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

MARIA GONZALEZ, on behalf of herself and
all other similarly situated;

Plaintiff,

vs.

LIEF ORGANICS, LLC, a California limited
liability company; and DOES 1 through 20,
inclusive;

Defendant(s).

CASE NO.: 20STCV19371

**JOINT STIPULATION OF CLASS ACTION
AND REPRESENTATIVE ACTION
PURSUANT TO LABOR CODE § 2699(f)
SETTLEMENT AND RELEASE BETWEEN
PLAINTIFF, ON BEHALF OF HERSELF
AND ALL OTHERS SIMILARLY
SITUATED AND AGGRIEVED, AND
DEFENDANT**

Complaint Filed: March 19, 2020

1 **JOINT STIPULATION OF CLASS ACTION SETTLEMENT**

2 This Joint Stipulation of Class Action Settlement (“Agreement” or “Settlement
3 Agreement”) is made and entered into by and between Plaintiff MARIA GONZALEZ (“Plaintiff”
4 or “Class Representative”), on behalf of herself and all others similarly situated, and Defendant
5 LIEF ORGANICS, LLC, a California limited liability company, on behalf of themselves and their
6 present and former agents, officers, employees, directors, trustees, fiduciaries, insurers,
7 subsidiaries, affiliated divisions and companies, parent companies, predecessors, successors and
8 assigns (collectively, “Defendants”) (collectively with Plaintiff, the “Parties”).

9 This settlement shall be binding on Plaintiff and the settlement classes and aggrieved
10 employees Plaintiff purports to represent and (i) Defendants; (ii) each of Defendants’ respective
11 past, present and future parents, subsidiaries, and affiliates including, without limitation, any
12 corporation, limited liability company, partnership, trust, foundation, and non-profit entity which
13 controls, is controlled by, or is under common control with Defendants; (iii) the past, present and
14 future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners,
15 managers, contractors, agents, consultants, representatives, administrators, payroll service
16 providers, fiduciaries, benefit plans, transferees, predecessors, successors, and assigns of any of
17 the foregoing; and (iv) any individual or entity which could be jointly liable with any of the
18 foregoing, subject to the terms and conditions hereof and the approval of the Court.

19 **RECITALS**

20 1. On May 19, 2020, Plaintiff filed a civil Complaint against Defendants in the Los
21 Angeles Superior Court entitled *Maria Gonzalez, on behalf of herself and all others similarly*
22 *situated; Plaintiff. v. Lief Organics, LLC, a California limited liability company; and DOES 1*
23 *through 20, inclusive; Defendants*, Los Angeles Superior Court, Case No.: 20STCV19371. The
24 Complaint sets forth the following cause of action: (1) Failure to Pay Minimum Wages (Labor
25 Code §§ 1194, 1194.2, 1197; IWC Wage Order No. 1); (2) Failure to Pay Overtime Wages (Labor
26 Code §§ 510, 1198; IWC Wage Order No. 1); (3) Failure to Provide Compliant Rest Periods
27 and/or Pay Missed Rest Break Premiums (Labor Code § 226.7; Wage Order No. 1); (4) Failure
28 to Provide Compliant Meal Periods and/or Pay Missed Meal Period Premiums (Labor Code §§

1 226.7, 512; IWC Wage Order No. 1); (5) Failure to Provide Complete and Accurate Wage
2 Statements (Labor Code §§226(A)); (6) Waiting Time Penalties (Labor Code § 201-203); (7)
3 Failure to Pay Timely Wages (Labor Code §§ 204, 210); (8) UCL Violations; and (9) PAGA
4 Penalties (Labor Code § 2699 *et seq.*).

5 2. Defendants deny all material allegations set forth in the Complaint and have
6 asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further
7 litigation, the Parties desire to fully and finally settle all actual or potential claims by the Class
8 Members.

9 3. On April 14, 2021, the Parties participated in mediation before the Hon. Carl J.
10 West (Ret.). (the “Mediator”), a respected mediator of wage and hour class actions.

11 4. The settlement discussions during and after mediation were conducted at arm’s
12 length and the settlement is the result of an informed and detailed analysis of Defendants’ alleged
13 potential liability in relation to the costs and risks associated with continued litigation.

14 5. On April 6, 2020, Plaintiff exhausted her administrative remedies pursuant to
15 California Labor Code § 2699, *et seq.* by providing notice to the Labor and Workforce
16 Development Agency (“LWDA”). Plaintiff did not receive a response from the LWDA.

17 6. Based on the data and documents produced pursuant to informal discovery, as well
18 as Class Counsel’s own independent investigation and evaluation, and the Mediator’s efforts,
19 Class Counsel believe that the settlement with Defendants for the consideration and on the terms
20 set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest
21 of the Class Members in light of all known facts and circumstances, including the risk of
22 significant delay and uncertainty associated with litigation, various defenses asserted by
23 Defendants, the sharply contested legal and factual issues involved, and numerous appellate
24 issues.

25 7. This Settlement Agreement is made and entered into by and between Plaintiff,
26 individually and on behalf of all others similarly situated and aggrieved, and Defendants, and is
27 subject to the terms and conditions hereof, and to the Court’s approval. The Parties expressly
28 acknowledge that this Agreement is entered into solely for the purpose of compromising

significantly disputed claims and that nothing herein is an admission of any liability or wrongdoing by Defendants. If, for any reason the Settlement Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

8. “Action” means *Maria Gonzalez, on behalf of herself and all others similarly situated; Plaintiff. v. Lief Organics, LLC, a California limited liability company; and DOES 1 through 20, inclusive; Defendants*, Los Angeles Superior Court, Case No.: 20STCV19371.

9. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and resolution of this Action, and all costs incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs associated with documenting the Settlement, securing the Court’s approval of the Settlement, responding to any objections to the settlement and appeals arising therefrom, administering the Settlement, obtaining entry of a Judgment terminating this Action, and expenses for any experts. Class Counsel will request attorneys’ fees not to exceed one-third of the Gross Settlement Amount, or up to \$141,666.66 and actual litigation costs incurred in the Action (not to exceed FIFTEEN THOUSAND DOLLARS AND ZERO CENTS \$15,000.00). Defendants have agreed not to oppose Class Counsel’s request for fees and reimbursement of costs as set forth above.

10. “Settlement Administrator” means any third-party class action settlement administrator agreed to by the Parties and approved by the Court for purposes of administering this settlement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

11. “Settlement Administration Costs” means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, calculating estimated amounts per Class Member, tax reporting, distributing the appropriate settlement

1 amounts, and providing necessary reports and declarations, and other duties and responsibilities
2 set forth herein to process this Settlement, and as requested by the Parties. The Settlement
3 Administration Costs will be paid from the Gross Settlement Amount, including, if necessary,
4 any such costs in excess of the amount represented by the Settlement Administrator as being the
5 maximum costs necessary to administer the settlement. The Settlement Administration Costs are
6 currently estimated to be NINE THOUSAND DOLLARS AND ZERO CENTS (\$9,000.00). To
7 the extent actual Settlement Administrations Costs are greater than NINE THOUSAND
8 DOLLARS AND ZERO CENTS (\$9,000.00), such excess amount will be deducted from the
9 Gross Settlement Amount.

10 12. "Class Counsel" means MELMED LAW GROUP P.C., which will seek to be
11 appointed counsel for the Settlement Class.

12 13. "Class List" means a complete list of all Class Members that Defendants will
13 diligently and in good faith compile from its records and provide to the Settlement Administrator
14 within fourteen (14) calendar days after Preliminary Approval of this Settlement. The Class List
15 will be formatted in a readable Microsoft Office Excel spreadsheet and will include Class
16 Members' names, last-known addresses, last-known telephone numbers, social security numbers,
17 and Workweek data during the Class Period.

18 14. "Class Member(s)" or "Settlement Class" means all individuals who are or were
19 employed as non-exempt employees of Defendant Lief Organics, LLC from May 19, 2016
20 through July 14, 2021 or the date of preliminary approval, whichever date is earlier. The
21 Settlement Class does not include any person who previously settled or released any of the claims
22 covered by this Settlement, or any other person who previously was paid or received awards
23 through civil or administrative actions for the claims covered by this Settlement. Defendants
24 represent that there are approximately 105 individuals that comprise the Settlement Class.

25 15. "Class Period" means the period from May 19, 2016 through July 14, 2021 or the
26 date of preliminary approval, whichever date is earlier.

27 16. "Class Representative" means Plaintiff Maria Gonzalez, who will seek to be
28 appointed as the representative for the Settlement Class.

1 17. “Class Representative Enhancement Payment” means the amount to be paid to
2 Plaintiff in recognition of Plaintiff’s effort and work in prosecuting the Action on behalf of Class
3 Members and negotiating the Settlement. Defendants agree not to dispute that the Class
4 Representative will be paid, subject to Court approval, up to SEVEN THOUSAND, FIVE
5 HUNDRED DOLLARS AND ZERO CENTS (\$7,500.00) from the Gross Settlement Amount for
6 Plaintiff’s services on behalf of the class, subject to the Court granting final approval of this
7 Settlement Agreement and subject to the exhaustion of any and all appeals. Should the Court
8 reduce the Class Representative Enhancement Payment, any such reduction shall revert to the
9 Net Settlement distributed to Participating Class Members.

10 18. “Court” means the Superior Court of California, County of Los Angeles or any
11 other court taking jurisdiction of the Action.

12 19. “Defendants” means Lief Organics, LLC and its present and former agents,
13 officers, employees, directors, trustees, fiduciaries, subsidiaries, affiliated divisions and
14 companies, parent companies, predecessors, successors and assigns.

15 20. “Effective Date” means the date which the settlement embodied in this Settlement
16 Agreement shall become effective after all of the following events have occurred: (i) this
17 Settlement Agreement has been executed by all parties and by counsel for the Settlement Class
18 and Defendants; (ii) the Court has given preliminary approval to the Settlement; (iii) notice has
19 been given to the putative members of the Settlement Class, providing them with an opportunity
20 to object to the terms of the Settlement or to opt-out of the Settlement; (iv) the Court has held a
21 formal fairness hearing and, having heard no objections to the Settlement, entered a final order
22 and judgment certifying the Class and approving this Settlement Agreement; (v) sixty-five (65)
23 calendar day have passed following the Court’s entry of a final order and judgment certifying the
24 Settlement Class and approving the settlement; (vi) in the event there are written objections filed
25 prior to the formal fairness hearing which are not later withdrawn or denied, the later of the
26 following events: (a) five (5) business days after the period for filing any appeal, writ or other
27 appellate proceeding opposing the Court’s final order approving the Settlement has elapsed
28 without any appeal, writ or other appellate proceeding having been filed; or (b) five (5) business

1 days after any appeal, writ or other appellate proceeding opposing the Settlement has been
2 dismissed finally and conclusively with no right to pursue further remedies or relief, and (vii)
3 Defendant has funded the Gross Settlement Amount and the employer-side payroll taxes on the
4 individual settlement amounts allocated to wages.

5 21. "Gross Settlement Amount" means the amount used to satisfy all of Defendants'
6 liability arising from the settlement other than employer-side taxes on the amounts allocated to
7 wages. Here, the Gross Settlement Amount is FOUR HUNDRED AND TWENTY FIVE
8 THOUSAND DOLLARS AND ZERO CENTS (\$425,000.00). The Gross Settlement Amount
9 shall be an "all in" settlement including payment of employee-side taxes, interest, plaintiff's
10 attorneys' fees and costs, administrative fees, the enhancement payment for the Plaintiff, the
11 payment to the LWDA, and payments to all members of the Settlement Class. Defendants will
12 not pay more than the Gross Settlement Amount plus employer-side taxes on the amounts
13 allocated to wages. Defendants estimate that there are 105 Class Members and 6,948 workweeks
14 in the Class Period. If the number of Class Members or the number of workweeks increases by
15 more than 10%, the Defendants will pay a pro rata increase in the Gross Settlement Amount,
16 including pro rata increases in attorney fees and the allocation to PAGA, by the amount over
17 10%.

18 22. "Individual Settlement Payment" means each Participating Class Member's share
19 of the Net Settlement Amount, to be distributed to the Class Members who do not submit a valid
20 Request for Exclusion.

21 23. "Labor and Workforce Development Agency Payment" means the amount that the
22 Parties have agreed to pay to the Labor and Workforce Development Agency ("LWDA") in
23 connection with the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698,
24 *et seq.*, "PAGA"). The Parties have agreed that TWENTY THOUSAND DOLLARS AND ZERO
25 CENTS (\$20,000.00) of the Gross Settlement Amount will be allocated to the resolution of any
26 Class Members' claims arising under PAGA. Pursuant to PAGA, 75%, or FIFTEEN
27 THOUSAND DOLLARS AND ZERO CENTS (\$15,000.00), of the PAGA Settlement Amount
28 will be paid to the California Labor and Workforce Development Agency ("LWDA Payment"),

1 and 25%, or FIVE THOUSAND DOLLARS AND ZERO CENTS (\$5,000.00) (“Aggrieved
2 Employee Payment”), of the PAGA Settlement Amount will be part of the Net Settlement
3 Amount. Those non-exempt employees who worked for Defendants in the year prior to the filing
4 of the Complaint shall comprise the PAGA sub-class and they will receive a pro-rata portion of
5 the Aggrieved Employee Payment based on their relative percentage of pay periods during the
6 PAGA period. No aggrieved employee shall have the right to opt out of the PAGA settlement.

7 24. “Net Settlement Amount” means the portion of the Gross Settlement Amount
8 remaining after deduction of the approved Class Representative Enhancement Payment,
9 Settlement Administration Costs, Labor and Workforce Development Agency Payment, and
10 Attorneys’ Fees and Costs. The Net Settlement Amount will be distributed to Participating Class
11 Members.

12 25. “Notice of Objection” means a Class Member’s valid and timely written objection
13 to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (a) the
14 objector’s full name, signature, address, telephone number, and the last four digits of the
15 objector’s social security number, (b) the dates the objector was employed by Defendants in
16 California, (c) a written statement of all grounds for the objection accompanied by any legal
17 support for such objection, and (d) copies of any papers, briefs, or other documents upon which
18 the objection is based.

19 26. “Notice Packet” or “Notice” means the Notice of Class Action Settlement,
20 substantially in the form attached as Exhibit A.

21 27. “Parties” means Plaintiff and Defendants collectively.

22 28. “Participating Class Members” means all Class Members who do not submit valid
23 Requests for Exclusion.

24 29. “Plaintiff” means Maria Gonzalez.

25 30. “Preliminary Approval” means the Court order granting preliminary approval of
26 the Settlement Agreement.

27 31. “Released Claims” means all claims, demands, and liabilities against the Released
28 Parties, or any of them, for any type of relief and penalties that came into existence at any time

during the class period as a result of Class Members employment by Defendants that were or could have been plead based on the facts alleged in the operative complaint, including to but not limited to the following claims: (1) Failure to Pay Minimum Wages (Labor Code §§ 1194, 1194.2, 1197; IWC Wage Order No. 1); (2) Failure to Pay Overtime Wages (Labor Code §§ 510, 1198; IWC Wage Order No. 1); (3) Failure to Provide Compliant Rest Periods and/or Pay Missed Rest Break Premiums (Labor Code § 226.7; Wage Order No. 1); (4) Failure to Provide Compliant Meal Periods and/or Pay Missed Meal Period Premiums (Labor Code §§ 226.7, 512; IWC Wage Order No. 1); (5) Failure to Provide Complete and Accurate Wage Statements (Labor Code §§226(A)); (6) Waiting Time Penalties (Labor Code § 201-203); (7) Failure to Pay Timely Wages (Labor Code §§ 204, 210); (8) UCL Violations; and (9) PAGA Penalties (Labor Code § 2699 *et seq.*).

32. “Released Claims Period” means the period from May 19, 2016 through July 14, 2021 or the date of preliminary approval, whichever is earlier.

33. “Released Parties” means: (i) Defendants; (ii) each of Defendants’ respective past, present and future parents, subsidiaries, and affiliates including, without limitation, any corporation, limited liability company, partnership, trust, foundation, and non-profit entity which controls, is controlled by, or is under common control with Defendants; (iii) the past, present and future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, payroll service providers, fiduciaries, benefit plans, transferees, predecessors, successors, and assigns of any of the foregoing; and (iv) any individual or entity which could be jointly liable with any of the foregoing.

34. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a request to be excluded from the settlement. The Request for Exclusion must: (a) be signed by the Class Member; (b) contain the name, address, telephone number, and the last four digits of the Social Security Number of the Class Member requesting exclusion; (c) clearly state that the Class Member received the Notice, does not wish to participate in the settlement, and wants to be excluded from the settlement; (d) be returned by first class mail or equivalent to the

1 Settlement Administrator at the specified address; and, (e) be postmarked on or before the
2 Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive
3 means to determine whether a Request for Exclusion has been timely submitted. A Class Member
4 who does not request exclusion from the settlement will be deemed a Class Member and will be
5 bound by all terms of the settlement, if the settlement is granted final approval by the Court.

6 35. "Response Deadline" means the deadline by which Class Members must postmark
7 to the Settlement Administrator valid Claim Forms, Requests for Exclusion, or file and serve
8 objections to the settlement. The Response Deadline will be forty-five (45) calendar days from
9 the initial mailing of the Notice Packet by the Settlement Administrator, unless the 45th day falls
10 on a Sunday or federal holiday, in which case the Response Deadline will be extended to the next
11 day on which the U.S. Postal Service is open. The Response Deadline for Claim Forms or
12 Requests for Exclusion will be extended fifteen (15) calendar days for any Class Member who is
13 re-mailed a Notice Packet by the Settlement Administrator, unless the 15th day falls on a Sunday
14 or federal holiday, in which case the Response Deadline will be extended to the next day on which
15 the U.S. Postal Service is open. The Response Deadline may also be extended by express
16 agreement between Class Counsel and Defendants. Under no circumstances, however, will the
17 Settlement Administrator have the authority to extend the deadline for Class Members to submit
18 a Claim Form, Request for Exclusion, or objection to the settlement.

19 36. "Workweeks" means the number of weeks of employment for each Class Member
20 as a non-exempt employee during the Class Period. Workweeks are determined by calculating
21 the number of days each Class Member was employed during the Class Period, dividing by seven
22 (7), and rounding up to the nearest whole number.

23 **CLASS CERTIFICATION**

24 37. Solely for the purpose of settling all claims alleged in Plaintiff's Complaint and
25 not for any other purpose in the event this settlement is not granted final approval, the Parties
26 stipulate and agree that the requisites for establishing class certification with respect to the
27 Settlement Class have been met and are met. More specifically, the Parties stipulate and agree
28 for purposes of this settlement only that:

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

3 b. There are common questions of law and fact including;

4 c. The Class Representative's claims are typical of the claims of the members of
5 the Settlement Class; should this Settlement not be approved or be terminated, this stipulation
6 shall be null and void and shall not be admissible, in this or any other action, for any purpose
7 whatsoever.

8 d. The Class Representative and Class Counsel will fairly and adequately protect the
9 interests of the Settlement Class; should this Settlement not be approved or be terminated, this
10 stipulation shall be null and void and shall not be admissible, in this or any other action, for any
11 purpose whatsoever.

12 e. The prosecution of separate actions by individual members of the Settlement Class
13 would create the risk of inconsistent or varying adjudications, which would establish
14 incompatible standards of conduct; should this Settlement not be approved or be terminated, this
15 stipulation shall be null and void and shall not be admissible, in this or any other action, for any
16 purpose whatsoever.

17 f. With respect to the Settlement Class, the Class Representative believes that questions
18 of law and fact common to the members of the Settlement Class predominate over any questions
19 affecting any individual member in such Class, and a class action is superior to other available
20 means for the fair and efficient adjudication of the controversy; should this Settlement not be
21 approved or be terminated, this stipulation shall be null and void and shall not be admissible, in
22 this or any other action, for any purpose whatsoever.

23 **TERMS OF AGREEMENT**

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

26 38. Funding of the Gross Settlement Amount. Within 65 calendar days after the Court
27 enters final approval and judgment thereon, the Settlement Administrator will provide the Parties
28 with an accounting of the amounts to be paid by Defendants pursuant to the terms of the

1 Settlement. Defendants will make a one-time deposit for payment of all Court approved and
2 claimed amounts from the Gross Settlement Amount into a Qualified Settlement Account to be
3 established by the Settlement Administrator. Within fourteen (14) business days of the funding
4 of the Settlement, the Settlement Administrator will issue payments to (a) Participating Class
5 Members; (b) the Labor and Workforce Development Agency; (c) Plaintiff; and (d) Class
6 Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved
7 services performed in connection with the settlement.

8 39. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any
9 application or motion by Class Counsel for Attorneys' Fees up to 141,666.66, associated with
10 Class Counsel's litigation and settlement of the Action and costs up to FIFTEEN THOUSAND
11 DOLLARS AND ZERO CENTS (\$15,000.00) per Class Counsel's billing statements, both of
12 which will be paid from the Gross Settlement Amount.

13 40. Class Representative Enhancement Payment. In exchange for a release of the class
14 claims, and in recognition of their effort and work in prosecuting the Action on behalf of Class
15 Members and negotiating the Settlement, Defendants agree not to oppose or impede any
16 application or motion for Class Representative Enhancement Payment of up to SEVEN
17 THOUSAND, FIVE HUNDRED DOLLARS AND ZERO CENTS (\$7,500.00) to the Class
18 Representative, subject to the Court's approval. The Class Representative Enhancement
19 Payment, which will be paid from the Gross Settlement Amount, will be in addition to Plaintiff's
20 Individual Settlement Payment paid pursuant to the Settlement. The Class Representative agrees
21 to execute a release of all class claims, against Defendants and all agents, employees, officers,
22 directors and related parties, past and present, for this payment. The Settlement Administrator
23 will issue an IRS Form 1099 for the enhancement payment to the Class Representative, and the
24 Class Representative shall be solely and legally responsible for correctly characterizing this
25 compensation for tax purposes and for paying any taxes on the amount received. The Class
26 Representatives agree to indemnify and hold Defendants harmless from any claim or liability for
27 taxes, penalties, or interest arising as a result of the Class Representative Enhancement Payment.
28 Should the Court reduce the Class Representative Enhancement Payment, any such reduction

1 shall revert to the Net Settlement distributed to Participating Class Members.

2 41. Settlement Administration Costs. The Settlement Administrator will be paid for
3 the reasonable costs of administration of the Settlement and distribution of payments from the
4 Gross Settlement Amount, which is currently estimated to be NINE THOUSAND DOLLARS
5 AND ZERO CENTS (\$9,000.00). These costs, which will be paid from the Gross Settlement
6 Amount, will include, *inter alia*, the required tax reporting on the Individual Settlement
7 Payments, the issuing of 1099 IRS Forms, distributing the Notice Packet, calculating and
8 distributing the Gross Settlement Amount and Attorneys' Fees and Costs, and providing
9 necessary reports and declarations.

10 42. Labor and Workforce Development Agency Payment. Subject to Court approval,
11 the Parties agree that the amount of TWENTY THOUSAND DOLLARS AND ZERO CENTS
12 (\$20,000.00) of the Gross Settlement Amount will be designated for satisfaction of Plaintiff's
13 and Class Members' PAGA claims. Pursuant to PAGA, 75%, or FIFTEEN THOUSAND
14 DOLLARS AND ZERO CENTS (\$15,000.00), of the PAGA Settlement Amount will be paid to
15 the LWDA, and 25%, or FIVE THOUSAND DOLLARS AND ZERO CENTS (\$5,000.00), will
16 be distributed to Participating Class Members as part of the Net Settlement Amount.

17 43. Net Settlement Amount. The Net Settlement Amount will be used to satisfy
18 Individual Settlement Payments to Participating Class Members from the Settlement Class in
19 accordance with the terms of this Agreement.

20 44. Acknowledgement of Potential Administration Cost Increases. The Parties hereby
21 acknowledge that Settlement Administration Costs may increase above the current estimate of
22 \$9,000.00 and that any such additional Settlement Administration Costs will be taken out of the
23 Gross Settlement Amount. Any portion of the estimated or designated Class Administration
24 Costs which are not in fact required to fulfill the total Class Administration Costs will become
25 part of the Net Settlement Amount.

26 45. Individual Settlement Payment Calculations. Individual Settlement Payments will
27 be calculated and apportioned from the Net Settlement Amount based on the Workweeks a
28 Participating Class Member worked during the Class Period. Such payments will be distributed

1 pro rata to Participating Class Members on a workweek basis. Specific calculations of Individual
2 Settlement Payments will be made as follows:

3 a. The Settlement Administrator will calculate the number of Workweeks per
4 Participating Class Member during the Class Period based on records in Defendants' possession,
5 custody or control. Defendants' Workweek data will be presumed to be correct, unless a
6 particular Class Member proves otherwise to the Settlement Administrator by credible written
7 evidence. All Workweek disputes will be resolved and decided by the Settlement Administrator
8 in consultation with Class Counsel and counsel for Defendants. The Settlement Administrator's
9 decision on all Workweek disputes will be final and non-appealable.

10 b. The Settlement Administrator will calculate the total number of
11 Workweeks for each individual Class Member ("Individual Workweeks"). The Settlement
12 Administrator will calculate the total number of Workweeks for all Class Members during the
13 Class Period ("Class Workweeks").

14 c. To determine each Class Member's "Individual Settlement Payment" the
15 Settlement Administrator will use the following formula: Individual Settlement Payment = (Net
16 Settlement Amount ÷ Participating Class Workweeks) x Individual Workweeks for each
17 individual Participating Class Member.

18 d. If the number of Workweeks worked by the Class Members during the
19 Class Period is greater than 7,643, then the Gross Settlement Amount shall be increased
20 proportionately for each additional week worked above 7,643.

21 46. Settlement Awards Do Not Trigger Additional Benefits. All settlement awards to
22 Class Members shall be deemed to be paid to such Class Members solely in the year in which
23 such payments actually are received by the Class Members. It is expressly understood and agreed
24 that the receipt of such individual settlement awards will not entitle any Class Member to
25 additional compensation or benefits under any company bonus, commission or other
26 compensation or benefit plan or agreement in place during the period covered by the Settlement,
27 nor will it entitle any Class Member to any increased retirement, 401K benefits or matching
28 benefits, or deferred compensation benefits. It is the intent of this Settlement that the individual

1 settlement awards provided for in this Settlement are the sole payments to be made by Defendants
2 to the Class Members, and that the Class Members are not entitled to any new or additional
3 compensation or benefits as a result of having received the individual settlement awards
4 (notwithstanding any contrary language or agreement in any benefit or compensation plan
5 document that might have been in effect during the period covered by this Settlement).

6 47. Settlement Administration Process. The Parties agree to cooperate in the
7 administration of the settlement and to make all reasonable efforts to control and minimize the
8 costs and expenses incurred in administration of the Settlement.

9 48. Delivery of the Class List. Within fourteen (14) calendar days of Preliminary
10 Approval, Defendants will provide the Class List to the Settlement Administrator.

11 49. Notice by First-Class U.S. Mail. Within thirty (30) calendar days of Preliminary
12 Approval, the Settlement Administrator will mail a Notice Packet to all Class Members via
13 regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the
14 Class List.

15 50. Confirmation of Contact Information in the Class Lists. Prior to mailing, the
16 Settlement Administrator will perform a search based on the National Change of Address
17 Database for information to update and correct for any known or identifiable address changes.
18 Any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the
19 Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding
20 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing
21 on the Notice Packet. If no forwarding address is provided, the Settlement Administrator will
22 promptly attempt to determine the correct address using a skip-trace, or other search using the
23 name, address and/or Social Security number of the Class Member involved, and will then
24 perform a single re-mailing. Those Class Members who receive a re-mailed Notice Packet,
25 whether by skip-trace or by request, will have between the later of (a) an additional fifteen (15)
26 calendar days or (b) the Response Deadline to fax or postmark a Request for Exclusion, or file
27 and serve an objection to the Settlement.

28 51. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice

1 Packet will provide: (a) information regarding the nature of the Action; (b) a summary of the
2 Settlement's principal terms; (c) the Settlement Class definition; (d) each Class Member's
3 estimated Individual Settlement Payment and the formula for calculating Individual Settlement
4 Payments; (e) the dates which comprise the Class Period; (f) instructions on how to submit valid
5 Requests for Exclusion or objections; (g) the deadlines by which the Class Member must fax or
6 postmark Requests for Exclusions or file and serve objections to the Settlement; (h) the claims to
7 be released, as set forth herein; and (i) the date for the Final Approval Hearing.

8 52. Disputed Information on Notice Packets. Class Members will have an opportunity
9 to dispute the information provided in their Notice Packets. To the extent Class Members dispute
10 the number of weeks he/she worked during the Class Period, or the amount of their Individual
11 Settlement Payment, Class Members may produce evidence to the Settlement Administrator
12 showing that such information is inaccurate. Absent evidence rebutting Defendants' records,
13 Defendants' records will be presumed determinative. However, if a Class Member produces
14 evidence to the contrary, the Settlement Administrator will evaluate the evidence submitted by
15 the Class Member in consultation with Class Counsel and counsel for Defendants and will make
16 the final decision as to the Individual Settlement Payment to which the Class Member may be
17 entitled.

18 53. Request for Exclusion Procedures. Any Class Member wishing to opt-out from
19 the Settlement Agreement must sign and postmark a written Request for Exclusion to the
20 Settlement Administrator within the Response Deadline. The date of the postmark on the return
21 mailing envelope will be the exclusive means to determine whether a Request for Exclusion has
22 been timely submitted. All Requests for Exclusion will be submitted to the Settlement
23 Administrator, who will certify jointly to Class Counsel and Defendants' Counsel the Requests
24 for Exclusion that were timely submitted. Any Class Member who submits a Request for
25 Exclusion shall be prohibited from objecting to the Settlement Agreement.

26 54. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
27 Member who does not affirmatively opt-out of the Settlement Agreement by submitting a timely
28 and valid Request for Exclusion will be bound by all of its terms, including those pertaining to

1 the Released Claims, as well as any Judgment that may be entered by the Court if it grants final
2 approval to the Settlement.

3 55. Objection Procedures. To object to the Settlement Agreement, a Class Member
4 must file a valid Notice of Objection with the Clerk of the Superior Court of California for the
5 County of Los Angeles, located at 312 N. Spring Street, Los Angeles, California 90012 and serve
6 copies of the Notice of Objection on the Parties before the Response Deadline. The Notice of
7 Objection must be signed by the Class Member and contain all information required by this
8 Settlement Agreement. The postmark date of the filing and service will be deemed the exclusive
9 means for determining that the Notice of Objection is timely. Alternatively, a Class Member may
10 appear and object at the Final Approval Hearing. Class Members who fail to object in the specific
11 manners specified above will be deemed to have waived all objections to the Settlement and will
12 be foreclosed from making any objections and seeking any adjudication or review, whether by
13 appeal or otherwise, to the Settlement Agreement. At no time will any of the Parties or their
14 counsel seek to solicit or otherwise encourage Class Members to object to the Settlement
15 Agreement or appeal from the Order and Judgment. Class Counsel will not represent any Class
16 Members with respect to any such objections to this Settlement.

17 56. Certification Reports Regarding Individual Settlement Payment Calculations. The
18 Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report
19 which certifies: (a) the number of Class Members who have submitted valid Requests for
20 Exclusion; and (b) whether any Class Member has submitted a challenge to any information
21 contained in their Claim Form or Notice Packet. Additionally, the Settlement Administrator will
22 provide to counsel for both Parties any updated reports regarding the administration of the
23 Settlement Agreement as needed or requested.

24 57. Uncashed Settlement Checks. Any checks issued by the Settlement Administrator
25 to Participating Class Members will expire 180 calendar days from the date the check was issued.
26 Uncashed settlement award checks will not be re-issued, except for good cause and as mutually
27 agreed upon by the Parties in writing. All uncashed checks will not be reissued and will be sent
28 to the State of California Unclaimed Property Fund in the name of the employee pursuant to

1 California Code of Civil Procedure Section 384. The Settlement Administrator shall reverse any
2 tax documents issued to Class Members who did not cash his or her check and refund the
3 Defendants' share of employer's taxes.

4 58. Certification of Completion. Upon completion of administration of the Settlement,
5 the Settlement Administrator will provide a written declaration under oath to certify such
6 completion to the Court and counsel for all Parties.

7 59. Administration Costs if Settlement Fails. If the Settlement is voided or rejected
8 by the Court, any costs incurred by the Settlement Administrator will be paid equally by the
9 Parties (half by Defendants and half by Class Counsel), unless otherwise specified in this
10 Agreement.

11 60. Treatment of Individual Settlement Payments. All Individual Settlement
12 Payments will be allocated as follows: of each Individual Settlement Payment 15% will be
13 allocated as alleged unpaid wages, and 85% will be allocated as alleged unpaid interest, alleged
14 business expense reimbursement, alleged unpaid meal break premiums, and alleged statutory and
15 civil penalties, including PAGA penalties. The 15% of each Individual Settlement Payment
16 allocated as wages will be reported on an IRS Form W2 by the Settlement Administrator. The
17 remaining 85% of each Individual Settlement Payment allocated as interest, business expense
18 reimbursement, meal break premiums, and penalties will be reported on an IRS Form-1099 by
19 the Settlement Administrator.

20 61. Administration of Taxes by the Settlement Administrator. The Settlement
21 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class
22 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid
23 pursuant to this Agreement. Within ten (10) business days after the Effective Date, the Settlement
24 Administrator will provide the Parties with an accounting of the amounts to be paid by
25 Defendants pursuant to the terms of the Settlement, including the amount of the employer
26 contribution for payroll taxes to be paid from the Net Settlement Fund. The Settlement
27 Administrator will also be responsible for timely forwarding all payroll taxes and penalties to the
28 appropriate government authorities.

1 62. Tax Liability. Defendants make no representation as to the tax treatment or legal
2 effect of the payments called for hereunder, and Plaintiff, Participating Class Members, and Class
3 Counsel are not relying on any statement, representation, or calculation by Defendants or by the
4 Settlement Administrator in this regard. Plaintiff, Participating Class Members, and Class
5 Counsel understand and agree that they will be solely responsible for the payment of any taxes
6 and penalties assessed on the payments described herein and will defend, indemnify, and hold
7 Defendants free and harmless from and against any claims resulting from treatment of such
8 payments as non-taxable damages.

9 63. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
10 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY
11 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
12 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
13 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
14 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
15 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE
16 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN
17 THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230
18 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
19 EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX
20 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
21 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
22 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
23 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
24 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
25 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
26 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
27 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
28 OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF

1 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
2 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
3 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
4 AGREEMENT.

5 64. No Prior Assignments. The Parties and their counsel represent, covenant, and
6 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported
7 to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
8 action, cause of action or right herein released and discharged.

9 65. Release of Claims by Class Members. Upon the Effective Date, Plaintiff and all
10 Participating Class Members will be deemed to have fully, finally and forever released, settled,
11 compromised, relinquished, and discharged with respect to all of the Released Parties and any
12 and all Released Claims. The Settlement Class and each member of the Class who has not
13 submitted a valid Request for Exclusion, fully releases and discharges the Released Parties for
14 the Released Claims for any period during the Released Claims Period.

15 66. Duties of the Parties Prior to Court Approval. The Parties shall promptly submit
16 this Settlement Agreement to the Court in support of Plaintiff's Motion for Preliminary Approval
17 and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly upon
18 execution of this Settlement Agreement, the Parties shall apply to the Court for the entry of an
19 order:

20 a. Scheduling a fairness hearing on the question of whether the proposed
21 settlement, including but not limited to, payment of attorneys' fees and costs, and the Class
22 Representative's Enhancement Payment, should be finally approved as fair, reasonable and
23 adequate as to the members of the Settlement Class;

24 b. Certifying the Settlement Class;

25 c. Approving, as to form and content, the proposed Notice;

26 d. Approving the manner and method for Class Members to request exclusion
27 from the Settlement as contained herein and within the Notice;

28 e. Directing the mailing of the Notice, by first class mail to the Class Members;

1 f. Preliminarily approving the Settlement subject only to the objections of
2 Class Members and final review by the Court; and

3 g. Enjoining Plaintiff and all Class Members from filing or prosecuting any
4 claims, suits or administrative proceedings (including filing claims with the California Division of
5 Labor Standards Enforcement and the Labor and Workforce Development Agency) regarding the
6 Released Claims unless and until such Class Members have filed valid Requests for Exclusion with
7 the Settlement Administrator.

8 67. Duties of the Parties Following Final Court Approval. Following final approval
9 by the Court of the Settlement provided for in this Settlement Agreement, Lead Counsel for the
10 Class will submit a proposed final order of approval and judgment:

11 a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable
12 and adequate, and directing consummation of its terms and provisions;

13 b. Approving Class Counsel's application for an award of attorneys' fees and
14 costs;

15 c. Approving the Class Representative Enhancement Payment to the Class
16 Representative; and

17 d. Entering judgment in this Action barring and enjoining all members of the
18 Settlement Class from prosecuting against any of the Released Parties, any individual or class,
19 collective or representative claims released herein, upon satisfaction of all payments and
20 obligations hereunder.

21 68. Rescission of Settlement Agreement (by Defendant). If 10 or more of the Class
22 Members opt-out of the Settlement by submitting Request for Exclusion forms, Defendants may,
23 at their option, rescind and void the Settlement and all actions taken in furtherance of it will
24 thereby be null and void. Defendants must exercise this right of rescission, in writing, to Class
25 Counsel within ten (10) calendar days after the Settlement Administrator notifies the Parties of
26 the total number of Requests for Exclusion received by the Response Deadline. If the option to
27 rescind is exercised, Defendants shall be solely responsible for all costs of the Settlement
28 Administrator accrued to that point.

1 69. Nullification of Settlement Agreement. In the event that: (a) the Court does not
2 finally approve the Settlement as provided herein; or (b) the Settlement does not become final for
3 any other reason, then this Settlement Agreement, and any documents generated to bring it into
4 effect, will be null and void. Any order or judgment entered by the Court in furtherance of this
5 Settlement Agreement will likewise be treated as void from the beginning.

6 70. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to
7 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary
8 Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes
9 only, (b) Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for
10 a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for
11 the Notice Packet to be sent to all Class Members as specified herein. In conjunction with the
12 Preliminary Approval hearing, Plaintiff will submit this Settlement Agreement, which sets forth
13 the terms of this Settlement, and will include the proposed Notice Packet; i.e., the proposed
14 Notice of Class Action Settlement document, attached as Exhibit A. Class Counsel will be
15 responsible for drafting all documents necessary to obtain preliminary approval. Defendants
16 agree not to oppose the Motion for Preliminary Approval.

17 71. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of
18 the deadlines to Requests for Exclusion, or objections to the Settlement Agreement, and with the
19 Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine
20 the Final Approval of the Settlement Agreement along with the amounts properly payable for (a)
21 Individual Settlement Payments; (b) the Labor and Workforce Development Agency Payment;
22 (c) the Attorneys' Fees and Costs; (d) the Class Representative Enhancement Payment; (e) all
23 Settlement Administration Costs; and (f) the employer's share of payroll taxes for wages paid in
24 connection with the Individual Settlement Payments. The Final Approval/Settlement Fairness
25 Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class
26 Counsel will be responsible for drafting all documents necessary to obtain final approval,
27 including responding to any objections and appeals arising therefrom. Class Counsel will also
28 be responsible for drafting the attorneys' fees and costs application to be heard at the final

1 approval hearing.

2 72. Termination of Settlement. Subject to the obligation(s) of Cooperation, either
3 Party may terminate this Settlement if the Court declines to enter the Preliminary Approval Order,
4 the Final Approval Order or final judgment in substantially the form submitted by the Parties, or
5 the Settlement Agreement as agreed does not become final because of appellate court action. The
6 Terminating Party shall give to the other Party (through its counsel) written notice of its decision
7 to terminate no later than ten (10) business days after receiving notice that one of the enumerated
8 events has occurred. Termination shall have the following effects:

9 a. The Settlement Agreement shall be terminated and shall have no force or
10 effect, and no Party shall be bound by any of its terms;

11 b. In the event the Settlement is terminated, Defendants shall have no
12 obligation to make any payments to any Party, Class Member or Class Counsel, except that the
13 Terminating Party shall pay the Settlement Administrator for services rendered up to the date the
14 Settlement Administrator is notified that the settlement has been terminated;

15 c. The Preliminary Approval Order, Final Approval Order and Judgment,
16 including any order of class certification, shall be vacated;

17 d. The Settlement Agreement and all negotiations, statements and proceedings
18 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be
19 restored to their respective positions in the Action prior to the settlement;

20 e. Neither this Stipulated Settlement, nor any ancillary documents, actions,
21 statements or filings in furtherance of settlement (including all matters associated with the
22 mediation) shall be admissible or offered into evidence in the Action or any other action for any
23 purpose whatsoever.

24 73. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by
25 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the
26 Judgment pursuant to California Code of Civil Procedure section 664.6 to the Court for its
27 approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for
28 purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b)

1 Settlement administration matters, and (c) such post-Judgment matters as may be appropriate
2 under court rules or as set forth in this Agreement.

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

6 75. Confidentiality. The Parties and their counsel agree that they will not issue any
7 media or press releases, initiate any contact with the media or press, respond to any media or
8 press inquiry, or have any communication with the media or press about the fact, amount, or
9 terms of the Settlement, including through social media. Class counsel will take all steps
10 necessary to ensure the Class Representative is aware of, and will instruct the Class
11 Representative to adhere to, the restriction against any media or press comment on the Settlement
12 and its terms. In addition, the Parties and their counsel agree that they will not engage in any
13 advertising or distribute any marketing materials relating to the Settlement of this case. Any
14 communication about the Settlement to Class Members prior to the Court-approved mailing will
15 be limited to a statement that a settlement has been reached and the details will be communicated
16 in a forthcoming Court-approved notice. Nothing set forth herein, however, shall prohibit the
17 parties from providing this Agreement to the Court in connection with the Parties' efforts to seek
18 the Court's approval of this Settlement. Neither Plaintiff nor Class Counsel shall hold a press
19 conference or otherwise seek to affirmatively contact the media about the Settlement. Plaintiff
20 and Class Counsel agree not to disparage or otherwise take any action which could reasonably be
21 expected to adversely affect the personal or professional reputation of Defendants or the
22 Settlement.

23 76. Other Lawsuits. To the fullest extent permissible under applicable law, and solely
24 for the purposes of this Settlement Agreement and not for any other purpose, counsel for Plaintiff
25 represent and warrant on behalf of themselves and all others acting on their behalf, that they: (i)
26 have not been retained by any other individuals with claims against Defendants (other than those
27 of which Defendants and/or its counsel have been advised); (ii) are not aware of, and have not
28 been informed of, any other plaintiff, class member, or attorney who intends to bring a claim

1 against Defendants including, but not limited to, any claim based on the subject matter of the
2 Action; and (iii) do not currently intend to bring any other claim against Defendants. Nothing in
3 the foregoing is intended to limit or restrict Plaintiff's counsel's ability to practice law, or to
4 otherwise violate California Rules of Professional Conduct, Rule 1-500. To the extent any
5 portion of this paragraph is found to violate Rule 1-500, or any other Rule of Professional
6 Conduct, such offending language will be deemed stricken and will be treated as if it is of no force
7 and effect.

8 77. Entire Agreement. This Settlement Agreement, the separate general release of all
9 claims by the Class Representatives, and any attached Exhibits constitute the entirety of the
10 Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be
11 deemed binding on the Parties. The Parties expressly recognize California Civil Code section
12 1625 and California Code of Civil Procedure section 1856(a), which provide that a written
13 agreement is to be construed according to its terms and may not be varied or contradicted by
14 extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or
15 terms will modify, vary or contradict the terms of this Agreement.

16 78. Amendment or Modification. This Settlement Agreement may be amended or
17 modified only by a written instrument signed by the named Parties and counsel for all Parties or
18 their successors-in-interest.

19 79. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
20 and represent they are expressly authorized by the Parties whom they represent to negotiate this
21 Settlement Agreement and to take all appropriate action required or permitted to be taken by such
22 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other
23 documents required to effectuate the terms of this Settlement Agreement. The Parties and their
24 counsel will cooperate with each other and use their best efforts to effect the implementation of
25 the Settlement. If the Parties are unable to reach agreement on the form or content of any
26 document needed to implement the Settlement, or on any supplemental provisions that may
27 become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance
28 of the Court to resolve such disagreement.

1 80. Signatories. It is agreed that because the members of the Class are so numerous,
2 it is impossible or impractical to have each member of the Class execute this Settlement
3 Agreement. The Notice, attached hereto as Exhibit "A," will advise all Class Members of the
4 binding nature of the release, and the release shall have the same force and effect as if this
5 Settlement Agreement were executed by each member of the Class.

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

9 82. California Law Governs. All terms of this Settlement Agreement and Exhibits
10 hereto will be governed by and interpreted according to the laws of the State of California.

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

16 84. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe
17 this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have
18 arrived at this Settlement after arm's-length negotiations and in the context of adversarial
19 litigation, taking into account all relevant factors, present and potential. The Parties further
20 acknowledge that they are each represented by competent counsel and that they have had an
21 opportunity to consult with their counsel regarding the fairness and reasonableness of this
22 Agreement.

23 85. Invalidity of Any Provision. Before declaring any provision of this Settlement
24 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest
25 extent possible consistent with applicable precedents so as to define all provisions of this
26 Settlement Agreement valid and enforceable.

27 86. Plaintiff's Waiver of Right to Be Excluded and Object. Plaintiff agrees to sign
28 this Settlement Agreement and, by signing this Settlement Agreement, is hereby bound by the

1 terms herein. For good and valuable consideration, Plaintiff further agrees that she will not
2 request to be excluded from the Settlement Agreement, nor object to any terms herein. Any such
3 request for exclusion or objection by Plaintiff will be void and of no force or effect. Any efforts
4 by Plaintiff to circumvent the terms of this paragraph will be void and of no force or effect.

5 87. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to
6 class certification for purposes of this Settlement only; except, however, that Plaintiff or Class
7 Counsel may appeal any reduction in the Attorneys' Fees and Costs below the amount requested
8 from the Court, and either Party may terminate this Settlement or appeal any Court order which
9 is not in substantially the form submitted by the Parties.

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

24 89. Captions. The captions and section numbers in this Agreement are inserted for the
25 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
26 provisions of this Agreement.

27 90. Waiver. No waiver of any condition or covenant contained in this Agreement or
28 failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or

1 constitute a further waiver by such party of the same or any other condition, covenant, right or
2 remedy.

3 91. Enforcement Actions. In the event that one or more of the Parties institute any
4 legal action or other proceeding against any other Party or Parties to enforce the provisions of
5 this Settlement or to declare rights and/or obligations under this Settlement, the successful Party
6 or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys'
7 fees and costs, including expert witness fees incurred in connection with any enforcement actions.

8 92. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms
9 and conditions of this Agreement. Accordingly, this Agreement will not be construed more
10 strictly against one party than another merely by virtue of the fact that it may have been prepared
11 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
12 between the Parties, all Parties have contributed to the preparation of this Agreement.

13 93. Representation By Counsel. The Parties acknowledge that they have been
14 represented by counsel throughout all negotiations that preceded the execution of this Agreement,
15 and that this Agreement has been executed with the consent and advice of counsel, and reviewed
16 in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the
17 Settlement Agreement.

18 94. All Terms Subject to Final Court Approval. All amounts and procedures described
19 in this Settlement Agreement herein will be subject to final Court approval.

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

24 To Plaintiff and the Settlement Class:

25 MELMED LAW GROUP P.C.

26 Jonathan Melmed, CA Bar No. 290128

jm@melmedlaw.com

Laura M. Supanich, CA Bar No. 314805

lms@melmedlaw.com

1801 Century Park East, Suite 850

Los Angeles, California 90067

Tel: (310) 824-3828
Fax: (310) 862-6851

To Defendant:

JACKSON LEWIS P.C.
Joel P. Kelly (SBN 100716)
Eve Tilley-Coulson (SBN 320886)
725 South Figueroa Street, Suite 2500
Los Angeles, California 90017
Tel: (213) 689-0404; Fax: (213) 689-0430

96. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

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

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

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Settlement and Release Between Plaintiff and Defendants as of the date(s) set forth below:

SIGNATURES

READ CAREFULLY BEFORE SIGNING

PLAINTIFF: Maria Gonzalez

Dated: 7/7/2021

Maria Gonzalez

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DEFENDANT: Lief Organics, LLC

Dated: _____

Armando Solorzano
In-House Counsel

APPROVED AS TO FORM:

MELMED LAW GROUP P.C.

Dated: July 7, 2021 _____

Jonathan Melmed

Jonathan Melmed
Laura Supanich

Attorneys for Plaintiff Maria Gonzalez and
the Settlement Class

Dated: _____

JACKSON LEWIS P.C.

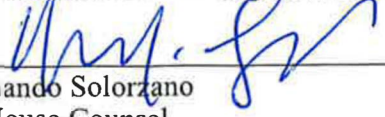
Joel P. Kelly
Eve Tilley-Coulson

Attorneys for Defendant Lief Organics, LLC

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Dated: 7/7/2021

DEFENDANT: Lief Organics, LLC



Armando Solorzano
In-House Counsel

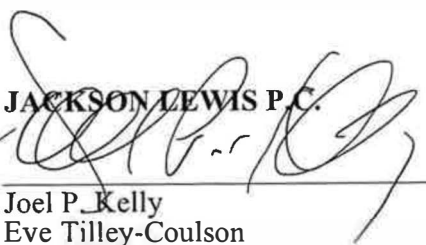
APPROVED AS TO FORM:

MELMED LAW GROUP P.C.

Dated: _____

Attorneys for Plaintiff Maria Gonzalez and the
Settlement Class

Dated: 7/6/2021



JACKSON LEWIS P.C.
Joel P. Kelly
Eve Tilley-Coulson

Attorneys for Defendant Lief Organics, LLC