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8 [Attorneys for Defendants Continued on Next
Page]

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10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

11 JENNY M. LUNA, on behalf of herself and all
12 others similarly situated,

13 Plaintiff,

14 vs.

15 PRONTO CALIFORNIA GENERAL
AGENCY, LLC., a Delaware limited liability
16 company; ARTHUR J. GALLAGHER
SERVICE COMPANY, INC., a surrendered
17 Delaware corporation; ARTHUR J.
GALLAGHER & CO., a surrendered
18 Delaware corporation; ARTHUR J.
GALLAGHER & CO. INSURANCE
19 BROKERS OF CALIFORNIA, INC., a
California corporation; ARTHUR J.
20 GALLAGHER RISK MANAGEMENT
SERVICES, INC. a Illinois corporation; H &
21 H AGENCY, INC., a California corporation;
DASHERS INSURANCE SERVICES, INC.,
22 a California corporation; and DOES 1 through
100, inclusive,

23 Defendants.
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Case No. 20STCV11795

**STIPULATION OF CLASS ACTION AND
PAGA SETTLEMENT**

Assigned for All Purposes to:
Hon. Elihu M. Berle, Dept. 6

Action Filed:	03/24/2020
FSC Date:	None Set
Trial Date:	None Set

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INSURANCE BROKERS OF CALIFORNIA,
ARTHUR J. GALLAGHER RISK
MANAGEMENT SERVICES, INC.,
H&H AGENCY, INC., and DASHERS
INSURANCE SERVICES, INC.

**LEWIS
BRISBOIS**

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

2 IT IS HEREBY STIPULATED, by and between Plaintiff JENNY M. LUNA (hereinafter
3 "Plaintiff"), individually and on behalf of all members of the Settlement Class, on the one hand, and
4 Defendants PRONTO CALIFORNIA GENERAL AGENCY, LLC; ARTHUR J. GALLAGHER
5 SERVICE COMPANY, INC.; ARTHUR J. GALLAGHER & CO.; ARTHUR J GALLAGHER &
6 CO. INSURANCE BROKERS OF CALIFORNIA, INC.; ARTHUR J. GALLAGHER RISK
7 MANAGEMENT SERVICES, INC.; H & H AGENCY, INC.; DASHERS INSURANCE
8 SERVICES, INC., on the other hand (collectively hereinafter "Defendants"), and subject to the
9 approval of the Court, that the Action is hereby being compromised and settled pursuant to the terms
10 and conditions set forth in this Stipulation of Class Action and PAGA Settlement and that the Court
11 shall make and enter judgment, subject to the continuing jurisdiction of the Court as set forth below,
12 subject to the definitions, recitals, and terms set forth herein which by this reference become an
13 integral part of this Agreement:

14 **DEFINITIONS**

- 15 1. "Agreement" shall mean this Stipulation of Class Action and PAGA Settlement.
- 16 2. "Action" shall mean the lawsuit known as *Jenny M. Luna v. Pronto California*
17 *General Agency, LLC, et al.*, filed in Los Angeles County Superior Court on March 24, 2020, Case
18 No. 20STCV11795.
- 19 3. "Class Counsel" shall mean David D. Bibiyan and Diego Aviles of Bibiyan Law
20 Group, P.C.
- 21 4. "Class Counsel's Fees and Costs" shall mean attorneys' fees agreed upon by the
22 Parties and approved by the Court for Class Counsel's litigation and resolution of the Action, and
23 all costs incurred and to be incurred by Class Counsel in the Action, including, but not limited to,
24 costs associated with documenting the Settlement, providing any notices required as part of the
25 Settlement or Court Order, securing the Court's approval of the Settlement, administering the
26 Settlement, and expenses for any experts. Class Counsel will request attorneys' fees not to exceed
27 one-third of the Gross Settlement Amount, which, unless escalated pursuant to this Agreement, shall
28 amount to Six Hundred Sixty-Six Thousand, Six Hundred and Sixty-Six Dollars and Sixty-Seven

1 Cents (\$666,666.67), and the reimbursement of any costs and expenses associated with Class
2 Counsel's litigation and settlement of the Action, not to exceed Twenty Thousand Dollars and Zero
3 Cents (\$20,000.00), subject to the Court's approval.

4 5. "Class List" shall mean a complete list of all Class Members that Defendants will
5 diligently and in good faith compile from their records and provide to the Settlement Administrator
6 within twenty-one (21) calendar days after Preliminary Approval of this Agreement. The Class List
7 will be formatted in a readable Microsoft Office Excel spreadsheet and will include Class Member's:
8 (1) full name; (2) last known home address; (3) last known telephone number (if available); (4)
9 social security number; and (5) dates of employment as a Class Member (including all separations
10 and re-hires during the Class Period); in order for the Settlement Administrator to be able to calculate
11 individual Class Member workweeks. Because social security numbers are included in the list, the
12 Settlement Administrator will maintain the list in confidence, and shall only access and use the list
13 to administer the settlement in conformity with the Court's orders.

14 6. "Class" or "Class Members" shall mean all current and former non-exempt or hourly-
15 paid employees who are or were employed by Defendants Pronto California General Agency, LLC;
16 H & H Agency, Inc.; and Dashers Insurance Services, Inc. in the State of California at any time
17 during the Class Period.

18 7. "Class Period" shall mean the period from March 24, 2016 through the date of
19 Preliminary Approval by the Court or the date the number of Workweeks totals 32,256, if
20 Defendants exercise option (a) as outlined in Paragraph 42 below.

21 8. "Class Representative" shall mean Plaintiff Jenny Marisol Luna in her capacity as
22 representative of the Participating Class Members and PAGA Members.

23 9. "Class Representative Incentive Payment" shall mean the award provided to the
24 Class Representative, in addition to her Individual Settlement Payment, in recognition of the efforts
25 and risks she has taken in assisting with the prosecution of the Action and in exchange for the
26 General Release of her claims as provided herein.

27 10. "Court" shall mean the Los Angeles County Superior Court of California.

28 11. "Defendants" shall mean Pronto California General Agency, LLC; Arthur J.

1 Gallagher Service Company, Inc.; Arthur J. Gallagher & Co.; Arthur J. Gallagher & Co. Insurance
2 Brokers of California, Inc.; Arthur J. Gallagher Risk Management Services, Inc.; H & H Agency,
3 Inc.; and Dashers Insurance Services, Inc.

4 12. "Defense Counsel" shall mean Katherine C. Den Bleyker, Vi N. Applen, and Raina
5 Singer of Lewis Brisbois Bisgaard & Smith LLP for Defendants.

6 13. "Effective Date" shall mean the later of the following: (a) if no timely objections are
7 filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b) if
8 an objection is filed and not withdrawn, the deadline for filing an appeal and no such appeal being
9 filed; (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal
10 in a way that does not alter the material terms of the settlement.

11 14. "Final Approval" shall mean the Court entering an order granting final approval of
12 the Agreement.

13 15. "Gross Settlement Amount" shall mean the sum of Two Million Dollars and Zero
14 Cents (\$2,000,000.00). The Gross Settlement Amount is non-reversionary; no portion of the Gross
15 Settlement Amount will return to Defendants.

16 16. "Individual Settlement Payment" shall mean the amount payable from the Net
17 Settlement Amount to each Participating Class Member and any payment a PAGA Member is
18 eligible to receive from the employee portion of the PAGA Penalties. Individual Settlement
19 Payments shall be paid by a settlement check made payable to Participating Class Members and/or
20 PAGA Members.

21 17. "Net Settlement Amount" shall mean the funds available for payments to the Class,
22 which shall be the amount remaining after the following amounts are deducted from the Gross
23 Settlement Amount: (1) Class Counsel's Fees, (2) Class Counsel's Costs, (3) Settlement
24 Administration Costs, (4) Class Representative Incentive Payment to Plaintiff, and (5) PAGA
25 Penalties to be paid to the California Labor and Workforce Development Agency ("LWDA") and
26 PAGA Members.

27 18. "Class Notice" shall mean the Notice of Class Action Settlement in a form
28 substantially similar to the form attached hereto as **Exhibit A**, that will be mailed to Class Members

1 and PAGA Members' last known addresses and which will provide Class Members and PAGA
2 Members with information regarding the Action and information regarding the Settlement of the
3 Action.

4 19. "PAGA" shall mean the California Labor Code Private Attorneys General Act of
5 2004 (Cal. Lab. Code §§ 2698, *et seq.*, "PAGA").

6 20. "PAGA Member" or "PAGA Members" shall mean all current and former non-
7 exempt or hourly-paid employees who are or were employed by Defendants Pronto California
8 General Agency, LLC; H & H Agency, Inc.; and Dashers Insurance Services, Inc. in the State of
9 California at any time during the PAGA Period.

10 21. "PAGA Penalties" shall mean the amount that the Parties have agreed to allocate as
11 civil penalties in order to settle claims arising under PAGA. The Parties have agreed to allocate
12 Thirty Thousand Dollars and Zero Cents (\$30,000.00) of the Gross Settlement Amount as PAGA
13 Penalties. Seventy-Five percent (75%) of the PAGA Penalties in the amount of Twenty-Two
14 Thousand Five Hundred Dollars and Zero Cents (\$22,500.00) shall be paid directly to the LWDA
15 in accordance with PAGA. The remaining Twenty-Five percent (25%) of the PAGA Penalties in
16 the amount of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00), shall be
17 distributed to PAGA Members. PAGA Members will receive payment from the employee portion
18 of the PAGA Penalties regardless of their decision to participate in the class action if the PAGA
19 Penalties are approved by the Court.

20 22. "PAGA Period" shall mean the time period between March 18, 2019 through the date
21 of Preliminary Approval by the Court or the date the number of Workweeks totals 32,256, if
22 Defendants exercise option (a) as outlined in Paragraph 42 below.

23 23. "PAGA Released Claims" shall mean all claims, demands, rights, liabilities and
24 causes of action for penalties under PAGA against the Released Parties based on (as alleged in both
25 the first and amended letter to the Labor & Workforce Development Agency on March 18, 2020
26 and March 20, 2020, respectively, and the operative Complaint, that arose during the PAGA Period,
27 including but not limited to claims for civil penalties under Labor Code sections 210, 226.3, 558,
28 1197.1 and 2699 for alleged violations of Labor Code sections 201, 201.3, 202, 203, 204, 204(b),

1 204.1, 205, 205.5, 210, 226, 226.7, 246, 432, 510, 1174, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198.5
2 and 2810.5, and applicable sections of Wage Orders of the Industrial Welfare Commission,
3 including but not limited to applicable sections of the Industrial Welfare Commission Wage Order,
4 and all related Claims for attorneys' fees and costs.

5 24. "PAGA Workweeks" shall mean the number of weeks of employment for each
6 PAGA Member as an hourly-paid, non-exempt employee during the PAGA Period. The Settlement
7 Administrator will calculate the number of PAGA Workweeks by calculating the number of days
8 each PAGA Member was employed using their original hire date and final termination date,
9 excluding any time they were unemployed in between during that time period, during the PAGA
10 Period, dividing by seven (7), and rounding up to the nearest whole number.

11 25. "Parties" shall mean Plaintiff and Defendants as defined above.

12 26. "Participating Class Members" shall mean all Class Members who do not submit a
13 valid and timely Request for Exclusion.

14 27. "Plaintiff" shall mean Jenny Marisol Luna.

15 28. "Preliminary Approval" shall mean the Court entering an order granting preliminary
16 approval of the Agreement.

17 29. "Objection" shall mean a Class Member's valid and timely written objection to the
18 Agreement. For an Objection to be valid, it must include: (a) the Participating Class Member's full
19 name, address, telephone number, last four digits of his or her Social Security number, and signature
20 (b) the settlement to which the Participating Class Member is objecting to: "Jenny M. Luna v.
21 Pronto California General Agency, LLC, et al. Wage and Hour Settlement" (c) a written statement
22 of all grounds for the objection accompanied by legal support, if any, for such objection, (d) whether
23 the Participating Class Member intends to appear at the Final Approval Hearing, either in person or
24 through counsel, and (e) if represented by separate counsel, the name, address, bar number, and
25 telephone number of the Participating Class Member's representing attorney, and shall be sent to
26 the Settlement Administrator postmarked by the Response Deadline.

27 30. "Released Claims" shall collectively mean any all claims, demands, rights, liabilities
28 and causes of action that were pled in Plaintiff's operative complaint at the time of preliminary

1 approval of this Agreement ("Second Amended Complaint" or "SAC" or "operative complaint"),
2 or which could have been pled in the operative complaint based on the factual allegations therein,
3 that arose during the Class Period, including but not limited to causes of action for (1) failure to pay
4 all overtime wages owed (Cal. Lab. Code §§ 510, 1194, 1198, and applicable provisions of the
5 relevant Industrial Wage Order), (2) failure to pay all minimum wages owed (Cal. Lab. Code §§
6 218.6, 1194, 1194.2, 1197, and , and applicable provisions of the relevant Industrial Wage Order),
7 (3) failure to provide meal periods (Cal. Lab. Code §§ 226.7, 512, and applicable provisions of the
8 relevant Industrial Wage Order), (4) failure to authorize and permit all rest periods (Cal. Lab. Code
9 §§ 226.7 and applicable provisions of the relevant Industrial Wage Order), (5) failure to provide
10 accurate itemized wage statements (Cal. Lab. Code § 226, *et seq.*), (6) failure to pay all wages due
11 upon termination (Cal. Lab. Code §§ 201, 202, 203, 218, 218.5, 218.6), (7) all claims for unfair
12 competition (Cal. Bus. & Prof. Code §§ 17200, *et seq.*) arising from the alleged Labor Code
13 violations alleged in the operative Complaint; (8) all claims under the Fair Credit Reporting Act (15
14 U.S.C. §§ 1681 *et seq.*, including but not limited to 15 U.S.C. §§ 1681b(b)(2)(A), 15 U.S.C. §§
15 1681n, 15 U.S.C. §§ 1681o); (9) all claims under the Investigative Consumer Reporting Agencies
16 Act (1786 *et seq.*, including but not limited to 1786.16, 1786.20, 1786.29, 1786.50); and (10) all
17 claims under the Consumer Credit Reporting Agencies Act (California Civil Code § 1785 *et seq.*,
18 including but not limited to 1785.20, 1785.20.5, 1785.31), and all claims for attorneys' fees and
19 costs relating to the Class Claims, that could have been premised on the facts, claims, causes of
20 action or legal theories described above or that could have been premised on the facts, claims, causes
21 of action or legal theories described above.

22 31. "Released Parties" shall mean Defendants, Arthur J. Gallagher Service Company,
23 LLC, and each of their respective parent companies, subsidiaries, affiliates, d/b/a's, current and
24 former management companies, shareholders, members, owners, agents (including without
25 limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present
26 or future officers, directors and employees) and any of their respective predecessors, successors,
27 and assigns.

28 32. "Request for Exclusion" shall mean a valid and timely written statement submitted

1 by a Class Member requesting to be excluded from the Action. To be effective, the Request for
2 Exclusion must contain (a) the Class Member's name, address, telephone number, and the last four
3 digits of the Class Member's Social Security number, signature, and date, (b) a clear statement
4 requesting to be excluded from the settlement of the class claims similar to the following: "I wish
5 to exclude myself from the class settlement reached in the matter of *Jenny M. Luna v. Pronto*
6 *California General Agency, LLC, et al.* I understand that by excluding myself, I will not receive an
7 Individual Settlement Payment consisting of payment for my release of class claims from the
8 settlement in addition to my share of civil penalties. However, I will still receive my portion of civil
9 penalties for my release of the PAGA Released Claims." To be effective, the Request for Exclusion
10 must be post-marked by the Response Deadline and received by the Settlement Administrator. The
11 Request for Exclusion shall not be effective as to the PAGA Released Claims. "Response Deadline"
12 shall mean the date forty-five (45) days after the Settlement Administrator mails the Class Notice
13 to Class Members and the last date on which Class Members may submit Requests for Exclusion,
14 written objections to the Settlement, or workweek disputes. In the event the 45th day falls on a
15 Sunday or Federal holiday, the Response Deadline will be extended to the next day on which the
16 U.S. Postal Service is open. The Response Deadline for Requests for Exclusion or Objections will
17 be extended fifteen (15) calendar days for any Class Member who is re-mailed a Class Notice by
18 the Settlement Administrator, unless the 15th day falls on a Sunday or Federal holiday, in which
19 case the Response Deadline will be extended to the next day on which the U.S. Postal Service is
20 open. The Response Deadline may also be extended by express agreement between Class Counsel
21 and Defendants. Under no circumstances, however, will the Settlement Administrator have the
22 authority to unilaterally extend the Response Deadline.

23 33. "Settlement" shall mean the disposition of the Action pursuant to this Agreement.

24 34. "Settlement Administrator" shall mean ILYM Group, Inc. or any other third-party
25 class action Settlement Administrator agreed to by the Parties and approved by the Court for the
26 purposes of administering this Settlement. The Parties and their counsel represent that they do not
27 have any financial interest in the Settlement Administrator or otherwise have a relationship with the
28 Settlement Administrator that could create a conflict of interest.

35. "Settlement Administration Costs" shall mean the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, calculating/confirming the class member Workweeks from the information contained in the Class List, calculating each Participating Class Member's Individual Settlement Payment, tax reporting, distributing the Gross Settlement Amount, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties or the Court. Settlement Administration Costs shall not exceed Twelve Thousand Dollars and Zero Cents (\$12,000.00).

36. "Workweeks" shall mean the number of weeks of employment for each Class Member as an hourly-paid, non-exempt employee during the Class Period. The Settlement Administrator will calculate the number of Workweeks by calculating the number of days each Class Member was employed using their original hire date and final termination date, excluding any time they were unemployed in between during that time period, during the Class Period, dividing by seven (7), and rounding up to the nearest whole number.

RECITALS

37. Procedural History. On March 18, 2020, Plaintiff submitted her letter to the LWDA as a prerequisite to pursue penalties under PAGA. On March 20, 2020, Plaintiff submitted an amended letter to the LWDA to pursue penalties under the Labor Code Private Attorneys General Act of 2004. On March 24, 2020, Plaintiff filed a class action lawsuit in Los Angeles County Superior Court. On June 29, 2020, Plaintiff filed a separate representative action asserting claims under PAGA. On November 6, 2020, Plaintiff filed a First Amended Complaint ("FAC") in the class action to include her claims asserted in her separate PAGA lawsuit, effectively consolidating the two cases thereby creating this Action. On November 5, 2020, Plaintiff requested entry of dismissal without prejudice of her separate PAGA lawsuit, which was entered by the clerk on November 6, 2020.

38. The Parties agreed to mediate the Action with an experienced and well-respected wage and hour mediator, Jeffrey A. Ross, Esq. In preparation, Plaintiff requested and selected a

1 randomized twenty-five percent (25%) sample of payroll records, timesheets, and contact
2 information for Settlement Class Members from the Class Period. Defendants provided the
3 requested twenty-five percent (25%) sample.

4 39. On April 19, 2021, the Parties participated in an all-day mediation via video
5 conferencing due to public health concerns presented by the novel coronavirus ("COVID-19")
6 where an agreement-in-principle was reached and a Memorandum of Understanding was
7 subsequently executed by the Parties.

8 40. As a condition of this Agreement, the Parties agreed that Class Counsel will seek
9 leave to file a Second Amended Complaint ("Operative Complaint") to include the following causes
10 of action: (1) Violation of 15 U.S.C. §§ 1681 et seq., including but not limited to 15 U.S.C. §§
11 1681b(b)(2)(A), 15 U.S.C. §§ 1681n, 15 U.S.C. §§ 1681o (Fair Credit Reporting Act); (2) Violation
12 of California Civil Code §§ 1786 et seq., including but not limited to 1786.16, 1786.20, 1786.29,
13 1786.50. (Investigative Consumer Reporting Agencies Act); and (3) Violation of California Civil
14 Code § 1785 et seq., including but not limited to 1785.20, 1785.20.5, 1785.31 (Consumer Credit
15 Reporting Agencies Act).

16 TERMS OF AGREEMENT

17 41. Settlement Consideration. Defendants shall fund the Gross Settlement Amount
18 following Final Approval by the Court and the occurrence of the Effective Date. The following will
19 be paid out of the Gross Settlement Amount: (1) Class Counsel's Fees, (2) Class Counsel's Costs,
20 (3) Settlement Administration Costs, (4) Class Representative Incentive Payment to Plaintiff, (5)
21 PAGA Penalties to be paid to the LWDA and PAGA Members, and (6) the sum of the Individual
22 Settlement Payments to Participating Class Members. Any employer-side payroll taxes due on the
23 Individual Settlement Payments, shall be paid by Defendants separately from and in addition to the
24 Gross Settlement Amount. Aside from the employer-side payroll taxes noted, or at the option of
25 Defendants as specified in Paragraph 42 below, Defendants shall not be required under any
26 circumstances to pay more than the Gross Settlement Amount. The Gross Settlement Amount is
27 non-reversionary; no portion of the Gross Settlement Amount will revert to Defendants.

28 42. Defendants' Option to Increase the Gross Settlement Amount. As of April 7, 2021,

1 Defendants' best estimate of the number of Workweeks during the Class Period was Twenty-Nine
2 Thousand, Three Hundred and Twenty-Four (29,324). If the actual number of Workweeks during
3 the Class Period is more than Ten Percent (10%) greater than this estimate (i.e., if the actual
4 Workweeks during the Class Period is greater than Thirty-Two Thousand, Two Hundred and Fifty
5 Six (32,256)), then Defendants shall, in their sole discretion, have the option to either:

6 (a) De-escalate the Settlement so that the Class Period and PAGA Period end on
7 the date the Workweeks totals to 32,256; or

8 (b) Permit the Gross Settlement Amount as defined in Paragraph 15 above to be
9 increased on a proportional basis for Workweeks in excess of Thirty-Two Thousand,
10 Two Hundred and Fifty-Six (32,256). The number of Workweeks in excess of Thirty-
11 Two Thousand, Two Hundred and Fifty-Six (32,256) will be multiplied by the
12 workweek value. The workweek value shall be calculated by dividing the current
13 Gross Settlement Amount by 29,324. The workweek value amounts to \$68.20 per
14 workweek. ($\$2,000,000 / 29,324$ workweeks.). Thus, for example, should there be
15 33,000 workweeks in the Class Period, then Defendants shall have the option to
16 increase the Gross Settlement Amount by \$50,740.80. ($\$33,000$ workweeks $- 32,256$
17 workweeks $\times \$68.20$)

18 43. Funding of the Gross Settlement Amount. Within fourteen (14) calendar days of the
19 Effective Date of the Settlement, Defendants will deposit the Gross Settlement Amount into a
20 Qualified Settlement Fund ("QSF") to be established by the Settlement Administrator. Defendants
21 shall provide all information necessary for the Settlement Administrator to calculate necessary
22 payroll taxes including their official name, 8 digit state unemployment insurance tax ID number,
23 and other information requested by the Settlement Administrator, no later than seven (7) calendar
24 days of the Effective Date.

25 44. Distribution of the Gross Settlement Amount. Within fourteen (14) calendar days of
26 the funding of the Settlement, the Settlement Administrator will issue the following payments: (1)
27 Settlement Checks to all Participating Class Members and all PAGA Members; (2) PAGA Penalties
28 to the LWDA; (3) the Class Representative Incentive Payment to Plaintiff; (4) Class Counsel's Fees

1 and Costs, and (5) Settlement Administration Costs.

2 45. Class Counsel's Fees and Costs. Defendants agree not to oppose or impede any
3 application or motion by Class Counsel for attorneys' fees of up to one third of the Gross Settlement
4 Amount (as the same may be escalated pursuant to this Agreement) plus the reimbursement of costs
5 and expenses associated with Class Counsel's litigation and settlement of the Action, in an amount
6 not to exceed Twenty Thousand Dollars and Zero Cents (\$20,000.00), both of which will be paid
7 from the Gross Settlement Amount. Any portion of the requested fees or costs that is not awarded
8 by the Court to Class Counsel shall become part of the Net Settlement Amount and distributed to
9 Participating Class Members as provided in this Agreement. Any adjustments made by the Court to
10 the requested fees and costs shall not be deemed a material modification of this Agreement.

11 46. Class Representative Incentive Payments. Defendants agree not to oppose or object
12 to any application or motion by Plaintiff for Class Representative Incentive Payment of Seven
13 Thousand Five Hundred Dollars and Zero Cents (\$7,500.00). The Class Representative Incentive
14 Payment to Plaintiff is in exchange for the Released Claims, General Release of Plaintiff's
15 individual claims, and for Plaintiffs' time, effort, and risk in bringing and prosecuting the Action.
16 Any adjustments made by the Court to the requested Class Representative Incentive Payment shall
17 not be deemed a material modification of this Agreement. In the event that the Court reduces or does
18 not approve the requested Class Representative Incentive Payment, the Settlement Agreement
19 remains in full force and effect; Plaintiff shall not have the right to revoke the Agreement for that
20 reason; it shall remain binding; and any portion of the requested Class Representative Incentive
21 Payment that is not awarded to the Class Representative shall become part of the Net Settlement
22 Amount and distributed to Participating Class Members as provided in this Agreement.

23 47. Settlement Administration Costs. The Settlement Administrator will be paid for the
24 reasonable costs of administration of the Settlement and distribution of payments from the Gross
25 Settlement Amount as further set forth in this Agreement. Settlement Administration Costs shall not
26 exceed Twelve Thousand Dollars and Zero Cents (\$12,000.00). To the extent that Settlement
27 Administration Costs are less than \$12,000.00, the difference between \$12,000.00 and the actual
28 costs of settlement administration shall become part of the Net Settlement Amount and distributed

to Participating Class Members as provided in this Agreement.

48. PAGA Penalties. Thirty Thousand Dollars and Zero Cents (\$30,000.00) of the Gross Settlement Amount shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the PAGA. The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Penalties, or Twenty-Two Thousand Five Dollars and Zero Cents (\$22,500.00), to the LWDA. The remaining twenty-five percent (25%) of the PAGA Penalties, or Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00), will be distributed to PAGA Members on a *pro rata* basis based on the total number of Workweeks worked by each PAGA Member during the PAGA Period. PAGA Members shall receive their portion of the PAGA Penalties regardless of their decision to opt-out of the class settlement.

49. Net Settlement Amount for Payment of Class Claims. The Net Settlement Amount will be used to satisfy the class portion of Participating Class Members' Individual Settlement Payments in accordance with the terms of this Agreement. The estimated Net Settlement Amount is as follows:

Gross Settlement Amount	\$	2,000,000.00
Class Representative Incentive Payment:	\$	7,500.00
Class Counsel's Fees:	\$	666,666.67
Class Counsel's Costs:	\$	20,000.00
PAGA Penalties:	\$	30,000.00
Settlement Administration Costs:	\$	12,000.00
Estimated Net Settlement Amount:	\$	1,263,833.33

50. Individual Settlement Payment Calculations. Individual Settlement Payments will be paid from the Net Settlement Amount and the portion of the PAGA Penalties allocated to PAGA Members (twenty-five percent [25%] of the PAGA Penalties) shall be paid pursuant to the formula set forth herein:

(a) Calculation of Class Portion of Individual Settlement Payments. The Settlement Administrator will determine the total number of Workweeks for each Participating Class Member and the total aggregated number of Workweeks

1 worked by all Participating Class Members during the Class Period. The Settlement
2 Administrator will be provided with such information, by Defendants, as is necessary
3 to calculate each Participating Class Member's Workweeks and the aggregated
4 number of Workweeks. The amount that each Participating Class Member will
5 be eligible to receive will be calculated by dividing each Participating Class
6 Member's individual Workweeks by the total Workweeks of all Participating
7 Class Members, and multiplying the resulting fraction by the Net Settlement
8 Amount.

9 (b) Calculation of PAGA Portion of Individual Settlement Payments. The
10 Settlement Administrator will determine the total number of PAGA Workweeks for
11 each PAGA Member and the total aggregated number of PAGA Workweeks worked
12 by all PAGA Members during the PAGA Period. The Settlement Administrator will
13 be provided with such information, by Defendants, as is necessary to calculate each
14 PAGA Member's PAGA Workweeks and the aggregated number of PAGA
15 Workweeks. The amount that each PAGA Member will receive will be calculated by
16 dividing each PAGA Member's individual PAGA Workweeks by the total PAGA
17 Workweeks of all PAGA Members, and multiplying the resulting fraction by the
18 25% share of the PAGA Penalties designated for distribution to PAGA Members.
19 PAGA Members shall receive this portion of their Individual Settlement Payment
20 regardless of whether they opt out of the participation regarding the class claims.

21 (c) Allocation of Individual Settlement Payments. All Individual Settlement
22 Payments will be allocated as follows: twenty percent (20%) of each Individual
23 Settlement Payment will be allocated as wages, forty percent (40%) shall be allocated
24 as interest, and forty percent (40%) shall be allocated as penalties. The portion of the
25 Individual Settlement Payment allocated to wages will be reported by the Settlement
26 Administrator on an IRS Form W-2. The remaining non-wage payments will be
27 reported on an IRS Form-1099 by the Settlement Administrator.

28 51. No Credit Toward Benefit Plans. The Individual Settlement Payments made to

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

8 52. Settlement Administration Process. The Parties agree to cooperate in the
9 administration of the Settlement and to make all reasonable efforts to control and minimize the costs
10 and expenses incurred in administration of the Settlement. The Settlement Administrator will
11 provide the following services:

12 1(a) Establish and maintain a Qualified Settlement Fund.

13 1(b) Calculate the Individual Settlement Payment each Participating Class
14 Member and/or PAGA Member that is eligible to receive and the portion
15 of the PAGA Penalties each PAGA Member shall receive.

16 1(c) Print and mail the Class Notice.

17 1(d) Perform address searches as detailed in Paragraph 55, including conduct
18 additional address searches and skip traces for mailed Notices that are
19 returned as undeliverable.

20 1(e) Process Requests for Exclusion, Objections, calculate Participating
21 Class Members and PAGA Members' Individual Settlement Payment,
22 field inquiries or disputes from Class Members. This service will include
23 Settlement Individual Payment calculations, printing and issuance of
24 Settlement Payment Checks, and preparation of any necessary IRS W2
25 and 1099 Tax Forms. Basic accounting for and payment of employee tax
26 withholdings will also be included as part of this service.

27 1(f) Inform Defendants of their employer-side payroll tax liability and
28 making all necessary deposits and payments to the necessary taxing

1 authorities for the payments received for employer-share of payroll
2 taxes.

3 1(g) Supply Class Counsel with a draft declaration at the conclusion of the
4 opt-out period.

5 1(h) Provide declarations and/or other information to this Court as requested
6 by the Parties and/or the Court.

7 1(i) Provide weekly status reports to counsel for the Parties.

8 1(j) Posting a notice of final judgment, after entry of the judgment, online at
9 the Settlement Administrator's website for a period of sixty (60) days
10 pursuant to California Rule of Court 3.769.

11 53. Delivery of the Class List. Within twenty-one (21) calendar days of Preliminary
12 Approval, Defendants will provide the Class List to the Settlement Administrator.

13 54. Class Notice by First-Class U.S. Mail. Within fourteen (14) calendar days after
14 receiving the Class List from Defendants, the Settlement Administrator will mail the Class Notice
15 to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing
16 addresses identified in the Class List.

17 55. Confirmation of Contact Information in the Class List. Prior to mailing, the
18 Settlement Administrator will perform a search based on the National Change of Address Database
19 for information to update and correct for any known or identifiable address changes. Any Class
20 Notice returned to the Settlement Administrator as non-deliverable on or before the Response
21 Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed
22 thereto and the Settlement Administrator will indicate the date of such re-mailing on the Class
23 Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to
24 determine the correct address using a skip-trace, or other comparable search database, using the
25 name, address and/or Social Security number of the Class Member involved, and will then perform
26 a single re-mailing. If any Class Notice sent to a Class Member by the Settlement Administrator is
27 returned as undeliverable to a current employee, then Defendants shall make all reasonable efforts
28 to obtain the current address from the Class Member and provide the same within seven (7) calendar

1 days of notice from the Settlement Administrator. Those Class Members who receive a re-mailed
2 Class Notice, whether by skip-trace or by request, will have between the later of (a) an additional
3 fifteen (15) calendar days, or (b) the Response Deadline to postmark a Request for Exclusion, or an
4 Objection to the Settlement.

5 56. Class Notice. All Class Members will be mailed a Class Notice. Each Class Notice
6 will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's
7 principal terms; (c) the Class definition; (d) the total number of Workweeks each respective Class
8 Member worked for Defendants during the Class Period; (e) the total number of Workweeks each
9 respective PAGA Member worked for Defendants during the PAGA Period; (f) each Class
10 Member's estimated Individual Settlement Payment and the formula for calculating the Individual
11 Settlement Payment; (g) the dates which comprise the Class Period and PAGA Period; (h) the
12 deadlines by which the Class Member must postmark Requests for Exclusion, Objections to the
13 Settlement, or workweek disputes; (h) the claims to be released, as set forth herein; and (i) the
14 hearing date for Final Approval.

15 57. Disputed Information on Class Notice. Class Members will have an opportunity to
16 dispute the information provided in their Class Notice. To the extent Class Members dispute the
17 number of Workweeks with which they have been credited or the amount of their Individual
18 Settlement Payment, Class Members may produce evidence to the Settlement Administrator
19 showing that such information is inaccurate. Absent evidence rebutting Defendants' records,
20 Defendants' records will be presumed determinative. However, if a Class Member produces
21 evidence contrary to Defendants' records by the Response Deadline, the Settlement Administrator
22 shall notify Class Counsel and Defense Counsel to discuss and resolve the dispute, including
23 providing all available relevant information to all counsel. The Parties will resolve all disputes
24 jointly, which shall be final and binding on any Class Member disputes, and shall thereafter instruct
25 the Settlement Administrator how to proceed in processing the dispute. If the Parties cannot reach
26 an agreement, disputes shall be referred to the Settlement Administrator for a determination and if
27 the dispute remains unresolved after that, the dispute shall be submitted to the Court for final
28 determination. All such disputes are to be resolved or submitted to the Court for not later than

1 fourteen (14) calendar days after the Response Deadline.

2 58. Request for Exclusion Procedures. Any Class Member wishing to opt out from the
3 Settlement must sign and postmark a written Request for Exclusion to the Settlement Administrator
4 by the Response Deadline. The Request for Exclusion must include (a) the Class Member's name,
5 address, telephone number, and the last four digits of the Class Member's Social Security number,
6 signature, and date, and (b) a clear statement requesting to be excluded from the Settlement of the
7 class claims similar to the following: "I wish to exclude myself from the class settlement reached in
8 the matter of *Jenny M. Luna v. Pronto California General Agency, LLC, et al.* I understand that by
9 excluding myself, I will not receive an Individual Settlement Payment consisting of payment for my
10 release of class claims from the settlement in addition to my share of civil penalties. However, I will
11 still receive my portion of civil penalties for my release of the PAGA Released Claims." The date
12 of the postmark on the return mailing envelope receipt confirmation will be the exclusive means to
13 determine whether a Request for Exclusion has been timely submitted. All Requests for Exclusion
14 will be submitted to the Settlement Administrator, who will certify jointly to Class Counsel and
15 Defense Counsel the Requests for Exclusion that were timely submitted. All Class Members who
16 do not request exclusion from the Action will be bound by all terms of the Settlement Agreement if
17 the Settlement is granted final approval by the Court.

18 59. Defendant's Right to Rescind. If Seven Percent (7%) or more of the Class Members
19 elect not to participate in the Settlement, Defendants may, at their election, rescind the Agreement
20 and all actions taken in furtherance of it will be thereby null and void. Defendants must meet and
21 confer with Class Counsel prior to exercising this right and must make clear their intent to rescind
22 the Agreement within fourteen (14) calendar days of the Settlement Administrator notifying the
23 Parties of these opt-outs. If Defendants exercise their right to rescind the Agreement, Defendants
24 shall be responsible for all Settlement Administration Costs incurred to the date of rescission.

25 60. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
26 Member who does not affirmatively opt-out of the Settlement by submitting a timely and valid
27 Request for Exclusion will be bound by all of its terms, including those pertaining to the Released
28 Claims, as well as any Judgment that may be entered by the Court if it grants Final Approval to the

1 Settlement. Class Members who opt out of the Settlement shall not be bound by such Judgment or
2 release, except that PAGA Members will still be bound by the PAGA Released Claims.

3 61. Objection Procedures. To object to the Settlement, a Participating Class Member
4 must postmark a valid Objection to the Settlement Administrator on or before the Response
5 Deadline. The Objection must be signed by the Participating Class Member and contain all
6 information required by this Agreement including (a) the Participating Class Member's full name,
7 address, telephone number, last four digits of his or her Social Security number, and signature, and
8 (b) the settlement to which the Participating Class Member is objecting to: "Jenny M. Luna v.
9 Pronto California General Agency, LLC, et al. Wage and Hour Settlement" (c) a written statement
10 of all grounds for the objection accompanied by legal support, if any, for such objection, (d) whether
11 the Participating Class Member intends to appear at the Final Approval Hearing, either in person or
12 through counsel, and (e) if represented by separate counsel, the name, address, bar number, and
13 telephone number of the Participating Class Member's representing attorney. The postmark date
14 will be deemed the exclusive means for determining that the Objection is timely. Participating Class
15 Members who fail to object in the manner specified above will be foreclosed from making a written
16 Objection, but shall still have a right to appear at the Final Approval Hearing in order to have his or
17 her Objection heard by the Court. At no time will any of the Parties or their counsel seek to solicit
18 or otherwise encourage Participating Class Members to submit written Objections to the Settlement
19 or appeal from the Order and Judgment. Class Counsel will not represent any Class Members with
20 respect to any objections to this Settlement.

21 62. Certification Reports Regarding Individual Settlement Payment Calculations. The
22 Settlement Administrator will provide Defense Counsel and Class Counsel a weekly report which
23 certifies: (a) the number of Class Members who have submitted Requests for Exclusion; (b) the
24 number of re-mailed and/or undeliverable Class Notices; and (c) whether any Class Member has
25 submitted a challenge to any information contained in the Class Notice. Additionally, the Settlement
26 Administrator will provide to counsel for all Parties any updated reports regarding the administration
27 of the Settlement Agreement as needed or requested.

28 63. Uncashed Settlement Checks. Any checks issued by the Settlement Administrator to

1 Participating Class Members and PAGA Members will be negotiable for one hundred eighty (180)
2 calendar days after the date of their issuance. If a Participating Class Member or PAGA Member
3 does not cash his or her Individual Settlement Payment within 180 days, the uncashed funds, subject
4 to Court approval, shall be cancelled and funds associated with such checks shall be considered
5 unpaid, unclaimed, or abandoned cash residue pursuant to Code of Civil Procedure section 384
6 ("Unpaid Residue"). The Unpaid Residue plus accrued interest, if any, as provide in Code of Civil
7 Procedure section 384, shall be distributed to the Cy Pres Recipient: Legal Aid at Work, 180
8 Montgomery St., Suite 600, San Francisco, California 94104, for use in any county in need in
9 California. The Settlement Administrator shall prepare a report regarding the distribution plan
10 pursuant to Code of Civil Procedure section 384 and the report shall be presented to the Court by
11 Class Counsel along with a proposed amended judgment that is consistent with the provisions of
12 Code of Civil Procedure section 384. In such event, the Participating Class Member or PAGA
13 Member will nevertheless remain bound by the Settlement under the respective releases contained
14 herein.

15 64. Administration of Taxes by the Settlement Administrator. The Settlement
16 Administrator will be responsible for issuing to the Plaintiff, Participating Class Members, PAGA
17 Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all
18 amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for
19 forwarding all payroll taxes and penalties to the appropriate government authorities.

20 65. Tax Liability. Defendants make no representation as to the tax treatment or legal
21 effect of the payments called for hereunder, and Plaintiff, Participating Class Members, and PAGA
22 Members are not relying on any statement, representation, or calculation by Defendants or by the
23 Settlement Administrator in this regard. Plaintiffs, Participating Class Members, and PAGA
24 Members understand and agree that except for Defendants' payment of the employer's portion of
25 any payroll taxes, they will be solely responsible for the payment of any taxes and penalties assessed
26 on the payments described herein. Defendants' share of any employer-side payroll taxes and other
27 required employer withholdings due on the Individual Settlement Payments, including, but not
28 limited to, Defendants' FICA and FUTA contributions, shall be paid separate and apart from the

1 Gross Settlement Amount.

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

18 67. Release by Participating Class Members. PAGA Members, the LWDA and the State
19 of California. It is the desire of Plaintiff, Participating Class Members, and Defendants to fully,
20 finally, and forever settle, compromise, and discharge the claims asserted in the Operative
21 Complaint. Upon the funding of the Gross Settlement Amount, in exchange for the consideration
22 set forth in this Agreement, Participating Class Members shall fully release and discharge the
23 Released Parties from any and all Released Claims for the Class Period. This release shall be binding
24 on all Participating Class Members, including each of their respective attorneys, agents, spouses,
25 executors, representatives, guardians ad litem, heirs, successors, and assigns, and shall inure to the
26 benefit of the Released Parties, who shall have no further or other liability or obligation to any Class
27 Member with respect to the Released Claims, except as expressly provided herein. To the extent
28 permitted by law, all PAGA Members, regardless of whether they submit timely and valid Requests

1 for Exclusion from the Settlement Class, will release all PAGA Released Claims, as well as claims
2 that could have been premised on the claims, causes of action or legal theories described the
3 Operative Complaint during the PAGA Period. To the extent permitted by law, the State of
4 California and the LWDA will also release all PAGA Release Claims, as well as all claims that
5 could have been premised on the claims, causes of action or legal theories described the Operative
6 Complaint.

7 68. Release of Additional Claims & Rights by Plaintiff. Upon the Effective Date, and as
8 a condition of receiving any portion of the Class Representative Incentive Payment, Plaintiff will
9 agree to the additional following General Release: In consideration of Defendants' promises and
10 agreements as set forth herein, Plaintiff hereby releases all claims related her employment or alleged
11 employment with the Released Parties including all claims alleged in the Action, and all claims
12 known and unknown, without exception, except as may be prohibited by law. Specifically, Plaintiff
13 waives all rights and benefits afforded by California Civil Code Section 1542, which provides:

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

19 This release specifically excludes claims for unemployment insurance, disability, social
20 security, workers' compensation (with the exception of claims arising pursuant to California Labor
21 Code Sections 132(a) and 4553), and claims or requested relief for: (1) Pregnancy Discrimination;
22 (2) Disability Discrimination; (3) Harassment; (4) Failure to Provide Reasonable
23 Accommodations; (5) Failure to Engage in a Good Faith, Interactive Process; (6) Denial of
24 Pregnancy Leave; (7) Retaliation; (8) Wrongful Termination; (9) Wrongful Termination in
25 Violation of Public Policy; and (10) Intentional Infliction of Emotional Distress.

26 69. Nullification of Agreement. In the event that: (a) the Court does not finally approve
27 the Settlement as provided herein; (b) the Court strikes or does not approve any material term of this
28 Agreement; or (c) the Settlement does not become final as written and agreed to by the Parties for

1 any other reason, then this Agreement, and any documents generated to bring it into effect, will be
2 null and void, all amounts deposited into the QSF will be returned to Defendants, and the Parties
3 shall be returned to their original respective positions. Any order or judgment entered by the Court
4 in furtherance of this Agreement will likewise be treated as void from the beginning. Pursuant to
5 California Evidence Code § 1152, this Agreement is inadmissible in any proceeding, except a
6 proceeding to approve, interpret, or enforce this Agreement. If Final Approval does not occur, the
7 Parties agree that this Agreement is void, and remains protected by California Evidence Code
8 § 1152. Should the Court fail to approve this Agreement for any reason, the Parties agree that they
9 will return to and attend mediation with Jeffrey Ross, Inc., or another mutually agreed-upon
10 mediator, in an effort to reach an Agreement that may be approved by the Court.

11 70. Preliminary Approval Hearing. Plaintiff will file an unopposed Motion before the
12 Court to request Preliminary Approval of the Agreement, and the entry of a Preliminary Approval
13 order for: (a) conditional certification of the Class for settlement purposes only, (b) Preliminary
14 Approval of the proposed Agreement, and (c) setting a date for a Final Approval/Settlement Fairness
15 Hearing. The Preliminary Approval order will provide for the Class Notice to be sent to all Class
16 Members as specified herein. In conjunction with the Preliminary Approval Motion, Plaintiff will
17 submit this Agreement, which sets forth the terms of the Settlement, and will include the proposed
18 Class Notice attached as Exhibit A. Class Counsel will be responsible for drafting all documents
19 necessary to obtain Preliminary Approval.

20 71. Final Settlement Approval Hearing and Entry of Judgment. Upon completion of the
21 Class Notice process, including the expiration of the deadlines to postmark Requests for Exclusion
22 or objections to the Agreement, a Final Approval/Settlement Fairness Hearing will be conducted to
23 determine the Final Approval of the Settlement Agreement along with the amounts properly payable
24 for: (a) Individual Settlement Payments; (b) PAGA Penalties; (c) Class Counsel's Fees and Costs;
25 (d) the Class Representative Incentive Payment for Plaintiff; and (d) the Settlement Administration
26 Costs. Class Counsel will be responsible for drafting all documents necessary to obtain Final
27 Approval. In connection with the Final Approval Hearing, Class Counsel will request that the Court
28 make a finding that the Settlement is fair, reasonable and adequate and that the Notice process

1 satisfied the requirements of due process. Class Counsel will be responsible for drafting the
2 application for attorneys' fees and costs to be heard at the Final Approval Hearing. Any failure by
3 the Court to fully and completely approve the Agreement as to the Action, or the entry of any Order
4 by another Court with regard to the Action which has the effect of modifying material terms of this
5 Agreement or preventing the full and complete approval of the Agreement as written and agreed to
6 by the Parties, will result in this Agreement and all obligations under this Agreement being null and
7 void. Defendants agree they shall not oppose the granting of the Motion for Final Approval,
8 provided Defendants have not exercised their right to rescind pursuant to this Agreement.

9 72. Judgment and Continued Jurisdiction. Upon expiration of the Response Deadline,
10 with the Court's permission, a Final Approval/Settlement Fairness Hearing shall be conducted to
11 determine Final Approval of the Settlement. Pursuant to California Rule of Court 3.769(h), after
12 granting Final Approval, the Court shall retain jurisdiction over the Parties to enforce the terms of
13 the judgment.

14 73. Exhibits Incorporated by Reference. The terms of this Agreement include the terms
15 set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
16 herein. Any Exhibits to this Agreement are an integral part of the Settlement.

17 74. Entire Agreement. This Agreement and any attached Exhibits constitute the entire
18 Agreement among these Parties, and no oral or written representations, warranties or inducements
19 have been made to any Party concerning this Agreement or its Exhibits other than the
20 representations, warranties and covenants contained and memorialized in the Agreement and its
21 Exhibits.

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

24 76. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
25 and represent they are expressly authorized by the Parties whom they represent to negotiate this
26 Agreement and to take all appropriate action required or permitted to be taken by such Parties
27 pursuant to this Agreement to effectuate its terms and to execute any other documents required to
28 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other

1 and use their best efforts to affect the implementation of the Settlement. If the Parties are unable to
2 reach agreement on the form or content of any document needed to implement the Settlement, or on
3 any supplemental provisions that may become necessary to effectuate the terms of this Settlement,
4 the Parties may seek the assistance of the Court to resolve such disagreement.

5 77. Binding on Successors and Assigns. This Agreement will be binding upon, and inure
6 to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

7 78. California Law Governs. All terms of this Agreement hereto will be governed by and
8 interpreted according to the laws of the State of California.

9 79. Execution and Counterparts. This Agreement is subject only to the execution of all
10 Parties. However, the Agreement may be executed in one or more counterparts. All executed
11 counterparts and each of them, including facsimile and scanned copies of the signature page, will
12 be deemed to be one and the same instrument provided that counsel for the Parties will exchange
13 among themselves original signed counterparts.

14 80. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe
15 this Settlement is a fair, adequate and reasonable settlement of this Action and have arrived at this
16 Settlement after extensive arms-length negotiations, taking into account all relevant factors, present
17 and potential.

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

22 82. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to
23 class certification for purposes of this Settlement only; except, however, that either party may appeal
24 any court order that materially alters the terms of the Agreement.

25 83. Class Action Certification for Settlement Purposes Only. The Parties agree to
26 stipulate to class action certification only for purposes of the Settlement. If, for any reason, the
27 Settlement is not approved, the stipulation to certification will be void. The Parties further agree that
28 certification for purposes of the Settlement is not an admission that class action certification is

1 proper under the standards applied to contested certification motions and that this Agreement will
2 not be admissible in this or any other proceeding as evidence that either: (a) a class action should be
3 certified, or (b) Defendants are liable to Plaintiffs or any Class Member.

4 84. Non-Admission of Liability. The Parties enter into this Agreement to resolve the
5 dispute that has arisen between them and to avoid the burden, expense and risk of continued
6 litigation. In entering into this Agreement, Defendants do not admit, and specifically deny, they
7 have violated any federal, state, or local law; violated any regulations or guidelines promulgated
8 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any
9 contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged
10 in any other unlawful conduct with respect to their employees. Neither this Agreement, nor any of
11 its terms or provisions, nor any of the negotiations connected with it, shall be construed as an
12 admission or concession by Defendants of any such violations or failures to comply with any
13 applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this
14 Agreement and its terms and provisions shall not be offered or received as evidence in any action
15 or proceeding to establish any liability or admission on the part of Defendants or to establish the
16 existence of any condition constituting a violation of, or a non-compliance with, federal, state, local
17 or other applicable law.

18 85. Captions. The captions and section numbers in this Agreement are inserted for the
19 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
20 provisions of this Agreement.

21 86. Waiver. No waiver of any condition or covenant contained in this Agreement or
22 failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
23 constitute a further waiver by such party of the same or any other condition, covenant, right or
24 remedy.

25 87. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms
26 and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly
27 against one Party than another merely by virtue of the fact that it may have been prepared by counsel
28 for one of the Parties, it being recognized that, because of the arms-length negotiations between the

1 Parties, all Parties have contributed to the preparation of this Agreement.

2 88. Representation By Counsel. The Parties acknowledge that they have been
3 represented by counsel throughout all negotiations that preceded the execution of this Agreement,
4 and that this Agreement has been executed with the consent and advice of counsel and reviewed in
5 full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the
6 Agreement.

7 89. All Terms Subject to Final Court Approval. All amounts and procedures described
8 in this Agreement herein will be subject to Final Approval by the Court.

9 90. Cooperation and Execution of Necessary Documents. The Parties agree to cooperate
10 to promote participation in the Settlement, and in seeking court approval of the Settlement. The
11 Parties and their counsel agree not to take any action to encourage any Class Members to opt out of
12 and/or object to the Settlement.

13 91. Enforcement and Continuing Jurisdiction of the Court. To the extent consistent with
14 class action procedure, this Agreement shall be enforceable by the Court pursuant to California Code
15 of Civil Procedure § 664.6. The Court shall retain continuing jurisdiction over the Settlement and
16 over all Parties and Class Members, to the fullest extent to enforce and effectuate the terms and
17 intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Agreement. The
18 Court may award reasonable attorneys' fees and costs to the prevailing party in any motion or action
19 taken and based on an alleged violation of any material term of the Agreement.

20 92. Voluntary Agreement. The Parties acknowledge that they have entered into this
21 Agreement voluntarily, on the basis of their own judgment and without coercion, duress, or undue
22 influence of any Party, and not in reliance on any promises, representations, or statements made by
23 the other Parties other than those contained in this Agreement. Each of the Parties hereto expressly
24 waives any right he/they might ever have to claim that this Agreement was in any way induced by
25 fraud.

26 93. Confidentiality. Other than the filing of the Motion for Preliminary Approval and the
27 Motion for Final Approval of the Agreement, Plaintiff and Class Counsel agree not to disclose or
28 publicize the Agreement contemplated herein, its terms or contents, or the negotiations underlying

1 the Agreement, in any manner or form, directly or indirectly, to any person or entity that discloses
2 the name of Defendants, except to Class Members and as shall be contractually and/or legally
3 required to effectuate the terms of the Agreement as set forth herein in any manner that identifies
4 the Defendants or Released Parties. Nothing in this Agreement shall limit Defendants' ability to
5 fulfill disclosure obligations reasonably required by law or in furtherance of business purposes,
6 including the fulfillment of obligations stated in this Agreement or limit Class Counsel's
7 communications with the Class Members in furtherance of approval of this Settlement.

8 94. Binding Agreement. The Parties warrant that they understand and have full authority
9 to enter into this Settlement, and further intend that this Agreement will be fully enforceable and
10 binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding
11 to enforce its terms, notwithstanding any settlement confidentiality provisions that otherwise might
12 apply under federal or state law.

13
14 DATED: 07/15/2021

, 2021 By:


Jenny Luna (Jun 15, 2021 10:53 PDT)

Plaintiff JENNY MARISOL LUNA

15
16 DATED:

, 2021 By:

Name: _____
Its: _____ of PRONTO
CALIFORNIA GENERAL AGENCY, LLC;
ARTHUR J. GALLAGHER SERVICE
COMPANY, INC.; ARTHUR J. GALLAGHER &
CO.; ARTHUR J GALLAGHER & CO.
INSURANCE BROKERS OF CALIFORNIA,
INC.; ARTHUR J. GALLAGHER RISK
MANAGEMENT SERVICES, INC.; H & H
AGENCY, INC.; DASHERS INSURANCE
SERVICES, INC.

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23
24 APPROVED AS TO FORM

25 DATED: 06/15

, 2021 By:


David D. Bibiyan
Diego Aviles
Bibiyan Law Group, P.C.
Attorneys for Plaintiff

1 the Agreement, in any manner or form, directly or indirectly, to any person or entity that discloses
2 the name of Defendants, except to Class Members and as shall be contractually and/or legally
3 required to effectuate the terms of the Agreement as set forth herein in any manner that identifies
4 the Defendants or Released Parties. Nothing in this Agreement shall limit Defendants' ability to
5 fulfill disclosure obligations reasonably required by law or in furtherance of business purposes,
6 including the fulfillment of obligations stated in this Agreement or limit Class Counsel's
7 communications with the Class Members in furtherance of approval of this Settlement.

8 94. Binding Agreement. The Parties warrant that they understand and have full authority
9 to enter into this Settlement, and further intend that this Agreement will be fully enforceable and
10 binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding
11 to enforce its terms, notwithstanding any settlement confidentiality provisions that otherwise might
12 apply under federal or state law.

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14 DATED:

, 2021 By:

Plaintiff JENNY MARISOL LUNA

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16 DATED: 6/17

, 2021 By:

Name: Brian D. McCarthy
Its: Chf. Counsel
CALIFORNIA GENERAL AGENCY, LLC;
ARTHUR J. GALLAGHER SERVICE
COMPANY, INC.; ARTHUR J. GALLAGHER &
CO.; ARTHUR J. GALLAGHER & CO.
INSURANCE BROKERS OF CALIFORNIA,
INC.; ARTHUR J. GALLAGHER RISK
MANAGEMENT SERVICES, INC.; H & H
AGENCY, INC.; DASHERS INSURANCE
SERVICES, INC.

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24 APPROVED AS TO FORM

25 DATED:

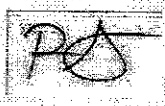
, 2021 By:

David D. Bibiyan
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Attorneys for Plaintiff

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DATED: June 17, 2021 By:

Katherine C. Den Bleyker
VI. N. Applen
Raina Singer
Lewis Brisbois Bisgaard & Smith LLP
Attorneys for Defendants

LEWI
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BRISBOI
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