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14
15 SUPERIOR COURT OF THE STATE OF CALIFORNIA
16 FOR THE COUNTY OF ORANGE

17 MEYBELL PEREZ, on behalf of herself and all
18 others similarly situated,

19 Plaintiff,

20 vs.

21 BLOWER-DEMPSAY CORPORATION, a
California corporation, LYNEER STAFFING
22 SOLUTIONS, LLC, a Delaware limited
23 liability company and DOES 1 through 50,
inclusive,

24 Defendant.
25

Case No. 30-2020-01140589CU-OE-CXC

CLASS ACTION

ASSIGNED FOR ALL PURPOSES TO:
JUDGE: HON. PETER WILSON
DEPT.: CX102

**SETTLEMENT AGREEMENT AND
STIPULATION TO RESOLVE CLASS
ACTION AND PAGA CLAIMS**

Date Action Filed: May 26, 2020
Trial Date: Not Set

1 This *Settlement Agreement and Stipulation To Resolve Class Action and PAGA Claims* is
2 entered into to resolve the action entitled *Meybell Perez, et al. v. Blower-Dempsay Corporation,*
3 *et al.*, Orange County Superior Court Case No. 30-2020-01140589-CU-OE-CXC.

4 **DEFINITIONS**

5 1. Action. “Action” means *Meybell Perez, et al. v. Blower-Dempsay Corporation, et*
6 *al.*, Orange County Superior Court Case No. 30-2020-01140589-CU-OE-CXC.

7 2. Agreement or Settlement. “Agreement” or “Settlement” means this Settlement
8 Agreement and Stipulation To Resolve Class Action and PAGA Claims, entered into by the Parties
9 to resolve the Action.

10 3. Aggrieved Employees. “Aggrieved Employees” means Class Members who
11 worked during the PAGA Period (as defined in Paragraph 22).

12 4. Attorneys’ Fees and Costs. “Attorneys’ Fees and Costs” means the amount
13 authorized by the Court for an award of attorneys’ fees to Class Counsel for litigation and
14 resolution of the matter, in the amount that does not exceed \$246,666.42 (33.3333%) of the Gross
15 Settlement Amount), and reimbursement of costs incurred by Class Counsel in connection with
16 this Action, in an amount to not to exceed \$18,000.00.

17 5. Class Counsel. “Class Counsel” means James Hawkins APLC.

18 6. Class or Class Members. “Class” or “Class Members” means all current and former
19 non-exempt employees who (1) were employed by either Blower-Dempsay Corporation or Lyneer
20 Staffing Solutions, LLC; and (2) worked in the Pacific Western Container division (“PWC”) of
21 Blower-Dempsay Corporation during the Class Period.

22 7. Class Notice. “Class Notice” means the Notice of Class Action Settlement,
23 attached as **Exhibit A** to this Agreement, or a substantially similar notice approved by the Court.
24 The Class Notice will be translated into Spanish by the Settlement Administrator and mailed to
25 Class Members in both English and Spanish.

26 8. Class Period. “Class Period” means the period from May 26, 2016 to the earlier of
27 (a) the date the Court enters the Order preliminarily approving the Settlement; or (b) February 28,
28 2023.

- 1 9. Court. “Court” means the Orange County Superior Court.
- 2 10. Defendants. “Defendants” means Blower-Dempsay Corporation and Lyneer
3 Staffing Solutions, LLC.
- 4 11. Effective Date. The “Effective Date” of this Agreement will be the later of (i) if no
5 objection to the Settlement is made by a Class Member or motion to vacate the settlement, then
6 the date that the Court enters the Final Judgment; (ii) the 61st day after service of notice of entry
7 of the Final Order and Final Judgment, if no appeal, review, or writ has been filed but an objection
8 to the Settlement is made by a Class Member; (iii) the 61st day after notice of entry of an order
9 denying a motion to vacate the judgment; or (iv) if an appeal, review, or writ is timely sought from
10 the Final Order and Judgment, the day after the Final Order and Final Judgment is affirmed or the
11 appeal, review, or writ is dismissed or denied, and the Final Order and Final Judgment are no
12 longer subject to further judicial review.
- 13 12. Enhancement Award. “Enhancement Award” means the amount the Court
14 authorizes to be paid to the Named Plaintiff in addition to her Individual Settlement Payment, in
15 recognition of her efforts and work in prosecution of the Action up to \$5,000.00.
- 16 13. Final Hearing Date. “Final Hearing Date” means the date set by the Court for the
17 hearing on final approval of the Settlement.
- 18 14. Final Order and Judgment. “Final Order and Judgment” means the proposed order
19 granting final approval of the Settlement and entering judgment, which Plaintiff will submit to the
20 Court with the motion for final approval of the Settlement.
- 21 15. Gross Settlement Amount. “Gross Settlement Amount” means the total settlement
22 payment Defendants agreed to make under this Agreement. The Gross Settlement Amount is
23 \$740,000.00.
- 24 16. Individual Settlement Payment. “Individual Settlement Payment” means the
25 individual settlement payment allocated to each Participating Class Member based on the
26 Participating Class Member’s *pro rata* share of the Net Settlement Amount.
- 27 17. Named Plaintiff. “Named Plaintiff” means Meybell Perez.
- 28

1 18. Notice Period. “Notice Period” means the time period commencing on the date the
2 Class Notice is mailed to Class Members and ending 45 calendar days thereafter.

3 19. Net Settlement Amount. “Net Settlement Amount” means the settlement amount
4 to be distributed to Participating Class Members, which is the Gross Settlement Amount less
5 Attorneys’ Fees and Costs, the Enhancement Award, the PAGA Payment, and Settlement
6 Administration Costs.

7 20. PAGA Claims. “PAGA Claims” means those claims that were, or could have been,
8 alleged in the Action, pursuant to the California Private Attorneys General Act (PAGA).

9 21. PAGA Payment. “PAGA Payment” means the amount of \$25,000.00, which
10 represents the portion of the Settlement allocated to the settlement of the PAGA Claims. The
11 PAGA Amount is paid from the Gross Settlement Amount, and will be allocated as set forth in
12 Paragraph 43.d.

13 22. PAGA Period. “PAGA Period” means the period from April 6, 2019 to the date
14 the Court enters the Order preliminarily approving the Settlement.

15 23. Parties. “Parties” means the Defendants and the Named Plaintiff, individually and
16 on behalf of all Class Members and Aggrieved Employees (defined in Paragraph 3). Each of the
17 Parties may be referred to in the singular as a “Party.”

18 24. Participating Class Member. “Participating Class Member” means each Class
19 Member who has not timely opted out of the Settlement pursuant to Paragraph 48 of the
20 Agreement; “Settlement Class” means a class of all Participating Class Members.

21 25. Preliminary Approval Order. “Preliminary Approval Order” means an order from
22 the Court preliminarily approving this Settlement.

23 26. Released Parties. “Released Parties” means and includes Blower-Dempsey
24 Corporation, Lyneer Staffing Solutions, LLC, and their respective past, present, and future
25 predecessors, successors, assigns, shareholders, members, owners, officers, directors, investors,
26 employees, managers, managing agents, partners, affiliated companies or entities, parents, holding
27 companies, divisions, agents, attorneys, insurers, and representatives.

28 27. Settled Claims. “Settled Claims” means any and all claims, known or unknown,

1 contingent or accrued, against Defendants and the other Released Parties that (a) arise from the
2 facts, matters, transactions or occurrences alleged in the Action or that could have been alleged in
3 the Action based on such facts; or (b) arise from the facts, matters, transactions or occurrences
4 alleged, or that could have been alleged, in the letter sent by Class Counsel to the Labor and
5 Workforce Development Agency (“LWDA”) on or about April 22, 2020, asserting that Defendants
6 violated various provisions of the Labor Code. Without limiting the generality of the foregoing,
7 the Settled Claims include claims for failure to pay the minimum wage, failure to pay regular
8 wages, failure to pay overtime compensation and other premium wages, off-the-clock work, failure
9 to provide and maintain complete and accurate itemized wage statements that included all
10 information required by the California Labor Code; failure to provide meal periods and rest breaks
11 or additional pay in lieu thereof; failure to reimburse business expenses; untimely payment of
12 wages during and at the time of termination; violations of California Labor Code §§ 201, 202, 203,
13 204, 210, 218.6, 226, 226.3, 226.7, 510, 511, 512, 558, 1174(d), 1174.5, 1194, 1194.2, 1197,
14 1197.1, 1198, 1199, 2802, the applicable California Wage Order, and all related or corresponding
15 federal laws, including the Fair Labor Standards Act; violation of California Business and
16 Professions Code Section 17200 et seq.; and claims under California Labor Code Section 2698 et
17 seq.

18 28. Settlement Administration Costs. “Settlement Administration Costs” means the
19 costs of settlement administration, including costs of notice to Class Members, distributing
20 settlement payments, and any other fees and costs incurred or charged by the Settlement
21 Administrator in connection with the execution of its duties under this Settlement.

22 29. Settlement Administrator. “Settlement Administrator” means Simpluris, Inc. or
23 such other third-party administrator approved by the Court.

24 30. Settlement Hearing. “Settlement Hearing” means the hearing on the Final Hearing
25 Date at which the Court will determine whether to fully and finally approve the fairness and
26 reasonableness of this Agreement.

27 31. Workweeks. “Workweeks” is defined as full workweeks worked by a Class
28 Member in the PWC division of Blower-Dempsey Corporation during the Class Period, whether

1 the Class Member was employed by Blower-Dempsay Corporation, Lyneer Staffing Solutions,
2 LLC, or both.

3 **RECITALS**

4 32. On or about May 26, 2020, the Named Plaintiff filed the Action against Defendants
5 on behalf of a class of similarly situated current and former hourly-paid, non-exempt employees.
6 The Complaint alleges that Defendants violated various wage-and-hour laws, including:
7 (1) failure to pay lawful wages; (2) failure to provide lawful meal periods or compensation in lieu
8 thereof; (3) failure to provide lawful rest periods or compensation in lieu thereof; (4) failure to
9 reimburse employee expenses; (5) failure to timely pay wages; (6) knowing and intentional failure
10 to comply with itemized wage statement provisions; and (7) violation of the Unfair Competition
11 Law. On June 30, 2020, the Named Plaintiff filed a First Amended Complaint, adding a claim
12 under PAGA.

13 33. Defendants deny that they engaged in any misconduct in connection with the wage-
14 and-hour practices associated with the Class Members or Aggrieved Employees. Defendants also
15 deny that they have any liability of any kind associated with the claims alleged in the Action.
16 Defendants contend that they have complied with both federal and state wage-and-hour laws, and
17 all other laws regulating their relationship with the Class Members, including the Named Plaintiff.

18 34. On September 14, 2021, the Parties participated in mediation with Gig Kyriacou,
19 Esq. (the "Mediator"), a respected mediator of complex wage-and-hour actions. Although the
20 action did not settle at the mediation, with the assistance of the Mediator's evaluations, the Parties
21 reached the settlement that is memorialized herein.

22 35. Class Counsel has investigated the facts relating to the Action. Settlement
23 discussions were conducted at arm's-length, and the Settlement is the result of an informed and
24 detailed analysis of Defendants' potential liability and exposure in relation to the costs and risks
25 associated with continued litigation. Based on the documents produced, as well as Class Counsel's
26 own investigation and evaluation, Class Counsel believes that the Settlement documented by this
27 Settlement Agreement is fair, reasonable, and adequate, and in the best interest of the Class in light
28 of all known facts and circumstances, including the risk of significant delay and defenses asserted

1 to the merits of the Action. While Defendants deny any liability in the Action, Defendants have
2 agreed to enter into this Settlement to avoid the costs associated with defending the Action.

3 **TERMS AND CONDITIONS**

4 NOW, THEREFORE, in consideration of the recitals listed above and the promises and
5 warranties set forth below, and intending to be legally bound and acknowledging the sufficiency
6 of the consideration and undertakings set forth below, Named Plaintiff, individually and on behalf
7 of the Class Members, and Defendants agree that the Action shall be and is finally and fully
8 compromised and settled on the following terms and conditions:

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

23 37. **Conditional Nature Of Settlement.** For settlement purposes *only*, the Parties agree
24 that (a) a class may be certified in the Action pursuant to California Code of Civil Procedure
25 Section 382, and (b) the Action may proceed as a PAGA representative action.

26 a. The Parties intend their settlement to be contingent upon the preliminary
27 and final approval of each and every term of this Agreement, without material modification. The
28 Parties and their respective counsel shall use their respective best efforts to obtain Court approval

1 and implement this Agreement in accordance with its terms. If the Court does not so approve this
2 Agreement, the Parties agree to meet and confer to address the Court's concerns. If the Parties are
3 unable to agree upon a resolution, the Parties intend this Agreement to become null and void, and
4 unenforceable, in which event the settlement terms set forth in this Agreement, including any
5 modifications made with the consent of the Parties, and any action taken or to be taken in
6 connection with this Agreement shall be terminated and shall become null and void and have no
7 further force or effect, and the class certified for settlement purposes pursuant to this Agreement
8 will be decertified for all purposes.

9 b. In the event the Court does not grant preliminary or final approval of the
10 Parties' settlement, or in the event that this Agreement shall terminate or the settlement embodied
11 in this Agreement does not become effective for any reason, the Agreement and all negotiations,
12 court orders, and proceedings relating to the Agreement shall be without prejudice to the rights of
13 the Named Plaintiff, Class Members and Defendants, each of whom shall be restored to their
14 respective positions existing prior to the execution of this Agreement, and evidence relating to the
15 Agreement and all negotiations shall not be discoverable or admissible in the Action or any other
16 litigation. Defendants do not waive, and instead expressly reserve, their respective rights to
17 challenge the propriety of class certification for any purpose should the Court not grant preliminary
18 or final approval of the Parties' settlement.

19 c. The Parties and their respective counsel shall use their respective best
20 efforts to obtain Court approval and implement this Agreement in accordance with its terms. If
21 the Court grants the Preliminary Approval Order, but does not grant final approval of the
22 Settlement, the Parties agree to meet and confer to address the Court's concerns. If the Parties are
23 unable to agree upon a resolution, then the Preliminary Approval Order will be vacated in its
24 entirety. In addition, if the Court does not grant final approval of the Settlement, neither this
25 Agreement, the Preliminary Approval Order, nor any other document in any way relating to the
26 foregoing, shall be relied upon, referred to, or used in any way for class certification proceedings
27 or representative action proceedings in the Action or any other action. Defendants do not waive,
28 and instead expressly reserves, its rights to challenge the propriety of class certification for any

1 purpose should the Court not grant final approval of the Settlement.

2 38. Final Order and Judgment. The Named Plaintiff will request that the Court enter,
3 after the Settlement Hearing finally approving this Agreement, a Final Order and Judgment.
4 Named Plaintiff will request that the Final Order and Judgment certify the Settlement Class; find
5 that this Agreement is fair, just, equitable, reasonable, adequate and in the best interests of the
6 Class and the Aggrieved Employees, list the employees (if any) who opted-out of the settlement,
7 order that Participating Class Members and Aggrieved Employees release the Released Parties
8 from the Settled Claims arising during the Class Period and require the Parties to carry out the
9 provisions of this Agreement. The Final Order and Judgment also will order that the and the State
10 of California has released the PAGA Claims that arose during the PAGA Period.

11 39. Participating Class Member Release Of Claims. Upon the funding of the Gross
12 Settlement Amount, the Named Plaintiff and all Participating Class Member shall be deemed to
13 have fully, finally, and forever released, settled, compromised, relinquished and discharged any
14 and all of the Released Parties from the Settled Claims that arose during the Class Period. This
15 release by the Named Plaintiff and each Participating Class Member is intended to settle any and
16 all of the Settled Claims that any of them may have against the Released Parties, or any of them,
17 during the Class Period. Thus, by operation of the Final Judgment, the Named Plaintiff any all
18 Participating Class Members shall have fully, finally, and forever settled and released any and all
19 Settled Claims that now exist, or have existed upon any theory of law or equity now existing or
20 coming into existence in the future. Because it is impossible or impracticable to have each Class
21 Member execute this Agreement, the Class Notice will advise all Class Members of the binding
22 nature of the release and such notice will have the same force and effect as if the Agreement were
23 executed by each Class Member.

24 40. Aggrieved Employees Release of PAGA Claim: In exchange for the PAGA
25 Amount recited in this Agreement, the Named Plaintiff, as the representative for the State of
26 California and all Aggrieved Employees, and on behalf of their current, former, and future heirs,
27 executors, administrators, attorneys, agents, and assigns will forever completely release and
28 discharge the Released Parties from the PAGA Claims that arose during the PAGA Period. The

1 Aggrieved Employees and the State of California will be deemed by operation of the Final Order
2 and Judgment to have agreed not to sue or otherwise make a claim against any of the Released
3 Parties for the PAGA Claims that arose during the PAGA Period.

4 41. No Prior Assignments: The Named Plaintiff and Class Counsel represent and
5 warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to
6 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
7 action, cause of action, or rights released and discharged by this Agreement, except as set forth in
8 this Agreement.

9 42. Settlement Payments And Calculation Of Claims. Subject to final Court approval
10 and the conditions specified in this Agreement, and in consideration of the mutual covenants and
11 promises set forth in this Agreement, Defendants agree to pay the Gross Settlement Amount of
12 \$740,000.00. The Gross Settlement Amount includes, but is not limited to, payments to be made
13 to Participating Class Members, Class Counsel's Attorneys' Fees and Costs, Enhancement Award
14 to the Named Plaintiff, the PAGA Payment, settlement administration fees and costs. The Gross
15 Settlement Amount shall not include Defendants' share of taxes on the wages portion of Individual
16 Settlement Payments, which will be paid by Defendants separately and in addition to the Gross
17 Settlement Amount. For the avoidance of doubt, subject to the conditions below, Defendants will
18 not be required to pay any amount over \$740,000 for this Settlement except employer sided payroll
19 taxes.

20 43. The Parties agree, subject to Court approval, that the Gross Settlement Amount
21 shall be apportioned as follows:

22 a. Class Counsel Attorneys' Fees and Costs: At the final approval hearing,
23 Class Counsel will apply to the Court for an award of Attorneys' Fees of no more than 33.3333%
24 of the Gross Settlement Amount, which equals \$246,666.42. Class Counsel will also apply to the
25 Court for an award of Costs incurred by Class Counsel not to exceed the amount of \$18,000 These
26 fees and costs are included in, and shall come from, the Gross Settlement Amount. Class Counsel
27 will be issued an IRS Form 1099 for any fees and costs awarded by the Court pursuant to this
28 Section 43.a. Except as provided in this Section 43.a, each party will bear his, her, or its own

1 attorneys' fees, costs, and expenses incurred in the prosecution, defense, or settlement of the
2 Action. If the Court awards a lower amount of Attorneys' Fees and Costs than the amount
3 requested, any amount not awarded will be part of the distribution to the Participating Class
4 Members and shall not be a reason to invalidate/terminate this Agreement.

5 b. Settlement Administrator Costs: At the final approval hearing, Class
6 Counsel will apply to the Court for approval of Settlement Administration costs not to exceed the
7 amount of \$15,000.00. These costs are included in, and shall come from, the Gross Settlement
8 Amount.

9 c. Named Plaintiff Enhancement Award: At the final approval hearing, Class
10 Counsel will apply to the Court for an award of up to \$5,000.00 to be paid to the Named Plaintiff
11 as an Enhancement Award for her services and for assuming the risks associated with this
12 litigation. The Enhancement Award is included in, and shall come from, the Gross Settlement
13 Amount. Named Plaintiff will be issued an IRS Form 1099 for the Enhancement Award approved
14 by the Court pursuant to this Section. The Enhancement Award payable to the Named Plaintiff
15 shall be in addition to any payment she may receive pursuant to Section 43.e, below. If the Court
16 awards less than the amount requested, any amount not awarded will be part of the distribution to
17 the Participating Class Members and shall not be a reason to invalidate/terminate this Agreement.

18 d. PAGA Payment: At the final approval hearing, Class Counsel will apply to
19 the Court for approval of the PAGA Payment of \$25,000.00 for claims for civil penalties asserted
20 under PAGA. Class Counsel will submit notice of this Settlement to the LWDA, as required by
21 Labor Code § 2699(l)(2). The Parties agree that 75% of the PAGA Amount (\$18,750.00) will be
22 paid to the LWDA as the "LWDA Payment," and the remaining 25% (\$6,250.00) of civil penalties
23 will be allocated to the Aggrieved Employees. The amount allocated to the Aggrieved Employees
24 will be paid using the same formula as set forth in Section 43.e, but will be limited to Workweeks
25 worked during the PAGA Period. Any Class Members who worked during the PAGA Period and
26 who opt out of the Settlement will still be considered Aggrieved Employees for purposes of this
27 Section 43.d and, therefore, will (i) receive their portion of the PAGA Payment; and (ii) release all
28 PAGA Claims against the Released Parties.

e. Class Member Payments: After deducting the approved amounts specified in Sections 43.a-43.d above, each Participating Class Member will be entitled to a *pro rata* portion of the remaining amount. Individual Settlement Payments will be calculated from the Net Settlement Amount based on the respective number of Workweeks worked by each Participating Class Member in a non-exempt position during the Class Period, rounded up. Each Participating Class Member's share of the Net Settlement Amount will be calculated by dividing the Participating Class Member's Workweeks by the total number of Workweeks worked by all Class Members during the Class Period and multiplying this figure by the Net Settlement Amount. The Class Notice will include the number of Workweeks that the Class Member worked during the Class Period and the amount the Class Member is estimated to receive under the terms of the Settlement.

Example: Class Member A worked for 50 Workweeks during the Class Period. All Class Members who worked during the Class Period worked a total of 25,000 Workweeks. Class Member A's Individual Settlement Payment would be calculated as follows:

- 50 workweeks worked by Class Member A ÷ 25,000 workweeks for all Class Members = 0.20%.
- Class Member A would be entitled to an Individual Settlement Payment in the amount of \$860.67 (0.20% x \$430,333.58).

If Class Member is also an Aggrieved Employee, Class Member also will receive a *pro rata* share of the PAGA Payment, as set forth in Section 43.d.

f. The Parties acknowledge and agree that the formula used to calculate the Individual Settlement Payments does not mean that all of the elements of damages, restitutionary relief, and penalties alleged in the Action are not being taken into account. The above formula was devised as a practical and logistical method to simplify the participation process.

g. Individual Settlement Payments will be distributed only to Participating Class Members. PAGA Payments will be distributed to all Aggrieved Employees. The Individual Settlement Payments allocated to Class Members who opt out of the Settlement will be distributed

1 to Participating Class Members on a *pro rata* basis based on the formula set forth in Section 43.e.

2 h. The Parties agree that, under no circumstances shall Defendants be
3 obligated to pay any amount under this Agreement to any Class Member other than Participating
4 Class Members, with the exception of the PAGA Payments.

5 44. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
6 Participating Class Members under this Agreement and the PAGA Payments made to Aggrieved
7 Employees will not be utilized to calculate any additional benefits under any benefit plans to which
8 any Participating Class Member or Aggrieved Employees may be eligible including, but not
9 limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans,
10 sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this
11 Agreement will not affect any rights, contributions, or amounts to which any Participating Class
12 Member or Aggrieved Employee may be entitled under any benefit plans.

13 45. Taxation Of Settlement Proceeds. All settlement payments paid to Participating
14 Class Members, Aggrieved Employees, and the Named Plaintiff, will be paid in a net amount after
15 applicable state and federal tax withholdings, including all payroll taxes, have been deducted.

16 a. The Individual Settlement Payment shall be reported as follows: (i) 40% of
17 the amount distributed to each Participating Class Member will be considered wages, and will be
18 reported as such to each Participating Class Member on a W-2 Form; (ii) 40% of the amount
19 distributed to each Participating Class Member will be considered interest on the unpaid wages,
20 and will be reported as such to each Participating Class Member on an IRS Form 1099; and
21 (iii) 20% of the amount distributed to each Participating Class Member will be considered statutory
22 penalties, and will be reported as such to each Participating Class Member on an IRS Form 1099.
23 The PAGA Payments will be considered penalties and will be reported on an IRS Form 1099.

24 b. Prior to mailing Individual Settlement Payments to Participating Class
25 Members, the Settlement Administrator will calculate, withhold from the Individual Settlement
26 Payment, and remit to applicable governmental agencies sufficient amounts as may be owed by
27 Participating Class Members for required withholdings and taxes, including all payroll taxes. The
28 Settlement Administrator will issue appropriate tax forms to each Participating Class Member

1 consistent with the foregoing breakdown. The Parties understand that the Named Plaintiff and
2 Participating Class Members who receive an Individual Settlement Payment pursuant to this
3 Agreement shall be solely responsible for any and all tax obligations associated with such receipt.

4 c. The Parties stipulate that the Settlement Fund (as defined at Section 50) will
5 qualify as a settlement fund pursuant to the requirements of Section 468(B)(g) of the Internal
6 Revenue Code of 1986, as amended, and Section 1.468B-1 *et seq.* of the federal income tax
7 regulations. Furthermore, the Settlement Administrator is designated as the “Administrator” of
8 the qualified settlement funds for purposes of Section 1.468B-2(k) of the income tax regulations.
9 Accordingly, all taxes imposed on the gross income of the Settlement Fund and any tax-related
10 expenses arising from any income tax return or other reporting document that may be required by
11 the Internal Revenue Service or any state or local taxing body will be paid from the Settlement
12 Fund.

13 d. All Parties represent and acknowledge that nothing in this Agreement
14 constitutes tax advice regarding the tax treatment of payments under federal, state, or local law.
15 Participating Class Members will assume any such tax obligations or consequences that may arise
16 from this Agreement and Class Members shall not seek any indemnification from the Parties or
17 any of the Released Parties, nor from Counsel for any of the Parties, in this regard. In the event
18 that any taxing body determines that additional taxes are due from any Class Member, such Class
19 Member assumes all responsibility for the payment of such taxes.

20 46. Notice Procedure. Within 10 business days after entry of the Preliminary Approval
21 Order, Defendants will provide to the Settlement Administrator a list of Class Members that
22 identifies each Class Member by name, Social Security Number, and last-known address; specifies
23 the employment dates of each Class Member in a non-exempt position during the Class Period;
24 and provides the number of Workweeks worked by each Class Member during the Class Period
25 and the PAGA Period and the amount payable to each Class Member (the “Class List”).
26 Defendants will provide the Class List in an Excel file or other format reasonably acceptable to
27 the Settlement Administrator. The Settlement Administrator will keep the list confidential and use
28 it only for the purposes described in this Agreement.

1 a. Defendants will provide to Class Counsel a copy of the Class List (without
2 names, contact information, or social security numbers) to verify Defendants' calculation of
3 Workweeks worked and amounts payable to Class Members. Class Counsel will review the same
4 to determine if the calculation of payments to Class Members and Aggrieved Employees is
5 consistent with this Settlement Agreement. Class Counsel will notify Defendants' counsel and the
6 Settlement Administrator within seven calendar days if any of the calculations are incorrect.

7 b. Upon receipt of the Class List, the Settlement Administrator will check
8 Defendants' calculations of amounts payable to Class Members and Aggrieved Employees to
9 confirm the accuracy of Defendants' calculations.

10 c. Upon receipt of the Class List, the Settlement Administrator shall perform
11 a search based upon the National Change of Address Database to update and correct any known
12 or identifiable address changes. The Settlement Administrator shall exercise its best judgment to
13 determine the current mailing address for each Class Member. Within 15 calendar days after
14 receipt of the Class List from Defendants, the Settlement Administrator will send the Class Notice,
15 in English and in Spanish, to each Class Member via First Class U.S. Mail. Receipt of the Class
16 Notice shall be presumed as to each and every Class Member whose Class Notice is not returned
17 to the Settlement Administrator as undeliverable within 15 calendar days after mailing.

18 d. The Settlement Administrator will re-mail any notice packet returned by the
19 United States Postal Service with a forwarding address on or before the expiration of the Notice
20 Period. It shall be conclusively presumed that those Class Members whose re-mailed Class Notice
21 is not returned to the Settlement Administrator as undeliverable within 15 calendar days after re-
22 mailing, received the Class Notice. Class Members who receive a re-mailed Class Notice shall
23 have their Notice Period extended 15 calendar days.

24 e. The Settlement Administrator will use the appropriate skip tracing and
25 National Change of Address searches to increase the likelihood of delivery of the Class Notice to
26 Class Members, and to re-mail the notice packets returned by the Postal Service without a
27 forwarding address upon locating new or alternate addresses after a reasonable search.

28 f. Class Counsel will provide to the Court, in connection with seeking final

1 approval of the Settlement, a declaration from the Settlement Administrator confirming that the
2 Class Notice was mailed to all Class Members as required by this Agreement, as well as any
3 additional information Class Counsel deems appropriate to provide to the Court.

4 47. Dispute Procedure. The Class Notice will include a procedure by which a Class
5 Member may dispute the number of Workweeks allocated to the Class Member by submitting a
6 written dispute sent via U.S. Mail to the Settlement Administrator postmarked no later than the
7 expiration of the Notice Period (“Workweek Dispute”). To be valid, a Workweek Dispute must
8 contain the following: (i) the Class Member’s full name, current address, and signature; (ii) the
9 Action name and case number; (iii) the number of Workweeks the Class Member maintains is
10 correct; and (iv) documentary evidence sufficient to prove that Defendants’ calculation of the
11 Workweeks for the Class Member is incorrect. Upon receipt of notice of a Workweek Dispute,
12 the Settlement Administrator shall promptly serve Class Counsel and Defendants’ counsel with a
13 copy of the Workweek Dispute and any accompanying papers. No Workweek Dispute shall be
14 effective or considered for any purpose unless it is timely mailed by U.S. mail to and received by
15 the Settlement Administrator as provided above. Defendants shall have the right to respond to the
16 Workweek Dispute by any Class Member. All information and documents relating to any such
17 disputes will be provided to Class Counsel, who shall be allowed to participate in the resolution of
18 the Workweek Dispute. The Settlement Administrator will resolve the Workweek Dispute and
19 make a final and binding determination without hearing or right of appeal. The Settlement
20 Administrator’s determination will be subject to review by the Court at the time of the Final
21 Approval Hearing. If requested by the Court, Class Counsel shall be responsible for filing the
22 Notices of Dispute, including the accompanying documentation, with the Court in advance of the
23 Final Approval Hearing.

24 a. Within 10 calendar days after the close of the Notice Period, the Settlement
25 Administrator will provide Class Counsel and Defendants’ counsel with a report listing the amount
26 of all Individual Settlement Payments and PAGA Payments to be made to Participating Class
27 Members and Aggrieved Employees. The report to Class Counsel will not include the names or
28 contact information of Participating Class Members and Aggrieved Employees. After receiving

1 the Settlement Administrator's report, Class Counsel and Defendants' counsel shall review the
2 same to determine if the calculation of payments to Participating Class Members and Aggrieved
3 Employees is consistent with this Settlement Agreement.

4 48. Opt-Out Procedure. Unless a Class Member opts out of the Settlement, the Class
5 Member will be bound by the terms and conditions of this Agreement, including the release
6 provisions. A Class Member will not be entitled to opt out of the Settlement unless the Class
7 Member timely signs the Opt-Out Form attached as **Exhibit B** to this Agreement and returns the
8 form so that it is postmarked on or before the expiration of the Notice Period.

9 a. Upon receipt of any Opt-Out Form within the Notice Period, the Settlement
10 Administrator will review the request to verify the information contained in the Opt-Out Form,
11 and to confirm that the request complies with the requirements of this Agreement.

12 b. Any Class Member who fails to submit a timely, complete and valid Opt-
13 Out Form will be barred from opting out of the Settlement, unless otherwise ordered by the Court.
14 The Settlement Administrator will not review or consider any opt-out request postmarked after the
15 expiration of the Notice Period, but will report its receipt of any such requests to Class Counsel
16 and counsel for Defendants. It shall be presumed that, if an Opt-Out Form is not postmarked on
17 or before the end of the Notice Period, the Class Member did not make the request in a timely
18 manner. A declaration submitted by any Class Member attesting to the mailing of an Opt-Out
19 Form on or before the expiration of the Notice Period will not be sufficient to overcome the
20 presumption that the Opt-Out Form was not postmarked on or before the expiration of the Notice
21 Period. Under no circumstances shall the Settlement Administrator have the authority to extend
22 the deadline for Class Members to file a request to opt out of the Settlement without Defendants'
23 written consent or an Order from the Court, except for the 15-day extension of a Class Member's
24 Notice Period due to a re-mailed Class Notice, as set forth in Section 46.d, above.

25 c. At the close of the opt-out period, the Settlement Administrator shall report
26 the names of all individuals who opted-out of the Agreement to the parties and include this
27 information in a Declaration regarding the distribution of the notice that will be provided in support
28 of Plaintiff's Motion for Final Approval.

d. If 5% or more of the Class Members timely opt out of the settlement, either Defendant will have the sole and absolute discretion to withdraw from this Agreement within 10 business days after Defendants receive notice of the number of opt outs. To withdraw from the Settlement, the withdrawing Defendant will provide written notice to Class Counsel that it intends to withdraw from this Agreement. In the event that either Defendant elects to so withdraw, the withdrawal shall have the same effect as a termination of this Agreement for failure to satisfy a condition of settlement, and the Agreement shall become null and void and have no further force or effect, and the class certified pursuant to this Agreement will be decertified for all purposes. If either Defendant chooses to terminate this Settlement Agreement under this provision, it shall be responsible to pay the Settlement Administration Costs.

49. Objections To Settlement. Any Class Member may object to the Settlement. Any written objection must be mailed to the Settlement Administrator (who shall promptly provide a copy to Class Counsel and counsel for Defendants) by the close of the Notice Period. Class Counsel will ensure that any written objections get filed with the Court concurrently with the final approval documents. Class Members who have not objected in writing may still appear and be heard at the final fairness.

a. Written objections to the Settlement must contain at least the following: (i) the objecting Class Member's full name, current address, and signature; (ii) a clear reference to the Action; and (iii) a statement of the specific reasons why the objector believes the Settlement is unfair or objects to the Settlement. Participating Class Members may also use the Objection Form attached as **Exhibit C** to this Agreement. All objections shall be signed by the objecting Class Member or the Class Member's legally authorized representative.

b. Class Counsel or Defendants' counsel may, before the final approval hearing, file responses to any written objections submitted to the Court.

c. Unless they opt out of the Settlement as specified in Section 48, Class Members who object to the proposed settlement or the Agreement will remain Participating Class Members, and shall be deemed to have voluntarily waived their right to pursue an independent remedy against Defendants and the other Released Parties. To the extent any Participating Class

1 Member objects to the proposed settlement or Agreement and such objection is overruled in whole
2 or in part, such individuals will be bound by the Court's Final Approval Order.

3 d. In the event that any person objects to or opposes this proposed settlement
4 or the Agreement, or attempts to intervene in or otherwise enter the Action, the Parties and Class
5 Counsel will use their best efforts to defend the Settlement.

6 e. In the event that a Class Member timely submits both an objection and an
7 opt-out request, the objection will be rejected and the opt-out accepted, as a class member who
8 opts-out of the Agreement is not a class member and no longer has grounds to object to the
9 settlement.

10 50. Funding And Distribution Of Settlement. Within 14 calendar days of the close of
11 the Notice Period, the Settlement Administrator will provide a draft declaration to Class Counsel
12 and Defendants' counsel of the number of Participating Class Members, the identity of those
13 individuals who opted-out of the Settlement, the total amount payable to all Participating Class
14 Members, the PAGA Payment, Attorneys' Fees and Costs, the Enhancement Award, and the costs
15 of settlement administration. Within five business days after the Effective Date, Defendants shall
16 remit to the Settlement Administrator the Gross Settlement Amount of \$740,000.00 (the
17 "Settlement Fund"). The delivery by Defendants of the Settlement Fund to the Settlement
18 Administrator will constitute the full and complete discharge of the entire obligation of Defendants
19 under this Agreement. No Released Party will have any further obligation or liability to the Named
20 Plaintiff, Participating Class Members, Aggrieved Employees, or Class Counsel under this
21 Agreement, regardless of whether the Named Plaintiff, Participating Class Members, Aggrieved
22 Employees, or Class Counsel receive the payments from the Settlement Administrator set forth in
23 this Agreement.

24 a. The distribution of Individual Settlement Payments to Participating Class
25 Members and PAGA Payments to Aggrieved Employees will occur no later than 15 business days
26 after receipt of the Settlement Fund from Defendants ("Settlement Proceeds Distribution
27 Deadline"). The Settlement Administrator shall be deemed to have timely distributed Individual
28 Settlement Payments and PAGA Payments if it places in the mail Individual Settlement Payments

1 for all Participating Class Members and PAGA Payments for all Aggrieved Employees by the
2 Settlement Proceeds Distribution Deadline. No person will have any claim against the Settlement
3 Administrator, Defendants, Class Counsel, Defendants' counsel, or any other agent designated by
4 the Named Plaintiff or Class Counsel based upon the distribution of Individual Settlement
5 Payments and PAGA Payments made substantially in accordance with this Agreement or further
6 orders of the Court.

7 b. The distribution of the LWDA Payment, Attorneys' Fees and Costs, and the
8 Enhancement Award shall occur no later than 15 business days after the Settlement Administrator
9 receives the Settlement Fund from Defendants.

10 c. If a Participating Class Member's or Aggrieved Employee's check is
11 returned to the Settlement Administrator, the Settlement Administrator will make reasonable
12 efforts to re-mail it to the Participating Class Member or Aggrieved Employee at the correct
13 address. It is expressly understood and agreed that the checks for the Individual Settlement
14 Payments and PAGA Payments will become void and no longer available if not cashed within 180
15 days after mailing. The funds from uncashed and voided checks will will be allocated to [Legal](#)
16 [Aid at Work](#), a suitable *cy pres* recipient following California's standards.

17 d. Defendants will not be obligated to make any payments contemplated by
18 this Agreement unless and until the Court enters the Final Order and Judgment, and after the
19 Effective Date of the Agreement.

20 51. Binding Effect Of Agreement On Class Members. Subject to final Court approval
21 and the occurrence of the Effective Date, and unless otherwise provided in this Agreement, all
22 Participating Class Members will be bound by this Agreement.

23 52. Binding Effect Of Agreement On Aggrieved Employees and State of California.
24 The Aggrieved Employees and the State of California are deemed by operation of the Final Order
25 and Judgment to have agreed not to sue or otherwise make a claim against any of the Released
26 Parties for civil penalties under Labor Code § 558 and Labor Code §§ 2698 *et seq.* for the Settled
27 Claims that arose during the PAGA Period.

28 53. Provisional Approval Of Settlement. Named Plaintiff will file a motion in the

1 Action requesting that the Court enter the Preliminary Approval Order within 30 days of the
2 complete execution of this Agreement. Defendants will not oppose Class Counsel's motion for
3 preliminary approval of the settlement so long as the motion and supporting papers are consistent
4 with the terms of this Agreement. Class Counsel will provide Defendants' counsel with a
5 reasonable opportunity to review, and provide comments to, the motion for preliminary approval
6 of the settlement before the motion and supporting papers are filed with the Court.
7 Notwithstanding the foregoing, Defendants may, without opposing the preliminary approval
8 motion, advise the Court if Defendants disagree with any of the factual statements included by the
9 Named Plaintiff in the motion and supporting papers. Defendants' counsel will meet and confer
10 with Class Counsel regarding any disputed factual statements before notifying the Court of any
11 disputes.

12 54. Non-Interference With Claims Procedure. The Parties and their counsel agree that
13 they will not advise, solicit, or otherwise encourage any Class Members to submit requests for
14 exclusion or objections to the settlement or to appeal from the Final Order and Judgment.

15 55. Automatic Voiding Of Agreement If Settlement Not Finalized. If for any reason
16 the settlement set forth in this Agreement does not become final, the settlement will be null and
17 void and the orders, judgment, and dismissal to be entered pursuant to this Agreement shall be
18 vacated, and the Parties will be returned to the status quo prior to entering this Agreement with
19 respect to the Action, as if the Parties had never entered into this Agreement, and the class certified
20 pursuant to this Agreement will be decertified for all purposes. In addition, in such event, the
21 Agreement and all negotiations, court orders and proceedings relating to this Agreement shall be
22 without prejudice to the rights of any and all parties to this Agreement, and evidence relating to
23 the Agreement and all negotiations shall not be admissible or discoverable in the Action or
24 otherwise.

25 56. No Double Recovery. No person who has already released, assigned, or otherwise
26 forfeited the claims asserted in the Action will be considered a Class Member or entitled to recover
27 under this Agreement.

28 57. No Publicity. The Named Plaintiff and Class Counsel agree that they shall not

1 discuss, answer questions about, promote, or publicize the filing of the Action, the Parties'
2 settlement, this Agreement and its terms, or the negotiations leading to this Agreement with anyone
3 other than the Court or those individuals necessary to effectuate the terms of the Agreement. The
4 prohibition set forth in this Section 57 includes, but is not limited to: (i) publication by Named
5 Plaintiff or Class Counsel on any website (including, without limitation, publishing on any Twitter
6 account, Facebook, other social media, or blog, or business website) of the amount or terms of the
7 settlement, with or without identifying information; and (ii) the submission of information to
8 Verdicts & Settlements or any other publication that summarizes the results of jury verdicts and
9 settlements.

10 a. Notwithstanding the foregoing, Class Counsel may respond to questions
11 received from, and discuss any aspect of this Agreement with the Class Members or their legal
12 representatives, the Settlement Administrator, the Court, and representatives of the California
13 Labor and Workforce Development Agency.

14 b. Notwithstanding the foregoing nothing in this section shall prohibit the filing
15 of information relating to the Settlement in public court documents or from being posted online
16 through the filing of the settlement and approval documents with the California Labor and
17 Workforce Development Agency or the online posting of documents relating to the Action by the
18 Settlement Administrator including the Judgment entered by the Court.

19 c. The Named Plaintiff and Class Counsel agree that all data and information
20 informally produced by Defendants in connection with this Action will be maintained in
21 confidence, and will be returned or destroyed within 15 calendar days after the Effective Date.

22 58. Invalidation Of Agreement For Failure To Satisfy Conditions. If the Court makes
23 material changes to the material terms or conditions of Sections 1 through 57 of this Agreement
24 that are not agreed to by the Parties, either Party shall have the right to terminate this Agreement,
25 in which case Defendants would not be obligated to make any payments to any Class Member, to
26 Class Counsel, or to the Named Plaintiff. The Parties shall meet and confer before exercising such
27 right.

28 59. Modification In Writing. This Agreement may be altered, amended, modified or

1 waived, in whole or in part, only in a writing signed by Class Counsel and Defendants' counsel,
2 and subject to Court approval. This Agreement may not be amended, altered, modified or waived,
3 in whole or in part, orally.

4 60. Ongoing Cooperation. The Named Plaintiff and Defendants will execute all
5 documents and perform all acts necessary and proper to effectuate the terms of this Agreement.
6 The execution of such documents must take place prior to the Final Hearing Date. In the event the
7 Parties are unable to reach agreement on the form or content of any document needed to implement
8 the Settlement, or any supplemental provisions that may become necessary to effectuate the terms
9 of the Settlement, the Parties agree to seek the assistance of the Court.

10 61. Notices. All notices, requests, demands and other communications required or
11 permitted to be given pursuant to this Agreement shall be in writing, and shall be delivered
12 personally or by first class mail to the Settlement Administrator approved by the Court and the
13 undersigned persons at their respective addresses as set forth below:

14 **CLASS COUNSEL**

15 JAMES HAWKINS APLC
16 James R. Hawkins, Esq.
17 Isandra Fernandez, Esq.
18 9880 Research Drive, Suite 200
19 Irvine, California 92618
20 Telephone: 949-387-7200
21 Facsimile: 949-387-6676

22 **COUNSEL FOR BLOWER-DEMPSAY CORPORATION**

23 Brian C. Sinclair, Esq.
24 RUTAN & TUCKER, LLP
25 18575 Jamboree Road, 9th Floor
26 Irvine, California 92612
27 Telephone: (714) 641-5100
28

COUNSEL FOR LYNEER

Stacey M. Cooper, Esq.
STACEY COOPER LAW P.C.
888 Prospect Street, Suite 200
La Jolla, California 92037
Telephone: (619) 673-5022

62. Binding on Successors. This Agreement will be binding upon and will inure to the benefit of the Parties and their respective successors, assigns, executors, administrators, heirs and legal representatives.

63. Entire Agreement. This Agreement constitutes the full, complete and entire understanding, agreement and arrangement between the Named Plaintiff, the Class Members, and the Aggrieved Employees, on the one hand, and Defendants, on the other hand, with respect to the settlement of the Action. This Agreement supersedes any and all prior oral or written understandings, agreements and arrangements between the Parties with respect to the settlement of the Action. Except for those set forth expressly in this Agreement, there are no other agreements, covenants, promises, representations or arrangements between the Parties with respect to the settlement of the Action and the Settled Claims against the Released Parties. The Parties explicitly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a), which provide that a written agreement is to be construed according to its terms, and may not be varied or contradicted by extrinsic evidence, and agree that no such extrinsic oral or written representations or terms shall modify, vary, or contradict the terms of this Agreement.

64. Execution In Counterparts. This Agreement may be signed in one or more counterparts. All executed copies of this Settlement Agreement, and photocopies of the Agreement (including facsimile and e-mail copies of the signature pages, including electronic signatures), shall have the same force and effect and shall be as legally binding and enforceable as the original.

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

1 66. Governing Law. This Agreement shall be interpreted, construed, enforced, and
2 administered in accordance with the laws of the State of California, without regard to conflict of
3 law rules.

4 67. Reservation Of Jurisdiction. Notwithstanding the dismissal of the Action and entry
5 of the Final Order and Judgment, the Court shall retain jurisdiction for purposes of interpreting
6 and enforcing the terms of this Agreement.

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

12 69. Representation and Warranties. Class Counsel and the Named Plaintiff represent
13 and warrant to Defendants that they are not aware of any attorneys beyond those named as Class
14 Counsel who have claims for fees arising out of the Action or the Settlement contemplated by this
15 Agreement.

16 70. Authorization to Act. Each Party to this Agreement covenants and warrants that
17 (a) such Party has full power and authority to enter into and consummate all transactions
18 contemplated by this Agreement and have duly authorized the execution, delivery and performance
19 of this Agreement and (b) the person executing this Agreement for such Party has the full right,
20 power and authority to enter into this Agreement on behalf of such Party, and the full right, power
21 and authority to execute any and all necessary instruments in connection with the Settlement, and
22 to fully bind such Party to the terms and obligations of this Agreement.

23 71. Representation By Counsel. The Parties acknowledge that each of them has been
24 represented by their respective counsel throughout all negotiations that preceded the execution of
25 this Agreement, and that this Agreement has been executed with the consent and advice of their
26 respective counsel. Further, the Named Plaintiff and Class Counsel warrant and represent that
27 there are no liens on the Settlement Agreement, and that after entry by the Court of the Final Order
28 and Judgment, the Settlement Administrator may distribute funds to Participating Class Members,

1 Aggrieved Employees, Class Counsel, the LWDA, and the Named Plaintiff as provided by this
2 Agreement.

3 72. Representation By The Named Plaintiff. The Named Plaintiff agrees not to request
4 to be excluded from the Class and not to object to any terms of this Agreement. Any such request
5 by the Named Plaintiff for exclusion or objection shall be void and of no force or effect.

6 73. Additional Attorneys' Fees and Costs. No Participating Class Member, Aggrieved
7 Employee, or Class Counsel, or any other attorney acting for any Participating Class Member or
8 Aggrieved Employee, may recover or seek to recover any amounts for fees, costs, or disbursements
9 arising from the Action or the Gross Settlement Amount from the Released Parties except as
10 expressly provided in this Agreement.

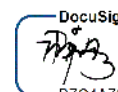
11 74. No Reliance on Representations. The Parties have made such investigations of the
12 facts and the law pertaining to the matters described in this Agreement as they deem necessary,
13 and have not relied, and do not rely, on any statement, promise, or representation of fact or law,
14 made by any other Party, or any of their agents, employees, attorneys, or representatives, with
15 regard to any of their rights or asserted rights, or with regard to the advisability of making and
16 executing this Agreement, or with respect to any such matters. No representations, warranties, or
17 inducements have been made to any Party concerning this Agreement.

18 75. No Collateral Attack. This Agreement will not be subject to collateral attack by
19 any Class Member or any recipient of the Class Notice after the Final Order and Dismissal. Such
20 prohibited collateral attacks shall include but not be limited to claims that the Class Member failed
21 for any reason to receive timely notice of the procedure for disputing the calculation of his or her
22 Individual Settlement Payment, PAGA Payment, or for opting out of the Settlement.

23 IT IS SO AGREED:

24 Dated: 11/2/2022
25 _____

MEYBELL PEREZ

DocuSigned by:

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Meybell Perez
Named Plaintiff

1 Dated: October __, 2022

BLOWER-DEMPSAY CORPORATION

2 By: _____

3 Title: _____

4

5 Dated: October __, 2022

LYNEER STAFFING SOLUTIONS, LLC

6 By: _____

7 Title: _____

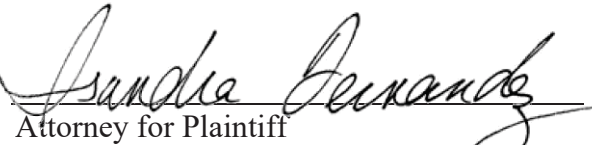
8

9

10 APPROVED AS TO FORM AND CONTENT AND
11 AGREE TO BE BOUND BY PARAGRAPH 57:

12 Dated: October 25, 2022

JAMES HAWKINS, APLC

13 By: 
14 Attorney for Plaintiff

15

16

17 APPROVED AS TO FORM AND CONTENT:

18 Dated: October __, 2022

RUTAN & TUCKER, LLP

19 By: _____

Attorney for Defendant

BLOWER-DEMPSAY CORPORATION

20

21

22

23 Dated: October __, 2022

STACEY COOPER LAW P.C.

24 By: _____

Attorney for Defendant

LYNEER STAFFING SOLUTIONS, LLC

1 Dated: October 31, 2022

BLOWER-DEMPSAY CORPORATION

2
3 By: [Signature]

4 Title: President

5 Dated: November __, 2022

LYNEER STAFFING SOLUTIONS, LLC

6
7 By: _____

8 Title: _____

9
10 APPROVED AS TO FORM AND CONTENT AND
11 AGREE TO BE BOUND BY PARAGRAPH 57:

12 Dated: November __, 2022

JAMES HAWKINS, APLC

13
14 By: _____

Attorney for Plaintiff

15
16
17 APPROVED AS TO FORM AND CONTENT:

18 Dated: October 31, 2022

RUTAN & TUCKER, LLP

19
20 By: Brian C. Sinclair

Attorney for Defendant

BLOWER-DEMPSAY CORPORATION

21
22
23 Dated: November __, 2022

STACEY COOPER LAW P.C.

24
25 By: _____

Attorney for Defendant

LYNEER STAFFING SOLUTIONS, LLC

1 Dated: October ___, 2022

BLOWER-DEMPSAY CORPORATION

2 By: _____

3 Title: _____

4

5 Dated: October 31, 2022

LYNEER STAFFING SOLUTIONS, LLC

6 By: James A. Rudy

7 Title: CFO

8

9

10 APPROVED AS TO FORM AND CONTENT AND

11 AGREE TO BE BOUND BY PARAGRAPH 57:

12 Dated: October ___, 2022

JAMES HAWKINS, APLC

13 By: _____

14 Attorney for Plaintiff

15

16

17 APPROVED AS TO FORM AND CONTENT:

18 Dated: October ___, 2022

RUTAN & TUCKER, LLP

19 By: _____

20 Attorney for Defendant

21 BLOWER-DEMPSAY CORPORATION

22

23 Dated: October 31, 2022

STACEY COOPER LAW P.C.

24 By: Stacy M. Cooper

25 Attorney for Defendant

26 LYNEER STAFFING SOLUTIONS, LLC

EXHIBIT A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Meybell Perez v. Blower Dempsay Corporation and Lyneer Staffing Solutions, LLC.
Orange County Superior Court, Case No 30-2020-01140589CU-OE-CXC

**THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION.
PLEASE READ THIS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.**

To: All current and former employees who worked in a non-exempt position and were employed by either Blower-Dempsay Corporation or Lyneer Staffing Solutions, LLC; and (2) worked in the Pacific Western Container division (“PWC”) in the state of California at any time between May 26, 2016 and [date of preliminary approval or February 28, 2023]

BACKGROUND INFORMATION

1. What is this settlement about?

A lawsuit was commenced by Meybell Perez (“Plaintiff”), a former employee of Lyneer Staffing Solutions who was assigned to work in the Pacific Western Division of Blower-Dempsay. The case is currently pending in the Orange County Superior Court, Case No. 30-2020-01140589-CU-OE-CXC.

The lawsuit claims that Lyneer Staffing Solutions, LLC and Blower-Dempsay Corporation (collectively, “Defendants”) violated various sections of the California Labor Code. Specifically, Plaintiff alleges that Defendants failed to provide compliant meal periods and rest breaks and associated premium pay, did not properly pay employees all wages owed for time worked, did not provide accurate wage statements, did not timely pay all wages during employment and all wages owed at termination of employment, and failed to reimburse employees for necessary business expenses. The settlement also seeks to recover penalties pursuant to the California Private Attorneys General Act (“PAGA”). The lawsuit claims that the Defendants violated the California Labor Code and the California Business and Professions Code, entitling Class Members to, *inter alia*, damages, penalties and restitution. Defendants deny all alleged violations and further deny that they owe the Class Members any remedies. The Court has not made a ruling on the merits of the case.

2. Why is this a class action?

In a class action, one or more people called the Class Representative (in this case, Meybell Perez) sue on behalf of people who appear to have similar claims. All these people are referred to here as Class Members. In a class action, the court resolves the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. The Orange County Superior Court is overseeing this class action.

3. Why is there a settlement?

The Court has not decided in favor of the Plaintiff or Defendants. Instead, both sides agreed to a settlement, which is memorialized in the Settlement Agreement and Stipulation to Resolve Class Action and PAGA Claims (“Agreement” or “Settlement”). On [date of preliminary approval or February 28, 2023, whichever is earlier], the Court granted preliminary approval of the Settlement, appointed plaintiff Meybell Perez as the Class Representative, and appointed her attorneys at James Hawkins APLC as counsel for the Class (“Class Counsel”).

The Class Representative and Class Counsel think the Settlement is best for the Class.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the settlement?

You are part of the Settlement, and a Class Member, if you were a non-exempt employee who (1) was employed by either Blower-Dempsay Corporation or Lyneer Staffing Solutions, LLC; and (2) worked in the Pacific Western Container division (“PWC”) of Blower-Dempsay Corporation between May 26, 2016 and [date of preliminary approval or February 28, 2023, whichever is earlier].

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What does the settlement provide?

The Settlement provides that Defendants will pay a maximum of \$740,000 (“Gross Settlement Amount”). This includes all costs and attorneys’ fees for Class Counsel.

The “Net Settlement Amount” is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** not to exceed 33.3333% of the Gross Settlement Amount or \$246,666.42;
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed \$18,000;
- C. **Enhancement Payment to the Class Representative** in an amount not to exceed \$5,000;
- D. **Settlement Administration Costs**, which are currently estimated to be \$15,000; and
- E. **PAGA Payment** in the amount of \$25,000 for the settlement of claims arising under the PAGA). Seventy-Five percent (75%) of this amount (\$18,750) shall be paid to the LWDA. The remaining 25% of this amount (\$6,250) will be distributed to non-exempt employees who worked for Defendants in California at any time between April 6, 2019, and [date of preliminary approval or February 28, 2023, whichever is earlier] for the release of their claims arising under PAGA.

The amount you are eligible to receive from the class portion of the settlement – your “Individual Settlement Payment” – will be determined on a *pro rata* basis, based on the number of weeks you worked in California as a non-exempt employee of Defendants from May 26, 2016 and [date of preliminary approval or February 28, 2023, whichever is earlier] (“Workweeks”). Your Individual Settlement Payment includes both your estimated share of the Net Settlement Amount and, if eligible, your share of the PAGA Payment.

Your Individual Settlement Payment will be apportioned as 40% to wages, 40% to interest and 20% to penalties. The wage portion of the Individual Settlement Payment will be subject to withholding for the employee taxes and will be reported on a W-2 Form. The penalties and interest portions of each class member’s settlement payment will not be subject to any withholdings and may be reported on an IRS Form 1099.

You worked **XXX** workweeks during the class period. Your Individual Settlement Payment is **\$XXX.XX**. This amount is an estimate and is subject to change. You also may be entitled to a small portion of the PAGA Payment if you worked in the PWC division of Blower-Dempsay between April 6, 2019, and **[date of preliminary approval or February 28, 2023, whichever is earlier]**.

This Amount was determined based on Defendants' records of your employment between May 26, 2016 and **[date of preliminary approval or February 28, 2023, whichever is earlier]** and is presumed correct. If you dispute the accuracy of Defendants' records as to the number of weeks you worked in the PWC division of Blower-Dempsay during the Class Period, provide any documentation you have supporting such dispute by **[DATE]**. All disputes regarding your workweeks will be resolved and decided by the Settlement Administrator subject to review by the Court. The Settlement Administrator's contact information is listed below:

Simpluris, Inc.
3194-C Airport Loop Drive
Costa Mesa, California 92626
800-779-2104
[e-mail address]
www.simpluris.com

HOW TO GET A PAYMENT FROM THE SETTLEMENT

6. How can I get a payment?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

7. What am I giving up if I do not request to be excluded from the Settlement?

Upon the funding of the Gross Settlement Amount by Defendants, in exchange for the consideration set forth by the Settlement, Class Members who do not submit a timely Opt-Out Form will release the Released Parties from the "Settled Claims" that arose during the Class Period.

The "Released Parties" include Blower-Dempsay Corporation, Lyneer Staffing Solutions, LLC, and their respective past, present, and future predecessors, successors, assigns, shareholders, members, owners, officers, directors, investors, employees, managers, managing agents, partners, affiliated companies or entities, parents, holding companies, divisions, agents, attorneys, insurers, and representatives.

The "Settled Claims" include any and all claims, known or unknown, contingent or accrued, against Defendants and the other Released Parties that (a) arise from the facts, matters, transactions or occurrences alleged in the Action or that could have been alleged in the Action based on such facts; or (b) arise from the facts, matters, transactions or occurrences alleged, or that could have been alleged, in the letter sent by Class Counsel to the Labor and Workforce Development Agency ("LWDA") on or about April 22, 2020, asserting that Defendants violated various provisions of the Labor Code. Without limiting the foregoing, and in addition to the foregoing, the Settled Claims include claims for failure to pay the minimum wage, failure to pay regular wages, failure to pay overtime compensation and other premium wages, off-the-clock work, failure to provide and maintain complete and accurate itemized wage statements that included all information required by the California Labor Code; failure to provide meal periods and rest breaks or additional pay in lieu thereof; failure to reimburse business expenses; untimely payment of wages during and at the time of termination; violations of California Labor Code §§ 201, 202, 203, 204, 210, 218.6, 225.5, 226, 226.3, 226.7, 510, 511, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, the applicable California Wage Order, and all related or corresponding federal laws, including the Fair Labor Standards Act; violation of California Business and Professions Code Section 17200 et seq.; and claims under California Labor Code Section 2698 et seq.

The “Class Period” during which the release of Released Claims pertains is from May 26, 2016 and [date of preliminary approval or February 28, 2023, whichever is earlier].

All Class Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged any and all Released Claims arising under PAGA with respect to all of the Released Parties irrespective of whether a Class Member chooses to opt out of the Settlement.

EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

If you want to keep the right to sue or continue to sue Defendants with respect to the Released Claims (other than those which arise under the PAGA, then you must submit an Opt-Out Form, a copy of which is included with this Class Notice. If you exclude yourself, you will not receive payment from Net Settlement Amount. However, if eligible, you will still receive a payment in an amount equal to your estimated *pro rata* share of the PAGA Payment because the Opt-Out Form does not apply to this claim.

8. How can I not participate in the Settlement?

To exclude yourself from the release of Settled Claims, you must submit to the Settlement Administrator the Opt-Out Form accompanying this Class Notice to the address listed in the Opt-Out Form. The Opt-Out Form must be returned so that it is postmarked on or before [end of notice period]. You cannot exclude yourself by phone.

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount and you cannot object to the Settlement. You will not be legally bound by the release of Settled Claims, except for Settled Claims that arise under the PAGA (California Labor Code sections 2698 *et seq.*).

You may be able to sue Defendants and/or the Released Parties or continue any suit you have pending against Defendants or the Released Parties, regarding the Settled Claims, except for Settled Claims that arise under the PAGA.

9. If I don’t exclude myself, can I sue Defendants for the same thing later?

No. Unless you submit an Opt-Out Form requesting to be excluded from the settlement, you give up the right to sue Defendants and the Released Parties for the Settled Claims. If you have a pending lawsuit involving the Settled Claims, speak to your lawyer in that lawsuit immediately.

10. If I exclude myself, can I get money from this settlement?

No. You will not receive money from the Net Settlement Amount. If you worked between April 6, 2019 and [date of preliminary approval or February 28, 2023, whichever is earlier], you still will receive a share of the PAGA Payment as an Opt-Out Request does not apply to this claim.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court has approved JAMES HAWKINS APLC as Class Counsel. The firms’ contact information is as follows:

JAMES HAWKINS APLC

James R. Hawkins, Esq.
Isandra Fernandez, Esq.)
9880 Research Drive, Suite 200
Irvine, California 92618
Telephone: 949-387-7200
Facsimile: 949-387-6676

Class Counsel will ask the Court for attorneys' fees of up to \$246,660.42 and reimbursement of litigation cost/expenses of up to \$18,000. These amounts are subject to Court approval and the Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

You can object to the Settlement or some part of it.

12. How do I tell the Court if I don't like the settlement?

You can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you must submit to the Settlement Administrator the Objection Form accompanying this Class Notice to the address listed in the Objection Form. You may also come to the Final Approval Hearing on [DATE] and make an objection at that time, regardless of whether you submitted a written objection.

13. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). You may attend, but you do not have to attend.

14. When and where will the Court decide whether to approve the settlement?

The Court will hold the Final Approval Hearing at [] a.m./p.m. on [], 202[], at the Orange County Superior Court located at 751 W Santa Ana Blvd, Santa Ana, CA 92701 in Department CX102.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them.

15. Do I have to come to the hearing?

No. If you agree to the Settlement, you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf.

16. How will I learn if the settlement was approved?

A notice of final judgment will be posted on the Settlement Administrator's website located at www._____.com.

IF YOU DO NOTHING

17. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Settlement, and you will release the Settled Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants or the Released Parties about the Settled Claims, ever again. Your Individual Settlement Payment will be mailed to you and remain valid and negotiable for 180 days. If you do not cash your settlement check within 180 days, these funds will be reallocated and sent to Legal Aid at Work, a non-profit organization..

GETTING MORE INFORMATION

18. How do I get more information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by contacting the Settlement Administrator or Class Counsel. You may also review the documents that have been filed in this matter with the Court (for a fee) on the Court's website: <https://www.occourts.org/online-services/case-access>

WHAT IF MY INFORMATION CHANGES?

19. What if my contact information changes?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

**DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR
THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE**

EXHIBIT B

Perez v. Blower-Dempsay Corporation, et al.
Orange County Superior Court, Case No. 30-2020-01140589CU-OE-CXC

OPT-OUT FORM

MAIL OR FAX TO:

Blower-Dempsay/Lyneer Settlement Administrator
3194-C Airport Loop Drive
Costa Mesa, California 92626
Fax: (***) ***-****

IF YOU WISH TO PARTICIPATE IN THE SETTLEMENT AND RECEIVE THE PAYMENT SPECIFIED IN THE CLASS NOTICE THAT YOU RECEIVED, **DO NOT** FILL OUT THIS FORM.

COMPLETE THIS FORM **ONLY IF** YOU WISH TO EXCLUDE YOURSELF FROM THE CLASS PORTION OF THE SETTLEMENT. IF YOU EXCLUDE YOURSELF, YOU **WILL NOT** RECEIVE THE PAYMENT SPECIFIED IN THE CLASS NOTICE.

If you opt out of the class portion of the Settlement, you may still receive a payment under the Settlement Agreement under the California Private Attorneys General Act. If you receive such payment, you will be bound by the release of PAGA claims in the Settlement Agreement, even if you opt-out of the class portion of the Settlement.

* * * *

I request to be excluded from the class portion of the Settlement in the matter of *Meybell Perez. v. Blower-Dempsay Corporation, et al.* Orange County Superior Court, Case No. 30-2020-01140589CU-OE-CXC. I understand that, by submitting this Opt-Out Form, I will no longer be eligible for the Individual Settlement Payment specified in the Class Notice that I received.

Sign your name here

Date

Print your name here

IF YOU WISH TO BE EXCLUDED FROM THE CLASS PORTION OF THE SETTLEMENT, YOU MUST MAIL OR FAX THIS OPT-OUT FORM BY _____, 202_ TO THE FOLLOWING ADDRESS OR FAX:

Blower-Dempsay/Lyneer Settlement Administrator
3194-C Airport Loop Drive
Costa Mesa, California 92626
Fax: (***) ***-****

[BAR CODE OR CLASS MEMBER ID WILL BE INCLUDED HERE]

EXHIBIT C

OBJECTION FORM

Meybell Perez v. Blower Dempsay Corporation and Lyneer Staffing Solutions, LLC.
Orange County Superior Court, Case No 30-2020-01140589CU-OE-CXC

Pursuant to the *Settlement Agreement and Stipulation To Resolve Class Action and PAGA Claims*, any Class Member who wishes to object to the proposed Settlement must submit the written objection (“Objection”) using this Objection Form so that it is postmarked or sent by e-mail no later than [insert date]. If the Court approves the Settlement despite your objection, you will still receive a payment mailed to you.

OBJECTION TO CLASS ACTION SETTLEMENT

NOTE: DO NOT FILL OUT OR SEND IN THIS FORM UNLESS YOU OBJECT TO THE TERMS AND/OR CONDITIONS OF THE PROPOSED SETTLEMENT.

Class Member’s Name: _____

Class Member’s Address: _____

Class Member’s Telephone: _____

I received notice of a settlement, and I object to the class action Settlement in the above-referenced case. The reasons for my objection are as follows (attach additional sheets if more space is required).

Please provide copies of any documents that you wish to submit in support of your position.

Dated: _____

_____ (SIGN HERE)

Mail or email this form to: Blower-Dempsay/Lyneer Settlement Administrator
3194-C Airport Loop Drive
Costa Mesa, California 92626
[e-mail address]