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13 SUPERIOR COURT OF THE STATE OF CALIFORNIA
14 COUNTY OF SAN MATEO
15

16 MOALA ALIPATE, individually, and on
17 behalf of other members of the general
public similarly situated and on behalf of
18 other aggrieved employees pursuant to
the California Private Attorneys General
Act;

19 Plaintiff,

20 vs.

21 CHME, INC., a California corporation;
22 and DOES 1 through 100, inclusive,

23 Defendants.
24

Case No.: 20-CIV-00733

Honorable V. Raymond Swope
Department 23

**JOINT STIPULATION OF CLASS
ACTION SETTLEMENT AND RELEASE
BETWEEN PLAINTIFF, ON BEHALF OF
HERSELF AND ALL OTHERS
SIMILARLY SITUATED, AND
DEFENDANT**

25 This Joint Stipulation of Settlement and Release (hereinafter “Stipulation of Settlement”
26 or “Settlement”) is made and entered into by and between Plaintiff Moala Alipate (“Plaintiff”),
27 individually, and on behalf of other members of the general public similarly situated and the
28 State of California, on the one hand, and CHME, INC. (“Defendant”) on the other hand. This

1 Stipulation of Settlement shall be binding on Plaintiff, those persons Plaintiff seeks to represent,
2 the State of California, and on Defendant and the Released Parties, subject to the terms and
3 conditions hereof and the Court's approval. The Settlement contemplated by this Stipulation of
4 Settlement is sometimes hereinafter referred to as the "Settlement." Plaintiff and Defendant are
5 collectively referred to herein as "the Parties."

6 THE PARTIES STIPULATE AND AGREE as follows:

7 1. Plaintiff filed her Class Action Complaint in San Mateo County Superior Court
8 on February 3, 2020. Plaintiff filed her PAGA Notice letter with the LWDA on April 21, 2020.
9 Following stipulation by the Parties, Plaintiff filed her First Amended Complaint on July 6,
10 2020. Defendants filed an answer to the complaint denying all material allegations and asserting
11 affirmative defenses.

12 2. Plaintiff's Complaint asserts causes of action on behalf of herself and the
13 putative class members as follows: (1) failure to pay overtime wages in violation of California
14 Labor Code sections 510 and 1198, (2) failure to pay missed meal period premiums in violation
15 of California Labor Code sections 226.7 and 512(a), (3) failure to pay missed rest period
16 premiums in violation of California Labor Code section 226.7, (4) failure to provide minimum
17 wages in violation of California Labor Code sections 1194, 1197, and 1197.1, (5) failure to
18 timely pay wages on separation of employment in violation of California Labor Code sections
19 201 and 202, (6) failure to timely pay wages during employment in violation of California
20 Labor Code section 204, (7) failure to provide accurate wage statements in violation of
21 California Labor Code section 226, (8) failure to keep requisite payroll records in violation of
22 California Labor Code section 1174(d), (9) failure to reimburse business expenses in violation
23 of California Labor Code sections 2800 and 2802, (10) violation of California Business and
24 Professions Codes section 17200, *et seq.*, and; (11) violation of California Labor Code sections
25 2698, *et seq.* ("PAGA"). Plaintiff's Complaint seeks recovery of alleged damages, penalties,
26 interest, and attorneys' fees and costs. The term "Action" means this putative class action
27 pending in San Mateo County Superior Court titled *Moala Alipate v. CHME, Inc.*, bearing Case
28 No. 20-CIV-00733.

1 3. Plaintiff has not filed a motion for class certification in this action, nor has a date
2 been set by the Court for the filing of such a motion.

3 4. This Action has been actively litigated. There have been on-going investigations,
4 and there has been an exchange of extensive documentation and information.

5 5. For purposes of this Settlement, the “Settlement Class” or “Class Members” shall
6 mean all current and former non-exempt employees employed by Defendant in California at any
7 time from February 3, 2016, through May 31, 2025.

8 6. The “PAGA Settlement Group Members” will consist of all current and former
9 non-exempt employees employed by Defendant in California at any time from April 21, 2019,
10 through May 31, 2025.

11 7. The Settlement Class shall not include any person who previously settled or
12 released any of the claims covered by this Settlement, or any person who previously was paid or
13 received awards through civil or administrative actions for the claims covered by this
14 Settlement.

15 8. Solely for the purpose of settling this case, the Parties stipulate and agree that the
16 requisites for establishing class certification with respect to the Settlement Class have been met
17 and are met. More specifically, the Parties stipulate and agree that:

18 a. The Settlement Class is ascertainable and so numerous as to make it
19 impracticable to join all Class Members.

20 b. There are common questions of law and fact including, but not limited to,
21 the following:

22 i. Whether Defendant complied with applicable laws affecting
23 Plaintiff and the Settlement Class under the California Labor Code and the Wage Orders of the
24 California Industrial Welfare Commission; and

25 ii. Whether Plaintiff and the Settlement Class are entitled to alleged
26 penalties, interest, and attorneys’ fees and costs.

27 c. Plaintiff believes Plaintiff’s claims are typical of the claims of the
28 members of the Settlement Class.

1 d. Plaintiff believes Plaintiff will fairly and adequately protect the interests
2 of the Settlement Class, and that the law firms of Castle Law: California Employment Counsel,
3 PC, and Lawyers for Justice, PC, should be “Class Counsel,” and will fairly and adequately
4 protect the interests of the Settlement Class.

5 e. The prosecution of separate actions by individual members of the
6 Settlement Class would create the risk of inconsistent or varying adjudications, which would
7 establish incompatible standards of conduct.

8 f. With respect to the Settlement Class, Plaintiff believes that questions of
9 law and fact common to the members of the Settlement Class predominate over any questions
10 affecting any individual member in such Class, and a class action is superior to other available
11 means for the fair and efficient adjudication of the controversy.

12 8. Defendant denies any liability or wrongdoing of any kind whatsoever associated
13 with the claims alleged in the Action, and further denies that, for any purpose other than settling
14 this Action, this Action is appropriate for class or representative treatment. With respect to
15 Plaintiff’s claims, Defendant contends, among other things, that it has complied with all
16 applicable state, federal and local laws affecting Plaintiff and the Settlement Class.

17 9. It is the desire of the Parties to fully, finally and forever settle, compromise and
18 discharge all disputes and claims arising from or related to the Action. To achieve a full and
19 complete release of Defendant, each Class Member and the State of California acknowledge that
20 this Stipulation of Settlement is intended to include in its effect any and all claims under state,
21 federal and local law that were or could have been asserted based on the facts and allegations
22 made in the Action, and any amendments thereto.

23 10. It is the intention of the Parties that this Stipulation of Settlement shall constitute
24 a full and complete settlement and release of all claims arising from the allegations of this class
25 action and PAGA case, which release includes in its effect Defendant and all its present, former,
26 or future, direct or indirect parent companies, subsidiaries, corporations in common control,
27 owners, divisions, concepts, co-employers, related or affiliated companies, members, officers,
28 directors, employees, contractors, partners (both general and limited), shareholders, agents,

1 attorneys, legal representatives, insurers, re-insurers, predecessors, successors, and assigns, and
2 any other individual or entity which could be liable for any and all such claims. The groups
3 described in this paragraph 10 are collectively referred to as the “Released Parties”.

4 11. Counsel for the Settlement Class have conducted a thorough investigation into
5 the facts of this Action, and they have diligently pursued an investigation of Class Members’
6 claims against Defendant. Based on their own independent investigation and evaluation, Class
7 Counsel are of the opinion that the Settlement with Defendant for the consideration and on the
8 terms set forth in this Stipulation of Settlement is fair, reasonable and adequate and is in the best
9 interest of the Settlement Class and the PAGA Settlement Group Members in light of all known
10 facts and circumstances, including the risk of significant delay, the risk the Settlement Class will
11 not be certified by the Court, defenses asserted by Defendant and numerous potential appellate
12 issues. Defendant and Defendant’s counsel also agree that the Settlement is fair and in the best
13 interest of the Parties.

14 12. The Parties agree to cooperate and to take all steps necessary and appropriate to
15 consummate this Settlement and for entry of judgment in accordance with this Stipulation of
16 Settlement.

17 13. This Settlement requires Defendant to pay Settlement Awards (defined below)
18 according to a specified formula to each Settlement Class Member who declines or otherwise
19 fails to submit a timely and valid Request for Exclusion as specified in this Settlement
20 (“Participating Class Member”) as well as to each Settlement Class Member who was employed
21 during the PAGA Period (April 20, 2019, through May 31, 2025), regardless of whether or not
22 that Class Member timely excluded him/herself from the Settlement. The Maximum Settlement
23 Amount is \$340,000.00, which is inclusive of the Settlement Awards, Class Counsel’s
24 attorneys’ fees, Class Counsel’s litigation expenses and costs, the enhancement award to the
25 class representative, \$25,000.00 allocated to penalties under the California Private Attorneys
26 General Act (“PAGA”), \$18,750.00 (three-quarters) of which shall be paid to the California
27 Labor and Workforce Development Agency (“LWDA”) and \$6,250.00 (one-fourth, referred to
28 herein as the “PAGA Settlement Amount”) paid to the PAGA Settlement Class as described

1 below, and settlement administration expenses (“Maximum Settlement Amount”). It is
2 understood and agreed that Defendants’ maximum payment obligation under the Settlement
3 shall not exceed \$340,000.00, with the exception of employer-paid payroll taxes on the portion
4 of the Net Settlement Amount allocated to wages pursuant to Section 13(c)(iv) of this Joint
5 Stipulation and any *pro rata* increase pursuant to Section 14(c)(i) below. It is further
6 understood and agreed that Defendant shall have no obligation to pay any person, entity, or
7 organization more than the Maximum Settlement Amount.

8 TERMS OF SETTLEMENT

9 14. NOW THEREFORE, in consideration of the mutual covenants, promises and
10 agreements set forth herein, the Parties agree, subject to the Court’s approval, as follows:

11 a. It is agreed by and among Plaintiff and Defendant that this Action and
12 any claims, damages or causes of action arising out of the disputes which are the subject of this
13 Action, be settled and compromised as between the Settlement Class and Defendant, subject to
14 the terms and conditions set forth in this Stipulation of Settlement and the approval of the Court.

15 b. Effective Date: The Settlement embodied in this Stipulation of
16 Settlement shall become effective (“Effective Date”) when both of the following have occurred:
17 (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b)
18 the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if
19 no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b)
20 if one or more Participating Class Members object to the Settlement, the day after the deadline
21 for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed,
22 the day after the appellate court affirms the Judgment and issues a remittitur. The Maximum
23 Settlement Amount shall be paid in three installments as follows: \$106,666.66, which
24 represents 1/3 of the Maximum Settlement Amount within 10 business days of the Effective
25 Date. This first installment shall be paid to the Settlement Administrator agreed upon by the
26 Parties and approved by the Court. The second installment of \$116,666.66 shall be paid to the
27 Settlement Administrator six months after the first installment is paid, and the final installment
28 of \$116,666.68 shall be paid to the Settlement Administrator one year after the first installment

1 is paid. It is further agreed by the Parties that this Settlement will not become effective if
2 Defendant, contrary to Paragraph 13 above, is required to pay more than the Maximum
3 Settlement Amount, as set forth in Paragraph 13, with the exception of employer-paid payroll
4 taxes and any *pro rata* increase pursuant to Section 14(c)(i), below. It is further agreed by and
5 between the Parties that this Settlement shall not become effective, and Defendant shall not have
6 any obligation (monetary or otherwise) under the terms of this Settlement, unless and until any
7 objections, writs and/or appeals, and any rights of appeal with respect to any objections or the
8 Judgment, have been finally exhausted and resolved upholding the terms of this Settlement.

9 c. Maximum Settlement Amount, Net Settlement Amount and PAGA

10 Settlement Amount: To implement the terms of this Settlement, Defendants agree to pay the
11 Maximum Settlement Amount. The Parties agree the Maximum Settlement Amount will be
12 fully paid out, with no residual returning to Defendant. At no time shall Defendant have the
13 obligation to segregate the funds comprising the Maximum Settlement Amount, and Defendant
14 shall retain exclusive authority over, and the responsibility for, those funds subject to the
15 disbursement of funds necessary to effectuate the Settlement. All Settlement Awards paid to
16 Class Members, the attorneys' fees and costs to Class Counsel, the enhancement award to the
17 Class Representative, the fees and expenses of the Settlement Administrator, the payment to the
18 LWDA pursuant to PAGA, and any other payments provided by this Settlement, shall be paid
19 out of the Maximum Settlement Amount. The Net Settlement Amount shall be calculated by
20 deducting Class Counsel's attorneys' fees, Class Counsel's litigation expenses, the enhancement
21 award, \$18,750.00 attributable to PAGA penalties (the "PAGA Settlement Amount"), and
22 settlement administration expenses from the Maximum Settlement Amount ("Net Settlement
23 Amount"). Class Members shall not be required to submit claim forms to participate in the
24 Settlement; all Participating Class Members will be mailed settlement award checks, as will all
25 non-Participating Class Members who were employed during the PAGA Period.

26 i. Class Size: To mediate and negotiate this settlement, Defendant
27 represented that the Settlement Class consists of approximately 158 unique persons who worked
28 an estimated 15,124 workweeks between February 3, 2016 and May 31, 2025 ("the Class

Period”). The Parties further agree that if the number of Settlement Class Members, which formed the basis of the settlement, increases by more than ten (10) percent above 158 persons (*i.e.*, to greater than 174 persons), Defendant at its sole discretion shall either: (1) increase the Maximum Settlement Amount by the proportional amount for the percentage of Settlement Class Members above ten (10) percent; or (2) end the applicable period at the point in time where Settlement Class Members equal 174 persons.

ii. Settlement Awards to Participating Class Members: Settlement Awards to Participating Class Members will be determined based on the number of workweeks worked in California in a non-exempt position by the Class Member during the Class Period based on information provided by Defendant. Defendant’s workweek data will be presumed to be correct, unless a particular Class Member proves otherwise to the Settlement Administrator by credible written evidence. All workweek count disputes will be resolved and decided by the Settlement Administrator, and the Settlement Administrator’s decision on all workweek count disputes will be final and non-appealable. The amount to be paid per workweek to Participating Class Members will be calculated by the Settlement Administrator by dividing the Net Settlement Amount by the total number of workweeks worked by Participating Class Members. In addition, each Participating Class Member will get a payment from the Private Attorneys General Act Allocation based on the number of workweeks worked during the PAGA period. Any person who opts out of the Settlement is not a Participating Class Member, and is ineligible to object to the Settlement. Such person cannot, however, opt out of the settlement of the PAGA claim.

iii. Private Attorneys General Act Allocation: The Parties have agreed to allocate \$25,000.00 of the Maximum Settlement Amount to penalties under the California Private Attorneys General Act (“PAGA”). Seventy-five percent (75%) of this amount, which is \$18,750.00, will be paid to the Labor and Workforce Development Agency (“LWDA”) of the State of California. The remaining balance of \$6,250.00 will be distributed to Class Members who worked for Defendant during the PAGA Period based on the pro-rata share of workweeks worked by each Class Member during the PAGA Period. Notwithstanding the

1 submission of a timely and proper request for exclusion, Class Members who were employed by
2 Defendant during the PAGA Period will still be bound by the settlement and release of the
3 PAGA Claims or remedies under the Judgment pursuant to *Arias v. Superior Court*, 46 Cal.4th
4 868 (2009), as requests for exclusion do not apply to the PAGA Claims (and hence will receive
5 a payment from the PAGA Settlement Amount).

6 iv. Allocation of Settlement Awards: The Parties have agreed, based
7 on the allegations in the Action, that individual Settlement Awards payable to Participating
8 Class Members from the Net Settlement Amount will be allocated as follows: (1) ten percent
9 (10%) will be allocated to alleged unpaid wages for which IRS Forms W-2 will issue; (2) eighty
10 percent (80%) will be allocated to alleged unpaid penalties; and (3) ten percent (10%) will be
11 allocated to interest, for which IRS Forms 1099-MISC will issue. Payments made to Class
12 Members from the PAGA Settlement Amount shall be allocated entirely to unpaid penalties for
13 which IRS Forms 1099-MISC will issue.

14 v. Settlement Awards Do Not Trigger Additional Benefits: All
15 Settlement Awards to Class Members shall be deemed to be income to such Class Members
16 solely in the year in which such awards actually are received by the Class Members. It is
17 expressly understood and agreed that the receipt of such Settlement Awards will not entitle any
18 Class Member to additional compensation or benefits under any company bonus, contest or
19 other compensation or benefit plan or agreement in place during the period covered by the
20 Settlement, nor will it entitle any Class Member to any increased retirement, 401(k) benefits or
21 matching benefits, or deferred compensation benefits. It is the intent of this Settlement that the
22 Settlement Awards provided for in this Agreement are the sole payments to be made by
23 Defendant to the Class Members in connection with this Settlement, and that the Class Members
24 are not entitled to any new or additional compensation or benefits as a result of having received
25 the Settlement Awards (notwithstanding any contrary language or agreement in any benefit or
26 compensation plan document that might have been in effect during the period covered by this
27 Settlement).

28 vi. Attorneys' Fees and Litigation Costs: Subject to Court approval

1 or modification, Defendant further agrees not to oppose Class Counsel's application for
2 attorneys' fees and litigation costs as set forth in Paragraph 16 below.

3 vii. Class Representative: The Parties agree to the designation of
4 Plaintiff as the "Class Representative." Subject to Court approval, Defendant agrees not to
5 oppose Plaintiff's request for an Enhancement Award of up to \$5,000.00. The Enhancement
6 Award is in addition to any claimed individual Settlement Award to which Plaintiff is entitled.
7 The Enhancement Award is to be part of, and to be deducted from, the Maximum Settlement
8 Amount. The Settlement Administrator will issue an IRS Form 1099-MISC for the
9 Enhancement Award to the Plaintiff for her service as the Class Representative, and Plaintiff
10 will be responsible for correctly characterizing this compensation for tax purposes and for
11 paying any taxes on the amounts received. Should the Court approve an Enhancement Award to
12 the Class Representative in an amount less than that set forth above, the difference between the
13 lesser amount approved by the Court and the Enhancement Award set forth above shall be
14 added to the Net Settlement Amount.

15 viii. Settlement Administrator: The Settlement Administrator will be
16 ILYM Group, Inc., or such other settlement administrator selected by Class Counsel, agreed to
17 by Defendant, and approved by the Court. All administration expenses shall be paid out of the
18 Maximum Settlement Amount.

19 ix. Mailing of Settlement Awards: The Settlement Administrator will
20 cause the Settlement Awards to be mailed to the Class Members within 30 calendar days after
21 the Effective Date of the Settlement (defined above in Paragraph 14(b)).

22 x. Class Notice: For each Class Member, there will be pre-printed
23 information on the Notice of Pendency of Class Action and Proposed Settlement ("Class
24 Notice"), based on Defendant's records, stating the number of workweeks worked by the Class
25 Member during the Class Period, along with each Class Member's estimated Settlement Award
26 amount, assuming all Class Members participate and the final number of workweeks worked is
27 the same as existed at the time of mailing the Class Notice. The pre-printed information based
28 on Defendant's records shall be presumed to be correct unless written proof to the contrary is

1 provided to the Settlement Administrator. A Class Member may challenge the pre-printed
2 information on the Class Notice as to the workweeks worked during the Class Period by
3 submitting written evidence to the Settlement Administrator. All disputes regarding workweeks
4 worked will be resolved and decided by the Settlement Administrator, and the Settlement
5 Administrator's decision on all disputes will be final and binding.

6 d. Right to Rescission: In the event more than ten (10) percent of
7 Settlement Class Members opt out of the settlement, Defendant may terminate the settlement in
8 its sole discretion, this Memorandum of Understanding and the stipulation of settlement shall be
9 of no further force or effect, and the Parties shall be restored to their *status quo ante* positions.
10 The failure of the Court to approve the amount of attorneys' fees and costs requested by
11 Plaintiff's counsel shall not be grounds for Plaintiff to terminate the settlement. Likewise, the
12 failure of the Court to approve the amount of the enhancement award requested by Plaintiff shall
13 not be grounds for Plaintiff to terminate the settlement.

14 CLAIMS ADMINISTRATION

15 15. Class Counsel has selected and Defendant has agreed to the appointment of
16 ILYM Group, Inc., to perform the customary duties of Settlement Administrator; provided,
17 however, Class Counsel shall have the right to select or substitute a different Settlement
18 Administrator with approval by the Court. The Settlement Administrator will mail the Class
19 Notice to all Class Members. The Settlement Administrator will independently review
20 Defendant's data as to the number of pay periods worked during the Class Period and will
21 calculate the amounts due to Class Members in accordance with this Stipulation of Settlement.
22 The Settlement Administrator shall report, in summary or narrative form, the substance of its
23 findings. The Settlement Administrator shall be granted reasonable access to Defendant's
24 records to perform its duties. Tax treatment of the Settlement Awards will be as set forth herein.
25 All disputes relating to the Settlement Administrator's performance of its duties shall be referred
26 to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions
27 of this Stipulation of Settlement until all payments and obligations contemplated by this
28 Stipulation of Settlement have been fully carried out.

1 ATTORNEYS' FEES AND LITIGATION COSTS

2 16. In consideration for settling this Action, in exchange for the release of claims by
3 the Settlement Class, and subject to final approval or modification by the Court, Defendant
4 agrees not to oppose Class Counsel's application for attorneys' fees not to exceed 33.33 percent
5 of the Maximum Settlement Amount, or in other words up to \$113,322.00 and attorneys' costs
6 not to exceed \$45,000.00, from the Maximum Settlement Amount. The amounts set forth above
7 will cover all work performed and all fees and costs incurred to date, and all work to be
8 performed and all fees and costs to be incurred in connection with the approval by the Court of
9 this Stipulation of Settlement, the administration of the Settlement, and obtaining the final
10 Judgment. Should Class Counsel request lesser amounts, or should the Court approve lesser
11 amounts for attorneys' fees and litigation costs, the difference between the lesser amounts and
12 the maximum amounts set forth above shall be added to the Net Settlement Amount.

13 NOTICE TO THE PLAINTIFF CLASS

14 18. Class Notice as approved by the Court, shall be sent by the Settlement
15 Administrator to the Class Members by first class mail. Any returned envelopes from this
16 mailing with forwarding addresses will be used by the Settlement Administrator to forward the
17 Notice to the Class Members.

18 a. Within twenty-one (21) calendar days of preliminary approval of this
19 Settlement by the Court, Defendant shall provide to the Settlement Administrator a spreadsheet
20 of the Class Members' names, last-known addresses, last-known telephone numbers, Social
21 Security numbers ("Class Member Information"), and workweek data. The Class Members'
22 contact information and Social Security numbers will be used only by the Settlement
23 Administrator for the sole purpose of effectuating the Settlement, and it will not be provided to
24 Class Counsel at any time or in any form. To the extent Class Counsel possesses or comes to
25 possess the Class Members' contact information and/or Social Security numbers, Class Counsel
26 shall return all such information (including copies and data or information derived therefrom)
27 within five (5) days of the date the Court preliminarily approves the Settlement, shall not retain
28 copies of such information, and shall not maintain or use such information for any purpose. The

1 spreadsheet provided for above, shall be based on Defendant's payroll and other business
2 records and in a format acceptable to the Settlement Administrator. Within thirty-five (35)
3 calendar days of preliminary approval of this Settlement, the Settlement Administrator will mail
4 the Class Notice to Class Members.

5 b. Class Notices returned to the Settlement Administrator as non-deliverable
6 during the sixty (60) calendar day period for objecting to the Settlement, or disputing the
7 workweeks worked during the Class Period, shall be re-sent to the forwarding address, if any,
8 on the returned envelope. If there is no forwarding address, the Settlement Administrator will
9 do a check of the Class Member's address against those on file with the U.S. Postal Service's
10 National Change of Address List and will skip-trace return mail and re-mail within three (3)
11 calendar days of receipt using the Class Member's social security number; this search will be
12 performed only once per Class Member by the Settlement Administrator. Upon completion of
13 these steps by the Settlement Administrator, the Settlement Administrator shall be deemed to
14 have satisfied its obligations to provide the Class Notice to the affected member of the
15 Settlement Class. The affected member of the Settlement Class shall remain a member of the
16 Settlement Class and shall be bound by all the terms of the Stipulation of Settlement and the
17 Court's Order and Final Judgment.

18 c. The Class Notice shall also identify the procedures for opting out of or
19 objecting to the Settlement.

20 d. Class Counsel shall provide to the Court, at least sixteen (16) court days
21 before the final fairness hearing, an initial declaration by the Settlement Administrator of due
22 diligence and proof of mailing with regards to the mailing of the Class Notice.

23 SETTLEMENT AWARDS

24 19. Settlement Award checks shall remain valid and negotiable for one hundred and
25 eighty (180) calendar days from the date of their issuance. After one hundred and eighty (180)
26 days, the Settlement Administrator may void any uncashed checks. A Class Member whose
27 Settlement Award check is voided by the Settlement Administrator for failing to timely
28 negotiate it shall remain bound by the terms of this Settlement and its release of claims against

1 Defendant. The Settlement Administrator shall prominently print on all Settlement Award
2 checks provided to Class Members the expiration date or a statement that the checks will
3 expire in one hundred and eighty (180) days, or alternatively, such a statement may be made in
4 a letter accompanying the check. Expired Settlement Award checks will not be reissued. The
5 Settlement Administrator will send one reminder notice to all Class Members who have not
6 cashed their settlement award checks thirty (30) days before the expiration date. Any residual
7 from uncashed Settlement Award checks after the expiration date will be distributed to Larkin
8 Street Youth Services as *cy pres*, and as approved by the Court, pursuant to Code of Civil
9 Procedure Section 384. Upon completion of its calculation of payments, the Settlement
10 Administrator shall provide Defendant with a report listing the amount of all payments to be
11 made to each Class Member. Defendant, on behalf of the Released Parties, will pay to the
12 Settlement Administrator the Maximum Settlement Amount, after the Settlement becomes
13 effective as defined in Paragraph 14 and pursuant to the schedule identified in Paragraph 14(b),
14 above. The Settlement Administrator shall disburse the payments in accordance with
15 Paragraph 14. The Settlement Administrator will be responsible for making appropriate
16 deductions, paying to Class Counsel any Court-approved attorneys' fees and litigation costs,
17 paying to the Class Representative any Court-approved Enhancement Award, paying the
18 LWDA seventy-five percent (75%) of the amount allocated for PAGA penalties above,
19 meeting tax reporting obligations, and for issuing the individual Settlement Award checks to
20 Class Members. Proof of payment will be filed with the Court and provided to Class Counsel
21 by the Settlement Administrator within one hundred and twenty (120) calendar days after the
22 Effective Date and each subsequent installment due date.

23 OPTING OUT OF / OBJECTING TO THE SETTLEMENT

24 20. Opting Out of the Settlement. For those Class Members who do not wish to
25 participate in the Settlement, they may exclude themselves (*i.e.*, opt out) by submitting a timely
26 written request to the Settlement Administrator. The written request ("Request for Exclusion")
27 should state that he/she has received the Class Notice, decided not to participate in the
28 Settlement, and words to the effect that he/she desires to be excluded from the Settlement. The

1 Request for Exclusion must also state the individual's full name, address, last four digits of
2 Social Security Number, and telephone number. The Request for Exclusion must be signed,
3 dated and mailed by First Class U.S. Mail, or the equivalent, to the Settlement Administrator.
4 All Requests for Exclusion must be postmarked and mailed to the Settlement Administrator no
5 later than forty-five (45) calendar days after the Settlement Administrator mails the Notice to
6 the Class Members. Any individual who submits a Request for Exclusion will not be allowed to
7 object to the terms of the Settlement. If a Settlement Class Member submits both an objection
8 and a valid and timely request for exclusion, the Request for Exclusion will override the
9 objection, and the objection shall be ignored.

10 21. Objecting to the Settlement. Any Participating Class Member who wishes to
11 object to the fairness, reasonableness, or adequacy of this Agreement or the proposed Settlement
12 may provide to the Settlement Administrator (who shall forward it to Class Counsel and counsel
13 for Defendant), a timely statement of objection. To be timely, an objection must be mailed to the
14 Settlement Administrator and postmarked no later than sixty (60) calendar days after the
15 Settlement Administrator mailed the Notice to the Class Members. The date of the postmark on
16 the return-mailing envelope shall be the exclusive means used to determine whether an
17 objection has been timely submitted. An objection must contain at least the following: (i) the
18 objector's full name, address, telephone, last four digits of Social Security Number, and
19 signature; (ii) a clear reference to the Lawsuit; (iii) a statement of the specific legal and factual
20 basis for each objection argument; and (iv) a statement whether the objecting person intends to
21 appear at the Preliminary or Final Approval Hearing, either in person or through counsel and, if
22 through counsel, a statement identifying that counsel by name, bar number, address and
23 telephone number. All objections shall be signed by the objecting Participating Class Member,
24 even if the Participating Class Member is represented by counsel. The right to object to the
25 proposed Settlement must be exercised individually by a Participating Class Member.
26 Attempted collective, group, class or subclass objections shall be ineffective and disregarded. If
27 the Court rejects the objection, the Participating Class Member will be bound by the terms of the
28 Settlement.

RELEASE BY THE CLASS

22. Upon final approval by the Court, the participating Class Members (*i.e.*, Class Members who do not opt out of the settlement) shall be deemed to have fully, finally, and forever released CHME, Inc., and each of its current and former affiliates, contractors, parents, divisions, subsidiaries, joint ventures and assigns, successors, predecessors and assigns, partners, related business entities and actual or alleged joint employers, and each of their past or present officers, directors, owners, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, and all persons or entities acting by, through, under or in concert with any of them, and any individual or entity which could be jointly liable with CHME, Inc., (collectively “Released Parties”) from any and all such claims asserted or that could reasonably have been asserted based on the facts alleged in the Action and/or the LWDA letter submitted by Plaintiff, through her counsel, to the LWDA on or about April 21, 2020, including, but not limited to, all claims arising under the California Labor Code, including sections 200-204, 226, 226.3, 226.7, 227.3, 510, 512, 1174, 1194, 1197, 1197.1, 1198, 2800, and 2802, as alleged in the First Amended Complaint, claims under California Business & Professions Code § 17200, *et seq.*, and the wage orders of the California Industrial Welfare Commission, based the facts alleged in the Action (collectively “Released Class Claims”).

23. Subject to Court approval, the State of California and all PAGA Settlement Group Members shall be deemed to release the Released Parties of all claims under the Labor Code Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.*, (“PAGA”) based on claims asserted or that could reasonably have been asserted based on the facts alleged in the Action and/or the LWDA letter submitted by Plaintiff, through her counsel, to the LWDA on or about April 21, 2020, including all claims arising under the California Labor Code including, sections 200-204, 226, 226.3, 226.7, 227.3, 510, 512, 1174, 1194, 1197, 1197.1, 1198, 2800, and 2802, as alleged in the First Amended Complaint, and the wage orders of the California Industrial Welfare Commission based the facts alleged in the Action

1 (collectively “Released PAGA Claims”). These claims shall be released by PAGA members
2 regardless of whether Plaintiff and/or a PAGA Member negotiates (cashes) their/his/her
3 settlement checks sent pursuant to this Settlement. PAGA Members cannot and do not have the
4 right to opt out of the PAGA Group and/or release of their PAGA claims against the Released
5 Parties.

6 24. Effective upon the date of final approval by the Court of this Stipulation of
7 Settlement, Plaintiff fully releases and discharges the Released Parties from any and all past,
8 present, and future claims, actions, demands, causes of action, suits, debts, obligations,
9 damages, rights or liabilities, of any nature and description whatsoever, known or unknown,
10 existing or potential, recognized now or hereafter, expected or unexpected, pursuant to any
11 theory of recovery (including but not limited to those based in contract or tort, common law or
12 equity, federal, state, or local law, statute, ordinance, or regulation), and for claims for
13 compensatory, consequential, punitive or exemplary damages, statutory damages, penalties,
14 interest, attorneys’ fees, costs or disbursements, against the Released Parties, including
15 unknown claims covered by California Civil Code section 1542, as quoted below, by Plaintiff,
16 arising during the period from the beginning of the Plaintiff’s first interaction with any
17 Defendant to the date on which the Court enters the order of Final Approval of this Settlement,
18 for any type of relief that can be released as a matter of law, including, without limitation,
19 claims for wages, damages, unpaid costs, penalties (including civil and waiting time penalties),
20 liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or
21 injunctive, declaratory or equitable relief with the exception of any claims which cannot be
22 released as a matter of law. Plaintiff generally releases all known and unknown claims against
23 the Released Parties, and waives the application of section 1542 of the California Civil Code,
24 which provides as follows: “A general release does not extend to claims which the creditor or
25 releasing party does not know or suspect to exist in his or her favor at the time of executing the
26 release and that if known by him or her, would have materially affected his or her settlement
27 with the debtor or released party.” The claims released pursuant to this paragraph include but
28 are not limited to the Participating Class Members’ Released Claims, as well as any other claims

1 under any provision of the Fair Labor Standards Act, the California Labor Code, including but
2 not limited to Section 1102.5, the California Code of Regulations, or any applicable California
3 Industrial Welfare Commission Wage Order(s), and claims under state or federal discrimination
4 statutes, including, without limitation the California Fair Employment and Housing Act,
5 California Government Code section 12940 et seq.; the California Constitution; Title VII of the
6 Civil Rights Act of 1964, 42 U.S.C. § 2000 et seq.; the Employee Retirement Income Security
7 Act of 1974, 29 U.S.C. § 1001 et seq.; and all of their implementing regulations and interpretive
8 guidelines.

9 25. In addition, the Class Representative and each Settlement Class Member is
10 forever barred and enjoined from instituting or accepting damages or obtaining relief against the
11 Released Parties for any period from February 3, 2016, through May 31, 2025, relating to claims
12 that the individual has released pursuant to Paragraphs 22-24.

13 DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

14 26. Plaintiff shall promptly submit this Stipulation of Settlement to the San Mateo
15 County Superior Court in support of Plaintiff's Motion for Preliminary Approval and
16 determination by the Court as to its fairness, adequacy and reasonableness; Plaintiff agrees to
17 provide Defendant the opportunity to review, and to seriously consider Defendant's comments
18 before filing, Plaintiff's Motion for Preliminary Approval. Promptly upon execution of this
19 Stipulation of Settlement, Plaintiff shall apply to the Court for the entry of an order
20 preliminarily approving the Settlement, which shall request an Order from the Court:

21 a. Scheduling a final approval hearing on the question of whether the
22 proposed Settlement, including payment of attorneys' fees and litigation costs, costs of
23 administration and the Class Representative's Enhancement Award should be finally approved
24 as fair, reasonable and adequate as to the members of the Settlement Class;

25 b. Certifying a Settlement Class, Plaintiff Moala Alipate as the Class
26 Representative, and the law firms of Castle Law: California Employment Counsel, PC, and
27 Lawyers for Justice, PC, as Class Counsel;

28 c. Approving as to form and content the proposed Class Notice;

- 1 d. Approving the manner and method for Class Members to request
2 exclusion from the Settlement as contained herein and within the Class Notice;
- 3 e. Directing the mailing of the Class Notice by first class mail to the Class
4 Members; and
- 5 f. Preliminarily approving the Settlement subject only to the objections of
6 Class Members and final review by the Court; and
- 7 g. Enjoining Plaintiff and all Class Members from filing or prosecuting any
8 other cases, claims, suits or administrative proceedings (including filing claims with the
9 Division of Labor Standards Enforcement of the California Department of Industrial Relations)
10 regarding the Released Claims unless and until such Class Members have filed valid Requests
11 for Exclusion with the Settlement Administrator.

12 DUTIES OF THE PARTIES FOR FINAL COURT APPROVAL

13 27. Upon the Effective Date of the Settlement provided for in this Stipulation of
14 Settlement, Class Counsel will return to Defendant or delete all company and employee
15 documents, lists, and electronic data in all forms and formats (originals and copies). Plaintiff
16 agrees to provide Defendant the opportunity to review, and to seriously consider Defendant's
17 comments before filing, Plaintiff's Motion for Final Approval of Class Action Settlement,
18 which shall request an Order from the Court:

- 19 a. Approving the Settlement, adjudging the terms thereof to be fair,
20 reasonable and adequate, and directing consummation of its terms and provisions;
- 21 b. Approving Class Counsel's application for an award of attorneys' fees
22 and litigation costs;
- 23 c. Approving the Enhancement Award to the Class Representative; and
- 24 d. Entering judgment in accordance with California Rules of Court, Rule
25 3.769(h), with prejudice, and permanently barring and enjoining all members of the Settlement
26 Class from prosecuting against any Released Parties any individual or class or collective claims
27 released herein, upon satisfaction of all payments and obligations hereunder.

28 ///

1 PARTIES' AUTHORITY

2 28. The signatories hereby represent that they are fully authorized to enter into this
3 Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

4 MUTUAL FULL COOPERATION

5 29. To effectuate the terms of the Settlement, the Parties agree all formal and
6 informal discovery shall be stayed pending Court approval of the Settlement.

7 30. The Parties agree to fully cooperate with each other to accomplish the terms of
8 this Stipulation of Settlement, including, but not limited to, execution of such documents and
9 taking such other action as reasonably may be necessary to implement the terms of this
10 Stipulation of Settlement. The Parties shall use their best efforts, including all efforts
11 contemplated by this Stipulation of Settlement and any other efforts that may become necessary
12 by order of the Court, or otherwise, to effectuate this Stipulation of Settlement and the terms set
13 forth herein. As soon as practicable after execution of this Stipulation of Settlement, Class
14 Counsel shall, with the assistance and cooperation of Defendants and their counsel, take all
15 necessary steps to secure the Court's final approval of this Stipulation of Settlement.

16 31. The Parties and their respective counsel agree that they will not attempt to
17 encourage Class Members to file Requests for Exclusion.

18 NO PRIOR ASSIGNMENTS

19 32. The Parties and their counsel represent, covenant and warrant that they have not
20 directly or indirectly, assigned, transferred, encumbered or purported to assign, transfer or
21 encumber to any person or entity any portion of any liability, claim, demand, action, cause of
22 action or right herein released and discharged except as set forth herein.

23 NO ADMISSION

24 33. Nothing contained herein, nor the consummation of this Stipulation of
25 Settlement, is to be construed or deemed an admission of liability, culpability, negligence or
26 wrongdoing on the part of Defendant. Each of the Parties hereto has entered into this
27 Stipulation of Settlement solely with the intention to avoid further disputes and litigation with
28 the attendant inconvenience and expenses.

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1 of the Action on file with the Court. Class Counsel will take all steps necessary to ensure that
2 the Class Representative is aware of the restriction against any public disclosure of the
3 Settlement. This provision does not prevent Class Counsel from communicating with any Class
4 Members who may contact Class Counsel, or their own attorneys or tax advisors.

5 CONSTRUCTION

6 37. The Parties hereto agree that the terms and conditions of this Stipulation of
7 Settlement are the result of lengthy, intensive arms-length negotiations between the Parties and
8 this Stipulation of Settlement shall not be construed in favor of or against any party by reason of
9 the extent to which any party or his, her or its counsel participated in the drafting of this
10 Stipulation of Settlement.

11 CAPTIONS AND INTERPRETATIONS

12 38. Paragraph titles or captions contained herein are inserted as a matter of
13 convenience and for reference, and in no way define, limit, extend or describe the scope of this
14 Stipulation of Settlement or any provision of it. Each term of this Stipulation of Settlement is
15 contractual and not merely a recital.

16 MODIFICATION

17 39. This Stipulation of Settlement may not be changed, altered or modified, except in
18 writing and signed by the Parties hereto and approved by the Court. This Stipulation of
19 Settlement may not be discharged except by performance in accordance with its terms or by a
20 writing signed by the Parties hereto.

21 INTEGRATION CLAUSE

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

27 BINDING ON ASSIGNS

28 41. This Stipulation of Settlement shall be binding upon and inure to the benefit of

the Parties and the Released Parties hereto, and their respective heirs, trustees, executors, administrators, successors and assigns.

CLASS MEMBER SIGNATORIES

42. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each member of the Class execute this Stipulation of Settlement. The Class Notice will advise all Class Members of the binding nature of the release, and the release shall have the same force and effect as if this Stipulation of Settlement were executed by each member of the Class.

COUNTERPARTS

43. This Stipulation of Settlement may be executed in counterparts and by facsimile signatures, and when each party has signed and delivered at least one such counterpart, each counterpart, including e-mail and PDF versions, shall be deemed an original and, when taken together with other signed counterparts, shall constitute one Stipulation of Settlement binding upon and effective as to all Parties.

IN WITNESS WHEREOF, the Parties knowingly and voluntarily execute this Joint Stipulation of Settlement as of the date(s) set forth below:

Plaintiff and Class Representative

Dated: Jun 4, 2025

Moala Fotu Alipate
Moala Fotu Alipate (Jun 4, 2025 16:05 PDT)

MOALA ALIPATE

Defendant

CHME, INC.

Dated: _____

By: Bernie Zimmer
Its: Founder CEO

[SIGNATURES CONTINUED ON NEXT PAGE]

the Parties and the Released Parties hereto, and their respective heirs, trustees, executors, administrators, successors and assigns.

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42. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each member of the Class execute this Stipulation of Settlement. The Class Notice will advise all Class Members of the binding nature of the release, and the release shall have the same force and effect as if this Stipulation of Settlement were executed by each member of the Class.

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IN WITNESS WHEREOF, the Parties knowingly and voluntarily execute this Joint Stipulation of Settlement as of the date(s) set forth below:

Plaintiff and Class Representative

Dated: _____

MOALA ALIPATE

Defendant

CHME, INC.

Dated: 6/27/2025 _____

Bernie Zimmer

By: Bernie Zimmer
Its: Founder CEO

[SIGNATURES CONTINUED ON NEXT PAGE]

1
2 **APPROVED AS TO FORM:**

3
4 DATED: June 4, 2025

CASTLE LAW: CALIFORNIA EMPLOYMENT
COUNSEL

5 By: 
6 Timothy Del Castillo
7 Kent Bradbury
8 Attorneys for Plaintiff and the Class

9 DATED: _____, 2025

JACKSON LEWIS, PC

10
11
12 By: _____
13 Donald P. Sullivan
14 Attorneys for Defendants

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2 **APPROVED AS TO FORM:**

3
4 DATED: _____, 2025

CASTLE LAW: CALIFORNIA EMPLOYMENT
COUNSEL

5 By: _____
6 Timothy Del Castillo
7 Kent Bradbury
8 Attorneys for Plaintiff and the Class

9 DATED: ^{6/27/2025}_____, 2025

JACKSON LEWIS, PC

10 By: Donald P. Sullivan
11 Donald P. Sullivan
12 Attorneys for Defendants

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