

SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE

CHRISTINE ROSE, an individual, on
behalf of herself, and on behalf of all
persons similarly situated,

Plaintiff,

v.

IMPACT GROUP, LLC, a Limited
Liability Company; and Does 1 through 50,
Inclusive,

Defendants.

Lead Case No. 30-2020-01141107-CU-OE-
CXC

[Related Case No.: 30-2020-01166291-CU-
OE-CXC]

ASSIGNED FOR ALL PURPOSES TO
JUDGE RANDALL J. SHERMAN, DEPT.
CX105

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

Trial Date: None
Complaint Filed: October 19, 2020

1 IT IS HEREBY STIPULATED, by and between the parties in the civil action entitled
2 Christine Rose v. Impact Group, LLC, *et al.*, and subject to the approval of the Court, that the
3 Action (as defined below) is hereby compromised and settled pursuant to the terms and
4 conditions set forth in this Joint Stipulation of Class Action and PAGA Settlement and Release
5 ("Agreement," "Settlement," or "Stipulation of Settlement") and that the Court shall make and
6 enter judgment, subject to the continuing jurisdiction of the Court as set forth below, and
7 subject to the definitions, recitals, and terms set forth herein which by this reference become an
8 integral part of this Stipulation of Settlement.

9 **DEFINITIONS**

10 1. "Action" shall mean and refer to, collectively, the Class Action Complaint and
11 PAGA Complaint, as defined below.

12 2. "Class Action Complaint" means the putative class action entitled *Christine Rose*
13 *v. Impact Group, LLC*, Case No. 30-2020-01141107-CU-OE-CXC, filed on or about May 27,
14 2020.

15 3. "Class Counsel" means (a) Shani O. Zakay of Zakay Law Group, APC; (b)
16 Norman B. Blumenthal, Kyle R. Nordrehaug, Aparapjit Bhowmik, Piya Mukherjee, Victoria B.
17 Rivapalacio, and Charlotte E. Jaems of Blumenthal Nordrehaug Bhowmik De Blouw LLP; and
18 (c) Jessica L. Campbell of Aegis Law Firm, PC.

19 4. "Class Counsel Award" means the Court-approved attorneys' fees for Class
20 Counsel's litigation and resolution of the Action (not to exceed one-third [33.33%] of the Gross
21 Settlement Amount), and the court approved costs incurred by Class Counsel in connection with
22 this Action (in an amount anticipated not to exceed \$15,000). The Court-approved attorneys'
23 fees for Class Counsel shall be allocated as follows: 50% to Aegis Law Firm, APC, 30% to
24 Zakay Law Group, APC, and 20% to Blumenthal Nordrehaug Bhowmik De Blouw, LLP.

25 5. "Class Information" or "Class Lists" means information regarding Class Members
26 that Defendant shall in good faith compile from its records and shall be authorized by the Court
27 to transmit in a secured manner to the Settlement Administrator. Class Information shall be
28 transmitted in Microsoft Excel format and shall include each Class Member's: (i) full name; (ii)

1 last known address; (iii) Social Security number; and (iv) the number of weeks worked for
2 Defendant as a Class Member (using actual data where available and extrapolations where the
3 data is not readily available, as further explained and set forth in the definition of "Workweeks"
4 herein).

5 6. "Class Members" or "Settlement Class" means: All persons who were employed
6 by Defendant in California in non-exempt, hourly-paid positions at any time during the Class
7 Period, including current and former employees.

8 7. "Class Period" means, for Class Members, the period of time from May 27, 2016
9 through June 13, 2021.

10 8. "Class Representative Service Award" means the Court-approved amount to be
11 paid to Plaintiff in an amount of up to Ten Thousand Dollars and No Cents (\$10,000.00), in
12 addition to Plaintiff's Individual Settlement Award, in recognition of Plaintiff's efforts and risks
13 in prosecuting the Action.

14 9. "Defendant" means Defendant Impact Group, LLC.

15 10. "Defense Counsel" means Alaya B. Meyers, Esq. and Tracy R. Williams, Esq. of
16 Littler Mendelson P.C.

17 11. "Effective Date" means the date on which the Final Award becomes final. For
18 purposes of this Section, the Final Award "becomes final" only after the Court grants the Motion
19 for Final Approval and upon the latter of: (i) if no appeal is filed, the expiration date of the time for
20 the filing or noticing of any appeal from, or other challenge to, the Order Granting Final Approval
21 (this time period shall not be less than 60 calendar days after the Court's Order is entered); (ii) the
22 date of affirmance of an appeal of the Order Granting Final Approval becomes final under the
23 California Rules of Court; or (iii) the date of final dismissal of any appeal from the Order Granting
24 Final Approval or the final dismissal of any proceeding on review of any court of appeal decision
25 relating to the Order Granting Final Approval. If there are no objector(s) or intervenor(s), then the
26 Parties agree that there is no right to appeal and therefore this Settlement shall be deemed final and
27 the Effective Date shall be ten (10) days after the Court has entered a Final Approval Order and
28 Judgment which approves the Settlement; provided, however, in the event an appeal is filed,

1 Plaintiff will file the appropriate motion to dismiss and if such appeal is filed before the settlement
2 payments are mailed, such mailing shall be stayed until the appeal has been dismissed. It is the
3 intention of the Parties that the Settlement shall not become effective until the Court's Final Order
4 approving the Settlement has become completely final, and no timely recourse remains for an
5 appellant or objector to contest the Settlement.

6 12. "Employer's Share of Payroll Taxes" means Defendant's portion of payroll taxes,
7 including, but not limited to FICA and FUTA, on the portion of the Individual Settlement
8 Awards that is designated as wages.

9 13. "Final Approval Hearing" means the hearing to be conducted by the Court after
10 the filing by Plaintiff of an appropriate motion and following appropriate notice to Class
11 Members giving Class Members an opportunity to request exclusion from the Settlement Classes
12 and Settlement and to object to the Settlement, at which time Plaintiff shall request that the Court
13 finally approve the Settlement, enter the Final Order and Judgment, and take other appropriate
14 action.

15 14. "Final Order and Judgment" means the order and judgment to be entered by the
16 Court upon granting final approval of the Settlement and this Stipulation of Settlement as binding
17 upon the Parties and Participating Class Members. A proposed Final Order and Judgment shall be
18 mutually agreed upon by the Parties and submitted to the Court concurrently with Plaintiff's
19 Motion for Final Approval of the Settlement.

20 15. "Final Report" means the report to be prepared by the Settlement Administrator
21 (after the expiration of the 180-day period in which Participating Class Members must
22 cash/deposit their Individual Settlement Award payment checks) regarding the distribution of the
23 Gross Settlement Amount, including the total amount that was cashed/deposited by Participating
24 Class Members and the total amount of any unpaid residue or unclaimed or abandoned funds that
25 will issue to the State Controller's Office, Unclaimed Property Division.

26 16. "Individual PAGA Payment" means the amount payable from the PAGA Payment
27 to each Class Member.
28

1 17. "Individual Settlement Award" means the amount payable from the Net
2 Settlement Amount to each Participating Class Member.

3 18. "Gross Settlement Amount" means the total amount Defendant shall have to pay
4 in connection with this Settlement, by way of a common fund, which shall be inclusive of all
5 Individual Settlement Awards to Participating Class Members, the Class Counsel Award, the
6 Class Representative Service Award, PAGA Payment, and Settlement Administration Costs.
7 Subject to Court approval and the terms of this Stipulation of Settlement, the Gross Settlement
8 Amount Defendant shall be required to pay is Six Hundred Thousand Dollars and No Cents
9 (\$600,000.00). The Gross Settlement Amount does not, however, include Defendant's share of
10 payroll taxes for the Individual Settlement Award payments.

11 19. "Net Settlement Amount" means the Gross Settlement Amount, less the Class
12 Counsel Award, Class Representative Service Award, PAGA Payment, and Settlement
13 Administration Costs.

14 20. "Notice of Objection" means a Class Member's valid and timely submission of a
15 written objection to the Settlement. An objection should include: (a) the objector's full name,
16 signature, address, telephone number, and the last four digits of his/her Social Security number, (b)
17 a written statement of all grounds for the objection accompanied by any legal support for such
18 objection, and (c) copies of any papers, briefs, or other documents upon which the objection is
19 based. At no time shall any of the Parties, Class Counsel, or Defense Counsel seek to solicit or
20 otherwise encourage or discourage Class Members from submitting a Notice of Objection or filing
21 an appeal from the Final Order and Judgment. Non-Participating Class Members (*i.e.*, Class
22 Members who submit valid Requests for Exclusion) may not submit an Objection to the
23 Settlement. If a Class Member submits both a Request for Exclusion and an Objection, the
24 Objection shall be ignored and the Request for Exclusion will be deemed controlling.

25 21. "PAGA Complaint" means the representative action entitled *Christine Rose v.*
26 *Impact Group, LLC*, Case No. 30-2020-01166291-CU-OE-CXC, filed on or about October 19,
27 2020.

1 22. "PAGA Members" or "PAGA Class" means: All persons who were employed by
2 Defendant in California in non-exempt, hourly-paid positions at any time during the PAGA
3 Period, including current and former employees.

4 23. "PAGA Notice" means the April 15, 2020 letter that Class Counsel sent to the
5 California Labor Workforce Development Agency ("LWDA") pursuant to Labor Code
6 §2699.3(a)(c) seeking to exhaust Plaintiff's administrative remedies under the Labor Code
7 Private Attorneys General Act of 2004 ("PAGA"), Cal. Lab. Code §§2698, *et seq.*

8 24. "PAGA Payment" means the amount of Thirty Thousand Dollars and No Cents
9 (\$30,000.00), subject to Court approval, to be paid from the Gross Settlement Amount for
10 satisfaction of Plaintiff's and PAGA Members' claims under the California Private Attorneys'
11 General Act of 2004, California Labor Code sections 2698, *et seq.* ("PAGA"). Pursuant to the
12 PAGA, seventy five percent (75%) of the PAGA Payment, or Twenty-Two Thousand Five
13 Hundred Dollars and No Cents (\$22,500.00), will be paid to the LWDA and twenty five percent
14 (25%), or Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00), will be distributed
15 as the Individual PAGA Payments to Class Members.

16 25. "PAGA Period" means, for PAGA Members, the period of time from April 15,
17 2019 through June 13, 2021.

18 26. "PAGA Release" or "PAGA Released Claims" means the release by all PAGA
19 Members for all claims for PAGA alleged in the PAGA Notice and PAGA Complaint which
20 occurred during the PAGA Period, including violations of California Labor Code sections 201-
21 204, 210, 226(a), 226.7, 351, 510, 512, 558(a)(1)(2), 1194, 1197, 1197.1, 1198, and 2802, but
22 excluding all other claims, including claims for vested benefits, wrongful termination,
23 unemployment insurance, disability, social security, workers' compensation, and PAGA Claims
24 outside the PAGA Period. In light of the binding nature of a PAGA judgment on non-party
25 employees pursuant to *Arias v. Superior Ct. (Dairy)*, 46 Cal. 4th 969 (2009), Class Members
26 employed by Defendant on or after April 15, 2019 who exclude themselves from this Settlement
27 shall still receive an Individual PAGA Payment directly from the Settlement Administrator for
28 the amount of each such individual's estimated share of the PAGA Payment as calculated by the

1 Settlement Administrator, and shall not be able to object to or exclude themselves from releasing
2 the PAGA Released Claims against Defendant (*i.e.*, Participating PAGA Members, as defined
3 below). Plaintiff, through Class Counsel, also expressly agrees that this Settlement and the
4 PAGA Released Claims will fully resolve the PAGA-based claims of non-exempt class members
5 brought by Helder Herrera in *Helder Herrera v. Impact Group, LLC* (United States District
6 Court, Central District, Case No. 2:21-cv-03075 JAK (JDEx)).

7 27. "Participating Class Members" means Plaintiff and all other Class Members who
8 do not submit a valid and timely Request for Exclusion.

9 28. "Participating PAGA Members" means all Class Members who do not submit a
10 valid and timely Request for Exclusion and are bound by the PAGA Release and all Class
11 Members who submit a valid and timely Request for Exclusion but are nevertheless bound by the
12 PAGA Release.

13 29. "Parties" means Plaintiff and Defendant.

14 30. "Plaintiff" means Plaintiff Christine Rose.

15 31. "Preliminary Approval Order" means the order to be issued by the Court
16 approving and authorizing the mailing of the Settlement Notice by the Settlement Administrator,
17 setting the date of the Final Approval Hearing and granting preliminary approval of the
18 Settlement set forth in this Stipulation of Settlement, among other things. A proposed
19 Preliminary Approval Order shall be mutually agreed upon by the Parties and submitted to the
20 Court concurrently with Plaintiff's Motion for Preliminary Approval of the Settlement.

21 32. "Released Claims" includes all claims under state or local law, whether statutory,
22 common law, or administrative law, whether in law or equity, for the claims that were pled in the
23 Class Action Complaint, arising out of the factual allegations therein, during the Class Period,
24 including: (a) all claims for failure to pay minimum wages under Cal. Labor Code §§ 1194, 1197
25 and 1197.1; (b) all claims for failure to pay overtime wages under Cal. Labor Code §§ 510, *et*
26 *seq.*; (c) all claims for failure to provide required meal periods under Cal. Labor Code §§ 226.7
27 and 512 and the applicable IWC Wage Order; (d) all claims for failure to provide required rest
28 breaks under Cal. Labor Code §§ 226.7 and 512 and the applicable IWC Wage Order; (e) all

1 claims for failure to provide accurate itemized wage statements under Cal. Labor Code § 226; (f)
2 all claims for failure to provide wages when due under Cal. Labor Code §§ 201, 202 and 203; (g)
3 claims for failure to reimburse employees for required expenses under Cal. Labor Code § 2802;
4 (h) claims under the California Business and Professions Code § 17200 *et. seq.* including
5 injunctive relief related to the California Labor Code violations covered by this release; (i)
6 liquidated damages; (j) interest; (k) attorneys' fees; and (l) attorneys' costs. Except as to
7 Plaintiff, Released Claims exclude all other claims, including claims for vested benefits,
8 wrongful termination, unemployment insurance, disability, social security, workers'
9 compensation, Released Claims outside the Class Period, and PAGA claims which are released
10 separately herein. Plaintiff, through Class Counsel, also expressly agrees that this Settlement and
11 the Released Claims will fully resolve the class claims of non-exempt class members brought by
12 Helder Herrera in *Helder Herrera v. Impact Group, LLC* (United States District Court, Central
13 District, Case No. 2:21-cv-03075 JAK (JDEx)).

14 33. "Released Parties" means Defendant and its affiliated companies, owners, parents,
15 members, subsidiaries, related companies and business concerns, past and present, including
16 successors and predecessors, and each of them, as well as each of their insurers, partners,
17 trustees, directors, shareholders, officers, agents, attorneys, servants and employees, past and
18 present, and each of them.

19 34. "Request for Exclusion" means a written statement submitted by a Class Member
20 indicating a request to be excluded from the Settlement. The Request for Exclusion must be in
21 writing and should: (i) be signed by the Class Member; (ii) contain the name, address, telephone
22 number, and the last four digits of the Social Security number of the Class Member requesting
23 exclusion; (iii) clearly state that the Class Member does not wish to be included in the Settlement;
24 (iv) be returned by e-mail, fax, or mail to the Settlement Administrator at the specific address
25 and/or facsimile number; and (v) be e-mailed, faxed, or postmarked on or before the Response
26 Deadline. The date of the e-mail, fax, or postmark on the return mailing envelope will be the
27 exclusive means to determine whether a Request for Exclusion has been timely submitted. A Class
28 Member who does not request exclusion from the Settlement will be deemed a Participating Class

1 Member and will be bound by all terms of the Settlement, if the Settlement is granted final
2 approval by the Court. Any Class Member who validly requests to be excluded from the
3 Settlement will no longer be a member of the Settlement Class and will not have any right to
4 object, appeal, or comment on the Settlement, but will remain as Participating PAGA Member(s),
5 and will receive an Individual PAGA Payment for the PAGA Released Claims. No later than
6 ten (10) calendar days after the Response Deadline, the Settlement Administrator shall provide
7 Class Counsel and Defense Counsel with a complete list of all Class Members who submitted a
8 timely and valid Request for Exclusion.

9 35. "Response Deadline" means the deadline by which Class Members must e-mail,
10 fax, or mail to the Settlement Administrator a valid Request for Exclusion, objection or
11 workweek dispute. The Response Deadline will be forty-five (45) calendar days from the initial
12 mailing of the Settlement Notices by the Settlement Administrator unless the 45th day falls on a
13 Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day
14 on which the U.S. Postal Service is open. The Response Deadline may also be extended by
15 express agreement between Class Counsel and Defense Counsel. Under no circumstances,
16 however, will the Administrator have the unilateral authority to extend the deadline for Class
17 Members to submit a Request for Exclusion, objection or Workweek Dispute to the settlement.

18 36. "Settlement" means the final and complete disposition of the Action pursuant to
19 this Stipulation of Settlement.

20 37. "Settlement Administrator" or "Administrator" means Simpluris, the third-party
21 settlement administrator agreed to by the Parties, to be approved by the Court, for purposes of
22 administering this settlement. The Parties each represent that they will not have any financial
23 interest in the Settlement Administrator or otherwise have a relationship with the Settlement
24 Administrator that could create a conflict of interest.

25 38. "Settlement Administration Costs" means the reasonable costs and fees of
26 administering the Settlement to be paid from the Gross Settlement Amount, not to exceed \$4,250,
27 including, but not limited to: (i) maintaining a website with information about the Settlement and
28 relevant documents (including, but not limited to, the Settlement Agreement, the operative

1 complaints in the Action, and the Court's Preliminary Approval Order); (ii) printing, mailing and
2 re-mailing (if necessary) of Settlement Notices to Class Members; (iii) preparing and submitting to
3 Class Members and government entities all appropriate tax filings and forms; (iv) computing the
4 amount of and distributing Individual Settlement Awards, the Class Representative Service Award,
5 and the Class Counsel Award; (v) processing and validating Requests for Exclusion; (v)
6 establishing a Qualified Settlement Fund, as defined by the Internal Revenue Code; (vii)
7 calculating and remitting to the appropriate government agencies all employer and employee
8 payroll tax obligations arising from the Settlement and preparing and submitting filings required by
9 law in connection with the payments required by the Settlement; and (viii) transmitting uncashed
10 Individual Settlement Award payments to the State Controller's Office, Unclaimed Property
11 Division in the name of all Class Members who did not cash their check to be held on behalf of the
12 Class Member.

13 39. "Settlement Notice" means the Notice of Class Action Settlement, substantially in
14 the form attached as **Exhibit 1**, which shall be subject to Court approval and which the Settlement
15 Administrator shall mail to each Class Member containing: (i) information regarding the nature of
16 the Action; (ii) a summary of the Settlement's principal terms; (iii) the Class definitions; (iv) the
17 total number of Workweeks the respective Class Member worked for Defendant (according to
18 Defendant's best available records, and as further set forth in the definition of "Workweeks"
19 herein); (v) the Class Member's estimated Individual Settlement Award and the formula for
20 calculating Individual Settlement Awards; (vi) the dates which comprise the Class Periods; (vii)
21 instructions on how to submit disputes regarding Workweeks, Requests for Exclusion, and/or
22 Notices of Objection; (viii) the Response Deadline; and (ix) the claims to be released pursuant to
23 the Settlement of the Action.

24 40. "Workweeks" means the number of Workweeks worked by each Class Member
25 for Defendant as a non-exempt hourly employee during the Class Period or PAGA Period,
26 respectively. For purposes of payment, a week of employment shall be defined as any regular
27 workweek in which the Class Member and/or PAGA Member worked on at least one calendar
28 day. All Class Members will be entitled to payment for at least one Workweek. To the extent

1 Defendant does not have information about weeks worked readily available due to gaps in its
2 electronic or paper time records, Defendant shall use its best available information, including
3 extrapolations where necessary, to compute actual Workweeks, and provide that information to
4 the Settlement Administrator.

5 41. "Workweek Dispute" means a written statement that a Class Member disputes
6 the number of Workweeks, as defined herein, listed on his/her Settlement Notice. Any such
7 Workweek Dispute must be e-mailed, faxed or mailed to the Settlement Administrator by the
8 Response Deadline. The date of the e-mail, fax, or postmark on the mailing envelope will be the
9 exclusive means to determine whether a Workweek Dispute has been timely submitted. A valid
10 Workweek Dispute must be in writing and should contain: (i) the Class Member's full name,
11 signature, address, telephone number, and the last four digits of his/her Social Security number; (ii)
12 the number of Workweeks the Class Member contends is correct; and (iii) any evidence supporting
13 his/her contention. The dates of employment identified for each Class Member in the applicable
14 Class Lists and the number of Workweeks for each Class Member as defined herein will be
15 presumed to be correct, unless a particular Class Member proves otherwise to the Settlement
16 Administrator by credible evidence. All Workweek Disputes will be resolved and decided by the
17 Settlement Administrator, with consultation with Defense Counsel and/or Class Counsel as
18 appropriate.

19 42. "Workweek Value" means the value of each compensable Workweek, as
20 determined by the formula set forth herein.

21 43. "Workweek Verification" means that, as of May 2, 2021, using actual data where
22 available and extrapolations where data was not readily available, Defendant estimated that the
23 total number of employees and workweeks for the Class Members was approximately 98 and
24 12,126, respectively. If the number of Workweeks, as defined herein, from May 27, 2016
25 through May 2, 2021, using actual data where available and extrapolations where the data is not
26 readily available, is more than ten percent (10%) greater than 12,126 (*i.e.*, is 13,339 or higher),
27 then the Gross Settlement Amount shall be increased on a proportional basis (*i.e.*, if there is a
28 15% increase in the number of Workweeks through May 2, 2021, the Gross Settlement Amount

1 would increase by 15%).

2 **RECITALS**

3 44. **Procedural History.**

4 a. On April 15, 2020, Plaintiff submitted the PAGA Notice to the LWDA for
5 the purpose of complying with California Labor Code § 2699.3's notice requirement, giving
6 notice of Plaintiff's intentions to file the Action.

7 b. On May 27, 2020, Plaintiff filed the Class Action Complaint, asserting
8 claims for: (1) unfair competition in violation of Cal. Business & Professions Code § 17200, *et*
9 *seq.*; (2) failure to pay minimum wages in violation of Cal. Labor Code §§ 1194, 1197 and
10 1197.1; (3) failure to pay overtime wages in violation of Cal. Labor Code § 510, *et seq.*; (4)
11 failure to provide required meal periods in violation of Cal. Labor Code §§ 226.7 and 512 and
12 the applicable IWC Wage Order; (5) failure to provide required rest breaks in violation of Cal.
13 Labor Code §§ 226.7 and 512 and the applicable IWC Wage Order; (6) failure to provide
14 accurate itemized wage statements in violation of Cal. Labor Code § 226; (7) failure to provide
15 wages when due in violation of Cal. Labor Code §§ 201, 202 and 203; and (8) failure to
16 reimburse employees for required business expenses in violation of Cal. Labor Code § 2802.

17 c. On October 19, 2020, Plaintiff filed the PAGA Complaint, asserting a
18 single cause of action for civil penalties pursuant to Cal. Labor Code § 2699, *et seq.* for
19 violations of Cal. Labor Code §§ 201, 202, 203, 204 *et seq.*, 210, 226(a), 226.7, 351, 510, 512,
20 558(a)(1)(2), 1194, 1197, 1197.1, 1198, 2802, and Cal. Code of Regulations, Title 8, Section
21 11040, Subdivision 5(A)-(B).

22 d. On May 13, 2021, the Parties participated in a full-day mediation before
23 Jeffrey Ross, Esq., at which the parties were able to ultimately settle the case, which resulted in a
24 Memorandum of Understanding ("MOU") and is now confirmed in this long-form Settlement
25 Agreement that supersedes and replaces the MOU.

26 45. **Benefits of Settlement to Plaintiff and the Class Members.** Plaintiff and Class
27 Counsel recognize the expense and length of continued proceedings necessary to litigate
28 Plaintiff's disputes in the Action through trial and through any possible appeals. Plaintiff also

1 has taken into account the uncertainty and risks of the outcome of further litigation, and the
2 difficulties and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of
3 the burdens of proof necessary to establish liability for the claims asserted in the Action, both
4 generally and in response to Defendant's defenses thereto, and the difficulties in establishing
5 damages, penalties, restitution and other relief sought in the Action. Plaintiff and Class Counsel
6 also have taken into account Defendant's agreement to enter into a settlement that confers
7 substantial benefits upon the Class Members. Based on the foregoing, Plaintiff and Class
8 Counsel have determined that the Settlement set forth in this Stipulation of Settlement is fair,
9 adequate, and reasonable and is in the best interests of all Class Members.

10 46. Defendant's Reasons for Settlement. Defendant has concluded that further defense
11 of the Action would be protracted and expensive. Substantial amounts of Defendant's time, energy,
12 and resources have been, and unless this Settlement is completed, shall continue to be, devoted to
13 the defense of the claims asserted by Plaintiff. Defendant has also taken into account the risks of
14 further litigation in reaching its decision to enter into this Settlement. Defendant contends it is not
15 liable for any of the claims alleged by Plaintiff in the Action and denies any liability whatsoever.
16 Defendant, nonetheless, has agreed to settle in the manner and upon the terms set forth in this
17 Stipulation of Settlement and to fully and finally put to rest the claims alleged in this Action.
18 Defendant has asserted and continues to assert that the claims alleged by Plaintiff have no merit and
19 do not give rise to any liability, damages, restitution, penalties or other payments. This Stipulation
20 of Settlement is a compromise of disputed claims. Nothing contained in this Stipulation of
21 Settlement, no documents referred to herein, and no action taken to carry out this Stipulation of
22 Settlement, shall be construed or used as an admission by or against Defendant as to the merits or
23 lack thereof of the claims asserted in the Action. Defendant contends that it has complied with all
24 applicable state, federal and local laws. In the event this Settlement does not obtain final approval,
25 Defendant retains all rights to defend itself in this matter and to take any actions in defense of itself
26 that are available to it.

27 **CLASS CERTIFICATION**

1 47. Solely for purposes of settling the Action, and not for purposes of class
2 certification should the Settlement not be approved or for any other reason, the Parties stipulate
3 and agree that the requisites for establishing class certification with respect to the Settlement
4 Class have been met and are met. More specifically, for purposes of settlement only, the Parties
5 stipulate and agree that:

6 a. The Settlement Class is ascertainable and so numerous as to make it
7 impracticable to join all Class Members;

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

10 i. Whether Defendant's failure to pay overtime wages at the legal
11 overtime pay rate was unlawful with regard to Class Members;

12 ii. Whether Defendant failed to provide legally-requisite meal periods to
13 Class Members in violation of the Labor Code and Section 11 of the
14 IWC Wage Orders;

15 iii. Whether Defendant failed to provide and authorize and permit paid
16 legally-requisite rest periods to Class Members in violation of the
17 Labor Code and Section 12 of the IWC Wage Orders;

18 iv. Whether Defendant failed to timely furnish accurate, itemized and
19 legal wage statements to Class Members;

20 v. Whether Defendant is liable pursuant to Labor Code sections 201-203
21 to the Class Members;

22 vi. Whether Defendant failed to properly reimburse Class Members for
23 required business expenses;

24 vii. Whether Defendant subjected Class Members to unlawful, unfair
25 and/or fraudulent business acts/practices;

26 viii. Whether the Class Members are entitled to injunctive relief; and

27 ix. Whether Defendant is liable for attorneys' fees and costs.

28 c. Plaintiff's claims are typical of the claims of the Class Members;

1 d. Plaintiff and Class Counsel will fairly and adequately protect the
2 interests of the Class Members;

3 e. The prosecution of separate actions by individual Class Members would
4 create the risk of inconsistent or varying adjudications, which would establish incompatible
5 standards of conduct; and

6 f. Questions of law and fact common to the Class Members predominate
7 over any questions affecting any individual Class Member, and a class action is superior to
8 other available means for the fair and efficient adjudication of the controversy.

9 48. Should this Settlement not be approved or be terminated, all stipulations set forth
10 in the immediately preceding Paragraph shall be null and void and shall not be admissible for
11 any purpose whatsoever.

12 **TERMS OF SETTLEMENT**

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

15 49. Binding Settlement. This Settlement shall bind the Parties and all Participating
16 Class Members and Participating PAGA Members, subject to the terms and conditions hereof
17 and the Court's approval.

18 47. Tax Liability. The Parties make no representations as to the tax treatment or legal
19 effect of the payments specified herein, and Class Members are not relying on any statement or
20 representation by the Parties, Class Counsel or Defense Counsel in this regard. Participating Class
21 Members, Participating PAGA Members and Class Counsel understand and agree that they shall
22 be solely and legally responsible for the payment of all applicable taxes and penalties assessed on
23 the payments specified herein.

24 48. Circular 230 Disclaimer. The Parties acknowledge and agree that (i) no provision
25 of this Stipulation of Settlement, and no written communication or disclosure between or among
26 the Parties, Class Counsel or Defense Counsel and other advisers, is or was intended to be, nor
27 shall any such communication or disclosure constitute or be construed or be relied upon as, tax
28 advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10,

1 as amended); (ii) the acknowledging party (a) has relied exclusively upon his, her, or its own,
2 independent legal and tax counsel for advice (including tax advice) in connection with this
3 Stipulation of Settlement, (b) has not entered into this Stipulation of Settlement based upon the
4 recommendation of any other party or any attorney or advisor to any other party, and (c) is not
5 entitled to rely upon any communication or disclosure by any attorney or adviser to any other
6 party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no
7 attorney or adviser to any other party has imposed any limitation that protects the confidentiality
8 of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally
9 binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any
10 transaction, including any transaction contemplated by this Stipulation of Settlement.

11 49. Preliminary Approval of Settlement. Class Counsel will reserve a date for a hearing
12 on Plaintiff's Motion for Preliminary Approval to take place at a time mutually agreed to by the
13 Parties so that the Parties may request provisional certification of the Settlement Classes for
14 settlement purposes only and the setting of a Final Approval Hearing date. The Parties agree to
15 work diligently and cooperatively to have this Settlement presented to the Court for preliminary
16 approval. The proposed Order granting Plaintiff's Motion for Preliminary Approval shall be
17 mutually agreed to by the Parties prior to Plaintiff submitting the proposed Order to the Court.
18 The Preliminary Approval Order shall provide for, among other things, the Settlement Notice to be
19 sent to Class Members as specified herein.

20 50. Release by All Participating Class Members. All Participating Class Members,
21 including Plaintiff, shall be deemed to have released their respective Released Claims against the
22 Released Parties upon the date on which the payment of the Gross Settlement Amount is made by
23 Defendant. Plaintiff and Class Members who do not Request Exclusion will be deemed to have
24 fully, finally and forever released, settled, compromised, relinquished, and discharged with respect
25 to all of the Released Parties for any and all Released Claims that accrued during the Class Period.
26 The Settlement Classes and each Class Member who has not submitted a valid Request for
27 Exclusion fully release and discharge the Released Parties as to all Released Claims during the
28 Class Period.

1 51. PAGA Release by All PAGA Members, including Participating PAGA
2 Members. All PAGA Members, including Plaintiff and Participating PAGA Members, shall be
3 deemed to have released their respective PAGA Released Claims against the Released Parties
4 upon the date on which the payment of the Gross Settlement Amount is made by Defendant. It is
5 understood that Class Members and PAGA Members will not have the opportunity to opt out of, or
6 object to, the PAGA Release. Further, the Class Members and PAGA Members are bounded by
7 the PAGA Release regardless of whether they cash and/or otherwise negotiate their Individual
8 PAGA Payment.

9 52. Additional Release and Waiver of Claims by Plaintiff. In addition to the release of
10 Released Claims and PAGA Released Claims against the Released Parties, as set forth above,
11 Plaintiff, in her individual capacity, agrees to release the Released Parties from any and all claims,
12 known and unknown, under federal, state and/or local law, statute, ordinance, regulation, common
13 law, or other source of law, arising as of the date of execution of this Agreement including but not
14 limited to claims arising from or related to her employment with Defendant and her compensation
15 while an employee of the Defendant ("Plaintiff's Released Claims"). Plaintiff enters into this
16 general release of any and all claims against Defendant and the Released Parties. Plaintiff's
17 Released Claims include all claims, whether known or unknown. Even if Plaintiff discovers
18 facts in addition to or different from those that she now knows or believes to be true with respect
19 to the subject matter of Plaintiff's Released Claims, those claims will remain released and
20 forever barred. To effect a full and complete general release as described above, Plaintiff
21 expressly waives and relinquishes all rights and benefits of section 1542 of the Civil Code of the
22 State of California, and does so understanding and acknowledging the significance and
23 consequence of specifically waiving section 1542. Section 1542 of the Civil Code of the State of
24 California states as follows:

25 A general release does not extend to claims that the creditor or
26 releasing party does not know or suspect to exist in his or her
27 favor at the time of executing the release and that, if known by
28

1 him or her, would have materially affected his or her settlement
2 with the debtor or released party.

3 Thus, notwithstanding the provisions of section 1542, and to implement a full and complete
4 release and discharge of the Released Parties, Plaintiff expressly acknowledges this Stipulation of
5 Settlement is intended to include in its effect, without limitation, all claims Plaintiff does not know
6 or suspect to exist in Plaintiff's favor at the time of signing this Stipulation of Settlement, and that
7 this Stipulation of Settlement contemplates the extinguishment of any such claims. Plaintiff
8 warrants that she has read this Stipulation of Settlement, including this waiver of California Civil
9 Code section 1542, and that Plaintiff has consulted with or had the opportunity to consult with
10 counsel of Plaintiff's choosing about this Stipulation of Settlement and specifically about the
11 waiver of section 1542, and that Plaintiff understands this Stipulation of Settlement and the section
12 1542 waiver, and so Plaintiff freely and knowingly enters into this Stipulation of Settlement.
13 Plaintiff further acknowledges that Plaintiff later may discover facts different from or in addition to
14 those Plaintiff now know or believe to be true regarding the matters released or described in this
15 Stipulation of Settlement, and even so Plaintiff agrees that the releases and agreements contained
16 in this Stipulation of Settlement shall remain effective in all respects notwithstanding any later
17 discovery of any different or additional facts. Plaintiff expressly assumes any and all risk of any
18 mistake in connection with the true facts involved in the matters, disputes, or controversies
19 released or described in this Stipulation of Settlement or with regard to any facts now unknown to
20 Plaintiff relating thereto.

21 53. Settlement Administration.

22 a. Within fourteen (14) calendar days of entry of the Preliminary Approval
23 Order, Defendant shall provide the Settlement Administrator with the Class List for purposes of
24 mailing the Settlement Notices to Class Members. The Settlement Administrator shall not be
25 permitted to share any Class Information included in the Class List with Plaintiff or Class
26 Counsel absent express approval by Defense Counsel.

27 i. Notice by First Class U.S. Mail. Upon receipt of the Class List, the
28 Settlement Administrator shall perform a search based on the National Change of Address Database

1 maintained by the United States Postal Service to update and correct any known or identifiable
2 address changes. Within fifteen (15) calendar days after receiving the Class List from Defendant as
3 provided herein, the Settlement Administrator shall mail copies of the Settlement Notice to all Class
4 Members via regular First-Class U.S. Mail. The Settlement Administrator shall exercise its best
5 judgment to determine the current mailing address for each Class Member. The address identified by
6 the Settlement Administrator as the current mailing address shall be presumed to be the most current
7 mailing address for each Class Member. The Parties agree that this procedure for notice provides
8 the best notice practicable to Class Members and fully complies with due process.

9 ii. Undeliverable Settlement Notices. Any Settlement Notice returned
10 to the Settlement Administrator as non-deliverable on or before the Response Deadline shall be
11 re-mailed to the forwarding address affixed thereto within five (5) calendar days of receipt of the
12 returned Settlement Notice by the Settlement Administrator. If no forwarding address is provided,
13 the Settlement Administrator shall attempt to determine a correct address by the use of skip-
14 tracing, or other type of automated search, using the name, address and/or Social Security number
15 of the Class Member involved, and shall then perform a re-mailing to the Class Member whose
16 Settlement Notice was returned as non-deliverable within five (5) calendar days of receipt of the
17 returned Settlement Notice by the Settlement Administrator, assuming another mailing address is
18 identified by the Settlement Administrator. Class Members who are sent a re-mailed Settlement
19 Notice shall have their Response Deadline extended by ten (10) calendar days from the date the
20 Settlement Administrator re-mails the Settlement Notice. If these procedures are followed, notice
21 to Class Members shall be deemed to have been fully satisfied, and if the intended recipient of the
22 Settlement Notice does not receive the Settlement Notice, the intended recipient shall nevertheless
23 remain a Class Member and shall be bound by all terms of the Settlement and the Final Order and
24 Judgment.

25 iii. Determination of Individual Settlement Awards and Individual
26 PAGA Payments. The Settlement Administrator shall determine the eligibility for, and the
27 amounts of, each Individual Settlement Award and Individual PAGA Payment under the terms of
28 this Stipulation of Settlement, based on the Workweek information as provided by Defendant and

1 defined above. The Settlement Administrator's determination of the eligibility for and amount of
2 each Individual Settlement Award and Individual PAGA Payment shall be binding upon the Class
3 Members and the Parties.

4 iv. Disputes Regarding Administration of Settlement. Any dispute not
5 resolved by the Settlement Administrator concerning the administration of the Settlement, in
6 consultation with Class Counsel and Defense Counsel, shall be resolved by the Court.

7 b. Monitoring and Reviewing Settlement Administration. The Parties have
8 the right to monitor and review the administration of the Settlement to verify that the monies
9 allocated under the Settlement are distributed in the correct amount, as provided for in this
10 Stipulation of Settlement.

11 c. Certification Reports Regarding Individual Settlement Award Calculations.
12 The Settlement Administrator will provide Defense counsel and Class Counsel a weekly report
13 which certifies: (i) the number of Class Members who have submitted valid Requests for Exclusion
14 or objections; and (ii) whether any Class Member has submitted a challenge to any information
15 contained in their Settlement Notice, including but not limited to the number of Class Members
16 from the Settlement Classes who have submitted a dispute of Workweeks. Additionally, the
17 Settlement Administrator will provide to counsel for both Parties any updated reports regarding the
18 administration of the Settlement Agreement as needed or requested.

19 d. Best Efforts. The Parties agree to use their best efforts to carry out the
20 terms of this Settlement.

21 54. Funding and Allocation of Gross Settlement Amount. The Gross Settlement
22 Amount shall be paid by Defendant in one lump sum payment within thirty (30) calendar days after
23 the Effective Date. Defendant shall provide the Gross Settlement Amount to the Settlement
24 Administrator in any feasible manner, including, but not limited to, by way of a wire transfer. If this
25 Settlement is not finally approved by the Court in full, or is terminated, rescinded, canceled or fails
26 to become effective for any reason, or if the Effective Date does not occur, then no portion of the
27 Gross Settlement Amount shall be paid.

1 a. Payments to the Class Members. Class Members shall not be required to
2 submit a claim in order to receive a share of the Net Settlement Amount, and no portion of the
3 Gross Settlement Amount shall revert to Defendant or result in an unpaid residue. The
4 Settlement Administrator shall first compute the Net Settlement Amount by deducting from the
5 Gross Settlement Amount approved by the Court for the Class Counsel Award, Class
6 Representative Service Award, PAGA Payment, and Settlement Administration Costs. To the
7 extent the Court does not approve the full requested attorneys' fees, litigation costs, enhancement
8 payments or settlement administration costs, the Net Settlement Amount will increase
9 accordingly, by the difference between the requested amount and the amount awarded by the
10 Court.

11 i. Individual Settlement Award: From the Net Settlement Amount,
12 the Settlement Administrator will calculate each Individual Settlement Award by dividing the
13 Net Settlement Amount by the total number of Workweeks resulting in the Workweek Value and
14 then multiplying the Workweek Value by the number of Workweeks worked by each Class
15 Member, as defined above. All Class Members will be entitled to payment for at least one
16 Workweek. The Settlement Administrator will also calculate the amount to be paid per
17 Workweek, and the Individual Settlement Awards to eligible Class Members. All Workweek
18 Disputes will be resolved and decided by the Settlement Administrator, in consultation with
19 Class Counsel and/or Defense Counsel, as appropriate, and the Settlement Administrator's
20 decision on all Workweek Disputes will be final and non-appealable.

21 ii. Individual PAGA Payment: The Settlement Administrator will
22 calculate each PAGA Member's Individual PAGA Payment by dividing the 25% of the PAGA
23 Payment to be distributed to Class Members by the total number of Workweeks for all PAGA
24 Members; and then multiplying the PAGA Workweek Value by the number of Workweeks
25 worked by each Class Member. All PAGA Members will be entitled to payment for at least one
26 Workweek.

27 iii. Each Participating Class Member, PAGA Member, and PAGA
28 Participating Member's Individual Settlement Award and Individual PAGA Payment shall be

1 calculated solely by the Settlement Administrator using Defendant's Workweek data.
2 Defendant's Workweek data will be presumed to be correct, unless a particular Class Member
3 proves otherwise to the Settlement Administrator by credible evidence. All Workweek Disputes
4 will be resolved and decided by the Settlement Administrator, in consultation with Class Counsel
5 and/or Defense Counsel, as appropriate.

6 iv. Individual Settlement Award and Individual PAGA Payments shall
7 be mailed by the Settlement Administrator by regular First Class U.S. Mail to each Participating
8 Class Member, PAGA Member, and PAGA Participating Member's last known mailing address
9 within ten (10) calendar days after Defendant provides the Settlement Administrator with the
10 Gross Settlement Amount. Prior to mailing the Individual Settlement Awards and the Individual
11 PAGA Payments, the Settlement Administrator shall perform a search based on the National
12 Change of Address Database maintained by the United States Postal Service to update and
13 correct any known or identifiable address changes.

14 v. Should any of the following occur, the Settlement Administrator
15 will proportionately increase the estimated Individual Settlement Award of each Participating
16 Class Member to ensure that the entire Net Settlement Amount is distributed to Participating
17 Class Members: (i) any Class Members submit timely and valid, or otherwise accepted, Requests
18 for Exclusion following the provision of Settlement Notices and expiration of the Response
19 Deadline; (ii) the Court approves the Class Representative Service Award in amounts less than
20 those requested by Plaintiff, as detailed herein; (iii) the Court approves a Class Counsel Award in
21 an amount less than that requested by Plaintiff, as detailed herein; and/or (iv) the Court approves
22 Settlement Administration Costs in an amount less than that requested by Plaintiff, as detailed
23 herein.

24 vi. Individual Settlement Award payments and Individual PAGA
25 Payments shall be made by check and shall be made payable to each Participating Class Member
26 as set forth in this Stipulation of Settlement.

27 vii. Individual Settlement Awards shall be allocated as follows: thirty
28 percent (30%) as alleged unpaid wages subject to all applicable tax withholdings; thirty-five

1 percent (35%) as alleged unpaid interest; and thirty-five percent (35%) as alleged unpaid
2 penalties. The Settlement Administrator shall issue an IRS Form W-2 to each Participating Class
3 Member for the portion of each Individual Settlement Award payment allocated as alleged
4 unpaid wages and subject to all applicable tax withholdings. The Settlement Administrator shall
5 issue an IRS Form 1099 to each Participating Class Member, PAGA Member, and PAGA
6 Participating Member for the portion of each Individual Settlement Award and for the Individual
7 PAGA Payment allocated as alleged unpaid non-wage penalties and interest and not subject to
8 payroll tax withholdings. The Settlement Administrator shall calculate the amount of the
9 Employer's Share of Payroll Taxes and shall remit and report the applicable portions of the
10 payroll tax payment to the appropriate taxing authorities in a timely manner. Defendant will be
11 responsible for paying its share of the Payroll Taxes and this amount will not be deducted from
12 the Gross or Net Settlement Amount.

13 viii. After the expiration of the 180-day period, the Settlement
14 Administrator will prepare the Final Report regarding the distribution of the Gross Settlement
15 Amount, including the total amount that was cashed/deposited by Participating Class Members
16 and the total amount of any uncashed settlement checks pursuant to California Code of Civil
17 Procedure section 384. After the Final Report is filed, the total amount of any uncashed
18 settlement checks will be transmitted by the Settlement Administrator to the State Controller's
19 Office, Unclaimed Property Division.

20 ix. In the event a Participating Class Member, PAGA Member, or
21 PAGA Participating Member fails to cash/deposit his or her Individual Settlement Award check
22 and/or Individual PAGA Payment check, the Participating Class Member, PAGA Member, or
23 PAGA Participating Member shall nevertheless remain bound by the Settlement.

24 x. All monies received by Class Members under the Settlement which
25 are attributable to wages shall constitute income to such Class Members solely in the year in which
26 such monies actually are received by the Class Members. It is expressly understood and agreed that
27 the receipt of Individual Settlement Awards shall not entitle any Class Member to additional
28 compensation or benefits under any collective bargaining agreement or under any bonus, contest or

1 other compensation or benefit plan or agreement in place during the periods covered by the
2 Settlement, nor shall it entitle any Class Member to any increased pension and/or retirement, or
3 other deferred compensation benefits. It is the intent of the Parties that the Individual Settlement
4 Awards and Individual PAGA Payments provided for in this Stipulation of Settlement are the sole
5 payments to be made by Defendant to Class Members in connection with this Settlement, with the
6 exception of Plaintiff, and that the Class Members are not entitled to any new or additional
7 compensation or benefits as a result of having received the Individual Settlement Awards and/or and
8 Individual PAGA Payments. Furthermore, the receipt of Individual Settlement Awards and
9 Individual PAGA Payments by Class Members shall not, and does not, by itself establish any
10 general, special, or joint employment relationship between and among the Class Member(s) and
11 Defendant.

12 b. Class Representative Service Award. For the purposes of this Settlement
13 only, the Parties agree to the designation of Plaintiff as the class representative. In recognition of
14 her time and effort in bringing and presenting the Action and for releasing her Released Claims,
15 Plaintiff shall request a Class Representative Service Award not to exceed Ten Thousand Dollars
16 and No Cents (\$10,000.00). Plaintiff's request for such Class Representative Service Award
17 shall be subject to approval from the Court. Defendant agrees not to oppose or object to
18 Plaintiff's request for a Class Representative Service Award in an amount not to exceed this
19 amount. The Class Representative Service Award will be in addition to Plaintiff's Individual
20 Settlement Payment paid pursuant to the Settlement. The Settlement Administrator shall issue an
21 IRS Form 1099 to Plaintiff for her Class Representative Service Award. Plaintiff shall be solely
22 and legally responsible to pay any and all applicable taxes on her Class Representative Service
23 Award. Any amount requested by Plaintiff for the Class Representative Service Award and not
24 awarded by the Court shall become part of the Net Settlement Amount and shall be distributed to
25 Participating Class Members as part of their Individual Settlement Awards.

26 c. Class Counsel Award. Class Counsel shall be entitled to request attorneys'
27 fees in an amount not to exceed one-third (33.33%) of the Gross Settlement Amount, which
28 amounts to Two Hundred Thousand Dollars and No Cents (\$200,000.00). In addition, Class

1 Counsel shall also be entitled to request an award of costs associated with Class Counsel's
2 prosecution of the Action not to exceed \$15,000. Class Counsel's request for such attorneys' fees
3 and costs shall be subject to approval from the Court. Defendant agrees not to oppose or object to
4 Class Counsel's request for attorneys' fees or to Counsel's request for attorneys' costs. In the
5 event the Court awards Class Counsel less than Two Hundred Thousand Dollars and No Cents
6 (\$200,00.00) in attorneys' fees and/or less than \$15,000 in costs, the difference shall become part
7 of the Net Settlement Amount and shall be distributed to Participating Class Members as part of
8 their Individual Settlement Awards. Class Counsel shall be solely and legally responsible to pay
9 all applicable taxes on the Class Counsel Award. Class Counsel shall provide the Settlement
10 Administrator with properly completed and signed copies of IRS Form W-9 in order for the
11 Settlement Administrator to process the Class Counsel Award approved by the Court. The
12 Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the Class Counsel
13 Award.

14 55. Non-Monetary Relief. As part of the Settlement of the Action, and as additional,
15 non-monetary consideration therefor, Defendant agrees to undertake, with the assistance and
16 direction of its counsel, an audit of its wage and hour practices and policies, and to make any
17 appropriate revisions of those practices and policies.

18 56. Settlement Administration Costs. The Settlement Administration fees and
19 expenses, which are estimated not to exceed \$4,250, shall be paid from the Gross Settlement
20 Amount. Prior to Plaintiff filing a Motion for Final Approval of the Settlement, the Settlement
21 Administrator shall provide the Parties with a statement detailing the Settlement Administration
22 Costs to date. The Parties agree to cooperate in the Settlement Administration process and to
23 make all reasonable efforts to control and minimize Settlement Administration Costs.

24 i. The Parties each represent they do not have any financial interest
25 in the Settlement Administrator or otherwise have a relationship with the Settlement
26 Administrator that could create a conflict of interest.

27 ii. The Settlement Administrator shall keep the Parties timely
28 apprised of the performance of all Settlement Administrator responsibilities required by the

1 Settlement. The Settlement Administrator shall be authorized to establish a Qualified Settlement
2 Fund ("QSF") pursuant to IRS rules and regulations in which the Gross Settlement Amount shall
3 be placed and from which payments required by the Settlement shall be made.

4 57. Payroll Taxes. In accordance with this Settlement and to the fullest extent
5 possible, the Gross Settlement Amount shall resolve, satisfy and completely extinguish all of
6 Defendant's liability for the Released Claims and the Released PAGA Claims with respect to
7 the Class Members and PAGA Members, except that the Defendant shall solely be responsible
8 for the employer portion of the payroll taxes on the portion of the Individual Settlement Awards
9 that constitutes wages and these taxes shall be paid by the Defendant in addition to the Gross
10 Settlement Amount. Upon the transfer of the Gross Settlement Amount and the employer
11 portion of payroll taxes on the portion of the Individual Settlement Awards that constitutes
12 wages, Defendant shall have no further payment or defense obligation whatsoever with respect
13 to any claims covered by this Settlement made or asserted by any person or entity anywhere in
14 the world in connection with the Class Members.

15 58. Final Settlement Approval Hearing and Entry of Final Order and Judgment.
16 Following expiration of the Response Deadline, a Final Approval Hearing shall be conducted by
17 the Court for the Court to determine whether to grant final approval of the Settlement, including
18 determining the amounts properly payable for: (i) the Class Counsel Award; and (ii) the Class
19 Representative Service Award. Prior to the Final Approval Hearing, the Settlement Administrator
20 shall provide a written report or declaration to the Parties describing the process and results of the
21 administration of the Settlement to date, which report or declaration shall be filed by Plaintiff with
22 the Court prior to the Final Approval Hearing. The Parties agree to work diligently and
23 cooperatively to have this Settlement presented to the Court for final approval.

24 59. Duties of the Parties Prior to Court Approval. The Parties shall promptly submit
25 this Settlement Agreement to the Court in support of Plaintiff's Motion for Preliminary Approval
26 and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly upon
27 execution of this Settlement Agreement, the Parties shall apply to the Court for the entry of an
28 order scheduling a fairness hearing on the question of whether the proposed settlement, including

1 payment of attorneys' fees and costs, the Class Representative's Service Award payment, and the
2 PAGA Payment, should be finally approved as fair, reasonable and adequate as to the members of
3 the Settlement Classes. As part of Plaintiff's Motion for Preliminary Approval, Plaintiff shall also
4 apply to the Court for the entry of an Order as follows:

- 5 a. Certifying the Settlement Classes for settlement purposes only;
- 6 b. Approving, as to form and content, the proposed Settlement Notice;
- 7 c. Approving the manner and method for Class Members to object or
8 request exclusion from the Settlement, as contained herein and within the Settlement Notice;
- 9 d. Directing the mailing of the Settlement Notices to Class Members, by first
10 class mail;
- 11 e. Preliminarily approving the Settlement subject only to the objections of
12 Class Members and final review by the Court; and
- 13 f. Setting a Final Approval Hearing.

14 60. Duties of the Parties Following Final Approval. Following final approval by the
15 Court of the Settlement provided for in this Settlement Agreement, Class Counsel will submit a
16 proposed Final Order of Approval and Judgment:

- 17 a. Approving the Settlement, adjudging the terms thereof to be fair,
18 reasonable and adequate, and directing consummation of its terms and provisions;
- 19 b. Approving Class Counsel's application for an award of attorneys' fees
20 and costs;
- 21 c. Approving the Class Representative Service Award payment to Plaintiff;
- 22 d. Setting a date when the Parties shall submit the Final Report regarding the
23 distribution of the Gross Settlement Amount pursuant to California Code of Civil Procedure section
24 384, and, if necessary a date for a final accounting hearing following its receipt of the Final
25 Report;
- 26 e. Entering judgment in this Action barring and enjoining all members of the
27 Settlement Classes from prosecuting against any of the Released Parties, any individual or class, or
28

1 representative claims released herein pursuant to the Settlement Agreement, upon satisfaction of all
2 payments and obligations hereunder.

3 61. Revocation of Settlement by Defendant. If more than ten percent (10%) of Class
4 Members opt-out of the Settlement, then Defendant shall have the sole and absolute discretion to
5 rescind/void the Settlement Agreement within twenty (20) days after receiving from the
6 Settlement Administrator the final list of opt-outs. Defendant agrees to meet and confer in good
7 faith with Class Counsel before rescinding or voiding the Settlement Agreement. In the event
8 that Defendant elects to rescind/void the Settlement Agreement, it shall provide written notice of
9 such rescission to Class Counsel. Such rescission shall have the same effect as a termination of
10 this Settlement Agreement for failure to satisfy a condition of settlement, and the Settlement
11 Agreement shall become null and void and have no further force or effect, and the Settlement
12 Classes certified pursuant to this Settlement Agreement will be decertified for all purposes. If
13 Defendant chooses to terminate this Settlement Agreement under this provision, it shall be
14 responsible to pay the Settlement Administrator's fees and costs incurred to that point.

15 62. Nullification of Settlement. In the event: (i) the Court does not enter the
16 Preliminary Approval Order; (ii) the Court does not grant final approval of the Settlement;
17 (iii) the Court does not enter the Final Order and Judgment; or (iv) the Settlement does not
18 become final for any other reason, this Stipulation of Settlement shall be rendered null and void,
19 any order or judgment entered by the Court in furtherance of this Settlement shall be treated as
20 void from the beginning and this Stipulation of Settlement and any documents related to it shall
21 not be used by any Class Member or Class Counsel to support any claim or request for class
22 certification in the Action, and shall not be used in any other civil, criminal or administrative
23 action against Defendant or any of the other Released Parties. Additionally, should the
24 Settlement not become final for any reason, the Parties will request that the Court reopen
25 proceedings within thirty (30) calendar days, and any Settlement Administration Costs already
26 incurred by the Settlement Administrator shall be split evenly between the Parties. If Defendant
27 elects to revoke the Settlement, as specified in Paragraph 61, the Parties and any monies required
28 to be paid under this Settlement shall be returned to their respective statuses as of the date and

1 time immediately prior to the execution of this Stipulation of Settlement, and the Parties shall
2 proceed in all respects as if this Stipulation of Settlement had not been executed, except that any
3 Settlement Administration Costs already incurred by the Settlement Administrator shall be paid
4 to the Settlement Administrator by Defendant. In the event an appeal is filed from the Court's
5 Final Order and Judgment, or any other appellate review is sought, administration of the
6 Settlement shall be stayed pending final resolution of the appeal or other appellate review and
7 the stay shall only be lifted if the end result of the appeal or other proceeding is that the terms of
8 this settlement agreement are upheld.

9 63. Plaintiff's Waiver of Right to Be Excluded. Plaintiff agrees that by signing this
10 Settlement Agreement, she will be bound by the terms herein. Plaintiff further agrees that, upon
11 signing this Settlement Agreement, she will not request to be excluded from this Settlement and
12 that any such request for exclusion by Plaintiff will be void and of no force or effect.

13 64. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to
14 class certification for purposes of this Settlement only; and either party may appeal any court
15 order that materially alters the Settlement Agreement's terms. Nothing in this Settlement
16 Agreement shall preclude Plaintiff from appealing from a court order denying or failing to grant
17 in full their requests for attorneys' fees, costs, or service award.

18 65. No Admission by Defendant. Defendant denies all claims alleged in this Action
19 and denies all wrongdoing whatsoever by Defendant. Neither this Stipulation of Settlement, nor
20 any of its terms and conditions, nor any of the negotiations connected with it, is a concession or
21 admission, and none shall be used against Defendant as an admission or indication with respect to
22 any claim of any fault, concession, or omission by Defendant or that class certification is proper
23 under the standard applied to contested certification motions. The Parties stipulate and agree to the
24 certification of the proposed classes for settlement purposes only. The Parties further agree that
25 this Stipulation of Settlement will not be admissible in this or any other proceeding as evidence
26 that either (i) a class action should be certified or (ii) Defendant is liable to Plaintiff or any Class
27 Member, other than according to the terms of this Stipulation of Settlement.

1 66. Waiver. No waiver of any condition or covenant contained in this Settlement
2 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered
3 to imply or constitute a further waiver by such party of the same or any other condition,
4 covenant, right or remedy.

5 67. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by
6 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the
7 Judgment to the Court for its approval, pursuant to Rule 3.770 of the California Rules of Court.
8 After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of
9 addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement
10 administration matters, and (iii) such post-Judgment matters as may be appropriate under court
11 rules or as set forth in this Agreement

12 68. Exhibits and Headings. The terms of this Stipulation of Settlement include the
13 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully
14 set forth herein. The Exhibits to this Stipulation of Settlement are an integral part of the
15 Settlement. The descriptive headings of any paragraphs or sections of this Stipulation of
16 Settlement are inserted for convenience of reference only.

17 69. Amendment or Modification. This Stipulation of Settlement may be amended or
18 modified only by a written instrument signed by counsel for all Parties or their successors-in-
19 interest.

20 70. Entire Agreement. This Stipulation of Settlement and any attached Exhibits
21 constitute the entire agreement between the Parties, and no oral or written representations,
22 warranties, or inducements have been made to Plaintiff or Defendant concerning this Stipulation
23 of Settlement or its Exhibits other than the representations, warranties, and covenants contained
24 and memorialized in this Stipulation of Settlement and its Exhibits. No other prior or
25 contemporaneous written or oral agreements may be deemed binding on the Parties.

26 71. Authorization to Enter Into Settlement Agreement. Class Counsel and Defense
27 Counsel warrant and represent they are expressly authorized by the Parties whom they represent to
28 negotiate this Stipulation of Settlement and to take all appropriate actions required or permitted to

1 be taken by such Parties pursuant to this Stipulation of Settlement to effectuate its terms, and to
2 execute any other documents required to effectuate the terms of this Stipulation of Settlement. The
3 Parties, Class Counsel and Defense Counsel shall cooperate with each other and use their best
4 efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach
5 agreement on the form or content of any document needed to implement the Settlement, or on any
6 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the
7 Parties may seek the assistance of the Court to resolve such disagreement. The person signing this
8 Stipulation of Settlement on behalf of the Defendant represents and warrants that he is authorized
9 to sign this Stipulation of Settlement on behalf of Defendant. Plaintiff represent and warrants that
10 she is authorized to sign this Stipulation of Settlement and that she has not assigned any claim, or
11 part of a claim, covered by this Settlement of Settlement to a third party. The Parties have
12 cooperated in the drafting and preparation of this Stipulation of Settlement. Hence, in any
13 construction made of this Stipulation of Settlement, the same shall not be construed against any of
14 the Parties.

15 72. Confidentiality. The Parties and their counsel agree that they will not issue any
16 press releases, initiate any contact with the press, respond to any press inquiry, or have any
17 communication with the press about the fact, amount, or terms of the Settlement prior to the
18 mailing of the Notice Packet. In addition, the Parties and their counsel agree that they will not
19 engage in any advertising or distribute any marketing materials relating to the Settlement,
20 including but not limited to any postings on any websites maintained by Class Counsel. Nothing
21 set forth herein, however, shall prohibit the Parties from providing this Stipulation to the Court in
22 connection with the Parties' efforts to seek Court approval of this Settlement.

23 73. Binding on Successors and Assigns. This Stipulation of Settlement shall be
24 binding upon, and inure to the benefit of, the successors and assigns of the Parties.

25 74. California Law Governs. All terms of this Stipulation of Settlement and the
26 Exhibits hereto shall be governed by and interpreted according to the laws of the State of
27 California, without giving effect to any law that would cause the laws of any jurisdiction other
28 than the State of California to be applied.

1 75. Counterparts. This Stipulation of Settlement may be executed in one or more
2 counterparts. All executed counterparts and each of them shall be deemed to be one and the
3 same instrument.

4 76. This Settlement is Fair, Adequate, and Reasonable. Plaintiff represents that this
5 Settlement is a fair, adequate, and reasonable settlement of the Action and she has arrived at this
6 Settlement after extensive arm's-length negotiations, taking into account all relevant factors,
7 present and potential.

8 77. Jurisdiction of the Court. Following entry of the Final Order and Judgment, the
9 Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement
10 of the terms of this Stipulation of Settlement and all orders and judgments entered in connection
11 therewith, and the Parties, Class Counsel and Defense Counsel submit to the jurisdiction of the
12 Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this
13 Stipulation of Settlement and all orders and judgments entered in connection therewith.

14 78. Invalidity of Any Provision. Before declaring any term or provision of this
15 Stipulation of Settlement invalid, the Parties request that the Court first attempt to construe the
16 terms or provisions valid to the fullest extent possible consistent with applicable precedents so as
17 to define all provisions of this Stipulation of Settlement as valid and enforceable. In the event the
18 Court declares any material provision of this Stipulation of Settlement invalid, the Stipulation of
19 Settlement will be void and its terms will be of no force and effect, except as otherwise agreed to
20 by the Parties in writing.

21 79. Binding Nature of Notice of Class Action Settlement. It is agreed that, because
22 the Class Members are so numerous, it is impossible or impractical to have each Class Member
23 execute the Stipulation of Settlement. The Class Notice shall advise all Class Members of the
24 binding nature of the Settlement, and the release of Released Claims and shall have the same
25 force and effect as if this Stipulation of Settlement were executed by each Participating Class
26 Member.

1 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this
2 Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff, on the
3 one hand, and Defendant, on the other hand, as of the date(s) set forth below:

4
5 Dated: Aug 25, 2021

Christine Rose
Christine Rose (Aug 25, 2021 11:41 AKDT)

6 Plaintiff Christine Rose, on her own behalf and
7 as class representative and on behalf of alleged
8 aggrieved employees

9 IMPACT GROUP, LLC

10 Dated: 9/15/2021

Shane D. Wright
Shane D. Wright
Chief People Officer

Todd C. Johnson
Todd C. Johnson
Chief Legal Officer

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1 APPROVED AS TO FORM

2
3 **ZAKAY LAW GROUP, APC**

4 Dated: August 25, 2021

5 
6 Shani Zakay, Esq.
7 Attorneys for Plaintiff Christine Rose

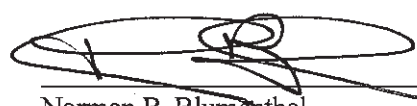
8 **AEGIS LAW FIRM, PC**

9 Dated: August 25, 2021

10 
11 Jessica Campbell, Esq.
12 Attorneys for Plaintiff Christine Rose

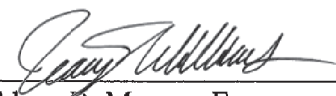
13 **BLUMENTHAL NORDREHAUG BHOWMIK**
14 **DE BLOUW LLP**

15 Dated: 8/25/21

16 
17 Norman B. Blumenthal
18 Nicholas J. De Blouw
19 Attorneys for Plaintiff Christine Rose

20 **LITTLER MENDELSON P.C.**

21 Dated: 9/16/2021

22 
23 Alaya B. Meyers, Esq.
24 Tracy R. Williams, Esq.
25 Attorneys for Defendant Impact Group, LLC

26 4823-5924-7603.1

EXHIBIT 1

NOTICE OF CLASS ACTION SETTLEMENT

Christine Rose v. Impact Group, LLC
Superior Court of California – County of Orange
Lead Case No. 30-2020-01141107-CU-OE-CXC
Related Case No. 30-2020-01166291-CU-OE-CXC

**IF YOU WERE EMPLOYED BY IMPACT GROUP, LLC IN CALIFORNIA IN A
NON-EXEMPT, HOURLY-PAID POSITION AT ANY TIME FROM MAY 27, 2016
THROUGH JUNE 13, 2021**

**YOU ARE ENTITLED TO RECEIVE MONEY FROM A CLASS AND
REPRESENTATIVE ACTION SETTLEMENT**

The Court approved this notice. This is not an advertisement.

You are not being sued. However, your legal rights are affected whether you act or not.

PLEASE READ THIS NOTICE.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
INCLUDE THE FOLLOWING:	
DO NOTHING	You will receive a payment from the Settlement. No action is required for you to receive a share of this Settlement.
EXCLUDE YOURSELF	<u>You will not receive a payment from the Settlement.¹</u>
OBJECT	If you choose, you may object to this Settlement. The Court may or may not agree with your objection. Objecting to the Settlement will not exclude you from receiving a portion of the Settlement.

WHAT IS IN THIS NOTICE

1. Why Should You Read This Notice?..... Page 2
2. What Is the Class Action Settlement?..... Page 2
3. What Is the Case About?.....Page 2
4. How Much Can I Expect to Receive?..... Page 3
5. Why Did Impact Join in This Notice? Page 3
6. Who Is the Plaintiff in This Class Action? Page 3
7. Who Are the Attorneys Representing the Parties? Page 3
8. What Are My Rights? How Will My Rights Be Affected?Page 4
9. How Will the Attorneys for the Classes Be Paid?Page 5

¹ Regardless of whether you exclude yourself from the Settlement, if you were employed by Impact Group, LLC during the PAGA Period (April 15, 2019 through June 13, 2021) then you will still receive a portion of the settlement for release of the penalty claim pursuant to the Private Attorneys General Act, Labor Code sections 2698-2699.6 ("PAGA").

Why Should You Read This Notice?

You have received this Notice because records indicate that you are a member of the settlement class settled in this action.

The settlement class is comprised of all persons employed by Impact Group, LLC in California in a non-exempt, hourly-paid position at any time from May 27, 2016 through June 13, 2021.

This Notice tells you of your rights to participate in, and share in, the Settlement. There was a Preliminary Approval hearing on XXX XX, 2021, at [REDACTED] a.m./p.m., in the Orange County Superior Court. Judge Randall J. Sherman determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate and reasonable and that a final determination of the issues will be made at the final approval hearing. Judge Sherman also ordered that you receive this Notice.

The Court will hold a Final Approval Hearing concerning the proposed Settlement on [REDACTED], 2021, at [REDACTED] a.m./p.m. in Department CX105, of the Orange County Superior Court – Complex Division located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701. The Final Approval Hearing may be continued to another date without further notice.

2. What is the Class Action Settlement?

The Court must approve the terms of the Settlement described herein as fair, adequate, and reasonable to the Class Members. The Settlement will affect all members of the class. You may get money from the Class and Representative Action Settlement. This Notice will explain the terms of the Settlement and the amount of money you may receive under the Settlement.

3. What Is the Case About?

Plaintiff Christine Rose, who is also acting as the Class Representative ("Plaintiff"), alleges that Impact Group, LLC ("Impact") violated the California Labor Code by: (i) failing to pay all minimum wages; (ii) failing to pay overtime wages at the appropriate overtime pay rate; (iii) failing to provide all meal periods and payments for violations; (iv) failing to provide all paid rest breaks and payments for violations; (v) failing to timely furnish accurate itemized wage statements; (vi) failing to timely pay all former employees all wages owed; (vii) failing to reimburse employees for required expenses; and (viii) Unfair Business Practices related to the California Labor Code violations covered by this release. Plaintiff also seeks civil penalties under the Private Attorneys General Act ("PAGA") as set forth in Labor Code sections 2698-2699.6, which allows a private citizen to pursue civil penalties on behalf of the State of California Labor Workforce Development Agency ("LWDA") related only to the above Released Claims.

Impact denies the allegations raised in the lawsuit. Impact believes that it has no liability for any of Plaintiff's or the Class Members' claims under any statute, wage order, common law, or equitable theory.

The Parties reached a Settlement subject to Court approval as represented in the Joint Stipulation of Class Action and PAGA Settlement and Release (the "Settlement" or "Settlement Agreement"). Class Counsel believes that the Settlement is fair, reasonable, and adequate, and that it is in the best interests of Class Members. Likewise, Impact has decided that settlement is favorable because it avoids the time, risk, and expense of a lengthy lawsuit, and settlement immediately resolves, finally and completely, the pending and potential claims. By settling this lawsuit, Impact does not admit, concede, or imply that it has done anything wrong or unlawful – and, in fact, Impact expressly denies that it has engaged in any wrongdoing.

4. How Much Can I Expect to Receive?

Impact will pay a total sum of \$600,000.00 ("Gross Settlement Amount"), which includes all settlement payments to Class Members, attorneys' fees and costs, costs of administering the Settlement, a payment to the LWDA under PAGA, and the Class Representative's Payment.

Each Participating Class Member, as defined in the Settlement Agreement, will receive approximately \$ [REDACTED] for each Workweek worked in the Class Period. Workweek is defined in the Settlement as any regular workweek in which you worked on at least one calendar day. To the extent Impact does not have information about weeks worked readily available due to gaps in its electronic or paper time records, Impact shall use its best available information, including extrapolations where necessary, to compute the Workweeks.

Class Members: Impact's records indicate that you worked approximately [REDACTED] Workweeks as a Class Member during the Class Period. Based on these records, your estimated payment as a Participating Class Member would be \$ [REDACTED].

PAGA Members: Impact's records indicate that you worked approximately [REDACTED] Workweeks as a PAGA Member during the PAGA Period. Based on these records, your estimated payment as a Participating PAGA Member would be \$ [REDACTED].

It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your payment under the Settlement.

5. Why Did Impact Join in This Notice?

Impact does not admit any claim alleged in the lawsuit and denies that it owes money for any of the claims in this matter. Impact is settling the lawsuit as a compromise. Impact reserves the right to object to and defend itself against any claim if, for any reason, the Settlement fails. The Court file has the Settlement documents with more information on the lawsuit.

6. Who Is the Plaintiff in This Class Action?

Christine Rose is the Plaintiff and Class Representative in this Class Action lawsuit. She is acting on behalf of herself and on behalf of other members of the class.

Who Are the Attorneys Representing the Parties?

Class Counsel

Shani O. Zakay, Esq.
ZAKAY LAW GROUP, APLC
3990 Old Town Avenue, Ste. C204
San Diego, CA 92110
Tel.: (619) 255-9047
Fax: (858) 404-9203

Norman B. Blumenthal, Esq.
Kyle R. Nordrehaug, Esq.
Aparajit Bhowmik, Esq.
Nicholas J. De Blouw, Esq.
2255 Calle Clara
La Jolla, CA 92037
Tel. : (858) 551-1223
Fax : (858) 551-1232

Defense Counsel

Alaya B. Meyers, Esq.
Tracy R. Williams
LITTLER MENDELSON P.C.
18565 Jamboree Road, Suite 800
Irvine, CA 92612
Tel.: (949) 705-3000
Fax: (949) 724-1201

What are my Rights? How Will My Rights Be Affected?

Class Counsel, appointed and approved by the Court for Settlement purposes only, will represent you.

Participating in the Settlement

Under the Settlement, you will **automatically** receive a settlement payment unless you opt-out by following the opt-out procedure set forth below.

This Notice of Settlement states the total number of Workweeks you worked for Impact during the Class Period (as described above). Your individual settlement payment as a Class Member will be based on that number. If you believe the Workweek information on this Notice is correct, then you do not need to take any further action to receive your settlement payment.

If you believe the Workweek information shown above is incorrect, you must submit a written workweek dispute stating why you believe the listed Workweeks are not correct. The workweek dispute must be e-mailed, mailed, or faxed to the Settlement Administrator (whose address is listed below) and must be postmarked or transmitted no later than **October 1, 2021**. You should submit to the Settlement Administrator documentation to support the number of Workweeks you believe you worked during the Class Period. If there is a dispute about the Workweeks you worked, the Settlement Administrator will review the records, in consultation with counsel, to resolve the dispute.

If you are a current employee of Impact, your decision as to whether or not to participate in this Settlement will **not** affect or in any way impact your employment, and Impact will not retaliate against you in any way for choosing to participate in the Settlement.

Objecting to the Settlement

If you wish to Object to the Settlement, you must submit a written Objection stating why you object to the Settlement. The Objection must be signed by you and include your full name, address, telephone number, and last four digits of your Social Security number. The Objection must be e-mailed, mailed or faxed to the Settlement Administrator (whose address is listed below) and must be postmarked or transmitted no later than [REDACTED], 2021. Late Objections will not be considered.

You may also, if you wish, appear at the Final Approval Hearing and discuss your objections with the Court and the Parties, regardless of whether you submitted an objection in writing. The Final Approval Hearing may be continued to another date without further notice.

IF YOU OBJECT TO THE SETTLEMENT, YOU WILL STILL RECEIVE YOUR SHARE OF THE SETTLEMENT IF THE COURT APPROVES THE SETTLEMENT.

Opting-Out of the Settlement

If you wish to be excluded from participating in the Settlement, you must submit a written request to Opt-Out to the Settlement Administrator via e-mail, mail or fax to the address below requesting to be excluded from the Settlement. To be considered valid, your Opt-Out must be signed by you, and contain your name, address, telephone number, and the last four digits of your Social Security number. Your Opt-Out also must clearly indicate that you desire to be excluded from the Settlement. To be considered timely, your Opt-Out must be e-mailed, faxed or postmarked no later than [REDACTED], 2021. Late Opt-Outs will not be considered.

If you timely submit a complete and valid Opt-Out, you will no longer be a member of the Class and you will not be eligible to object to the terms of the Settlement or receive money under the Settlement except for that portion of the settlement allocated to PAGA penalty payments. Except for the PAGA release, you will not be bound by the terms of the Settlement, and may pursue any valid claims you may have, at your own expense, against Impact. Individuals otherwise meeting the definition of Class Members who exclude themselves from the classes pursuant and were employed during the PAGA Period shall still receive a payment for the amount of each such individual's estimated share of the PAGA Payment that was included by the Settlement Administrator in calculating the Claim Amount and shall still be bound by the PAGA release.

Effect of the Settlement on Your Rights

Upon the final approval of the settlement by the Court, all Class Members (other than those who submit a valid opt-out/request for exclusion), will release all claims against Impact within the definition of "Released Claims," as set forth in the parties' Settlement Agreement. "Released Claims" includes all claims under state or local law, whether statutory, common law, or administrative law, whether in law or equity, for the claims that were pled in the Class Action Complaint, arising out of the factual allegations therein, during the Class Period, including: (a) all claims for failure to pay minimum wages under Cal. Labor Code §§ 1194, 1197 and 1197.1; (b) all claims for failure to pay overtime wages under Cal. Labor Code §§ 510, *et seq.*; (c) all claims for failure to provide required meal periods under Cal. Labor Code §§ 226.7 and 512 and the applicable IWC Wage Order; (d) all claims for failure to provide required rest breaks under Cal. Labor Code §§ 226.7 and 512 and the applicable IWC Wage Order; (e) all claims for failure to provide accurate itemized wage statements under Cal. Labor

Code § 226; (f) all claims for failure to provide wages when due under Cal. Labor Code §§ 201, 202 and 203; (g) claims for failure to reimburse employees for required expenses under Cal. Labor Code § 2802; (h) claims under the California Business and Professions Code § 17200 *et. seq.* including injunctive relief related to the California Labor Code violations covered by this release; (i) liquidated damages; (j) interest; (k) attorneys' fees; and (l) attorneys' costs. Released Claims exclude all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, Released Claims outside the Class Period, and PAGA claims which are released separately herein.

How Will the Attorneys for the Class be Paid?

The attorneys for Plaintiff, as the Class Representative, and the Class Members will be paid from the Gross Settlement Amount. The attorneys are seeking a fee of \$200,00.00 as well as reimbursement of their costs, in an amount up to \$15,000. Plaintiff is also seeking a Class Representative Service Award of \$10,000.00 to Plaintiff from the Settlement for her service as a Class Representative. Likewise, the Parties agreed that \$30,000.00 will be allocated to settle the PAGA claim, with \$22,500.00 to be paid to the LWDA, and the remaining \$7,500.00 to be distributed to the Participating PAGA Members based upon their proportionate Workweeks during the PAGA Period. The Settlement Administrator estimates that the cost of administration will not exceed \$4,250. All of these amounts are to be deducted from the Gross Settlement Amount, with the remainder available for distributions to Participating Class Members and Participating PAGA Members.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact Class Counsel; call the Settlement Administrator at the telephone number listed below, toll free; or visit the Settlement Administrator's website, [insert website information], which will include key legal documents including the Settlement Agreement and the Court's order granting Preliminary Approval of the Settlement.

[ADDRESS]

[PHONE NUMBER]

[WEBSITE]

PLEASE DO NOT CONTACT OR TELEPHONE THE COURT, IMPACT OR ITS EMPLOYEES, OR IMPACT'S COUNSEL FOR LEGAL ADVICE OR FOR INFORMATION ABOUT THIS SETTLEMENT.

By Order of the Orange County Superior Court, the Honorable Randall J. Sherman.

Rose v. Impact Group - Settlement Stipulation -- FINAL

Final Audit Report

2021-08-25

Created: 2021-08-25
By: Shani Zakay (shani@zakaylaw.com)
Status: Signed
Transaction ID: CBJCHBCAABAAictZIE11u4pVOB9H5Lbv3h Pof9ROV

"Rose v. Impact Group - Settlement Stipulation -- FINAL" History

-  Document created by Shani Zakay (shani@zakaylaw.com)
2021-08-25 - 6:42:18 PM GMT- IP address: 184.183.175.107
-  Document emailed to Christine Rose (christine.whitaker47@yahoo.com) for signature
2021-08-25 - 6:42:50 PM GMT
-  Email viewed by Christine Rose (christine.whitaker47@yahoo.com)
2021-08-25 - 6:43:36 PM GMT- IP address: 107.77.211.23
-  Document e-signed by Christine Rose (christine.whitaker47@yahoo.com)
Signature Date: 2021-08-25 - 7:41:55 PM GMT - Time Source: server- IP address: 107.77.211.23
-  Agreement completed.
2021-08-25 - 7:41:55 PM GMT