

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

Stephanie Camarillo et al. v. Serco, Inc., Case No. 2:19-cv-10191
Sergio Bernal v. Serco, Inc., Case No. 2:20-cv-01639

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1 This **Joint Stipulation and Class Action Settlement Agreement and**
2 **Release** (“Settlement Agreement”) is made and entered into between Plaintiffs
3 Stephanie Camarillo, Edgar Leon, and Sergio Bernal (“Plaintiffs” or “Class
4 Representatives”) on the one hand, individually and on behalf of the Class (as defined
5 below), by and through their counsel of record Melmed Law Group, P.C. and
6 Barkhordarian Law Firm (“Class Counsel”), and Defendant Serco, Inc. (“Defendant”
7 or “Serco”) on the other hand, by and through their counsel of record, Perkins Coie
8 LLP, subject to the approval of the Court, as provided below. This Settlement
9 Agreement is subject to the approval of the Court, pursuant to California Rules of
10 Court 3.769(c) and (d), and is made for the sole purpose of attempting to consummate
11 settlement of the Actions, as defined below, on a class-wide and representative basis.
12 This Settlement Agreement is intended by Plaintiffs and Defendant to fully, finally,
13 and forever resolve, discharge, and settle the Released Claims (as defined below),
14 upon and subject to the terms and conditions hereof, as follows:

15 **1. Definitions**

16 As used herein, for the purposes of this Settlement Agreement only, the
17 following terms shall be defined as set forth below:

18 A. **“Actions”** refers to the civil actions entitled: *Stephanie Camarillo et al.*
19 *v. Serco, Inc., Case No. 2:19-cv-10191*, pending before the United States District
20 Court for the Central District of California; and *Sergio Bernal v. Serco, Inc., Case*
21 *No. 30-2020-01150203-CU-OE-CXC*, pending before the Superior Court of
22 California, County of Orange.

23 B. **“Class”** or **“Class Members”** refers to all Parking Enforcement Officers
24 (“PEOs”) who are or were employed as non-exempt hourly employees of Defendant
25 Serco, Inc. in California from July 23, 2016 through November 16, 2020.

26 C. **“Class Counsel”** refers to the attorneys of record for the Class
27 Representatives, Gregory Wong of Barkhordarian Law Firm and Jonathan Melmed
28 of Melmed Law Group P.C.

1 D. **“Class Counsel Fee and Cost Award”** refers to costs incurred and
2 attorneys’ fees sought by Class Counsel and agreed upon by the Parties for Class
3 Counsel’s litigation and resolution of this Action, subject to Court approval.

4 E. **“Class Notice”** refers to the Notice of Settlement of Class Action and
5 Settlement Hearing, as set forth in **Exhibit A** attached here, or as otherwise approved
6 by the Court, which is to be mailed to Class Members as part of the Notice Packet,
7 as defined below.

8 F. **“Individual Class Member Settlement Payment”** refers the amount
9 paid to a Settlement Class Member.

10 G. **“Class Period”** shall mean the period from July 23, 2016 through
11 November 16, 2020. The Class Period shall also mean the Release Period.

12 H. **“Class Representatives”** refers to Stephanie Camarillo, Edgar Leon,
13 and Sergio Bernal.

14 I. **“Complaint”** refers to the operative complaints filed by Plaintiffs in the
15 Actions (Case Nos. 2:19-cv-10191 and *30-2020-01150203-CU-OE-CXC*). The term
16 Complaint shall include the original complaint filed in each Action as well as any
17 amended complaints filed in the subject Actions.

18 J. **“Employee’s Taxes and Required Withholding”** shall mean the
19 employee’s share of any and all applicable federal, state or local payroll taxes,
20 including those collected under authority of the Federal Insurance Contributions Act
21 (“FICA”), FUTA and/or SUTA on the portion of any Individual Class Member
22 Settlement Payment that constitutes wages as set forth in this Agreement. The
23 Employee’s Taxes and Required Withholdings shall be withheld from and paid out
24 of the Net Settlement Amount.

25 K. **“Employer’s Taxes”** shall mean and refer to Defendant’s share of
26 payroll taxes (e.g. UI, ETT, Social Security and Medicare taxes) that is owed on the
27 portion of any Class Member’s Individual Settlement Amount that constitutes wages
28 as set forth in this Agreement. Defendant will be responsible for any employer

1 payroll taxes required by law, separate and in addition to the GSA, including the
2 employer FICA, FUTA, and SDI contributions on the wage portion of the Individual
3 Class Member Settlement Payments.

4 L. **“Exclusion Deadline”** shall mean the date falling sixty (60) days after
5 the date on which the Settlement Administrator first mails Class Notice to the
6 Settlement Class Members.

7 M. **“Fairness Hearing”** refers to the hearing at which the Court determines
8 whether the terms of the Settlement Agreement are fair, reasonable, and adequate for
9 the Class and meet all applicable requirements for approval.

10 N. **“Final Approval Order”** refers to the final order by the Court
11 approving the Settlement following the Fairness Hearing.

12 O. **“Effective Date”** refers to the first day after the date by which the last
13 of the following has occurred: (a) this Settlement Agreement has been executed by
14 all Parties and by Class Counsel and Defense Counsel; (b) the Court presiding over
15 these Actions has given preliminary approval of the Settlement; (c) notice has been
16 given to the Settlement Class Members providing them with an opportunity to Opt-
17 Out of the Class Settlement; (d) the Court has held a Final Approval and Fairness
18 Hearing and has entered a final order and judgment (conditionally) certifying the
19 Class and approving this Settlement Agreement; and (e) the later of the following
20 events: the expiration of the period for filing any appeal, writ, or other appellate
21 proceeding opposing the Class Settlement has elapsed without any appeal, writ or
22 other appellate proceeding having been filed; or any appeal, writ, or other appellate
23 proceeding opposing the Class Settlement is finally disposed of by dismissal or denial
24 with no right to pursue further remedies or relief; or any appeal, writ, or the issuance
25 of such other final appellate order upholding the Court’s final order with no right to
26 pursue further remedies or relief. In this regard, it is the intention of the Parties that
27 the Class Settlement is completely final and there is no further recourse by any
28 appellant or objector who seeks to contest the Class Settlement.

1 P. **“Gross Settlement Amount”** (also referred to herein as “GSA”) means
2 the maximum amount of Eight Hundred Twenty-Five Thousand Dollars and Zero
3 Cents (\$825,000.) to be paid by Defendant pursuant to this Settlement Agreement,
4 and available to pay all amounts provided under this Settlement Agreement,
5 including (i) the Court-approved Settlement Administration Costs, (ii) Employee’s
6 Taxes and Required Withholdings, (iii) the Court-approved Class Counsel Fee and
7 Costs Award, (iv) the Labor and Workforce Development Agency Payment, (v) the
8 Court-approved Service Award to the Class Representatives, and (vi) the sum of the
9 Individual Class Member Settlement Payments. Under no circumstances shall
10 Defendant be required to pay more than the Gross Settlement Amount to effectuate
11 the terms of this Settlement Agreement, except Defendant shall separately pay its
12 share of the Employer’s Taxes in addition to the Gross Settlement Amount. The GSA
13 is non-reversionary.

14 Q. **“Judgment”** refers to the final judgment by the Court approving the
15 Settlement.

16 R. **“Labor and Workforce Development Agency Payment”** means the
17 total amount allocated under the Settlement to PAGA penalties to be paid to the Labor
18 and Workforce Development Agency (“LWDA”) in order to resolve alleged
19 employment claims brought under the Labor Code Private Attorneys General Act of
20 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”). The Parties have agreed that One
21 Hundred Thousand Dollars (**\$100,000**) of the Gross Settlement Amount will be
22 allocated to the resolution of any Class Members’ claims arising under PAGA (the
23 “PAGA Settlement Amount” as defined below). Pursuant to PAGA, 75%, or
24 Seventy-Five Thousand Dollars (**\$75,000**), of the PAGA Settlement Amount will be
25 paid to the California Labor and Workforce Development Agency, and 25%, or
26 Twenty-Five Thousand Dollars (**\$25,000**), of the PAGA Settlement Amount will be
27 part of the Net Settlement Amount to be available for distribution to Settlement Class
28 Members.

1 S. **“Net Settlement Amount”** (also referred to herein as “NSA”) shall be
2 defined as the GSA minus the Court-approved Service Awards to the Class
3 Representative, the Court-approved Settlement Administration Costs, the Court-
4 approved Class Counsel Fee and Cost Award, and the Labor and Workforce
5 Development Agency Payment. The NSA is the maximum amount that shall be
6 available for distribution to and on behalf of Class Members for Individual Class
7 Member Settlement Payments.

8 T. **“Notice Packet”** refers to the Class Notice and Request for Exclusion
9 Form to be sent by U.S. Mail to each Class Member by the Settlement Administrator
10 as set forth herein in the form substantially similar attached as **Exhibits “A,” and**
11 **“B,”** and subject to approval by the Court.

12 U. **“Objection Deadline”** refers to the date that is sixty (60) calendar days
13 after the date the Settlement Administrator mails the Notice Packet to Class
14 Members. This date is also the deadline by which any objections must be filed with
15 the Court in order to be timely. The Objection Deadline shall also be the deadline
16 for Class Members to request exclusion from the Settlement.

17 V. **“Opt-Out(s)”** shall mean any and all persons who timely and validly
18 request exclusion from the Class Settlement in accordance with the terms of the Class
19 Notice and no later than the Exclusion Deadline.

20 W. **“Parties”** refers to Plaintiffs, Stephanie Camarillo, Edgar Leon, and
21 Sergio Bernal and Defendant Serco, Inc., collectively.

22 X. **“Payment Date”** shall be the date by which Defendant shall make
23 payment of the Gross Settlement Amount to the Court-appointed settlement
24 administrator. The Payment Date shall be no sooner than 30 calendar days after the
25 Effective Date.

26 Y. **“Plaintiffs’ Released Claims”** shall include Released Claims, as that
27 term is defined below, and include those claims referenced in Paragraph 13 that
28 Plaintiffs release against Defendant and all of its former, present, or future parents,

1 subsidiaries, affiliates, partners, officers, governors, employees, owners, agents,
2 shareholders, and the predecessors and successors, assigns, and legal representatives
3 of all such entities and individuals.

4 Z. **“Preliminary Approval”** refers to the date the Court grants preliminary
5 approval of the Settlement.

6 AA. **“Preliminary Approval Order”** refers to the Court's Order granting
7 Preliminary Approval of the Settlement.

8 BB. **“Released Claims”** shall mean all claims for wages, statutory and civil
9 penalties, damages, liquidated damages, premiums, interest, attorneys’ fees and
10 costs, that were alleged or that could have been alleged based upon the factual
11 allegations alleged in the Actions or in the operative complaint, as amended in
12 accordance with the terms of this Agreement, whether known or unknown, under
13 state, local, or federal law, including the California Labor Code, the California
14 Private Attorneys’ General Act, the Industrial Welfare Commission Wage Orders
15 (“IWC”) California Business and Professions Code and the Fair Labor Standards Act
16 (“FLSA”), arising out of the allegations in the subject Actions or the operative
17 amended complaint, during the Class Period, including, but not limited to, claims for
18 failure to provide compliant meal and/or rest breaks, failure to pay meal and rest
19 break premiums, failure to pay all hours worked and all compensation due, including
20 minimum wages and overtime, failure to provide expense reimbursements, failure to
21 provide accurate wage statements, waiting time penalties, derivative claims for
22 violation of section 17200 *et seq.* of the Business and Professions Code, and recovery
23 of statutory and/or civil penalties under the California Labor Code, including, but not
24 limited to, penalties pursuant to PAGA and California Labor Code sections 201, 202,
25 203, 204, 210, 226(a), 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197,
26 1198, 2802 and section 17200 of the Business & Professions Code as well as
27 attorneys’ fees, interest and costs for the foregoing claims (“Released Claims”). The
28 Released Claims shall include those claims defined in Paragraph 13 that are released

1 by Settlement Class Members]. Further, the Parties agree that the judgement and
2 release of claims provided here shall have claim preclusion and/or *res judicata* effect.
3 The Released Claims shall not be limited in any way by the possibility that Plaintiffs
4 or Settlement Class Members may discover new facts, legal theories, or arguments
5 not alleged in the pleadings of the subject Actions or amended complaint, but which
6 might serve as an alternative basis for pursuing claims, causes of action, or legal
7 theories of relief that fall under the definition of Released Claims here.

8 CC. **“Released Parties”** as used herein means Defendant Serco Inc. and
9 Defendant’s past, present and future parent companies, subsidiaries, affiliates,
10 entities, divisions, general and limited partners, joint ventures and affiliates, and
11 agents, and each of their respective former and current employees, principals,
12 managing agents, members, officers, directors, investors, partners, legal
13 representatives, accountants, trustees, administrators, real or alleged alter egos,
14 predecessors, successors, transferees, assigns and insurers.

15 DD. **“Service Awards”** refers to the Court’s award of monetary payments to
16 the named Plaintiffs for their services as Class Representative as described in
17 Paragraph 5, to be paid from the Gross Settlement Amount, and in return for
18 executing Plaintiffs’ Released Claims as set forth in Paragraph 13.

19 EE. **“Settlement”** shall mean the settlement of the subject Actions between
20 the Parties, which is memorialized by this Settlement Agreement subject to Court
21 approval.

22 FF. **“Settlement Administration Costs”** refers to the costs that the Parties
23 agree to pay the Settlement Administrator, subject to Court approval, for its fees and
24 costs to perform the notice, claims administration, and distribution functions further
25 described in this Settlement Agreement. The Parties anticipate that the Settlement
26 Administration Costs will not exceed \$15,000. The Settlement Administration Costs
27 will be paid from the GSA.

28 GG. **“Settlement Administrator”** refers to the third-party administrator

1 mutually selected by the parties, subject to Court approval, to perform the notice,
2 claims administration, and distribution functions further described in this Settlement
3 Agreement. The Parties shall select from CPT Group, Inc. or ILYM Group, Inc.,
4 subject to Court approval.

5 HH. “**Settlement Class**” or “**Settlement Class Member**” shall mean any
6 person who is a member of the Class, during the Class Period, or, if such person is
7 incompetent or deceased, the person’s legal guardian, executor, heir or successor-in-
8 interest.

9 II. “**Work Weeks**” shall mean the number of calendar weeks a Class
10 Member performed work during the Class Period as reflected by Defendant’s
11 timekeeping and payroll records.

12 **2. Procedural History and Recitals**

13 A. On September 24, 2019, Plaintiffs Camarillo and Leon filed their PAGA
14 representative action complaint in Los Angeles Superior Court. Defendant removed
15 the action to the Central District of California on December 2, 2019, under 28 U.S.C.
16 § 1332, invoking the Court’s CAFA jurisdiction.

17 B. On July 21, 2020, Plaintiff Bernal filed his class and representative
18 action complaint in Orange County Superior Court. Defendant removed the action
19 to the Central District of California on August 25, 2020 under 28 U.S.C. § 1332,
20 invoking the Court’s CAFA jurisdiction.

21 C. On December 18, 2020, Plaintiff Bernal filed his First Amended
22 Complaint. Plaintiff Bernal’s First Amended Complaint limits the class definition to
23 non-exempt Parking Enforcement Officers only, further refining the Class to include
24 only “all individuals who are or were employed as Parking Enforcement Officers by
25 Defendants in California from July 21, 2016 through the date of trial.” On March
26 29, 2021, the Central District of California remanded Bernal’s case to Orange County
27 Superior Court.

28 D. On November 16, 2020, the Parties participated in a mediation session

1 before mediator Joel Grossman, an experienced mediator who has mediated
2 numerous wage-hour class actions. At the mediation session, the Parties reached a
3 resolution of Plaintiffs' claims in the Actions.

4 On March 29, 2021, the United States District Court for the Central District of
5 California remanded *Bernal v. Serco, Inc.* to the Superior Court of California, County
6 of Orange.

7 E. Defendant represents that there are approximately 367 Class Members
8 that worked approximately 24,484 workweeks during the Class Period.

9 F. Class Counsel represent that they have thoroughly investigated the Class
10 Representatives' claims against Defendant. Class Counsel represent that they have
11 conducted their own investigation into the underlying facts, events, and issues related
12 to the subject matter of the Actions. Class Counsel represent that they have further
13 undertaken an extensive analysis of the legal principles applicable to the claims
14 asserted against Defendant, and the potential defenses thereto. Both Class
15 Representatives and Defendant have had an opportunity to evaluate their respective
16 positions on the merits of the claims asserted.

17 G. Defendant denies and continues to deny each, and all of the allegations,
18 claims, and contentions alleged by Plaintiffs in the subject Actions. Defendant has
19 expressly denied and continues to deny all charges of wrongdoing or liability against
20 it arising out of any of the conduct, statements, acts or omissions alleged in the
21 Actions. Defendant contends that, at all relevant times, including the Class Period,
22 it complied in good faith with California and federal wage and hour laws and has
23 dealt legally and fairly with Plaintiff and Settlement Class Members. Defendant
24 further denies that, for any purpose other than settling the subject Actions, Plaintiffs'
25 alleged employment claims are appropriate and/or suitable for class or representative
26 treatment. Nevertheless, Defendant has concluded that further proceedings in the
27 Actions would result in protracted and expensive litigation. Defendant therefore
28 desires that the Actions be fully and finally settled in accordance with the terms and

1 conditions set forth in this Agreement in order to avoid burdensome, costly and
2 extensive litigation, to allow Defendant to operate and conduct its businesses without
3 further disruption, distraction and litigation with respect to the matters at issue in
4 these Actions. Towards this end, Defendant has considered and taken into account
5 the uncertainty and risks inherent in litigation, especially in complex cases like the
6 subject Actions. Defendant has therefore determined that it is desirable and
7 beneficial to settle the Actions in accordance with the terms and conditions set forth
8 in this Agreement.

9 H. Class Counsel has also engaged in intensive arms' length negotiations
10 with counsel for Defendant with a view toward achieving substantial benefits for the
11 Class while avoiding the cost, delay and uncertainty of further litigation, trial and
12 appellate review.

13 I. As a consequence of said negotiations, and of Class Counsel's
14 investigation, analysis and discovery, Plaintiffs and Class Counsel determined to
15 enter into this Settlement Agreement on the terms and conditions hereinafter set forth,
16 believing such Settlement to be fair, reasonable and adequate and in the best interests
17 of Class Members. Plaintiffs and Class Counsel have determined to execute this
18 Settlement Agreement and urge approval by the Court of the proposed Settlement
19 after considering (1) the substantial factual and legal defenses asserted by Defendant
20 to the claims asserted in the Actions; (2) the potential difficulties Plaintiffs and Class
21 Members would encounter in establishing the elements of their claims; (3) the
22 substantial benefits that Class Members shall receive pursuant to the proposed
23 Settlement; (4) the fact that the proposed Settlement ensures that Class Members
24 shall receive relief in the most expeditious and efficient manner practicable, and thus
25 much sooner than would be possible were the claims to be litigated successfully
26 through trial and appeal; and (5) the fact that the proposed Settlement allows persons
27 who would otherwise fall within the definition of the Class, if they so desire, to opt
28 out of the Actions and individually pursue the claims alleged in the Actions.

1 J. As set forth above, without admitting any wrongdoing or liability,
2 Defendant is willing to agree to the terms of the proposed Settlement provided that
3 all of the Released Claims (as defined below) are settled and compromised, in order
4 to fully resolve all issues relating to the subject matter of the Actions.

5 NOW THEREFORE, in consideration of the covenants and agreements set forth
6 herein, and of the release and dismissal of all Released Claims, Plaintiffs (on behalf
7 of themselves and as the Class Representatives on behalf of the Class), Class
8 Counsel, and Defendant agree to the terms and provisions of this Settlement
9 Agreement, subject to the approval of the Court.

10 **3. Stipulation to Conditional Class Certification and Limitation on Effect of**
11 **Settlement**

12 A. The Settlement shall not constitute, in this or any other proceeding, an
13 admission of any kind by Defendant, including without limitation, that certification
14 of a class is appropriate or proper or that Plaintiffs could establish any of the requisite
15 elements for class treatment of any of the claims in the Actions. For purposes of this
16 settlement only, the Parties stipulate to the conditional certification of the Class under
17 Federal Rules of Civil Procedure, Rule 23. Defendant's counsel believes this
18 conditional certification is appropriate because the Released claims are being
19 compromised without need to establish the elements of those claims on which
20 liability turns. In the event that the Settlement is not finally approved, or the
21 Settlement is otherwise terminated, Defendant expressly reserves all rights to
22 challenge certification of a class on all available grounds.

23 **4. Establishment of the GSA**

24 A. This Settlement shall be made on a non-claims-made basis and will be
25 non-reversionary. To the extent that any portions of the Class Members' settlement
26 proceeds constitute wages, Defendant will be separately responsible for any
27 employer payroll taxes required by law, including the employer FICA, FUTA, and
28 SDI contributions.

1 B. In the event that the total number of weeks worked in the Class Period
2 is greater than 24,484 weeks worked, then the GSA shall be increased proportionately
3 for each additional week worked over 24,484.

4 C. Payment of the GSA by Defendant pursuant to this Settlement
5 Agreement shall settle for Settlement Class Members, all Released Claims between
6 the Released Parties and Settlement Class Members including all Individual Class
7 Member Settlement Payments, the Court-approved Service Award to the Class
8 Representatives, the Court-approved Settlement Administration Costs, the Court-
9 approved PAGA payment, and the Court-approved Class Counsel Fee and Cost
10 Award.

11 **5. Calculation of the NSA and Distribution of Settlement Proceeds**

12 A. This settlement shall be a “non-claims-made” settlement. Each
13 Settlement Class Member will be entitled to a share (for their individual Class
14 Member Settlement Payments) of the NSA in accordance with the formula set forth
15 below. Payments will be made from the NSA only to Settlement Class Members, as
16 set forth herein.

17 The claims of the Settlement Class Members are settled for the Gross
18 Settlement Amount (“GSA”) of Eight Hundred Twenty-Five Thousand Dollars and
19 Zero Cents (\$825,000). The Gross Settlement amount will be allocated as follows:

- 20 a. Settlement Administration Costs not to exceed \$15,000;
21 b. Class Counsel’s attorneys’ fees, for all law firm and attorneys involved in the
22 subject Actions, up to 33% of the GSA;
23 c. Class counsel’s actual litigation expenses;
24 d. Service Awards for named Plaintiffs totaling \$22,500, including \$7,500 each;
25 and
26 e. The PAGA Payment of \$100,000.

27 For purposes of calculating the individual Class Member settlement Amounts,
28 the Settlement Administrator shall calculate the estimated Net Settlement Amount by

1 subtracting the estimated values in Section 5(a)-(e) from the GSA prior to sending
2 Notice to the Settlement Class Members. Prior to final distribution, the Settlement
3 Administrator shall calculate the final Net Settlement Amount by subtracting the
4 actual values in Section 5(a)-(e) from the GSA.

5 Each Settlement Class Member will be paid a portion of the NSA in
6 accordance with the following formula:

7 Each Settlement Class Member's potential share of the NSA will be calculated
8 by dividing the number of work weeks in which a Settlement Class Member worked
9 for Defendant during the Class Period based on Defendant's available records
10 ("Work Weeks") by all work weeks in which Class Members worked during the
11 Class Period, multiplied by the NSA.

12 The amount distributed to Settlement Class Members in the form of Individual
13 Class Member Settlement Payments, including all required withholdings, will not
14 exceed the Net Settlement Amount. If a Class Member timely and validly submits a
15 Request for Exclusion, as set forth herein, his or her portion of the NSA for the
16 individual Class Member's settlement amount, except for his PAGA allocation
17 (which shall be sent even to those who timely request exclusion, since there is no
18 mechanism to request exclusion from a PAGA settlement), including all required
19 withholdings, will be included in the NSA for distribution to Participating Settlement
20 Class Members.

21 Defendant will provide the Settlement Administrator with information
22 reasonably necessary to perform the calculation of the number of Work Weeks for
23 each Settlement Class Member, and any other reasonably required information the
24 Settlement Administrator requests to perform the calculations required under this
25 Settlement Agreement. Defendant shall have no responsibility for deciding the
26 validity of the Individual Settlement Amount or any other payment made pursuant to
27 this Settlement Agreement. All applicable deductions or withholding required by
28 law or expressly authorized by the Class Participants, including payments of any

1 garnishments and liens, will be withheld from Individual Settlement amounts. It shall
2 be the responsibility of the Settlement Administrator to timely and properly withhold
3 from Individual Settlement Payments payable to Class Participants all applicable
4 payroll and employment taxes, including all federal, state, and local income taxes,
5 and to prepare and deliver the necessary tax documentation and, thereafter, to cause
6 the appropriate deposits of withholding taxes and informational and other tax return
7 filing to occur. Plaintiffs and Class Participants represent and understand that they
8 are and shall be solely responsible for any and all tax obligations associated with their
9 respective Individual Settlement Amounts and Service Awards.

10 Payments to Class Members pursuant to this Settlement Agreement are not
11 intended by the Parties to be compensation for purposes of determining eligibility for
12 or benefit calculations of any health and welfare benefit plan, retirement benefit plan,
13 vacation benefit plan, unemployment compensation, including, without limitation,
14 all plans, subject to Employee Retirement Income Security Act (“ERISA”). The
15 parties agree that the payments are not intended to represent any modification of any
16 employee’s previously credited hours of service or other eligibility criteria under any
17 employee pension benefit plan, employee welfare benefit plan, or other program or
18 policy.

19 **6. Attorneys’ Fees and Costs**

20 Class Counsel shall move for attorneys’ fees and costs contemporaneous with
21 the motion for the Final Approval Order requesting, and to which Defendant agrees
22 to not object to an attorneys’ fees request for an amount up to or less than one third
23 of the GSA, or Two Hundred and Seventy-Two Thousand, Two Hundred And Fifty
24 Dollars (**\$272,250**) (i.e., 33% of the GSA), plus a cost award not to exceed Fifteen
25 Thousand Dollars (**\$15,000.00**). Defendant retains the right to oppose a request for
26 attorneys’ fees exceeding 33% of the GSA or a request for costs in excess of \$15,000.
27 If the Court awards a lower amount of attorneys’ fees or costs requested by Plaintiffs’
28 counsel, the other terms of this Agreement shall apply. The award of attorneys’ fees

1 and costs award in the amounts sought is not a material term of this Agreement and
2 the award of any of these items at less than requested by Class Counsel does not give
3 rise to a basis to abrogate this Agreement. However, Class Counsel retains the right
4 to appeal any such reductions, but such appeal will delay Defendant's obligation to
5 make all payments set forth in this Agreement. Any unapproved amount of attorneys'
6 fees and costs shall be allocated to the Net Settlement Amount and be apportioned to
7 the Class Members.

8 **7. Service Awards**

9 Class Counsel shall file a motion requesting a Service Award for each Plaintiff
10 to which Defendant agrees not to object, of up to Seven Thousand Five Hundred
11 Dollars (\$7,500) per Plaintiff, for a total of Twenty-Two Thousand Five Hundred
12 Dollars (\$22,500.00) from the GSA in consideration for serving as a Class
13 Representative and in exchange for Plaintiffs' Released Claims. Defendant retains
14 the right to object to a request for any Service Award in excess of this amount.
15 Should the Court approve a Service Award in an amount less than that set forth
16 herein, the unapproved portion or portions shall revert to the NSA and be apportioned
17 to Class Members as described in Paragraph 5 of this Settlement Agreement. The
18 award of a Service Award in the amount sought is not a material term of this
19 Agreement and the award of an amount less than requested by Plaintiffs does not
20 give rise to a basis to abrogate or otherwise revoke this Agreement.

21 **8. PAGA Settlement Amount**

22 Subject to Court approval, the Parties agree that the amount of One Hundred
23 Thousand Dollars (\$100,000.00) of the Gross Settlement Amount will be allocated
24 to the resolution of any claims arising under PAGA. Pursuant to PAGA, 75%, or
25 Seventy-Five Thousand Dollars (\$75,000.00), of the PAGA Settlement Amount will
26 be paid to the California Labor and Workforce Development Agency, and 25%, or
27 Twenty-Five Thousand Dollars (\$25,000.00), of the PAGA settlement amount will
28 be part of the Net Settlement Amount available for distribution to Settlement Class

Members. Defendant retains the right to oppose a request for a Labor and Workforce Development Agency Payment exceeding this amount. If the Labor and Workforce Development Agency Payment approved by the Court is less than the specific amount, it does not give rise to a basis to abrogate this Settlement Agreement. Any unapproved amount of Labor and Workforce Development Agency Payment shall be allocated to the NSA and be apportioned to Class Members.

9. Costs of Settlement Administration

The Parties agree to mutually select either CPT Group, Inc. or ILYM Group, Inc. as the Settlement Administrator in this Action. This administration duty shall include without limitation, providing Class Notice by mailing the Notice Packets, processing Opt-Out and/or exclusion requests and objections, and calculating, administering and distributing Individual Settlement amounts to Class Members and related tax forms. Subject to Court approval, all Settlement Administration Costs shall be paid from the GSA. The Parties expect Settlement Administration Costs not to exceed Fifteen Thousand Dollars (\$15,000.00). Any unapproved amount of Settlement Administration Costs shall be allocated to the NSA and apportioned to the Class Members as described in Paragraph 5 of this Settlement Agreement. The award of Settlement Administrator Costs in the amount sought is not a material term of this Agreement and the award of an amount less than requested by Plaintiffs does not give rise to a basis to abrogate or otherwise revoke this Agreement.

10. Payment Procedure

A. Funding the Settlement. Within thirty (30) calendar days after the Effective Date, Defendant shall make payment of the GSA to the Court-appointed settlement administrator ("Settlement Payment Date").

B. Time for Payment of Individual Class Member Settlement Amounts. The Settlement Administrator shall make every effort to mail Individual Class Member Settlement Payments to each Class Participant, by first-class U.S. mail, to the last-known address of such Class Participant within thirty (30) calendar days after

1 Defendant funds the Settlement. If the Settlement Administrator is unable to do so
2 within the time period set forth above, it shall inform Class Counsel and Defense
3 Counsel and provide an approximate date by which the Individual Settlement
4 Amounts will be mailed. Under no circumstances shall the Settlement Administrator
5 distribute checks to Class Participants until all Individual Settlement Amounts have
6 been considered, calculated, and accounted for, and all of the remaining monetary
7 obligations have been calculated and accounted for. Within one hundred and twenty
8 (120) days of the Settlement Payment Date, the Settlement Administrator shall file
9 with the Court and provide to Class Counsel a declaration of payment. In the event
10 that any Class Participant is deceased, payment shall be made payable to the estate
11 of that Settlement Class Member and delivered to the executor or next of kin, unless
12 the Settlement Administrator has received an affidavit or declaration pursuant to Cal.
13 Probate Code § 13101, in which case payment shall be made to the affiant(s) or
14 declarant(s).

15 C. Time for Payment of Attorney Fees and Expenses to Class Counsel. The
16 Settlement Administrator shall distribute to Class Counsel any attorneys' fees and
17 expenses approved by the Court within thirty (30) calendar days of the Settlement
18 Payment Date.

19 D. Time for payment of Service Award to Class Representatives. The
20 Settlement Administrator shall distribute to Plaintiffs any Service Award approved
21 by the Court within thirty (30) calendar days of the Settlement Payment Date.

22 E. Uncashed Class Payments. Class Participants shall have one hundred
23 and eighty (180) days from the date the Settlement Administrator mails Settlement
24 checks to cash their respective checks. Any funds associated with uncashed checks
25 in the NSA shall be distributed to the Wage Justice Center pursuant to California
26 Code of Civil Procedure section 384, as approved by the Court. In such event, the
27 affected Class Members will be deemed to have irrevocably waived any right in or
28 claim to an individual settlement payment, but the settlement and their release of

Released Claims will remain binding upon them.

11. Tax Treatment

A. Tax Treatment of Claimed Portion of Settlement Payments. Thirty (30% percent) shall constitute payments for penalties and interest and Seventy Percent (70% percent) shall constitute payment for wages. The payments shall be reported to the IRS pursuant to form 1099 as applicable for penalties, and an IRS Form W-2 with respect to any portion constituting wages under the terms of the Settlement Payment.

B. Tax Treatment of Class Representatives' Enhancement Award. Plaintiffs will receive an IRS Form 1099 for his individual Service Award and will be responsible for payment of any taxes owing on said amount.

C. Tax Treatment of Attorneys' Fees and Cost Award. Class Counsel will receive an IRS Form 1099 for any amount awarded to Class Counsel in the form of attorneys' fees or costs and will be responsible for payment of any taxes owing on said amount.

D. No Tax Advice. Defendant makes no representations as to the tax treatment or legal effect of the payments called for by this Agreement, and Settlement Class Members are not relying upon any statement or representation by Defendant in this regard. Defendant is not providing any tax advice in connection with the settlement or any payments to be made pursuant to this settlement. The tax issues presented by the settlement payments here are unique to each Individual Class Participant. Individual Class Participants are therefore advised to seek and obtain tax advice from his or her own tax advisor with respect to any payments arising out of this Agreement. The Parties and Settlement Class Participants understand and agree that Plaintiffs and the Class Participants who receive any payment under this Agreement shall be solely responsible for any and all other individual tax obligations found to be due from or against a Class Participant associated with this Class Settlement and as a result of the Individual Settlement Payments described here. Each

1 Settlement Class Member agrees to indemnify, and hold harmless Defendant,
2 including the Released Parties, from any claims, liabilities, costs and expenses,
3 including attorneys' fees, resulting in any way from the tax treatment of the payments
4 made pursuant to this Agreement, including the treatment of such payments as not
5 subject to withholding or deduction for income or payroll and employment taxes.
6 Each Settlement Class Member further agrees to indemnify and hold harmless
7 Defendant, and the Released Parties, from any liability for taxes, fees, costs or
8 assessments resulting from his or her failure to timely pay his or her share of taxes,
9 interest, fees, or penalties owed.

10 **12. Resolution of Disputes Relating to Amounts Owed to a Class Member**

11 If a Class Member timely disputes the number of Work Weeks listed on the
12 Class Notice, the Parties' counsel will make a good faith effort to resolve the dispute
13 cooperatively. If counsel for the Parties cannot agree, the dispute shall be submitted
14 to the Settlement Administrator, who shall examine the records and either verify the
15 calculation or provide a corrected calculation. If a Class Member disputes the
16 number of Work Weeks, it will be the Class Member's responsibility to supply
17 information confirming the error in the calculation or Defendant's records. In any
18 event, the Settlement Administrator will make every effort to resolve any such
19 disputes prior to final approval of this Settlement Agreement. The Settlement
20 Administrator's determination of disputes under this Paragraph will be final.

21 **13. Release**

22 A. Release of Claims by Settlement Class. Upon the Effective Date,
23 Plaintiffs and each Settlement Class Member who has not submitted a timely Opt-
24 Out request, fully releases and forever discharges Defendant, including the Released
25 Parties, from any and all Released Claims during the Class Period.

26 Each Settlement Class Member, except those who timely Opt-Out, will be
27 bound by the release of the Released Claims as a result of the Class Settlement and
28 to the terms of the final judgment and the satisfaction of such judgment.

1 Settlement Class Members who do not Opt-Out will be deemed to have
2 acknowledged and agreed that their claims for wages and/or penalties in the Actions
3 are disputed, and that their Individual Settlement Amounts constitute payment of all
4 sums allegedly due to them.

5 B. Release of Claims by Plaintiffs. Upon the Effective Date, Plaintiffs, on
6 behalf of themselves and their heirs, executors, administrators, representatives,
7 successors and assigns, shall and do fully release and forever discharge and agree to
8 hold harmless Defendant, including the Released Parties, and all of its respective
9 employees, principals, managing agents, members, officers, directors, investors, joint
10 ventures, partners, legal representatives, accountants, trustees, administrators, real or
11 alleged alter egos, predecessors, successors, transferees, assigns and insurers from
12 any and all causes of action, claims, rights, damages, punitive or statutory damages,
13 penalties, liabilities, expenses, and losses and issues of any kind or nature
14 whatsoever, including all Released Claims as defined above, that Plaintiffs have or
15 may have had against Defendant or any of the Released Parties through the date of
16 execution of this Settlement Agreement. Plaintiffs acknowledge that they may have
17 claims that are presently unknown and that the release of Plaintiffs' Released Claims
18 contained in this Settlement Agreement is intended to and will fully, finally, and
19 forever discharge all claims against Defendant and the Released Parties, whether now
20 asserted or un-asserted, known or unknown, suspected or unsuspected, which now
21 exist, or heretofore existed or may hereafter exist, which if known, might have
22 affected his decision to enter into this release. In making this waiver, Plaintiffs agree
23 that, although they may discover facts in addition to or different from those that are
24 currently known or believed to be true with respect to Plaintiffs' Released Claims, it
25 is their intention to fully, finally, and forever settle and release any and all claims,
26 whether known or unknown, suspected or unsuspected, which now exist, or
27 heretofore existed, or may hereafter exist, and without regard to the subsequent
28 discovery or existence of such additional or different facts. The foregoing waiver

1 includes, without limitation, an express waiver, as to Plaintiffs' Released Claims, to
2 the fullest extent permitted by law, by Plaintiffs of any and all rights under California
3 Civil Code section 1542, which provides:

4 "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
5 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
6 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
7 RELEASE, AND THAT IF KNOWN BY HIM OR HER, WOULD HAVE
8 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR
9 OR RELEASED PARTY."

10 It is expressly understood and agreed that Plaintiffs' Released Claims relate
11 only to Plaintiffs as individuals and do not extend to any claims of any persons other
12 than Plaintiffs.

13 Plaintiffs warrant and represent that they have not assigned or, transferred, to
14 any person or entity any of Plaintiffs' Released Claims or any rights, claims, or causes
15 of action arising out of Plaintiffs' Released Claims. In addition, Plaintiffs shall
16 defend, hold harmless, and indemnify the Released Parties, or any of them, from and
17 against any claims, damages, litigation, causes of action, and expenses, including
18 reasonable attorneys' fees, resulting from any breach by Plaintiffs of this warranty
19 and representation, or any breach by Plaintiffs of their release of Plaintiffs' Released
20 Claims.

21 Upon final approval of this Settlement Agreement, and payment by Defendant
22 of the GSA, Plaintiffs and all Class Members, who do not opt-out of this Action by
23 filing a timely, valid Request for Exclusion (i.e. Settlement Class Members) hereby
24 release and discharge, for the time period from July 23, 2016 through November 16,
25 2020, the Released Parties from any and all claims for wages, statutory and civil
26 penalties, damages, liquidated damages, premiums, interest, attorneys' fees and costs,
27 that were pled or that could have been pled based on the facts alleged in the operative
28 Complaint, whether known or unknown, under state, local, or federal law, including

the California Labor Code, the California Private Attorneys' General Act ("PAGA"), the Industrial Welfare Commission Wage Orders ("IWC"), California Business and Professions Code, and the Fair Labor Standards Act ("FLSA"), arising out of the allegations in the subject Actions, during the Class Period, including, but not limited to, claims for failure to provide compliant meal and/or rest breaks, failure to pay meal and rest break premiums, failure to pay all hours worked and all compensation due, including minimum wages and overtime, failure to provide expense reimbursements, failure to provide accurate wage statements, waiting time penalties, derivative claims for violation of section 17200 *et seq.* of the Business and Professions Code, and recovery of statutory and/or civil penalties under the California Labor Code, including, but not limited to, penalties pursuant to PAGA and California Labor Code sections 201, 202, 203, 204, 210, 226(a), 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1198, and 2802 as well as attorneys' fees, interest and costs for the foregoing claims.

14. Class Notice and Claims Administration

A. Engagement of Settlement Administrator. The Parties agree to select CPT Group, Inc. or ILYM Group, Inc. as the Settlement Administrator to perform the notice and other settlement claims administration functions set forth below. The Settlement Administrator shall provide Defendant's counsel and Class Counsel with weekly summary reports, including the total number of Class Notices that were returned as undeliverable, the total number of objections and Requests for Exclusion, if any. The Settlement Administrator shall maintain records of its work, which shall be available for inspection upon request by Defendant's counsel or Class Counsel.

B. Identification of Class Members. Within Thirty (30) days after entry of the Preliminary Approval Order, Defendant shall provide the Settlement Administrator with the following information (collectively referred to as the "Database"):

- (1) the names, last known addresses, and social security numbers of

1 each Class Member; and

2 (2) data showing the number of Work Weeks each Settlement Class
3 member worked during the Class Period.

4 The aforementioned Database shall be marked "Confidential - Settlement
5 Administrator's Eyes Only." Class Counsel shall not receive a copy of this list.
6 Other than the obligations set forth in this Settlement Agreement, Defendant shall
7 have no additional obligation to identify or locate any Class Member or have any
8 liability in connection with the provision of information to the Settlement
9 Administrator or otherwise.

10 C. Class Notice and Notification of Number of Work Weeks. Upon receipt
11 of the list of names and last known addresses of each Class Member, the Settlement
12 Administrator shall access the NCOA Database, and update the addresses maintained
13 by Defendant. Fifteen (15) business days after receiving the Database, the Settlement
14 Administrator shall determine the number of Work Weeks for each Settlement Class
15 Member, populate the Settlement Class for each accordingly, and send each
16 Settlement Class Member the Notice Packet. The Settlement Administrator shall
17 send the Notice Packet to each Class Member by first-class, United States mail.

18 The Notice Packet shall include an easily understood statement alerting Class
19 Members that, unless they elect to Opt-Out of the Class Settlement, the Settlement
20 Class Member is releasing and waiving all Released Claims against Defendant, and
21 the Released Parties, and shall be bound by the Settlement. All individuals in the
22 Class, including those who Opt-Out, shall be informed that they will be part of the
23 PAGA settlement whether or not they elect to Opt-Out of the Class Settlement.

24 The Class Notice shall be a pre-printed notice similar to the form attached here
25 as Exhibit A - subject to the Court's approval. The Class Notice shall inform
26 Settlement Class Members of his/her estimated share of the Settlement and the
27 number of Work Weeks he/she worked during the Class Period. The Class Notice
28 also shall include an explanation of the pro rata distribution formula.

1 Class Members may dispute Defendant's record of the number of Work Weeks
2 they worked during the Class Period by submitting information to the Settlement
3 Administrator explaining the basis for such dispute no later than sixty (60) days after
4 being mailed the Notice Packet by the Settlement Administrator. The Settlement
5 Administrator will jointly work with Plaintiffs and Defendant to resolve the dispute
6 in good faith. If the Parties are unable to agree over the Work Weeks to be credited,
7 or if a Class Member is unable to furnish written documentation to support his or her
8 claim, Defendant's numbers from its records will be controlling and the Settlement
9 Administrator will make a final decision based upon Defendant's records.

10 If, prior to the Response Deadline, any Class Notice that was mailed to a
11 Settlement Class Member is returned to the Settlement Administrator by U.S. Postal
12 Service with a forwarding address, the Settlement Administrator shall promptly re-
13 mail such notice to that forwarding address. If, prior to the Response Deadline, any
14 Class Notice that was mailed to a Settlement Class Member is returned by U.S. Postal
15 Service without a forwarding address, the Settlement Administrator shall make
16 reasonable efforts to locate forwarding addresses, including performing a skip trace
17 search in an effort to ascertain a current address for such Settlement Class Member(s),
18 and a second Class Notice will be sent to any new or different address obtained. Such
19 Settlement Class Member(s) shall have until the end of the Response Deadline, or
20 fourteen (14) days in which to respond, whichever is longer.

21 If a Notice Packet has not been returned within twenty-eight (28) days after
22 the initial mailing, the working presumption will be that the Settlement Class
23 Member received the Class Notice. Within thirty (30) days of the Final Approval
24 and Fairness Hearing, the Settlement Administrator shall provide Class Counsel and
25 Defense Counsel with a Declaration of Due Diligence and Proof of Mailing with
26 regard to the mailing of the Class Notice and attempts to locate Class Members. The
27 Declaration shall specify the number of Settlement Class Members to whom Class
28 Notices were sent and the number of Settlement Class Members to whom Class

1 Notices were not delivered, as well as information relating to the number of Opt-Outs
2 and objectors. Class Counsel shall file this Declaration with the Court.

3 **15. Objections to the Settlement**

4 The Class Notice shall inform the Settlement Class Members of their right to
5 object to the Class Settlement. Any Settlement Class Member who wishes to object
6 to the Class Settlement must submit a written objection to the Settlement
7 Administrator no later than the Exclusion Deadline. The objection must include the
8 case name and number, and must describe, in clear and concise terms, a statement of
9 the reasons why the objector believes the Court should find that the proposed Class
10 Settlement is not in the best interest of the Settlement Class and the reasons why the
11 Class Settlement should not be approved, including the legal and factual arguments
12 supporting the objection. The Settlement Administrator will promptly serve copies
13 of any objection or notice of intention to appear on Class Counsel and Defense
14 Counsel. Unless otherwise ordered by the Court, Settlement Class Members shall
15 not be entitled to appear and/or object at the Final Approval Hearing unless they have
16 submitted a timely written objection; and, if they intend to appear, notice of intention
17 to appear pursuant to this section. Settlement Class Members who have properly and
18 timely submitted objections may appear at the Final Approval Hearing, either in
19 person or through a lawyer retained at their own expense. A Class Member who does
20 not file and serve an objection in the manner and by the deadline specified in the
21 Class Notice may be deemed to have waived all objections and may be foreclosed
22 from making any objections to the Settlement, whether by appeal or otherwise.

23 **16. Opt-Out Procedure**

24 Any Class Member may elect to opt out of the Settlement by submitting a
25 written Request for Exclusion to the Settlement Administrator by the Exclusion
26 Deadline. The Opt-Out request must contain the Settlement Class Member's name,
27 address, telephone number, and signature. The Opt-Out request can be in a
28 substantially similar form as **Exhibit B** attached here. The Settlement Administrator

1 shall send all requests for exclusion to Defendant's counsel and Class Counsel no
2 later than one (1) business day after receipt of said Request for Exclusion.

3 If the Settlement Administrator determines that an Opt-Out request returned
4 by a Settlement Class Member before the Exclusion Deadline is deficient, the
5 Settlement Administrator shall mail a deficiency letter to the Settlement Class
6 Member identifying the problem. If a Settlement Class Member submits both an
7 objection and an Opt-Out request, the Settlement Administrator shall make
8 reasonable attempts to clarify as if the Opt-Out request were deficient. If the Class
9 Member fails to cure the deficiency, the Opt-Out request shall be disregarded and the
10 claim will be paid, and the Class Member will become bound by the judgment.

11 Any Class Member who elects to opt out of the Class in the manner and within
12 the time limits specified above and in the Class Notice and Request for Exclusion
13 Form: (1) shall not have any rights under the Settlement Agreement; (2) shall not be
14 entitled to receive any compensation under the Settlement Agreement (except for his
15 or her portion of the PAGA penalties); (3) shall not have standing to submit any
16 objection to the Settlement Agreement; and (4) shall not be bound by the Settlement
17 Agreement, except for the release of all claims brought under the Private Attorneys
18 General Act, Labor Code Section 2698 et seq. based on the facts or claims alleged in
19 the operative Complaint.

20 Except for persons who elect to opt out of the Class in the manner and within
21 the time limits specified above and in the Class Notice and request for Exclusion
22 Form, all Class Members, shall be deemed to be within the Class for all purposes
23 under this Settlement Agreement, shall be bound by the terms and conditions of this
24 Settlement Agreement (including the release provisions in Paragraph 13), including
25 all orders issued pursuant thereto, and shall be deemed to have waived all unstated
26 objections and unstated opposition to the fairness, reasonableness, and adequacy of
27 this Settlement Agreement, and any of its terms.

28 If the Settlement Agreement is given final approval and the Effective Date

occurs, and provided Defendant pays the GSA, the Settlement Agreement shall operate as a full, complete, and final release of all Plaintiffs' Released Claims, and all Released Claims of Settlement Class Members and as an effective covenant not to sue.

17. Payment of Settlement Proceeds

Payments to the Settlement Class Members. The Settlement Administrator shall make every effort to mail the Individual Settlement Amount to each Class Participant, by first-class U.S. mail, to the last-known address within (30) calendar days of the Effective Date. If the Settlement Administrator is not able to do so within the aforementioned time period, it shall inform Class Counsel and Defense Counsel and provide an approximate date by which the Individual Settlement Amounts will be mailed. Under no circumstances shall the Settlement Administrator distribute checks to Class Participants until all Individual Settlement Amounts have been considered, calculated, and accounted for, and all of the remaining monetary obligations have been calculated and accounted for. Within 120 days of the Effective Date, the Settlement Administrator shall file with the Court and provide to Class Counsel a declaration of payment. In the event that any Class Participant is deceased, payment shall be made payable to the estate of the Settlement Class Member and delivered to the executor or next of kin, unless the Settlement Administrator has received an affidavit or declaration pursuant to Cal. Probate Code § 13101, in which case payment shall be made to the affiant(s) or declarant(s).

18. Motion for Preliminary Approval Order

After the Parties' execution of this Agreement, Plaintiffs shall file for preliminary approval of the proposed Settlement, requesting a Preliminary Approval Order that contains the following provisions:

- (1) preliminarily approving the Settlement Agreement and its terms;
- (2) approving the form of the Class Notice, and Request for Exclusion Form, and finding that the proposed method of disseminating the Class

1 Notice meets the requirements of due process and is the best notice
2 practicable under the circumstances;

3 (3) establishing the procedures and the deadline by which Class Members
4 may assert objections to the certification of the Class and/or to the
5 Settlement;

6 (4) establishing a deadline to submit papers/briefing in response to any
7 objections and for Plaintiffs to submit papers/briefing in support of final
8 approval of the Settlement Agreement including the Service Award for
9 the Class Representatives and the Class Counsel Fee and Cost Award;

10 (5) establishing procedures and the deadline by which individuals may
11 exclude themselves from the Actions;

12 (6) appointing Class Counsel, the Settlement Administrator, and the Class
13 Representatives; and

14 (7) setting a date for the Fairness Hearing.

15 The Settlement Agreement will be submitted to the California Labor &
16 Workforce Development Agency at the same time that it is submitted to the Court
17 for preliminary approval.

18 **19. Final Approval Order and Judgment**

19 At the Final Approval and Fairness Hearing, the Parties shall jointly move the
20 Court for the entry of a final order that includes the following provisions:

21 (1) confirming certification of the Settlement Class for settlement purposes
22 only;

23 (2) finding that the dissemination of the Class Notice, Request for
24 Exclusion Form, in the form and manner ordered by the Court was
25 accomplished as directed, met the requirements of due process; and

26 (3) finally approving the Settlement Agreement and the Settlement as fair,
27 reasonable and adequate within the meaning of California Rules of
28 Court, Rule 3.769(c), (d), and (e), and

- 1 (4) for entry of a final judgment of the Actions consistent with the terms of
2 the Class Settlement and California Rule of Court 3.769(h).

3 Class Counsel and Defense Counsel shall submit to the Court such pleadings
4 and/or evidence as may be required for the Court's determination.

5 The Judgment shall include the following provisions:

- 6 (1) directing the Parties to implement the terms of the Settlement
7 Agreement;
- 8 (2) releasing and discharging the Released Parties from any and all liability
9 with respect to the Plaintiffs' Released Claims as hereinabove provided;
- 10 (3) releasing and discharging the Released Parties from any and all liability
11 with respect to the Released Claims as hereinabove provided;
- 12 (4) resolving and settling all of Plaintiffs' Released Claims as hereinabove
13 provided, with the release precluding them from instituting,
14 commencing, or continuing to prosecute, directly or indirectly, as an
15 individual or collectively, representatively, derivatively, or on behalf of
16 themselves, or in any other capacity of any kind whatsoever, any action
17 in this Court, any other state court, or any arbitration or mediation
18 proceeding or any other similar proceeding, against any Released Parties
19 that asserts any claims that are Plaintiffs' Released Claims under the
20 terms of the Settlement;
- 21 (5) resolving and settling all the Released Claims by all Settlement Class
22 Members during the Class Period as hereinabove provided, with the
23 release precluding them from instituting, commencing, or continuing to
24 prosecute, directly or indirectly, as an individual or collectively,
25 representatively, derivatively, or on behalf of himself or herself, or in
26 any other capacity of any kind whatsoever, any action in this Court, any
27 other state court, or any arbitration or mediation proceeding or any other
28 similar proceeding, against any Released Party that asserts any claims

1 that are Released Claims under the terms of the Settlement; and
2 providing that any person who violates the terms of the release by
3 further asserting any of the Released Claims against any of the Released
4 Parties shall pay the costs and attorneys' fees incurred by any Released
5 Party as a result of the violation or if otherwise authorized by applicable
6 law, if Defendant has provided written notification to that person or their
7 designated representative of the bar against asserting any of the
8 Released Claims and the Released Party is the prevailing party in an
9 action brought by the person for the asserted barred Released Claim;

10 (6) awarding the Service Award to the Class Representatives as determined
11 by the Court;

12 (7) approving payment of the PAGA penalty allocation to the LWDA; and

13 (8) reserving continuing and exclusive jurisdiction over all matters related
14 to the administration and consummation of the terms of this Settlement
15 and enforcement of the Judgment.

16 **20. Effect of Settlement Not Being Final**

17 If the Court should, for any reason, (a) fail to approve this Settlement
18 Agreement in the form agreed to by the Parties, (b) fail to grant final approval of the
19 Settlement and enter a judgment with prejudice of the Actions, or (c) the approval of
20 the Class Settlement and judgment is reversed, modified or declared or rendered void,
21 or (d) this Settlement Agreement is terminated or canceled pursuant to its terms, then
22 the Class Settlement and conditional class certification shall be considered null and
23 void, and neither the Class Settlement, conditional class certification, nor any of the
24 related negotiations or proceedings, shall be of any force or effect, and all Parties to
25 the Class Settlement shall stand in the same position, without prejudice, as if the
26 Class Settlement had been neither entered into nor filed with the Court. Defendant
27 expressly reserves its right and declares that it intends to oppose class certification
28 vigorously should this Settlement not be granted final approval and the Court not

enter judgment. Notwithstanding the foregoing, the Parties may attempt in good faith to cure any perceived defects in the Settlement Agreement to facilitate approval.

21. Mutual Full Cooperation.

The Parties agree to cooperate fully with one another to accomplish and implement the terms of this Settlement Agreement. Such cooperation shall include, but not be limited to, execution of such other documents and the taking of such other actions as may reasonably be necessary to fulfill the terms of this Class Settlement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by court order or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, Class Counsel, with the cooperation of Defendant and Defense Counsel, shall take all necessary and reasonable steps to secure the Court's final approval of this Settlement Agreement.

22. Duty to Support and Defend the Class Settlement.

The Parties agree to abide by all of the terms of the Class Settlement in good faith and to support the Class Settlement fully and to use their best efforts to defend this Class Settlement from any legal challenge, whether by appeal or collateral attack.

23. Duties Prior to Court Approval:

Within fifteen (15) days of the signing of this Settlement Agreement, the Parties shall stipulate to the filing of an Amended Complaint in Orange County Superior Court, in a form agreeable to by all Parties, which alleges all of the foregoing Released Claims and claims alleged in the Actions as a class action for the Class period and as a PAGA action, with each named Plaintiff in the Actions listed as a Plaintiff in the Amended Complaint. Upon filing the Amended Complaint, the named Plaintiffs will request from the respective courts dismissal of their Complaints pending in those courts.

Thereafter, Class Counsel shall promptly submit this Settlement Agreement to

1 the State Court for preliminary approval and determination by the State Court as to
2 its fairness, adequacy and reasonableness. Promptly upon execution of this
3 Settlement Agreement, Class Counsel shall apply to the Court for the entry of a
4 preliminary order scheduling a hearing on the question of whether the proposed Class
5 Settlement should be approved as fair, reasonable, and adequate as to the Settlement
6 Class Members, approving as to form and content the proposed Class Notice and
7 Exclusion Form attached here as **Exhibit A** and **Exhibit B**, respectively, and
8 directing the mailing of the Class Notice to Settlement Class Members. While
9 Defendant can reserve its right to object to facts or assertions made in the moving
10 papers, Defense Counsel shall file a notice of non-opposition to the granting of the
11 motion for preliminary approval or join in the motion.

12 **24. Tolerance of Requests for Exclusion**

13 Notwithstanding any other provision of this Settlement Agreement, Defendant
14 shall retain the right, in the exercise of its sole discretion, to nullify the Settlement
15 within fifteen (15) calendar days after expiration of the Exclusion Deadline, if more
16 than 25 Class Members choose to validly and timely Request Exclusion from this
17 Settlement. Should Defendant exercise its right to nullify the Settlement under this
18 Paragraph, Defendant shall be responsible for all Settlement Administration Costs
19 incurred.

20 **25. Different Facts**

21 The Parties hereto, and each of them, acknowledge that, except for matters
22 expressly represented herein, the facts in relation to the dispute and all claims
23 released by the terms of this Settlement Agreement may turn out to be other than or
24 different from the facts now known by each party and/or its counsel, or believed by
25 such Party or counsel to be true, and each Party therefore expressly assumes the risk
26 of the existence of different or presently unknown facts, and agrees that this
27 Settlement Agreement shall be in all respects effective and binding despite such
28 difference.

1 **26. No Prior Assignments**

2 The Parties represent, covenant, and warrant that they have not directly or
3 indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
4 encumber to any person or entity any portion of any liability, claim, demand, action,
5 cause of action, or right herein released and discharged except as set forth herein.

6 **27. Non-Admission**

7 Nothing in this Settlement Agreement shall be construed as or deemed to be
8 an admission by any Party of any liability, culpability, negligence, or wrongdoing
9 toward any other Party, or any other person, and the Parties specifically disclaim any
10 liability, culpability, negligence, or wrongdoing toward the each other or any other
11 person. Each of the Parties has entered into this Settlement Agreement with the
12 intention to avoid further disputes and litigation with the attendant inconvenience,
13 expenses, and contingencies. Nothing herein shall constitute any admission by
14 Defendant of wrongdoing or liability, or of the truth of any factual allegations in the
15 Actions. Nothing herein shall constitute any admission by Defendant regarding the
16 merits of the Claims in these Actions, including but not limited to claims for unpaid
17 wages under California and/or federal law. Nothing herein shall constitute an
18 admission by Defendant that the Actions were properly brought as a class or
19 representative action other than for settlement purposes. To the contrary, Defendant
20 has denied and continues to deny each and every material factual allegation and all
21 Claims. To this end, the Class Settlement of the Actions, the negotiation and
22 execution of this Settlement Agreement, and all acts performed or documents
23 executed pursuant to or in furtherance of this Settlement Agreement or the Class
24 Settlement are not, shall not be deemed to be, and may not be used as, an admission
25 or evidence of any wrongdoing or liability on the part of Defendant or of the truth of
26 any of the factual allegations in the Complaints in the Actions; and are not, shall not
27 be deemed to be, and may not be used as, an admission or evidence of any fault or
28 omission on the part of Defendant in any civil, criminal or administrative proceeding

1 in any court, administrative agency or other tribunal.

2 **28. Media or Press**

3 Plaintiffs and Defendant, and their respective counsel, recognize, and accept
4 that the Parties to this Settlement Agreement desire that the terms of this Settlement
5 Agreement, the fact of the Class Settlement embodied in this Settlement Agreement,
6 the disposition of the Actions, the Action, and all matters relating to the litigation of
7 the Actions, including discovery proceedings therein, and evidence obtained during
8 the course of the Action, shall not be discussed with or presented to the media or
9 press.

10 **29. Construction**

11 The Parties hereto agree that the terms and conditions of this Settlement
12 Agreement are the result of lengthy, intensive, arms-length non-collusive
13 negotiations between the Parties and that this Settlement Agreement is not to be
14 construed in favor of or against any party by reason of the extent to which any party
15 or its counsel participated in the drafting of this Settlement Agreement. If any of the
16 dates in the Settlement Agreement fall on a weekend, bank or court holiday, the time
17 to act shall be extended to the next business day.

18 **30. Governing Law**

19 This Settlement Agreement is intended to and shall be governed by the laws
20 of the State of California, without regard to conflict of law principles, in all respects,
21 including execution, interpretation, performance, and enforcement.

22 **31. Notices**

23 Any notices, requests, demands, or other communications required or
24 permitted to be given pursuant to this Settlement Agreement, other than notice to the
25 Class or Class Members, shall be in writing and mailed as follows: (1) to Class
26 Representatives, the Class, and Class Counsel to the attention of Jonathan Melmed,
27 Melmed Law Group, P.C., 1801 Century Park East, Suite 850, Los Angeles,
28 California 90067; or Gregory Wong, Barkhordarian Law Firm, 6047 Bristol

1 Parkway, Culver City, CA 90230; and (2) to Defendant and counsel for Defendant,
2 to the attention of Neal A. Fisher Jr., Perkins Coie LLP, 1888 Century Park E., Suite
3 1700, Los Angeles, California 90067.

4 **32. Captions and Interpretations**

5 Section titles or captions contained herein are inserted as a matter of
6 convenience and for reference only and in no way define, limit, extend, or describe
7 the scope of this Settlement Agreement or any provision thereof.

8 **33. Modification**

9 This Settlement Agreement may not be changed, altered, or modified, except
10 in writing signed by counsel for the Parties and approved by the Court. This
11 Settlement Agreement may not be discharged except by performance in accordance
12 with its terms or by a writing signed by the Parties.

13 **34. Integration Clause**

14 This Settlement Agreement contains the entire agreement between the Parties
15 relating to the Class Settlement of the Actions and the transactions contemplated
16 thereby, and all prior or contemporaneous agreements, understandings,
17 representations, and statements, whether oral or written, and whether by a party or
18 such party's legal counsel, are hereby superseded. No rights under this Settlement
19 Agreement may be waived except in writing as provided above.

20 **35. Successors and Assigns**

21 This Settlement Agreement shall be binding upon and inure to the benefit of
22 the Parties and Settlement Class Members (excluding only persons who timely Opt-
23 Out) and their respective present and former heirs, trustees, executors, administrators,
24 representatives, officers, directors, shareholders, agents, employees, insurers,
25 attorneys, accountants, auditors, advisors, consultants, pension and welfare benefit
26 plans, fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint
27 ventures, predecessors, successors, and assigns.

1 **36. Corporate Signatories**

2 Any person executing this Settlement Agreement or any such related document
3 on behalf of a corporate signatory or on behalf of a partnership hereby warrants and
4 promises, for the benefit of all Parties hereto, that such person has been duly
5 authorized by such corporation or partnership to execute this Settlement Agreement
6 or any such related document.

7 **37. Execution in Counterparts**

8 This Settlement Agreement shall become effective upon its execution by all of
9 the undersigned. The Parties may execute this Settlement Agreement in counterparts,
10 and execution of counterparts shall have the same force and effect as if all Settling
11 Parties had signed the same instrument.

12 **38. Attorney Fees, Costs and Expenses**

13 Except as otherwise specifically provided for herein, each party shall bear his
14 or its own attorney fees, costs and expenses, taxable or otherwise, incurred by them
15 in or arising out of the Actions and shall not seek reimbursement thereof from any
16 other party to this Settlement Agreement.

17 **39. Jurisdiction of the Court**

18 Except for those matters to be resolved by the Settlement Administrator as
19 expressly stated, any dispute regarding the interpretation or validity of or otherwise
20 arising out of the Settlement, or relating to the Actions or the Released Claims, shall
21 be subject to the exclusive jurisdiction of the Court, and the Plaintiffs, Class
22 Members, and Defendant agree to submit to the personal and exclusive jurisdiction
23 of the Court. The Parties agree that the Court shall retain jurisdiction with respect to
24 the interpretation, implementation and enforcement of the terms of this Settlement
25 Agreement and all orders and judgments entered in connection therewith, and the
26 Parties and their counsel hereto submit to the jurisdiction of the Court for purposes
27 of interpreting, implementing and enforcing the settlement embodied in this
28 Agreement and all orders and judgments entered in connection therewith.

40. Dispute Resolution

Any disputes arising out of or relating to the Settlement Agreement will be submitted to Joel Grossman, Esq. for mediation. The Parties will split the costs of the mediator and all Parties will bear their own attorneys' fees and other costs incurred.

IN WITNESS WHEREOF, the Parties and their counsel have executed this Settlement Agreement on the date below their signatures or the signature of their representatives. The date of the Settlement Agreement shall be the date of the latest signature.

Dated: July ^{Jul 7, 2021}_____, 2021

By:  _____
Stephanie Camarillo (Jul 7, 2021 15:57 PDT)

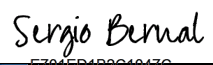
Stephanie Camarillo
On behalf of herself, and the Class

Dated: July ^{Jul 8, 2021}_____, 2021

By:  _____
Edgar Leon (Jul 8, 2021 12:25 PDT)

Edgar Leon
On behalf of himself, and the Class

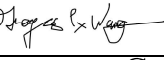
Dated: July ¹⁴_____, 2021

By:  _____
Sergio Bernal (Jul 8, 2021 12:25 PDT)

Sergio Bernal
On behalf of himself, and the Class

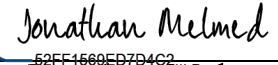
BARKHORDARIAN LAW FIRM

Dated: July ^{Jul 8, 2021}_____, 2021

By:  _____

Gregory Wong
Attorneys for Plaintiffs and the Class

Dated: July ¹⁵_____, 2021

By:  _____
Jonathan Melmed (Jul 8, 2021 12:25 PDT)

Jonathan Melmed
Attorneys for Plaintiffs and the Class

PERKINS COIE LLP

Dated: July_____, 2021

By: _____

Neal A. Fisher Jr.
Attorneys for Defendant

1 **40. Dispute Resolution**

2 Any disputes arising out of or relating to the Settlement Agreement will be
3 submitted to Joel Grossman, Esq. for mediation. The Parties will split the costs of
4 the mediator and all Parties will bear their own attorneys' fees and other costs
5 incurred.

6 **IN WITNESS WHEREOF**, the Parties and their counsel have executed this
7 Settlement Agreement on the date below their signatures or the signature of their
8 representatives. The date of the Settlement Agreement shall be the date of the latest
9 signature.

10 Dated: July____, 2021

By: _____
 Stephanie Camarillo
 On behalf of herself, and the Class

12 Dated: July____, 2021

By: _____
 Edgar Leon
 On behalf of himself, and the Class

14 Dated: July____, 2021

By: _____
 Sergio Bernal
 On behalf of himself, and the Class

17 **BARKHORDARIAN LAW FIRM**

18 Dated: July____, 2021

By: _____
 Gregory Wong
 Attorneys for Plaintiffs and the Class

20 Dated: July____, 2021

By: _____
 Jonathan Melmed
 Attorneys for Plaintiffs and the Class

22 **PERKINS COIE LLP**

23 Dated: July 9, 2021

By:  _____
 Neal A. Fisher Jr.
 Attorneys for Defendant

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July 9, 2021
Dated: July____, 2021

Serco Inc. DocuSigned by:
David Goldberg
By: _____
E997A4A21558459...
David Goldberg
Vice President and General Counsel

EXHIBIT A**NOTICE OF SETTLEMENT OF CLASS ACTION AND SETTLEMENT HEARING****Stephanie Camarillo et al. v. Serco, Inc.****United States District Court for the Central District of California****Case No. 2:19-cv-10191****Sergio Bernal v. Serco, Inc.****The Superior Court of California, County of Orange****Case No. 30-2020-01150203-CU-OE-CXC**

To: All Parking Enforcement Officers (“PEOs”) who are or were employed by Defendant Serco, Inc. (“Serco” or “Defendant”) in California from July 23, 2016 through November 16, 2020 (the “Class”):

THIS NOTICE is of a proposed settlement of a class action lawsuit, and an announcement of a court hearing that you may choose to attend. Your rights may be affected by the legal proceedings in this action. The Court will conduct a hearing on **INSERT DATE to address whether the proposed settlement should be approved (“Final Approval Hearing”). You may be entitled to receive a payment under the terms of this class action settlement contained in the Settlement Agreement.**

[IDENTIFYING INFORMATION]

You have been identified as a Class member in the above lawsuit. Under the terms of the proposed settlement you are eligible to receive a share of the Net Settlement Amount should the Court grant the settlement in full. Your share of the Net Settlement Amount is based on Serco's records that show you were employed by Serco in California from July 23, 2016 to November 16, 2020 as a PEO, and worked ____ Work Weeks during that time. Based thereon, your estimated share of the settlement is approximately \$ ____.

If you dispute the total number of Work Weeks you worked during this period, set forth above, you must set forth the information that you believe is correct, and submit written documentation to [Settlement Administrator] not later than **INSERT DEADLINE**. Your eligibility requirements for receiving payments are described below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT (SEE SECTION VIII FOR MORE DETAILS)	
DO NOTHING	Receive a settlement payment and give up your right to sue on the Released Claims described in Section IV. This settlement does not require a claims process to receive a payment. Therefore, there is <u>no</u> claim form for you to complete should you wish to receive payment.
EXCLUDE YOURSELF	You may “opt-out” of any connection with this case including any right to a settlement payment. If you choose to opt-out, you must complete and return the enclosed Request for Exclusion Form by INSERT DEADLINE . All persons who validly and timely opt-out of the Settlement will not receive any settlement payment and will preserve Released Claims described in Section IV subject to applicable statute of limitations.
OBJECT	Write to the Settlement Administrator about why you do not like the Settlement by submitting an objection by INSERT DEADLINE .
GO TO A HEARING	Ask to speak in Court about the fairness of the Settlement.

I. Why should I read this Notice?

The parties have proposed to settle this class action lawsuit. You are a member of the Class. If the Court approves the proposed Settlement, your legal rights may be affected. This Notice, which has been approved by the Court, is only a summary. A more detailed Settlement Agreement contains the complete terms of the Settlement, and is on file with the Court, where it is available for your review. See Section X for further information.

II. What is this lawsuit about?

Two lawsuits entitled *Stephanie Camarillo et al. v. Serco, Inc.* and *Sergio Bernal v. Serco, Inc.* are now pending in the United States District Court for the Central District of California, Case No. 2:19-cv-10191 and Case No. 2:20-cv-01639, respectively. Plaintiffs Stephanie Camarillo, Edgar Leon, and Sergio Bernal (“Plaintiffs” or “Class Representatives”) have alleged claims against Serco under the California Labor Code. Plaintiffs brought these

Questions? Please Call: _____

Notice

Lawsuits as a class action and PAGA enforcement action on behalf of themselves and other similarly situated Serco employees, and are claiming that Serco owes penalties to current and former PEOs in California. In summary, Plaintiffs allege that Serco did not pay all minimum and overtime wages due, failed to authorize and permit compliant rest periods, failed to provide compliant meal periods, failed to reimburse for business expenses, failed to provide accurate wage statements provided to employees, failed to timely pay wages during and at termination of employment, and violated California's unfair completion and Private Attorney General Law. The *Camarillo* action alleges the following causes of action: (1) violation of the California Private Attorneys General Act. The *Bernal* action alleges the following causes of action: (1) failure to pay minimum wages; (2) failure to provide compliant rest periods; (3) failure to provide compliant meal periods; (4) failure to reimburse for necessary business expenses; (5) failure to provide accurate wage statements; (6) waiting time penalties; (7) failure to timely pay wages; (8) unfair competition; and (9) PAGA penalties. Plaintiffs seek a monetary recovery on behalf of the Class for the alleged violations, along with interest, costs and fees.

Serco contends that it has complied with all laws and denies the allegations Plaintiffs are asserting in this Lawsuit. The Court has not formed any opinions concerning the merits of the Lawsuit, and the Court has not ruled for or against Plaintiffs as to the merits of any of their individual or class or PAGA enforcement claims. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable and that any final determination of those issues will be made at the final fairness hearing. You will not be retaliated against by Serco for electing to participate or not participate in the settlement.

III. Who is covered by the class action lawsuit and the proposed Settlement?

A. The Class. On **INSERT DATE**, the Court granted preliminary approval of the Settlement and authorized this notice. The Court defined the "Class" as including all Parking Enforcement Officers ("PEOs") who are or were employed by Defendant Serco, Inc. in California from July 23, 2016 through November 16, 2020.

B. The Effect of Membership in the Class. If you come within the definition of the Class, you are a Settlement Class Member unless you exclude yourself from ("opt out of") the Class by following the procedures for exclusion that are set forth in this Notice. Settlement Class Members are eligible to receive the benefits created by the proposed Settlement including a settlement payment based on their pro-rata share of the Net Settlement Amount and will be bound by the Settlement if it is approved by the Court. Persons who exclude themselves from the Class will not be bound by the Settlement and will not share in the Settlement proceeds but may pursue their own timely individual claims against Serco subject to applicable statute of limitations.

IV. What are the terms of the Settlement?

The proposed Settlement was negotiated with Defendant by the attorneys for the Class ("Class Counsel"). Class Counsel believes that this Settlement is in the best interest of the members of the Settlement Class. As part of the proposed Settlement, Defendant and Class Counsel have agreed to the following:

Monetary Amounts Under the Settlement

- Defendant shall provide the members of the Settlement Class, on a non-claims-made basis, monetary compensation in the maximum total amount of \$825,000.00 (the "Gross Settlement Amount" or "GSA"), less amounts awarded by the Court for attorneys' fees and costs, settlement administration costs, service award to the Class Representative, and payments made to the California Labor and Workforce Development Agency ("LWDA") for penalties under the PAGA (the "Net Settlement Amount" or "NSA"). Assuming the Court approves the maximum amounts sought to be deducted from the GSA, the NSA is estimated to be **INSERT AMOUNT**.
- The Settlement Administrator will calculate individual Class Members' pro-rata share of the NSA for their individual settlement payment. Each Class Member's proportional share will be determined by dividing the number of Work Weeks worked by the Settlement Class Member during the Class Period ("Work Weeks") by all Work Weeks worked by Class Members between July 23, 2016 through November 16, 2020, multiplied by the NSA. The number of Work Weeks that Serco's records shows you worked is listed on the first page of this notice.
- Defendant, through the Settlement Administrator, shall pay the amounts awarded by the Court for attorneys' fees and costs, settlement administration expenses, service award to the Class Representatives, payment to the California LWDA for PAGA penalties, employer side payroll taxes, and the amounts owed to the Settlement Class Members, within thirty (30) business days after the Effective Date of the Settlement Agreement. The Effective Date is defined as follows: the first day after the date by which the last of the following has occurred: (a) this Settlement Agreement has been executed by all Parties and by Class Counsel and Defense Counsel; (b) the Court presiding over these Actions has given preliminary approval of the Settlement; (c) notice has been given to the Settlement Class Members providing them with an opportunity to Opt-Out of the Class Settlement; (d) the Court has held a Final Approval and Fairness Hearing and has entered a final order and judgment (conditionally) certifying the Class and approving this Settlement Agreement; and (e) the later of the following events: the expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the Class Settlement has elapsed without any appeal, writ or other appellate proceeding having been filed; or any appeal, writ, or other appellate proceeding opposing the Class Settlement is finally disposed of by dismissal or denial with no right to pursue further remedies or relief; or any appeal, writ, or the issuance of such other final appellate order upholding the Court's final order with no right to pursue further remedies or relief. "Final" shall mean the latest of: (i) if there is an appeal of the Court's Judgment, the date the Judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari, or, (ii) if a petition for a writ of certiorari is filed, the date of denial of the petition for writ of certiorari, or the date the Judgment is affirmed pursuant to such petition; or (iii) if no appeal is filed, the expiration date of the time for filing or noticing any appeal of the Judgment.

Contemporaneous with requesting the Court approve in final the proposed Settlement, Class Counsel will apply to the Court for approval of all amounts sought in the Settlement as follows: (i) all payments to Settlement Class Members and applicable employer payroll tax payments; (ii) settlement administration costs which are estimated to not exceed \$15,000.00 for services associated with administering the settlement; (iii) a payment of \$75,000 to the LWDA for settlement of the PAGA claims brought in this case; (iv) a \$7,500.00 service award to the Class Representatives for their service to the Class and their general release of claims, totaling \$22,500.00; (v) and an award of attorneys' fees in the amount of \$275,000.00 (equivalent to 30% of total Gross Settlement Amount) and an award of costs up to \$15,000.00 for fees and costs that have remained unpaid to date.

Release

- Upon the Court's final approval of the Settlement, a judgment will be entered fully and finally settling the action as to Plaintiffs and all Settlement Class Members.
- As a result of the Settlement and Judgment to be entered, all Settlement Class Members hereby release and discharge, for the time period from July 23, 2016 through November 16, 2020, Defendant and all of its past, present and future parent companies, subsidiaries, affiliates, entities, divisions, general and limited partners, joint ventures and affiliates, and agents, and each of their respective former and current employees, principals, managing agents, members, officers, directors, investors, partners, legal representatives, accountants, trustees, administrators, real or alleged alter egos, predecessors, successors, transferees, assigns and insurers (collectively, the "Released Parties") from any and all claims that were pled or that could have been alleged on the facts set forth in the operative Complaint against Defendant Serco Inc. The claims released by the Settlement Class Members include, but are not limited to, all claims for wages, statutory and civil penalties, damages, liquidated damages, premiums, interest, attorneys' fees and costs, that were alleged or that could have been alleged based upon the factual allegations alleged in the Actions or in the operative complaint, as amended in accordance with the terms of this Agreement, whether known or unknown, under state, local, or federal law, including the California Labor Code, the California Private Attorneys' General Act, the Industrial Welfare Commission Wage Orders ("IWC") California Business and Professions Code and the Fair Labor Standards Act ("FLSA"), arising out of the allegations in the subject Actions or the operative amended complaint, during the Class Period, including, but not limited to, claims for failure to provide compliant meal and/or rest breaks, failure to pay meal and rest break premiums, failure to pay all hours worked and all compensation due, including minimum wages and overtime, failure to provide expense reimbursements, failure to provide accurate wage statements, waiting time penalties, derivative claims for violation of section 17200 et seq. of the Business and Professions Code, and recovery of statutory and/or civil penalties under the California Labor Code, including, but not limited to, penalties pursuant to PAGA and California Labor Code sections 201, 202, 203, 204, 210, 226(a), 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1198, 2802 and section 17200 of the Business & Professions Code as well as attorneys' fees, interest and costs for the foregoing claims ("Released Claims"). Additionally, the Parties agree that they do not intend payments under this Settlement Agreement to be compensation for purposes of determining eligibility for or benefit calculations of any health and welfare benefit plan, retirement benefit plan, vacation benefit plan, unemployment compensation, and thus the release of those plans under this Settlement Agreement is appropriate.
- **If you do NOT exclude yourself from the Class by following the procedures set forth in this Notice and the Court approves the proposed Settlement, you will be deemed to have entered into the release of Released Claims in the Settlement Agreement.**

V. How do I receive a payment?

Any Class Member who wishes to be considered for any payment under this Settlement does not need to do anything. If you do not elect to exclude yourself from the Settlement and are deemed an eligible Class member, you will receive a payment should the Settlement become Final. If you are a member of the Class and you move or change your address, and you want to receive your settlement benefits at your new address, you must send a notice of your change of address to **INSERT SETTLEMENT ADMINISTRATOR INFORMATION** or contact the Settlement Administrator by phone at **_____**.

VI. Who represents the Class?

The Court has designated Plaintiffs Stephanie Camarillo, Edgar Leon, and Sergio Bernal to serve as Class Representatives in this lawsuit. The law firms that serve as Class Counsel are Barkhordarian Law Firm and Melmed Law Group, P.C. Class Counsel can be reached as follows:

Gregory Wong, Barkhordarian Law Firm, 6047 Bristol Parkway, Culver City, CA 90230, (323) 450-2777; Jonathan Melmed, Melmed Law Group, P.C., 1801 Century Park East, Suite 850, Los Angeles, California 90067, (310) 824-3828.

VII. What are the reasons for the Settlement?

Class Counsel agreed to enter into this proposed Settlement after weighing the risks and benefits to the Class of this Settlement compared with those of continuing the litigation. The factors that Class Counsel considered included the uncertainty and delay associated with continued litigation, a trial and appeals, and the uncertainty of particular legal issues that have yet to be determined. Class Counsel balanced these and other substantial risks in determining that the proposed Settlement is fair, reasonable, and adequate in light of all circumstances and in the best interests of Class Members.

Defendant agreed to this proposed Settlement in order to avoid the expense and distraction associated with lengthy litigation, and to allow it to focus on continuing to provide quality service to its customers.

VIII. What are my rights and options? How Do I request exclusion from the Settlement?

A. First, you may remain a member of the Class, represented by Class Counsel, and take no further action. If you take no further action as a Class Member, you will be represented by Class Counsel but will have the right to receive your share of the Settlement proceeds. If the Settlement is approved by the Court, you will be bound by the terms of the Settlement which will result in a release of the Released Claims.

B. Second, you may remain a member of the Class but elect to hire your own attorney to represent you. If you do not wish to be represented by Class Counsel, you may hire your own attorney. Your attorney must send a Notice of Appearance to the Settlement Administrator at the address listed in Section V, so that it is **postmarked** on or before **INSERT DATE**. Even though your own attorney represents you, you will continue to be a Class Member. You will be responsible for any attorneys' fees and costs charged by your attorney.

C. Third, you may exclude yourself from the Class. If you are a member of the Class but do not want to remain in the Class, you may exclude yourself ("opt out"). If you exclude yourself from the Class, you will lose any right to participate in the Settlement including any right to receive a settlement payment. You will also lose the right to have objections you might have to the Settlement considered by the Court before it rules on the Settlement. You will be free to pursue any claims you may have against Defendant on your own behalf subject to applicable statute of limitations, but Class Counsel will not represent you. In order to exclude yourself from the Class, you must complete and sign the accompanying Request for Exclusion Form. Requests for Exclusion must be sent to the Settlement Administrator at the address listed in Section V, **postmarked** on or before **INSERT DATE**. **If you do not comply with these procedures and the deadline for exclusions, you will lose any opportunity to exclude yourself from the Class, and your rights will be determined in this lawsuit by the Settlement Agreement if it is approved by the Court and you may not recover under any other individual settlement agreement regarding the claims released through the Settlement.**

D. Fourth, you may remain a member of the Class, and on your own behalf, or through your own attorney, object to the certification of the Class, to the Settlement, to the Application for Attorneys' Fees and Costs, and/or to the Application for Service Award. If you do not exclude yourself from the Class, you may object to the certification of the Class, to the terms of the proposed Settlement, and/or to the applications for attorneys' fees, costs, and service award. To do so, you or your own attorney must submit a written objection, and include any and all evidence and supporting papers (including, without limitation, all briefs, written evidence, and declarations) that you would like the Court to consider. If you wish to appear at the Final Approval Hearing and be heard orally in support of, or in opposition to the Settlement, you must state so in the objection. The objection and any accompanying evidence and papers must be submitted to the Court at **INSERT COURT INFORMATION** not later than **INSERT DATE**. **If you do not comply with these procedures and the deadline for objections, you will lose any opportunity to have your objection considered at the Final Approval Hearing or otherwise to contest the approval of the Settlement or to appeal from any orders or judgments entered by the Court in connection with the proposed Settlement. You are still eligible to receive a settlement payment should the settlement become Final even if you object to the settlement.**

IX. When is the court hearing and what is it for?

On **INSERT FINAL APPROVAL HEARING DATE**, the Court will hold a public hearing in Courtroom [] of the the Superior Court of California, County of Orange, 751 West Santa Ana Blvd, Santa Ana, CA 92701, for the purposes of determining whether the proposed Settlement is fair, adequate and reasonable and should be approved, whether to approve Class Counsel's applications for attorneys' fees and costs, whether to approve the payments to the LWDA, and whether to approve Plaintiffs' request for service award. This hearing may be continued or rescheduled by the Court without further notice. Class Members who support the proposed Settlement do not need to appear at the hearing and do not need to take any other action to indicate their approval. Class Members who object to the proposed Settlement are not required to attend the Final Approval Hearing. If you want to be heard verbally in support of or in opposition to the Settlement, either personally or through counsel, you must indicate your intention to appear at the Final Approval Hearing in writing as detailed above. If you choose to appear, you must comply with all court rules regarding social distancing and masking with facial coverings. To arrange an appearance by phone or videoconference, please contact Class Counsel and ask for assistance to make such an appearance.

X. Where can I get more information?

If you have questions about this Notice, the enclosed Request for Exclusion Form, or the Settlement, or if you did not receive this Notice in the mail and you believe that you are or may be a member of the Class, you should contact the Settlement Administrator (contact information listed in Section V), for more information or to request that a copy of this Notice and Request for Exclusion Form be sent to you in the mail. If you wish to communicate directly with Class Counsel, you may contact them – contact information noted above in Section VI. You may also seek advice and guidance from your own private attorney at your own expense, if you so desire.

This Notice is only a summary. For more detailed information, you may review the Settlement Agreement (attached to the Declaration of [] in Support of Plaintiff's Unopposed Motion for Preliminary Approval of Class Action Settlement filed on **INSERT DATE**), containing the complete terms of the proposed Settlement, which is on file with the Court and available online through the Court's online docket: <https://ecf.cacd.uscourts.gov/>

PLEASE DO NOT WRITE OR TELEPHONE THE COURT OR DEFENDANT FOR INFORMATION ABOUT THE PROPOSED SETTLEMENT OR THIS LAWSUIT.

EXHIBIT B

REQUEST FOR EXCLUSION FORM

Stephanie Camarillo et al. v. Serco, Inc.

**United States District Court for the Central District of California
Case No. 2:19-cv-10191**

Sergio Bernal v. Serco, Inc.

**United States District Court for the Central District of California
Case No. 2:20-cv-01639**

TO EXCLUDE YOURSELF FROM THE SETTLEMENT YOU MUST SIGN AND RETURN THIS FORM, POSTMARKED ON OR BEFORE INSERT DATE, 2021, TO: INSERT SETTLEMENT ADMINISTRATOR INFORMATION.

IDENTIFYING INFORMATION

Please verify and/or complete any missing identifying information:

[NAME] Former Names (if any):

[ADDRESS LINE 1] _____

[ADDRESS LINE 2] _____

THIS FORM IS TO BE USED ONLY IF YOU DO NOT WANT TO PARTICIPATE IN THE PROPOSED SETTLEMENT. IF YOU WANT TO RECEIVE A SETTLEMENT PAYMENT DO NOT SUBMIT THIS FORM.

[] By checking the box to the left, and signing and completing the below, I agree to the following:

I do not want to participate in the settlement in *Stephanie Camarillo et al. v. Serco, Inc.*, Case No. 2:19-cv-10191 and *Sergio Bernal v. Serco, Inc.* Case No. 2:20-cv-01639. I understand by not participating and excluding myself from the settlement, that I will not receive any money, other than a small share attributed to PAGA claims, from the settlement.

Executed on _____, 2021.

(Signature)

[Printed name to be inserted prior to mailing by Settlement Administrator.]

Bernal v. Serco - NAF REDLINES of Long Form Settlement Agreement (7.1.2021)

Final Audit Report

2021-07-08

Created:	2021-07-07
By:	Christelle Solinap (Christelle@barklawfirm.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAQpanc-aGf4qKlb_yV6Dk1lp6Mr_BrmHA

"Bernal v. Serco - NAF REDLINES of Long Form Settlement Agreement (7.1.2021)" History

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