

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

2 This Joint Stipulation of Class Action Settlement and Release (“Settlement” or “Settlement
3 Agreement”) is made and entered into by and between Plaintiff David Galvan (“Plaintiff Galvan” or
4 “Class Representative”), as an individual and on behalf of the Settlement Class as defined below, and
5 Dvele, Inc. (“Dvele”) (collectively with Plaintiff Galvan, the “Parties”).

6 Plaintiff Galvan, on behalf of himself and the Settlement Class, and Dvele agree as follows:

7 **DEFINITIONS**

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

10 1. “Action” means the wage and hour class action lawsuit, *David Galvan v. Dvele, Inc., et*
11 *al.*, filed in San Bernardino Superior Court on July 30, 2021, Case No. CIVDS2015802, including the
12 pending amendment to Plaintiff Galvan’s Complaint.

13 2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and
14 approved by the Court for Class Counsel’s litigation and resolution of the Action, and all out-of-pocket
15 costs incurred and to be incurred by Class Counsel in the Action, including but not limited to fees and
16 expenses of experts, investigation expenses, postage, telephone, and photocopying charges, costs
17 associated with documenting the Settlement, providing any notices required as part of the Settlement or
18 Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining
19 entry of a Judgment terminating the Action. The Attorneys’ Fees and Costs will also mean and include the
20 additional reimbursement of any costs and expenses associated with Class Counsel’s litigation and
21 settlement of the Action.

22 3. “Class Counsel” means Heather Davis and Amir Nayebedadash of Protection Law Group,
23 LLC.

24 4. “Class List” means a complete list of all Class Members that Dvele will diligently and in
25 good faith compile from its records and formatted in Microsoft Office Excel, and will include: each Class
26 Member’s full name; most recent mailing address and telephone number; Social Security number; dates of
27 employment during the Dvele Period; the respective number of Workweeks that each Class Member
28 worked during the Dvele Period; and any other relevant information needed to calculate settlement

1 payments.

2 5. "Class," "Class Member(s)" or "Settlement Class" means all current and former
3 California non-exempt hourly employees who were employed by Dvele, whether directly or through a
4 temporary staffing agency, for any time period during the Dvele Period as defined below. Dvele
5 represents that as of August 10, 2021, there are approximately 245 such Class Members.

6 6. "Class Period" means the period from July 30, 2016 through November 17, 2021.

7 7. "Class Representative Enhancement Payment" means the amount agreed by the Parties
8 and approved by the Court to be paid to Plaintiff Galvan in recognition of his effort and work in
9 prosecuting the Action on behalf of Class Members.

10 8. "Class Settlement Amount" means the Class Settlement Amount of Five Hundred
11 Twenty-Five Thousand Dollars (\$525,000), subject to the Escalator Provision of paragraph 32(a) below,
12 to be paid by Dvele in full satisfaction of all Released Claims arising from the Action, which includes all
13 Individual Settlement Payments to Participating Class Members, Attorneys' Fees and Costs to Class
14 Counsel, the Class Representative Enhancement Payment to Plaintiff Galvan, the Labor and Workforce
15 Development Agency Payment, and Settlement Administration Costs to the Settlement Administrator.

16 9. "Court" means the San Bernardino County Superior Court, where Plaintiff Galvan's
17 operative Complaint in the Action is filed.

18 10. "Dvele" means Defendant Dvele, Inc.

19 11. "Dvele Period" means the period from January 12, 2018 through November 17, 2021.

20 12. "Effective Date" means the later of: (i) the sixty-first (61st) calendar day after Final
21 Approval, provided no appeal has been initiated, whether by an absent Class Member who has timely
22 intervened or moved to vacate the judgment or by a Party or Class Counsel pursuant to paragraph 55
23 below; or (iii) if such an appeal is timely initiated, the date of final resolution of that appeal (including any
24 requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

25 13. "Final Approval" means the date on which the Court enters an order granting final
26 approval of the Settlement Agreement.

27 14. "Individual Settlement Payment" means each Participating Class Member's respective
28 share of the Net Settlement Amount.

15. “LWDA Payment” means seventy-five percent (75%) of the \$50,000 portion of the Class Settlement Amount allocated to resolution of Class Members’ claims arising under the Labor Code Private Attorneys General Act of 2004, Cal. Lab. Code §§ 2698, *et seq.* (“PAGA”), which amounts to \$37,500 and which shall be paid to the Labor and Workforce Development Agency (“LWDA”).

16. “Net Settlement Amount” means the portion of the Class Settlement Amount remaining after deducting the Attorneys’ Fees and Costs, the Class Representative Enhancement Payment, the Labor and Workforce Development Agency Payment, and Settlement Administration Costs, which shall be fully distributed to Participating Class Members without any reversion to Dvele.

17. “Notice of Objection” means a Class Member’s valid and timely written objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the objector’s full name, signature, address, and telephone number, (ii) a written statement of all grounds for the objection accompanied by any legal support for such objection; (iii) copies of any papers, briefs, or other documents upon which the objection is based; and (iv) a statement whether the objector intends to appear at the final fairness hearing.

18. “Notice Packet” means the Notice of Class Action Settlement, substantially in the form attached as Exhibit A.

19. “PAGA Members” means all current and former hourly-paid, non-exempt employed by the Dvele Releasees in the state of California at any time during the PAGA Period.

20. “PAGA Period” means the period from July 30, 2019 through November 17, 2021.

21. “Parties” means Plaintiff Galvan and Dvele collectively.

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

23. “Plaintiff Galvan” means Plaintiff David Galvan.

24. “Preliminary Approval” means the date on which the Court enters an order granting preliminary approval of the Settlement Agreement.

25. “Released Claims” means all claims, rights, demands, liabilities, and causes of action, arising from, or related to, the same set of operative facts as those set forth in Plaintiff Galvan’s Complaint (and any amendments thereto), arising during the Class Period against the Dvele

1 Releasees, and arising during the Dvele Period against the Agency Releasees, including claims
 2 for Defendant's alleged: (i) failure to pay overtime in violation of Labor Code sections 510,
 3 1194, and 1198; (ii) failure to provide meal periods and pay meal period premiums in violation of
 4 Labor Code sections 226.7 and 512; (iii) failure to provide rest breaks and pay rest break
 5 premiums in violation of Labor Code section 226.7; (iv) failure to pay minimum wage in
 6 violation of Labor Code sections 1194, 1197, and 1197.1; (v) failure to timely pay final wages in
 7 violation of Labor Code sections 201, 202, and 203; (vi) failure to provide accurate wage
 8 statements in violation of Labor Code section 226; (vii) failure to reimburse business expenses in
 9 violation of Labor Code sections 2800 and 2802; (viii) violation of Business and Professions
 10 Code section 17200, *et seq.*; (ix) violation of the Private Attorney General Act, Labor Code
 11 section 2699, *et seq.*; and (x) any and all wage and hour claims and that were asserted or could
 12 have been asserted based on the factual or legal allegations contained in Plaintiff Galvan's
 13 Complaint (and any amendment thereto), and that (a) arose any time during the Class Period with
 14 respect to claims against the Dvele Releasees, or (b) arose at any time during the Dvele Period
 15 with respect to claims against the Agency Releases. This Settlement and any releases outlined herein
 16 does not release any claims of Plaintiff, the alleged putative class's nor any representative action claims as
 17 outlined in Plaintiff's Complaint or the First Amended Complaint (should the Court grant a forthcoming
 18 motion for leave to file a First Amended Complaint), against any named Defendant other than Dvele (and
 19 the Dvele Releasees) for claims arising outside of the Dvele Period, including Hallmark Holdings, Inc., or
 20 Hallmark-Southwest Corporation.

21 26. "Dvele Releasees" means: Dvele, its parents, subsidiaries, affiliated entities, past or
 22 present officers, directors, employees, agents, principals, heirs, representatives, accountants, auditors,
 23 consultants, insurers and reinsurers, and their respective successors and predecessors in interest,
 24 subsidiaries, affiliates, parents and attorneys, if any, and including Dvele Omega Corporation. Defendant
 25 Hallmark Holdings, Inc., and Defendant Hallmark-Southwest Corporation are expressly excluded from
 26 this definition.

27 27. "Agency Releasees" means: any temporary/staffing agencies that provided Dvele with
 28 temporary workers during the Dvele Period, including but not limited to named Defendant Arena Staffing,

1 Inc.; Arena Skilled Trade Solutions, ESMAR Management Group; PeopleReady, a True Blue Company;
2 Office Team, a Robert Half Company; Proven Solutions, LLC, and Staffmark. Defendant Hallmark
3 Holdings, Inc., and Defendant Hallmark-Southwest Corporation are expressly excluded from this
4 definition.

5 28. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a
6 request to be excluded from the Settlement. The Request for Exclusion must: (i) set forth the name,
7 address, telephone number and last four digits of the Social Security Number of the Class Member
8 requesting exclusion; (ii) be signed by the Class Member; (iii) be returned to the Settlement Administrator;
9 (iv) clearly state that the Class Member does not wish to be included in the Settlement; and (v) be faxed or
10 postmarked on or before the Response Deadline.

11 29. "Response Deadline" means the deadline by which Class Members must postmark or fax
12 to the Settlement Administrator Requests for Exclusion, or postmark Notices of Objection to the
13 Settlement Administrator. The Response Deadline will be forty-five (45) calendar days from the initial
14 mailing of the Notice Packet by the Settlement Administrator, unless the forty-fifth (45th) calendar day
15 falls on a Sunday or State holiday, in which case the Response Deadline will be extended to the next day
16 on which the U.S. Postal Service is open.

17 30. "Settlement Administration Costs" means the costs payable from the Class Settlement
18 Amount to the Settlement Administrator for administering this Settlement, including, but not limited to,
19 printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Class
20 Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The
21 Settlement Administration Costs will be paid from the Class Settlement Amount, including, if necessary,
22 any such costs in excess of the amount represented by the Settlement Administrator as being the
23 maximum costs necessary to administer the Settlement. Based on an estimated Settlement Class of
24 approximately 245 Class Members, the Settlement Administration Costs are currently estimated to be
25 Nine Thousand- Five Hundred Dollars (\$ 9,500.00.).

26 31. "Settlement Administrator" means ILYM Group, Inc., or any other third-party class action
27 settlement administrator agreed to by the Parties and approved by the Court for the purposes of
28 administering this Settlement. The Parties each represent that they do not have any financial interest in the

1 Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could
2 create a conflict of interest.

3 32. "Workweeks" means any calendar week (*i.e.*, a week beginning with Monday and ending
4 with Sunday) in which a Class Member or PAGA Member worked on at least one day during the Dvele
5 Period.

6 **GENERAL SETTLEMENT TERMS**

7 33. Class Certification for Settlement Purposes. The Parties hereby stipulate to certification of
8 the Class defined in paragraph 5 above for purposes of the Settlement only, *i.e.*, the "Settlement Class."
9 If, for any reason, the Settlement is not approved, the stipulation to certification will be void. The Parties
10 further agree that certification for purposes of the Settlement is not an admission that class action
11 certification is proper under the standards applied to contested certification motions and that this
12 Settlement Agreement will not be admissible in this or any other proceeding as evidence that either (i) a
13 class action should be certified or (ii) Dvele is liable to Plaintiff Galvan or any Class Member, other than
14 according to the Settlement's terms.

15 34. Class Settlement Amount. Dvele shall pay the sum of Five Hundred Twenty-Five
16 Thousand Dollars (\$525,000), subject to the terms of the Escalator Provision set forth below, in full
17 settlement of the claims released herein. There will be no reversion of the Class Settlement Amount to
18 Dvele. The Class Settlement Amount has been agreed to by Plaintiff Galvan and Dvele based on the
19 aggregation of the agreed-upon settlement value of individual claims. In no event will Dvele be liable for
20 more than the Class Settlement Amount, except that the amount may be increased in accordance with the
21 terms of the following Escalator Provision, and Dvele will be separately responsible for any employer
22 payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions, which shall
23 not be paid from the Class Settlement Amount.

24 34(a) Escalator Provision: The Class Settlement Amount is based on Dvele's
25 representation that between January 12, 2018, and August 10, 2021, Class
26 Members worked a total of 8,803 Workweeks. Should the Workweeks
27 worked by Class Members during the Dvele Period ultimately increase by
28 more than 10% beyond this number (*i.e.*, by more than 880 Workweeks), the

1 Class Settlement Amount shall be increased on a pro-rata basis equal to the
2 percentage increase in the number of Workweeks above 10%. By way of
3 example and for avoidance of doubt, if the total number of Class Workweeks
4 increases by 11%, the Class Settlement Amount will increase by one percent
5 (1%).

6 34(b) Payment of the Class Settlement Amount shall be through a one-time deposit
7 into a Qualified Settlement Account to be established by the Settlement
8 Administrator. Dvele will pay the employer's share of payroll taxes on the
9 wage portion of Individual Settlement Payments separately.

10 34(c) After the Effective Date, the Class Settlement Amount will be used for: (i)
11 Individual Settlement Payments; (ii) the LWDA Payment; (iii) the Class
12 Representative Enhancement Payment; (iv) Attorneys' Fees and Costs; and
13 (v) Settlement Administration Costs. Dvele will deposit the Class Settlement
14 Amount and the employer's share of payroll taxes within ten (10) calendar
15 days of the Effective Date.

16 35. Attorneys' Fees and Costs. Dvele agrees not to oppose or impede any application or
17 motion by Class Counsel for Attorneys' Fees and Costs of not more than thirty-three and one-third percent
18 (33-1/3%) of the Class Settlement Amount, or One Hundred Seventy-Five Thousand Dollars (\$175,000),
19 plus the reimbursement of all out-of-pocket costs and expenses associated with Class Counsel's litigation
20 and settlement of the Action (including expert fees, investigations expenses, photocopying, etc.), not to
21 exceed Twenty-Five Thousand Dollars (\$25,000). The amount of Attorneys' Fees and Costs shall be
22 subject to Court approval and shall be paid from the Class Settlement Amount.

23 36. Class Representative Enhancement Payment. In recognition of his effort and work in
24 prosecuting the Action on behalf of Class Members, Dvele agrees not to oppose or impede any application
25 or motion for a Class Representative Enhancement Payment of up to Seven Thousand Five Hundred
26 Dollars (\$7,500), to Plaintiff Galvan. The amount of the Class Representative Enhancement Payment
27 shall be subject to Court approval, will be paid from the Class Settlement Amount and will be in addition
28 to Plaintiff Galvan's Individual Settlement Payment paid pursuant to the Settlement. Plaintiff Galvan will

1 be solely and legally responsible to pay any and all applicable taxes on the Class Representative
2 Enhancement Payment.

3 37. Settlement Administration Costs. The Settlement Administrator will be paid for the
4 reasonable costs of administration of the Settlement and distribution of payments from the Class
5 Settlement Amount, which is currently estimated to be Nine Thousand- Five Hundred Dollars
6 (\$9,500.00). These costs, which will be paid from the Class Settlement Amount, will include, *inter alia*,
7 the required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms,
8 distributing Notice Packets, calculating and distributing the Class Settlement Amount, and providing
9 necessary reports and declarations.

10 38. PAGA Allocation and LWDA Payment. Subject to Court approval, the Parties agree to
11 allocate the amount of Fifty Thousand Dollars (\$50,000) from the Class Settlement Amount to satisfaction
12 of Plaintiff Galvan's and Class Members' PAGA claims. Pursuant to PAGA, Seventy-Five Percent
13 (75%), or Thirty-Seven Thousand Five Hundred Dollars (\$37,500), of this PAGA allocation shall be the
14 LWDA Payment paid to the LWDA, and Twenty-Five Percent (25%), or Twelve Thousand Five Hundred
15 Dollars (\$12,500), will become part of the Net Settlement Amount.

16 39. Net Settlement Amount. The entire Net Settlement Amount will be distributed to
17 Participating Class Members. No portion of the Net Settlement Amount will revert to or be retained by
18 Dvele.

19 40. Individual Settlement Payment Calculations. Individual Settlement Payments will be
20 calculated and apportioned from the Net Settlement Amount based on the number of Workweeks a Class
21 Member worked during the Dvele Period. Specific calculations of Individual Settlement Payments will be
22 made as follows:

23 40(a) Dvele will calculate the total number of Workweeks worked by each Class
24 Member during the Dvele Period and the aggregate total number of
25 Workweeks worked by all Class Members during the Dvele Period.

26 40(b) To determine each Class Member's estimated "Individual Settlement
27 Payment," the Settlement Administrator will use the following formula: The
28 Net Settlement Amount will be divided by the aggregate total number of

Workweeks, resulting in the "Workweek Value." Each Class Member's "Individual Settlement Payment" will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value.

40(c) The Individual Settlement Payment will be reduced by any required deductions for each Participating Class Member as specifically set forth herein, including employee-side tax withholdings and deductions.

40(d) The entire Net Settlement Amount will be disbursed to all Class Members who do not submit timely and valid Requests for Exclusion. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase the Individual Settlement Payment for each Participating Class Member according to the remaining aggregate number of Workweeks, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Amount.

41. No Credit Toward Benefit Plans. The Individual Settlement Payments made to Participating Class Members under this Settlement, as well as any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

42. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Settlement, Dvele does not admit, and specifically denies, that it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the

1 negotiations connected with it, will be construed as an admission or concession by Dvele of any such
2 violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce
3 the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be offered or
4 received as evidence in any action or proceeding to establish any liability or admission on the part of Dvele
5 or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal,
6 state, local or other applicable law.

7 **TAX MATTERS**

8 43. Tax Treatment of Individual Settlement Payments. All Individual Settlement Payments
9 will be allocated as follows: (i) Twenty Percent (20%) of each Individual Settlement Payment will be
10 allocated as wages and subject to legally required employee tax withholdings, for which IRS Forms W-2
11 will be issued; and (ii) Eighty Percent (80%) will be allocated as penalties and interest and not subject to
12 deductions or withholdings, for which IRS Forms 1099-MISC will be issued.

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

18 45. No Tax Advice. Dvele makes no representation as to the tax treatment or legal effect of
19 any payments called for by this Settlement, and Class Counsel, Plaintiff Galvan and Participating Class
20 Members are not relying on any statement, representation, or calculation by Dvele or by the Settlement
21 Administrator in this regard.

22 46. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
23 OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS
24 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY")
25 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO
26 WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR
27 THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL
28 ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE

1 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY
2 DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
3 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN,
4 INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN
5 CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT
6 BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR
7 ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
8 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER
9 PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
10 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY
11 HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH
12 ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH
13 LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING
14 PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION,
15 INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

16 47. Tax Liability. Any tax obligation arising from any payment provided under this
17 Settlement will be the sole responsibility of each person or entity receiving such payment(s). Specifically,
18 taxes on the Class Representative Enhancement Payment shall be solely the responsibility of the Plaintiff
19 Galvan; taxes on awards to Class Counsel for fees and costs shall be solely Class Counsel's responsibility;
20 and each Participating Class Member is responsible to pay his or her portion of the taxes due upon any
21 Individual Settlement Payment he or she receives under this Settlement Agreement.

22 48. Indemnification. Should any taxing authority or agency determine that any Participating
23 Class Member owes additional personal income taxes and/or employee contributions on any portion of his
24 or her Individual Settlement Payment based on a challenge to the allocation of wage and non-wage
25 portions set forth in paragraph 41, such Participating Class Member shall be solely responsible for the
26 payment of his or her personal income taxes and/or employee contributions. Accordingly, if any taxing
27 authority or agency seeks such amounts from Dvele based on a challenge to such allocation of wage and
28 non-wage portions, the Participating Class Member shall reimburse Dvele for any additional payment of

his or her personal income taxes and/or employee contributions that Dvele was required to make to any such taxing authority or agency.

CLASS NOTICE AND RESPONSE PROCEDURES

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

50. Delivery of the Class List. Within fourteen (14) calendar days of Preliminary Approval, Dvele will provide the Class List to the Settlement Administrator.

51. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the Class List from Dvele, the Settlement Administrator will mail a Notice Packet to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

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

53. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet will provide: (i) information regarding the nature of the Action; (ii) a summary of the Settlement's principal terms; (iii) the Settlement Class definition; (iv) the total number of Workweeks each respective Class Member worked for Dvele during the Class Period; (v) each Class Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (vi) the dates which

1 comprise the Class Period and the Dvele Period; (vii) instructions on how to submit Requests for
2 Exclusion or Notices of Objection; (viii) the deadlines by which the Class Member must postmark or fax
3 Request for Exclusions, or postmark Notices of Objection to the Settlement; and (ix) the claims to be
4 released.

5 54. Procedure to Dispute Information on Notice Packets. Class Members will have an
6 opportunity to dispute the information provided in their Notice Packets. To the extent Class Members
7 dispute their employment dates or the number of Workweeks on record, Class Members may produce
8 evidence to the Settlement Administrator showing that such information is inaccurate. The Settlement
9 Administrator will decide the dispute. Dvele's records will be presumed correct, but the Settlement
10 Administrator will evaluate the evidence submitted by the Class Member and will make the final decision
11 as to the merits of the dispute. All disputes will be decided within ten (10) business days of the Response
12 Deadline.

13 55. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the
14 requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The
15 Settlement Administrator will mail the Class Member a cure letter within three (3) business days of
16 receiving the defective submission to advise the Class Member that his or her submission is defective and
17 that the defect must be cured to render the Request for Exclusion valid. The Class Member will have until
18 (i) the Response Deadline or (ii) fifteen (15) calendar days from the date of the cure letter, whichever date
19 is later, to postmark or fax a revised Request for Exclusion. If the revised Request for Exclusion is not
20 postmarked or received by fax within that period, it will be deemed untimely.

21 56. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
22 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement
23 Administrator on or before the Response Deadline. In the case of Requests for Exclusion that are mailed
24 to the Settlement Administrator, the postmark date will be the exclusive means to determine whether a
25 Request for Exclusion has been timely submitted.

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

1 as any Judgment that may be entered by the Court if it grants final approval to the Settlement.

2 58. Objection Procedures. To object to the Settlement Agreement, a Class Member must
3 postmark a valid Notice of Objection to the Settlement Administrator on or before the Response Deadline.
4 The Notice of Objection must be signed by the Class Member and contain all information required by this
5 Settlement Agreement. The postmark will be deemed the exclusive means for determining that the Notice
6 of Objection is timely. Class Members who fail to object in the manner specified above will be deemed to
7 have waived all objections to the Settlement and will be foreclosed from making any objections, whether
8 by appeal or otherwise, to the Settlement Agreement. Class Members who postmark timely Notices of
9 Objection will have a right to appear at the Final Approval Hearing in order to have their objections heard
10 by the Court. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage
11 Class Members to submit written objections to the Settlement Agreement or appeal from the Order and
12 Judgment. Class Counsel will not represent any Class Members with respect to any such objections to this
13 Settlement.

14 59. Certification Reports Regarding Individual Settlement Payment Calculations. The
15 Settlement Administrator will provide Dvele's counsel and Class Counsel a weekly report that certifies the
16 number of Class Members who have submitted valid Requests for Exclusion, objections to the Settlement,
17 and whether any Class Member has submitted a dispute to any information contained in their Notice
18 Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated
19 reports regarding the administration of the Settlement Agreement as needed or requested.

20 **PAYMENTS TO CLASS**

21 60. Distribution Timing of Individual Settlement Payments. Within twenty (20) calendar
22 days of the Effective Date, the Settlement Administrator will issue payments to: (i) Participating Class
23 Members; (ii) the Labor and Workforce Development Agency; (iii) Plaintiff; and (iv) Class Counsel. The
24 Settlement Administrator will also issue a payment to itself for Court-approved services performed in
25 connection with the Settlement.

26 61. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment
27 checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for
28 more than one hundred and eighty (180) calendar days after issuance will be tendered to the State

1 Controller's Office, Unclaimed Property Fund in the name of the individual who failed to cash his or her
2 check.

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

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

10 64. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally
11 approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other
12 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null
13 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
14 likewise be treated as void from the beginning.

15 SETTLEMENT APPROVAL PROCESS

16 65. Instituting Formal Action. Plaintiff Galvan shall take all necessary steps to obtaining
17 court approval of the Settlement.

18 66. Preliminary Approval Hearing. Plaintiff Galvan will obtain a hearing before the Court to
19 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval
20 Order for: (i) conditional certification of the Settlement Class for settlement purposes only, (ii)
21 preliminary approval of the proposed Settlement Agreement, (iii) setting a date for a final fairness hearing.
22 The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as
23 specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff Galvan will submit this
24 Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed Notice
25 of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for drafting all
26 documents necessary to obtain preliminary approval and shall provide a draft of the preliminary approval
27 motion to Dvele's counsel for their input at least seven (7) calendar days prior to filing with the Court.

28 67. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the

1 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the
2 Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the
3 Settlement Agreement along with the amounts properly payable for: (i) Attorneys' Fees and Costs; (ii) the
4 Class Representative Enhancement Payment; (iii) Individual Settlement Payments; (iv) the Labor and
5 Workforce Development Agency Payment; (v) all Settlement Administration Costs. The final fairness
6 hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class Counsel
7 will be responsible for drafting all documents necessary to obtain final approval and shall provide a draft
8 of the final approval motion to Dvele's counsel for their input at least seven (7) calendar days prior to
9 filing with the court. Class Counsel will also be responsible for drafting the attorneys' fees and costs
10 application to be heard at the final approval hearing.

11 68. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
12 Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its approval.
13 After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing:
14 (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement administration matters,
15 and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this
16 Settlement Agreement.

17 RELEASES UPON EFFECTIVE DATE

18 69. Releases by Participating Class Members. Upon the Effective Date, and except as to such
19 rights or claims as may be created by this Settlement Agreement, each Participating Class Member,
20 together and individually, on their behalf and on behalf of their respective spouses, heirs, executors,
21 administrators, agents, and attorneys, shall be deemed to have fully and forever released and discharged all
22 of the Dvele Releasees, or any of them, from each of the Released Claims arising during the Class Period,
23 and to have fully and forever released and discharged all of the Agencies Releasees, or any of them from
24 each of the Released Claims arising during the Dvele Period.

25 MISCELLANEOUS PROVISIONS

26 70. Confidentiality. Neither Plaintiff Galvan nor Plaintiff Galvan's counsel will publicize
27 this settlement by Dvele's name (*i.e.*, identifying Dvele by name or its industry, prefabricated home
28 manufacturing) and location in California whether through a press release, posting on counsels' website, in

1 social media or by any other public means, other than court filings and proceedings. Nothing in this
2 provision is intended to prohibit (i) Plaintiff Galvan from discussing this settlement with his spouse,
3 attorneys or tax advisor; (ii) Plaintiff Galvan from discussing the settlement with other putative class
4 members after the Settlement has been preliminarily approved by the Court; or (iii) Plaintiff Galvan's
5 counsel from communicating with putative class members in this case or with the Court in which the
6 Action is pending. Nothing in this provision is intended to prevent Plaintiff's counsel from citing the
7 settlement in this case as evidence supporting their competence as counsel in wage/hour and/or class
8 action matters in public court filings.

9 71. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
10 certification for purposes of this Settlement only; except, however, that Plaintiff Galvan or Class Counsel
11 may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court,
12 and either party may appeal any court order that materially alters the Settlement Agreement's terms.

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

16 73. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
17 entirety of the Parties' settlement terms as to the Released Claims. No other prior or contemporaneous
18 written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize
19 California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which
20 provide that a written agreement is to be construed according to its terms and may not be varied or
21 contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written
22 representations or terms will modify, vary or contradict the terms of this Settlement Agreement.

23 74. Amendment or Modification. No amendment, change, or modification to this Settlement
24 Agreement will be valid unless in writing and signed, either by the Parties or their counsel.

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

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

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

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

10 78. Execution and Counterparts. This Settlement Agreement is subject only to the execution
11 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
12 executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned
13 copies of the signature page, will be deemed to be one and the same instrument.

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

20 80. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement
21 invalid, the Parties direct the Court to first attempt to construe the provision as valid to the fullest extent
22 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
23 valid and enforceable.

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

27 82. Enforcement Actions. In the event that one or more of the Parties institutes any legal
28 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or

1 to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to
 2 recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert
 3 witness fees incurred in connection with any enforcement actions.

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

9 84. Representation By Counsel. The Parties acknowledge that they have been represented by
 10 counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this
 11 Settlement Agreement has been executed with the consent and advice of counsel. Further, Plaintiff
 12 Galvan and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

13 85. All Terms Subject to Final Court Approval. All amounts and procedures described in this
 14 Settlement Agreement herein will be subject to final Court approval.

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

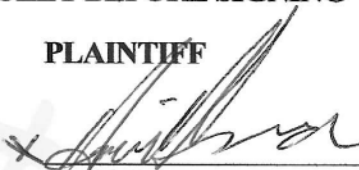
18 87. Binding Agreement. The Parties warrant that they understand and have full authority to
 19 enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully
 20 enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure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

23 **READ CAREFULLY BEFORE SIGNING**

24 **PLAINTIFF**

25 Dated: *

26 10-9-22

27 
 28 David Galvan

HIRSCHFELD KRAEMER LLP

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DVELE, INC.

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Dated: June 23, 2022

By _____
Kurt Goodjohn
Co-Founder & Chief Executive Officer

APPROVED AS TO FORM

PROTECTION LAW GROUP, LLP

Dated: June 10, 2022

By: 
Heather Davis
Amir Nayebdadash
Attorneys for Plaintiffs David Galvan

HIRSCHFELD KRAEMER LLP

Dated: June 23, 2022

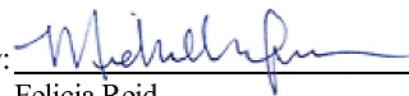
By: 
Felicia Reid
Michelle Freeman
Attorneys for Dvele, Inc.

Exhibit A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Galvan v. Dvele, Inc. et al.

San Bernardino Superior Court, Case No. CIVDS2015802

**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 California non-exempt hourly employees who were employed by Defendant Dvele, Inc., whether directly or through a temporary staffing agency, at any time between January 12, 2018 and November 17, 2021.
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BASIC INFORMATION

1. What is this settlement about?

A lawsuit was commenced by a former employee of Dvele, Inc. (“Defendant”) on July 30, 2021. The case is currently pending in the San Bernardino County Superior Court, Case No. CIVDS2015802.

The lawsuit claims that Defendant violated sections of the California Labor Code and California Business and Professions Code. Specifically, the lawsuit alleges that Defendant failed to provide compliant meal and rest periods and associated premium pay, did not properly pay employees overtime or pay minimum wages for all time worked, did not provide accurate wage statements, did not timely pay all wages during employment and all wages owed at termination of employment, did not maintain accurate records, failed to reimburse employees for necessary business expenses, and maintained unfair business practices. The settlement also seeks to recover penalties pursuant to the California Private Attorneys General Act (“PAGA”). The lawsuit claims that these violations entitle Class Members to recover money (among other remedies) for damages, penalties and restitution. Defendant denies all alleged violations and denies that it owes 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 David Galvan, also known as “Plaintiff”), sued on behalf of people who appear to have similar claims (in this case all individuals who have been employed by Defendant Dvele, Inc., in the state of California as hourly-paid, non-exempt employees at any time between January 12, 2018 and November 17, 2021). All these people are referred to here as Class Members. In a class action, the court resolves the issues for all Class Members in a single lawsuit, except for those who exclude themselves from the Class. The San Bernardino County Superior Court is in charge of this class action.

3. Why is there a settlement?

The Court has not decided in favor of the Plaintiff or Defendant. Instead, both sides agreed to a settlement, which is memorialized in the Stipulation of Class Action Settlement and Release of Claims (“Agreement” or “Settlement”).

On [DATE OF PRELIMINARY APPROVAL] the Court granted preliminary approval of the Settlement, appointed Plaintiff David Galvan as the Class Representative, and appointed his attorneys at Protection Law Group 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 employed by Defendant, or worked for a temporary or staffing agency and were placed at Defendant, as an hourly-paid, non-exempt employee in the state of California at any time during the Dvele Period. The Dvele Period is defined as the time period from January 12, 2018 through November 17, 2021.

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What does the settlement provide?

The Settlement provides that Defendant will pay a maximum of Five Hundred and Twenty-Five Thousand Dollars and Zero Cents (\$525,000.00) (“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 (“Settlement Class Members”). 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 33-1/3% of the Gross Settlement Amount or One Hundred and Seventy-Five Thousand Dollars and Zero Cents (\$175,000.00);
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00);
- C. **Enhancement Payment to the Class Representative** in an amount not to exceed Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00);
- D. **Settlement Administration Costs** which are currently estimated to be approximately Nine Thousand Five Hundred Dollars and Zero Cents (\$9,500.00); and
- E. **Payment to California the Labor Workforce Development Agency (“LWDA”)** in the amount of Thirty-Seven Thousand Five Hundred Dollars and Zero Cents (\$37,500.00) which represents the LWDA’s Seventy-Five Percent (75%) portion of civil penalties from the Fifty Thousand Dollars and Zero Cents (\$50,000.00) allocated toward PAGA claims (“PAGA Settlement Amount”). The remaining Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00) will remain a part of the Net Settlement Amount for distribution to Settlement Class Members. This allocation of the PAGA Payment is required by California law.

The portion of the Net Settlement Amount that you are eligible to receive (“Individual Settlement Share”) will be determined on a *pro rata* basis, based on the number of weeks you worked in California as an hourly-paid, non-exempt employee of Defendant, or as an hourly, non-exempt employee of a staffing agency placed at Defendant, between January 12, 2018 and November 17, 2021 (“Compensable Workweeks”). If you worked between July 30, 2019 through November 17, 2021, your Individual Settlement Share includes a portion of the PAGA Settlement Amount allocated to Aggrieved Employees.

Your Individual Settlement Share will be apportioned as twenty percent (20%) wages and eighty percent (80%) penalties and interest. The wage portion of the Individual Settlement Share will be subject to withholdings for the employee's share of state and federal payroll taxes and will be reported on a W-2 Form. Defendant will separately pay the employer's share of payroll taxes with respect to the wage portion of each Individual Settlement Share. The penalties and interest portion of the Individual Settlement Share will not be subject to any withholdings and will be reported on an IRS Form 1099.

You worked XXX workweeks between January 12, 2018 and November 17, 2021. Your Estimated Settlement Share is \$XXX.XX. The amount of the payment may change depending on the number of timely and valid requests for exclusions submitted in the Settlement, if any.

This amount was determined based on Defendant's record of your employment with Dvele and/or placement there through a temporary/staffing agency between January 12, 2018 and November 17, 2021, and is presumed correct. If you dispute the accuracy of Defendant's records as to the number of weeks worked during the Dvele Period, you must contact the Settlement Administrator and provide any documentation you have supporting such dispute by **[DATE]**. All disputes regarding your workweeks will be resolved and decided by the Settlement Administrator, and the Settlement Administrator's decision on all disputes will be final and binding. The Settlement Administrator's contact information is listed below:

[Settlement Administrator]
[Address]
[Telephone No].
[Fax No.]

HOW TO GET A PAYMENT FROM THE NET SETTLEMENT AMOUNT

6. How can I get a payment?

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

7. What claims are being released by the Settlement?

As of the Effective Date, in exchange for the consideration set forth in the proposed settlement, Plaintiff and any Settlement Class Member who does not submit a request for exclusion will release the "Dvele Releasees" and "Agency Releasees" from the "Released Claims" for the "Class Period."

The term "Dvele Releasees" means Defendant Dvele, Inc.; its parents; subsidiaries; affiliated entities; past or present officers; directors, employees; agents; principals; heirs; representatives; accountants; auditors; consultants; insurers and reinsurers, and their respective successors and predecessors in interest; subsidiaries; affiliates; parents and attorneys, if any, and including Dvele Omega Corporation. Expressly excluded from this definition are Defendant Hallmark Holdings, Inc., and Defendant Hallmark-Southwest Corporation.

The term "Agency Releasees" means any temporary/staffing agencies that provided Defendant Dvele, Inc. with temporary workers during the Dvele Period, including but not limited to named Defendant Arena Staffing, Inc.; Arena Skilled Trade Solutions; ESMAR Management Group; PeopleReady; a True Blue Company; Office Team, a Robert Half Company; Proven Solutions, LLC; and Staffmark. Expressly excluded from this definition are Defendant Hallmark Holdings, Inc., and Defendant Hallmark-Southwest Corporation.

The term "Released Claims" means "all causes of action and claims that were alleged in the Action or reasonably could have been alleged based on the facts contained in the Class Action and Representative Action Complaint arising during the Class Period against the Dvele Releasees, and arising during the Dvele Period against the Agency Releasees, including all of the following claims for relief: (i) failure to pay overtime in violation of Labor Code

sections 510, 1194, and 1198; (ii) failure to provide meal periods and pay meal period premiums in violation of Labor Code sections 226.7 and 512; (iii) failure to provide rest breaks and pay rest break premiums in violation of Labor Code section 226.7; (iv) failure to pay minimum wage in violation of Labor Code sections 1194, 1197, and 1197.1; (v) failure to timely pay final wages in violation of Labor Code sections 201, 202, and 203; (vi) failure to provide accurate wage statements in violation of Labor Code section 226; (vii) failure to reimburse business expenses in violation of Labor Code sections 2800 and 2802; (viii) violation of Business and Professions Code section 17200, *et seq.*; (ix) violation of the Private Attorney General Act, Labor Code section 2699, *et seq.*; and (x) any and all wage and hour claims and that were asserted or could have been asserted based on the factual or legal allegations contained in Plaintiff Galvan's Complaint (and any amendment thereto), and that (a) arose any time during the Class Period with respect to claims against the Dvele Releasees, or (b) arose at any time during the Dvele Period with respect to claims against the Agency Releasees."

The term "Class Period" means the period from July 30, 2016 through November 17, 2021.

The term "Dvele Period" means the period from January 12, 2018 through November 17, 2021.

EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

If you want to keep the right to sue or continue to sue Defendant with respect to the Released Claims (other than those which arise under the Private Attorneys General Act (California Labor Code sections 2698 *et seq.*), then you must submit a request for exclusion in conformity with the requirements set forth herein. If you exclude yourself, you will not receive payment of a portion of the Net Settlement Amount, however you may receive payment in an amount equal to your estimated *pro rata* share of the PAGA Settlement Amount.

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 the Private Attorneys General Act (California Labor Code sections 2698 *et seq.*), with respect to all of the Released Parties irrespective of whether a Class Member submits a request for exclusion.

8. How can I not participate in the Settlement?

To exclude yourself from the Settlement you must submit a signed, written Request for Exclusion. Your Request for Exclusion must include your full name, dates of employment, and last four digits of your Social Security number and/or Employee ID. Your Request for Exclusion must also include the following statement or a similar statement: "I wish to exclude myself from the settlement reached in the matter of *Galvan v. Dvele, Inc. et al.* I understand that by excluding myself, I will not receive any money from the settlement reached in this matter."

The written Request for Exclusion must be mailed to the Settlement Administrator at the address listed below, post-marked by [DATE]. You cannot exclude yourself by phone.

[Settlement Administrator]

[Address]

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 Released Claims (except for Released Claims that arise under the Private Attorneys General Act (California Labor Code sections 2698 *et seq.*)).

If you ask to be excluded, you may be able to sue Defendant, Dvele Releasees, and Agency Releasees or continue any suit you have pending against Defendant, Dvele Releasees, and Agency Releasees, regarding the Released Claims (except for Released Claims that arise under the Private Attorneys General Act (California Labor Code sections 2698 *et seq.*)).

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

No. Unless you submit a request for exclusion, you give up the right to sue Defendant, Dvele Releasees, and Agency Releasees for the Released Claims. If you have a pending lawsuit involving the Released Claims, speak to your lawyer in that lawsuit immediately.

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

No. (except for money for Released Claims that arise under the Private Attorneys General Act (California Labor Code sections 2698 *et seq.*). But if you submit a timely and valid request for exclusion, you retain any right that you may have to sue, continue to sue, or be part of a different lawsuit against Released Parties for Released Claims (except for Released Claims that arise under the Private Attorneys General Act (California Labor Code sections 2698 *et seq.*).

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court has approved PROTECTION LAW GROUP, LLP as Class Counsel. The firms' contact information is:

PROTECTION LAW GROUP LLP

Heather Davis, Esq.
Amir Nayebdadash, Esq.
237 California Street
El Segundo, California 90245
Telephone: (424) 290-3095
Facsimile: (866) 264-7880

You will not be charged for these lawyers.

12. How will the lawyers be paid?

Class Counsel will ask the Court for attorneys' fees of up to \$175,000.00 and reimbursement of actual out-of-pocket litigation cost/expenses of up to \$25,000.00. 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.

13. How do I tell the Court I want to object to the settlement?

If you are a Class Member, you can object to the Settlement and can give reasons for why you think the Court should not approve it. The Court will consider your views. To submit a written objection, you must mail your objection to the Settlement Administrator no later than [DATE]. Your objection must include your full name, address, the last four digits of your social security number or employee ID number, the dates you worked for Defendant, the specific reason for your objection, and whether you plan to attend the final approval hearing. You may also come to the Final Approval Hearing on [DATE] and object at the hearing even if you do not submit a written objection.

14. 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.

15. 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 [_____, 2022], at the San Bernardino County Superior Court located at 247 West Third Street, San Bernardino CA 92415 in Department S-26.

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.

16. 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.

17. 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

18. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Net Settlement Amount, and you will release the Released Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant or Released Parties which is based on any of the Released Claims, ever again. Your share of the Net Settlement Amount will be mailed to you and remain negotiable for 180 days. At the end of this period, if you do not cash this check, this money will be sent to the California State Controller's Office Unpaid Property Fund in your name and you may claim it there.

GETTING MORE INFORMATION

19. 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 viewing the settlement located on the Settlement Administrator's website at _____ or by contacting the Settlement Administrator or Class Counsel.

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**