written request for exclusion, by fax to [redacted] or by mail, to the claims administrator, [redacted Name], located at [redacted Address]. In order to be considered valid, your request for exclusion **must** be timely sent and **must** include your name, your phone number, a request for exclusion, and your signature. The date of the postmark on the return mailing envelope or fax stamp will determine whether your request to be excluded is timely.

C. You may object to the settlement. The procedures for objecting to the settlement are described below in Section VIII of this form.

VI. WHAT ARE THE PROCEDURES FOR PAYMENT?

A. The claims administrator will calculate your share of the settlement and will issue you a check.

B. Twenty-five percent (25%) of your share of the settlement will be considered wages from which ordinary tax withholdings will be deducted. No tax deductions shall be made from the remaining seventy-five percent (75%) of your share of the settlement. You will be given IRS tax forms for each of these amounts. You are responsible for paying the correct amount of taxes on each portion of your share of the settlement.

C. It is important for the parties to have your current address in order to be able to send you other mailings regarding the Action. You should contact the claims administrator to report any change of your

address after you receive this Notice. Failure to report a change of address may result in you not receiving your share of the settlement money.

VII. HEARING ON PROPOSED SETTLEMENT

A Final Approval Hearing will be held before the Court on [REDACTED], 202[REDACTED], at [REDACTED] a.m., in Department 1 of Superior Court of the State of California for the County of Riverside, located at the 4050 Main Street, Riverside, CA 92501 to decide whether or not the proposed settlement is fair, reasonable, and adequate. The Court may adjourn or continue the hearing without further notice to you.

You are not required to attend the hearing. Counsel for Plaintiff and the Class will answer any questions the Court may have. However, you are welcome to attend the hearing at your own expense. Face masks are strongly encouraged at the Final Approval Hearing.

VIII. PROCEDURES FOR OBJECTING TO SETTLEMENT

If you don't think the Settlement is fair, you can object to the Settlement and tell the Court that you don't agree with the Settlement or some part of it. The Court will consider your views. To object, you must either appear at the Final Approval Hearing or send a letter that: (1) you sign; (2) includes your full name; (3) states the basis for your objection; and (4) states if you intend to appear at the Final Approval Hearing. If you object by written letter, the letter must be postmarked on or before [REDACTED], 202[REDACTED] (45 calendar days after mailing of this Notice). If you would like to object to the settlement, you must not opt out, and if the Court approves the Settlement despite your objection, you will be bound by the terms of the Settlement in the same way as Class Members who do not object.

IX. EXAMINATION OF COURT PAPERS AND QUESTIONS

This Notice summarizes the Settlement. For more detailed information, you may view a complete copy of the settlement agreement, and any papers filed in the Action, which are on file with the Clerk of the Court, case number CVRI 2100122. The pleadings and all other records from this litigation may be examined by inspecting the Court file in the Superior Court of the State of California for the County of Riverside, located at the 4050 Main Street, Riverside, CA 92501.

If you have any questions, you can call the Claims Administrator at [REDACTED] or any of Class Counsel (see below for phone numbers.)

ATTORNEYS REPRESENTING THE CLASS

Solouki Savoy, LLP
Shoham Solouki
Grant Savoy
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**PLEASE DO NOT CALL THE COURT, NEP, OR NEP'S ATTORNEYS
REGARDING THIS SETTLEMENT.**
