

Holly R. Lake (SBN 204304)
 holly.lake@dlapiper.com
 Steve L. Hernandez (SBN 229065)
 steve.hernandez@dlapiper.com
 Ryan Matthew Estes (SBN 294876)
 ryan.estes@dlapiper.com
 DLA PIPER LLP (US)
 2000 Avenue of the Stars
 Suite 400 North Tower
 Los Angeles, California 90067-4704
 Tel: 310.595.3000
 Fax: 310.595.3300

Attorneys for Defendant
 CTC GLOBAL CORPORATION

SUPERIOR COURT OF CALIFORNIA

COUNTY OF ORANGE

ROBERTO HERNANDEZ, an individual, on
 behalf of himself and all others similarly situated
 and aggrieved,

Plaintiff,

vs.

CTC GLOBAL CORPORATION doing business
 as CTC CABLE CORPORATION, a Delaware
 Corporation; and DOES 1 to 100, inclusive,

Defendant.

ADRIENNE JOHNSON, individually and on
 behalf of all others similarly situated,

Plaintiff,

vs.

CTC GLOBAL CORPORATION, a Delaware
 corporation; and DOES 1 through 50, inclusive,

Defendant.

Lead Case No. 30-2020-01138945-CU-OE-
 CJC

Consolidated Case No. 30-2020-01149795

*[Assigned for all Purposes to the Hon.
 William D. Claster, Dept. CX104]*

**STIPULATION OF CLASS ACTION
 SETTLEMENT AND SETTLEMENT
 AGREEMENT**

STIPULATION OF CLASS ACTION SETTLEMENT AND SETTLEMENT AGREEMENT

Subject to its terms and conditions and the approval of the Court, this Stipulation of Class Action Settlement and Settlement Agreement (the “Settlement” or “Stipulation”) is made and entered into by and between Plaintiffs Roberto Hernandez (“Hernandez”) and Adrienne Johnson (“Johnson”), individually, and on behalf of the putative class (together, “Plaintiffs”), and Defendant CTC Global Corporation (“CTC Global” or “Defendant”). Plaintiffs and Defendant are collectively referred to in this Settlement as the “Parties.”

I. DEFINITIONS

1. In addition to terms defined elsewhere in the Settlement, as used in this Settlement the following terms have the meanings indicated below:

a. “Action” means the civil action initiated on March 13, 2020, in Orange County Superior Court styled as *Roberto Hernandez v. CTC Global Inc.*, Case No. 30-2020-01138945-CV-OE-CJC, which was consolidated on March 16, 2021 with the civil action initiated on July 20, 2020, in Orange County Superior Court styled as *Adrienne Johnson v. CTC Global, Inc.*, Case No. 30-2020-01149795 (the “Action”).

b. “Aggrieved Employees” means all current and former non-exempt employees of Defendant in California at any time during the PAGA Period.

c. “Class Member” shall refer to any current or former employee of Defendant who falls within the definition of the Class. Subject to Court approval, the Settlement Class shall consist of all current and former non-exempt employees of Defendant that worked in California at any time between July 20, 2016 and October 15, 2021 (the “Class Period”).

Each person in the class is a “Class Member,” and all such persons are referred to as the “Class.”

There are approximately 489 Class Members who have worked approximately 41,816 workweeks from July 20, 2016 to July 1, 2021.

d. “Class Counsel” shall refer to Carney R. Shegerian, Anthony Nguyen, and Cheryl A. Kenner of Shegerian & Associates, Inc. and Matthew J. Matern, Launa Adolph, and Deanna S. Leifer of Matern Law Group, PC.

e. “Class Notice” means the Notice which the Settlement Administrator will mail to each Class Member, in English, Spanish, and Vietnamese, explaining the terms of the Settlement contemplated by this Stipulation, in a format that is mutually acceptable to the Parties. The Class Notice shall be accompanied by an Information Sheet, which shall set forth the total number of Compensable Workweeks and the estimated Gross Individual Settlement Payment for each Class Member. The Class Notice and Information Sheet are collectively referred to as the “Notice Materials.” The English form of Notice Materials to be used are attached collectively hereto as Exhibit A.

f. “Class Representative Payment” means the Court-approved service payment to the Class Representatives for their services as Class Representatives and for their execution of a general release of claims known and unknown.

g. “Compensable Workweeks” means the total number of calendar days, inclusive of the first and last day, during which a Class Member worked for Defendant in California as a non-exempt employee during the Class Period and/or PAGA Period, divided by seven (7) and rounded to the nearest whole number.

h. “Counsel for Defendant” or “Defense Counsel” means Holly R. Lake, Steve L. Hernández, and Ryan M. Estes of DLA PIPER LLP (US).

i. “Class Period” means the time period from July 20, 2016 through October 15, 2021.

j. “Defendant” means CTC Global Corporation.

k. “Final Approval Hearing” means the hearing contemplated by the Parties, at which the Court will approve, in final, the Settlement and make such other final rulings as are contemplated by this Stipulation.

l. “Final Approval Order” means the Court’s order granting final approval of the Settlement, which will constitute a “judgment” within the meaning of Code of Civil Procedure section 577. The form of Final Approval Order to be submitted is attached hereto as **Exhibit C**.

m. “Final Effective Date” shall be the first date after all of the following events or conditions have been met or have occurred:

- 1 (1) the Court has, by entry of a Preliminary Approval Order:
- 2 (a) Approved the certification of the Class for settlement
- 3 purposes;
- 4 (b) Preliminarily approved the settlement set forth in this
- 5 Stipulation, and the method of providing the Court-approved
- 6 Class Notice to the Class;
- 7 (2) The Court has entered a Final Approval Order approving this
- 8 Settlement and the Court has entered the Final Judgment as provided in Paragraph 1.m. below;
- 9 (3) No valid rescission of the Settlement has occurred;
- 10 (4) The time to appeal from the Final Approval Order has expired
- 11 and no notice of appeal has been filed; and
- 12 (5) In the event that an appeal is filed, the latest of the following, if
- 13 applicable, has occurred:
- 14 (a) Any appeal from the Final Approval Order has been
- 15 finally dismissed;
- 16 (b) The Final Approval Order has been affirmed on appeal
- 17 in a form substantially identical to the form of the Final
- 18 Approval Order entered by the Court;
- 19 (c) The time to petition for review with respect to any
- 20 appellate decision affirming the Final Approval Order has
- 21 expired; or
- 22 (d) If a petition for review of an appellate decision is filed,
- 23 the petition has been denied or dismissed, or, if granted, has
- 24 resulted in affirmance of the Final Approval Order in a form
- 25 substantially identical to the form of the Final Approval Order
- 26 entered by the Court.
- 27 n. "Final Judgment" means the judgment entered by the Court in
- 28 conjunction with the Final Approval Order. The Parties shall submit an order of Final Judgment

1 setting forth the terms of this Settlement, by incorporation or otherwise, for execution and entry by the
2 Court at the time of the Final Approval Hearing or at such other time as the Court deems appropriate.
3 The form of Final Judgment to be submitted is attached hereto as **Exhibit C**.

4 o. “Gross Individual Settlement Payment” means the gross amount of the
5 Net Settlement Amount each Participating Class Member and Aggrieved Employee will be paid. The
6 sum of these Gross Individual Settlement Payments to individual Participating Class Members and
7 Aggrieved Employees shall constitute the “Class Settlement Payment.” The allocation of payment
8 and tax treatment of Gross Individual Settlement Payments shall be 25% wages, 25% interest, and
9 50% penalties and expense reimbursement.

10 In consideration for the release of claims, Defendant shall pay, or cause to be paid, the total
11 sum of up to Seven Hundred Fifty Thousand Dollars (\$750,000.00), for payment of all Gross
12 Individual Settlement Payments to Participating Class Members and Aggrieved Employees, settlement
13 administration fees, attorneys’ fees, attorneys’ expenses, a payment to the Labor Workforce
14 Development Agency (the “LWDA”) for penalties under the California Labor Code Private Attorneys
15 General Act of 2004 (“PAGA”) (“the PAGA Payment”), and the Class Representative Payments to
16 Plaintiffs (the “Gross Settlement Amount”). The Gross Settlement Amount shall exclude the
17 “Employer’s Share of Payroll Taxes,” which means Defendants’ portion of payroll taxes, including,
18 but not limited to FICA and FUTA, on the portion of the Gross Individual Settlement Payments that
19 constitutes wages.

20 p. “The “Net Settlement Amount” is the net amount available for payment
21 of Gross Individual Settlement Payments to Participating Class Members, after deducting the above-
22 referenced attorneys’ fees and costs, Class Representative Payments, settlement administration fees,
23 and the PAGA Payment from the Gross Settlement Amount.

24 Class Members who do not affirmatively opt-out of the settlement will receive a pro-rata share
25 of the Net Settlement Amount based on their Compensable Workweeks during the Class Period. All
26 checks not cashed within 180 days of payment, plus any accrued interest in the Settlement
27 Administrator’s qualified settlement fund that has not otherwise been distributed, will be tendered to
28 the California State Controller’s Office Unclaimed Property Division in the name of the Participating

1 Class Member.

2 q. "PAGA Payment" means the net amount of Fifteen Thousand Dollars
3 and No Cents (\$15,000.00), of which 75%, or \$11,250.00, shall be remitted to the LWDA for the
4 resolution of all Class Members' claims under the PAGA, and the remaining 25%, or \$3,750.00 shall
5 be part of the Net Settlement Amount and distributed to the Aggrieved Employees.

6 r. "PAGA Period" means the time period from January 7, 2019 to October
7 15, 2021.

8 s. "Participating Class Members" means those members of the Class who
9 do not submit a valid, timely request for exclusion from the Settlement.

10 t. "Preliminary Approval Order" means the order of the Court granting
11 preliminary approval of this Settlement on the terms provided herein or as the same may be modified
12 by subsequent mutual agreement of the Parties with, as appropriate, approval of the Court. The form
13 of Preliminary Approval Order to be submitted is attached hereto as **Exhibit B**.

14 u. "Response Deadline" means the date sixty (60) days after the Settlement
15 Administrator mails the Notice Materials to Class Members and the last date on which Class Members
16 may submit a request for exclusion, notice of objection, or dispute regarding the number of
17 Compensable Workweeks stated on their respective Information Sheet.

18 v. "Settlement Administrator" means an administrator mutually agreed to
19 by the Parties and approved by the Court that will perform the customary duties of a settlement
20 administrator including, but not limited to, the duties enumerated in this Stipulation.

21 **II. BACKGROUND AND REASONS FOR SETTLEMENT**

22 2. On January 8, 2020, Hernandez sent by certified mail a letter to the LWDA
23 notifying the agency of his allegations that Defendant violated the California Labor Code, including
24 alleged: (1) failure to provide proper meal breaks in violation of Labor Code section 226.7; (2) failure
25 to provide proper rest breaks in violation of Labor Code section 226.7; (3) failure to provide pay
26 minimum wages in violation of Labor Code sections 510, 1194, 1194.2, and 1194.7; (4) failure to
27 provide pay overtime wages in violation of Labor Code sections 510 and 1194; (5) failure to provide
28 lawful wage statements in violation of Labor Code section 226; (6) failure to pay all earned wages and

1 compensation upon termination in violation of Labor Code sections 201, 202 and 203; (7) unfair
2 business practices in violation of California Business and Professions Code section 17200; and (8)
3 civil penalties pursuant to PAGA. On March 13, 2020, Hernandez filed a complaint in the Superior
4 Court of the State of California, County of Orange, entitled *Roberto Hernandez v. CTC Global Inc.*,
5 Case No. 30-2020-01138945-CV-OE-CJC, on behalf of himself and other non-exempt employees who
6 worked for Defendant in California, alleging a singular claim for PAGA violations for the
7 aforementioned California Labor Code violations. The complaint seeks lost wages, interest, penalties,
8 injunctive relief, attorneys' fees and expenses.

9 3. On May 4, 2020, Johnson sent by certified mail a letter to the LWDA notifying
10 the agency of her allegations that Defendant violated the California Labor Code, including the
11 following claims: (1) failure to provide proper meal breaks in violation of Labor Code section 226.7;
12 (2) failure to provide proper rest breaks in violation of Labor Code section 226.7; (3) failure to provide
13 pay minimum wages in violation of Labor Code sections 510, 1194, 1194.2, and 1194.7; (4) failure to
14 provide pay overtime wages in violation of Labor Code sections 510 and 1194; (5) failure to pay all
15 earned wages and compensation upon termination in violation of Labor Code sections 201, 202 and
16 203; (6) failure to provide lawful wage statements in violation of Labor Code section 226; (7) failure
17 to maintain required records in violation of Labor Code sections 226 and 1174; (8) failure to indemnify
18 employees for necessary expenditures incurred in discharge of duties in violation of Labor Code
19 section 2802; (9) unfair business practices in violation of California Business and Professions Code
20 section 17200; and (10) civil penalties pursuant to PAGA.

21 4. On July 20, 2020, Johnson filed a complaint in the Superior Court of the State
22 of California, County of Orange, entitled *Adrienne Johnson v. CTC Global, Inc.*, Case No. 30-2020-
23 01149795, on behalf of herself and other non-exempt employees who worked for Defendant in
24 California, alleging the ten causes of actions outlined in her notice to the LWDA. The complaint seeks
25 unpaid wages, interest, penalties, injunctive relief, attorneys' fees, and expenses.

26 5. On December 16, 2020, Hernandez filed a First Amended Complaint in the
27 Superior Court of the State of California, County of Orange entitled *Roberto Hernandez v. CTC Global*
28 *Inc.*, Case No. 30-2020-01138945-CV-OE-CJC, on behalf of himself and other non-exempt employees

1 who worked for Defendant in California alleging claims for: (1) failure to provide proper meal breaks
2 in violation of Labor Code section 226.7; (2) failure to provide proper rest breaks in violation of Labor
3 Code section 226.7; (3) failure to provide pay minimum wages in violation of Labor Code sections
4 510, 1194, 1194.2, and 1194.7; (4) failure to provide pay overtime wages in violation of Labor Code
5 sections 510 and 1194; (5) failure to provide lawful wage statements in violation of Labor Code section
6 226; (6) failure to pay all earned wages and compensation upon termination in violation of Labor Code
7 sections 201, 202 and 203; (7) unfair business practices in violation of California Business and
8 Professions Code section 17200; and (8) civil penalties pursuant to PAGA.

9 6. On March 16, 2021, Plaintiffs filed a Consolidated Class Action and PAGA
10 Representative Complaint in the Superior Court of the State of California, County of Orange entitled
11 *Roberto Hernandez v. CTC Global Inc.*, Case No. 30-2020-01138945-CV-OE-CJC, on behalf of
12 themselves and other non-exempt employees who worked for Defendant in California alleging the
13 following claims: (1) failure to provide proper meal breaks in violation of Labor Code section 226.7;
14 (2) failure to provide proper rest breaks in violation of Labor Code section 226.7; (3) failure to provide
15 pay minimum wages in violation of Labor Code sections 510, 1194, 1194.2, and 1194.7; (4) failure to
16 provide pay overtime wages in violation of Labor Code sections 510 and 1194; (5) failure to pay all
17 earned wages and compensation upon termination in violation of Labor Code sections 201, 202 and
18 203; (6) failure to provide lawful wage statements in violation of Labor Code section 226; (7) failure
19 to maintain required records in violation of Labor Code sections 226 and 1174; (8) failure to indemnify
20 employees for necessary expenditures incurred in discharge of duties in violation of Labor Code
21 section 2802; (9) unfair business practices in violation of California Business and Professions Code
22 section 17200; and (10) civil penalties pursuant to PAGA.

23 7. Defendant denies all of the allegations in Plaintiffs' complaints and maintains
24 that the Court should not certify the class or representative action proposed by Plaintiffs, other than
25 for the sole purpose of this Settlement, as set forth in its Answer to Plaintiffs' operative Consolidated
26 Class Action and PAGA Representative Complaint, filed on April 2, 2021.

27 8. The Parties agreed to attempt to resolve the matters through mediation and
28 agreed to engage in informal discovery leading up to that mediation. To facilitate mediation in this

1 case, Defendant provided data on the number of paystubs issued, the number of Class Members, and
2 other relevant class data.

3 9. Using the data analysis, the Parties engaged in mediation under the guidance of
4 an experienced wage and hour neutral, Jeff Krivis, Esq., on July 15, 2021. At the end of the mediation,
5 Mr. Krivis made a mediator's proposal outlining the material terms of a proposed class action
6 settlement that would fully resolve the Action. On July 22, 2021, the Parties accepted the mediator's
7 proposal, subject to the Parties entering into a long-form settlement agreement.

8 10. Class Counsel represent that they have conducted a thorough investigation into
9 the facts of this case and have diligently pursued an investigation of the Class Members' claims against
10 Defendant, including: (1) reviewing relevant policy documents; (2) researching the applicable law and
11 the potential defenses; and (3) reviewing relevant data, including time records and pay data for the
12 Class Members, which Class Counsel used to prepare a detailed damage analysis prior to mediation.
13 Based on their own independent investigation and evaluation, Class Counsel are of the opinion that
14 the Settlement is fair, reasonable, and adequate and is in the best interest of the Class in light of all
15 known facts and circumstances, including the risk of significant delay, defenses asserted by Defendant,
16 and potential appellate issues. Without admitting any liability, Defendant agrees that the Settlement
17 is fair, reasonable, and adequate.

18 11. It is the mutual desire of the Parties to fully, finally, and forever settle,
19 compromise, and discharge all disputes and claims raised in or related in any way to the Action. Thus,
20 the entry of the Final Approval Order in this Action shall dismiss with prejudice all claims which were
21 or which could have been alleged in Plaintiffs' complaints. The Parties agree to cooperate and take
22 all steps necessary and appropriate to obtain preliminary and final approval of this Settlement, to
23 effectuate its terms, and to dismiss these claims with prejudice.

24 12. The Court must approve the Settlement. The Parties will cooperate in good faith
25 and utilize best efforts to obtain approval, including in the preparation of all paperwork necessary to
26 obtain approval. Absent Court approval, there is no settlement.

27 13. Class Counsel intend to apply to the Court for a fee award, plus expenses and
28 costs incurred. Defendant will not object to a claim for attorneys' fees of up to 33 1/3% of the Gross

1 Settlement Amount, which is \$250,000.00, actual costs as documented in billing statements of the
2 attorneys for the named Plaintiffs, and a service award to Plaintiffs of up to \$10,000.00 each. If the
3 Court believes the attorneys' fees, costs, or service awards should be reduced, the other terms of the
4 Settlement will remain in effect and any such reduction will not affect the remaining terms, other than
5 adjusting the Net Settlement Amount. A reduction to the attorneys' fees, costs, or service awards is
6 not a ground for rescission.

7 14. Class Members who do not affirmatively opt-out of the Settlement will receive
8 a pro-rata share of the Net Settlement Amount based on their Compensable Workweeks.

9 15. If more than 10% of the Class Members opt-out of the settlement, Defendant
10 may rescind the Settlement. Defendant shall provide notice of its intent to rescind the Settlement to
11 Class Counsel and the Court within seven (7) days after the Settlement Administrator notifies the
12 Parties of the number of valid requests for exclusion it has received. Defendant shall be responsible
13 for paying any Settlement Administration Costs incurred as of the date that Defendant exercises its
14 option to rescind the Settlement.

15 16. The Parties and their counsel shall issue no public statements and shall make
16 no comments to media or press with respect to the Action or the Settlement at any time (including but
17 not limited to press releases), except as required by law. In addition, the Parties and their counsel shall
18 not make, publish, circulate or cause to be made, published or circulated any statements that represent
19 or suggest any wrongdoing by Defendant, or that this Settlement or any order by the Court regarding
20 the Settlement represents or implies any wrongdoing by, or any admission of liability by, Defendant,
21 or a finding by the Court of liability or wrongdoing.

22 **III. NO ADMISSION**

23 17. Nothing contained in this Stipulation nor the Settlement contemplated in the
24 Stipulation shall be construed or deemed an admission of liability, culpability, negligence, or
25 wrongdoing on the part of Defendant and Defendant denies liability therefor. While Defendant
26 believes that this Action meets the prerequisites for certification of a settlement class, the fact that
27 Defendant seeks approval of this Settlement in the form of a class action shall not be construed as an
28 admission that the underlying action was properly brought as a class action or a representative action

1 under California Business and Professions Code section 17200 or California Labor Code section 2699
2 for purposes other than settlement. Each of the Parties has entered into this Settlement with the
3 intention to avoid further disputes and litigation with the attendant inconvenience and expenses.
4 Settlement of the Action, the negotiation and execution of this Stipulation, and all acts performed or
5 documents executed pursuant to or in furtherance of this Stipulation or the Settlement: (1) are not,
6 shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or
7 liability on the part of Defendant, and each of them; (2) are not, shall not be deemed to be, and may
8 not be used as, an admission or evidence of any fault or omission on the part of Defendant in any civil,
9 criminal, administrative or arbitral proceeding in any court, administrative agency or other tribunal;
10 and (3) are not, shall not be deemed to be, and may not be used as, an admission or evidence of the
11 appropriateness of these or similar claims for class certification or administration other than for
12 purposes of administering this Stipulation. This Stipulation is a settlement document and shall be
13 inadmissible in evidence in any proceeding, except an action or proceeding to approve, interpret, or
14 enforce the terms of the Stipulation.

15 **IV. CERTIFICATION OF A CODE OF CIVIL PROCEDURE SECTION 382 CLASS**

16 18. For Settlement purposes only, the Parties stipulate to conditional certification of the
17 Settlement Class ("Class"), an opt-out class under California Code of Civil Procedure 382, that is
18 defined as follows:

19 The "Class" shall consist of all current and former employees of CTC
20 Global who worked in California at any time between July 20, 2016
21 and October 15, 2021 ("Class Period"). Each person in the Class is a
"Class Member," and all such persons are referred to as the "Class."

22 19. The Parties stipulate that Plaintiffs Roberto Hernandez and Adrienne Johnson
23 shall be appointed as the Class Representatives for the Settlement Class.

24 20. The Parties stipulate that to Carney Shegerian, Anthony Nguyen, and Cheryl A.
25 Kenner of Shegerian & Associates, Inc. and Matthew J. Matern, Launa Adolph, and Deanna S. Leifer
26 of Matern Law Group, PC shall be appointed Class Counsel for the Settlement Class.

27 21. The stipulations to certify the Settlement Class are completely contingent upon
28 final approval of this Stipulation by the Court and are made for settlement purposes only. If the

Settlement is not approved by the Court, is overturned on appeal, or does not become final for any other reason, the Parties agree that the certification of the Settlement Class is void *ab initio* and that, if necessary, they shall stipulate to decertification of the Settlement Class without prejudice to the propriety of class certification being adjudicated on the merits.

V. TERMS OF THE SETTLEMENT

A. Gross Settlement Amount

22. In consideration for the release of claims, Defendant shall pay, or cause to be paid, the total sum of \$750,000.00, as described below, for payment of all Gross Individual Settlement Payments to Participating Class Members, settlement administration costs, attorneys' fees, attorney expenses, the PAGA Payment, and the Class Representative Payments to Plaintiffs (the "Gross Settlement Amount").

23. The following will be deducted from the Gross Settlement Amount: (a) attorneys' fees and recoverable costs; (b) settlement administration fees; (c) the PAGA Payment; and (d) the Class Representative Payments.

24. The "Net Settlement Amount" will equal the net amount available for payment to the Participating Class Members (after deducting the above-referenced fees and costs from the Gross Settlement Amount).

25. This is a non-reversionary settlement and none of the Gross Settlement Amount will revert to the Defendant.

26. This Settlement does not establish a fund for the payment of claims except as expressly provided for herein. The Gross Settlement Amount shall remain in the possession, custody, and control of Defendant until the settlement amounts are distributed as set forth herein. The Gross Settlement Amount shall not be segregated but shall remain in Defendant's general funds until distributed or shall be provided to the Settlement Administrator for distribution sufficiently in advance for the Settlement Administrator to meet its obligations under the Settlement.

27. In the event that this Stipulation is canceled, rescinded, terminated, voided, or nullified, however that may occur, or the Settlement of the Action is barred by operation of law, is invalidated, is not approved or otherwise is ordered not to be carried out by the Court or any court of

competent jurisdiction, Defendant will cease to have any obligation to pay or provide any portion of the Gross Settlement Amount to anyone under the terms of this Settlement.

B. Attorneys' Fees and Costs

28. The Action alleges a potential claim for attorneys' fees and costs pursuant to, inter alia, the California Labor Code. The Parties agree that any and all such claims for attorneys' fees and costs have been settled in this Stipulation subject only to approval by the Court.

29. Defendant understands that Class Counsel will apply to the Court for an award of attorneys' fees and costs, which will be scheduled for determination at the Final Approval Hearing described below. Class Counsel intend to apply to the Court for a fee award, plus expenses and costs incurred. Defendant will not object to a claim for attorneys' fees of up to 33 1/3% of the Gross Settlement Amount, which is Two Hundred Fifty Thousand Dollars (\$250,000.00), and costs not to exceed Twenty-five Thousand Dollars (\$25,000.00), as documented in Class Counsel's billing statements.

30. The fee award shall be paid exclusively from the Gross Settlement Amount, and will compensate Class Counsel for all of the work already performed in the Action and all work remaining to be performed in documenting the Settlement, securing Court approval of the Settlement, administering the Settlement, ensuring that the Settlement is fairly administered and implemented, finalizing the disposition of the Action in its entirety via the agreed-upon Judgment, and defending against any appeals, as well as all associated expenses. The litigation costs and expenses shall be those costs and expenses incurred by Plaintiffs as set forth on Class Counsel's billing statements, including but not limited to mediation fees, expert and consultant fees, filing fees, attorney service charges, online research charges, travel expenses (including mileage, parking, meals, hotels and flights), copying expenses, deposition expenses, *Belaire-West* class notice expenses (if not covered by the settlement administrator bid), courier fees, postage, and delivery charges. Neither the Class Representatives, Class Counsel, nor any other Class Member shall seek payment of attorneys' fees or reimbursement of costs or expenses from Defendant except as expressly set forth in this Stipulation.

31. The substance of Class Counsel's application for attorneys' fees and costs is not a material part of this Stipulation and is to be considered separately from the consideration of the

1 fairness, reasonableness, adequacy, and good faith of the settlement of the Action. However, all claims
2 for attorneys' fees and costs or expenses that the Settlement Class may possess against Defendant have
3 been compromised and resolved in this Stipulation. Any proceedings related to Class Counsel's
4 application for attorneys' fees and costs shall not terminate or cancel this Stipulation. If Class Counsel
5 appeal an adverse ruling of the Court regarding their fee and cost application, the ruling of the appellate
6 court (regardless of its substance) shall not constitute a material alteration of a term of this Stipulation.
7 Class Counsel waives and releases any claim for fees and costs in excess of that which are allowed by
8 the Court or on appellate review of the Court's fees and costs decision or otherwise. The amount, if
9 any, by which the finally approved fees and costs are less than the maximum amount which can be
10 sought pursuant to this Stipulation shall be a part of the Net Settlement Amount available to
11 Participating Class Members.

12 32. No later than fifteen (15) calendar days after the Court's approval of Class
13 Counsel's application for attorneys' fees and costs, Class Counsel shall deliver to the Settlement
14 Administrator written instructions that describe the manner and mode of payment of such attorneys'
15 fees and costs (and, in the absence of such instructions, such attorneys' fees and costs shall be sent by
16 wire transfer as set forth below), and fully-executed Form W-9s with respect to all persons or entities
17 to whom some or all of the attorneys' fees and costs shall be paid.

18 33. No later than fifteen (15) calendar days after the Final Effective Date,
19 Defendant shall wire transfer the Gross Settlement Amount to the Settlement Administrator.
20 Assuming the conditions in Paragraph 21 have been met, no later than ten (10) calendar days after the
21 receipt of the Gross Settlement Amount from Defendant, the Settlement Administrator shall issue a
22 payment to Class Counsel for the amount of attorneys' fees and costs approved by the Court and in
23 accordance with the instructions provided by Class Counsel.

24 34. The Settlement Administrator will issue to Class Counsel IRS Form 1099s for
25 the amounts paid for attorneys' fees and costs under this Settlement.

26 **C. Payment to Settlement Administrator**

27 35. The fees and expenses of the Settlement Administrator are estimated at and not
28 to exceed \$14,000.00. To the extent that the costs of administration exceed the amount agreed upon,

1 the shortfall will be taken from the Net Settlement Amount. To the extent the cost of administration
2 is less than the amount agreed upon, the excess shall become part of the Net Settlement Amount.

3 36. On or before the date of the Final Approval Hearing, the Settlement
4 Administrator shall deliver to counsel for Defendant a fully-executed Form W-9.

5 37. No later than fifteen (15) calendar days after the Final Effective Date,
6 Defendant shall mail or wire transfer the Gross Settlement Amount to the Settlement Administrator.
7 No later than ten (10) calendar days after the receipt of the Gross Settlement Amount from Defendant,
8 the Settlement Administrator may issue a payment to itself for the amount of fees approved by the
9 Court.

10 38. Defendant will issue to the Settlement Administrator an IRS Form 1099 for the
11 sum paid to it under this Settlement.

12 **D. Class Representative Payments to Plaintiffs**

13 39. Defendant understands that Plaintiffs and Class Counsel will apply to the Court
14 for Class Representative Payments, which will be scheduled for determination at the Final Approval
15 Hearing. Plaintiffs and Class Counsel will apply for a Class Representative Payment in an amount up
16 to, but not to exceed, Ten Thousand Dollars and No Cents (\$10,000.00) to each of the Class
17 Representatives, which shall be paid exclusively from the Gross Settlement Amount, and will
18 compensate Plaintiffs for their services as the Class Representatives. Defendant will not oppose
19 Plaintiffs' application for the Class Representative Payments up to the stated amount. The amount, if
20 any, by which the Class Representative Payment are less than the maximum amount which can be
21 sought pursuant to this Stipulation shall be part of the Net Settlement Amount.

22 40. As a condition precedent to the payment of this Class Representative Payment,
23 Plaintiffs release any and all claims against Defendant as set forth in the Class Representative Release.

24 41. Any Class Representative Payment awarded by the Court shall be in addition
25 to the payment Plaintiffs shall receive as a Participating Class Member and shall not be subject to
26 payroll tax withholding and deductions for this payment.

42. No later than ten (10) calendar days after the receipt of the Gross Settlement Amount from Defendant, the Settlement Administrator shall issue the Class Representative Payments to Plaintiffs in the amount approved by the Court, subject to all authorized and required deductions.

43. The Settlement Administrator will issue IRS Form 1099-MISC to Plaintiffs for the amount of the Class Representative Payment.

E. Distribution to Participating Class Members

44. Class Members who do not affirmatively opt-out of the settlement will receive a pro-rata share of the Net Settlement Amount based on their Compensable Workweeks during the Class Period. All checks not cashed within 180 days of payment, plus any accrued interest in the Settlement Administrator's qualified settlement fund that has not otherwise been distributed, will be tendered to the California State Controller's Office Unclaimed Property Division in the name of the Participating Class Member.

45. Each Participating Class Member's Gross Individual Settlement Payment shall be calculated solely by the Settlement Administrator according to the following formula: Defendant shall provide the Settlement Administrator with the Compensable Workweeks for each Participating Class Member. The Settlement Administrator shall then divide the Net Settlement Amount by the total number of Compensable Workweeks for all Participating Class Members resulting in a value for each week worked by the Participating Class Members during the Class Period ("Workweek Value"). The Settlement Administrator shall then multiply the number of Compensable Workweeks for each Participating Class Member by the Workweek Value.

46. In addition, all Aggrieved Employees shall receive a pro rata share of the portion of the PAGA Payment allocated to Aggrieved Employees based on their Compensable Workweeks during the PAGA Period.

47. The Participating Class Members shall be paid their respective Individual Settlement Payments as provided in this Stipulation pursuant to section IX below. The allocation and tax treatment of Individual Settlement Payments shall be 25% wages, 25% interest, and 50% penalties and expense reimbursement.

F. PAGA Payment

48. The Parties have agreed to allocate Fifteen Thousand Dollars and Zero Cents (\$15,000.00) for the resolution of all Class Members' claims under the PAGA. 75% of that allocation, which is Eleven Thousand Two Hundred and Fifty Dollars and No Cents (\$11,250.00), will be remitted to the LWDA. The remaining 25%, which is Three Thousand Seven Hundred and Fifty Dollars and No Cents (\$3,750.00), will be distributed to the Aggrieved Employees.

49. This amount is subject to review and approval by the Court as part of the settlement process pursuant to Labor Code section 2699(1)(2). This Settlement is contingent on the Court approving the PAGA Payment and release. Class Counsel will submit a copy of the Settlement to the LWDA at the same time the Settlement is submitted to the Court in accordance with Labor Code section 2699 (1)(2).

50. Within ten (10) calendar days after the receipt of the Gross Settlement Amount from Defendant, the Settlement Administrator will remit the PAGA Payment to the LWDA.

VI. APPOINTMENT AND DUTIES OF SETTLEMENT ADMINISTRATOR

51. The Settlement Administrator shall perform the following duties in connection with administration of the Settlement: (1) using the data provided by Defendant to prepare the Notice Materials for each Class Member, as described in section VII.A of this Settlement, including translating the Class Notice into Spanish and Vietnamese; (2) mailing the Notice Materials to Class Members; (3) tracking non-delivered Notice Materials and taking reasonable steps to re-send them to Class Members' current addresses; (4) providing telephone support to Class Members who call about this case; (5) setting up a settlement website which contains copies of all papers and orders filed in connection with preliminary and final approval, including the final Stipulation, Complaint, and Final Judgment; (6) tracking and timely reporting to Class Counsel and Counsel for Defendant about any requests for exclusion; (7) calculating and paying the amounts due to each Participating Class Member pursuant to the Settlement; (8) transmitting funds as required by applicable garnishments and liens; (9) sending out reminder postcards to Participating Class Members with uncashed checks and also contacting all Participating Class Members who have not cashed their Settlement Checks to remind them to do so before the six-month deadline for doing so expires; (10) transmitting funds to resolve the PAGA claim to the State of California as designated; (11) issuing payments to Class Counsel and

1 Class Representative and associated tax forms; (12) escheating the funds to the Unclaimed Property
2 Division.

3 52. All disputes relating to the Settlement Administrator's performance of its duties
4 will be referred to the Court, if necessary, which will have continuing jurisdiction over this Settlement
5 until all payments and obligations contemplated by this Settlement have been fully carried out.

6 **VII. NOTICE TO THE CLASS OF THE SETTLEMENT**

7 **A. Mailing or Emailing the Notice Packets to the Class Members**

8 53. Within fifteen (15) calendar days after the Court enters its Preliminary Approval
9 Order, Defendant will provide to the Settlement Administrator a database that lists, for each Class
10 Member, the individual's name, Social Security Number, last known address, telephone number, email
11 address, and dates of employment with Defendant during the Class Period. This database will be
12 drawn from Defendant's payroll and other business records and will be in a format acceptable to the
13 Settlement Administrator and Defendant. Defendant will consult with the Settlement Administrator
14 prior to the date for providing this information to ensure that the format will be acceptable to the
15 Settlement Administrator. The data provided to the Settlement Administrator and Class Counsel will
16 remain confidential and will not be disclosed to anyone, except as required to applicable tax
17 authorities, pursuant to Defendant's express written consent, or by order of the Court.

18 54. Within fifteen (15) calendar days after Defendant provides the Settlement
19 Administrator the information stated pursuant to Paragraph 53, above, the Settlement Administrator
20 will either mail, by first-class mail (as approved by the Court), the Notice Materials to all Class
21 Members at their last known address, unless modified by any updated address information that the
22 Settlement Administrator obtains in the course of administration of the Settlement.

23 55. The Settlement Administrator will use standard devices, including the National
24 Change of Address database or equivalent, to obtain forwarding addresses prior to mailing and will
25 use appropriate skip tracing to take appropriate steps to maximize the probability that the Class Notice
26 will be received by all Class Members. Class Members to whom the Class Notice Materials are resent
27 after having been returned undeliverable to the Settlement Administrator shall have ten (10) calendar
28 days thereafter, or until the Response deadline has expired, whichever is later, to mail, fax or email

1 the request for exclusion, or an objection. Notice Materials that are resent shall inform the recipient
2 of this adjusted deadline. If a Class Member's Notice Materials are returned to the Settlement
3 Administrator more than once as non-deliverable, no additional Notice Materials shall be sent.

4 56. The Settlement Administrator shall provide regular reports to Class Counsel
5 and Defendant's counsel as to the mailings of Notice Materials, and the receipt of requests for
6 exclusion and objections prior to the Response Deadline.

7 **C. Disputes**

8 57. Defendant's records will be presumed correct, however, Class Members may
9 submit a dispute of their Compensable Workweeks to the Settlement Administrator prior to the
10 Response Deadline. The Settlement Administrator will evaluate the evidence submitted by the Class
11 Member and will make a final determination based on its evaluation of all the evidence presented. All
12 determinations will be made no later than fifteen (15) calendar days within receipt of the challenge.

13 **D. Objections to Settlement**

14 58. Class Members may object to the Settlement by serving on the Settlement
15 Administrator by the Response Deadline, a written objection to the Settlement.

16 59. Nevertheless, the Court may entertain subsequently filed objections or oral
17 argument from a Class Member or his or her counsel at the Final Approval Hearing.

18 60. Any Class Member who has elected to opt-out of the Settlement (pursuant to
19 the procedure set forth below) may not submit an objection to the Settlement.

20 61. The Settlement Administrator shall provide the Parties a copy of any objections
21 received within three (3) days of receipt. Counsel for the Parties shall file any objections and any
22 response thereto at least seven (7) calendar days before the Final Approval Hearing.

23 **E. Election Not to Participate in the Class Settlement**

24 62. In order for a Class Member to validly and effectively request exclusion from,
25 and opt out of, this Settlement, the Class Member must submit to the Settlement Administrator a
26 request for exclusion according to the procedures set forth in the Class Notice. Substantial compliance
27 with the requirements set forth in the Class Notice will in most cases be sufficient. To the extent
28 additional information is required, the Settlement Administrator will communicate with the Class

1 Member. In order to be valid, the request for exclusion must (1) contain the name, address, and
2 telephone number of the person requesting exclusion; (2) be signed by the Class Member; and (3) be
3 postmarked for delivery to the Settlement Administrator by the Response Deadline. No request for
4 exclusion will be accepted if postmarked for delivery to the Settlement Administrator after the
5 Response Deadline.

6 63. Any Class Member who does not properly and timely submit a request for
7 exclusion will automatically be bound by all terms and conditions of the Settlement, including its
8 release of claims, if the Settlement is approved by the Court, and be bound by the Final Approval
9 Order, regardless of whether he or she has objected to the Settlement.

10 64. A Class Member who properly and timely submits a request for exclusion will
11 not be bound by the Settlement, and will remain free to contest any claim brought by Plaintiffs that
12 would have been barred by the Settlement, and nothing in this Settlement will constitute or be
13 construed as a waiver of any defense Defendant has or could assert against such a claim.

14 65. An Aggrieved Employee who submits a timely request for exclusion shall still
15 receive his or her pro rata portion of the PAGA Payment

16 66. Plaintiffs may not opt-out of the Settlement Class.

17 **F. Reports and Declaration by Settlement Administrator**

18 67. No later than fifteen (15) calendar days after the Response Deadline, the
19 Settlement Administrator will submit to Class Counsel and Counsel for Defendant a report setting
20 forth the number of individuals who as of that date have submitted (a) valid requests for exclusion and
21 (b) invalid requests to be excluded from the Settlement. In the event that the Settlement Administrator
22 subsequently receives a request for exclusion, it will promptly distribute an updated report.

23 68. By no later than (7) calendar days before the date when Plaintiffs file their
24 motion for final approval of the Settlement, the Settlement Administrator will prepare and submit for
25 filing in support of the motion a declaration attesting to its mailing of the Class Notice, its receipt of
26 requests for exclusion and objections, and its inability to deliver the Class Notice to potential Class
27 Members due to invalid addresses. As applicable, the Settlement Administrator will prepare and
28 submit for filing in support of the motion for final approval, any supplemental declaration.

1 **G. Settlement Website**

2 69. The Settlement Administrator will create a settlement website which contains
3 copies of all papers and orders filed in connection with preliminary and final approval, including the
4 final Stipulation and Complaint. These documents will be posted no later than the mailing of the
5 Notice Materials and will remain posted until the date of final approval. The Settlement Administrator
6 will also post on its website Notice of Final Judgment.

7 **H. Toll-Free Telephone Support**

8 70. The Settlement Administrator shall establish a toll-free telephone number for
9 Class Members seeking telephone support regarding this case.

10 **I. Reminder Postcards for Uncashed Checks**

11 71. Within forty (40) days of the date that checks mailed to Participating Class
12 Members are scheduled to expire, the Settlement Administrator shall mail reminder postcards to
13 Participating Class Members whose checks remain uncashed to remind them to negotiate their checks.

14 **VIII. RIGHT TO RESCIND**

15 72. In the event that ten percent (10%) or more of the Class Members submit valid
16 requests not to participate in the Settlement, Defendant will have the exclusive right in its sole
17 discretion to rescind the Settlement, and all actions taken in its furtherance will be null and void.
18 Defendant must exercise this right within ten (10) days after the date on which the Settlement
19 Administrator first informs Defendant that at least ten percent (10%) of the potential Class Members
20 have made valid requests to be excluded from the Settlement.

21 **IX. ADJUSTMENT OF GROSS SETTLEMENT AMOUNT**

22 73. The Gross Settlement Amount was negotiated and is premised on the
23 understanding that there are approximately 41,816 workweeks worked by Class Members during the
24 Class Period. In the event that the total number of workweeks exceeds that number by ten percent
25 (10%) or more, the Gross Settlement Amount shall be increased by one percent (1%) for every one
26 percent (1%) increase in workweeks over the ten percent (10%) threshold.

27 **IX. DISTRIBUTION OF THE SETTLEMENT PAYMENTS**

28 74. Defendant or Class Counsel shall serve the Settlement Administrator with

1 notice of the Final Effective Date as soon as possible. No later than fifteen (15) calendar days after
2 the Final Effective Date, the Settlement Administrator will prepare and provide counsel for Defendant
3 and Class Counsel with a report summarizing the total Participating Class Members and the Gross
4 Individual Settlement Payment for each Participating Class Member on that list. The sum of the Gross
5 Individual Settlement Payments due to the individuals on that list shall constitute the “Class Settlement
6 Payment.”

7 75. Defendant will cause the Gross Settlement Amount to be wired to the
8 Settlement Administrator no later than fifteen (15) calendar days after the Final Effective Date. Within
9 the same fifteen (15) calendar days, Defendant also will provide the Settlement Administrator a list
10 identifying all Participating Class Members who have garnishments and liens, the amounts of each
11 individual’s garnishments and liens, and the name and address of the person or entity that is entitled
12 to receive payment of such garnishments and liens.

13 76. Within ten (10) calendar days after the receipt of the Gross Settlement Amount
14 from Defendant, the Settlement Administrator will distribute to every Participating Class Member his
15 or her Gross Individual Settlement Payment. The Settlement Administrator shall make appropriate
16 tax reporting and withholdings in accordance with this Agreement and applicable law and regulations.

17 77. The Settlement Administrator will timely remit any taxes associated with the
18 settlement payments to the proper authorities, as required by law. In addition, the Settlement
19 Administrator will timely issue an IRS Form 1099-MISC to each Participating Class Member that
20 reflects the non-wage income portion of the settlement payment to the extent required by law.

21 78. If any Participating Class Member does not cash his or her settlement check(s)
22 within 180 days after issuance, fifteen (15) calendar days after the check-cashing deadline the
23 Settlement Administrator shall escheat the funds, plus any accrued interest in the Settlement
24 Administrator’s qualified settlement fund that has not otherwise been distributed, will be tendered to
25 the California State Controller’s Office Unclaimed Property Division in the name of the Participating
26 Class Member. The Parties agree that this obligation shall satisfy and fully discharge Defendant’s
27 obligations under California Code of Civil Procedure Section 384 and the doctrine of *escheat*.
28

X. RELEASE OF CLAIMS

A. Released Claims by Class Members Who Do Not Opt Out

79. Class Members who do not opt out of the settlement will be bound by a release of claims.

80. The release of claims includes Released Claims which could have been pled based on or reasonably related to the facts and claims alleged in Hernandez's Complaint, Hernandez's First Amended Complaint, Johnson's Complaint, Plaintiffs' operative Consolidated Class Action and PAGA Representative Complaint or arising out of or reasonably related to the transactions and occurrences pled in Hernandez's Complaint, Hernandez's First Amended Complaint, Johnson's Complaint, Plaintiffs' operative Consolidated Class Action and PAGA Representative Complaint of which a Class Member does not know or suspect to exist in his or her favor against Defendant that arose during the Class Period.

81. Upon Defendant providing the Gross Settlement Amount to the Settlement Administrator, each Class Member who has not timely and effectively opted out will be deemed to have released claims as both a matter of contract and judicial procedure as follows, which release shall be incorporated into the Class Notice:

Upon Defendant providing the Gross Settlement Amount to the Settlement Administrator, all Class Members who have not submitted timely and valid requests for exclusion will release and discharge Defendant, its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys (the "Released Parties") from all claims, demands, rights, liabilities and causes of action that were or could have been asserted (whether in tort, contract or otherwise) for violation of the California Labor Code, the California Business and Professions Code, the applicable Industrial Welfare Commission Orders or any similar state or federal law, whether for economic damages, non-economic damages, liquidated damages, punitive damages, restitution, penalties, other monies, or other relief based on any facts,

1 transactions, events, policies, occurrences, acts, disclosures, statements, omissions or
 2 failures to act pled or arising out of or reasonably related to the facts, transactions, and
 3 occurrences pled in Hernandez's Complaint, Hernandez's First Amended Complaint,
 4 Johnson's Complaint, or the Plaintiffs' operative Consolidated Class Action and PAGA
 5 Representative Complaint, which are or could be the basis of claims for: (1) failure to
 6 provide proper meal breaks; (2) failure to provide proper rest breaks; (3) failure to
 7 provide pay minimum wages; (4) failure to provide pay overtime wages; (5) failure to
 8 pay all earned wages and compensation upon termination; (6) failure to provide lawful
 9 wage statements; (7) failure to maintain required records; (8) failure to indemnify
 10 employees for necessary expenditures incurred in discharge of duties; (9) alleged unfair
 11 business practices; and (10) any related claims for penalties pursuant to the Labor Code
 12 Private Attorneys General Act of 2004 that arose during the Class Period (the "Released
 13 Claims"). The release will exclude claims for vested benefits, wrongful termination
 14 (apart from that of Plaintiffs Hernandez and Johnson who will execute general releases
 15 of claims under Civil Code section 1542), unemployment insurance, disability,
 16 workers' compensation, and claims outside of the Class Period.

17 82. The Gross Individual Settlement Payment to Participating Class Members will
 18 not result in any additional benefit payments beyond those provided by this Stipulation to Plaintiffs
 19 and Participating Class Members. Participating Class Members will be deemed to have waived all
 20 such claims for benefits premised upon the Gross Individual Settlement Payments to them, whether
 21 known or unknown by them, as part of their Released Claims under this Stipulation.

22 **B. Released Claims by the Class Representatives**

23 83. Upon Defendant providing the Gross Settlement Amount to the Settlement
 24 Administrator, the Class Representatives will be deemed to have released claims as follows:

25 The Class Representatives hereby fully and finally release and discharge the Released
 26 Parties (defined in Paragraph 79, above) from any and all of the Released Claims
 27 (defined in Paragraph 79, above) and from any and all claims, charges, complaints,
 28 liens, demands, causes of action, obligations, damages and liabilities, known or

unknown, suspected or unsuspected, that the Class Representatives had, now has, or may hereafter claim to have against the Released Parties arising out of, or relating in any way to, the Class Representatives' hiring by, employment with, separation of employment with, or otherwise relating to the Released Parties, arising or accruing from the beginning of time up through the date of the Final Approval Hearing ("Class Representatives' Released Period") with the exception of any other claims which cannot be released by law ("Class Representatives' Released Claims").

With respect to the Class Representatives' Released Claims only, the Parties stipulate and agree that, upon the Effective Date, the Class Representatives waive California Civil Code Section 1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

XI. DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

84. The Parties shall submit this Stipulation to the Court in support of Plaintiffs' Motion for Preliminary Approval and determination by the Court as to its fairness, adequacy, and reasonableness. As soon as reasonably possible upon execution of this Stipulation, the Parties shall apply to the Court for the entry of an Order Granting Preliminary Approval of the Settlement and Notice which shall provide for, among other things, the following:

- a. Scheduling a final fairness and approval hearing on the question of whether the proposed Settlement should be finally approved as fair, reasonable and adequate as to the Settlement Class.
- b. Approving as to form and content the proposed Class Notice described herein;
- c. Directing the mailing of the Class Notice by first class mail to the Class Members;
- d. Preliminarily approving the Settlement;
- e. Preliminarily certifying the Class for settlement purposes only; and

f. Approving Carney R. Shegerian, Anthony Nguyen, and Cheryl A. Kenner of Shegerian & Associates, Inc. and Matthew J. Matern, Launa Adolph, and Deanna S. Leifer of Matern Law Group, PC as Class Counsel, Plaintiffs as Class Representatives, and an administrator mutually agreed to by the Parties and approved by the Court, as Settlement Administrator.

85. After the Preliminary Approval Order is entered by the Court, Plaintiffs shall file the motion for an award of attorneys' fees and costs to be heard on the same hearing date as set by the Court for the Final Approval Hearing.

XII. DUTIES OF THE PARTIES REGARDING FINAL COURT APPROVAL

86. In connection with the final approval by the Court of the Settlement, the Parties will submit a proposed Order Granting Final Approval of the Class Action Settlement and Final Judgment substantially in the form attached as **Exhibit C**, which shall provide, among other things, as follows:

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

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

c. Approving the Class Representatives' service payments;

d. Certifying the Settlement Class for purposes of this Settlement only;

e. Entering Judgment pursuant to California Rules of Court, rule 3.769(h) which retains jurisdiction and permanently bars the Class Members who do not timely and validly exclude themselves from the Settlement from prosecuting any and all Released Claims against the Released Parties, and permanently bars the Class Representatives from prosecuting any and all Class Representatives' Released Claims against the Released Parties. Notice of the Final Judgment shall be given by Plaintiffs to Defendant as set forth in the Class Notice, which notice shall satisfy the requirements of California Rules of Court, rule 3.771.

XIII. EFFECT OF NON-APPROVAL

87. If this Stipulation is not preliminarily or finally approved by the Court and/or if a Final Approval Order is not entered or if Defendant exercises the option to rescind (*e.g.*, because the

1 Court does not approve the settlement, or the opt-outs from the Class exceed ten percent and Defendant
2 revokes the Agreement), this Stipulation shall be null and void. In such event: (1) nothing in this
3 Stipulation shall be construed as a determination, admission, or concession of any issue in the Action,
4 and nothing in this Stipulation may be offered into evidence in any trial on the merits of the claims
5 asserted in the Complaint filed in the Action or in any subsequent pleading; (2) the Parties expressly
6 reserve their rights with respect to the prosecution and defense of the Action as if this Stipulation never
7 existed; and (3) Defendant shall be responsible for any costs for Notice or administration incurred by
8 the Settlement Administrator through that date. If there is any reduction in the attorneys' fees or costs
9 awards or the Class Representative Payments, such reduction may be appealed but is not a basis for
10 rendering this Stipulation void, voidable, and/or unenforceable.

11 **XIV. CONFIDENTIALITY PRECEDING MOTION FOR PRELIMINARY APPROVAL**

12 88. Except for disclosures authorized by Defendant or necessary to prepare the
13 motion for preliminary approval, the terms of this Settlement shall remain confidential until they are
14 presented to the Superior Court in connection with the motion for preliminary approval. The Parties
15 and their counsel shall issue no public statements and shall make no comments to media or press with
16 respect to the Action or the Settlement at any time (including but not limited to press releases), except
17 as required by law. In addition, the Parties and their counsel shall not make, publish, circulate or cause
18 to be made, published or circulated any statements that represent or suggest any wrongdoing by
19 Defendant, or that this Settlement or any order by the Court regarding the Settlement represents or
20 implies any wrongdoing by, or any admission of liability by, Defendant, or a finding by the Court of
21 liability or wrongdoing.

22 **XV. MUTUAL FULL COOPERATION**

23 89. The Parties will fully cooperate with each other and use their best efforts,
24 including all efforts contemplated by this Settlement and any other efforts that may become necessary
25 or ordered by the Court, or otherwise, to accomplish the terms of this Settlement in accordance with
26 the terms of the parties' memorandum of understanding, including but not limited to, executing such
27 documents and taking such other action as may reasonably be necessary to obtain preliminary and
28 final approval of this Settlement and to implement its terms.

XVI. NO PRIOR ASSIGNMENTS

90. The Parties represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any claims, causes of action, demands, rights and liabilities of every nature and description released under this Settlement.

XVII. NOTICES

91. Unless otherwise specifically provided by this Settlement, all notices, demands or other communications given under this Settlement will be in writing and be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return-receipt requested, addressed as follows:

To Plaintiffs and the Settlement Class:

CARNEY R. SHEGERIAN
ANTHONY NGUYEN
CHERYL A. KENNER
SHEGERIAN & ASSOCIATES, INC.
145 South Spring Street, Suite 400
Los Angeles, California 90012
Telephone: 424.231.0178
CSHEGERIAN@SHEGERIANLAW.COM
ANGUYEN@SHEGERIANLAW.COM
CKENNER@SHEGERIANLAW.COM

MATTHEW J. MATERN
LAUNA ADOLPH
DEANNA S. LEIFER
Matern Law Group, PC
1230 Rosecrans Avenue, Suite 200
Manhattan Beach, CA 90266
Telephone: 310.531.1900
MMATERN@MATERNLAWGROUP.COM
LADOLPH@MATERNLAWGROUP.COM
DLEIFER@MATERNLAWGROUP.COM

To Defendant:

Holly R. Lake
Holly.lake@us.dlapiper.com
Steve L. Hernández
Steve.hernandez@dlapiper.com
Ryan M. Estes
Ryan.estes@us.dlapiper.com
DLA PIPER LLP (US)
2000 Avenue of the Stars
Suite 400 North Tower
Los Angeles, California 90067-4704
Tel: 310.595.3000

XVIII. CONSTRUCTION

92. This Settlement is the result of lengthy, arms'-length negotiations between the Parties. This Settlement will not be construed in favor of or against any Party by reason of the extent to which any Party or their or its counsel participated in the drafting of this Settlement.

XIX. CAPTIONS AND INTERPRETATIONS

93. Paragraph and section titles, headings, or captions contained in this Settlement are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any of its provisions. Each term of this Settlement is contractual and not merely a recital, except for those set forth in Section I, above.

XX. MODIFICATION

94. This Settlement may not be changed, altered, or modified, except in writing and signed by the Parties and approved by the Court. This Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties.

XXI. APPLICABLE LAW

95. All terms and conditions of this Agreement will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law or choice of law principles.

XXII. INTEGRATION CLAUSE

96. This Settlement and all the attached Exhibits, which by this reference are incorporated into this Settlement, constitutes the entire agreement between the Parties relating to the Settlement and transactions contemplated by the Settlement. All prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or a Party's counsel, are merged into this Settlement. No rights under this Settlement may be waived except in writing.

XXIII. BINDING ON ASSIGNS

97. This Settlement will be binding upon and will inure to the benefit of the Parties and their respective heirs, trustees, executors, administrators, successors and assigns.

XXIV. CLASS MEMBER SIGNATORIES

98. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each Class Member who does not timely and validly opt-out execute this Settlement. The Class Notice will inform all Class Members of the binding nature of the release contained herein will have the same force and effect as if this Settlement were executed by each Class Member who does not timely and validly opt-out.

XXV. COUNTERPARTS

99. This Settlement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart will be deemed an original, and, when taken together with other signed counterparts, will constitute one Settlement, which will be binding upon and effective as to all Parties.

100. This Settlement may be signed by facsimile signature or digital signature, each of which will have the same force and effect as an original signature.

XXVI. PARTIES' AUTHORITY TO SIGN

101. The signatories to this Settlement hereby represent that they are fully authorized to enter into this Settlement on behalf of themselves or their respective principals.

EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this document to evidence their acceptance of and agreement to the Settlement. This document may be executed in parts.

Dated: December 6, 2021



ROBERTO HERNANDEZ
Plaintiff

1 Dated: December 2, 2021



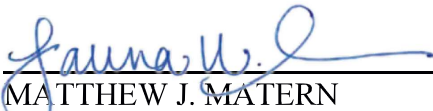
CARNEY R. SHEGERIAN
ANTHONY NGUYEN
CHERYL A. KENNER
SHEGERIAN & ASSOCIATES, INC.
Attorneys for Plaintiff Roberto Hernandez and
Settlement Class

7 Dated: November 29, 2021



[Adrienne Johnson \(Nov 29, 2021 16:01 CST\)](#)
ADRIENNE JOHNSON
Plaintiff

11 Dated: November 29, 2021



MATTHEW J. MATERN
LAUNA ADOLPH
DEANNA S. LEIFER
MATERN LAW GROUP, PC
Attorneys for Plaintiff Adrienne Johnson and
Settlement Class

18 Dated: _____, 2021

TITLE:
CTC GLOBAL CORPORATION

21 Dated: _____, 2021

HOLLY R. LAKE
STEVE L. HERNÁNDEZ
RYAN M. ESTES
DLA PIPER LLP (US)
Attorneys for Defendant CTC Global Corporation

1 Dated: _____, 2021

2
3 _____
4 CARNEY R. SHEGERIAN
5 ANTHONY NGUYEN
6 CHERYL A. KENNER
7 SHEGERIAN & ASSOCIATES, INC.
8 Attorneys for Plaintiff Roberto Hernandez and
9 Settlement Class

10 Dated: _____, 2021

11 _____
12 ADRIENNE JOHNSON
13 Plaintiff

14 Dated: _____, 2021

15 _____
16 MATTHEW J. MATERN
17 LAUNA ADOLPH
18 DEANNA S. LEIFER
19 MATERN LAW GROUP, PC
20 Attorneys for Plaintiff Adrienne Johnson and
21 Settlement Class

22 Dated: December 9 _____, 2021

23 _____
24 DocuSigned by:
25 
26 _____
27 TITLE:
28 CTC GLOBAL CORPORATION

29 Dated: December 9 _____, 2021

30 _____
31 HOLLY R. LAKE
32 STEVE L. HERNÁNDEZ
33 RYAN M. ESTES
34 DLA PIPER LLP (US)
35 Attorneys for Defendant CTC Global Corporation

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT*Hernandez v. CTC Global Corp., et al.; Johnson v. CTC Global Corp.*

Orange County Superior Court Case No. 30-2020-01138945-CU-OE-CJC; 30-2020-01149795

YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT*A California court authorized this notice. This is not a solicitation from a lawyer.*

- A proposed class action settlement will provide \$750,000.00 (“Gross Settlement Amount”) for distribution to all current and former non-exempt employees of CTC Global Corporation that worked in California during the Class Period (“Class Members”), which is any time from July 20, 2016 to October 15, 2021 (“Class Period”).
- The settlement resolves a putative class action lawsuit over whether Defendant CTC Global Corporation (“CTC Global” or “Defendant”) violated laws regarding meal and rest periods, timely payment of all wages during employment and upon separation of employment, and timely provision of accurate wage statements. It avoids further costs and risks of continuing the lawsuit towards trial, pays money to Class Members who do not request to be excluded, and releases Defendant from liability from the claims asserted in this lawsuit.
- Class Counsel will ask the Court to award them up to \$250,000.00 as attorneys’ fees and up to \$25,000.00 as expenses for investigating the facts, litigating the case, and negotiating the Settlement. Plaintiffs Roberto Hernandez and Adrienne Johnson (“Plaintiffs”) will also request an enhancement payment of up to \$10,000.00 each. A total of \$15,000.00 will be allocated as penalties under the Labor Code Private Attorneys General Act (“PAGA”), of which \$11,250.00 will be paid to the California Labor & Workforce Development Agency (“LWDA”) and \$3,750.00 will be distributed to Aggrieved Employees, which are all current and former non-exempt employees of Defendant in California at any time during the PAGA Period, which is the time period from January 7, 2019 to October 15, 2021 (“PAGA Payment”). These amounts will be paid from the Gross Settlement Amount.
- Defendant denies any and all liability or wrongdoing, and the Court has not ruled on the merits of Plaintiffs’ claims.
- **Your legal rights may be affected whether you act or do not act. Read this notice carefully.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing	You may participate in the Settlement. If you participate, you will be paid your Individual Settlement Payment in exchange for releasing the Released Claims against Defendant and the Released Parties. If your address changes, you must notify the Settlement Administrator of your new address.
Exclude Yourself (No Later than XX, 2022)	You may exclude yourself from the Settlement. If you do, you will not be paid your Individual Settlement Payment, and you will retain any rights to sue Defendant or the Released Parties for the Released Claims. You cannot object to the Settlement.
Object (No Later than XX, 2022)	You may object to the Settlement but will still participate in the Settlement regardless of how the Court rules on your objection. To object, you will tell the Court why you don’t agree with the Settlement, following the procedures described more fully below. The Court may or may not agree with your objection. However, if the Court does not agree with your objection, you will still be paid your Individual Settlement Payment and you will release the Released Claims.

WHY DID YOU RECEIVE THIS NOTICE?

This notice explains a proposed Settlement of a class action lawsuit and informs you of your legal rights under that proposed Settlement. You have received this notice because you may be a member of the Class.

WHAT IS THIS LAWSUIT ABOUT?

In the Action, Plaintiffs allege on behalf of themselves and other non-exempt employees who worked for Defendant in California the following claims: (1) failure to provide proper meal breaks in violation of Labor Code section 226.7; (2) failure to provide proper rest breaks in violation of Labor Code section 226.7; (3) failure to provide pay minimum wages in violation of Labor Code sections 510, 1194, 1194.2, and 1194.7; (4) failure to provide pay overtime wages in violation of Labor Code sections 510 and 1194; (5) failure to pay all earned wages and compensation upon termination in violation of Labor Code sections 201, 202 and 203; (6) failure to provide lawful wage statements in violation of Labor Code section 226; (7) failure to maintain required records in violation of Labor Code sections 226 and 1174; (8) failure to indemnify employees for necessary expenditures incurred in discharge of duties in violation of Labor Code section 2802; (9) unfair business practices in violation of California Business and Professions Code section 17200; and (10) civil penalties pursuant to PAGA.

SUMMARY OF THE SETTLEMENT

A. Why is there a Settlement?

Plaintiffs each filed a putative class and PAGA representative action asserting certain claims against Defendant. Defendant denies any and all liability or wrongdoing. The Court did not decide in favor of Plaintiffs or Defendant. There was no trial. Instead, the parties agreed to a proposed class action settlement to avoid further costs, risks, and uncertainty at trial in exchange for the Gross Settlement Amount and Released Claims against Defendant and the Released Parties. Plaintiffs and Class Counsel believe the settlement is fair, reasonable, and adequate and in the best interests of all Class Members.

B. Who is in the Settlement Class?

The Settlement encompasses a class composed of all persons who are employed or who have been employed as non-exempt employees by CTC Global in California during the Class Period, which is any time from July 20, 2016 to October 15, 2021.

C. What does the Settlement provide?

Defendant will pay \$750,000.00 to settle the class and representative claims in the Action. The following sums will be paid from the Gross Settlement Amount: (1) Class Counsel's attorneys' fees in an amount set by the Court not to exceed \$250,000.00 and Class Counsel's documented litigation costs in an amount set by the Court not to exceed \$25,000.00; (2) service payments to the Class Representatives set by the Court, not to exceed \$10,000.00 each for their service in the Action; (3) a reasonable amount set by the Court to the settlement administrator for administering the Settlement, not to exceed \$20,000.00, and (4) a payment to the LWDA in the amount of \$11,250.00 (equal to 75% of the \$15,000.00 allocation for the PAGA Payment). The amount of the Gross Settlement Amount remaining after these payments is the "Net Settlement Amount," payable to Class Members who do not request to be excluded.

D. What are you giving up to stay in the Class and get a payment?

Upon Defendant providing the Gross Settlement Amount to the Settlement Administrator, all Class Members who have not submitted timely and valid requests for exclusion will release and discharge Defendant, its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys (the "Released Parties") from all claims, demands, rights, liabilities and causes of action that were or could have been asserted (whether in tort, contract or otherwise) for violation of the California Labor Code, the California Business and Professions Code, the applicable Industrial Welfare Commission Orders or any similar state or federal law, whether for economic damages, non-economic damages, liquidated damages, punitive damages, restitution, penalties, other monies, or other relief based on any facts, transactions, events, policies, occurrences, acts, disclosures, statements, omissions or failures to act pled or arising out of or reasonably related to the facts, transactions, and occurrences pled in Hernandez's Complaint, Hernandez's

First Amended Complaint, Johnson's Complaint, or the Plaintiffs' operative Consolidated Class Action and PAGA Representative Complaint, which are or could be the basis of claims for: (1) failure to provide proper meal breaks; (2) failure to provide proper rest breaks; (3) failure to provide pay minimum wages; (4) failure to provide pay overtime wages; (5) failure to pay all earned wages and compensation upon termination; (6) failure to provide lawful wage statements; (7) failure to maintain required records; (8) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (9) alleged unfair business practices; and (10) any related claims for penalties pursuant to the Labor Code Private Attorneys General Act of 2004 that arose during the Class Period (the "Released Claims"). The release will exclude claims for vested benefits, wrongful termination (apart from that of Plaintiffs Hernandez and Johnson who will execute general releases of claims under Civil Code section 1542), unemployment insurance, disability, workers' compensation, and claims outside of the Class Period.

Aggrieved Employees shall receive a pro-rata share of the 25% portion of the PAGA Payment allocated to the Aggrieved Employees (i.e. the \$3,750.00), regardless of whether they exclude themselves from the Settlement.

E. How is my share of the Settlement calculated?

Based on its records, Defendant will determine the number of Compensable Workweeks for each Participating Class Member. "Compensable Workweeks" means the total number of calendar days, inclusive of the first and last day, during which a Class Member worked for Defendant in California as a non-exempt employee during the Class Period and/or PAGA Period, divided by seven (7) and rounded to the nearest whole number. The respective Compensable Workweeks for each Participating Class Member will be divided by the Compensable Workweeks for all Participating Class Members who do not opt out, resulting in the Workweek Value for each Participating Class Member. Each Participating Class Member's Workweek Value is then multiplied by the Net Settlement Amount to determine his or her Individual Settlement Payment. Participating Class Members are not eligible to receive any compensation under the Settlement other than Individual Settlement Payments.

According to Defendant's records, your Compensable Workweeks during the Class Period are: [REDACTED]. Based on this number, your estimated Individual Settlement Payment is \$[REDACTED]. This amount is subject to change based on the final ruling of the Court and the number of Class Members who request to be excluded from the Settlement.

Each Participating Class Member who opts out of the Settlement will not receive an Individual Settlement Payment but will still receive a pro-rata share of the \$3,750.00 allocated to all Aggrieved Employees if the Class Member worked during the PAGA Period.

According to Defendant's records, your Compensable Workweeks during the PAGA Period are: [REDACTED]. Based on this number, your estimated pro-rata share of the PAGA Payment is [REDACTED]. This amount is subject to change based on the final ruling of the Court.

Please be advised that the number of Compensable Workweeks listed above is presumed to be correct unless you submit documentation proving otherwise. If you disagree with the number of hours worked listed above, please submit an explanation and evidence to the Settlement Administrator no later than **XX, 2022**. In the event of a dispute about the correct number of Compensable Workweeks, the Settlement Administrator will resolve the challenge and will make a final and binding determination without hearing or right of appeal by you.

THE SETTLEMENT HEARING

The Court will conduct a Final Fairness Hearing regarding the proposed settlement on **XX, 2022**, at **XX: XX** a.m., in Department CX-104 of the Orange County Superior Court located at 700 Civic Center Drive West, Santa Ana, California 92701. The Court will determine: (i) whether the Settlement should be given the Court's final approval as fair, reasonable, adequate and in the best interests of the Class Members; (ii) whether the Participating Class Members should be bound by the terms of the Settlement; (iii) the amount of the attorneys' fees and costs to be awarded to Class Counsel; (v) the amount that should be awarded to Plaintiffs as service payments, (vi) the amount awarded to the Settlement Administrator, and (vii) the amount payable to the LWDA. At the Final Settlement Hearing, the Court may hear all properly filed objections, as well as arguments for and against the proposed

Settlement. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you at your own cost, or to enter an appearance and represent yourself, but Class Counsel will not represent you with respect to any objections to the Settlement.

WHAT ARE YOUR OPTIONS?

- **OPTION 1 – DO NOTHING AND PARTICIPATE IN THE SETTLEMENT**

IF YOU TAKE NO ACTION IN RESPONSE TO THIS NOTICE, YOU WILL AUTOMATICALLY BE DISTRIBUTED YOUR SHARE OF THE SETTLEMENT IF THE COURT APPROVES THE SETTLEMENT. YOU ARE NEVER REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE.

If your address changes, you must update your address with the Settlement Administrator. If you disagree with the number of Compensable Workweeks, you must submit an explanation and/or documentation to the Settlement Administrator to justify your position, postmarked no later than **XX, 2022**. The Settlement Administrator's address is provided at the end of this notice.

- **OPTION 2 – OBJECT TO THE SETTLEMENT**

If you wish to remain a Class Member, but you object to the proposed Settlement (or any of its terms) and wish the Court to consider your objection at the Final Settlement Hearing, you may object to the proposed Settlement in writing, no later than **XX, 2022**. You must mail your objection to the Settlement Administrator's address provided at the end of this notice. The date of the postmark on your envelope shall be the exclusive means for determining that a Notice of Objection was timely submitted. The Notice of Objection must be signed by the Class Member and state: (1) the full name of the Class Member; (2) the last four digits of the Class Member's Social Security number and/or the Employee ID number; (3) the basis for the objection; and (4) whether you intend to appear at the Final Fairness Hearing. However, failure to indicate whether you intend to appear at the Final Fairness Hearing will not preclude you from appearing at the Final Fairness Hearing. Class Counsel shall include all objections received and Plaintiffs' response(s) with Plaintiffs' motion for final approval of the Settlement. Class Counsel shall not represent any Class Members with respect to any such objections. The Settlement Administrator's address is listed below.

- **OPTION 3 – EXCLUDE YOURSELF FROM THE SETTLEMENT**

You have a right to exclude yourself ("opt out") from the Settlement, but if you choose to do so, you will not receive any benefits from the proposed Settlement, and you will not be bound by a judgment in this case. The written request for exclusion must be postmarked no later than **XX, 2022** and: (1) must contain the name, address, telephone number and the last four digits of the Social Security number and/or the Employee ID number of the Class Member, (2) must be signed by the Class Member; (3) must be postmarked by **XX, 2022** and returned to the Settlement Administrator at the specified address; and (4) must describe the Class Member's intent to request exclusion, opt out, or words to that effect. If a signed request for exclusion is not timely submitted stating the name and address of the Class Member, it will not be deemed valid for exclusion from this Settlement. The date of the postmark on the return mailing envelope of the request for exclusion shall be the exclusive means used to determine whether the request for exclusion was timely submitted. Any Class Member who requests to be excluded from the Class will not be entitled to any recovery under the Settlement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon. Class Members who fail to submit a valid and timely written request for exclusion shall be bound by all terms of the Settlement and any Judgment entered in this Action, if the Settlement is finally approved by the Court. The Settlement Administrator's address is provided at the end of this notice.

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the settlement, you may review the detailed "Stipulation of Class Action Settlement and Settlement Agreement" which is on file with the Clerk of the Court. The pleadings and other records in the Action may be examined in person at the Court Clerk's office, located at 700 Civic Center Drive West, Santa Ana, CA 92701. You may also access certain filings in this case online from the Settlement Administrator's website at: **[insert website]**. **IF YOU NEED**

MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at the phone and address provided at the end of this notice. You may also contact Class Counsel below. Please reference the **Hernandez v. CTC Global Corporation Class Action Settlement**.

Class Counsel

Cheryl A. Kenner

SHEGERIAN & ASSOCIATES, INC.

145 S. Spring Street, Suite 400

Los Angeles, CA 90012

Telephone: (424) 231-0178

*For Spanish, please call Celeste at (424) 416-0225.

Matthew J. Matern

Launa Adolph

Deanna S. Leifer

MATERN LAW GROUP, PC

1230 Rosecrans Avenue, Suite 200

Manhattan Beach, CA 90266

Telephone: (310) 531-1900

Attorneys for Defendant CTC Global Corp.

Holly R. Lake

Steve L. Hernandez

Ryan Matthew Estes

DLA Piper LLP (US)

2000 Avenue of the Stars

Suite 400 North Tower

Los Angeles, CA 90067-4704

Telephone: (310) 595-3000

Name of Settlement Administrator

[address]

[address]

Telephone: (XXX) XXX-XXXX

PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION ABOUT THIS SETTLEMENT.

BY ORDER OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

EXHIBIT B

Carney R. Shegerian, State Bar No. 150461
 CShegerian@Shegerianlaw.com
 Anthony Nguyen, State Bar No. 259154
 ANguyen@Shegerianlaw.com
 Cheryl A. Kenner, State Bar No. 305758
 CKenner@Shegerianlaw.com
SHEGERIAN & ASSOCIATES, INC.
 145 South Spring Street, Suite 400
 Los Angeles, California 90012
 Telephone Number: (310) 860 0770
 Facsimile Number: (310) 860 0771

Attorneys for Plaintiff ROBERTO HERNANDEZ
 and all others similarly situated and aggrieved

[Additional counsel next page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE

ROBERTO HERNANDEZ, an individual,
 on behalf of himself and all others similarly
 situated and aggrieved,

Plaintiff,

vs.

CTC GLOBAL CORPORATION doing
 business as CTC CABLE CORPORATION,
 a Delaware Corporation; and DOES 1 to
 100, inclusive,

Defendants.

Case No.: 30-2020-01138945-CU-OE-CJC
 Related Case No. 30-2020-01149795

[Assigned for All Purposes to the Hon. William D.
 Claster, Dept. CX104]

**[PROPOSED] ORDER GRANTING
 PLAINTIFFS' MOTION FOR PRELIMINARY
 APPROVAL OF CLASS ACTION
 SETTLEMENT**

ADRIENNE JOHNSON, individually and
 on behalf of all others similarly situated,

Plaintiff,

vs.

CTC GLOBAL CORPORATION, a
 Delaware corporation; and DOES 1 through
 50, inclusive,

Defendants.

Action Filed: March 13, 2020
 Trial Date: None

Matthew J. Matern, State Bar No. 159798
MMatern@maternlawgroup.com

Launa Adolph, State Bar No. 227743
LAdolph@maternlawgroup.com

Deanna S. Leifer, State Bar No. 265840
DLeifer@maternlawgroup.com

MATERN LAW GROUP, PC
1230 Rosecrans Avenue, Suite 200

Manhattan Beach, CA 90266
Telephone Number: (310) 531-1900

Facsimile Number: (310) 531-1901

Attorneys for Plaintiff ADRIENNE JOHNSON
individually and on behalf of all others similarly
situated

Holly R. Lake, State Bar No. 204304
Steve L. Hernandez, State Bar No. 229065

Ryan M. Estes, State Bar No. 294876
DLA PIPER LLP

2000 Avenue of the Stars
Suite 400 North Tower

Los Angeles, CA 90067-4704
Telephone Number: (310) 595-3000

Facsimile Number: (310) 595-3300

Attorneys for Defendant CTC GLOBAL
CORPORATION doing business as CTC
CABLE CORPORATION

ORDER

On _____, 2021, this Court conducted a hearing on Plaintiffs' Motion for Preliminary Approval of Class Action Settlement (the "Motion"). Having considered the Motion and the points and authorities and declarations submitted in support of the Motion, including the Stipulation of Class Action Settlement and Settlement Agreement ("Settlement Agreement" or "Settlement") and exhibits, and **GOOD CAUSE** appearing, **IT IS HEREBY ORDERED** that the Motion is **GRANTED**, subject to the following findings and orders:

1. This Order incorporates by reference the definitions in the Settlement Agreement, and all terms defined therein shall have the same meaning as set forth in the Settlement Agreement.

2. The Class shall be conditionally certified for settlement purposes only and shall consist of all current and former non-exempt employees of Defendant that worked in California at any time between July 20, 2016 and October 15, 2021.

3. The Aggrieved Employees are all current and former non-exempt employees of Defendant in California at any time during the PAGA Period, which is the time period of January 7, 2019 through October 15, 2021. Aggrieved Employees shall receive a pro-rata share of 25% of the PAGA Payment allocated to Aggrieved Employees based on their Compensable Workweeks during the PAGA Period.

4. The class action settlement set forth in the Settlement Agreement, entered into by the Parties and their counsel, is preliminarily approved as it appears to be proper, to fall within the range of reasonableness, to be the product of arm's-length and informed negotiations, to treat all Class Members fairly, and to be presumptively valid, subject only to any objections that may be raised at or before the Final Approval Hearing. The Court further finds that Plaintiffs' Counsel conducted extensive investigation and research, and that they were able to reasonably evaluate Plaintiffs' positions and the strengths and weaknesses of their claims and the ability to certify them. Plaintiffs' Counsel have provided the Court with enough information about the nature and magnitude of the claims being settled, as well as the impediments to recovery, to make an independent assessment of the reasonableness of the terms to which the Parties have agreed.

5. The Court also finds that settlement now will avoid additional and potentially substantial

1 litigation costs, as well as delay and risks if the Parties were to continue to litigate the Action.

2 6. The Court preliminarily approves the Settlement Agreement, including all the terms and
3 conditions set forth therein and the Gross Settlement Amount and allocation of payments.

4 7. The rights of any potential dissenters to the proposed Settlement are adequately protected
5 in that they may exclude themselves from the Settlement and proceed with any alleged claims they may
6 have against Defendant, or they may object to the Settlement and appear before this Court. However, to
7 do so they must follow the procedures outlined in the Settlement Agreement and Notice of Class Action
8 Settlement.

9 8. The Court approves, as to form and content, the proposed Notice of Class Action
10 Settlement (“Class Notice”).

11 9. The Court directs the mailing, by First-Class U.S. mail, of the Notice Packets to Class
12 Members in accordance with the schedule set forth below—which provides Class Members 60 days to opt
13 out, object, and submit disputes to their workweeks—and the other procedures described in the Settlement
14 Agreement. The Court finds that the method selected for communicating the preliminary approval of the
15 Settlement Agreement to Class Members is the best notice practicable under the circumstances, constitutes
16 due and sufficient notice to all persons entitled to notice, and thereby satisfies due process.

17 10. Plaintiffs Roberto Hernandez and Adrienne Johnson are suitable class representatives and
18 are appointed as the Class Representatives for the Class conditionally certified by this Order.

19 11. The Court appoints Carney R. Shegerian, Anthony Nguyen, and Cheryl A. Kenner of
20 Shegerian & Associates, Inc. and Matthew J. Matern, Launa Adolph, and Deanna S. Leifer of Matern
21 Law Group, PC as Class Counsel. The Court finds that counsel have demonstrable experience litigating,
22 certifying, and settling class actions, and will serve as adequate counsel for the Class conditionally
23 certified by this Order.

24 12. The Court approves and appoints CPT Group, Inc. as the Settlement Administrator.

25 13. The following dates shall govern for purposes of this Settlement:
26
27
28

Date	Event
_____, 2022	Last day for Defendant to produce the Class List to the Settlement Administrator [15 calendar days from the preliminary approval order]
_____, 2022	Last day for the Settlement Administrator to mail Class Notice to all Class Members [15 calendar days from receipt of Class List]
_____, 2022	Last day for Class Members to submit Requests for Exclusion, Disputes, or Objections to the Settlement [60 calendar days from mailing of Class Notice]
_____, 2022	Last day for Settlement Administrator to provide Declaration to Class Counsel for filing with Motion for Final Approval of Class Action Settlement [7 calendar days prior to deadline to file Motion for Final Approval]
_____, 2022	Last day for Plaintiffs to file the Motion for Final Approval of Class Action Settlement [at least 16 court days prior to Final Approval Hearing]
_____, 2022 at _____	Hearing on Motion for Final Approval of Class Action Settlement

14. The Court expressly reserves the right to continue or adjourn the final approval hearing from time to time without further notice to the Class Members.

IT IS SO ORDERED.

Dated: _____

Hon. William D. Cluster
Superior Court, County of Orange

EXHIBIT C

Carney R. Shegerian, State Bar No. 150461
CShegerian@Shegerianlaw.com
Anthony Nguyen, State Bar No. 259154
ANguyen@Shegerianlaw.com
Cheryl A. Kenner, State Bar No. 305758
CKenner@Shegerianlaw.com
SHEGERIAN & ASSOCIATES, INC.
145 South Spring Street, Suite 400
Los Angeles, CA 90012
Telephone Number: (310) 860-0770
Facsimile Number: (310) 860-0771

Attorneys for Plaintiff ROBERTO HERNANDEZ
and all others similarly situated and aggrieved

[Additional counsel next page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ORANGE

ROBERTO HERNANDEZ, an individual, on
behalf of himself and all others similarly
situated and aggrieved,

Plaintiff,

vs.

CTC GLOBAL CORPORATION doing
business as CTC CABLE CORPORATION, a
Delaware Corporation; and DOES 1 to 100,
inclusive,

Defendants.

Case No. 30-2020-01138945-CU-OE-CJC
Related Case No. 30-2020-01149795

[Assigned for All Purposes to the Honorable William
D. Claster Dept. CX104]

**[PROPOSED] FINAL ORDER AND
JUDGMENT**

Action Filed: March 13, 2020
Consolidated Complaint Filed: March 16, 2021

ADRIENNE JOHNSON, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

CTC GLOBAL CORPORATION, a Delaware
corporation; and DOES 1 through 50,
inclusive,

Defendants.

Matthew J. Matern, State Bar No. 159798
MMatern@maternlawgroup.com

Launa Adolph, State Bar No. 227743
LAdolph@maternlawgroup.com

Deanna S. Leifer, State Bar No. 265840
DLeifer@maternlawgroup.com

MATERN LAW GROUP, PC
1230 Rosecrans Avenue, Suite 200
Manhattan Beach, CA 90266
Telephone Number: (310) 531-1900
Facsimile Number: (310) 531-1901

Attorneys for Plaintiff ADRIENNE JOHNSON
individually and on behalf of all others similarly situated

Holly R. Lake, State Bar No. 204304
Steve L. Hernandez, State Bar No. 229065
Ryan M. Estes, State Bar No. 294876

DLA PIPER LLP
2000 Avenue of the Stars
Suite 400 North Tower
Los Angeles, CA 90067-4704
Telephone Number: (310) 595-3000
Facsimile Number: (310) 595-3300

Attorneys for Defendant CTC GLOBAL
CORPORATION doing business as CTC CABLE
CORPORATION

1 The Motion for Final Approval of Class Action Settlement came before this Court, on
2 _____, 2022. The above-captioned Action is a class action lawsuit brought by Plaintiffs Roberto
3 Hernandez and Adrienne Johnson (collectively “Plaintiffs”) against Defendant CTC Global Corporation
4 (“Defendant”) (collectively the “Parties”). Plaintiffs allege that they and other putative class members
5 were not provided legally compliant meal period and rest breaks or premium compensation in lieu thereof,
6 not paid minimum and overtime wages, not paid wages due upon separation, and not furnished accurate
7 and timely wage statements. Plaintiffs further allege that Defendant’s practices constituted unfair
8 business practices under California Business & Professions Code sections, 17200, *et seq.* Defendant
9 denies all of the allegations in this Action.

10 On _____, 2021, this Court entered an Order Granting Preliminary Approval of Settlement
11 (“Preliminary Approval Order”), resulting in certification for settlement purposes of the following
12 provisional Class:

13 *All current and former nonexempt employees of Defendant that worked in*
14 *California at any time between July 20, 2016 and October 15, 2021.*

15 The Preliminary Approval Order further directed the Parties to provide the Notice of Class Action
16 Settlement (“Notice”) to the Class, which informed Class Members of: (a) the proposed Settlement, and
17 the Settlement’s key terms; (b) the date, time and location of the Final Approval Hearing; (c) the right of
18 any Class Member to object to the proposed Settlement, and an explanation of the procedures to exercise
19 that right; (d) the right of any Class Member to exclude themselves from the proposed Settlement, and an
20 explanation of the procedures to exercise that right; and (e) an explanation of the procedures for Class
21 Members to participate in the proposed Settlement.

22 The Court, upon Notice having been given as required in the Preliminary Approval Order, and
23 having considered the proposed Settlement Agreement, as well as all papers filed, hereby ORDERS,
24 ADJUDGES, AND DECREES AS FOLLOWS:

25 1. This Judgment incorporates by reference the definitions in the Settlement Agreement (the
26 “Settlement”), and all terms used herein shall have the same meanings as set forth in the Settlement
27 Agreement.

28 2. This Court has jurisdiction over the subject matter of the Action and over all Parties to the
Action, including all members of the Class.

1 3. The Court finds that the Class is properly certified as a class for settlement purposes only.

2 4. The Notice provided to the Class Members conforms with the requirements of California Code
3 of Civil Procedure section 382, California Civil Code section 1781, California Rules of Court 3.766 and
4 3.769, the California and United States Constitutions, and any other applicable law, and constitutes the
5 best notice practicable under the circumstances, by providing individual notice to all Class Members who
6 could be identified through reasonable effort, and by providing due and adequate notice of the
7 proceedings and of the matters set forth therein to the other Class Members. The Notice fully satisfied
8 the requirements of due process.

9 5. The Court finds the settlement was entered into in good faith and is fair, adequate, and
10 reasonable and satisfies the standards and applicable requirements for final approval of this class action
11 settlement under California law, including the provisions of California Code of Civil Procedure section
12 382 and California Rules of Court, Rule 3.769.

13 6. The Court finds that the following Class Members have submitted valid and timely requests
14 for exclusion from the Settlement _____.

15 7. Defendant shall provide the Settlement Administrator with sufficient funds to make all
16 payments and distributions as required by the Settlement.

17 8. Upon entry of this Order, compensation to the Participating Class Members shall be effected
18 pursuant to the terms of the Settlement Agreement.

19 9. The Settlement Administrator shall distribute settlement benefits to Class Members from the
20 settlement funds in accordance with the Settlement.

21 10. In addition to any recovery that Plaintiffs may receive under the Settlement, and in recognition
22 of Plaintiffs' efforts on behalf of the Settlement Class, the Court hereby approves the payment of an
23 incentive award to Class Representatives Roberto Hernandez and Adrienne Johnson in the amount of
24 \$10,000.00 each.

25 11. The Court finds that Class Counsel's request for attorneys' fees in the amount of \$250,000.00,
26 which is one-third of the Gross Settlement Amount, is reasonable under the common fund method. The
27 Court awards Class Counsel \$250,000.00 in attorneys' fees to be paid from the Gross Settlement Amount,
28 to be apportioned as follows:

1 Matern Law Group, PC \$125,000.00

2 Shegerian & Associates, Inc. \$125,000.00

3 12. The Court finds that Class Counsel has incurred costs and expenses in the amount of
4 \$_____. Such costs and expenses were reasonably incurred in prosecuting the Action on behalf of
5 the Class. The Court awards Class Counsel \$_____ in costs and expenses to be paid from the
6 Gross Settlement Amount, to be apportioned as follows:

7 Matern Law Group, PC \$_____

8 Shegerian & Associates, Inc. \$_____

9 13. The Court approves and orders payment in the amount of \$14,000.00 to the Settlement
10 Administrator CPT Group, Inc. for performance of its settlement administration services. No amounts
11 shall be distributed to any party until Defendant fully funds the entire Gross Settlement Amount.

12 14. Fifteen Thousand Dollars shall be allocated to penalties under the Labor Code Private
13 Attorneys General Act of 2004, California Labor Code sections 2698, *et seq.*, of which \$11,250.00 shall
14 be paid by the Settlement Administrator from the Gross Settlement Amount directly to the California
15 Labor and Workforce Development Agency. The remaining \$3,750.00 shall be part of the Net Settlement
16 Amount and shall be distributed to Aggrieved Employees.

17 15. Upon the Defendant providing the Gross Settlement Amount to the Settlement Administrator,
18 Plaintiffs and all Participating Class Members of shall have, by operation of this Order and Judgment,
19 fully, finally and forever released, relinquished, and discharged the Released Parties from the following
20 Released Claims: All claims, demands, rights, liabilities and causes of action that were or could have
21 been asserted (whether in tort, contract or otherwise) for violation of the California Labor Code, the
22 California Business and Professions Code, the applicable Industrial Welfare Commission Orders or any
23 similar state or federal law, whether for economic damages, non-economic damages, liquidated damages,
24 punitive damages, restitution, penalties, other monies, or other relief based on any facts, transactions,
25 events, policies, occurrences, acts, disclosures, statements, omissions or failures to act pled or arising out
26 of or reasonably related to the facts, transactions, and occurrences pled in Hernandez's Complaint,
27 Hernandez's First Amended Complaint, Johnson's Complaint, or the Plaintiffs' operative Consolidated
28 Class Action and PAGA Representative Complaint, which are or could be the basis of claims for: (1)

1 failure to provide proper meal breaks; (2) failure to provide proper rest breaks; (3) failure to provide pay
2 minimum wages; (4) failure to provide pay overtime wages; (5) failure to pay all earned wages and
3 compensation upon termination; (6) failure to provide lawful wage statements; (7) failure to maintain
4 required records; (8) failure to indemnify employees for necessary expenditures incurred in discharge of
5 duties; (9) alleged unfair business practices; and (10) any related claims for penalties pursuant to the
6 Labor Code Private Attorneys General Act of 2004 that arose during the Class Period

7 16. Pursuant to California Rules of Court Rule 3.771(b), notice of this signed Final Order and
8 Judgment shall be provided to the Class by the Settlement Administrator posting it on the Settlement
9 Administrator's website.

10 17. This Judgment is intended to be a final disposition of the above captioned action in its entirety,
11 and is intended to be immediately appealable.

12 18. The clerk of the Court shall enter the final approval order and final judgment; and

13 19. This Court shall retain jurisdiction with respect to all matters related to the administration and
14 consummation of the settlement, and any and all claims, asserted in, arising out of, or related to the subject
15 matter of the lawsuit, including but not limited to all matters related to the settlement and the
16 determination of all controversies relating thereto.

17 20. Plaintiffs shall file a final report regarding distribution of the settlement funds by
18 _____.

19 21. Final judgment is hereby entered.

20 **IT IS SO ORDERED.**

21
22 Dated: _____

23 Hon. William D. Claster
24 Superior Court, County of Orange
25
26
27
28