

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (the “Settlement” or “Agreement”) is made and entered into by and between Named Plaintiff Jamie Sales on behalf of herself and the putative class, on the one hand, and Defendant J.S. International Shipping Corp., on the other hand, with regard to the case entitled *Jamie Sales v. J.S. International Shipping Corp.*, San Mateo Superior Court Case No. 18CIV05048. Named Plaintiff and Defendant collectively are referred to as “the Parties.”

NOW, THEREFORE, in light of the foregoing, for good and valuable consideration, the receipt of which is hereby mutually acknowledged, Named Plaintiff and Defendant agree to the Settlement, subject to approval of the Superior Court, as follows:

A. DEFINITIONS

Unless otherwise defined herein, capitalized terms used in this Agreement shall have the meanings set forth below:

1. **“Attorneys’ Fees and Costs”** means the amount of money for which Class Counsel shall apply to the Court for an award of attorneys’ fees in an amount not to exceed thirty-five (35%) of the Class Settlement Amount (i.e. one hundred and thirty-one thousand two hundred and fifty dollars and zero cents (\$131,250.00)). Costs shall mean reimbursement of actual costs incurred (in an amount not to exceed \$35,000). Both the attorneys’ fees and costs shall be paid out of the Class Settlement Amount. If the Court reduces the amount of Plaintiffs’ counsels’ fees and costs in the course of the settlement approval process, only the amount approved by the Court shall be paid to Class Counsel. Any fees and costs not awarded by the Court will be added to the Net Settlement Amount. Defendant shall not oppose the award of attorneys’ fees and costs in the amount requested by this Agreement.

2. **“Award”** means a payment to a Settlement Class Member as set forth in this Agreement.

3. The **“Lawsuit” or “Litigation”** means and refers to the lawsuit entitled *Jamie Sales v. J.S. International Shipping Corp.* San Mateo Superior Court Case No. 18CIV05048.

4. **“Class Counsel”** means:

Protection Law Group, LLP

Amir Nayebdadash
136 Main Street, Suite A
El Segundo, CA 90245
Telephone: (844) 294-3095

Lawyers for Justice, PC

Edwin Aiwazian
410 West Arden Avenue, Suite 203
Glendale, CA 91203
Telephone: (818) 265-1020

5. **“Class” or “Class Members”** means all non-exempt employees employed by J.S. International Shipping Corp. in California from September 19, 2014 through the date of Preliminary Approval by the Court of Settlement.

6. **“Class Settlement Amount”** or **“Gross Settlement Amount”** means the sum of three hundred seventy-five thousand dollars and zero cents (\$375,000.00), which Defendant will be required to pay and is the maximum sum required to be paid under the terms of this Settlement. The Class Settlement Amount is inclusive of all settlement payments to Settlement Class Members, Service Awards, Attorneys’ Fees (of 35% of the Class Settlement Amount), and Costs (not to exceed \$35,000), the Settlement Administrator’s fees and costs, the PAGA Payment, and all employment taxes including ER Payroll Taxes. The Class Settlement Amount is a material term of this Settlement and to the extent Named Plaintiff, or the Court, seek to require Defendant to pay more than the Class Settlement Amount as part of this Agreement, Defendant retains the right in its discretion to void the Settlement Agreement.

7. **“Complaint”** means the operative complaints in the Action or any amended complaint filed as necessary to effectuate this Agreement.

8. The **“Court”** means the San Mateo Superior Court, where Named Plaintiff filed her Complaint.

9. **“Defendant”** means J.S. International Shipping Corp.

10. **“Defense Counsel”** means:

CONSTANGY, BROOKS, SMITH & PROPHETE, LLP

Sarah E. Robertson

Sarah K. Hamilton

601 Montgomery Street, Suite 350

San Francisco, CA 94111

Telephone: (415) 918-3000

Facsimile: (415) 918-3021

11. **“Effective Date”** means the first day following the last of the following consequences:

a. If no objection to the Settlement is made, or if an objection to the settlement is made but withdrawn prior to final approval by the Court, the date the Court enters an Order Granting Final Approval of Class Action Settlement; or

b. If an objection to the Settlement is made but no appeal is filed by the deadline to file an appeal based on the Court’s Final Approval Order, then within thirty (30) calendar days from the deadline to file an appeal of the Final Approval Order.

c. If an appeal is filed, within thirty (30) calendar days of the date the judgment is final and no longer subject to appeal.

12. **“Escrow Account”** means an account held at a bank or banks selected by the Settlement Administrator in consultation with Named Plaintiff and Defense Counsel, and shall be synonymous with a Qualified Settlement Fund (or QSF).

13. **“ER Payroll Taxes”** means the employer’s share of payroll taxes as calculated under applicable state and federal law.

14. **“Final Approval Date”** means the date that the Court enters the Final Approval Order granting final approval of the Settlement and determines the amount of Attorneys’ Fees and Costs and the amount of Service Awards to Named Plaintiffs.

15. **“Final Approval Order”** means the order that the Court issues granting final approval of the Settlement.

16. **“First Amended Complaint”** means the Complaint Plaintiff shall filing adding a cause of action under the Private Attorneys General Act of 2004 (PAGA) following notice to the California Labor and Workforce Development Agency (LWDA)

17. **“JSI”** means Defendant J.S. International Shipping Corp.

18. **“Named Plaintiff”** means Jamie Sales.

19. **“Net Settlement Amount”** means the Class Settlement Amount minus: the combined total of Class Counsel’s Attorneys’ Fees and Costs as approved by the Court; costs of notice and settlement administration as approved by the Court; the Service Award to Named Plaintiff as approved by the Court; the LWDA portion of the PAGA Payment; and ER Payroll Taxes (unless deemed impermissible by the Court).

20. **“Notice Program”** means the method provided for in this Agreement for giving notice to the Class of the Settlement, including the distribution of the Settlement Class Notice.

21. **“PAGA”** means the Private Attorneys General Act of 2004.

22. **“PAGA Payment”** means the payment to resolve claims arising under PAGA of which seventy-five percent (75%) will be distributed to the LWDA and twenty five percent will be included as part of the Net Settlement Amount and distributed to participating class members.

23. **“Parties”** means Named Plaintiff and Defendant, collectively, and **“Party”** shall mean either Named Plaintiff or Defendant individually.

24. **“Preliminary Approval Order”** means an order by the Court preliminarily approving this Settlement.

25. **“Released Claims”** means the claims to be released by the Settlement Class Members for the Released Claims Period in exchange for their Award as provided in this agreement.

26. **“Released Parties”** means J.S. International Shipping Corp., all entities affiliated with it, and all current and former officers, directors, representatives, owners, partners, subsidiaries, parent companies, joint venturers, clients, joint employers, predecessors, managers, servants, successors-in-interest, assigns, employees of the Company, including but not limited to James Cullen, agents, insurers, attorneys and all persons or entities acting in concert with or affiliated with any of them, and OMNI Holdco, LLC, OMNI Logistics, LLC, and any parents, subsidiaries and affiliates of OMNI Holdco, LLC or OMNI Logistics, LLC.

27. **“Released Claims Period”** means the time period from September 19, 2014 through the date of preliminary approval of the settlement, for which claims are to be released.

28. **“Response Deadline”** means the deadline forty-five (45) days after the Settlement Administrator mails the Settlement Class Notice to the Class Members, and which is the last date upon which Class Members may Opt-Out of the proposed settlement, submit a written objection to the proposed settlement, or submit evidence regarding workweeks disputes or the calculation of their Award.

29. **“Service Award”** means payment to Named Plaintiff in an amount not to exceed seven thousand five hundred dollars and zero cents (\$7,500) and approved by the Court, and in addition to the payment she is entitled to as a Class Member, to be paid out of the Class Settlement Amount. Defendant shall not oppose the service award in the amount requested by this Agreement.

30. **“Settlement”** means the settlement documented in this Agreement.

31. **“Settlement Administrator”** means Phoenix Class Action Administrative Solutions or any other nationally-recognized settlement claims administration firm to which the Parties may agree, subject to approval by the Court, and that will perform customary duties of a settlement administrator and as set forth herein.

32. **“Settlement Class Member(s)”** means all persons who are part of the Class to be certified for Settlement purposes only in accordance with this Agreement and excluding those who timely opt out after Settlement Class Notice in accordance with this Agreement.

33. **“Settlement Class Notice”** means the notice of proposed class action settlement that the Parties will ask the Court to approve in connection with the motion for preliminary approval of the Settlement in a form that is agreed to by the Parties and subject to the Court’s approval.

34. **“Settlement Class Period”** means the time period from September 19, 2014 through Preliminary Approval.

35. **“Uncashed Award”** means an Award to which a Settlement Class Member is entitled under this Agreement, but which was not cashed by that Settlement Class Member either because the Settlement Class Member could not be found prior to or within one hundred eighty (180) calendar days after the distribution of settlement payments, or the Settlement Class Member has not cashed the Award payment check within one hundred eighty (180) calendar days after the distribution of settlement payments. Any Uncashed Award will be paid to the California State Controller’s Office Unclaimed Property Fund in the name of the applicable Class Member pursuant to California Unclaimed Property Law, California Civil Code §1500. The Parties agree that no unclaimed funds will result from the Settlement under California Civil Procedure Code sec. 384.

B. TERMS OF SETTLEMENT

The Parties have stipulated to certification of the Class for settlement purposes only and this Agreement requires preliminary and final approval by the Court. Accordingly, this Agreement is contingent upon the approval and certification by the Court. If the Court does not grant either Preliminary or Final Approval of the Settlement, the fact that the Parties were willing to stipulate to class certification for the purposes of this Agreement shall have no bearing on, nor be admissible in connection with, the issues of whether any class should be certified in a non-settlement context. Defendant expressly reserves the right to challenge the propriety of class certification for any purpose if the Settlement does not become final.

1. **Class Settlement Amount.** Defendant shall pay the Class Settlement Amount of three hundred and seventy-five thousand dollars and zero cents (\$375,000.00) in settlement of all individual and class claims alleged in the Complaint. The Class Settlement Amount shall constitute the maximum total Settlement amount by Defendant, which shall include (a) all amounts paid to Settlement Class Members; (b) all Attorneys’ Fees and Costs to be paid to Class Counsel relating to this Lawsuit, (which includes,

without limitation, all such fees and costs incurred to date, as well as such fees and costs to be incurred in documenting the Settlement, securing Court approval of the Settlement and obtaining final judgment); (c) the Service Award to Named Plaintiff; (d) all costs in connection with the Settlement (including but not limited to, those related to notice, legal and accounting advice obtained by the Settlement Administrator relating to the establishment of the Settlement as a “qualified settlement fund” and the tax treatment and tax reporting of Awards and other payments from the Settlement, preparation of the Settlement’s tax returns, and the taxes associated with such tax returns, as defined below); (e) the PAGA Payment for the release of claims arising under PAGA; and (f) any and all applicable employment taxes, if any, required by law or this Agreement to be withheld and/or paid with respect to payments to Settlement Class Members, including ER Payroll Taxes.

Defendant has represented there are approximately 9,000 Workweeks within the Class Period. Should the actual number of Workweeks increase following preliminary approval by more than ten percent (10%) (i.e. by more nine hundred (900) Workweeks) the Class Settlement Amount shall increase by a percentage equal to the percentage by which the actual number of Workweeks is more than ten percent (10%) higher than the estimated number of Workweeks. If, for example, the actual number of Workweeks is twelve percent (12%) higher than 9,000 Workweeks, the Class Settlement Amount would increase by two percent ($2\% = 12\% - 10\%$).

2. No Reversion. There are no reversionary rights to Defendant. To the extent that a class members does not cash his Award within the applicable time period, such funds shall be transferred to the California Controller’s Office Unclaimed Property Fund, with the identity of the Settlement Class Member to whom the funds belong.

3. No Claims Made. Settlement Class Members will not be required to file a claim to receive an Award.

4. Service Award. Subject to Court approval, in addition to any payment Named Plaintiff may receive in her capacity as a Settlement Class Member, Named Plaintiff shall be permitted to receive a Service Award of up to seven thousand five hundred dollars and zero cents (\$7,500.00) for her service as a class representative. Defendant shall not object to or oppose such application. Such Service Award shall be paid at the same time Named Plaintiff receives her Award as a Settlement Class Member and will be reflected by the issuance of a Form 1099-MISC to Named Plaintiff. Defendant shall not be required to contribute any additional funds beyond the Class Settlement Amount as a result of a potential decision by any taxing authority with respect to the Court awarded Service Award. The Named Plaintiff agrees to assume responsibility for any federal, state, or local taxes relating to this payment. Court approval of the Service Award, or her amount, is not a condition of the Settlement. As a condition to receiving a Service Award, Named Plaintiff agrees to a general release of all claims, including her individual claims against Defendant, if any, and a Civil Code section 1542 waiver. To the extent that the court reduces or denies said Service Award, those funds shall become part of the net settlement amount and distributed to Class Members.

5. Attorneys’ Fees and Costs. All Class Counsel’s Attorneys’ Fees and Costs, which include but are not limited to all such fees and costs to date and those in connection with securing approval of this Agreement and any monitoring of this Agreement, shall be paid from the Class Settlement Amount, subject to approval of those attorneys’ fees and costs by the Court. Defendant shall not object to or oppose

Class Counsel's request for attorneys' fees and costs so long as the amount requested for attorneys' fees is not more than thirty-five percent (35%) of the Class Settlement Amount (\$131,250), and the amount for actual costs (in an amount not to exceed \$35,000). Class Counsel shall be entitled to payment of the Attorneys' Fees and Costs awarded by the Court out of the Escrow Account within thirty-seven (37) calendar days of the Effective Date. Court approval of Attorneys' Fees and Costs, or their amount will not be a condition of the Settlement. The Parties and Class Counsel agree that Class Counsel shall not seek, and shall not be eligible for, an award of fees and costs in excess of these maximum requested amounts. In the event Class Counsel is awarded less than the amount of fees and costs requested (and which Defendant has agreed not to oppose), Defendant will not restrict Class Counsel's right to appeal the Court's award of fees and costs and Defendant will not oppose their appeal (as long as Class Counsel is not seeking more than the maximum fees and costs agreed to). Any portion of the sums listed in this Section that are not ultimately awarded to Class Counsel shall be treated as part of the Net Settlement Amount distributed in Settlement Class Member Awards. Class Counsel assumes full responsibility for paying all taxes, federal, and state, if any, due as a result of any awarded Attorneys' Fees and Costs. The Settlement Administrator will issue Class Counsel an IRS Form 1099 for their award of attorneys' fees.

6. Administrator's Costs. All of the Settlement Administrator's costs incurred or charged by the Settlement Administrator in connection with the execution of its duties under this Settlement Agreement including, but not limited to (i) fees and costs associated with preparing, issuing and/or monitoring reports, filings, and notices (including the cost of printing and mailing all notices and other documents to the Settlement Class) required to be prepared in the course of administering the Settlement Amount; (ii) computing, processing and distributing the Awards, Taxes, and any other payments to be made out of the Settlement Amount under this Settlement Agreement; and (iii) preparing and filing all tax returns and information returns and any other filings required by any governmental taxing authority or agency arising out of this Settlement, shall be paid from the Escrow Account. All of the Settlement Administrator's costs shall also be paid out of the Class Settlement Amount. The Parties have obtained a bid for administration of the settlement in the amount estimated at six thousand two hundred and fifty dollars and zero cents (\$6,250.00). In the event that the cost of administration is less than six thousand two hundred and fifty dollars and zero cents (\$6,250.00), those surplus funds shall be distributed to the Settlement Class Members as part of the Net Settlement Amounts. Any increase in Settlement Administration Costs shall be deducted from the Class Settlement Amount

7. PAGA Payment. Five Thousand Dollars (\$5,000) shall be allocated from the Class Settlement Amount for the settlement of claims for civil penalties arising under the PAGA. The Settlement Administrator shall pay seventy-five percent of the PAGA Payment or Three Thousand Seven Hundred and Fifty Dollars (\$3,750) to the California Labor and Workforce Development Agency. Twenty-five percent of the PAGA Payment or One Thousand Two Hundred and Fifty Dollars (\$1,250) shall be included in the Net Settlement Amount and distributed to the Settlement Class Members.

8. Escrow Account/Qualified Settlement Fund. Subject to Court approval, the Escrow Account shall be an account at a bank or banks chosen by the Settlement Administrator in consultation with Class Counsel and Defense Counsel. The Settlement Administrator shall report to Class Counsel and Defense Counsel on at least a monthly basis to inform them of the activity in the Escrow Account.

9. Administration by Trustee. The Settlement Administrator shall serve as Trustee of the Escrow Account and shall act as a fiduciary with respect to the handling, management, and distribution of the Escrow Account. The Settlement Administrator shall act in a manner necessary to qualify the Escrow Account as a “qualified settlement fund” under Section 4688 of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-I, *et seq.*, and to maintain that qualification. Named Plaintiff and Defendant shall have no liability whatsoever for the Settlement Administrator’s actions with regard to the Escrow Account.

10. Preliminary Approval. Upon execution of this Agreement by all Parties, Class Counsel shall promptly move the Court for a Preliminary Approval Order. Named Plaintiff will submit a proposed Preliminary Approval Order, which shall specifically include provisions that: (1) preliminarily approve the Settlement reflected herein as fair, adequate, reasonable, and within the range of what may achieve final approval; (2) provisionally certify the Settlement Class for settlement purposes only; (3) approve the form and content of Settlement Class Notice and find that the Notice Program set forth herein constitutes the best notice practicable under the circumstances, is due and sufficient notice to the Class and fully satisfies the requirements of due process and California Rules of Court, Rule 3.766; (4) direct Defendant to provide to the Settlement Administrator the information necessary to provide notice to the Class and to handle the distribution of the Awards to Settlement Class Members within fourteen (14) days of preliminary approval of the proposed settlement; (5) direct that notice be provided to the Class, in accordance with the Settlement, within fourteen (14) calendar days following receipt of the Class List; (6) approve the procedure for Class Members to object to the Settlement or exclude themselves from the Class established in the Agreement and set a deadline for Class Members to submit workweek disputes, objections, and requests to be excluded from the settlement. ; (7) stay all proceedings in the Litigation except those related to the effectuation of the Settlement pending final determination of whether the Settlement should be approved,; (8) schedule a Final Approval Hearing; and (9) appoint Class Counsel as counsel for the Class. Plaintiff will submit this Agreement, which sets forth the terms of this Settlement, and will include the proposed Notice agreed to by the Parties. Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval. Defendant shall not oppose the Motion for Preliminary Approval at any time.

11. Amendment of Complaint. Class Counsel shall amend the Complaint to add a cause of action under the Private Attorneys General Act of 2004 as necessary to effectuate the terms of this Agreement, and as the Court may require to effectuate this Agreement.

12. Funding Dates. Within thirty (30) calendar days after the Court has entered the Preliminary Approval Order, Defendant shall pay by wire transfer to the Escrow Account an amount reflecting the Administrator’s best estimate of the amount to cover the costs of notice and settlement administration pending Final Approval (estimated not to exceed \$6,250). Within thirty (30) calendar days after the Effective Date, Defendant shall pay three hundred seventy five thousand dollars (\$375,000), less the amounts already paid to cover the Administrator’s costs, for the Class Settlement Amount by wire transfer into the Escrow Account. Within seven (7) calendar days of the funding of the remainder of the Class Settlement Amount, the Administrator will distribute funds in a single payment to (1) Class Counsel for Court approved attorneys fees and costs; (2) Named Plaintiff for both her Court approved Service Award and pro rata share of the Net Settlement Amount; (3) each Settlement Class Members on a pro rata basis as described below; and (4) the LWDA for its 75% share of the PAGA Payment.

13. Settlement Class Notice.

a. **Information for Class Notice.** Within fourteen (14) calendar days after entry of the Preliminary Approval Order, Defendant shall provide to the Settlement Administrator, in a single Excel file, the name, social security number and/or employee ID number, last known mailing address, and telephone number(s) of each Class Member, hire and termination dates, as well as the number of weeks each such Class Member was employed by JSI during the Settlement Class Period (as used herein, the “Class List”). Upon request from the Settlement Administrator, JSI will verify any Class Member’s last known contact information as reflected in Defendant’s personnel records. This information shall be treated as confidential.

b. **Timing of Settlement Class Notice.** Within fourteen (14) calendar days following receipt of the Class List, or such other deadline as set by the Court, the Settlement Administrator shall send the Settlement Class Notice to Class Members. The Settlement Class Notice shall set forth the material terms of the Settlement, including the release to be given by all members of the Settlement Class who do not request to be excluded from the Settlement Class. The Notice also shall be individualized by including the number of weeks worked by each class member during the Settlement Class Period and the estimated amount of his/her Award. The Settlement Class Notice shall describe the opt out process, the objection process, the process by which the Class Members can dispute the information listed for them on the Settlement Class Notice, and the deadline by which they must do so. The Notice shall also clearly set forth the date set by the Court for a hearing on Final Approval of the Settlement.

c. **Mail Notice.** Unless otherwise ordered by the Court, Settlement Class Notice will be sent by US Mail to the most recent mailing addresses of the Class Member as reflected in Defendant’s records. The Settlement Administrator will conduct a National Change of Address search to confirm the most recent address for the Class Members and will mail the notice to the most recent address available for each Class Member by first class mail, in the event the current address differs from Defendant’s records. Any Notice returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved, and will then perform a single re-mailing. The Settlement Administrator will re-mail any returned or skip-traced Settlement Class Notices; however, the Class Members’ Opt-Out Deadline will run from the postmark date of the original mailing.

14. Opt-Out Right.

a. **Opt-Out Deadline.** Class Members shall have the right to exclude themselves from the Settlement Class by sending a written request to exclude themselves to the Settlement Administrator postmarked within forty-five (45) calendar days after the original date of the Settlement Administrator’s mailing of the Settlement Class Notice, or such other deadline as the Court may set. All Class Members who do not opt out in accordance with the terms set forth herein will be bound by all determinations and judgments in the Litigation.

b. **Exclusions.** Exclusion requests must: (a) be signed; (b) include the full name and address of the person requesting exclusion; and (c) include, in sum or substance, the following statement: “I request to be excluded from this class action settlement.” No request for exclusion will be valid unless all of the information described above is included. Exclusion requests must be submitted by mail to the Settlement Administrator. Copies of any exclusion requests received shall be forwarded to Class Counsel and counsel for Defendant within five (5) calendar days of their receipt. All Class Members who submit a valid and timely request to exclude themselves shall not be a Settlement Class Member, shall be barred from receiving any settlement proceeds, and shall receive no benefit from this Settlement. All Class Members who do not timely request exclusion (“Opt-Out”) of the proposed Settlement shall be bound by the resolution of any and all issues arising in connection with Settlement Class Members’ claims for relief, including Attorneys’ Fees and Costs. The Parties, Class Counsel and Defense Counsel shall not seek to solicit or otherwise encourage Class Members to request exclusions.

c. **Delivery to Court.** The Settlement Administrator will retain a copy of all requests for exclusion. At or before the Final Approval Hearing, the Settlement Administrator shall provide the Parties with a declaration that lists all of the Opt-Outs received that shall be submitted to the Court as part of Plaintiff’s Motion for Final Approval.

15. **Objections to the Settlement.**

a. **Right to Object.** Any Settlement Class Member may mail to the Settlement Administrator a written objection to the proposed Settlement, and may appear at the Final Approval Hearing regardless of whether they submit a written objection. In addition to mailing written objections to the Settlement Administrator, objections shall be served on Class Counsel and Defense Counsel and must be signed by the Class Member and state: (1) the Class Member’s full legal name, home address, telephone number, last four digits of their social security number and/or employee ID number, and (2) a statement describing the reasons for the objection. The Settlement Class Notice will provide instructions regarding how to object. Any Class Member who opts-out of the Settlement shall not have standing to object to the Settlement or appear at the Final Approval Hearing.

b. **Objection Deadline.** The deadline for postmarking an objection to the Settlement Administrator shall be forty-five (45) calendar days after the original postmark date of the Settlement Administrator’s mailing of Settlement Class Notice, or such other deadline as the Court shall set. The Settlement Class Notice will advise Settlement Class Members of this response deadline. Settlement Class Members may also seek information on the Settlement Website. Any Settlement Class Member who fails to file a timely written objection shall be foreclosed from submitting a written objection to this Settlement. Class Counsel and Defense Counsel will file responses to any written objections submitted to the Court in accordance with this Settlement Agreement at least seven (7) calendar days before the Final Fairness and Approval Hearing, or according to such other schedule as the Court may set. Neither Party shall seek to solicit or otherwise encourage Class Members to file or serve written objections or appeal the Final Approval Order.

c. **Failure to Object.** Any Class Member who fails to timely file and serve such a written statement of his/her intent to object, or fails to appear at the hearing on Final Approval of the Settlement to make an oral objection, will be deemed to have waived all objections and will be foreclosed from making any objections—whether by appeal or otherwise—to the Settlement. If the Court rejects the

Class Member's objection, or if the Court approves the Settlement despite any objections, the Class Member will be deemed to be a Settlement Class Member and will be bound by the terms of the Settlement. d. **Limited Payments Until Effective Date.** No payments shall be made from the Escrow Account, except for payments to the Settlement Administrator for notice-related costs, until after the Effective Date.

16. Record Keeping and Reporting Obligations Prior To Final Approval.

a. As soon as practicable following the Response Deadline, and in all events no later than seven (7) calendar days after the Response Deadline, the Settlement Administrator will provide Class Counsel and Defense Counsel with a declaration attesting to completion of the Notice Program set forth above, including an explanation of efforts to re-send undeliverable notices returned with forwarding addresses. This declaration will be filed with the Court by Class Counsel with all moving papers for Final Approval.

b. As soon as practicable following the Response Deadline and in all events no later than seven (7) calendar days after the Response Deadline, the Settlement Administrator will provide Class Counsel and Defense Counsel with a report attesting the total number of Class Members who opted-out of the settlement, and number of participating Settlement Class Members.

c. The Settlement Administrator will stamp the date received (and the post mark date if received by United States First Class Mail) on the original of any Request for Exclusion Form, Objection, or workweek dispute it receives. On the Monday of each week from the time notice is mailed until the Response Deadline, the Settlement Administrator will provide a report to Class Counsel and Defense Counsel concerning receipt of Class Members' Opt-Out Forms, objections, and returned mail. Upon request, the Settlement Administrator shall make any of these original forms available for inspection by Class Counsel and Defense Counsel.

17. Final Approval. Following the provision of Settlement Class Notice, and on the date set forth in the Settlement Class Notice as set by the Court, a Final Fairness and Approval Hearing will be held before the Court. Named Plaintiff shall promptly request that the Court enter a Final Approval Order, which shall specifically include provisions that:

a. Finally approve the Settlement as fair, reasonable, and adequate and in the best interests of the Settlement Class;

b. Find that the Settlement Class Notice as given was the best notice practicable under the circumstances, was due and sufficient notice to the Class, and fully satisfied the requirements of due process and California Rules of Court, Rule 3.766;

c. Approve the plan of distribution of the Class Settlement Amount;

d. Confirm that Named Plaintiff and the Settlement Class Members have released all Released Claims and are permanently barred and enjoined from asserting, commencing, prosecuting, or continuing any of the Released Claims against Released Parties; and

e. Render final approval and judgment on the Complaint, subject to the Court retaining jurisdiction over the enforcement of the terms of this Agreement..

18. Settlement Distribution Procedures.

a. **Notice of Judgment to the Class.** Following the signing and entry of the Final Approval Order and Judgment by the Court the Settlement Administrator shall post a notice of final Judgment online at the Settlement Administrator's website.

b. **Timing of Distribution.** Within seven (7) calendar days of receipt of the balance of the Class Settlement Amount from Defendant, the Settlement Administrator shall distribute the funds from the Escrow Account to each Settlement Class Member in a single payment as provided in this Agreement.

c. **Settlement Class Member Awards.** . Each Settlement Class Member shall be entitled to receive a *pro rata* portion of the Net Settlement Amount based on the number of weeks they worked during the Settlement Class Period. To calculate each Settlement Class Member's share of the Net Settlement Amount, the Settlement Administrator will divide each Settlement Class Member's individual weeks worked by the total number of weeks worked by all Settlement Class Members, resulting in a payment ratio for each potential Settlement Class Member. Each Settlement Class Member's payment ratio will then be multiplied by the Net Settlement Amount to calculate the portion of each Settlement Class Member's Award. Defendant will calculate weeks worked by reference to the number of weeks employed during the release period. Such Awards shall be subject to any applicable withholding.

c. **Determination of Weeks Employed.** The weeks worked by each Settlement Class Member during the Settlement Class Period will be determined by reference to Defendant's records, which will be presumed to be correct unless evidence to the contrary is submitted to the Settlement Administrator. Class Members may dispute the work weeks identified in the Settlement Class Notice by contacting the Settlement Administrator and submitting supporting documentation. Such disputes must be postmarked by the Response Deadline, within forty-five (45) days after the postmark date of the Settlement Class Notice. Any dispute regarding weeks worked shall be exclusively resolved by the Settlement Administrator after consulting with Class Counsel and Defendant's counsel.

d. **Expiration of Settlement Awards.** The Settlement Administrator shall provide Class Counsel and Defense Counsel a report listing the amount of all payments to be made to each Settlement Class Member. Checks shall be valid for one hundred eighty (180) calendar days from the date on the check. Fourteen (14) calendar days before the expiration of the 180-day period, the Settlement Administrator will send a reminder letter by mail to Settlement Class Members who have been sent settlement award checks but who have not cashed them, reminding them of the expiration of the 180-day period. The Settlement Administrator will also perform other tasks to which the Parties mutually agree or the Court orders. Proof of payment will be provided to Class Counsel and Defendant's Counsel, and to the Court if required.

e. **Uncashed Settlement Awards.** The Parties agree that there will be no residual funds under California Code of Civil Procedure section 384 because all uncashed settlement awards shall be paid to California State Controller's Unclaimed Property Fund and held in trust for such Class Members pursuant to California Unclaimed Property Law, California Civil Code §1500

f. **No Effect on Benefit Plans.** The payments made to Settlement Class Members pursuant to this agreement are not being made for any other purpose and shall not be construed as

compensation for purposes of determining eligibility for any health and welfare benefits or unemployment compensation, and no benefits, including but not limited to pension and/or 401(k), shall increase or accrue as a result of any payment made as a result of this Settlement, unless required by the plan documents or otherwise required by law.

19. Tax Treatment.

a. The Parties agree that none of them have made any representations as to the taxability of any portion of the payments made under this Agreement and that this Settlement Agreement provides all Parties with a reasonable and adequate opportunity to seek tax advice prior to responding to the Notice Program.

b. **Allocation.** The Parties intend the payments made to Settlement Class Members to be allocated as follows: 25 percent (25%) of the Settlement Class Members' settlement payments is for unpaid wages and will be reported as such on IRS Form W-2s; 40 percent (40%) for non-wage reimbursements and consideration, and penalties, which will be reported as such on IRS Form 1099s; and 35 percent (35%) for interest, which shall also be reported as such on IRS Form 1099s. The Parties recognize that the Awards to be paid to Settlement Class Members reflect the settlement of a dispute over claimed wages, interest, penalties and other alleged damages.

c. **Employees' Withholding.** With respect to that portion of the Awards allocated to wages, the Settlement Administrator shall withhold the appropriate amount of employment taxes for each such Settlement Class Member's federal, state, and local employment taxes.

d. **Employer's Share of Employment Taxes.** The Employer's share of any employment taxes attributable to any payments made to the Named Plaintiff and the Settlement Class Members hereunder shall be paid by the Settlement Administrator from the Class Settlement Amount.

e. **Reporting and Remitting.** The Settlement Administrator shall be responsible for the timely reporting and remitting of all withholding taxes to the appropriate taxing authorities. Subject to the Settlement Administrator's obligation to comply with applicable laws (including obtaining duly completed IRS Form W-8 or W-9 from payees, if necessary), the Parties anticipate that any amounts designated as interest or other non-wage reimbursements or premiums shall not be subject to withholding and shall be reported, if required, to the IRS on Form 1099-MISC. The Settlement Administrator shall satisfy all federal, state, local, and other tax reporting requirements (including any applicable reporting with respect to attorneys' fees and other costs subject to reporting), and any and all taxes, penalties and other obligations with respect to payments or distributions from the Escrow Account not otherwise addressed herein. The Escrow Account shall not be responsible for any taxes, penalties and other obligations that may be levied on Defendant except as set forth herein.

20. **Circular 230 Disclaimer.** Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that: (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her or its own, independent legal and tax

counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or advisor to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

21. Class Released Claims.

a. Subject to final approval by the Court of the Settlement and upon the Effective Date, Named Plaintiff and Settlement Class Members, will be deemed to have, and by operation of the Order Granting Final Approval of the Settlement will have, expressly and irrevocably released, acquitted, and forever discharged the Released Parties, from any claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorney's fees, costs, and any other form of relief or remedy in law or equity arising from the Lawsuit and any claims asserted or that could have been asserted based on the factual allegations contained in the Complaint, during the Released Claims Period including claims for (1) failure to pay overtime wages; (2) failure to provide meal periods or pay premium wages for missed, denied, or unauthorized meal periods; (3) failure to provide rest breaks, or pay premium wages for missed, denied or unauthorized rest periods; (4) failure to pay minimum wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to pay timely wages during employment; (7) failure to furnish accurate itemized wage statements or provide fully and accurately itemized wage statements; (8) failure to maintain adequate records; (9) failure to indemnify employees for necessary expenditures incurred in discharge of duties, including but not limited to, car expenses, uniforms, and cell phones; (10) unfair and unlawful business practices, as well as any wage and hour claims that were asserted or could have been asserted based on the factual allegations contained in the operative Complaint. This includes, but is not limited to, claims for unpaid wages, civil or statutory penalties, waiting time penalties, liquidated damages, and all other associated penalties, including but not limited to claims under Labor Code section 2698 *et seq.*, Labor Code sections 201-204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, IWC Wage Order 4-2001 and any other applicable wage orders, Business and Professions Code section 17200 *et seq.* (for any claims asserted or that could have been asserted based on the factual allegations contained in the Complaint), and claims or potential claims for attorneys' fees and costs and interest related to the Litigation (collectively, the "Released Claims").

b. The Released Claims do not include claims for workers' compensation benefits or any of the claims that may not be released by law.

c. **Settlement Class Members' Waiver of Rights under California Civil Code Section 1542 Related Solely to Released Claims.** With respect to Released Claims only, each Settlement Class Member shall be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits they may have had pursuant to California Civil Code section 1542, which provides as follows:

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.

Nothing in the Agreement shall be construed to bar any claims by any Settlement Class Member that may arise after the Class Period. This release also specifically excludes any claims that the Settlement Class Members may have that arise from time periods in which they were not working as Class Members during the Class Period.

22. Named Plaintiff's General Release.

a. As a material term of this Agreement, Named Plaintiff agrees that as of the Effective Date of this Agreement, Named Plaintiff hereby fully and finally releases the Released Parties from any and all claims, any claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorney's fees, costs, and any other form of relief or remedy in law or equity, known and unknown, including but not limited to claims asserted in the Lawsuit and otherwise arising from or related to her work relationship with Defendant or compensation for her work for Defendant, under federal, state or local law, statute, ordinance, regulation, common law, or other source of law ("Named Plaintiff's Released Claims"). Named Plaintiff's Released Claims include, but are not limited to, claims for (1) failure to pay overtime wages; (2) failure to provide meal periods or pay premium wages for missed, denied, or unauthorized meal periods; (3) failure to provide rest breaks, or pay premium wages for missed, denied or unauthorized rest periods; (4) failure to pay minimum wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to pay timely wages during employment; (7) failure to furnish accurate itemized wage statements or provide fully and accurately itemized wage statements; (8) failure to maintain adequate records; (9) failure to indemnify employees for necessary expenditures incurred in discharge of duties, including but not limited to, car expenses, uniforms, and cell phones; (10) unfair and unlawful business practices, as well as any wage and hour claims that were asserted or could have been asserted based on the factual allegations contained in the Complaint, or any amended complaint. This includes, but is not limited to, claims for unpaid wages, civil or statutory penalties, waiting time penalties, liquidated damages, and all other associated penalties, including but not limited to claims under Labor Code section 2698 *et seq.*, Labor Code sections 201-204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, IWC Wage Order 4-2001 and any other applicable wage orders, Business and Professions Code section 17200 *et seq.*, and claims or potential claims for attorneys' fees and costs and interest related to the Litigation.

Named Plaintiff's Released Claims do not include claims for workers' compensation benefits or any of other claims that may not be released by law.

b. **Named Plaintiff's Waiver of Rights under California Civil Code Section 1542.** Named Plaintiff's Released Claims include all claims, whether known or unknown, Named Plaintiff may have. Thus, even if Named Plaintiff discovers facts in addition to or different from those that she now know or believe to be true with respect to the claims that are the subject of Named Plaintiff's General Release above, those claims will remain released and forever barred. Therefore, Named Plaintiff expressly

waives and relinquishes the provisions, rights and benefits of section 1542 of the California Civil Code, which reads.

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.

c. Named Plaintiff represents and warrants that she is the sole and exclusive owner of all claims that she personally is releasing under this Agreement. Named Plaintiff further acknowledges that she has not assigned, pledged, or in any manner whatsoever, sold, transferred, assigned or encumbered any right, title, interest or claim arising out of or in any way whatsoever pertaining to this Litigation, including without limitation, any claim for benefits, proceeds or value under the Litigation, and that Named Plaintiff is not aware of anyone other than herself claiming any interest, in whole or in part, in the Litigation or in any benefits, proceeds or value under the Litigation.

23. Notice to Counsel. All notices, requests, demands, or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be delivered personally or mailed, postage prepaid, by first-class United States mail, to the undersigned persons at their respective addresses as set forth below:

- **TO PLAINTIFF:**

Protection Law Group, LLP

Amir Nayebedadash
136 Main Street, Suite A
El Segundo, CA 90245
Telephone: (424) 290-3095

Lawyers for Justice, PC

Edwin Aiwazian
410 West Arden Avenue, Suite 203
Glendale, CA 91203
Telephone: (818) 265-1020

- **TO DEFENDANT:**

CONSTANGY, BROOKS, SMITH & PROPHEDE, LLP

Sarah E. Robertson
Sarah K. Hamilton
601 Montgomery Street, Suite 350
San Francisco, CA 94111

24. Election to Vacate the Settlement.

a. If more than ten percent (10%) of all Class Members timely request exclusion, Defendant shall have the option, in its sole discretion and notwithstanding any other provisions of this Agreement, to withdraw from the Agreement in its entirety, whereupon the Agreement shall be null and void for any and all purposes. If Defendant elects to exercise its rights under this provision, Defendant will so notify Class Counsel and the Court in writing no later than ten (10) business days after receiving written notice of the number of opt-outs from the Settlement Administrator. Should Defendant or its counsel solicit, encourage, or instruct class members to opt out of the settlement Defendant shall forfeit the right to exercise this provision and Plaintiff shall have the right to enforce the settlement and recover costs and attorneys' fees arising out of and associated with this breach.

b. If the Court disapproves of or refuses to enforce any material portion of this Agreement or the Court refuses to confirm any material portion of this Agreement, or if the Settlement is reversed or modified on appellate review, Defendant or Named Plaintiff shall also have the option, in their sole discretion, and notwithstanding any other provisions of this Agreement, to withdraw from the Agreement as it pertains to the Settlement in its entirety, whereupon it shall be null and void for any and all purposes. Defendant or Named Plaintiffs may exercise their option to void this Agreement as provided in this paragraph by giving notice, in writing, to opposing counsel and to the Court no later than ten (10) business days of the entry of the Court's order disapproving or refusing to enforce any material portion of this Agreement or the Court's order refusing to confirm any material portion of this Agreement. In the event that the Court does not approve the Attorneys' Fees and Costs in the amount requested by Class Counsel, or in the event that the Attorneys' Fees and Costs requests by Class Counsel are reduced, that finding shall not be a basis for rendering the entire Agreement null, void, or unenforceable.

c. The Parties and their counsel agree not to encourage any Class Members to opt out of the Settlement. Further, Class Counsel represents that they have not encouraged other employees to opt out or pursue individual claims against Defendant.

25. Publicity. Named Plaintiff and Class Counsel agree not to issue a press release or otherwise communicate with the media about the terms of the settlement at any time. Named Plaintiff and their Class Counsel further agree that if contacted regarding this case prior to Preliminary Approval or by the media at any time, they will state only that the Lawsuit exists and has been resolved. Named Plaintiff and Class Counsel may not advertise any of the terms of the settlement prior to Preliminary Approval. This provision shall not prohibit Class Counsel from communicating with Class Members after Preliminary Approval is granted.

26. Confidentiality Prior to Preliminary Approval. Named Plaintiff and her counsel warrant that prior to Preliminary Approval they will not disclose, disseminate and/or publicize, cause or permit to be disclosed, disseminated or publicized, any of the terms of the Memorandum of Understanding or this Agreement directly or indirectly, specifically or generally, to any person, corporation, association, governmental agency, or other entity except: (1) to Named Plaintiff's attorney, accountant, or spouse, all of whom will also be instructed to keep this agreement confidential; (2) to the extent necessary to report income to appropriate taxing authorities; (3) in response to an order of a court of competent jurisdiction or a subpoena issued under the authority thereof; or (4) in response to an inquiry or subpoena issued by a state or federal governmental agency. It is understood and agreed that notice of receipt by Named Plaintiff of

any such judicial or agency order, inquiry or subpoena shall immediately be communicated by the recipient to counsel for Defendant telephonically, and then confirmed immediately thereafter in writing, so that Defendant will have an opportunity to intervene to assert what rights it may have to non-disclosure prior to responses to said order, inquiry or subpoena. Named Plaintiff specifically warrants that she will not directly or indirectly initiate any conversation or other communication with any person regarding this Agreement, or the matters giving rise to this Agreement. If asked about this Agreement or the matters giving rise to this Agreement, Named Plaintiff shall respond by stating only that “the matter was resolved,” or words to that effect.

27. Class Certification. For the purposes of this Settlement only, the Parties agree to the certification of the Class as defined above. Named Plaintiff shall bring a motion before the Court for an order conditionally certifying the Class based on the preliminary approval of this Agreement and ordering the distribution of the Settlement Class Notice.

28. Condition Precedent to the Settlement Taking Effect. This Settlement is contingent upon the Court granting Preliminary and Final Approval to the Settlement.

29. Consequences of Settlement Not Becoming Effective. If the Condition Precedent set forth above do not occur, nothing in this Agreement or any draft thereof, shall have any effect, nor shall any such matter be admissible in evidence for any purpose in the Litigation or in any other proceeding or forum. Should the Court deny preliminary or final approval of the Settlement, the Settlement Administrator shall return to Defendant, within ten (10) business days of receipt of a written demand, all funds they previously deposited in the Escrow Account excluding the costs of the Settlement Administrator incurred in providing notice of the Settlement and performing Settlement Administration. Named Plaintiff shall have no liability for such costs.

30. General Matters.

a. **Cooperation.** The Parties agree that they will cooperate to effectuate and implement all terms and conditions of this Agreement, and exercise good faith efforts to accomplish the terms and conditions of this Agreement. Class Counsel shall take all necessary steps to secure the Court’s preliminary and final approval of this Settlement Agreement and Final Judgment. Class Counsel shall be responsible for drafting and filing the Motions for Preliminary and Final Approval. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement. To that end, Plaintiff’s Counsel will provide Defense Counsel a copy of the motions for approval at least five days prior to filing, but is not required to make any changes, if any, requested by Defense Counsel.

b. **No Admission.** By agreeing to this Settlement, Defendant denies that it has engaged in any unlawful activity, that it has failed to comply with the law in any respect, and that it has any liability to anyone based on the claims asserted in the Lawsuit. Defendant asserts that but for this Settlement, a class should not be certified in this Litigation. This Agreement is entered into solely for the purposes of compromising highly-disputed claims. Nothing in this Agreement is intended to be, nor shall be construed as, an admission of liability or wrongdoing by Defendant. This Settlement Agreement is a settlement document and shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of

Evidence 408 and/or any other similar law, be inadmissible in evidence against the Released Parties in any proceeding except an action to approve the Settlement and/or interpret or enforce the Settlement Agreement.

c. **Parties Authorized To Enter Into Settlement Agreement.** The individual(s) executing this Agreement on behalf of a Party covenant, warrant, and represent that they are fully authorized to execute this Agreement on such Party's behalf and to carry out the obligations provided for therein. Each Party covenants, warrants, and represents that he, she or it intends to be bound fully by the terms of this Agreement.

d. **Time Periods.** The time periods and dates described in this Agreement with respect to the giving of Settlement Class Notice and hearings will be subject to Court approval and modification by the Court or by stipulation of counsel.

e. **No Construction against Drafter.** This Agreement is deemed to have been drafted by all Parties, and any rule that a document shall be interpreted against the drafter will not apply to this Agreement.

f. **Agreement Binding on Successors in Interest.** This Agreement is binding on and shall inure to the benefit of the respective heirs, successors, and assigns of the Parties.

g. **Signatures.** The Parties and their counsel may sign separate copies of this Agreement, which together will constitute one agreement. In addition, signatures sent in .pdf format by e-mail or by facsimile constitute sufficient execution of this Agreement.

h. **Execution in Counterparts.** This Agreement is effective upon its execution by all Parties. The Parties may execute this Agreement in counterparts. Each counterpart shall be deemed to be an original, and execution of counterparts shall have the same force and effect as if all Parties had signed the same instrument.

i. **Entire Agreement.** This Agreement contains the entire agreement between the Parties and supersedes all prior understandings, agreements, or writings regarding the subject matter of this Agreement. This Agreement may be modified only by a written instrument signed by all Parties or their successors in interest or their duly authorized representatives.

j. **Headings.** The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

k. **Waiver.** The waiver by one Party of any breach of this Agreement by any other Party shall not be deemed a waiver, by that Party or by any other Party, of any other prior or subsequent breach of this Agreement.

l. **Governing Law.** This Agreement shall be subject to, governed by, construed, enforced and administered in accordance with the laws of the State of California.

m. **Stay Pending Final Approval.** All discovery, motions, appeals, and other proceedings, other than those necessary to obtain the Court's preliminary and final approval of the Settlement, shall be stayed pending final approval. Defendant agrees to stay the pending appeal only for purposes of settlement and should the settlement become effective reserves the right to continue the pending appeal before the California First District Court of Appeal.

n. **Dispute Resolution.** In accordance with California Rule of Court 3.769(h), the Parties agree that the Court shall retain jurisdiction with respect to the interpretation, implementation and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the Settlement embodied in this Agreement and all orders and judgments entered in connection therewith.

o. **No Additional Attorney Fees or Costs.** Except for the attorney fees and costs set forth in this Agreement, the Parties are to bear their own attorney fees and costs related to the Litigation.

p. **No Reliance on Representations.** The Parties have made such investigation of the facts and law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely on any statement, promise, or representation of fact or law, made by any of the other Parties, or any of their agents, employees, attorneys, or representatives, with regard to their rights or asserted rights, or with regard to the advisability of making and executing this Agreement, or with respect to any such matters. No representations, warranties, or inducements have been made of any Party concerning this Agreement other than those expressly set forth or referred to herein.

q. **Class Counsel Signatories.** Class Counsel warrants and represents that they are authorized by the Named Plaintiff to take all appropriate action required to effectuate the terms of this Agreement. Neither Class Counsel nor any attorneys acting for, or purporting to act for, the Class, Settlement Class Members or Named Plaintiff, may recover or seek to recover amounts for fees, costs, or disbursements from the Releasees or from the Class Settlement Amount as related to the Released Claims except as expressly provided herein.

r. **Amendment or Modification.** This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

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

t. **Communications Between the Parties and With Settlement Administrator.** Plaintiff will diligently proceed to amend the complaint and seek approval of the Settlement from the Court. Any approval necessary by the Settlement Administrator shall be provided by both Parties within two (2) business days of any such request. If any such approval regarding the form, calculation of distributions, questions as to clarity of the terms of the Stipulation is not provided by one party within two (2) business days of any such request, both Parties hereby agree that the party who has not responded has accepted and approved of the other's party's response. This provision is material to the settlement to assure that the parties act diligently and promptly in effectuating the settlement and its purpose.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed.

PLAINTIFF

Jamie Sales

Jamie Sales

Dated: 08/05/2020

DEFENDANT

J.S. International Corp.

By: _____

Dated: _____

Title: _____

Approved as to Form:

Edwin Aiwanian

Edwin Aiwanian
Lawyers for Justice
Attorney for Plaintiff

Dated: August 5, 2020

Amir Nayebdadash

Amir Nayebdadash
Protection Law Group LLP
Attorney for Plaintiff

Dated: August 5, 2020

Sarah K. Hamilton

Constangy, Brooks, Smith & Prophete LLP
Attorneys for Defendant J.S. International Shipping
Corp.

Dated: _____

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed.

PLAINTIFF

Jamie Sales

Dated: _____

DEFENDANT

J.S. International Corp.

By: _____

Title: _____

Dated: 8-21-2020

Approved as to Form:

Edwin Aiwazian
Lawyers for Justice
Attorney for Plaintiff

Dated: _____

Amir Nayebedadash
Protection Law Group LLP
Attorney for Plaintiff

Dated: _____

Sarah K. Hamilton
Constangy, Brooks, Smith & Prophete LLP
Attorneys for Defendant J.S. International Shipping
Corp.

Dated: 08/21/2020