

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA BARBARA**

CHERYL FOSTER, an individual; TRAVONN
HALEY, an individual, on behalf of themselves
and others similarly situated,

Plaintiffs,

v.

DECKERS OUTDOOR CORPORATION, a
Delaware corporation; REAL TIME
STAFFING SERVICES, LLC, a limited
liability company; and DOES 1 through 50,
inclusive,

Defendants.

) Case No. 20CV03699

) Assigned for All Purposes To:

) Judge: Donna D. Geck

) Dept: 4

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

) Action Filed: November 10, 2020

1 CDF LABOR LAW LLP

David G. Hagopian, State Bar No. 145171

2 dhagopian@cdflitigation.com

Garrett V. Jensen, State Bar No. 242874

3 gjensen@cdflaborlaw.com

Robyn E. Frick, State Bar No. 246927

4 rfrick@cdflaborlaw.com

18300 Von Karman Avenue, Suite 800

5 Irvine, CA 92612

Telephone: (949) 622-1661

6 Attorneys for Defendant

7 REAL TIME STAFFING SERVICES, LLC

8 DAVID YEREMIAN & ASSOCIATES, INC.

David Yeremian, State Bar No. 226337

9 david@yeremianlaw.com

Natalie Haritounian, State Bar No. 324318

10 natalie@yeremianlaw.com

535 N. Brand Blvd., Suite 705

11 Glendale, CA 91203

Telephone: (818) 230-8380

12 Attorneys for Plaintiffs

13 CHERYL FOSTER and TRAVONN HALEY

14 STRADLING YOCCA CARLSON & RAUTH, P.C.

Jeffrey A. Dinkin, State Bar No. 111422

15 jdinkin@stradlinglaw.com

Jared W. Speier, State Bar No. 311751

16 jspeier@stradlinglaw.com

800 Anacapa Street, Suite A

17 Santa Barbara, CA 93101

Telephone: (805) 730-6820

18 Attorneys for Defendant

19 DECKERS OUTDOOR CORPORATION

20

21

22

23

24

25

26

27

28

1 This Joint Stipulation of Settlement and Release of Class Action (“Stipulation”) is made
 2 and entered into between Plaintiffs Cheryl Foster (“Foster”) and Travonn Haley (“Haley”)
 3 (collectively, Foster and Haley are referred to as “Plaintiffs”), individually and as representatives of
 4 the Settlement Class, as defined below, and Defendants Real Time Staffing Services, LLC
 5 (“Select”) and Deckers Outdoor Corporation (“Deckers”) (collectively, Select and Deckers are
 6 referred to as “Defendants”) (Plaintiffs and Defendants collectively referred to as “the Parties”).

7 This Stipulation is subject to approval of the Court, pursuant to the California Rules of
 8 Court, Rule 3.769(c), (d) and (e), and made for the sole purpose of attempting to consummate
 9 settlement of the Action on a class-wide and representative PAGA basis subject to the following
 10 terms and conditions. As detailed below, in the event the Court does not enter an order granting
 11 final approval of the Class Settlement, as defined below, or the conditions precedent are not met for
 12 any reason, this Stipulation is void and of no force or effect whatsoever.

13 1. **DEFINITIONS**

14 As used in this Stipulation, the following terms shall have the meaning specified below. To
 15 the extent terms or phrases used in this Stipulation are not specifically defined below, but are
 16 defined elsewhere in this Stipulation, they are incorporated by reference into this definition section.

17 1.1 **Action**. “Action” shall collectively mean the lawsuit titled *Cheryl Foster, et al.*
 18 *v. Deckers Outdoor Corporation, et al.*, Santa Barbara Superior Court Case No. 20CV03699,
 19 including the letter sent by Plaintiffs on May 6, 2020 and the amended letter sent by Plaintiffs on
 20 October 26, 2020 to the Labor and Workforce Development Agency. The Complaint is styled as a
 21 wage and hour putative class action against Defendants, alleging the following claims: (1) failure to
 22 pay minimum wages; (2) failure to pay wages and overtime under Labor Code § 510; (3) meal
 23 period liability under Labor Code §§ 226.7 and 512; (4) rest break liability under Labor Code
 24 § 226.7; (5) violation of Labor Code § 226; (6) failure to keep required payroll records under Labor
 25 Code §§ 1174 and 1174.5; (7) violation of Labor Code § 221; (8) violation of Labor Code § 203;
 26 (9) violation of Business & Professions Code § 17200 *et seq.*; and (10) penalties pursuant to Labor
 27 Code § 2699, *et seq.* premised upon the same theories of liability listed above.

1.2 **Administrative Expenses.** “Administrative Expenses” shall include all costs and expense associated with and paid to the Settlement Administrator.

1.3 **Claims.** “Claims” shall mean the claims and theories of liability asserted and causes of action alleged in the Action, including failure to pay minimum wages; failure to pay wages and overtime under Labor Code § 510; meal period liability under Labor Code §§ 226.7 and 512; rest break liability under Labor Code § 226.7; violation of Labor Code § 226; failure to keep required payroll records under Labor Code §§ 1174 and 1174.5; violation of Labor Code § 221; violation of Labor Code § 203; violation of Business & Professions Code § 17200 *et seq.*; and penalties pursuant to Labor Code § 2699, *et seq.*

1.4 **Class Counsel.** “Class Counsel” shall mean David Yeremian and Natalie Haritoonian of David Yeremian & Associates, Inc.

1.5 **Class Attorney Fees and Expenses.** “Class Attorney Fees and Expenses” shall mean Class Counsel’s attorney fees and expenses as set forth in Section 6, Paragraph 6.6.

1.6 **Cy Pres Beneficiary.** “*Cy Pres* Beneficiary” means California Family Life Center – Empower Youth (Hemet), a Hemet non-profit organization providing family counseling and support services for at-risk children and youth, or other 501(c)(3) organization approved by the Court.

1.7 **Settlement Class Member.** “Settlement Class Member” or “Class Claimant” shall mean any person who is a member of the Settlement Class, or, if such person is incompetent or deceased, the persons’ legal guardian, executor, heir or successor-in-interest.

1.8 **Class Notice.** “Class Notice” shall mean the Notice of Proposed Class Action Settlement and Hearing Date for Court Approval, as set forth in the form of **Exhibit 1** attached hereto, or as otherwise approved by the Court, which is to be mailed to Class Members.

1.9 **Class Participants.** “Class Participants” shall mean any and all Class Members who do not timely and validly opt-out of the Class Settlement.

1.10 **Class Period.** “Class Period” shall mean the period from June 1, 2016 through the date the Court preliminary approves the settlement or 90 days from the Parties executing the Settlement Stipulation, whichever is earlier.

1.11 **Class Representatives.** “Class Representatives” shall mean Plaintiffs Cheryl Foster and Travonn Haley.

1.12 **Class Settlement.** “Class Settlement” shall mean the settlement embodied in this Stipulation, which is subject to Court approval.

1.13 **Court.** “Court” shall mean the Superior Court of Santa Barbara County.

1.14 **Defense Counsel.** “Defense Counsel” shall mean David G. Hagopian and Garrett V. Jensen of CDF Labor Law, LLP and Jeffrey A. Dinkin and Jared W. Speier of Stradling Yocca Carlson & Rauth.

1.15 **Effective Date.** “Effective Date” shall be the later of the time when: (i) the date of final affirmance of the Judgment on an appeal of the Judgment, the expiration of the time for, or the denial of, a petition to review the Judgment, or if review is granted, the date of final affirmance of the Judgment following review pursuant to that grant, (ii) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding to review the Judgment, provided that the Judgment is affirmed and/or not reversed in any part, (iii) the final resolution (or withdrawal) of any filed appeal in a way that affirms the Final Approval Order and Judgment in a form substantially identical to the form of the Final Approval Order entered by the Court, and the time to petition for review with respect to any appellate decision affirming the Final Approval Order has expired; or (iv) if no appeal is filed, the sixty-first (61st) day after the Court enters final approval of the settlement and the Judgment approving this Agreement.

1.16 **Employee’s Taxes and Required Withholding.** “Employee’s Taxes and Required Withholding” shall mean the employee’s share of any and all applicable federal, state or local payroll taxes, including those collected under authority of the Federal Insurance Contributions Act (“FICA”), FUTA and/or SUTA on the portion of any Class Participant’s Individual Settlement Amount that constitutes wages as set forth in Section 6, Paragraph 6.4. The Employee’s Taxes and Required Withholdings will be withheld from and paid out of the Net Settlement Amount.

1.17 **Employer’s Taxes.** “Employer’s Taxes” shall mean and refer to Defendants’ share of corporate, federal, state and/or local payroll taxes that is owed on the portion of any Class Participant’s Individual Settlement Amount that constitutes wages, up to a maximum wage

allocation of twenty percent (20%) as set forth in Section 6, Paragraph 6.4. The Employer's Taxes shall be separately paid by Defendants and shall not be paid from the Gross Settlement Amount or Net Settlement Amount.

1.18 **Final Approval and Fairness Hearing.** "Final Approval and Fairness Hearing" shall mean the final hearing held to ascertain the fairness, reasonableness, and adequacy of the Class Settlement.

1.19 **Defendants.** "Defendants" shall mean Real Time Staffing Services, LLC (d/b/a Select Staffing) ("Real Time") and Deckers Outdoor Corporation ("Deckers"), and any of their former and present parents, subsidiaries, affiliates, and/or related entities, and each of their officers, directors, managers, owners, executives, partners, employees, shareholders, agents, attorneys, and any other successors, assigns, or legal representatives.

1.20 **Final Approval Date.** "Final Approval Date" shall mean the date upon which the Court enters an order of final approval of the Class Action Settlement.

1.21 **Gross Settlement Amount.** "Gross Settlement Amount" is the agreed upon settlement amount totaling \$1,150,000, in full settlement of the Released Claims asserted in this Action, including the Administrative Expenses, Employee's Taxes and Required Withholdings, Class Attorney Fees and Expenses, and Incentive Awards. Defendants are not jointly and severally liable for the Gross Settlement Amount. Defendants shall separately pay their share of the Employer's Taxes in addition to the Gross Settlement Amount. Real Time is responsible for paying \$575,000 plus 50% of the Employers' share of the payroll taxes and Deckers is responsible for paying \$575,000 plus 50% of the Employers' share of the payroll taxes. The Gross Settlement Amount is non-reversionary. This settlement is based on Defendants' representation of total workweeks at issue. Deckers represents that as of May 28, 2021 the number of workweeks Class Members worked during the Class Period is 49,864 and Select represents that as of May 27, 2021 the number of workweeks Class Members worked during the Class Period is 75,064. If either figure rises by more than 10%, as of the date those figures were provided above, the Gross Settlement Amount will adjust upward by the percentage greater than 10%. For example, if the Deckers workweeks are 12% greater than represented as of the date above, the Gross Settlement

Amount will increase by 2%. In no event shall Defendants be required to pay more than the Gross Settlement Amount. To the extent that: (1) the Notice Packet and/or the Individual Settlement Payment checks are undeliverable, or (2) the Individual Settlement Payment checks are uncashed 180 calendar days after the date listed on the check ("180-calendar day period"), the amount of those checks will be directed to the *Cy Pres* Beneficiary. Settlement checks will not be sent out to any Settlement Class Members whose Notice Packets are returned as undeliverable.

1.22 **Hearing on Preliminary Approval.** "Hearing on Preliminary Approval" shall mean the hearing held on the motion for preliminary approval of the Class Action Settlement.

1.23 **Incentive Awards.** "Incentive Awards" shall mean monetary payments provided to the Class Representatives for their efforts and risks on behalf of the Settlement Class in this Action.

1.24 **Individual Settlement Amount.** "Individual Settlement Amount" shall mean the amount which is ultimately distributed to each Class Claimant, net of any Employee's Taxes and Required Withholdings.

1.25 **Notice Packet.** "Notice Packet" shall mean the Class Notice distributed to each Class Member through the notice process.

1.26 **Plaintiffs.** "Plaintiffs" shall mean Plaintiffs Cheryl Foster and Travonn Haley.

1.27 **Net Settlement Amount.** "Net Settlement Amount (NSA)" shall mean the Gross Settlement Amount, minus Attorneys' Fees and Costs, Class Representative Fees (i.e., Incentive Awards to the Plaintiffs in the amount of \$10,000.00 each subject to Court approval), Settlement Administration Fees, employees' withholdings attributable to the portion of the Net Settlement funds allocated to wages, and the PAGA Payment. The Class Representatives' Incentive Awards will be in addition to their allocated portion of the NSA and shall be reported on an IRS 1099 basis. Settlement Class Members will be provided with notice of the settlement, which shall summarize the terms of the settlement and advise them of their right to opt out, object, appear at the fairness hearing, or challenge the information in Defendants' records on which their estimated settlement payment shall be based.

1.28 **Opt-Out.** “Opt-Out(s)” shall mean any and all persons who timely and validly request exclusion from the Class in accordance with the terms of the Class Notice.

1.29 **PAGA Payment.** “PAGA Payment” shall mean an allocation of \$50,000.00 to the PAGA claim, of which 75% shall be remitted to the LWDA for its statutorily-set portion of the PAGA penalties and the remaining 25% shall be distributed to the Settlement Class as part of the Net Settlement Amount.

1.30 **Parties.** “Parties” shall mean Plaintiffs and Defendants.

1.31 **Preliminary Approval Date.** “Preliminary Approval Date” shall mean the date upon which the Court enters an order preliminarily approving this Stipulation.

1.32 **Qualifying Period.** “Qualifying Period” is based on pay periods in which a Settlement Class Member received compensation. For Settlement Class Members who received compensation from Select, the amount of Qualifying Periods shall be equal to the number of pay periods in which a Settlement Class Member received compensation from Select. Because Select utilized weekly pay periods and Deckers utilized biweekly pay periods, for those who received compensation from Deckers, the number of Qualifying Periods shall be two times the number of pay periods in which a Settlement Class Member received compensation from Deckers.

1.33 **Released Claims.** “Released Claims” shall mean all Claims alleged or that could have been against Defendants in the Action, or arising out of the facts asserted in the Action, during the Settlement Period, including, but not limited to, any claims under Labor Code sections 203, 204, 221, 226 (released only as to Select), 226.7, 510, 512, 516, 558, 1174, 1174.5, 1194, 1198, and 2699 et seq. premised upon the same theories of liability listed above. With respect to Deckers only, Released Claims also shall not include claims for vacation and sick pay under Labor Code sections 227.3 and 246.

1.34 **Released Parties.** “Released Parties” shall mean Real Time Staffing Services, LLC (d/b/a Select Staffing) and Deckers Outdoor Corporation and any of their former and present parents, subsidiaries, affiliates, and/or related entities, and each of their officers, directors, managers, owners, executives, partners, employees, shareholders, agents, attorneys, and any other successors, assigns, or legal representatives.

1.35 **Response Deadline.** “Response Deadline” shall mean the 45 calendar days following the date on which the Settlement Administrator first mails the Class Notice to the Settlement Class Members.

1.36 **Settlement.** “Settlement” shall mean the settlement between Parties, which is memorialized in this Stipulation and subject to Court approval.

1.37 **Settlement Administrator.** “Settlement Administrator” shall mean the third party settlement administrator (“Simpluris”), which the Parties have agreed will be responsible for administration of the Settlement and related matters.

1.38 **Settlement Class.** “Settlement Class” shall mean all hourly paid workers directly employed by Deckers and/or employed by Real Time and placed on assignment at any Deckers facility in California at any time from June 1, 2016 through the date the Court preliminarily approves the settlement or 90 days from the Parties executing the Settlement Stipulation, whichever is earlier.

1.39 **Settlement Period.** “Settlement Period” shall mean June 1, 2016 through the date the Court preliminarily approves the settlement or 90 days from the Parties executing the Settlement Stipulation, whichever is earlier.

1.40 **Settlement Stipulation.** “Settlement Stipulation” shall mean this Joint Stipulation of Settlement and Release of Class Action, including any attached exhibits.

1.41 **Total Qualifying Periods** “Total Qualifying Periods” means the total number of Qualifying Periods for all Settlement Class Members, combined.

2. **FACTUAL AND PROCEDURAL BACKGROUND OF ACTION**

2.1 On or about November 10, 2020, Plaintiffs filed a wage and hour putative class action entitled *Cheryl Foster v. Deckers Outdoor Corporation et al.*, in the Santa Barbara County Superior Court, Case No. 20CV03699, against Defendants, alleging the following claims: (1) failure to pay minimum wages; (2) failure to pay wages and overtime under Labor Code § 510; (3) meal period liability under Labor Code §§ 226.7 and 512; (4) rest break liability under Labor Code § 226.7; (5) violation of Labor Code § 226; (6) failure to keep required payroll records under Labor Code §§ 1174 and 1174.5; (7) violation of Labor Code § 221; (8) violation of Labor Code § 203;

(9) violation of Business & Professions Code § 17200 *et seq.*; and (10) penalties pursuant to Labor Code § 2699, *et seq.* premised upon the same theories of liability listed above.

2.2 The Parties believe this Agreement constitutes a fair, adequate, and reasonable settlement of the Action and have arrived at this Agreement as a result of arms-length negotiations, taking into account all relevant factors, present and potential, and will so represent to the Court. This Settlement was reached after extensive arms-length negotiations over time and after a full day of mediation and following a mediator's proposal.

3. **ALLEGATIONS OF THE CLASS REPRESENTATIVES AND BENEFITS OF CLASS SETTLEMENT**

3.1 The extensive exchange of information conducted in this matter, as well as discussions between counsel, have been adequate to give Class Representatives and Class Counsel a sound understanding of the merits of their positions and to evaluate the worth of the claims of the Settlement Class. The information exchanged by the Parties through informal exchange and settlement discussions are sufficient to reliably assess the merits of the Parties' respective positions and to compromise the issues on a fair and equitable basis.

3.2 The Parties recognize and acknowledge the expense and delay of continued lengthy proceedings necessary to prosecute the Action against Defendants through class certification, dispositive motions, trial, and through appeals. Class Counsel has taken into account the uncertain outcome of the litigation, the risk of continued litigation in complex actions such as this, as well as difficulties and delays inherent in such litigation, the potential difficulty of obtaining certification of the Action, as well as trying the claims of the Class. Class Counsel believes that the Settlement set forth in this Stipulation confers substantial benefits upon Plaintiffs and the Settlement Class Members and that an independent review of this Stipulation by the Court in the approval process will confirm this conclusion. Based on their own independent investigation and evaluation, Class Counsel has determined that the Settlement set forth in the Stipulation is in the best interests of Plaintiffs and the Settlement Class Members.

1 4. **NO ADMISSION OF ANY LIABILITY**

2 4.1 The Parties agree that this Agreement reflects their good faith compromise of the
3 claims raised in the Action, based upon their assessment of the mutual risks and costs of further
4 litigation and the assessments of their respective counsel. This Agreement does not constitute, is
5 not intended to constitute, and will not be deemed to constitute, an admission of liability by
6 Defendants as to the merits, validity, or accuracy of any of the allegations or claims made against
7 Defendants in the Action or the appropriateness of class or conditional certification. Defendants
8 deny each and all of Plaintiffs' allegations in their entirety, and allege that Plaintiffs and all other
9 Class Members were paid all wages owed, including minimum wages and overtime wages, were
10 properly paid all hours worked, provided all meal and rest periods, paid all wages on a timely basis,
11 received accurate itemized wage statements, paid all wages owed upon termination throughout their
12 employment, Defendants kept accurate records, and Defendants did not engage in unfair
13 competition and/or unfair business practices.

14 4.2 Nothing in this Stipulation, nor any action taken or made in implementation
15 thereof, nor any statements, discussions, or communications, nor any materials prepared,
16 exchanged, issued, or used during the course of the negotiations leading to the Agreement and/or
17 Stipulation, is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be
18 used, or be admissible in any way in this case or any other judicial, arbitral, administrative,
19 investigative or other forum or proceeding as evidence of any violation of any federal, state, or
20 local law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or
21 in equity. Notwithstanding the foregoing, the Agreement/Stipulation may be used in any
22 proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement
23 of the Agreement or any orders or judgments of the Court entered into in connection therewith.

24 4.3 The Parties agree that Plaintiffs' motion for preliminary approval of the
25 Settlement seeking certification of a class action and Defendants' agreement thereto is for purposes
26 of the Settlement only. If, for any reason, the Settlement is not approved, the stipulation for
27 certification will have no force or effect. The Parties agree that certification for purposes of the
28 Settlement is in no way an admission that class certification or conditional certification of a

representative action is proper under the standard applied to contested certification motions and that this Agreement/Stipulation will not be admissible in this or any other proceeding as evidence that (i) a class or representative action should be certified as Plaintiffs proposed, or (ii) Defendants are liable to Plaintiffs or the Class Members as Plaintiffs alleged. Further, neither this Agreement/Stipulation nor the Court's actions with regard to this Agreement/Stipulation will be admissible in any court or other tribunal regarding the propriety of class certification for purposes other than the settlement of this Action. In the event that this Agreement/Stipulation is not approved by the Court or any appellate court, is terminated, or otherwise fails to be enforceable, Defendants will not be deemed to have waived, limited, or affected in any way any of their objections or defenses in the Action, including, but not limited to, their ability to move to compel arbitration, raise defenses in opposition to certification, contest the merits of the claim, etc.

5. **CONDITIONAL CLASS CERTIFICATION AND APPOINTMENT OF CLASS COUNSEL**

5.1 **The Settlement Class.** For the purposes of this Stipulation and the Class Settlement of this Action only, the Parties stipulate to conditional class certification of the Settlement Class. Defendants' counsel believes this conditional certification is appropriate because the Released Claims are being compromised without need to establish the elements of those claims on which liability turns.

5.2 **Appointment of Class Counsel.** For purposes of this Stipulation and subject to the Court's approval, the Parties hereby stipulate to the appointment of Class Counsel as counsel for the Class and the effectuation of the Class Settlement pursuant to this Stipulation.

6. **CLASS SETTLEMENT CONSIDERATION**

6.1 **Gross Settlement and Net Settlement Amounts and Distribution.** The claims of all Settlement Class Members are settled for a Gross Settlement Amount of \$1,150,000.00. The Gross Settlement Amount and other actions and forbearances taken by Defendants shall constitute adequate consideration for the Class Settlement and will be made in full and final settlement of: (a) the Released Claims, (b) Class Attorney Fees and Expenses, (c) Administrative Expenses, (d) the Incentive Awards, (e) any other obligation of Defendants under this Stipulation (other than the

Employer's Taxes and Required Withholding on the portion of the Net Settlement Amount allocated to the payment of wages). As more fully detailed in this Agreement, after the Court issues an order preliminarily approving this Class Settlement, the Settlement Administrator will distribute the Class Notice to the Settlement Class Members, which shall describe the terms of the Class Settlement and procedures to opt out, object or do nothing, identify the Settlement Class Member, and the number of Qualifying Periods worked by each Settlement Class Member. The Net Settlement Amount will be allocated as follows: (1) 20% to wages and reported on an IRS W-2 basis; (2) 30% to interest, to be reported on an IRS form 1099; and (3) 50% to penalties, to be reported on an IRS form 1099. Defendants agree to pay the employer's portion of the payroll taxes on the portion of settlement awards allocated to W2 wages, which will be computed and paid by the Settlement Administrator, but funded separately and in addition to the Gross Settlement Amount.

6.2 **Incentive Awards for Class Representatives.** The Class Representatives will petition the Court to approve an Incentive Award in an amount up to \$10,000.00 each for Plaintiffs' efforts on behalf of the Settlement Class in this Action, including assisting in the investigation and consulting with Class Counsel and providing crucial documents to Class Counsel. Defendants shall not oppose any request by Plaintiffs for an Incentive Award up to such an amount. Any Incentive Award approved by the Court shall be paid to Plaintiffs from the Gross Settlement Amount and shall be in addition to any distribution to which they may otherwise be entitled as a Settlement Class Member. The Incentive Award shall not be considered wages, and the Settlement Administrator shall issue Plaintiffs an IRS Form 1099 reflecting such payment. Plaintiffs shall be responsible for the payment of any and all taxes with respect to their Incentive Awards and shall hold Defendants harmless from any and all liability with regard thereto. Any reduction in the Incentive Payments shall be added to the Net Settlement Amount.

6.3 **Payments to Class Participants.** Each Class Claimant shall be eligible to receive payment of an Individual Settlement Amount, which is a share based on the number of Qualifying Periods worked while directly employed by Deckers and/or employed by Real Time and placed on assignment at Deckers during the Class Period. The Individual Settlement Amount for each

Settlement Class Member shall be calculated in accordance with section 9, Paragraph 9.2. Each Class Participant, including Plaintiffs, shall be responsible for the payment of the Employee's Taxes and Required Withholding with respect to his or her Individual Settlement Amount and shall hold Defendants harmless from any and all liability with regard thereto.

6.4 **Tax Treatment and Payment.** For the purposes of calculating Employee's withholding for the Individual Settlement Amounts for Class Participants (including payments to the Class Representatives but exclusive of their Incentive Awards), the Parties agree that twenty percent (20%) of each Individual Settlement Amount shall be constituted as wages (and each Class Participant will be issued an IRS Form W-2 for such payment to him or her); and thirty percent (30%) shall be allocated to interest and fifty percent (50%) shall be allocated to penalties (and each Class Participant will be issued an IRS Form 1099 for such payment to him or her). Prior to final distribution, the Settlement Administrator shall calculate the total Employee's Taxes and Required Withholdings due as a result of the wage portion of Class Participants' anticipated Individual Settlement Amounts and such actual amount will be deducted from the Net Settlement Amount. Additionally, prior to the funding of the Gross Settlement Sum and final distribution, the Settlement Administrator shall calculate the total Employer's Taxes due on the wage portion of the Class Participants' Individual Settlement Amounts and issue instructions to Defendants to separately fund these tax obligations/withholdings. The Parties understand that Plaintiffs and the Class Participants who receive any payment pursuant to this Stipulation shall be solely responsible for any and all other individual tax obligations associated with this Class Settlement.

6.5 **No Effect on Employee Benefits.** Neither the Class Settlement nor any amounts paid under the Class Settlement will modify any previously credited hours, days, or weeks or service under any employee benefit plan, policy or bonus program sponsored by Defendants, if any. Such amounts will not form the basis for additional contributions to, benefit under, or any other monetary entitlement under Defendants' sponsored benefit plans, policies or bonus programs, if any. The payments made under the terms of this Stipulation shall not be applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of any of Defendants' benefit plans, policies or bonus programs, if

any. Defendants retain the right to modify the language of their benefits plans, policies and bonus programs to effect this intent and to make clear that any amounts paid pursuant to this Stipulation are not for “weeks worked,” “weeks paid,” “weeks of service,” or any similar measuring term as defined by applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Stipulation. Defendants do not consider the Class Settlement payments “compensation” for purposes of determining eligibility for, or benefit accrual within, any benefits plan, policy, or bonus program, or any other plan or program sponsored by Defendants, if any.

6.6 **Class Attorney Fees and Expenses**. As part of the motion for final approval of the Class Settlement, Class Counsel may submit an application for an award of Class Attorney Fees and Expenses not to exceed Three Hundred Eighty Three Thousand Three Hundred Thirty Three Dollars and Thirty Three Cents (\$383,333.33, which is one-third of the Gross Settlement Amount) and the award of actual documented costs and expenses not to exceed Twenty Thousand Dollars (\$20,000.00), both of which shall be paid from the Gross Settlement Amount. Defendants agree not to object to any such fee, cost or expense application up to those amounts. As a condition of this Class Settlement, Class Counsel has agreed to pursue fees only in the manner reflected by this Section. Any Class Attorney Fee and Expenses awarded by the Court shall be paid from the Gross Settlement Amount in arriving at the Net Settlement Amount and shall not constitute payment to any Settlement Class Member. If the Class Counsel voluntarily reduces the request for Class Attorney Fees and Expenses or the Court’s award of Class Attorney Fees and Expenses is less than set forth above, the Net Settlement Amount shall be recalculated to reflect the actual Class Attorney Fees and Expenses awarded.

The Class Attorney Fees and Expenses approved by the Court shall encompass: (a) all work performed and costs and expenses incurred by, or at the direction of, Class Counsel through the date of this Stipulation; (b) all work to be performed and costs to be incurred in connection with approval by the Court of the Class Settlement; (c) all work to be performed and costs and expenses, if any, incurred in connection with administering the Class Settlement through the Effective Date and judgment being entered in this matter, and (d) may be based on the Catalyst Theory and/or

Common Fund Doctrine. Any reduction in the Class Attorney Fees and Expenses shall increase the Net Settlement Amount.

6.7 **Payment of Class Attorney Fees and Expenses.** Class Attorney Fees and Expenses as awarded by the Court shall be paid by the Settlement Administrator out of the Gross Settlement Amount within thirty (30) calendar days of the Effective Date.

7. **CLAIMS ADMINISTRATION COSTS AND EXPENSES**

7.1 **The Settlement Administrator's Costs and Expenses.** All costs and expenses due to the Settlement Administrator in connection with its administration of the Class Settlement, including, but not limited to, providing the Class Notice, locating Settlement Class Members, processing Opt-Out requests and objections, distributing the portion of the PAGA payment payable to the LWDA, and calculating, administering and distributing Individual Settlement Amounts to the Class Participants and related tax forms, shall be paid from the Gross Settlement Amount.

7.2 **Payment by Defendants.** The Settlement Administrator will calculate the Employer's Taxes and inform Defendants of the total amount of such Employer's Taxes within five days after the Effective Date. Within 15 days after the Effective Date, Defendants shall deposit the Gross Settlement Amount of \$1,150,000 with the Settlement Administrator to pay: (1) the Class Attorney Fees and Expenses, as approved by the Court; (2) the Incentive Awards, as approved by the Court; (3) the Administrative Expenses not to exceed \$25,519.00; (4) PAGA Payment of \$50,000.00 of which \$37,500.00 shall be remitted to the LWDA; and (5) the balance shall be distributed to Class Members as part of the Net Settlement Amount. Defendants shall separately pay their share of Employer Taxes to the Settlement Administrator prior to the distribution of the Individual Settlement Amounts to Class Participants. In no event shall Defendants be obligated to pay or deposit with the Settlement Administrator more than collectively \$1,150,000, plus the Employer Taxes.

8. **NOTICE TO CLASS MEMBERS AND CLAIMS ADMINISTRATION PROCESS**

8.1 **The Settlement Administrator.** The Settlement Administrator will be responsible for mailing the Class Notice (**Exhibit 1**) to the Settlement Class Members, handling inquiries from

1 Settlement Class Members concerning the Class Notice, determination of Individual Settlement
2 Amounts, maintaining the settlement funds in an appropriate interest bearing account, preparing,
3 administering and distributing Individual Settlement Amounts to Class Participants, issuing a final
4 report and performing such other duties as the Parties may direct.

5 On a weekly basis, the Settlement Administrator will provide summary information to Class
6 Counsel and Defense Counsel updating them as to the number of validated and timely objections
7 and Opt-Out Requests. The Settlement Administrator will send, via e-mail, date-stamped copies of
8 the original no later than seven days after their receipt: (1) to Defense Counsel, opt-out requests
9 and, (2) to Class Counsel and Defense Counsel, objections. The Settlement Administrator will
10 provide Class Counsel with proof of mailing of the Class Notice, without listing individual Class
11 Member names which the Settlement Administrator will file with the Court at the time Class
12 Counsel files its motion in support of the Court's Final Approval and Fairness Hearing. No later
13 than twenty (20) court days prior to the final approval hearing, the Settlement Administrator will
14 compile and deliver to Class Counsel and Defense Counsel a report with summary information
15 regarding (a) the total amount of final Individual Settlement Amounts of each Class Participant, (b)
16 the number of Class Participants to receive such payments, and (c) the final number of Opt-Outs
17 and objections.

18 The Parties agree that they shall elicit a bid from at least two settlement administrators, and
19 the parties mutually will select the Administrator with the most competitive bid. The
20 Administrator's fees shall be paid out of the Gross Settlement Amount. Prior to the calculation and
21 distribution of the Individual Settlement Amounts, the Settlement Administrator shall calculate the
22 total Administrative Expenses through the consideration of their services and such actual amount
23 will be deducted from the Gross Settlement Amount prior to the final calculation of the Individual
24 Settlement Amounts.

25 8.2 **Notice to the Settlement Class Members.** Notice shall be provided to Settlement
26 Class Members in the following manner: Within twenty-one (21) calendar days of Preliminary
27 Approval of the Settlement, Defendants shall provide the Settlement Administrator with the names,
28 most recent known mailing address, and other information needed to calculate the disbursement of

1 funds in a readable Excel spreadsheet (collectively “Class List and Data”). This information will
2 not be shared with and/or provided to Class Counsel in any way.

3 Within twenty eight (28) days following the Preliminary Approval Date, the Settlement
4 Administrator shall determine the number of Qualifying Periods for each Settlement Class
5 Member, populate the Settlement Class for each accordingly, and send each Settlement Class
6 Member the Class Notice via first-class, United States mail. The Class Notice shall also contain an
7 easily understood statement alerting the Class Members that, unless they elect to Opt-Out of the
8 Class Settlement, the Settlement Class Member is releasing and waiving all Released Claims
9 against the Released Parties.

10 The Notice will include, non-exclusively, information regarding the nature of the Action; a
11 summary of the substance of the Settlement; the Class definition; the date for the final approval
12 hearing; the formula used for the Individual Settlement Payments; the settlement procedure and
13 time period for objecting to the Settlement, disputing the number of Qualifying Periods worked, or
14 opting out from the Settlement. The Notice shall include the Class Member’s estimated Qualifying
15 Periods upon which the Individual Settlement Payment is based.

16 8.3 **Disputing Information In Notice Packet.** If a Class Member disputes the
17 Individual Settlement Payment or any other information on the Notice that s/he receives, the Class
18 Member may produce evidence to the Settlement Administrator for the Class Period. In order for
19 the dispute to be considered, s/he must follow the directions on the Notice of Class Action
20 Settlement.

21 Written notice of the dispute must be received by the Settlement Administrator within 45
22 calendar days of the mailing of the settlement notice in order to be considered. The date of mailing
23 the Notice Packet by the Settlement Administrator to the Class Member, and the date the
24 Settlement Administrator received the Notice Packet, shall be conclusively determined according to
25 the records of the Settlement Administrator. Upon the timely receipt of any disputed Qualifying
26 Periods worked, the Settlement Administrator will notify Defense Counsel in writing (e-mail
27 constitutes a writing for this purpose) of the dispute. Defendants’ records will be presumed
28 determinative, absent evidence to rebut Defendants’ records, but the Settlement Administrator will

1 evaluate the evidence submitted by the Class Member and make the decision as to the validity of
2 such evidence. The Court shall make the final decision regarding any Individual Settlement
3 Payment disputes.

4 8.4 **Returned Notice Packet.** In the event that a Notice Packet is returned to the
5 Settlement Administrator with a forwarding address, the Claims Administrator will re-send the
6 Notice Packet to the forwarding address affixed thereto. If a Notice Packet is re-mailed to a better
7 address, the Class Member will have fifteen (15) calendar days after the re-mailing to postmark or
8 until the end of the Notice period whichever is longer, to deliver an Opt Out, an objection, or a
9 dispute regarding the Individual Settlement Payment to the Settlement Administrator.

10 In no event will any Class Member be allowed to postmark or deliver an Opt-Out, an
11 objection or a dispute to the Settlement Administrator more than forty-five (45) calendar days from
12 the date the Notice Packets are initially mailed.

13 The date of the postmark on the return mailing envelope shall be the exclusive means used
14 to determine whether an Opt Out, objection or dispute has been timely submitted. However,
15 regardless of the date of the postmark, any Opt Outs, objections, or disputes that are received more
16 than 45 calendar days after the date the Notice Packets were initially mailed will not be considered
17 valid. Within five (5) days prior to the final approval hearing, the Settlement Administrator shall
18 certify the number of individual Class Members who have not objected, opted out and/or timely
19 submitted a dispute.

20 8.5 **Opt Out.** In order for a Class Member to validly Opt Out from the Class and this
21 Settlement, the Class Member must sign and submit a written request to the Settlement
22 Administrator requesting that he or she be excluded from the settlement. The Opt Out must be sent
23 to the Claims Administrator by mail, fax, or email so that the Claims Administrator receives it by
24 no later than forty-five (45) calendar days after the Settlement Administrator mails the Notice
25 Packet to the Class Members (the Response Deadline). By signing this Agreement/Stipulation,
26 Plaintiffs agree that they will not Opt Out from the Class. The Parties and their respective counsel
27 agree that none of them will take any steps to encourage any Class Member to opt out of the Class
28 or object to the settlement. The date of mailing the Notice Packet, and the date the signed Opt Out

1 was received by the Settlement Administrator, shall be conclusively determined according to the
2 records of the Settlement Administrator. Any Class Member who timely and validly opts out of the
3 Class and this Settlement will not be entitled to any recovery from this Settlement, will not be
4 bound by the terms and conditions of this Agreement, and will not have any right to object, appeal
5 or comment thereon. Upon returning an Opt Out, the submitting Class Member waives the right to
6 object to the Settlement. If a Class Member submits both an Opt Out and an Objection, the Opt
7 Out will be deemed void. If a Class Member opts out of the class portion of the settlement, he/she
8 will still receive a payment from the PAGA portion of the settlement and will release the PAGA
9 claim.

10 8.6 **Objections to Settlement.** In order to object to this Agreement, or any term of it,
11 the person making the objection must be a Class Member, must not opt-out, and must, by no later
12 than forty-five (45) calendar days after the Notice Packet is first mailed, file the written objection
13 with the Settlement Administrator a written statement of the grounds of objection, signed by the
14 objecting Class Member or his or her attorney, along with all supporting papers, in accordance with
15 the instructions in the Notice of Class Action Settlement. The Settlement Administrator shall serve
16 Class Counsel and Defense Counsel the written objection within three days of its receipt. The
17 written objection shall include the basis for the individual's objection, whether they are represented
18 by counsel, and shall indicate whether they intend to appear at the final fairness hearing. The date
19 of mailing of the Notice Packet to the objecting Class Member shall be conclusively determined
20 according to the records of the Settlement Administrator. Any objection that does not meet the
21 requirements of this subparagraph shall not be considered by the Court. Class Members who fail to
22 timely and validly file and serve objections in the manner specified herein shall be deemed to have
23 waived any objections. By signing this Agreement, Plaintiffs agree that they will not object to any
24 of the terms of the Settlement.

25 In the event a Class Member returns both a timely Opt Out and an Objection, the Objection
26 will be deemed void, and of no force and effect, while the Class Member will be deemed to have
27 opted out of the Settlement and waived the right to object thereto.
28

9. **CLASS SETTLEMENT FUNDING AND DISTRIBUTION**

9.1 **Allocation of the Gross Settlement Amount.** The claims of all Settlement Class Members are settled for the maximum Gross Settlement Amount of \$1,150,000, which will be allocated as follows:

- a. The Administrative Expenses not to exceed \$25,519.00 subject to Court approval;
- b. The Class Counsel Attorney Fees not to exceed \$383,333.33 and reasonable costs not to exceed \$20,000.00, subject to Court approval;
- c. The Incentive Award, not to exceed \$10,000.00 to each Class Representative, subject to Court approval; and
- d. PAGA Payment of \$50,000.00, of which \$37,500.00 shall be paid to the LWDA.

For purposes of calculating the estimated Individual Settlement Amounts, the Settlement Administrator shall calculate the estimated Net Settlement Amount based on the estimated values in Section 1(a-d) prior to sending the Notice to the Settlement Class Members. Prior to final distribution, the Settlement Administrator shall calculate the final Net Settlement Amount based on the actual values in Section 1(a-d).

9.2 **Calculation of the Individual Settlement Amounts.** Individual Settlement Payments to Settlement Class Members shall be allocated as 20% to wages, 30% to interest, and 50% to penalties. Each Settlement Class Member will receive a share of the Net Settlement Amount based on the number of Qualifying Periods worked by the Settlement Class Member during the relevant Class Period as a proportion of the Total Qualifying Periods worked by all Settlement Class Members during the relevant Class Period. The maximum amount that each Settlement Class Member is entitled to receive from the Net Settlement Amount is determined by dividing the Net Settlement Amount by the Total Qualifying Periods worked during the class period by the entire Settlement Class to set a per Qualifying Periods amount, and then multiplying the individual Settlement Class Member's Qualifying Periods worked during the same period by the per Qualifying Periods amount. If any Settlement Class Members opt out of the settlement, their portion will be allocated towards the Net Settlement Amount.

1 All applicable legal deductions will be withheld from the wage portion of Individual
 2 Settlement Payments and the appropriate W-2s and 1099s filed with the relevant taxing authorities
 3 by the Settlement Administrator. The Plaintiffs' Incentive awards will be in addition to their
 4 allocated portion of the NSA and shall be reported on an IRS 1099 basis.

5 Defendants will provide the Settlement Administrator with any information reasonably
 6 necessary to perform the calculation of number of Qualifying Periods for each Settlement Class
 7 Member, and any other reasonably required information the Settlement Administrator requests to
 8 perform the calculations required under this Settlement Agreement. Defendants shall have no
 9 responsibility for deciding the validity of the Individual Settlement Amounts or any other payments
 10 made pursuant to this Stipulation, shall have no involvement in or responsibility for the
 11 determination or payment of Employee's Taxes and Required Withholdings. Although the
 12 Settlement Administrator will calculate and pay the standard Employee's Taxes and Required
 13 Withholding on the portion of the Individual Settlement Amounts constituting wages on their
 14 behalf, Plaintiffs and Class Participants represent and understand that they shall be solely
 15 responsible for any and all tax obligation associated with their respective Individual Settlement
 16 Amounts and Incentive Awards.

17 9.3 **Time for Payment of Attorneys' Fees and Expenses to Class Counsel.** The
 18 Settlement Administrator shall distribute to Class Counsel any attorney fees and expenses approved
 19 by the Court to Class Counsel no later than thirty (30) calendar days after the Effective Date.

20 9.4 **Time for Payment of Incentive Awards to Class Representatives.** The
 21 Settlement Administrator shall distribute to Plaintiffs the Incentive Awards approved by the Court
 22 no later than thirty (30) calendar days after the Effective Date.

23 9.5 **Time for Payment of Taxes and Required Withholding and Individual**
 24 **Settlement Amounts.** The Settlement Administrator shall make every effort to pay the
 25 Employee's Taxes and the Required Withholding associated with each Class Participant's
 26 Individual Settlement Amount and mail the Individual Settlement Amount to each Class
 27 Participant, by first-class U.S. mail, to the last-known address no later than thirty (30) calendar
 28 days after the Effective Date. If the Settlement Administrator is not able to do so within the time

period set forth above, it shall so inform Class Counsel and Defense Counsel and provide an approximate date by which Employee's Taxes and Required Withholding shall be paid and the Individual Settlement Amounts will be mailed. Under no circumstances shall the Settlement Administrator distribute checks to Class Participants until all Individual Settlement Amounts have been considered, calculated, and accounted for, and all of the remaining monetary obligations have been calculated and accounted for. Within 240 days of the Effective Date, the Settlement Administrator shall file with the Court and provide to Class Counsel a declaration of payment. In the event that any Class Participant is deceased, payment shall be made payable to the estate of that Settlement Class Member and delivered to the executor or administrator of that estate, unless the Settlement Administrator has received an affidavit or declaration pursuant to Cal. Probate Code § 13101, in which case payment shall be made to affiant(s) or declarant(s).

9.6 **Non-Cashed Settlement Checks.** Class Participants shall have one hundred eighty days (180) to cash their checks. Any funds associated with stale checks that have not been cashed within one hundred eighty (180) days will be directed to *Cy Pres* Beneficiary (in no event the funds revert to Defendants). Settlement checks will not be sent out to any Class Members whose Notice Packets are returned as undeliverable.

9.7 **Time for Payment of PAGA Payment to the LWDA.** The Settlement Administrator shall distribute to the LWDA the portion of the PAGA Payment due to it and approved by the Court no later than thirty (30) calendar days after the Effective Date.

10. **NULLIFICATION OF THIS STIPULATION**

10.1 **Non-Approval of the Stipulation.** If (a) the Court for any reason fails to approve this Stipulation in the form agreed to by the Parties, or (b) the Court for any reason fails to enter a judgment with prejudice of this Action, or (c) the approval of the Class Settlement and judgment is reversed, modified or declared or rendered void, then the Class Settlement and conditional class certification shall be considered null and void, and neither the Class Settlement, conditional class certification, nor any of the related negotiations or proceedings shall be of any force or effect, and all Parties to the Class Settlement shall stand in the same position, without prejudice, as if the Class Settlement has been neither entered into nor filed with the Court. Notwithstanding the foregoing,

the Parties may attempt in good faith to cure any perceived defects in the Stipulation to facilitate approval. In the event the Court reduces any of the amounts apportioned for Administrative Fees, Class Attorney Fees and Expenses, Incentive Awards, or the portion of the PAGA Payment due to the LWDA, the difference shall become part of the Net Settlement Amount.

10.2 Parties' Right to Void Class Settlement. If 5% or more of the Class Members Opt Out of the Settlement, or if either Defendant files for bankruptcy, Defendants may, at their election, rescind the Settlement and all actions taken in its furtherance of it will be thereby null and void. Defendants must exercise this right of rescission, in writing, to Class Counsel, within 21 calendar days after the Claims Administrator notifies the Parties of the total number of opt-outs and/or notice of the other Defendant filing bankruptcy. If the option to rescind is exercised, then Defendants shall be solely responsible for all costs of the claims administration accrued to that point. Defendants also have the right to withdraw from the Settlement if: (1) the Court does not execute the Preliminary and/or Final Approval Orders, does not certify the Settlement Class, and/or does not certify a class releasing the claims set forth herein, or otherwise makes an order inconsistent with any of the terms of this Agreement, and/or (2) Plaintiff and/or Class Counsel materially breaches the Agreement. In the event that (1) or (2) occur, Class Counsel and Defendants shall be equally responsible for all costs of the Claims Administrator accrued to that point. Further, this Agreement may not be used or introduced in further litigation between the Parties.

10.3 Invalidation. Invalidation of any material portion of the Class Settlement shall invalidate the Class Settlement in its entirety, unless the Parties shall subsequently agree in writing that the remaining provisions of the Class Settlement are to remain in full force and effect.

10.4 Stay Upon Appeal. In the event of a timely appeal from the approval of the Class Settlement and judgment, including an appeal relating to Class Counsel's attorneys' fees, the judgment shall be stayed, and Defendants shall not be obligated to fund the Gross Settlement Amount or take any other actions required by this Stipulation until all appeal rights have been exhausted by operation of law.

11. **MOTION FOR COURT APPROVAL**

11.1 **Preliminary Approval.** Class Counsel will submit this Stipulation to the Court along with a Motion for Preliminary Approval of the Class Settlement. Each party shall cooperate to present the Class Settlement to the Court for preliminary approval in a timely fashion. The Preliminary Order shall be provided to Defendants prior to filing and shall at a minimum:

(1) Conditionally certify the Settlement Class and Class Claims; (2) Conditionally appoint Plaintiffs and Class Counsel as representatives of the proposed California Settlement Class; (3) Appoint Simpluris as the settlement administrator, and order the Settlement Administrator to provide notice of the settlement as outlined in Section 8. above; (4) Confirm that the procedure for distributing the Class Notice (in Section 8) (i) constituted the best practicable notice; (ii) constituted notice that was reasonably calculated, under the circumstances, to apprise the Settlement Class of the pendency of the Action, and their right to exclude themselves from or object to the proposed Class Settlement and to appear at the Final Approval and Fairness Hearing; (iii) was reasonable and constituted due, adequate, and sufficient notice to all persons entitled to receive notice; and (iv) met all applicable requirements of due process, and any other applicable rules or law; (5) Impose a stay on all litigation of the Action pending the Final Approval and Fairness Hearing, or prohibit Plaintiffs and/or the Settlement Class from prosecuting any claims against Defendants or the Released Parties pending the Final Approval and Fairness Hearing; (6) Order preliminary approval of the Settlement and that the Court's certification of the Settlement Class and Class Claims, and all actions associated with them, are undertaken on the condition that they shall be vacated if the Settlement is terminated or disapproved in whole or in part by the Court, or any appellate court and/or other court of review in which event the Settlement and the fact that it was entered into shall not be offered, received, or construed as an admission or as evidence for any purpose, including but not limited to an admission by any Party of liability or non-liability or of the certifiability of a litigation class or the appropriateness of maintaining a representative action.

11.2 **Final Approval.** The Final Approval and Fairness Hearing shall be held before the Court. At the Final Approval and Fairness Hearing, Plaintiffs shall move the Court for the entry of

the final order certifying the Class for settlement purposes only and approving the Class Settlement as being fair, reasonable and adequate to the Class Participants within the meaning of California Rules of Court, Rule 3.769(c), (d) and (e) and for the entry of a final judgment of the Action consistent with the terms of the Class Settlement and California Rule of Court 3.769(h) and California Labor Code § 2699 (l)(2). The Final Approval Order shall be provided to Defendants prior to filing and shall at a minimum explicitly adjudge that: **(1)** The Settlement Administrator has fulfilled its initial notice and reporting duties under the Settlement and that the Class Notice (i) constituted the best practicable notice; (ii) constituted notice that was reasonably calculated, under the circumstances, to apprise Settlement Class Members of the pendency of the Action, and their right to exclude themselves from or object to the proposed settlement and to appear at the Final Approval Hearing; (iii) was reasonable and constituted due, adequate, and sufficient notice to all persons entitled to receive notice; and (iv) met all applicable requirements of due process, and any other applicable rules or law; **(2)** The Settlement as fair, reasonable, and adequate; **(3)** Plaintiffs and Class Counsel may adequately represent Settlement Class Members and Class Participants for the purpose of entering into and implementing the Settlement; **(4)** The Settlement Administrator is to execute the distribution of proceeds pursuant to the terms of this Settlement; **(5)** The Final Approval order and judgment shall be final and entered forthwith; **(6)** Without affecting the finality of the Final Approval order and judgment, the Court retains continuing jurisdiction over Plaintiffs, Defendants, the Settlement Class Members, and Class Participants, as to all matters concerning the administration, consummation, and enforcement of this Settlement; **(7)** As of the Final Approval Date, the Plaintiffs, Settlement Class Members, Class Participants, and their Legally Authorized Representatives, heirs, estates, trustees, executors, administrators, principals, beneficiaries, representatives, agents, assigns, and successors, and/or anyone claiming through them or acting or purporting to act for them or on their behalf, regardless of whether they have received actual notice of the proposed Settlement, have conclusively compromised, settled, discharged, and provided: the complete and general release (in the case of Plaintiffs); the release of Class Claims (in the case of the Class Participants) against Defendants and the Released Parties, and are bound by the provisions of this Settlement Agreement; **(8)** All PAGA Claims are settled and the Settlement

Class is prohibited from pursuing a further action under PAGA for any claims pursuant to PAGA; (9) Notwithstanding the submission of a timely request for exclusion, all Settlement Class Members are still bound by the settlement and release of the PAGA Claims or remedies under the Judgment pursuant to *Arias v. Superior Court*, 46 Cal. 4th 969 (2009), as requests for exclusion do not apply to PAGA claims, and further affirms that the State's claims for civil penalties pursuant to PAGA are also extinguished; (10) This Settlement and the Final Approval order and Judgment to be binding on, and have *res judicata* and preclusive effect in, all pending and future lawsuits or other proceedings that encompass Plaintiffs', the Settlement Class and Class Participants, claims released herein, and that are maintained by or on behalf of Plaintiffs, the Settlement Class, and Class Participants and/or their heirs, estates, trustees, executors, administrators, principals, beneficiaries, representatives, agents, assigns, and successors, and/or anyone claiming through them or acting or purporting to act for them or on their behalf; (11) Plaintiffs and Class Participants are permanently barred from filing, commencing, prosecuting, intervening in, or participating (as class members or otherwise) in any other lawsuit or administrative, regulatory, arbitration, or other proceeding in any jurisdiction based on the claims released herein; and (12) The Settlement provided for herein, and any proceedings undertaken pursuant thereto, are not, and should not in any event be offered, received, or construed as evidence of, a presumption, concession, or an admission by any Party of liability or non-liability or of the certifiability or non-certifiability of a litigation class or collective, or that PAGA claims may validly be pursued; provided, however, that reference may be made to this Settlement in such proceedings as may be necessary to effectuate the provisions of this Settlement. Class Counsel and Defense Counsel shall submit to the Court such pleadings and/or evidence as may be required for the Court's determination.

12. **RELEASES AND WAIVERS**

12.1 **Release of Claims by Settlement Class.** Upon the Effective Date and Defendants' funding of the Gross Settlement Amount, each Settlement Class Member who has not submitted a timely Opt-Out, and Plaintiffs, each releases the Released Parties, and each of them, of and from any and all Released Claims from June 1, 2016 through the date the Court preliminarily approves

the settlement or 90 days from the Parties executing the Settlement Stipulation, whichever is earlier.

It is the desire of the Parties and the Settlement Class Members to fully, finally, and forever settle, compromise, and discharge the Released Claims during the Class Period.

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

Settlement Class Members who do not opt out will be deemed to have acknowledged and agreed that their claims for wages and/or penalties in the Action are disputed, and that their Individual Settlement Amount constitutes payment of all sums allegedly due to them. Class Members will be deemed to have acknowledged and agreed that California Labor Code Section 206.5 is not applicable to the Individual Settlement Amount. That section provides in pertinent part as follows:

“An employer shall not require the execution of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.”

12.2 Release of Claims by Plaintiffs. Plaintiffs, on behalf of themselves and their heirs, executors, administrators, and representatives, shall and does forever release, discharge and agree to hold harmless the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debt and expenses (including attorney fees and costs), known or unknown, at law or in equity, which they may now have or may have after the signing of this Stipulation, arising out of or in any way connected with their employment with or assignment at Defendants including, the Released Claims, claims that were asserted or could have been asserted in the Complaint(s), Action, and any and all transactions, occurrences, or matters between the Parties occurring during the respective Class Period. Without limiting the generality of the foregoing, this release shall include, but not be limited to, any and all claims under the (a) Americans with Disabilities Act, as amended; (b) Title VII of the Civil Rights Act of 1964, as amended; (c) the

Civil Rights Act of 1991; (d) 42 U.S.C. § 1981, as amended; (e) the Age Discrimination in Employment Act, as amended; (f) the Fair Standards Act, as amended; (g) the Equal Pay Act; (h) the Employee Retirement Income Security Act, as amended; (i) the Consolidated Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing Act; (n) the California Constitution; (o) the California Labor Code; (p) the California Government Code; (q) the California Civil Code; and (r) any and all other federal, state and local statutes, ordinances, regulations, rules and other laws, and any and all claims based on constitutional, statutory, common law or regulatory grounds as well as any other claims based on the theories of wrongful or constructive discharge, breach of contract or implied contract, fraud, misrepresentation, promissory estoppel or intentional and/or negligent infliction of emotional distress, or damages under any other federal, state or local statutes, ordinances, regulations, rules or laws. This release is for any and all relief, no matter how denominated, including, but not limited to, overtime, wages, back pay, front pay, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain and suffering, and attorneys' fees and costs, and Plaintiffs hereby forever release, discharge and agree to hold harmless Defendants and the Released Parties from any and all claims for attorney fees and costs arising out of the matters released in this Stipulation.

Plaintiffs specifically acknowledge that they are aware and familiar with the provisions of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

A general release does not extend to claims which 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.

Plaintiffs, being aware of Section 1542, hereby expressly waive and relinquish all rights and benefits they may have under Section 1542 as well as any other statutes or common law principles of a similar effect. Plaintiffs may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of all the claims referenced herein, but stipulate and agree that, upon the Effective Date, Plaintiffs shall and hereby

do fully, and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could have been asserted upon any theory of law or equity without regard to the subsequent discovery existence of such different or additional facts.

13. **DUTIES OF THE PARTIES**

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

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

13.3 **Duties Prior to Court Approval**. Class Counsel shall promptly submit this Stipulation to the Court for preliminary approval and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly upon execution of this Stipulation, Class Counsel shall apply to the Court for the entry of a preliminary order, scheduling a hearing on the question of whether the proposed Class Settlement should be approved as fair, reasonable, and adequate as to the Settlement Class Members, approving as to form and content the proposed Class Notice attached hereto as **Exhibit 1**, and directing the mailing of the Class Notice to Settlement Class Members.

14. **MISCELLANEOUS PROVISIONS**

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

14.2 **No Prior Assignments**. 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 liability, claim, demand, action, cause of action, or right herein released and discharged except as set forth herein.

14.3 **Non-Admission**. Nothing in this Stipulation shall be construed as or deemed to be an admission by any Party of any liability, culpability, negligence, or wrongdoing toward any other Party, or any other person, and the Parties specifically disclaim any culpability, negligence, or wrongdoing toward each other or any other person. Each of the Parties has entered into this Stipulation with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and contingencies. Nothing herein shall constitute any admissions by Defendants of wrongdoing or liability, or of the truth of any factual allegations in the Action. Nothing herein shall constitute any admission by Defendants regarding the merits of the Claims in this Action, including but not limited to claims for unpaid wages, failure to provide rest/meal periods, failure to pay minimum, overtime or timely wages, failure to provide accurate wage statements, failure to keep accurate records, or unfair competition/unfair business practices under California and/or other applicable. Nothing herein shall constitute an admission by Defendants that the Action was properly brought as a class or representative action other than for settlement purposes. To the contrary, Defendants have denied and continue to deny each and every material factual allegation and all Claims. To this end, the Class Settlement of the Action, the negotiation and execution of this Stipulation, and all acts performed or documents executed pursuant to or in furtherance of this Stipulation or the Class Settlement are not, shall not be deemed to be, and may

1 not be used as, an admission or evidence of any wrongdoing or liability on the part of Defendants
2 or of the truth of any of the factual allegations in the Complaint in the Action; and are not, shall not
3 be deemed to be, and may not be used as, an admission or evidence of any fault or omission on the
4 part of Defendants in any civil, criminal or administrative proceeding in any court, administrative
5 agency or other tribunal.

6 14.4 **Media or Press.** Plaintiffs and Defendants, and their respective counsel, agree to
7 limit public comment on this Settlement, the Action, and the claims to stating that the matter has
8 been resolved to the satisfaction of both parties. Neither side will initiate public comment.

9 14.5 **Non-Retaliation.** Defendants understand and acknowledge that they have a legal
10 obligation not to retaliate against any Settlement Class Member who elects to participate in the
11 Class Settlement or elects to Opt-Out of the Class Settlement. Defendants will refer any inquiries
12 regarding this Class Settlement to the Settlement Administrator or Class Counsel and will not
13 discourage, directly or indirectly, Settlement Class Members from making claims, opting out or
14 objecting to the Class Settlement.

15 To the extent permitted by law, named Plaintiffs further acknowledge and agree that he or
16 she, respectively, no longer works for Defendants at any point in time after the date he or she,
17 respectively, signs this Agreement, that he or she has not applied, and will not apply, for any future
18 employment with Defendants, or their parent, subsidiaries or related entities, that should he or she
19 obtain employment with Defendants or such entities, he or she agrees that such employment shall
20 be terminable immediately, with or without cause. The Parties agree that Defendants had
21 legitimate, non-discriminatory and non-retaliatory reasons for ending the employment
22 relationship.

23 14.6 **Construction.** The Parties hereto agree that the terms and conditions of this
24 Stipulation are the result of lengthy, intensive, arms-length non-collusive negotiations between the
25 Parties and that this Stipulation is not to be construed in favor of or against any party by reason of
26 the extent to which any party or its counsel participated in the drafting of this Stipulation. If any of
27 the dates in the Stipulation fall on a weekend, bank or court holiday, the time to act shall be
28 extended to the next business day.

14.7 **Governing Law.** This Stipulation is intended to and shall be governed by the laws of the State of California, without regard to conflict of law principles, in all respects, including execution, interpretation, performance, and enforcement.

14.8 **Notices.** Except for Settlement Class Member notices required to be made by the Settlement Administrator, any and all notices or other communications required or permitted under this Stipulation shall be in writing and shall be sufficiently given if delivered in person to the party or their counsel by U.S. certified mail, postage pre-paid, e-mail, facsimile, or overnight delivery addressed to the address of the party appearing in this Stipulation.

14.9 **Captions and Interpretations.** Section titles or captions contained herein are inserted as a matter of convenience and for reference only and in no way define, limit, extend, or describe the scope of this Stipulation or any provision thereof.

14.10 **Modification.** This Stipulation may not be changes, altered, or modified, except in writing signed by the Parties and approved by the Court. This Stipulation may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties.

14.11 **Integration Clause.** This Stipulation contains the entire agreement between the Parties relating to the Class Settlement of the Action and the transactions contemplated thereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written, and whether by a party or such party's legal counsel, are hereby superseded. No rights under this Stipulation may be waived except in writing as provided above.

14.12 **Successors and Assigns.** This Stipulation shall be binding upon and inure to the benefit of the Parties and Settlement Class Members (excluding only persons who timely opt-out) and each of their respective present and former heirs, trustees, executors, administrators, representatives, officers, directors, shareholders, agents, employees, insurers, attorneys, accountants, auditors, advisors, consultants, pension and welfare benefit plans, fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint ventures, predecessors, successors, and assigns.

14.13 **Corporate Signatories.** Any person executing this Stipulation or any such related document on behalf of a corporate signatory, limited liability company or a partnership hereby

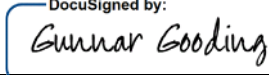
warrants and promises, for the benefit of all Parties hereto, that such persons has been duly authorized by such corporation, limited liability company or partnership to execute this Stipulation or any such related document.

14.14 **Execution in Counterparts.** This Stipulation shall become effective upon its execution by all of the undersigned. The Parties may execute this Stipulation in counterparts, and execution of counterparts shall have the same force and effect as if all Settling Parties had signed the same instrument.

14.15 **Attorney Fees, Costs and Expenses.** Except as otherwise specifically provided for herein, each Party shall bear their or its own attorney fees, costs and expenses, taxable or otherwise, incurred by them in or arising out of the Action and shall not seek reimbursement thereof from any other party to this Stipulation.

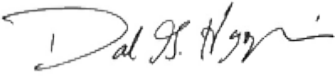
IN WITNESS WHEREOF, the Parties and their counsel have executed this Stipulation on the date below their signatures of their representatives. The date of the Stipulation shall be the date of the latest signature.

Dated: August ²³____, 2021

By: 
Gunnar Gooding on behalf of Defendant
Real Time Staffing Services, LLC

Dated: August ²³____, 2021

CDF LABOR LAW LLP

By: 
David G. Hagopian
Attorneys for Defendant
REAL TIME STAFFING SERVICES, LLC

Dated: August ____ , 2021

DAVID YEREMIAN & ASSOCIATES, INC.

By: _____
David Yeremian
Attorneys for Plaintiffs
CHERYL FOSTER and TRAVONN HALEY

warrants and promises, for the benefit of all Parties hereto, that such persons has been duly authorized by such corporation, limited liability company or partnership to execute this Stipulation or any such related document.

14.14 **Execution in Counterparts.** This Stipulation shall become effective upon its execution by all of the undersigned. The Parties may execute this Stipulation in counterparts, and execution of counterparts shall have the same force and effect as if all Settling Parties had signed the same instrument.

14.15 **Attorney Fees, Costs and Expenses.** Except as otherwise specifically provided for herein, each Party shall bear their or its own attorney fees, costs and expenses, taxable or otherwise, incurred by them in or arising out of the Action and shall not seek reimbursement thereof from any other party to this Stipulation.

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

Dated: August __, 2021

By: _____
_____ on behalf of Defendant
Real Time Staffing Services, LLC

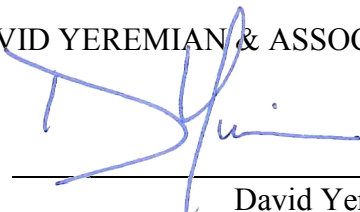
Dated: August __, 2021

CDF LABOR LAW LLP

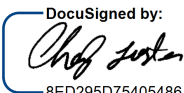
By: _____
David G. Hagopian
Attorneys for Defendant
REAL TIME STAFFING SERVICES, LLC

Dated: August 20, 2021

DAVID YEREMIAN & ASSOCIATES, INC.

By:  _____
David Yeremian
Attorneys for Plaintiffs
CHERYL FOSTER and TRAVONN HALEY

1 Dated: August ⁶_, 2021

2
3 By: 
4 Cheryl Foster, Plaintiff

5 Dated: August ___, 2021

6
7 By: _____
8 Travonn Haley, Plaintiff

9 Dated: August ___, 2021

10 STRADLING YOCCA CARLSON & RAUTH
11 By: _____
12 Jeffrey A. Dinkin
13 Attorneys for Defendant
14 DECKERS OUTDOOR CORPORATION

15 Dated: August ___, 2021

16 By: _____
17 _____ on behalf of Defendant
18 Deckers Outdoor Corporation
19
20
21
22
23
24
25
26
27
28

1 Dated: August __, 2021

2

3

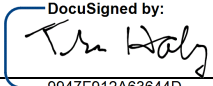
By: _____
Cheryl Foster, Plaintiff

4

5 Dated: August 9 __, 2021

6

7

By: _____
DocuSigned by:

9947E912A63644D
Travonn Haley, Plaintiff

8

9

Dated: August __, 2021

STRADLING YOCCA CARLSON & RAUTH

10

11

By: _____
Jeffrey A. Dinkin
Attorneys for Defendant
DECKERS OUTDOOR CORPORATION

12

13

Dated: August __, 2021

14

15

By: _____
_____ on behalf of Defendant
Deckers Outdoor Corporation

16

17

18

19

20

21

22

23

24

25

26

27

28

1 Dated: August __, 2021

2

3

By: _____
Cheryl Foster, Plaintiff

4

5

Dated: August __, 2021

6

7

By: _____
Travonn Haley, Plaintiff

8

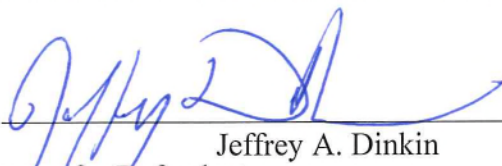
9

Dated: August 11, 2021

STRADLING YOCCA CARLSON & RAUTH

10

11

By:  _____
Jeffrey A. Dinkin
Attorneys for Defendant
DECKERS OUTDOOR CORPORATION

12

13

Dated: August 13, 2021

14

15

By:  _____
[Thomas Garcia \(Aug 13, 2021 09:13 PDT\)](#)
Thomas Garcia on behalf of Defendant
Deckers Outdoor Corporation

16

17

18

19

20

21

22

23

24

25

26

27

28