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JAMICHA HORACE

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

PAMELA SILVA, individually, and on behalf of
all others similarly situated;

Plaintiff,

vs.

CANON BUSINESS PROCESS SERVICES,
INC., a California corporation; and DOES 1
through 10, inclusive,

Defendants.

CASE NO: 20CV367058

Assigned for all purposes to:
Hon. Patricia M. Lucas
Department: 3

**CLASS ACTION STIPULATION OF
SETTLEMENT**

Action Filed: June 11, 2020
Trial Date: Not Set

JAMICHA HORACE, as an aggrieved employee
pursuant to the Private Attorneys General Act
("PAGA"), on behalf of the State of California
and other aggrieved employees,

Plaintiff,

vs.

CANON BUSINESS PROCESS SERVICES,
INC., a Delaware corporation; and DOES 1
through 10, inclusive,

Defendants.

CASE NO: 20STCV29057

**Pending Consolidation with Pamela Silva v.
Canon Business Process Solutions (Santa
Clara County, Case No. 20CV367058)**

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Attorneys for Defendant

CANON BUSINESS PROCESS SERVICES, INC.

1 This Class Action Stipulation of Settlement (“Agreement” or “Settlement”) is made and
2 entered into by and between Plaintiffs Pamela Silva and Jamicha Horace (“Plaintiffs” or “Named
3 Plaintiffs”), on behalf of themselves and the Settlement Class (as defined below) and Defendant
4 Canon Business Process Services, Inc. (“CBPS” or “Defendant”) (collectively, the “Parties”).

5 **RECITALS**

6 This Settlement is made and entered into by and between Plaintiffs and Defendant, and is
7 subject to the terms and conditions hereof and the Parties’ Memorandum of Understanding dated
8 March 26, 2021 which is attached as **Exhibit A** and incorporated as if fully set forth herein, and is
9 further subject to the Court’s approval. The Parties expressly acknowledge that this Agreement is
10 entered into solely for the purpose of compromising significantly disputed claims and that nothing
11 herein is an admission of liability or wrongdoing by Defendant. If for any reason the Settlement
12 is not approved, it will be of no force or effect, and the Parties shall be returned to their original
13 respective positions. Defendant specifically denies all of Plaintiffs’ claims as to liability and
14 remedies, as well as Plaintiffs’ class and representative allegations, and expressly reserves all
15 rights to challenge all such claims and allegations upon all procedural and substantive grounds,
16 including the assertion of any and all defenses, if the Court does not approve this Settlement.

17 **DEFINITIONS**

18 The following definitions are applicable to this Agreement. Definitions contained
19 elsewhere in this Agreement shall also be effective:

20 **Relevant Parties and Time Periods**

21 1. “**Action**” means collectively the consolidated actions originally styled as *Pamela*
22 *Silva v. Canon Business Process Services, Inc.*, Santa Clara Superior Court Case No.
23 20CV367058,¹ filed on June 11, 2020 and *Jamicha Horace v. Canon Business Process*
24 *Services, Inc.*, originally filed as Los Angeles Superior Court Case No. 20-STCV29057, filed
25 on July 31, 2020, and includes the original Complaint and the First Amended Complaint with
26 respect to those actions, or any subsequent complaint that is the operative complaint at the time
27

28 ¹ Defendant Canon Business Process Solutions was incorrectly designated a California corporation in the case caption in the *Silva* matter. CBPS is a Delaware corporation.

1 of preliminary approval.

2 2. **“Plaintiffs’ Counsel”** means Kane Moon, H. Scott Leviant and Lilit Tunyan of
3 Moon & Yang, APC on behalf of Pamela Silva and Mark A. Ozzello and Brandon K. Brouillette
4 of CAPSTONE LAW APC on behalf of Jamicha Horace.

5 3. **“Defense Counsel”** means Gabrielle Wirth, Ryan Mick and Pavlina Rafter of
6 Dorsey & Whitney LLP.

7 4. **“Defendant”** means Defendant Canon Business Process Services, Inc., including
8 its predecessors, if any, as well as each of its respective predecessors, successors, and all former,
9 current, and future related organizations, companies, divisions, subsidiaries, affiliates, insurers,
10 and parents, and collectively, their respective former, current and future directors, officers,
11 employees, agents, representatives, attorneys, fiduciaries, assigns, heirs, executors,
12 administrators, beneficiaries, insurers and trustees.

13 5. **“Court”** means the Santa Clara Superior court or any other court taking
14 jurisdiction of the Action.

15 6. **“Preliminary Approval Date”** means the date of the Court’s order granting
16 preliminary approval of the Settlement.

17 7. **“Class Period”** means the period from May 20, 2016 through the date of
18 Preliminary Approval of the Settlement by the Court.

19 8. **“Class”** or **“Class Members”** means any employees of Defendant who worked for
20 Defendant in California at any time during the Class Period as hourly paid, non-exempt
21 employees. **“Settlement Class”** or **“Settlement Class Members”** are those Class Members who
22 do not opt out of this Settlement.

23 9. **“Effective Date”** means that date on which the settlement embodied in this
24 Agreement shall become effective after all of the following events have occurred: (i) final
25 approval of the Settlement is granted by the Court; and (ii) the Court’s order approving the
26 Settlement becomes a Final Judgment.

27 10. **“Final Judgment”** means the latest of the following: (i) if there is an appeal of
28 the Court’s judgment, the date the judgment is affirmed on appeal, the date of dismissal of such

appeal, or the expiration of the time to file a petition for writ of certiorari to the California Supreme Court; or, (ii) if a petition for writ of certiorari is filed, the date of denial of the petition for writ of certiorari, or the date the judgment is affirmed pursuant to such petition; or (iii) if an objection to the Settlement is filed by any Class Member, then the 65th day following entry of a judgment approving the settlement; or (iv) if no objection has been filed by any Class Member, then the date that the Court grants final approval of this Settlement.

Settlement Payments

11. “**Settlement**” means the agreement among parties to resolve the Action, as set forth in this Agreement.

12. “**Gross Settlement Amount**” means the maximum settlement amount of Seven Hundred and Fifty Thousand Dollars (**\$750,000.00**) to be paid by Defendant in full satisfaction of all claims arising from the Action, which will be used to make the following payments, as those terms are defined below:

- a. Individual Settlement Payments;
- b. Class Representative Enhancement Payments;
- c. Settlement Administration Costs;
- d. PAGA Settlement Amount (75% of which shall be paid to the California Labor and Workforce Development Agency (“LWDA”), and 25% of which shall remain in the Net Settlement Amount as outlined in Paragraphs 18 and 41);
- e. Class Counsel’s Fee Award; and
- f. Class Counsel’s Cost Award.

This Gross Settlement Amount has been agreed to by Plaintiffs and Defendant based on the aggregation of the agreed-upon settlement value of individual claims. Defendant maintains no reversionary right to any portion of the Gross Settlement Amount. The entire Gross Settlement Amount will be distributed and no part of the Gross Settlement Amount will revert to Defendant. *Under no circumstances will Defendant or the Released Parties (as defined below) have any obligation to make any payment associated with the Action in excess of the total gross amount of*

1 ***\$750,000.00**, plus the employer's share of payroll taxes attributable to that portion of Individual*
2 *Settlement Payments classified as W-2 wages.*

3 13. **"Net Settlement Amount"** means the balance of the Gross Settlement Amount
4 remaining after deduction of the following payments, as those terms are defined below:

- 5 a. Class Representative Enhancement Payments;
- 6 b. Settlement Administration Costs;
- 7 c. LWDA Payment;
- 8 d. Class Counsel's Fee Award; and
- 9 e. Class Counsel's Cost Award.

10 The entire Net Settlement Amount is the maximum amount that will be available for distribution
11 to Settlement Class Members, in the form of Individual Settlement Payments based on the
12 number of workweeks worked by each Settlement Class Member in California as hourly paid,
13 non-exempt employees.

14 14. **"Class Representative Enhancement Payments"** means the amount to be paid to
15 Plaintiffs, in recognition of their effort and work in prosecuting the Action on behalf of
16 Settlement Class Members.

17 15. **"Class Counsel's Fee Award"** means attorneys' fees agreed upon by the Parties
18 and approved by the Court for Plaintiffs' Counsel's litigation and resolution of the Action,
19 including, but not limited to, fees associated with litigating the Action, negotiating a resolution,
20 documenting the Settlement, securing the Court's approval of the Settlement, obtaining entry of
21 the Judgment terminating the Action, administering the Settlement and other related matters.

22 16. **"Class Counsel's Cost Award"** means all reasonable costs incurred and to be
23 incurred by Plaintiffs' Counsel in the Action, including, but not limited to, costs associated with
24 documenting the Settlement, securing the Court's approval of the Settlement, obtaining entry of
25 the Judgment terminating the Action, administering the Settlement and any other expenses.

26 17. **"Individual Settlement Payment"** means each Settlement Class Member's pro-
27 rata share of the Net Settlement Amount. The "Individual Settlement Payment" shall not include
28 an individual Class Member's pro rata share of the 25% of the PAGA Settlement Amount to be

distributed to Class Members.

18. **“PAGA Settlement Amount”** means the portion of the Gross Settlement Amount that the Parties have agreed will be allocated to resolve all claims and remedies under the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”) in the amount of Eighty Thousand Dollars and Zero Cents (**\$80,000.00**). The amount of the PAGA Settlement Amount is subject to Court approval pursuant to California Labor Code section 2699(1)(2). Pursuant to the PAGA, 75% of the PAGA Settlement Amount shall be paid to the California Labor and Workforce Development Agency (“the **LWDA Payment**”), and 25% of the PAGA Settlement Amount shall be distributed to Class Members. For purposes of this Settlement only, the Parties agree that the Class Members are the “aggrieved employees.”

19. **“Individual PAGA Settlement Payment”** means each Class Member’s pro-rata share of the PAGA Settlement Amount.

20. **“Settlement Administration Costs”** means the costs payable from the Gross Settlement Amount to the Settlement Administrator (as defined below) for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Gross Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs shall not materially exceed Twenty Thousand Dollars and Zero Cents (**\$20,000.00**) without prior written approval by both Parties. The Parties have accepted a bid from the Settlement Administrator in the amount of **\$ 11,000.00**, and the Parties believe that, absent unanticipated circumstances materially changing the Settlement Administrator’s obligations, administration should not cost more than the amount bid. The Settlement Administration Costs shall be paid from the Gross Settlement Amount, including, if necessary, any such costs in excess of the amount represented by the Settlement Administrator as being the maximum costs necessary to administer the Settlement.

21. **“Settlement Payment Check”** means the payments to all Settlement Class Members, which shall be mailed to Settlement Class Members within thirty (30) calendar days after the Effective Date.

1 **Administration of Settlement**

2 22. “**Settlement Administrator**” means Phoenix Class Action Administration
3 Solutions, or any other qualified third-party class action settlement administrator agreed to by the
4 Parties and approved by the Court for the purposes of administering this Settlement. The Parties
5 each represent that they do not have any financial interest in the Settlement Administrator or
6 otherwise have a relationship with the Settlement Administrator that could create a conflict of
7 interest.

8 23. “**Class List and Data**” means a list of all putative Class Members that Defendant
9 will diligently and in good faith compile from its records and provide to the Settlement
10 Administrator within thirty (30) calendar days after Preliminary Approval of this Settlement. The
11 Class List and Data shall be formatted in Microsoft Office Excel and shall each include a column
12 for each of the following, for each putative Class Member:

- 13 a. First Name;
14 b. Last Name;
15 c. Social Security Number;
16 d. Most recent mailing address;
17 e. Job title;
18 f. Dates of employment as a putative Class Member.

19 The Settlement Administrator shall maintain the unredacted data that Defendant and any Class
20 Members provide as confidential, and shall not share the data with any person or entity, including
21 Plaintiffs’ counsel, except as Defendant may agree or as may be ordered by the Court. However,
22 the Settlement Administrator shall provide anonymized data to Plaintiffs’ counsel so that data can
23 be reviewed for irregularities. The Settlement Administrator shall provide to Plaintiffs’ counsel a
24 redacted version of the Class List and Data that includes the last four-four digits of class
25 members’ social security numbers, but assigns a numerical value to each Class Member, rather
26 than such individual’s name, so that workweek amounts for each Class Member can be reviewed
27 for irregularities. Estimated payment data, at the time of distribution, shall also be provided to
28 Plaintiffs’ counsel by the Settlement Administrator, so that Plaintiffs’ counsel may confirm that

1 the calculated payments based on workweeks are consistent with the workweeks reported in the
2 Class List and Data.

3 24. “**Notice Packet**” means the Notice of Proposed Class Action Settlement,
4 substantially in the form attached as **Exhibit B**.

5 25. “**Response Deadline**” means forty-five (45) days following the date the
6 Settlement Administrator initially mails the Notice Packet to Class Members. The Response
7 Deadline shall apply to Requests for Exclusion, Notices of Objection, and Workweek Disputes.

8 26. “**Notice of Objection**” means a Settlement Class Member’s valid and timely
9 written objection to the Settlement.

10 27. “**Request for Exclusion**” means a timely submitted Request for Exclusion Form,
11 attached as **Exhibit D**, submitted by a Class Member to the Settlement Administrator via U.S.
12 Mail indicating a request to be excluded from the Settlement.

13 28. “**Released Claims**” shall include, for Named Plaintiffs, any and all claims which
14 may be released as a matter of law against Defendant and the Released Parties (as defined below),
15 and for the Settlement Class Members, (a) all claims, demands, rights, liabilities and causes of
16 action of every nature and description whatsoever, known or unknown, whether or not concealed
17 or hidden, asserted or that might have been asserted, by any Settlement Class Member against
18 Defendant or the Released Parties for the direct or indirect payment of wages (including but not
19 limited to overtime compensation, straight-time wages, and minimum wages) or any other
20 compensation or wage-related or compensation-related benefits, or reimbursement for business
21 expenses; (b) any other claim that was raised or could have been raised in the Action, based on
22 the facts and claims alleged in the Action; (c) any associated claims for liquidated damages,
23 punitive damages, penalties, costs, expenses, interest, fees, taxes, equitable or injunctive relief, or
24 other remedies, under the Fair Labor Standards Act, the California Labor Code, the California
25 Business and Professions Code, the IWC Wage Orders and analogous state or local laws, (d) any
26 other claim for wages or compensation or associated benefits under any statutory or common law
27 or equitable theories, including without limitation any claims for unjust enrichment, quantum
28 meruit, breach of contract, breach of any benefit policy or practice, negligence, gross negligence,

breach of duty of care and/or breach of duty of loyalty, fraud, breach of fiduciary duty, conversion or any claims for violations of any other state or federal statutes, rules or regulations; and (e) any claim for penalties arising from the foregoing released claims, including, but not limited to, penalties under the California Labor Code, as well as penalties under PAGA, as described herein. Without limiting the generality of the foregoing, the Released Claims shall include any and all of the Settlement Class Members' claims or causes of action, based on the following and which accrued during the Claims Period:

- a) All claims for unpaid wages, failure to pay minimum wage, failure to pay overtime, and any other claim for failure to pay wages under the Labor Code or Wage Order, any claim for failure to pay wages at the agreed upon rate under Labor Code 204, 1194, 1194.2, 1197 and 1198;
- b) All claims for failure to provide meal period premiums or failure to provide meal periods under the Labor Code, including Labor Code §§ 226.7 and 512, or Wage Order;
- c) All claims for failure to pay rest period premiums or failure to authorize and permit rest periods under the Labor Code, including Labor Code § 226.7 or Wage Order;
- d) All claims for failure to reimburse business expenses pursuant to Labor Code § 2802;
- e) All claims for failure to pay costs of medical or physical examination pursuant to Labor Code § 222.5;
- f) All claims for failure to timely pay wages and/or waiting time penalties pursuant to Labor Code § 201 to 204;
- g) All claims for failure to issue adequate wage statements, whether for any penalty or wage, pursuant to Labor Code § 226;
- h) All claims for failure to maintain records under the Labor Code or Wage order, including under Labor Code §§ 1174 and 1174.5;
- i) All claims for penalties under the California Private Attorneys' General Act (Labor Code §2699, et. seq.) based on the aforementioned Labor Code violations;
- j) All claims for unfair business practices under Business and Professions Code §17200 based on any claim for wages which was alleged in the Action or which could have been alleged based on the facts alleged in the Action.
- k) Any other claims alleged in the Action, or which could have been alleged based on the facts alleged therein.

Released Claims also includes penalties under PAGA, but only to the extent identified in

1 Plaintiffs' respective Notices of Labor Code Violations and PAGA Penalties mailed on or about
2 May 20, 2020 (Plaintiff Horace) and June 4, 2020 (Plaintiff Silva) to the Labor and Workforce
3 Development Agency (the "PAGA Notice Letters"), which are attached hereto as **Exhibit E**. The
4 PAGA Notice Letters identify the alleged violations of Labor Code §§ 201, 202, 203, 204, 210,
5 222.5, 226, 226.3, 226.7, 256, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1197, 1197.1,
6 1198, 2802, 2699, the associated Wage Order provisions based upon any of the foregoing
7 sections, the Wage Order provisions governing the maintenance of accurate records of hours
8 worked, and the penalty stated in Labor Code § 2699(f)(2) for any violations of the foregoing
9 Labor Code sections where a penalty is not otherwise specified as bases for penalties under
10 PAGA. Class Members cannot opt out of the release of the PAGA claim (or the Individual
11 PAGA Settlement Payment).

12 29. **"Released Parties"** shall include Defendant Canon Business Process Services,
13 Inc., and any of its former and present parents, subsidiaries, affiliates, and related entities; each
14 of their respective predecessors, successors, assigns, benefit plans, and benefit plan
15 administrators and trustees, and each of their respective past or present shareholders, directors,
16 officers, employees, agents, attorneys, representatives or insurers, in any and all capacities.

17 **TERMS OF AGREEMENT**

18 Plaintiffs, on behalf of themselves and the Settlement Class Members on the one hand,
19 and Defendant, on the other hand, agree as follows:

20 **CONSOLIDATION**

21 30. Upon execution of this Agreement, the parties will file a Joint Stipulation to
22 Transfer Venue and Consolidate Cases, a copy of which is attached hereto as **Exhibit F**.

23 **DEFENDANT'S DENIAL OF WRONGDOING OR LIABILITY**

24 31. Defendant denies all allegations in the Action and maintains that it correctly
25 compensated Plaintiffs and all other hourly paid, non-exempt employees in the State of
26 California; provided Plaintiffs and all other hourly paid, non-exempt employees in the State of
27 California with proper meal and rest periods or paid required premiums for missed or non-
28 compliant breaks, if any; reimbursed Plaintiffs and all other hourly paid, non-exempt employees

1 in the State of California for all business expenses; timely paid final wages and provided
2 Plaintiffs and all other hourly paid, non-exempt in the State of California with compliant, accurate
3 itemized wage statements. Defendant further denies that this case is suitable for treatment as a
4 class action (except for the limited purposes of settlement), and otherwise denies any and all
5 wrongdoing alleged by Plaintiffs or otherwise. However, understanding the expense inherent in
6 continued litigation, Defendant believes the terms of the Settlement are fair and this Settlement is
7 in Defendant's best interest.

8 **PLAINTIFFS' CLAIMS AND THE BENEFITS OF SETTLEMENT**

9 32. Named Plaintiffs believe that the claims asserted in the Action have merit.
10 However, Named Plaintiffs and Plaintiffs' Counsel recognize the expense and length of continued
11 proceedings necessary to certify a class and to prosecute the Action against Defendant through
12 trial and through appeals, and acknowledge that Defendant would present substantial evidence
13 and arguments in support of its defenses. They have taken into account the uncertain outcome and
14 the risk of any litigation, especially in a class action, as well as the difficulties and delays inherent
15 in such litigation. Named Plaintiffs and Plaintiffs' Counsel are also mindful of the inherent
16 problems of proof in establishing, and possible defenses to, the claims asserted in the Action.

17 33. Plaintiffs' Counsel have conducted a diligent investigation into the facts of the
18 action, including engaging in formal and informal discovery and meeting and conferring with
19 Defense Counsel regarding same, interviewing Named Plaintiffs, reviewing and analyzing
20 Plaintiffs' personnel files, analyzing Defendant's timekeeping, meal and rest break and overtime
21 policies, expense reimbursement and travel policies, and analyzing timekeeping and payroll data
22 for Plaintiffs and a random sample of nearly 12% of the putative class. Plaintiffs' Counsel have
23 also performed a thorough investigation of the facts as applied to the relevant law, evaluated the
24 strengths and weaknesses of Plaintiffs' allegations and Defendant's defenses thereto, and assessed
25 the value of the class claims using Defendant's data and preparing damages models taking into
26 account the sharply contested issues and interpretations of California law. Based on their own
27 independent investigation and evaluation, Plaintiffs' Counsel are of the opinion that the
28 settlement with Defendant for the consideration and on the terms set forth in this Agreement is

1 fair, reasonable, adequate, and in the best interest of Plaintiffs and the Settlement Class in light of
2 all known facts and circumstances, including the risk of significant delay and the uncertainty of
3 the outcome in light of the defenses asserted by Defendants.

4 **DEFENDANT'S CONTENTIONS AND NON-ADMISSION OF LIABILITY**

5 34. Plaintiffs and Plaintiffs' Counsel acknowledge that by entering into this
6 Settlement, Defendants in no way admit liability, and still contend that:

7 a. Defendant's timekeeping, overtime, break and expense reimbursement policies
8 comply with California law and would refute the allegation that Defendant imposed an illegal
9 policy or practice of failing to pay proper wages, failing to provide legally mandated meal or rest
10 break opportunities, failing to pay required break penalties, or not reimbursing costs of mandatory
11 physical exams and/or drug testing or reimbursing business expenses.

12 b. Defendant trained managers and non-exempt employees on Defendant's compliant
13 timekeeping, overtime, break and expense reimbursement policies and otherwise communicated
14 with managers and non-exempt employees to remind them of their obligations under those
15 policies, including but not limited to specific reminders to non-exempt employees to take
16 compliant meal and rest breaks and enter all work time accurately.

17 c. Defendant's managers likewise communicated with individual employees, or
18 groups of employees, to reinforce the Company's policies, including but not limited to
19 Defendant's policies requiring accurate time entry and taking timely and uninterrupted breaks.

20 d. Defendant frequently requests or authorizes and pays non-exempt employees to
21 work overtime in order to provide excellent service to Defendant's customers.

22 e. Plaintiffs' claims rest on alleged instructions by individual managers, or demands
23 by individual clients, which is contrary to their allegations of a Company-wide illegal policy or
24 practice and contrary to evidence of individual managers reinforcing Defendant's compliant
25 policies. In fact, hourly, non-exempt employees expressly acknowledge on their weekly
26 timesheets that they have been given the opportunity to take daily uninterrupted meal breaks and
27 rest periods, and when submitting their weekly time approvals, managers expressly represent that
28 they have complied with Defendant's rules regarding meal breaks and rest periods and have

1 ensured that their direct reports have been provided with an opportunity to take uninterrupted
2 meal breaks and rest periods.

3 f. Defendant's timekeeping and payroll records confirm that Defendant paid for all
4 work time reported by non-exempt employees through Defendant's timekeeping system,
5 including but not limited to overtime. Defendant's records show that Defendant paid hundreds of
6 thousands of dollars in overtime pay to nonexempt employees across the state of California
7 during the Class Period.

8 g. Defendant's timekeeping and payroll records confirm that Defendant paid break
9 penalties when non-exempt employees were unable to take a California-compliant meal break.

10 h. Likewise, Defendant's time records for the random sample of other hourly paid,
11 non-exempt employees show that employees assigned to the same client as Plaintiff Silva took
12 full, timely meal breaks on over 92% of qualifying work days, with individual employees at
13 compliance rates of 95-100%; the majority of employees assigned to the same client as Plaintiff
14 Horace had meal break compliance rates of over 90%; and Defendant paid hundreds of break
15 penalties to employees in this sample, as required by law.

16 i. Non-exempt employees are not required to work before the start of their shifts and,
17 at busier locations, Defendant had "floating" employees available to even out workload and
18 reduce burdens during busier times.

19 j. Plaintiffs cannot show that Defendant's rounding methodology results in
20 systematic under-compensation of non-exempt employees on a class basis, but, to the contrary,
21 shows that a substantial number of employees experienced a net *addition* to paid time as a result
22 of rounding.

23 k. Non-exempt employees are not required to keep their phones on or answer phone
24 calls during meal or rest breaks as a matter of policy or practice. Managers immediately end calls
25 with non-exempt employees if informed that the employee is on break. Some non-exempt
26 employees regularly turn off their phones during breaks.

27 l. Plaintiffs' PAGA claims would be unmanageable.
28

1 m. As a matter of policy and practice, Defendant's non-exempt employees are not
2 required to use their personal cell phones for work purposes without reimbursement, and many
3 employees are issued work-specific cell phones or other client-communication devices.
4 Defendant also provides options for other employees to obtain a company phone or obtain a
5 monthly reimbursement for work-related cell phone expenses.

6 Without conceding the merits of Defendant's defenses, Plaintiffs and Plaintiffs' Counsel
7 agree that Defendant's arguments and evidence would create evidentiary and legal challenges to
8 their ability to certify a class action, withstand summary judgment and/or prove at trial that
9 Defendant suffered or permitted unpaid work, denied hourly non-exempt employees overtime
10 compensation or meal or rest breaks, failed to pay required break penalties, maintained an illegal
11 time-rounding system, failed to reimburse business expenses, failed to provide accurate wage
12 statements, or otherwise establish liability for the claims and allegations asserted in the Action.

13 In light of all the circumstances, Plaintiffs and Plaintiffs' Counsel believe that the
14 Settlement set forth in this Agreement confers substantial benefits upon the Plaintiffs and the
15 Settlement Class. Based upon their evaluation, they have determined that the settlement set forth
16 in this Agreement is in their best interests.

17 **DISMISSAL AND RELEASE OF CLAIMS**

18 35. Prior to the final approval of Settlement, Plaintiffs will execute a release of all
19 claims against Defendant, which includes a waiver under California Civil Code section 1542, in
20 substantially the same form as **Exhibit C**, attached hereto.

21 36. Upon the later of (i) the Effective Date or (ii) the delivery of the Gross Settlement
22 Amount to the Settlement Administrator by Defendant, and by operation of the Court's order
23 approving settlement and entry of judgment: (a) a final judgment disposing of all causes of action
24 that were or could have been alleged in the First Amended Complaint shall be entered; (b) Named
25 Plaintiffs and the Settlement Class Members shall have fully, finally, and forever released,
26 relinquished and discharged any and all Released Claims against Defendant and the Released
27 Parties; and (c) Named Plaintiffs and the Settlement Class Members shall have been deemed to
28 covenant not to sue or otherwise cause to be instituted, in any legal or administrative proceedings,

any claim or cause of action against Defendant or the Released Parties based on any Released Claim.

37. In addition, any Settlement Class Member who cashes, deposits or otherwise negotiates their Individual Settlement Payment or who claims their monies through the State Controller's Office after it has been escheated shall have consented by doing so to opt into the Action for purposes of releasing all claims that could have been stated under the Fair Labor Standards Act, based on the facts alleged herein. Each check remitting an Individual Settlement Payment to a Settlement Class Member shall have printed prominently on the back the following language: "If you cash, deposit, or otherwise negotiate this check, you will be deemed to have opted in for purposes of the Fair Labor Standards Act ("FLSA") and to have, thereby, released the Released Parties of the Released Claims which arise under the FLSA."

SETTLEMENT PAYMENTS AND RELEASE

38. Funding of the Gross Settlement Amount. Within ninety (90) days after the Court's order preliminarily approving the Settlement, or within 10 days after the Court's final approval of the Settlement, whichever is later, Defendant shall make a one-time deposit of the Gross Settlement Amount into a Qualified Settlement Fund ("QSF") to be established by the Settlement Administrator. The Gross Settlement Amount shall be used to pay:

- a. Individual Settlement Payments;
- b. Class Representative Enhancement Payments;
- c. Settlement Administration Costs;
- d. PAGA Settlement Amount;
- e. Class Counsel's Fee Award; and
- f. Class Counsel's Costs Award.

The QSF shall be a non-interest-bearing account established by the Settlement Administrator to hold payments received from Defendant pursuant to this Settlement in escrow. The QSF shall be controlled by the Settlement Administrator for the purposes of completing the Settlement, subject to the terms of the Parties' Agreement and the Court's orders. The Settlement Administrator will maintain the QSF at a federally-insured bank that is mutually acceptable to the parties and will

1 not permit any other funds to be co-mingled within the QSF. In no event shall there be any
2 distribution from the QSF until after the Effective Date and all conditions precedent specified in
3 this Agreement have been completely satisfied. If this Settlement is not finally approved by the
4 Court in full, or is terminated, rescinded, canceled or fails to become effective for any reason, or
5 if the Effective Date does not occur, then no monies shall be paid from the QSF and all monies in
6 the QSF shall be refunded to Defendant.

7 39. Class Counsel's Fee Award. Defendant agrees not to oppose any application or
8 motion by Plaintiffs' Counsel for attorneys' fees of not more than one third (33.33%) of the Gross
9 Settlement Amount, which equals Two Hundred Fifty Thousand Dollars and Zero Cents
10 (\$250,000.00), which shall be paid from the QSF. Any portion of the Class Counsel's Fee Award
11 not awarded to Plaintiffs' Counsel by the Court shall be added to the Net Settlement Amount.
12 The Class Counsel's Fee Award approved by the Court shall include all work related to the
13 representation of Named Plaintiffs and putative class members, and all work related to the Action,
14 including, without limitation: (a) all work already performed related to the investigation,
15 prosecution and settlement of the Action; (b) all work to be performed in fully and finally
16 resolving the Action; and (c) all work in connection with administering the settlement. The Class
17 Counsel's Fee Award will be treated as 1099 income in accordance with applicable law.

18 40. Class Counsel's Cost Award. Defendant agrees not to oppose any application or
19 motion by Plaintiffs' Counsel for costs and expenses of not more than Seventeen Thousand Five
20 Hundred Dollars and Zero Cents (\$17,500.00), which shall be paid from the QSF. Any portion of
21 the Class Counsel's Cost Award not awarded by the Court to Plaintiffs' Counsel shall be added to
22 the Net Settlement Amount. The Class Counsel's Cost Award approved by the Court shall
23 include all costs and expenses incurred or related to Plaintiffs' Counsel's representation of Named
24 Plaintiffs and putative class members, and all work related to the Action, including, without
25 limitation: (a) all costs and expenses related to the investigation, prosecution and settlement of the
26 Action; (b) all costs and expenses incurred in fully and finally resolving the Action; and (c) all
27 costs and expenses incurred in connection with administering the settlement. The Class
28 Counsel's Cost Award will be treated as 1099 income in accordance with applicable law.

1 41. Form 1099 to Class Counsel. The Settlement Administrator (and not the
2 Defendant) shall issue an IRS Form 1099 to Plaintiffs' Counsel reflecting Class Counsel's Fee
3 Award and Class Counsel's Costs Award, as well as all other 1099 Forms required by
4 applicable law in association with the payment of amounts pursuant to this Agreement.

5 42. Class Representative Enhancement Payments. In recognition of their effort in
6 prosecuting the Action on behalf of Settlement Class Members, Defendant agrees not to oppose
7 any request, application, and/or motion by Plaintiffs for a Class Representative Enhancement
8 Payment of up to Ten Thousand Dollars and Zero Cents (**\$10,000.00**) to each Plaintiff. The Class
9 Representative Enhancement Payments, which shall be paid from the Gross Settlement Amount,
10 shall be in addition to Plaintiffs' Individual Settlement Payment to be paid pursuant to the
11 Settlement. The Settlement Administrator (and not the Defendant) shall issue an IRS Form
12 1099 to Plaintiffs reflecting the Class Representative Enhancement Payment. Any portion of
13 the Class Representative Enhancement Payment not awarded to Plaintiffs by the Court shall be
14 added to the Net Settlement Amount.

15 43. Settlement Administration Costs. The Settlement Administration Costs shall be
16 paid for the reasonable costs of administration of the Settlement. The Parties agree that
17 Settlement Administration Costs shall not materially exceed Twenty Thousand Dollars and Zero
18 Cents (**\$20,000.00**) without prior written approval by both Parties. Any portion of the Settlement
19 Administration Costs not allowed by the Court shall be added to the Net Settlement Amount.

20 44. PAGA Settlement Amount and LWDA Payment. Subject to Court approval, the
21 Parties agree that the amount of Eighty Thousand Dollars and Zero Cents (**\$80,000.00**) from the
22 Gross Settlement Amount shall be designated for satisfaction of Plaintiffs' and Class Members'
23 PAGA claims. Pursuant to the PAGA, Seventy-Five Percent (75%), *i.e.* Sixty Thousand Dollars
24 and Zero Cents (**\$60,000.00**), of the PAGA Settlement Amount shall constitute the LWDA
25 Payment and be paid to the LWDA, and Twenty-Five Percent (25%), *i.e.* Twenty Thousand
26 Dollars and Zero Cents (**\$20,000.00**), shall be distributed to Class Members as Individual PAGA
27 Settlement Payments. Any portion of the LWDA Payment not approved by the Court shall be
28 added to the Net Settlement Amount. Each Class Member will be paid a pro-rata share of the

\$20,000.00 amount allocated for the Individual PAGA Settlement Payments, as calculated by the Settlement Administrator. Class Members will not be permitted to exclude themselves from this portion of the Settlement. The pro-rata share will be determined by comparing the individual Class Member's workweeks worked in a qualifying position during the Class Period in California to the total workweeks worked of all the Class Members during the Class Period as follows: [Pay Periods worked by a Class Member] ÷ [Sum of all Pay Periods worked by all Class Members] × [\$20,000.00] = Individual PAGA Settlement Payment. Individual PAGA Settlement Payments in the appropriate amounts will be distributed by the Settlement Administrator by mail to the Class Members and will be included with the Individual Settlement Payments for a Settlement Class Member where applicable.

45. Notice of Settlement to LWDA. In conjunction with the filing of the Stipulation of Class Settlement, Plaintiffs' Counsel will submit the proposed Settlement to the LWDA, in accordance with Labor Code section 2699, subdivision (d)(2), and provide confirmation of the submission to the Court.

46. Net Settlement Amount. The Net Settlement Amount shall be used to satisfy Individual Settlement Payments to Settlement Class Members in accordance with the terms of this Agreement. Settlement Class Members are entitled to 100% of the Net Settlement Amount. Defendant maintains no reversionary right to any portion of the Net Settlement Amount. Each Settlement Class Member will be paid a pro-rata share of the Net Settlement Amount, as calculated by the Settlement Administrator. The pro-rata share will be determined by comparing the individual Settlement Class Member's workweeks worked in a qualifying position during the Class Period in California to the total workweeks worked of all the Settlement Class Members during the Class Period as follows: [Workweeks worked by a Settlement Class Member] ÷ [Sum of all covered workweeks worked by all Settlement Class Members] × [Net Settlement Amount] = Individual Settlement Payment for a Settlement Class Member. Defendant and the Released Parties, individually and collectively, shall have no responsibility or liability whatsoever for the calculation of any individual settlement amounts.

47. Tax Treatment of Individual Settlement Payments. All Individual Settlement

1 Payments shall be allocated as follows: Twenty Percent (20%) reimbursement for wages, for
2 which a W-2 shall be issued, Fifty Percent (50%) payment of penalties and Thirty Percent (30%)
3 payment of interest, for which a 1099 shall be issued. Defendant shall be solely responsible for
4 paying the employer's share of payroll taxes on any amounts allocated as wages, which amount
5 shall be paid separately from the Gross Settlement Amount. Each Settlement Class member shall
6 be solely responsible for the reporting and payment of any federal, state and/or local tax
7 obligations, other than the employer's share of payroll taxes. Named Plaintiffs and Settlement
8 Class Members will not seek any indemnification from Defendant or any of the Released Parties
9 with respect thereto. It is understood and agreed that Defendant makes no representations with
10 respect to the tax consequences of any payment associated with the Settlement.

11 48. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
12 Settlement Class Members under this Agreement, as well as any other payments made pursuant to
13 this Agreement, shall not be utilized to calculate any additional benefits under any benefit plans
14 to which any Settlement Class Members may be eligible, including, but not limited to: profit-
15 sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans,
16 paid time-off plans, and any other benefit plan. Rather, it is the Parties' intention that this
17 Settlement will not affect any rights, contributions, or amounts to which any Settlement Class
18 Members may be entitled under any benefit plans. The Parties agree that the amounts paid
19 pursuant to this Settlement are not for hours worked, and are not included toward any regular rate
20 of pay calculation, or any benefit vesting or accrual purpose.

21 49. Release of Claims by Settlement Class Members. Upon the later of (i) the
22 Effective Date or (ii) the delivery of the Gross Settlement Amount to the Settlement
23 Administrator by Defendant, Plaintiffs and all Settlement Class Members, as well as their
24 spouses, heirs, executors, administrators, trustees, and/or permitted assigns, hereby do and shall
25 be deemed to have fully, finally and forever released, settled, compromised, relinquished and
26 discharged any and all of the Released Parties of and from any and all Released Claims.

27 50. General Releases by Named Plaintiffs. Prior to the final approval of Settlement,
28 Plaintiffs will execute a release of all claims against Defendant, which includes a waiver under

California Civil Code section 1542, in substantially the same form as **Exhibit C**, attached hereto. Such general releases will only be effective as of the Effective Date, and only if this Settlement is given final approval by the Court. Excluded from this Release by Plaintiff Pamela Silva are the claims alleged in the matter of *Pamela Silva v. Canon Business Process Services, Inc.*, United States District Court, Northern District Case No. 3:20-cv-09399-WHA, previously filed as San Mateo Superior Court Case No. 20-CIV-05134.

51. Nonassistance. Plaintiffs agree that they will not voluntarily assist, aid, encourage, or cooperate with any other person or entity in threatening, commencing, instituting, maintaining, litigating, or prosecuting any claims, charges, complaints, actions, causes of action, suits, grievances, controversies, disputes, or demands of any kind, nature, description, or character whatsoever against Defendant, except as required by court order or otherwise by law.

52. Class Action Certification. The parties are agreeing to class certification for settlement purposes only. This Agreement shall not constitute, in this or any other proceeding, an admission of any kind by Defendant, including without limitation, that certification of a class for trial or any other purpose is appropriate or proper or that Plaintiffs can establish any of the requisite elements for class or representative treatment of any of the claims in this Action were Defendant to contest certification.

If, for any reason, the Settlement is not approved, this Agreement will be void and the Parties will be restored to their respective positions as if they had not entered into this Agreement. The Parties further agree that this Agreement will not be admissible in this or any other proceeding as evidence that either (i) a class action should be certified, or that this matter may proceed as a representative action; or (ii) Defendant is liable to Plaintiffs or any Class Member, other than according to the Settlement's terms. In the event that the Settlement is not approved or otherwise voided, Defendant expressly reserves all rights to challenge certification of a class, or Plaintiffs' ability to maintain a representative action, for all purposes in the Action.

53. Non-Admission of Liability. The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, it

1 has violated any federal, state, or local law; violated any regulations or guidelines promulgated
2 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached
3 any contract; violated or breached any duty; engaged in any misrepresentation or deception; or
4 engaged in any other unlawful conduct with respect to its employees. Neither this Agreement,
5 nor any of its terms or provisions, nor any of the negotiations connected with it, shall be
6 construed as an admission or concession by Defendant of any such violations or failures to
7 comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this
8 Agreement, this Agreement and its terms and provisions shall not be offered or received as
9 evidence in any action or proceeding to establish any liability or admission on the part of
10 Defendant or to establish the existence of any condition constituting a violation of, or a non-
11 compliance with, federal, state, local or other applicable law.

12 **ADMINISTRATION OF SETTLEMENT**

13 54. Delivery of the Class Lists and Data. Within thirty (30) calendar days after
14 Preliminary Approval of this Settlement, Defendant shall provide the Class List and Data to the
15 Settlement Administrator.

16 55. Notice Packets. All Class Members will be mailed a Notice Packet, in
17 substantially the form attached as **Exhibit B**, which provides:

- 18 a. Information regarding the nature of the Action;
- 19 b. A summary of the Settlement's principal terms;
- 20 c. The Class definition;
- 21 d. Each Class Member's estimated Individual Settlement Payment and the
22 formula for calculating Individual Settlement Payments;
- 23 e. The dates which comprise the Class Period;
- 24 f. Instructions on how to submit valid Requests for Exclusion, or Notice of
25 Objection, and the Request for Exclusion Form, attached as **Exhibit D**.
- 26 g. The Response Deadline;
- 27 h. The date for the final approval hearing, and
- 28 i. The Released Claims and Released Parties.

1 56. Notice by First-Class U.S. Mail. Within fifteen (15) calendar days after receiving
2 the Class List and Data from Defendant, the Settlement Administrator shall mail a Notice Packet
3 to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing
4 addresses, to be identified by reviewing the Class List and Data and performing a search based on
5 the National Change of Address Database for information to update and correct for any known or
6 identifiable address changes.

7 57. Re-Mailing of Returned Notices. Any Notice Packets returned to the Settlement
8 Administrator as non-deliverable on or before the Response Deadline shall be re-sent promptly
9 via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement
10 Administrator shall indicate the date of such re-mailing on the Notice Packet. If no forwarding
11 address is provided, the Settlement Administrator shall promptly attempt to determine the correct
12 address using a skip-trace, or other search using the name, address and/or Social Security number
13 of the Class Member involved, and shall then perform a re-mailing. Those Class Members who
14 receive a re-mailed Notice Packet shall have the later of (i) an additional fifteen (15) days from
15 the remailing or (ii) the Response Deadline, to respond. The Parties agree to cooperate with the
16 Settlement Administrator to locate a more recent address for Class Members, where necessary.

17 58. Request for Exclusion Procedures. Any Class Member may opt-out from the
18 Settlement by signing and returning a written Request for Exclusion to the Settlement
19 Administrator postmarked within the Response Deadline. The Request for Exclusion Form will
20 be included in the Notice Packet and in the same form as **Exhibit D**. Completed Request for
21 Exclusion Forms must:

- 22 a. Contain the name, address, telephone number, and the last four digits of the
- 23 Social Security number of the person requesting exclusion;
- 24 b. Clearly state that the Class Member does not wish to be included in the
- 25 Settlement;
- 26 c. Be signed by the Class Member;
- 27 d. Be returned by mail to the Settlement Administrator at the specified
- 28 address; and

1 e. Be postmarked on or before the Response Deadline.

2 The date of the postmark on the return mailing envelope shall be the exclusive means to
3 determine whether a Request for Exclusion has been timely submitted. By submitting such a
4 Request for Exclusion, a Class Member shall be deemed to have exercised his or her option to opt
5 out of the Settlement and not be bound by this Agreement. Accordingly, a Class Member that
6 timely submits a valid Request for Exclusion will not be entitled to any payments under this
7 Settlement and will not be a member of the Settlement Class. A Class Member who does not
8 request exclusion from the Settlement shall be deemed a Settlement Class Member and will be
9 bound by all terms of the Settlement, if the Settlement is granted final approval by the Court.

10 59. Settlement Terms Bind All Settlement Class Members Who Do Not Opt-Out. Any
11 Class Member who does not affirmatively opt-out of the Settlement by submitting a timely and
12 valid Request for Exclusion shall be a Settlement Class Member and will be bound by all of the
13 terms of the Settlement, including those pertaining to the Released Claims, as well as any
14 Judgment that may be entered by the Court. All Class Members will be bound by the release of
15 the PAGA Claim, regardless of whether a timely Request for Exclusion is received.

16 60. Objection Procedures. Any Settlement Class Member shall be entitled to object to
17 the Settlement in writing, in person, or through an attorney at their own expense. For written
18 objections to be considered, the Notice of Objection must:

- 19 a. Contain the name, address, telephone number, and the last four digits of the
20 Social Security number of the person objecting to the Settlement;
- 21 b. Clearly state that the Settlement Class Member wishes to be included in the
22 Settlement and does not wish to opt out of the Settlement or contain no
23 statement suggesting any intent to opt-out of the Settlement;
- 24 c. State the basis for the objection;
- 25 d. Be signed by the Settlement Class Member;
- 26 e. Be returned by mail to the Settlement Administrator at the specified
27 address (after which the Settlement Administrator shall be responsible for
28 providing the Notice of Objection to the Parties); and

f. Be postmarked on or before the Response Deadline.

The date of the postmark on the return mailing envelope shall be the exclusive means to determine whether a Notice of Objection has been timely submitted. Class Members shall also be entitled to object to the reported workweeks listed in the Notice Packet. Any such challenge must be submitted on or before the Response Deadline. Class Members disputing the workweeks listed in the Notice Packet must produce supporting evidence to the Settlement Administrator; Defendant's records will be presumed determinative in the absence of evidence to the contrary. Class Members who submit a Request for Exclusion may still challenge the workweeks used to calculate their Individual PAGA Settlement Payment.

61. Notwithstanding any other term of this Settlement, all Settlement Class Members will have a right to appear at the final approval hearing in order to have their objections heard by the Court, at their own expense. The submission of a Notice of Objection is not a condition on the right to appear and state any objections. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to submit written objections to the Settlement or appeal from the Order and Judgment. Neither Class Counsel nor Defense Counsel shall represent any Settlement Class Members with respect to any such objections to this Settlement. Any Class Member who opts-out of this Settlement shall not be allowed to object to this Settlement. If any Class Member both submits a Request for Exclusion and objects, the Request for Exclusion shall be disregarded and the individual shall be deemed a Settlement Class Member whose objection shall be addressed.

62. Defendant's Option To Nullify Settlement. Defendant shall have the option, in its sole discretion, to rescind the Settlement, by giving written notice to Class Counsel, if (a) any person successfully objects to or appeals from (*i.e.*, files and ultimately wins any appeal) the final judgment entered following court approval of the Settlement, or (b) more than two percent (2%) of the Class Members opt out of the settlement by submitting valid and timely Requests For Exclusion. The Parties agree that they will not encourage any Class Member to object to, or to opt out of, the Settlement. If Defendant rescinds the Settlement, then Defendant will be responsible for paying all settlement administration costs incurred to the date of rescission.

63. Escalator Provision. In the event that the Settlement Class includes more than 1,320 persons on the date the Court grants preliminary approval, the Settlement Amount shall be increased by one percent (1%) for each percent the actual number of Settlement Class Members is more than ten percent (10%) higher than 1,200 (e.g., if the Settlement Class is 14% larger at the time of preliminary approval, the Settlement Payment will be increased by four percent (4%)).

64. Certification Reports Regarding Administration of Settlement. The Settlement Administrator shall provide Defendant's counsel and Plaintiffs' Counsel a weekly report that certifies the number of Class Members who have submitted valid Requests for Exclusion and Notices of Objection. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement as needed or reasonably requested.

65. Distribution and Timing of Individual Settlement Payments. Within (30) calendar days after the Effective Date of the Settlement, the Settlement Administrator shall issue the following payments:

- a. Individual Settlement Payments, to Settlement Class Members;
- b. Class Representative Enhancement Payments, to Plaintiffs;
- c. Settlement Administration Costs, to itself;
- d. The LWDA Payment, to the LWDA;
- e. Class Counsel's Fee Award, to Plaintiffs' Counsel; and
- f. Class Counsel's Cost Award, to Plaintiffs' Counsel.

66. Uncashed Settlement Payment Checks. Any checks issued by the Settlement Administrator to Class Members will be negotiable for one-hundred eighty (180) calendar days. After one-hundred eighty (180) calendar days from the date of mailing, the checks shall become null and void, and any monies remaining in the distribution account shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Procedure Code § 1500 *et seq.*, for the benefit of those Class Members who did not cash their checks until such time that they claim their property. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as the

entire Net Settlement Amount will be paid out to Settlement Class Members, whether or not they all cash their checks representing their Individual Settlement Payments. In such event, those Settlement Class Members will nevertheless remain bound by the Settlement.

67. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator shall provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

68. Administration Costs if Settlement Fails or is Delayed. If the Settlement does not receive final approval by the Court, or is voided or rescinded, any costs incurred by the Settlement Administrator shall be borne equally by Defendant and Plaintiffs.

69. Administration of Taxes by the Settlement Administrator. The Settlement Administrator shall be responsible for issuing to Plaintiffs, Settlement Class Members, and Plaintiffs' Counsel, W-2 forms, 1099 forms, or other tax forms as may be required by law, for all amounts paid pursuant to this Agreement.

70. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiffs and Settlement Class Members are not relying on any statement, representation, or calculation by Defendant or by the Settlement Administrator in this regard. Plaintiffs and Settlement Class Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective payments described herein, other than the employer's share of payroll taxes on amounts allocated to W-2 wages, and will defend, indemnify, and hold Defendant free and harmless from and against any claims resulting from treatment of such payments as non-taxable damages.

71. No Prior Assignments. The Parties and their counsel 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.

APPROVAL OF SETTLEMENT

72. Termination of Settlement. This Settlement is contingent upon approval and

certification by the Court, and Defendant is agreeing to stipulate to certification of a class for settlement purposes only. In the event that the Settlement shall terminate by reason of Defendant's exercise of the option described in Paragraph 59, or in the event that the settlement is not approved in its entirety by the Court, or in the event that the judgment otherwise does not become final: (a) no payments shall be due or made by or on behalf of Defendant to anyone with the exception of the Settlement Administrator; (b) the Settlement shall be deemed null and void with no effect on the Action whatsoever; (c) any judgment or order entered by the Court in accordance with the terms of the Settlement shall be treated as vacated, *nunc pro tunc*, including but not limited to any order certifying a class or collective action; (d) the parties shall resume the Action as if no Settlement had been reached; (e) no party shall be deemed to have waived any claims, objections, rights or defenses, or legal arguments or positions, including, but not limited to, objections to certification of a class or collective action and claims and defenses on the merits, and documents generated or orders issued related to the Settlement will not be admissible in any future proceeding in this or any other action; and (f) the parties will revert to their positions in the Action prior to the time the Settlement was reached.

73. Preliminary Approval Hearing. Plaintiffs shall request a hearing before the Court to seek the Preliminary Approval of the Settlement, and the entry of a Preliminary Approval Order: (i) preliminarily approving the proposed Settlement, and (ii) setting a date for a final approval/settlement fairness hearing. The Preliminary Approval Order shall provide for the Notice Packet to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs shall submit this Agreement, which sets forth the terms of this Settlement, and will include the proposed Notice Packet, attached to this Agreement as **Exhibit B.**

74. Final Settlement Approval Hearing. Upon expiration of the Response Deadline, and with the Court's permission, a final approval/settlement fairness hearing shall be conducted to determine the final approval of the Settlement along with the amounts properly payable for:

- a. Individual Settlement Payments;
- b. Class Representative Enhancement Payments;

- c. Settlement Administration Costs;
- d. LWDA Payment;
- e. Class Counsel's Fee Award; and
- f. Class Counsel's Cost Award.

Plaintiffs' Counsel will be responsible for drafting all documents necessary to obtain final approval. Plaintiffs' Counsel will also be responsible for drafting the attorneys' fees and costs application to be heard at the final approval hearing.

75. Entry of Judgment and Continued Jurisdiction. Concurrent with the motion for final approval, the Parties shall also jointly seek the entry of Judgment consistent with the terms of this Agreement. After entry of the Judgment, the Court shall have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement administration matters, and (iii) such post-judgment matters as may be appropriate under court rules or as set forth in this Agreement.

MISCELLANEOUS PROVISIONS

76. Return of Materials. Within five (5) days after the Effective Date, Named Plaintiffs and Plaintiffs' Counsel shall return all originals and duplicate copies of all materials or information in the following categories that were produced or obtained from Defendant in connection with the Action or the Settlement or confirm in writing that digital copies of any produced materials have been permanently deleted and shall not retain any copy thereof: (1) materials or information designated as produced for mediation in the Action (which includes all materials produced pursuant to mediation privilege), and (2) any materials or information produced with a confidential designation which, under any protective order entered in the Action, requires confidential documents to be returned or destroyed. Without limiting the foregoing, Named Plaintiffs and Plaintiffs' respective counsel shall take reasonable and appropriate steps to ensure that information or documents obtained from Defendant are deleted or otherwise removed from any backup media. Subject to the foregoing, Plaintiffs' respective counsel may maintain copies of their litigation files for the Action, provided all information therein is treated as confidential and is subject to commercially reasonable efforts to maintain confidentiality,

1 consistent with other confidential information maintained by Plaintiffs' counsel, and is not
2 disclosed or used for any purpose not related to the Action. By way of example, under this
3 Paragraph, Plaintiffs' respective counsel may maintain a copy of any mediation brief prepared in
4 the Action that includes or contains confidential materials or information produced for mediation,
5 but must permanently delete the underlying documents produced by Defendant solely for
6 mediation in the Action.

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

10 78. Media. Named Plaintiffs and Plaintiffs' Counsel shall not (a) publish or post the
11 terms of the Settlement to any website, or (b) issue a press release or otherwise disclose or discuss
12 the terms of Settlement with any third party or the press, including but not limited to any
13 members of the media, and shall not otherwise intentionally disclose or cause any discussion of
14 the Settlement to be reported publicly (other than as required pursuant to the judicial approval
15 process), such as via the media or the internet. Without limiting the generality of the foregoing,
16 Plaintiffs' respective Counsel shall not publicize this Settlement, or any facts related thereto, on
17 counsels' websites or in any advertising materials. Named Plaintiffs and Plaintiffs' respective
18 Counsel shall limit their direct communications with any third party, including media
19 representatives (other than Settlement Class Members), regarding the Action or the Settlement to
20 stating that "the matter was resolved" or words to that effect. Plaintiffs' Counsel shall be
21 permitted to discuss the terms of the proposed settlement with Settlement Class Members to the
22 full extent necessary to satisfy their fiduciary obligations as proposed Class Counsel. It shall not
23 be a violation of this provision for Plaintiffs' respective Counsel at any time to advise their clients
24 in any fashion, or for the Named Plaintiffs to disclose the terms of the Settlement with their
25 respective spouses, accountants, and tax advisors on the condition that they agree to keep the
26 terms and existence of the Settlement confidential. Plaintiffs' Counsel may disclose the
27 settlement in any adequacy of counsel declarations/ related settlement court filings, so long as the
28 disclosure is limited to information in the public record.

1 79. Entire Agreement. This Agreement and any attached Exhibits constitute the
2 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
3 agreements may be deemed binding on the Parties.

4 80. Disputes Regarding This Agreement. If the Parties have a dispute with regard to
5 the language of the Agreement, the Parties agree to informally resolve the dispute by engaging
6 Steve Pearl to mediate such dispute. Any costs incurred as a result of retaining Mr. Pearl to
7 resolve any such dispute shall be borne equally by Defendant and Plaintiffs, unless otherwise
8 specified in this Agreement.

9 81. Amendment or Modification. This Agreement may be amended or modified only
10 by a written instrument signed by the Parties or their successors-in-interest. However, as a
11 limited exception to that requirement, the Parties agree that, without the need for a further signed
12 instrument, their Counsel may make such modifications to the Notice Packet as are required to
13 correct errors or address conditions imposed by the Court, so long as the Gross Settlement
14 Amount is not changed as part of any such revisions.

15 82. Authorization to Enter Into Agreement. Counsel for all Parties warrant and
16 represent that they are expressly authorized by the Parties whom they represent to negotiate this
17 Agreement and to take all appropriate action required or permitted to be taken by such Parties
18 pursuant to this Agreement to effectuate its terms and to execute any other documents required to
19 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each
20 other and use their best efforts to affect the implementation of the Settlement. If the Parties are
21 unable to reach agreement on the form or content of any document needed to implement the
22 Settlement, or on any supplemental provisions that may become necessary to effectuate the terms
23 of this Settlement, the Parties agree to informally resolve the dispute by engaging Steve Pearl to
24 mediate such dispute. Any costs incurred as a result of retaining Mr. Pearl to resolve any such
25 dispute shall be borne equally by Defendant and Plaintiffs, unless otherwise specified in this
26 Agreement.

27 83. Binding on Successors and Assigns and Heirs. This Agreement shall be binding
28 upon, and inure to the benefit of, the successors or assigns or heirs of the Parties hereto, as

1 previously defined.

2 84. California Law Governs. All terms of this Agreement and Exhibits hereto shall be
3 governed by and interpreted according to the laws of the State of California.

4 85. Execution and Counterparts. This Agreement is subject only to the execution of
5 all Parties. However, the Agreement may be executed in one or more counterparts. All executed
6 counterparts and each of them, including electronic (e.g., DocuSign), facsimile and scanned
7 copies of the signature page, shall be deemed to be one and the same instrument provided that
8 counsel for the Parties shall exchange among themselves original signed counterparts.

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

15 87. Invalidity of Any Provision. Before declaring any provision of this Agreement
16 invalid, the Court shall first attempt to construe the provision as valid to the fullest extent possible
17 consistent with applicable precedents so as to find all provisions of this Agreement valid and
18 enforceable. Any invalid, illegal, or unenforceable provision determined by the Court shall in no
19 way affect any other provision if Defendant and Plaintiffs' Counsel, on behalf of the Parties and
20 the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or
21 unenforceable provision had never been included in this Agreement.

22 88. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however,
23 that Plaintiffs or Plaintiffs' Counsel may appeal any reduction in the Class Counsel's Fee or Cost
24 Award below the amount Plaintiffs' Counsel requests, and either party may appeal any order that
25 materially alters the Agreement's terms.

26 89. Captions. The captions and section numbers in this Agreement are inserted for the
27 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
28 provisions of this Agreement.

1 90. Waiver. No waiver of any condition or covenant contained in this Agreement or
2 failure to exercise a right or remedy by any of the Parties hereto shall be considered to imply or
3 constitute a further waiver by such party of the same or any other condition, covenant, right or
4 remedy.

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

10 92. Representation By Counsel. The Parties acknowledge that they have been
11 represented by able and competent counsel throughout all negotiations that preceded the
12 execution of this Agreement, and that this Agreement has been executed with the consent and
13 advice of counsel. Further, Plaintiffs and Plaintiffs' Counsel warrant and represent that there are
14 no liens on the Agreement.

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

18 94. Binding Agreement. The Parties warrant that they understand and have full
19 authority to enter into this Agreement, and further intend that this Agreement shall be fully
20 enforceable and binding on all Parties, and agree that it shall be admissible and subject to
21 disclosure in any proceeding to enforce its terms.

22 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this
23 Class Action Stipulation of Settlement Between Plaintiffs and Defendant as of the date(s) set
24 forth below:

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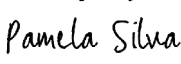
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SIGNATURES

READ THE ENTIRE AGREEMENT CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 6/23/2021

DocuSigned by:

4026F7208349461...
Pamela Silva

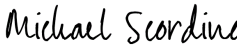
PLAINTIFF

Dated: _____

Jamicha Horace

DEFENDANT:
CANON BUSINESS PROCESS SERVICES, INC.

Dated: July 9, 2021

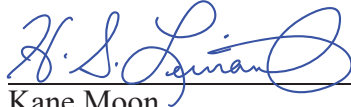
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54B22804B57D4B1...
Michael Scordino

Please Print Name of Authorized Signatory

APPROVED AS TO FORM

Dated: 6/24/2021

MOON AND YANG, APC



Kane Moon
H. Scott Leviant
Lilit Tunyan
Attorneys for Plaintiff
Pamela Silva

Dated: _____

CAPSTONE LAW APC

Mark A. Ozzello
Brandon K. Brouillette
Attorneys for Plaintiff
Jamicha Horace

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SIGNATURES

READ THE ENTIRE AGREEMENT CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: _____

Pamela Silva

PLAINTIFF

Dated: 6/24/2021

DocuSigned by:
Jamicha D. Horace
A50BA42566FA48A

Jamicha Horace

DEFENDANT:
CANON BUSINESS PROCESS SERVICES, INC.

Dated: _____

Please Print Name of Authorized Signatory

APPROVED AS TO FORM

Dated: _____

MOON AND YANG, APC

Kane Moon
H. Scott Leviant
Lilit Tunyan
Attorneys for Plaintiff
Pamela Silva

Dated: _____

CAPSTONE LAW APC

Mark A. Ozzello
Brandon K. Brouillette
Attorneys for Plaintiff
Jamicha Horace

SIGNATURES

READ THE ENTIRE AGREEMENT CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: _____

Pamela Silva

PLAINTIFF

Dated: _____

Jamicha Horace

DEFENDANT:

CANON BUSINESS PROCESS SERVICES, INC.

Dated: _____

Please Print Name of Authorized Signatory

APPROVED AS TO FORM

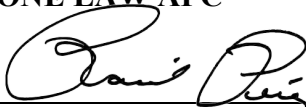
Dated: _____

MOON AND YANG, APC

Kane Moon
H. Scott Leviant
Lilit Tunyan
Attorneys for Plaintiff
Pamela Silva

Dated: June 25, 2021

CAPSTONE LAW APC



Mark A. Ozzello
Brandon K. Brouillette
Attorneys for Plaintiff
Jamicha Horace

1 Dated: July 2, 2021
2 _____
3

DORSEY & WHITNEY LLP

DocuSigned by:

Ryan E. Mick

CS:927556B42461
Gabrielle Wirth

Ryan Mick

Pavlina Rafter

Attorneys for Defendant

Canon Business Process Services, Inc.

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EXHIBIT A

Memorandum of Understanding

March 26, 2021

Silva v. Canon Business Process Services, Inc.

Case No. 20-CV-367058

and

Horace v. Canon Business Process Services, Inc.

Case No. 20 STCV29057

This Memorandum of Understanding (“MOU”) sets forth the primary terms of the parties’ settlement. The parties’ settlement is contingent upon the execution of a full and final settlement agreement. The parties stipulate and agree that the settlement set forth in this MOU is fair, just, reasonable, adequate and equitable to Named Plaintiffs, putative Settlement Class members and Defendant, and that it is the product of good-faith and informed arms-length negotiations between the parties consistent with public policy and applicable law.

1. **No Admission.** Neither the fact of settlement, this MOU or the parties’ settlement agreement, nor any act performed or document executed in furtherance of the settlement: (i) is or may be deemed to be an admission of, or evidence of, the validity of any Released Claim (as defined below), or of any wrongdoing or liability of Defendant; or (ii) may be used in any civil, criminal or administrative proceeding in any forum as an admission of, or evidence of, any wrongdoing or liability of Defendant.
2. **Settlement Procedure.** The settlement agreement will be presented to the Court for approval, as required by the California Rules of Court, which specifies that preliminary and final approval hearings must occur as part of the approval process for any class action settlement. The PAGA settlement will be submitted to the Court for approval as part of that same process. A Notice will issue to the Settlement Class, mailed to their last known addresses, as contained in Defendant’s records. The Settlement Administrator will make reasonable efforts to update addresses determined to be invalid. Class Members will be advised of the terms of settlement in the Notice. The Notice will also describe the processes for exclusion requests and presentation of objections to the Court (which shall include written objections, verbal objections at the final approval hearing, and objections through independent counsel). Once the Court grants final approval, the Settlement Administrator will distribute the Settlement Payment in the manner set forth in the settlement agreement. The parties will file a Joint Stipulation to Transfer Venue and Consolidate Cases, a copy of which is attached hereto as Exhibit A.
3. **Recitation.** The settlement agreement will include both a recitation of Plaintiffs’ claims and of facts supporting Defendant’s defenses, including but not limited to Defendant’s contention that Defendant’s arguments and evidence would create substantial evidentiary and legal challenges to Plaintiff Silva’s ability to certify her class claims and maintain a manageable PAGA claim, and Plaintiff Horace’s ability to maintain manageable PAGA claims, and/or both Plaintiffs’ ability prove at trial that Defendant suffered or permitted unpaid work; denied hourly non-exempt employees overtime compensation, or meal or rest breaks; failed to pay legally required break penalties; maintained an illegal time-rounding system; failed to reimburse business expenses; failed to provide accurate wages statements, or any other claim asserted in the matters of *Silva v. Canon Business Process Services, Inc.*, Case No. 20-CV-367058 and *Horace v. Canon Business Process Services, Inc.*, Case No. 20-STCV29057 (together, the “*Litigation*”).
4. **The Settlement Class.** For settlement purposes only, the parties agree to the certification of a “*Settlement Class*” defined as:

All persons who worked for Defendant in California as an hourly paid, non-exempt employee at any time during the Class Period.

The parties agree that the Settlement Class includes approximately 1,200 persons currently or formerly employed by Canon Business Process Services, Inc. during the period from May 20, 2016 to the date of preliminary approval of the settlement by the Court (the “*Class Period*”).

5. **Settlement Payment.** Defendant shall pay the total gross amount of \$750,000 (the “*Settlement Amount*”) to settle the Litigation. The Settlement Amount shall be inclusive of any and all obligations of Defendant to resolve the Litigation, including but not limited to settlement payments to Named Plaintiffs and the members of the Settlement Class, Plaintiffs’ counsel’s attorneys’ fees and litigation costs, a service award to Named Plaintiffs, the fees and expenses of the Settlement Administrator, and payments to the California Labor and Workforce Development Agency pursuant to the settlement of PAGA claims, **but specifically excluding** the employer’s share of payroll taxes attributable to that portion of individual settlement payments classified as W-2 wages, which will be paid separately from the Settlement Amount. *Under no circumstances will Defendant or the Released Parties have any obligation to make any payment associated with the Litigation in excess of the total gross amount of \$750,000, plus the employer’s share of payroll taxes attributable to that portion of individual settlement payments classified as W-2 wages, other than as specified in the Escalator Provision.*
6. **Escalator Provision.** In the event that the Settlement Class includes more than 1,320 persons on the date the Court grants preliminary approval, the Settlement Amount shall be increased by one percent for each percent the actual number of Settlement Class Members is more than ten percent higher than 1200 (e.g., if the Settlement Class is 14% larger at the time of preliminary approval, the Settlement Payment will be increased by four percent).
7. **Defendant’s Production of Data.** Within thirty (30) calendar days after preliminary approval of the proposed settlement by the Court, Defendant will provide the Settlement Administrator with the full name, last known mailing address, job title, dates of employment, and last-four digits of social security number (if known) for each putative member of the Settlement Class. The Settlement Administrator shall maintain the data that Defendant and participating Settlement Class members provide as confidential, and shall not share the data with any person or entity, including Plaintiffs’ counsel (although Plaintiffs’ counsel will be entitled to a redacted version that omits addresses and all but the last-four digits of class members’ social security numbers, and includes a unique employee number in lieu of names), except as Defendant may agree or as may be ordered by the Court.
8. **Allocation of the Settlement Amount.**

\$10,000.00 shall be allocated to each of the Named Plaintiffs as a service payment.

\$80,000.00 shall be allocated as the payment for the release of all Private Attorneys’ General Act claims in the *Silva* and *Horace* matters collectively, as released in Section 11, below, of which 75% of which will be paid to the California Labor Workforce Development Agency (“LWDA”), and 25% will be paid to Settlement Class members who are also putative aggrieved employees for purposes of Silva’s PAGA claim.

Up to **one-third (33.33%)** of the Settlement Amount (**\$250,000.00**), plus actual costs incurred up to the capped amount of \$17,500.00, will be attributed to Plaintiffs’ counsel’s attorneys’ fees and litigation costs (the “*Attorneys’ Fees and Cost Award*”). The Attorneys’ Fees and Cost Award approved by the Court shall include all work related to the representation of Named Plaintiffs and putative class members, and all work related to the Lawsuit, including, without limitation: (a) all work already performed, and all costs and expenses related to the investigation, prosecution and settlement of the Litigation; (b) all work to be performed and all costs and expenses to be incurred in fully and finally resolving the Litigation; and (c) all

work, costs and expenses incurred in connection with administering the settlement. Defendant will not oppose Plaintiffs' counsels' application for an Attorneys' Fees and Cost Award.

Approximately **\$20,000** shall be allocated for the fees and costs of the Settlement Administrator.

The remaining balance of the Settlement Amount shall be proportionally allocated among the participating Settlement Class members based on the actual number of workweeks worked by each participating Settlement Class member for Defendant in a qualifying position during the Class Period, as reflected in Defendant's records. Defendant and the Released Parties, individually and collectively, shall have no responsibility or liability whatsoever for the calculation of any individual settlement amounts.

9. **Taxes.** The payments to Settlement Class members will be characterized **20%** reimbursement for wages, **50%** payment of penalties and **30%** payment of interest. The payment of attorneys' fees and costs will be treated as 1099 income in accordance with applicable law. Each Settlement Class member shall be solely responsible for the reporting and payment of any federal, state and/or local tax obligations, other than the employer's share of payroll taxes. Named Plaintiffs and Settlement Class members will not seek any indemnification from Defendant or any of the Released Parties with respect thereto. It is understood and agreed that Defendant makes no representations with respect to the tax consequences of any payment associated with the settlement.
10. **Finalization of Settlement; Cooperation.** The parties agree to cooperate to the extent necessary to effectuate the settlement contemplated by this MOU. Subject to review and approval by Plaintiffs' counsel, Defendant's counsel shall draft the Settlement Agreement. Subject to review and approval by Defendant, Plaintiffs' counsel shall draft the motions for preliminary and final approval.
11. **Settlement Administrator.** The parties shall agree to the engagement of a Settlement Administrator to administer the settlement and the distribution of all payments pursuant to the settlement. The Settlement Administrator shall establish a qualified settlement fund (the "*QSF*"), which shall be an interest-bearing account established by the Settlement Administrator to hold payments received from Defendant pursuant to this settlement in escrow. The QSF shall be controlled by the Settlement Administrator for the purposes of completing the settlement, subject to the terms of the parties' agreement and the Court's orders. Interest, if any, earned on the QSF shall be applied to Defendant's share of payroll taxes owed under the settlement. The Settlement Administrator will maintain the QSF at a federally-insured bank that is mutually acceptable to the parties and will not permit any other funds to be co-mingled within the QSF.
12. **Timing of Payment.** Defendant shall fund the QSF within ninety (90) days after the Court's order preliminarily approving the settlement. The Settlement Administrator shall mail all payments required by the settlement no later than thirty (30) calendar days after the date on which the judgment becomes final, meaning the later of: (a) the date of final affirmance on an appeal of the judgment, the expiration of the time for a petition for or a denial of a writ of certiorari to review the judgment and, if certiorari is granted, the date of final affirmance of the judgment following review pursuant to that grant; (b) the date of final dismissal of any appeal from the judgment without right of further appellate recourse, or the final dismissal of any proceeding on certiorari to review the judgment; or (c) if no appeal is filed, the 65th day following entry of a judgment approving the settlement (the latest of which is the "*Effective Date*"). Uncashed settlement checks will be diverted to the California State Controller's Office pursuant to California's Unclaimed Property Law.
13. **Dismissal and Release of Claims.** Upon the Effective Date, and by operation of the Court's order approving settlement and entry of judgment: (a) a final judgment disposing of all causes of action that were or could have been alleged in the operative complaints in the Litigation shall be entered; (b) Named Plaintiffs and the Settlement Class members shall have fully, finally, and forever released, relinquished and discharged any and all Released Claims against Defendant and the Released Parties; and (c) Named

Plaintiffs and the Settlement Class members shall have been deemed to covenant not to sue or otherwise cause to be instituted, in any legal or administrative proceedings, any claim or cause of action against Defendant or the Released Parties based on any Released Claim. The “*Released Claims*” shall include, for Named Plaintiffs, any and all claims which may be released as a matter of law against Defendant and the Released Parties, and for the Settlement Class members, (a) all claims, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, whether or not concealed or hidden, asserted or that might have been asserted, by any Settlement Class member against Defendant or the Released Parties for the direct or indirect payment of wages (including but not limited to overtime compensation, straight-time wages, and minimum wages) or any other compensation or wage-related or compensation-related benefits, or reimbursement for business expenses; (b) any other claim that was raised or could have been raised in the Litigation, based on the facts and claims alleged in the Litigation; (c) any associated claims for liquidated damages, punitive damages, penalties, costs, expenses, interest, fees, taxes, equitable or injunctive relief, or other remedies, under the Fair Labor Standards Act, the California Labor Code, the California Business and Professions Code, the IWC Wage Orders and analogous state or local laws, and (d) any other claim for wages or compensation or associated benefits under any statutory or common law or equitable theories, including without limitation any claims for unjust enrichment, quantum meruit, breach of contract, breach of any benefit policy or practice, negligence, gross negligence, breach of duty of care and/or breach of duty of loyalty, fraud, breach of fiduciary duty, conversion or any claims for violations of any other state or federal statutes, rules or regulations. Without limiting the generality of the foregoing, the Released Claims shall include any and all of the participating Settlement Class members’ claims or causes of action, based on the following and which accrued during the Claims Period:

- a) All claims for unpaid wages, failure to pay minimum wage, failure to pay overtime, and any other claim for failure to pay wages under the Labor Code or Wage Order, any claim for failure to pay wages at the agreed upon rate under Labor Code §§ 204, 1194, 1194.2, 1197 and 1198;
- b) All claims for failure to provide meal period premiums or failure to provide meal periods under the Labor Code, including Labor Code §§ 226.7 and 512, or Wage Order;
- c) All claims for failure to pay rest period premiums or failure to authorize and permit rest periods under the Labor Code, including Labor Code § 226.7 or Wage Order;
- d) All claims for failure to reimburse business expenses pursuant to Labor Code § 2802;
- e) All claims for failure to pay costs of medical or physical examination pursuant to Labor Code § 222.5;
- f) All claims for failure to timely pay wages and/or waiting time penalties pursuant to Labor Code § 201 to 204;
- g) All claims for failure to issue adequate wage statements, whether for any penalty or wage, pursuant to Labor Code § 226;
- h) All claims for failure to maintain records under the Labor Code or Wage order, including under Labor Code §§ 1174 and 1174.5;
- i) All claims for penalties under the California Private Attorneys’ General Act (Labor Code § 2699, *et seq.*) based on the aforementioned alleged Labor Code violations; and

- j) All claims for unfair business practices under Business and Professions Code § 17200, *et seq.* based on the aforementioned alleged Labor Code violations.

Released Claims shall include penalties under PAGA, to the extent identified in Plaintiffs' respective Notices of Labor Code Violations and PAGA Penalties mailed to the Labor and Workforce Development Agency (the "PAGA Notice Letters"), which will be attached to the settlement agreement.

In addition, any Settlement Class Member who cashes, deposits or otherwise negotiates their Individual Settlement Payment or who claims their monies through the State Controller's Office after it has been escheated shall have consented by doing so to opt into the action for purposes of releasing all claims that could have been stated under the Fair Labor Standards Act, based on the facts alleged herein. Each check remitting an Individual Settlement Payment to a Settlement Class Member shall have printed prominently on the back the following language: "If you cash, deposit, or otherwise negotiate this check, you will be deemed to have opted in for purposes of the Fair Labor Standards Act ("FLSA") and to have, thereby, released the Released Parties of the Released Claims which arise under the FLSA."

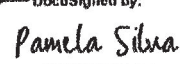
The release of the named Plaintiffs is a release of all claims which were or could have been brought against Defendant, including but not limited to, a waiver under California Civil Code section 1542. Excluded from this release by Pamela Silva are the claims alleged in the matter of *Pamela Silva v. Canon Business Process Services, Inc.*, United States District Court, Northern District Case No. 3:20-cv-09399-WHA, previously filed as San Mateo Superior Court Case No. 20-CIV-05134.

The "*Released Parties*" shall include Defendant Canon Business Process Services, Inc., and its parents, subsidiaries, affiliates and related entities; each of their respective predecessors, successors, assigns, benefit plans, and benefit plan administrators and trustees, and each of their respective past or present shareholders, directors, officers, employees, agents, attorneys, representatives or insurers, in any and all capacities.

14. **Media.** Named Plaintiffs and Plaintiffs' counsel shall not (a) publish or post the terms of the settlement to any website, or (b) issue a press release or otherwise disclose or discuss the terms of settlement with any third party or the press, including but not limited to any members of the media, and shall not otherwise intentionally disclose or cause any discussion of the settlement to be reported publicly (other than as required pursuant to the judicial approval process), such as via the media or the internet. Without limiting the generality of the foregoing, Plaintiffs' respective counsel shall not publicize this settlement, or any facts related thereto, on counsels' websites or in any advertising materials. Named Plaintiffs and Plaintiffs' respective counsel shall limit their direct communications with any third party, including media representatives (other than Settlement Class members), regarding the Litigation or the settlement to stating that "the matter was resolved" or words to that effect. Plaintiffs' Counsel shall be permitted to discuss the terms of the proposed settlement with Settlement Class Members to the full extent necessary to satisfy their fiduciary obligations as proposed Class Counsel. It shall not be a violation of this provision for Plaintiffs' respective counsel at any time to advise their clients in any fashion, or for the Named Plaintiffs to disclose the terms of the settlement with their respective spouses, accountants, and tax advisors on the condition that they agree to keep the terms and existence of the settlement confidential. Plaintiffs' counsel may disclose the settlement in any adequacy of counsel declarations/related settlement court filings, so long as the disclosure is limited to information in the public record.
15. **Defendant's Option to Nullify Settlement.** Defendant shall have the option, in its sole discretion, to rescind the settlement if (a) any person successfully objects to or appeals from (*i.e.*, files and ultimately wins any appeal) the final judgment entered following court approval of the settlement, or (b) more than 2% of putative settlement class members opt-out of the settlement. If Defendant rescinds the settlement, then Defendant will be responsible for paying all settlement administration costs incurred to the date of rescission.

16. **Termination of Settlement.** This settlement is contingent upon approval and certification by the Court, and Defendant is agreeing to stipulate to certification of a class for settlement purposes only. In the event that the settlement shall terminate by reason of Defendant's exercise of the option described in Section 13, or in the event that the settlement is not approved in its entirety by the Court, or in the event that the judgment otherwise does not become final: (a) no payments shall be due or made by or on behalf of Defendant to anyone with the exception of the settlement administrator; (b) the settlement shall be deemed null and void with no effect on the Litigation whatsoever; (c) any judgment or order entered by the Court in accordance with the terms of the settlement shall be treated as vacated, *nunc pro tunc*, including but not limited to any order of final certification of a collective action; (d) the parties shall resume the Litigation as if no settlement had been reached; (e) no party shall be deemed to have waived any claims, objections, rights or defenses, or legal arguments or positions, including, but not limited to, objections to certification of a collective action and claims and defenses on the merits, and documents generated or orders issued related to the settlement will be admissible in any future proceeding in this or any other action; and (f) the parties will revert to their positions in the lawsuit prior to the time the settlement was reached.
17. **Return of Materials.** Within five (5) days after the Effective Date, Named Plaintiffs and Plaintiffs' respective counsel shall return all originals and duplicate copies of all materials or information in the following categories that were produced or obtained from Defendant in connection with the Litigation or the settlement or confirm in writing that digital copies of any produced materials have been permanently deleted, and shall not retain any copy thereof: (1) materials or information designated as produced for mediation in the Litigation (which includes all materials produced pursuant to mediation privilege), and (2) any materials or information produced with a confidential designation which, under any protective order entered in the Litigation, requires confidential documents to be returned or destroyed. Without limiting the foregoing, Named Plaintiffs and Plaintiffs' respective counsel shall take reasonable and appropriate steps to ensure that information or documents obtained from Defendant are deleted or otherwise removed from any backup media. Subject to the foregoing, Plaintiffs' respective counsel may maintain copies of their litigation files for the Litigation, provided all information therein is treated as confidential and is subject to commercially reasonable efforts to maintain confidentiality, consistent with other confidential information maintained by Plaintiffs' counsel, and is not disclosed or used for any purpose not related to the Litigation. By way of example, under this Paragraph, Plaintiffs' respective counsel may maintain a copy of any mediation brief prepared in the Litigation that includes or contains confidential materials or information produced for mediation, but must permanently delete the underlying documents produced by Defendant solely for mediation in the Litigation.
18. **Nonassistance.** Named Plaintiffs agree that they will not voluntarily assist, aid, encourage, or cooperate with any other person or entity in threatening, commencing, instituting, maintaining, litigating, or prosecuting any claims, charges, complaints, actions, causes of action, suits, grievances, controversies, disputes, or demands of any kind, nature, description, or character whatsoever against Defendant, except as required by court order or otherwise by law.
19. **Enforceability.** The parties intend that this MOU shall be fully enforceable and binding upon all parties, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding the mediation confidentiality provisions that otherwise might apply under federal or state law.
20. **Settlement Agreement.** The parties will prepare and execute a detailed settlement agreement applicable to the above-referenced matters. If the parties have a dispute with regard to the language of the final settlement agreement, they agree to engage Steve Pearl to mediate any such dispute.

Agreed to this March 26, 2021

DocuSigned by:

4028F7208349481
Pamela Silva



For Canon Business Process Services, Inc.



H. Scott Leviant

Counsel for Plaintiff Pamela Silva

Counsel for Defendant

Jamicha Horace

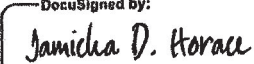
Counsel for Plaintiff Jamicha Horace

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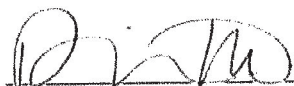
Agreed to this March 26, 2021

Pamela Silva

Counsel for Plaintiff Pamela Silva

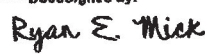
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A50BA42566FA46A
Jamicha Horace



Counsel for Plaintiff Jamicha Horace

For Canon Business Process Services, Inc.

DocuSigned by:


C3492755C0424C4
Counsel for Defendant

EXHIBIT B

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

A court authorized this notice. This is not a solicitation from a lawyer.

TO UNDERSTAND YOUR RIGHTS, PLEASE READ THIS NOTICE CAREFULLY.

A class action settlement (the “Settlement”) has been reached between the parties with respect to purported class action lawsuits styled as *Pamela Silva v. Canon Business Process Services, Inc.*, Santa Clara Superior Court Case No. 20CV367058, filed on June 11, 2020 and *Jamicha Horace v. Canon Business Process Services, Inc.*, Los Angeles Superior Court Case No. 20-STCV29057, filed on July 31, 2020 (together, the “Actions”). The lawsuits were filed by Pamela Silva and Jamicha Horace (“Plaintiffs”) against Canon Business Process Services, Inc. (“Canon Business Process Services, Inc.” or “Defendant”). The lawsuits were originally filed separately but have been consolidated for purposes of settlement only.

The Settlement provides for Individual Settlement Payments based on the weeks you actually performed work for Defendant in California as an hourly-paid, non-exempt employee for the period May 20, 2016 to [DATE] (the “Class Period”).

The “Settlement Class” includes all hourly paid, non-exempt employees who were employed by Defendant in California at any time during the Class Period.

OVERVIEW OF YOUR LEGAL RIGHTS AND OPTIONS UNDER THE SETTLEMENT	
IF YOU DO NOTHING	You will automatically receive an Individual Settlement Payment in exchange for which, whether or not you cash or deposit the payment, you will be bound by all terms of the Settlement and any Final Judgment entered in the Action if the Settlement receives final approval by the Court, and you will give up your rights to be part of any other lawsuit against Defendant and/or the Released Parties involving the same or similar legal claims as the ones in the Action for the period from <i>May 20, 2016</i> to [INSERT DATE]. You will be mailed a settlement check at the address where this Notice was mailed (unless you timely provide a forwarding address to the Settlement Administrator).
IF YOU EXCLUDE YOURSELF	The only way for you to be part of any other lawsuit against Defendant involving the same or similar legal claims as the ones in the Action for the period from <i>May 20, 2016</i> to [INSERT DATE], is to submit a valid Request for Exclusion to the Settlement Administrator postmarked no later than [45 days from date of mailing]. If you submit a Request for Exclusion, you will <u>not</u> receive an Individual Settlement Payment. However, you cannot exclude yourself from the Individual PAGA (California Private Attorney General Act of 2004) Settlement Payment, which you will receive regardless of whether you exclude yourself from the Individual Settlement Payment.
IF YOU	If you wish to object to the Settlement, you may submit a written Objection,

[Type text] **QUESTIONS? CALL xxx-xxx-xxx**

[Type text]

OBJECT	and supporting papers, to the Settlement Administrator that is postmarked or fax stamped no later than [45 days from date of mailing] or appear at the Final Approval Hearing (which may be held telephonically) on your own or through your own attorney. This option is available only if you do <u>not</u> exclude yourself.
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These rights and options, and how to exercise them, are explained in more detail in this notice.

The Court handling the Actions still has to decide whether to grant final approval of the Settlement. Settlement payments will only be issued if the Court grants final approval of the Settlement.

Additional information regarding the Settlement is available through the Settlement Administrator or Class Counsel, whose contact information is provided in this notice.

BASIC INFORMATION

1. Why did I get this notice?

On **[REDACTED]**, the Superior Court of California, County of Santa Clara (the “Court”) preliminarily approved a class action settlement of the Actions on behalf of all persons who have been, or currently are, employed by Canon Business Process Services, Inc. in California as non-exempt employees from *May 20, 2016 to [INSERT DATE]*. According to Defendant’s records, you are a member of the Settlement Class. This notice explains the Actions, the Settlement, and your legal rights.

2. What are the Actions about?

The Actions generally involve claims under California’s wage and hour laws. Plaintiffs Pamela Silva and Jamicha Horace are former non-exempt, hourly-paid employees of Defendant. Plaintiffs claim that Canon Business Process Services, Inc. failed to pay minimum and straight time wages, failed to authorize and permit meal periods, failed to authorize and permit rest breaks, failed to pay legally required break penalties, failed to pay costs of medical or physical examinations, failed to indemnify employees for necessary business expenses, failed to timely pay final wages at termination, failed to provide accurate itemized wage statements, and failed to maintain records and engaged in unfair business practices, as set forth in detail in the operative complaints in these Actions. As a result, Plaintiffs alleged that they and other similarly situated California non-exempt hourly employees are entitled to recover unpaid straight time and overtime wages, meal and rest period premiums, unpaid reimbursements, interest, and statutory and civil penalties.

Defendant denies Plaintiffs’ claims and contends that it complied with all applicable laws. Specifically, Defendant contends that it correctly compensated Plaintiffs and all other non-exempt hourly employees in California; provided Plaintiffs and all other non-exempt hourly employees in California with proper meal and rest periods or paid required premiums for missed or non-compliant breaks, if any; reimbursed Plaintiffs and all other non-exempt hourly

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[Type text]

employees in California for costs of medical or physical examinations as required by law and for all necessary business expenses; timely paid final wages at termination, and provided Plaintiffs and all other non-exempt hourly employees in California with compliant, accurate itemized wage statements. If the Action were to proceed, Defendant anticipates that it would submit, in its view, substantial evidence demonstrating that a class action should not be certified and that Defendant complied with all applicable laws, as described in the Settlement Agreement.

Defendant has entered into the Settlement solely for purposes of resolving this dispute. However, both Plaintiffs and Defendant believe that the Settlement is fair, adequate, and reasonable, and that it is in the best interest of the Settlement Class.

3. Why is this lawsuit a class action?

In a class action, one or more people called “plaintiff(s)” (in this case, Pamela Silva and Jamicha Horace) sue on behalf of people who the plaintiffs assert are similarly situated to Plaintiffs and thus have similar alleged claims. All of these people are a “class” or “class members.” The Court resolves the issues alleged in the case for all class members, except for those who exclude themselves from the class. On **[insert date]**, the Honorable Patricia M. Lucas issued an order conditionally certifying the Settlement Class for purposes of settlement only.

4. Who is in the Settlement Class?

The Settlement Class in this action includes all individuals who, like Plaintiffs, were employed in California as hourly-paid, non-exempt employees for Canon Business Process Services, Inc., during the period from from *May 20, 2016* to **[INSERT DATE]**.

5. Why is there a settlement?

After conducting an investigation, including review of Defendant’s policies, timekeeping records, payroll records and other files and documents, both sides agreed to the Settlement to avoid the cost of further litigation. The Settlement does not mean that any laws were broken. Defendant denies all of the claims asserted in the Actions and denies that it has violated any laws. Plaintiffs and their lawyers think the Settlement is in the best interests of the Settlement Class.

THE SETTLEMENT BENEFITS—WHAT YOU GET

6. What does the settlement provide?

Under the terms of the Settlement, Defendant agrees to pay a “Gross Settlement Amount” of \$750,000. Deducted from this Gross Settlement Amount will be sums approved by the Court for attorneys’ fees (not to exceed \$250,000, or 33 1/3% of the Gross Settlement Amount); attorneys’ litigation costs (not to exceed \$17,500); a Class Representative Enhancement Payment to each Plaintiff (not to exceed \$10,000 each); an \$80,000.00 settlement of claims under the California Private Attorney General Act of 2004 (“PAGA”), of which \$60,000 will be paid to the State of California Labor and Workforce Development Agency (“LWDA”) for alleged penalties, and \$20,000 will be designated as the Class Members’ portion (to be distributed to Class Members as “individual PAGA Settlement Payments”); and the fees and expenses of the Settlement

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[Type text]

Administrator, [REDACTED] (estimated not to exceed \$20,000.00), which will result in a net amount for distribution to members of the Settlement Class who do not opt out (the “Net Settlement Amount”).

Only members of the Settlement Class who do not submit a Request for Exclusion (“Participating Class Members”) will receive their share of the Net Settlement Amount (the “Individual Settlement Payment”). Each Participating Class Member’s share of the Net Settlement Amount will be decided as follows:

Each Participating Class Member shall receive a proportionate settlement share based upon the total number of workweeks he/she worked during the Class Period in California as a non-exempt employee, the numerator of which is the Participating Class Member’s total workweeks worked in a qualifying position during the Class Period (“Individual Workweeks”), and the denominator of which is the total workweeks worked by all Participating Class Members in a qualifying position during the Class Period (“Class Workweeks”). **The formula will be:**

$$\text{Individual Settlement Payment} = \frac{\text{Workweeks worked by a Participating Class Member}}{\text{Sum of all covered workweeks worked by all Participating Class Members}} \times \text{Net Settlement Amount}$$

Participating Class Members’ Individual Settlement Payments will be reduced by any required legal deductions. No benefit, including but not limited to pension benefits and/or 401(k), shall increase or accrue as a result of any payment made as a result of this Settlement.

The Parties recognize that Participating Class Members’ Individual Settlement Payments are for wages, interest, and penalties. The Parties agree that Twenty Percent (20%) of the Individual Settlement Payments shall be reported as wages subject to all applicable tax withholdings on IRS Form W-2 and its state and local equivalents, Fifty Percent (50%) will be allocated as payment of penalties and Thirty Percent (30%) allocated as payment of interest, for which an IRS Form 1099 shall be issued.

The Parties are neither providing tax nor legal advice, nor making representations regarding tax obligations or consequences, if any, related to any settlement amounts to be paid to the Participating Class Members. Each Participating Class Member will assume any tax obligations or consequences that may arise from any settlement amount paid to him or her, other than the employer’s share of payroll taxes on any amount allocated to W-2 wages (which will be paid by Defendant separately), and should consult with a tax expert if he or she has any questions. Each Participating Class Member’s pro rata distribution amount prior to legal deductions will be reduced by the amount of any required payroll-related deductions.

To the extent any Participating Class Member disputes any aspect of his or her payment, that Participating Class Member must produce supporting evidence to the Settlement Administrator. Defendant’s records will be presumed determinative.

Once the Court grants final approval of this Settlement, Plaintiffs’ Class Representative

[Type text] [REDACTED] **QUESTIONS? CALL xxx-xxx-xxx**

[Type text]

Enhancement Payments, the payment to Class Counsel for their awarded attorneys' fees, costs and expenses, and the Individual Settlement Payments to Participating Class Members will be made within 30 calendar days following the date that the Settlement becomes final (i.e., the "Effective Date"). The "Effective Date" shall mean the latest of the following dates, as applicable: (i) Final Approval of the Settlement is granted by the Court; and (ii) the Court's order approving the Settlement becomes a Final Judgment. "Final Judgment" means the latest of: (i) if there is an appeal of the Court's judgment, the date the judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari to the California Supreme Court; or, (ii) if a petition for writ of certiorari is filed, the date of denial of the petition for writ of certiorari, or the date the judgment is affirmed pursuant to such petition; or (iii) if an objection to the Settlement is filed by any Class Member, then the 65th day following entry of a judgment approving the settlement; or (iv) if no objection has been filed by any Class Member, then the date that the Court grants final approval of the Settlement.

The "Individual Settlement Payment" does not include an individual Class Member's pro rata share of the PAGA Settlement Amount to be distributed to Class Members. Each Class Member will be paid a pro-rata share of the \$20,000 amount allocated for the Individual PAGA Settlement Payments, as calculated by the Settlement Administrator. Class Members will not be permitted to exclude themselves from this portion of the Settlement. The pro-rata share will be determined by comparing the individual Class Member's workweeks worked in a qualifying position during the Class Period in California to the total workweeks worked of all the Class Members during the Class Period as follows:

Individual PAGA Settlement Payment = Pay Periods worked by a Class Member ÷ Sum of all Pay Periods worked by all Class Members × \$20,000.

Individual PAGA Settlement Payments in the appropriate amounts will be distributed by the Settlement Administrator by mail to the Class Members.

Your Workweeks and Estimated Individual Settlement Payment:

According to Defendant's records, you are estimated to have worked <<Workweeks>> Workweeks in a qualifying position during the Class Period.

Based on your number of Workweeks, your estimated Individual Settlement Payment is <<EstSettPayment>>. Your estimated Individual PAGA Settlement Payment is

<<EstPAGAPayment>>. Please note that this is only an estimate; your actual payment may be greater or smaller than the amount reported above.

Procedure for Disputing Information

If you wish to dispute the number of estimated workweeks attributed to you as listed above, you must mail a letter to the Settlement Administrator stating the reasons why you dispute your number of estimated workweeks and provide any supporting documentation that you have (e.g.,

[Type text] **QUESTIONS? CALL xxx-xxx-xxx**

[Type text]

paystubs). Your letter should also include the estimated number of weeks that you claim to have performed work for Defendant as a non-exempt employee in California during the Class Period.

Any disputes and supporting documentation must be mailed to the Settlement Administrator at the address listed below by First Class U.S. Mail, postmarked no later than **[45 days from the date of mailing]**.

[Administrator] Address] [City, State Zip]
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Defendant's records regarding the number of estimated workweeks will be presumed correct, unless you provide documentation to the Settlement Administrator that establishes otherwise. The Settlement Administrator will evaluate the evidence submitted by you and will make the final decision as to the number of estimated workweeks that should be applied and/or the Individual Settlement Payment to which you may be entitled.

7. What am I giving up in exchange for the settlement benefits?

In exchange for the consideration provided, Plaintiffs and each Participating Class Member will release Defendant, Canon Business Process Services, Inc., and any of its former and present parents, subsidiaries, affiliates, and related entities; each of their respective predecessors, successors, assigns, benefit plans, and benefit plan administrators and trustees, and each of their respective past or present shareholders, directors, officers, employees, agents, attorneys, representatives or insurers, in any and all capacities ("Released Parties"), from (a) all claims, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, whether or not concealed or hidden, asserted or that might have been asserted, by any Settlement Class Member against Defendant or the Released Parties for the direct or indirect payment of wages (including but not limited to overtime compensation, straight-time wages, and minimum wages) or any other compensation or wage-related or compensation-related benefits, or reimbursement for business expenses; (b) any other claim that was raised or could have been raised in the Actions, based on the facts and claims alleged in the Actions; (c) any associated claims for liquidated damages, punitive damages, penalties, costs, expenses, interest, fees, taxes, equitable or injunctive relief, or other remedies, under the Fair Labor Standards Act, the California Labor Code, the California Business and Professions Code, the IWC Wage Orders and analogous state or local laws, (d) any other claim for wages or compensation or associated benefits under any statutory or common law or equitable theories, including without limitation any claims for unjust enrichment, quantum meruit, breach of contract, breach of any benefit policy or practice, negligence, gross negligence, breach of duty of care and/or breach of duty of loyalty, fraud, breach of fiduciary duty, conversion or any claims for violations of any other state or federal statutes, rules or regulations; and (e) any claim for penalties arising from the foregoing released claims, including, but not limited to, penalties under the California Labor Code, as well as penalties under PAGA, as described herein. Without limiting the generality of the foregoing, the Released Claims shall include any and all of the Settlement Class Members' claims or causes of action, based on the following and which accrued during the Claims Period:

- a. All claims for unpaid wages, failure to pay minimum wage, failure to pay overtime, and any other claim for failure to pay wages under the Labor Code or Wage Order, any claim for failure to pay wages at the agreed upon rate under Labor Code 204, 1194, 1194.2, 1197 and 1198;
- b. All claims for failure to provide meal period premiums or failure to provide meal periods under the Labor Code, including Labor Code §§ 226.7 and 512, or Wage Order;
- c. All claims for failure to pay rest period premiums or failure to authorize and permit rest periods under the Labor Code, including Labor Code § 226.7 or Wage Order;
- d. All claims for failure to reimburse business expenses pursuant to Labor Code § 2802;
- e. All claims for failure to pay costs of medical or physical examination pursuant to Labor Code § 222.5;
- f. All claims for failure to timely pay wages and/or waiting time penalties pursuant to Labor Code § 201 to 204;
- g. All claims for failure to issue adequate wage statements, whether for any penalty or wage, pursuant to Labor Code § 226;
- h. All claims for failure to maintain records under the Labor Code or Wage order, including under Labor Code §§ 1174 and 1174.5;
- i. All claims for penalties under the California Private Attorneys' General Act (Labor Code §2699, et. seq.) based on the aforementioned Labor Code violations;
- j. All claims for unfair business practices under Business and Professions Code §17200 based on any claim for wages which was alleged in the Actions or which could have been alleged based on the facts alleged in the Actions.
- k. Any other claims alleged in the Actions, or which could have been alleged based on the facts alleged therein ("Released Claims").

"Released Claims" also includes penalties under PAGA – but only to the extent identified in Plaintiffs' respective Notices of Labor Code Violations and PAGA Penalties mailed on or about May 20, 2020 (Plaintiff Horace) and June 4, 2020 (Plaintiff Silva) to the Labor and Workforce Development Agency (the "PAGA Notice Letters"), which is attached as Exhibit E to the Settlement. The PAGA Notice Letters identify the alleged violations of Labor Code §§ 201, 202, 203, 204, 210, 222.5, 226, 226.3, 226.7, 256, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1197, 1197.1, 1198, 2802, 2699, the associated Wage Order provisions based upon any of the foregoing sections, the Wage Order provisions governing the maintenance of

accurate records of hours worked, and the penalty stated in Labor Code § 2699(f)(2) for any violations of the foregoing Labor Code sections where a penalty is not otherwise specified as bases for penalties under PAGA. Class Members cannot opt out of the release of the PAGA claim (or the Individual PAGA Settlement Payment).

In addition, any Settlement Class Member who cashes, deposits or otherwise negotiates their Individual Settlement Payment or who claims their monies through the State Controller's Office after it has been escheated shall have consented by doing so to opt into the action for purposes of releasing all claims that could have been stated under the Fair Labor Standards Act, based on the facts alleged in this lawsuit. Each check remitting an Individual Settlement Payment to a Settlement Class Member shall have printed prominently on the back the following language: "If you cash, deposit, or otherwise negotiate this check, you will be deemed to have opted in for purposes of the Fair Labor Standards Act ("FLSA") and to have, thereby, released the Released Parties of the Released Claims which arise under the FLSA."

HOW TO GET A SETTLEMENT PAYMENT

8. How do I get a settlement payment?

You will automatically receive an Individual Settlement Payment in exchange for which, whether or not you cash or deposit the payment, you will be bound by all terms of the Settlement and any Final Order and Judgment entered in the Action if the Settlement receives final approval by the Court, and you will give up your rights to be part of any other lawsuit against Defendant involving the same or similar legal claims as the ones in the Action arising during the Class Period. You will be mailed a settlement check at the address where this notice was mailed (unless you timely provide a forwarding address to the Settlement Administrator).

9. When will I get my check?

Thirty (30) calendar days after the Effective Date, the Settlement Administrator will issue checks for the Individual Settlement Payments to Participating Class Members (see Section 6 for an Explanation for how the Effective Date is determined.) Individual PAGA Settlement Payments will also be issued at that time.

Please also be advised that you will only have 180 days from the date that the check(s) are issued to cash them. If you do not cash your check(s) within 180 days of the date of its issuance, your Individual Settlement Payment and/or Individual PAGA Settlement Payment shall be voided, and your share shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, until such time that you claim the property.

EXCLUDING YOURSELF FROM THE SETTLEMENT

10. How do I ask the Court to exclude me from the Settlement Class?

If you do not wish to participate in the Settlement (i.e., "opt out"), you must complete and send a

[Type text] **QUESTIONS? CALL xxx-xxx-xxx**

[Type text]

timely “Request for Exclusion” form, which is included with this Notice. The Request for Exclusion must be completed, signed, dated and mailed by First Class U.S. Mail, or the equivalent, postmarked or facsimiled no later than **[45 days from date of mailing]** to:

[INSERT SETTLEMENT ADMINISTRATOR INFO]

Requests for Exclusion that do not include all required information and/or that are not timely submitted will be deemed null, void, and ineffective. Class Members who fail to submit a valid and timely Request for Exclusion on or before **[45 days from date of mailing]** shall be bound by all terms of the Settlement and any Final Judgment entered in the Action if the Settlement is approved by the Court.

11. If I exclude myself, can I get anything from the settlement?

No. If you exclude yourself now you will not get an Individual Settlement Payment from the Settlement. If you ask to be excluded, you will not get an Individual Settlement Payment and you will not be bound by the Settlement.

However, you cannot exclude yourself from the Individual PAGA Settlement Payment; in other words, you will still receive a pro-rata share of the PAGA Settlement Amount and you will be bound by the release of the PAGA claims.

12. If I don’t exclude myself, can I sue later?

No. Unless you exclude yourself, you give up the right to sue Defendant for the Released Claims arising during the Class Period. You must exclude yourself from the Settlement Class to start or continue your own lawsuit.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court has appointed the following lawyers to serve as Class Counsel for the Class Members:

Kane Moon
H. Scott Leviant
Lilit Tunyan
Moon & Yang, APC
1055 W. Seventh Street, Suite 1880
Los Angeles, CA 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125
Kane.moon@moonyanglaw.com
Scott.leviant@moonyanglaw.com
Lilit.tunyan@moonyanglaw.com

Mark A. Ozzello
Brandon K. Brouillette
CAPSTONE LAW APC
1875 Century Park East, Suite 1000
Los Angeles, CA 90067
Telephone: 1 (888) 316-5228
Email: info@CanonLawsuit.com

14. How will the costs of the lawsuit and the settlement be paid?

Subject to court approval, Defendant agrees to pay, as part of the Gross Settlement Amount, up to \$250,000 (or 33 1/3% of the Gross Settlement Amount), in attorneys' fees plus actual litigation costs and expenses (not to exceed \$17,500) to Class Counsel. The Court may award less than these amounts. If lesser amounts are awarded, the difference will be returned to the Net Settlement Amount and will be available for distribution to Participating Class Members.

In addition, and subject to Court approval, Defendant also agrees to pay, as part of the Gross Settlement Amount, up to \$10,000 to each Plaintiff as a Class Representative Enhancement Payment for their participation in the Actions and for taking on the risk of litigation. Subject to Court approval, Defendant also agrees to pay \$60,000 to the State of California Labor and Workforce Development Agency for alleged civil penalties. Defendant also agrees to pay, as part of the Gross Settlement Amount, the Settlement Administrator's costs and fees associated with administering the Settlement, estimated not to exceed \$20,000. The Court may award less than these amounts. If lesser amounts are awarded, those amounts will be included in the Net Settlement Amount and will be available for distribution to Participating Class Members.

OBJECTING TO THE SETTLEMENT

15. How do I object to the Settlement?

Any Class Member who does not submit a Request for Exclusion may object to the proposed Settlement, or any portion thereof, by completing a written objection ("Notice of Objection") or appearing at the Final Approval Hearing on their own or through their own attorney. The Notice of Objection must be signed and mailed by regular U.S. Mail postmarked or facsimiled to the Settlement Administrator no later than **[45 days from date of mailing]** at the following address:

**[INSERT SETTLEMENT
ADMINISTRATOR INFO]**

To be valid, your Notice of Objection must:

- a. Contain your name, address, telephone number, and the last four digits of your Social Security number;

[Type text] **QUESTIONS? CALL xxx-xxx-xxx**
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- b. Clearly state that you wish to be included in the Settlement and do not wish to opt out of the Settlement;
- c. State the basis for your objection;
- d. Have your signature.

You do not need to submit a Notice of Objection if you intend to state any objections or concerns you may have in person or through an attorney at the Final Approval Hearing. Please be aware that the Final Approval Hearing may be a telephonic hearing if Courts remain closed to in-person hearings on the date of the Final Approval Hearing. The Santa Clara Superior Court website has information about any Court closures related to coronavirus.

16. What's the difference between objecting and asking to be excluded?

Objecting is simply telling the Court you do not like something about the Settlement. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class.

THE COURT'S FINAL APPROVAL HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend the hearing and you may ask to speak, but you don't have to.

17. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval Hearing on **[insert time/date]** in Department 3 at the Superior Court of California for the County of Santa Clara, located at **191 North First Street San Jose, CA 95113**. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are Objections, the Court will consider them. The Court will also decide how much to pay Class Counsel. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

18. Do I have to come to the hearing?

No. Class Counsel will answer any questions the judge may have. But you are welcome to come. If you send a Notice of Objection, you don't have to come to Court to talk about it. As long as you mailed your Notice of Objection on time, the Court will consider it. You may also pay another lawyer to attend, but it is not required. Class Counsel will not represent you in connection with any Notice of Objection.

Because of healthcare guidance and Orders of the Santa Clara Superior Court related to COVID-19, the Final Approval Hearing may be a telephonic hearing only. If you wish to attend the Final Approval Hearing telephonically, visit

https://www.scscourt.org/court_divisions/civil/civil_telephonic.shtml for instructions on how to do so. If the Court is permitting in-person attendance at hearings at the time of the Final Approval Hearing, you will need to comply with all Court procedures in effect at the time, which may include mask requirements and social distancing requirements. Please visit <https://www.scscourt.org/index.shtml> for information about current Court access rules.

[Type text] **QUESTIONS? CALL xxx-xxx-xxx**

[Type text]

19. May I speak at the hearing?

If a Class Member wishes to appear at the Final Approval Hearing and orally present his or her objection to the Court they may do so regardless of whether or not they submitted a Notice of Objection.

IF YOU DO NOTHING

20. What happens if I do nothing at all?

If you do nothing, and the Court finally approves the settlement, you will automatically receive an Individual Settlement Payment as described above and you will be bound by the release described in this Notice.

IMPORTANT: Even if you choose to do nothing and participate in the Settlement, you **MUST** keep your address updated with the Settlement Administrator so that you receive your Individual Settlement Payment if the Court approves the Settlement.

GETTING MORE INFORMATION

21. How do I get more information?

This notice summarizes the Settlement. More details are in the Settlement. You may contact Class Counsel or the Settlement Administrator for more information.

You may also view documents filed in this case, including the complete Settlement Agreement, on the Court's website at: <https://portal.scscourt.org/search> **NOTE:** If you choose to access documents online, the Court will charge you a fee for access. Class Counsel can provide you with copies of the settlement documents at no charge.

The Settlement and all other records relating to the lawsuit are available for inspection and/or copying of the Civil Records Office of the Santa Clara Superior Court, located at 191 North First Street San Jose, CA 95113, between the hours of 8:30 a.m. and 1:30 p.m., Monday through Thursday, excluding Court holidays. Because of the Santa Clara Superior Court's COVID-19 pandemic procedures, in order to view documents filed in the lawsuit, Class Members may be required to make an appointment with the Court to view documents. You may also request a copy of the Settlement Agreement from Class Counsel, at the address listed above.

[SETTLEMENT ADMINISTRATOR]
[INSERT INFO]

EXHIBIT C

This **SETTLEMENT AND GENERAL RELEASE AGREEMENT** (“Agreement”) is made and entered into by and between Pamela Silva (“Silva”) and Canon Business Process Services, Inc. (“CBPS”). CBPS and Silva shall hereinafter be collectively referred to as the “Parties.”

RECITALS

A. Silva was employed by CBPS for a period of time in California in an hourly paid, non-exempt position.

B. On or about June 11, 2020, Silva filed in the Superior Court of the State of California for the County of Santa Clara a Complaint against CBPS entitled *Pamela Silva v. Canon Business Process Services, Inc.*, Case No. 20CV367058, alleging the following claims: (1) failure to Pay Minimum and Regular Rate Wages [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197]; (2) failure to Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and 1198]; (3) failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512]; (4) failure to Authorize and Permit Rest Breaks [Cal. Lab. Code §§ 226.7]; (5) failure to Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201-203]; (6) failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; and (7) unfair Business Practices [Cal. Bus. & Prof. Code §§ 17200, et seq.]. Silva’s First Amended Complaint brought the above claims and one additional cause of action for Civil Penalties Under PAGA [Cal. Lab. Code §2699, et seq.]. Together, all versions of Silva’s Complaints shall be referred to as the “Complaint.”

C. On February 23, 2021, the Parties attended a mediation with Steve Pearl and reached a resolution of Silva’s Complaint and memorialized that resolution in a Memorandum of Understanding. Thereafter, the Parties to the action set forth the settlement terms in the Class Action Settlement Agreement and Release (“Settlement”). All capitalized terms not otherwise defined herein shall be defined as they are in the Settlement.

D. Pursuant to the Settlement, Silva is entitled to a Class Representative Enhancement Payment, in addition to her Individual Settlement Payment, in exchange for her release of all claims against CBPS, except as expressly stated herein.

E. Silva represents that she has discussed all aspects of her claims and this Agreement with Silva’s counsel, has been fully advised by Silva’s counsel as to her rights, understands that she is waiving legal rights by signing this Agreement, and enters into this Agreement voluntarily, with a full understanding of and agreement with all of its terms.

AGREEMENT

NOW, THEREFORE, for and in consideration of the execution of this Agreement and the mutual covenants and promises contained in the following paragraphs, the Parties agree as follows:

1. Effective Date of this Agreement. This Agreement shall be become effective as

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of the Effective Date of the Settlement.

2. Class Representative Enhancement Payment. Provided the Court enters Final Approval of the Settlement, Silva will be entitled to a one-time payment of Ten Thousand Dollars (\$10,000) as a Class Representative Enhancement Payment, upon approval by the Court, in addition to her Individual Settlement Payment, pursuant to the timeline outlined in the Settlement. An IRS Form 1099 shall be issued for Silva's Class Representative Enhancement Payment, and no withholdings shall be made from that payment.

3. Release by Silva. Silva intends to settle any and all claims that she has or may have against CBPS, except as expressly stated herein. Therefore, Silva, on behalf of herself, her spouse, partner, successors, heirs, assigns, and insurers, hereby forever relieves, releases, and discharges CBPS and any Released Parties from any and all claims, damages, actions, and causes of action, of whatever kind or nature, including but not limited to any statutory, civil, administrative, or common law claims, whether known or unknown, suspected or unsuspected, fixed or contingent, apparent or concealed, arising out of any act or omission occurring before the Effective Date of the Settlement, including but not limited to any claims which were or could have been alleged in the Complaint; any associated claims for liquidated damages, punitive damages, penalties, costs, expenses, interest, fees, taxes, equitable or injunctive relief, or other remedies, under the Fair Labor Standards Act, the California Labor Code, the California Business and Professions Code, the IWC Wage Orders and analogous state or local laws; any other claim for wages or compensation or associated benefits under any statutory or common law or equitable theories, including without limitation any claims for unjust enrichment, quantum meruit, breach of contract, breach of any benefit policy or practice, negligence, gross negligence, breach of duty of care and/or breach of duty of loyalty, fraud, breach of fiduciary duty, conversion or any claims for violations of any other state or federal statutes, rules or regulations; any claims based on, arising out of, or related to Silva's employment with CBPS; any claims for physical or emotional injuries; claims for violation of federal, state or local laws that prohibit harassment, discrimination, or retaliation on the basis of race, national origin, religion, gender, age, marital status, bankruptcy status, disability, perceived disability, ancestry, sexual orientation, family and medical leave, or any other form of harassment, discrimination, or retaliation or related causes of action; statutory or common law claims of any kind, including but not limited to those arising under: Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 1981, the Americans with Disabilities Act, the Age Discrimination in Employment Act (ADEA) as amended by the Older Workers Benefit Protection Act of 1990, Sections 503 and 504 of the Rehabilitation Act of 1973, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Sarbanes Oxley Act of 2002, the Employee Retirement Income Act of 1971 (ERISA), all provisions of the New York Labor Code, the New York Human Rights Act, the New York City Administrative Code, the California Family Rights Act (Cal. Govt. Code § 12945.2 et seq.), the California Fair Employment and Housing Act (Cal. Govt. Code § 12900 et. seq.), Unruh Civil Rights Act, Cal. Civ. Code §§ 51–52; the California Family Rights Act (Cal. Govt. Code § 12945.2 et seq.), the California Fair Employment and Housing Act (Cal. Govt. Code § 12900 et. seq.), Unruh Civil Rights Act, Cal. Civ. Code §§ 51–52; the California Unfair Competition Law (Cal. Bus. & Prof. Code § 17200 *et seq.*); any claim for penalties arising from the foregoing released claims, including, but not limited to, penalties under the California Labor Code and penalties under the California Private Attorney

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General Act of 2004; and/or other claims under federal, state, or local law of whatever nature arising out of or in connection with Plaintiff's employment with CBPS or her separation from such employment.

Excluded from this Release by Plaintiff Pamela Silva are the claims alleged in the matter of *Pamela Silva v. Canon Business Process Services, Inc.*, United States District Court, Northern District Case No. 3:20-cv-09399-WHA, previously filed as San Mateo Superior Court Case No. 20-CIV-05134. It is also understood and agreed that that this Release does not limit Plaintiff from filing and seeking damages for any Worker's Compensation claims and/or unemployment insurance claims that are pending, or may be filed in the future. However, Plaintiff has not filed a workers' compensation claim.

4. Section 1542 of the California Civil Code. Silva expressly waives any and all rights and benefits conferred upon her by Section 1542 of the California Civil Code, which states 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

Accordingly, notwithstanding the provisions of section 1542, and for the purpose of implementing a full and complete release and discharge of all of her Released Claims, Plaintiff expressly acknowledges that this Settlement is intended to include in its effect, without limitation, all Released Claims, or any other claims described in Section 3 of this Agreement, which Plaintiff does not know or suspect to exist in her favor at the time of execution hereof, and that the Settlement contemplates the extinguishment of all such Released Claims. Silva knowingly, voluntarily and expressly waives any rights and benefits arising under Section 1542 of the California Civil Code and any other statute or principle of similar effect.

Nothing contained in this Agreement waives any claim that may arise after the date of its execution.

5. ADEA Release. Silva specifically agrees and acknowledges:

(a) That her waiver of rights under this Agreement includes a release of all claims relating to her age and is knowing and voluntary as required under the Age Discrimination in Employment Act, 29 U.S.C. § 621 et seq. ("ADEA") and the Older Workers Benefit Protection Act ("OWBPA");

(b) That she understands the terms of this Agreement;

(c) That she been advised to consult with an attorney prior to executing this Agreement, and is in fact represented by an attorney in connection with this Agreement;

PS INITIALS

(d) That her waiver under this Agreement is in exchange for consideration which she is not otherwise entitled to;

(e) That CBPS has given her a period of up to twenty-one (21) days within which to consider this Agreement;

(f) That, following her execution of this Agreement, she has seven (7) days in which to revoke her ADEA waiver by notifying Defense Counsel, as identified in the Class Action Settlement Agreement and Release, and that, if she chooses not to so revoke, the Agreement shall then become effective and enforceable and the payment listed above shall then be made to her in accordance with the terms of this Agreement;

(g) This Agreement does not release ADEA and OWPA claims occurring after the date of signing.

6. Nonassistance. Silva agrees that she will not voluntarily assist, aid, encourage, or cooperate with any other person or entity in threatening, commencing, instituting, maintaining, litigating, or prosecuting any claims, charges, complaints, actions, causes of action, suits, grievances, controversies, disputes, or demands of any kind, nature, description, or character whatsoever against Defendant, except as required by court order or otherwise by law. Silva further understands that nothing contained in this Agreement, including but not limited to this Paragraph, will be interpreted to prevent Silva from filing a charge or pursuing such a charge with the Equal Employment Opportunity Commission (“EEOC”) or any other governmental agency, or from participating in or cooperating with an EEOC or other governmental agency investigation or proceeding. However, Silva agrees she is waiving the right to monetary damages or other individual legal or equitable relief awarded as a result of any such filing or any action filed relating to such charge, her entitlement (if any) to which she is expressly releasing and waiving pursuant to this Agreement and for the consideration set forth herein.

7. Non-Disparagement and Media Restrictions. Silva shall not at any time without limitation, publish or communicate any “Disparaging” (as defined below) remarks, comments or statements about any of the Releasees, nor make any negative comments about the Releasees’ products or services. “Disparaging” remarks, comments or statements are those that impugn the character, honesty, integrity, morality, or business acumen or abilities in connection with any aspect of the operation of the business of, or reflect negatively upon, the individual or entity being disparaged. Additionally, Silva shall not (a) publish or post the terms of the Settlement, or (b) issue a press release or otherwise disclose or discuss the terms of Settlement with any third party or the media, including but not limited to any members of the media, and shall not otherwise intentionally disclose or cause any discussion of the Settlement to be reported publicly (other than as required pursuant to the judicial approval process), such as via the media or the internet. Silva shall limit her direct communications with any third party, including media representatives regarding the Complaint or the settlement of her Complaint to stating that “the matter was resolved” or words to that effect. Silva may disclose the terms of the settlement with Class Members, her spouse, accountants, and tax advisors. Silva further understands that certain whistleblower laws may permit her to communicate directly with governmental or regulatory authorities, including the United States Securities and Exchange Commission, about possible

PS INITIALS

securities laws violations, and that CBPS will not consider such communications to violate this or any other agreement between Employee and CBPS. Employee further understands that under the U.S. Defend Trade Secrets Act of 2016, Employee will not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of a trade secret that is made in confidence to government officials, either directly or indirectly, or to an attorney, in each case solely for the purpose of reporting or investigating a suspected violation of law, or in a complaint or other document filed in a lawsuit or other proceeding, provided such filing is made under seal.

8. Severability. Silva agrees that if any provision of the release given by her under this Agreement is found to be unenforceable or illegal, it will not affect the enforceability of the remaining provisions and the courts may enforce all remaining provisions to the extent permitted by law.

9. Modification. The Parties agree that no waiver, amendment, or modification of any of the terms of this Agreement shall be effective unless in writing and signed by all Parties affected by the waiver, amendment, or modification. No waiver of any term, condition, or default of any term of this Agreement shall be construed as a waiver of any other term, condition, or default.

10. Choice of Law. The Parties agree that this Agreement shall be construed under California law.

11. Successors and Assigns. It is expressly understood and agreed by the Parties that this Agreement and all of its terms shall be binding upon each Parties' representatives, heirs, executors, administrators, successors, and assigns.

12. Drafting. The Parties agree that this Agreement has been mutually drafted by the Parties, and therefore shall be construed without regard to the drafter of the same and shall be construed as though each party to this Agreement participated equally in the preparation and drafting of this Agreement.

13. Attorneys' fees and costs

Except as otherwise provided by the Class Action Settlement Agreement and Release, the Parties agree that each party shall bear their own attorneys' fees and costs. Should any party fail to comply with obligation under this Agreement, in whole or in part, in any action or proceeding brought to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

14. Representations by Plaintiff. Plaintiff represents and warrants that:

(a) she has been represented by able and competent counsel H. Scott Leviant, Esq. of Moon & Yang, APC in connection with (i) the Complaint, (ii) the negotiation of the settlement of the Complaint and (iii) entering into this Agreement;

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(b) neither CBPS nor any of the Releasees or their respective attorneys have made any representation, warranty or agreement other than as may be set forth explicitly in this Agreement and/or the Settlement, and she is not and has not relied upon any statements, representations, warranties or agreements except as may be explicitly set forth in this Agreement and/or the Settlement;

(c) Plaintiff has read this Agreement carefully and completely, has discussed this Agreement and its meaning and effect fully with her counsel, has had a full opportunity to consider this Agreement, has had any questions concerning this Agreement or Plaintiff's release of claims answered, and enters into this Agreement freely, voluntarily and with full understanding of its meaning, implications and effects; and

(d) Plaintiff understands the meaning and effect of the terms of this Agreement, including the release of all claims set forth herein.

15. Headings. The headings in each Paragraph herein are for convenience of reference only and shall be of no legal effect in the interpretation of the terms hereof.

16. Signatures. A facsimile or e-mailed signature shall have the same force and effect as an original, provided that original signatures are subsequently provided to CBPS.

17. Authority to Enter Into Agreement. Each Party represents and warrants that, as of the date of the execution of this Agreement, she, he, or it has the right and authority to execute this Agreement.

[SIGNATURE PAGE FOLLOWS]

PLEASE READ CAREFULLY. THIS AGREEMENT CONTAINS A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS. SILVA AGREES TO THE TERMS OF THIS AGREEMENT AND VOLUNTARILY AND KNOWINGLY ENTERS INTO IT WITH THE INTENT TO BE BOUND THEREBY. SILVA AGREES THAT SHE HAS READ AND UNDERSTANDS THE AGREEMENT AND UNDERSTANDS THAT SHE IS GIVING UP IMPORTANT RIGHTS. SILVA ACKNOWLEDGES THAT SHE HAS OBTAINED SUFFICIENT INFORMATION TO INTELLIGENTLY EXERCISE HER OWN JUDGMENT AND HAS BEEN ADVISED THAT SHE SHOULD CONSULT WITH, AND HAS CONSULTED WITH, AN ATTORNEY BEFORE SIGNING THIS AGREEMENT.

Dated: 6/23/2021

DocuSigned by:
Pamela Silva
4026F7208349461...
Pamela Silva

Dated: July 9, 2021

DocuSigned by:
Michael Scordino
54B22804B57D4B1...
Canon Business Process Services, Inc.

By: Michael Scordino

Its: Chief Legal officer

APPROVED AS TO FORM AND CONTENT:

Dated: June 24, 2021

MOON & YANG, APC
H. S. Leviant
By: H. Scott Leviant

Dated: July 2, 2021

DORSEY & WHITNEY LLP
DocuSigned by:
Ryan E. Mick
C3492755CD424C4...
By: Ryan Mick

PS INITIALS

This **SETTLEMENT AND GENERAL RELEASE AGREEMENT** (“Agreement”) is made and entered into by and between Jamicha Horace (“Horace”) and Canon Business Process Services, Inc. (“CBPS”). CBPS and Horace shall hereinafter be collectively referred to as the “Parties.”

RECITALS

A. Horace was employed by CBPS for a period of time in California in an hourly paid, non-exempt position.

B. On or about July 31, 2020, Horace filed in the Superior Court of the State of California for the County of Los Angeles, a Complaint against CBPS entitled *Jamicha Horace v. Canon Business Process Services, Inc. et al*, Case No. 20STCV29057, alleging the following claim: Civil Penalties for Violations of California Labor Code, Pursuant to PAGA, §§ 2699, *et seq.* This matter will be transferred to Santa Clara Superior Court and consolidated with the related matter of *Pamela Silva v. Canon Business Process Services, Inc.*, Case No. 20CV367058 pursuant to stipulation of the Parties. Together, all versions of Horace’s Complaints, including the consolidated Complaints shall be referred to as the “Complaint.”

C. On February 23, 2021, the Parties attended a mediation with Steve Pearl and reached a resolution of Horace’s Complaint and memorialized that resolution in a Memorandum of Understanding. Thereafter, the Parties to the action set forth the settlement terms in the Class Action Settlement Agreement and Release (“Settlement”). All capitalized terms not otherwise defined herein shall be defined as they are in the Settlement.

D. Pursuant to the Settlement, Horace is entitled to a Class Representative Enhancement Payment, in addition to her Individual Settlement Payment, in exchange for her release of all claims against CBPS, except as expressly stated herein.

E. Horace represents that she has discussed all aspects of her claims and this Agreement with Horace’s counsel, has been fully advised by Horace’s counsel as to her rights, understands that she is waiving legal rights by signing this Agreement, and enters into this Agreement voluntarily, with a full understanding of and agreement with all of its terms.

AGREEMENT

NOW, THEREFORE, for and in consideration of the execution of this Agreement and the mutual covenants and promises contained in the following paragraphs, the Parties agree as follows:

1. Effective Date of this Agreement. This Agreement shall be become effective as of the Effective Date of the Settlement.

2. Class Representative Enhancement Payment. Provided the Court enters Final Approval of the Settlement, Horace will be entitled to a one-time payment of Ten Thousand

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Dollars (\$10,000) as a Class Representative Enhancement Payment, upon approval by the Court, in addition to her Individual Settlement Payment, pursuant to the timeline outlined in the Settlement. An IRS Form 1099 shall be issued for Horace's Class Representative Enhancement Payment, and no withholdings shall be made from that payment.

3. Release by Horace. Horace intends to settle any and all claims that she has or may have against CBPS, except as expressly stated herein. Therefore, Horace, on behalf of herself, her spouse, partner, successors, heirs, assigns, and insurers, hereby forever relieves, releases, and discharges CBPS and any Released Parties from any and all claims, damages, actions, and causes of action, of whatever kind or nature, including but not limited to any statutory, civil, administrative, or common law claims, whether known or unknown, suspected or unsuspected, fixed or contingent, apparent or concealed, arising out of any act or omission occurring before the Effective Date of the Settlement, including but not limited to any claims which were or could have been alleged in the Complaint; any associated claims for liquidated damages, punitive damages, penalties, costs, expenses, interest, fees, taxes, equitable or injunctive relief, or other remedies, under the Fair Labor Standards Act, the California Labor Code, the California Business and Professions Code, the IWC Wage Orders and analogous state or local laws; any other claim for wages or compensation or associated benefits under any statutory or common law or equitable theories, including without limitation any claims for unjust enrichment, quantum meruit, breach of contract, breach of any benefit policy or practice, negligence, gross negligence, breach of duty of care and/or breach of duty of loyalty, fraud, breach of fiduciary duty, conversion or any claims for violations of any other state or federal statutes, rules or regulations; any claims based on, arising out of, or related to Horace's employment with CBPS; any claims for physical or emotional injuries; claims for violation of federal, state or local laws that prohibit harassment, discrimination, or retaliation on the basis of race, national origin, religion, gender, age, marital status, bankruptcy status, disability, perceived disability, ancestry, sexual orientation, family and medical leave, or any other form of harassment, discrimination, or retaliation or related causes of action; statutory or common law claims of any kind, including but not limited to those arising under: Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 1981, the Americans with Disabilities Act, the Age Discrimination in Employment Act (ADEA) as amended by the Older Workers Benefit Protection Act of 1990, Sections 503 and 504 of the Rehabilitation Act of 1973, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Sarbanes Oxley Act of 2002, the Employee Retirement Income Act of 1971 (ERISA), all provisions of the New York Labor Code, the New York Human Rights Act, the New York City Administrative Code, the California Family Rights Act (Cal. Govt. Code § 12945.2 *et seq.*), the California Fair Employment and Housing Act (Cal. Govt. Code § 12900 *et seq.*), Unruh Civil Rights Act, Cal. Civ. Code §§ 51–52; the California Family Rights Act (Cal. Govt. Code § 12945.2 *et seq.*), the California Fair Employment and Housing Act (Cal. Govt. Code § 12900 *et seq.*), Unruh Civil Rights Act, Cal. Civ. Code §§ 51–52; the California Unfair Competition Law (Cal. Bus. & Prof. Code § 17200 *et seq.*); any claim for penalties arising from the foregoing released claims, including, but not limited to, penalties under the California Labor Code and penalties under the California Private Attorney General Act of 2004; and/or other claims under federal, state, or local law of whatever nature arising out of or in connection with Plaintiff's employment with CBPS or her separation from such employment.

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4. Section 1542 of the California Civil Code. Horace expressly waives any and all rights and benefits conferred upon her by Section 1542 of the California Civil Code, which states 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

Accordingly, notwithstanding the provisions of section 1542, and for the purpose of implementing a full and complete release and discharge of all of her Released Claims, Plaintiff expressly acknowledges that this Settlement is intended to include in its effect, without limitation, all Released Claims, or any other claims described in Section 3 of this Agreement, which Plaintiff does not know or suspect to exist in her favor at the time of execution hereof, and that the Settlement contemplates the extinguishment of all such Released Claims. Horace knowingly, voluntarily and expressly waives any rights and benefits arising under Section 1542 of the California Civil Code and any other statute or principle of similar effect.

Plaintiff acknowledges that she has received any and all leave (paid or unpaid) to which Plaintiff may have been entitled during her employment.

It is understood and agreed that that this Release does not limit Plaintiff from filing and seeking damages for any Worker's Compensation claims and/or unemployment insurance claims that are pending, or may be filed in the future. However, Plaintiff has not filed a workers' compensation claim.

Nothing contained in this Agreement waives any claim that may arise after the date of its execution.

5. ADEA Release. Horace specifically agrees and acknowledges:

(a) That her waiver of rights under this Agreement includes a release of all claims relating to her age and is knowing and voluntary as required under the Age Discrimination in Employment Act, 29 U.S.C. § 621 et seq. ("ADEA") and the Older Workers Benefit Protection Act ("OWBPA");

(b) That she understands the terms of this Agreement;

(c) That she been advised to consult with an attorney prior to executing this Agreement, and is in fact represented by an attorney in connection with this Agreement;

(d) That her waiver under this Agreement is in exchange for consideration which she is not otherwise entitled to;

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(e) That CBPS has given her a period of up to twenty-one (21) days within which to consider this Agreement;

(f) That, following her execution of this Agreement, she has seven (7) days in which to revoke her ADEA waiver by notifying Defense Counsel, as identified in the Class Action Settlement Agreement and Release, and that, if she chooses not to so revoke, the Agreement shall then become effective and enforceable and the payment listed above shall then be made to her in accordance with the terms of this Agreement;

(g) This Agreement does not release ADEA and OWPA claims occurring after the date of signing.

6. Nonassistance. Horace agrees that she will not voluntarily assist, aid, encourage, or cooperate with any other person or entity in threatening, commencing, instituting, maintaining, litigating, or prosecuting any claims, charges, complaints, actions, causes of action, suits, grievances, controversies, disputes, or demands of any kind, nature, description, or character whatsoever against Defendant, except as required by court order or otherwise by law. Horace further understands that nothing contained in this Agreement, including but not limited to this Paragraph, will be interpreted to prevent Horace from filing a charge or pursuing such a charge with the Equal Employment Opportunity Commission (“EEOC”) or any other governmental agency, or from participating in or cooperating with an EEOC or other governmental agency investigation or proceeding. However, Horace agrees she is waiving the right to monetary damages or other individual legal or equitable relief awarded as a result of any such filing or any action filed relating to such charge, her entitlement (if any) to which she is expressly releasing and waiving pursuant to this Agreement and for the consideration set forth herein.

7. Non-Disparagement and Media Restrictions. Horace shall not at any time without limitation, publish or communicate any “Disparaging” (as defined below) remarks, comments or statements about any of the Releasees, nor make any negative comments about the Releasees’ products or services. “Disparaging” remarks, comments or statements are those that impugn the character, honesty, integrity, morality, or business acumen or abilities in connection with any aspect of the operation of the business of, or reflect negatively upon, the individual or entity being disparaged. Additionally, Horace shall not (a) publish or post the terms of the Settlement, or (b) issue a press release or otherwise disclose or discuss the terms of Settlement with any third party or the press, including but not limited to any members of the media, and shall not otherwise intentionally disclose or cause any discussion of the Settlement to be reported publicly (other than as required pursuant to the judicial approval process), such as via the media or the internet. Horace shall limit her direct communications with any third party, including media representatives regarding the Complaint or the settlement of her Complaint to stating that “the matter was resolved” or words to that effect. Horace may disclose the terms of the settlement with Class Members, her spouse, accountants, and tax advisors. Horace further understands that certain whistleblower laws may permit her to communicate directly with governmental or regulatory authorities, including the United States Securities and Exchange Commission, about possible securities laws violations, and that CBPS will not consider such communications to violate this or any other agreement between Employee and CBPS. Employee further understands that under the U.S. Defend Trade Secrets Act of 2016, Employee will not be held criminally or

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civilly liable under any U.S. federal or state trade secret law for the disclosure of a trade secret that is made in confidence to government officials, either directly or indirectly, or to an attorney, in each case solely for the purpose of reporting or investigating a suspected violation of law, or in a complaint or other document filed in a lawsuit or other proceeding, provided such filing is made under seal.

8. Severability. Horace agrees that if any provision of the release given by her under this Agreement is found to be unenforceable or illegal, it will not affect the enforceability of the remaining provisions and the courts may enforce all remaining provisions to the extent permitted by law.

9. Modification. The Parties agree that no waiver, amendment, or modification of any of the terms of this Agreement shall be effective unless in writing and signed by all Parties affected by the waiver, amendment, or modification. No waiver of any term, condition, or default of any term of this Agreement shall be construed as a waiver of any other term, condition, or default.

10. Choice of Law. The Parties agree that this Agreement shall be construed under California law.

11. Successors and Assigns. It is expressly understood and agreed by the Parties that this Agreement and all of its terms shall be binding upon each Parties' representatives, heirs, executors, administrators, successors, and assigns.

12. Drafting. The Parties agree that this Agreement has been mutually drafted by the Parties, and therefore shall be construed without regard to the drafter of the same and shall be construed as though each party to this Agreement participated equally in the preparation and drafting of this Agreement.

13. Attorneys' fees and costs

Except as otherwise provided by the Class Action Settlement Agreement and Release, the Parties agree that each party shall bear their own attorneys' fees and costs. Should any party fail to comply with obligation under this Agreement, in whole or in part, in any action or proceeding brought to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

14. Representations by Plaintiff. Plaintiff represents and warrants that:

(a) he has been represented by able and competent counsel Mark A. Ozzello, Esq. of Capstone Law, APC in connection with (i) the Complaint, (ii) the negotiation of the settlement of the Complaint and (iii) entering into this Agreement;

(b) neither CBPS nor any of the Releasees or their respective attorneys have made any representation, warranty or agreement other than as may be set forth explicitly in this Agreement and/or the Settlement, and she is not and has not relied upon any statements,

JH INITIALS

representations, warranties or agreements except as may be explicitly set forth in this Agreement and/or the Settlement;

(c) Plaintiff has read this Agreement carefully and completely, has discussed this Agreement and its meaning and effect fully with her counsel, has had a full opportunity to consider this Agreement, has had any questions concerning this Agreement or Plaintiff's release of claims answered, and enters into this Agreement freely, voluntarily and with full understanding of its meaning, implications and effects; and

(d) Plaintiff understands the meaning and effect of the terms of this Agreement, including the release of all claims set forth herein.

15. Headings. The headings in each Paragraph herein are for convenience of reference only and shall be of no legal effect in the interpretation of the terms hereof.

16. Signatures. A facsimile or e-mailed signature shall have the same force and effect as an original, provided that original signatures are subsequently provided to CBPS.

17. Authority to Enter Into Agreement. Each Party represents and warrants that, as of the date of the execution of this Agreement, she, he, or it has the right and authority to execute this Agreement.

[SIGNATURE PAGE FOLLOWS]

PLEASE READ CAREFULLY. THIS AGREEMENT CONTAINS A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS. HORACE AGREES TO THE TERMS OF THIS AGREEMENT AND VOLUNTARILY AND KNOWINGLY ENTERS INTO IT WITH THE INTENT TO BE BOUND THEREBY. HORACE AGREES THAT SHE HAS READ AND UNDERSTANDS THE AGREEMENT AND UNDERSTANDS THAT SHE IS GIVING UP IMPORTANT RIGHTS. HORACE ACKNOWLEDGES THAT SHE HAS OBTAINED SUFFICIENT INFORMATION TO INTELLIGENTLY EXERCISE HER OWN JUDGMENT AND HAS BEEN ADVISED THAT SHE SHOULD CONSULT WITH, AND HAS CONSULTED WITH, AN ATTORNEY BEFORE SIGNING THIS AGREEMENT.

Dated: 6/30/2021

DocuSigned by:
Jamicha D. Horace
A50BA42566FA48A...

Jamicha Horace

Dated: July 9, 2021

DocuSigned by:
Michael Scordino
54B22804B57D4B1...

Canon Business Process Services, Inc.

By: Michael Scordino

Its: Chief Legal officer

APPROVED AS TO FORM AND CONTENT:

Dated: July 1, 2021

CAPSTONE LAW APC

By: Mark Ozzello

Dated: July 2, 2021

DORSEY & WHITNEY LLP

DocuSigned by:
Ryan E. Mick
C3492755ED424C4...

By: Ryan Mick

DS
JDA

JH INITIALS

EXHIBIT D

REQUEST FOR EXCLUSION FORM

**Superior Court of California for the County of Santa Clara
Pamela Silva v. Canon Business Process Services, Inc., Case No. 20CV367058**

If you want to receive an Individual Settlement Award, you should not fill out this form; you are not required to do anything at this time. This form is to be used only if you want to exclude yourself from the Settlement.

If you exclude yourself from the Settlement: (1) you will not receive any payments or benefits under the Settlement; (2) you will not be able to object to the Settlement; (3) you will not be bound by the class settlement if it is ultimately approved by the Court; and (4) you may pursue any claims which are asserted in the Action, or included in the Released Claims, that you have against Canon Business Process Services, Inc. ("Defendant") by filing your own lawsuit.

To be excluded from the Settlement, complete this Request for Exclusion Form and mail it to the Settlement Administrator at the address listed below, postmarked no later than **Response Deadline--45 days following the date of mailing.**

**[INSERT NAME OF SETTLEMENT
ADMINISTRATOR]
[INSERT INFO]**

Request for Exclusion

I hereby certify that I am or was employed by Defendant as a non-exempt, hourly employee in California for some period of time between *May 20, 2016* and **[]**.

I have received the Notice of Class Action Settlement ("Notice") in the Action, and I request to be excluded from the Settlement. I understand that by submitting this Request for Exclusion Form, I will not be bound by the class settlement, including the release of Released Claims, as described in the Notice and in the Settlement Agreement on file with the Court, and I will not receive a payment from the class settlement. I understand that I cannot exclude myself from the Individual PAGA Settlement Payment and that I will still receive a pro-rata share of the PAGA Settlement Amount and will be bound by the release of the PAGA claims regardless of whether I exclude myself from the Individual Settlement Payment.

Please print legibly:

Full Name: _____

Street Address: _____

City, State, Zip Code: _____

Last four digits of your SSN: _____

Signature of Class Member (or Legal Representative): _____

Date: _____

EXHIBIT E



1875 Century Park East, Suite 1000
Los Angeles, California 90067
310.556.4811 Main | 310.943.0396 Fax

JULIAN QUATTLEBAUM
310.712.8154 Direct
Julian.Quattlebaum@capstonelawyers.com

May 20, 2020

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency
ATTN: PAGA Administrator
(<https://dir.tfaforms.net/266>)

Subject: *Jamicha Horace v. Canon Business Process Services, Inc., et al.*

Dear PAGA Administrator:

This office represents Jamicha Horace in connection with her claims under the California Labor Code. Ms. Horace was an employee of CANON BUSINESS PROCESS SERVICES, INC. and/or CANON SOLUTIONS AMERICA, INC. For the purpose of this letter, Ms. Horace collectively refers to these entities as "CANON."

The employers may be contacted directly at the addresses below:

CANON BUSINESS PROCESS SERVICES, INC.
261 MADISON AVENUE, 3RD FLOOR
NEW YORK NY 10016

CANON SOLUTIONS AMERICA, INC.
ONE CANON PARK
MELVILLE NY 11747

CANON U.S.A., INC.
ONE CANON PARK
MELVILLE NY 11747

Ms. Horace intends to seek civil penalties, attorney's fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Ms. Horace seeks relief on behalf of herself, the State of California, and other persons who are or were employed by CANON in California as a non-exempt, hourly paid employee and who received at least one wage statement ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

CANON employed Ms. Horace as a non-exempt, hourly paid employee, including as a Records Tech I/Records Case Clerk, from April 2019 to February 2020. Ms. Horace worked for CANON at an office location in San Francisco, California. During her employment, Ms. Horace typically worked eight (8) to ten (10) hours per day and five (5) to six (6) days per week. Ms. Horace's primary job duties included, without limitation, preparing, faxing and mailing legal documents; ordering office supplies; and maintaining the office premises.

CANON has committed one or more of the following Labor Code violations against Ms. Horace, the facts and theories of which follow, making her an "aggrieved employee" pursuant to California Labor Code section 2699(c):¹

CANON's Company-Wide and Uniform Payroll and HR Practices

CANON BUSINESS PROCESS SERVICES, INC. is a Delaware corporation, while CANON SOLUTIONS AMERICA, INC. and CANON U.S.A., INC. are New York corporations. Together, they are a leading provider of business process services, document management, and managed workforce services. Upon information and belief, CANON maintains a single, centralized Human Resources (HR) department at its corporate headquarters in New York City or Melville, New York, for all non-exempt, hourly paid employees working for CANON in California, including Ms. Horace and other aggrieved employees. At all relevant times, CANON issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Ms. Horace and other aggrieved employees, regardless of their location or position.

Upon information and belief, CANON maintains a centralized Payroll department at its corporate headquarters in New York City or Melville, New York, which processes payroll for all non-exempt, hourly paid employees working for CANON in California, including Ms. Horace and other aggrieved employees. Further, CANON issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Ms. Horace and other aggrieved employees, irrespective of their location, position, or manner in which each employee's employment ended. In other words, CANON utilized the same methods and formulas when calculating wages due to Ms. Horace and other aggrieved employees in California.

Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission ("IWC") Wage Order require employers to pay employees working more than eight (8) hours in a day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of

¹ These facts, theories, and claims are based on Ms. Horace's experience and counsel's review of those records currently available relating to Ms. Horace's employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law's requirements, the employer misinformed its employee of the law's requirements, or because the employer effectively hid the violations). Thus, Ms. Horace reserves the right to supplement this letter with additional facts, theories, and claims if she becomes aware of them subsequent to the submission of this letter.

two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including nondiscretionary bonuses and incentive pay.

CANON willfully failed to pay all overtime wages owed to Ms. Horace and other aggrieved employees. During the relevant time period, Ms. Horace and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

First, during the relevant period, CANON had, and continues to have, a company-wide policy and/or practice of requiring employees to complete work-related tasks while off-the-clock. For example, Ms. Horace spent at least one (1) hour per day off-the-clock responding to managers over the phone, checking and confirming the status of document deliveries and communicating with third-party contacts, such as vendors, to place and confirm supply orders. Thus, CANON failed to track the time spent working before and after scheduled shifts, and Ms. Horace and other aggrieved employees received no compensation for this time.

Second, CANON had, and continues to have, a company-wide policy and/or practice of understaffing its locations, while assigning heavy workloads and implementing strict deadlines, resulting in a failure to provide Ms. Horace and other aggrieved employees with adequate meal period coverage. As a result of this lack of meal period coverage, Ms. Horace and other aggrieved employees were not always afforded uninterrupted 30-minute meal periods during shifts when they were entitled to receive a meal period. For example, Ms. Horace was regularly forced to forego meal periods five (5) to six (6) days per week in order to complete the tasks and duties CANON assigned to her, including preparing legal documents to meet the stringent deadlines she was given. Thus, Ms. Horace and other aggrieved employees missed or had meal periods interrupted in order to complete their assigned workloads. Furthermore, if Ms. Horace could find the time to take a meal period at all, she was regularly interrupted and had her meal period cut short by management and/or supervisors requesting her assistance with work-related tasks.

Further, on information and belief, because CANON frowned upon employees accruing meal period penalties, CANON pressured Ms. Horace and other aggrieved employees to clock out for meal periods and/or adjusted employee time records to reflect compliant meal periods, regardless of whether they had received a compliant meal period or not, in order to strictly limit meal penalties that CANON would otherwise owe. Thus, Ms. Horace and other aggrieved employees performed work during meal periods for which they were not paid. CANON did not pay Ms. Horace and other aggrieved employees for the time they continued to perform tasks during meal periods.

CANON knew or should have known that, as a result of these company-wide practices and/or policies, Ms. Horace and other aggrieved employees were performing their assigned duties off-the-clock and/or during their meal periods, and were suffered or permitted to perform work for which they were not paid. CANON also knew, or should have known, that it did not compensate Ms. Horace and other aggrieved employees applicable overtime rates of pay for overtime hours that they worked.

Because Ms. Horace and other aggrieved employees regularly worked shifts of eight (8) hours a day or more or forty (40) hours a week or more, some of this off-the-clock work qualified for overtime premium pay. Therefore, Ms. Horace and other aggrieved employees were not paid overtime wages

for all of the overtime hours they actually worked. CANON's failure to pay Ms. Horace other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198.

Furthermore, CANON did not pay other aggrieved employees the correct overtime rates for the recorded overtime hours that they generated. In addition to an hourly wage, CANON paid other aggrieved employees incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, CANON failed to incorporate all remunerations, including incentive pay and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when other aggrieved employees worked overtime and received these other forms of pay, CANON failed to pay all overtime wages by paying a lower overtime rate than required.

Ms. Horace and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in Wage Order No. 1 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code. Regs. tit. 8, § 11010(2)(G) (defining "Hours Worked").

As set forth above, during the relevant time period, CANON required Ms. Horace and other aggrieved employees to complete work-related tasks while off-the-clock, but did not compensate them for this time. Additionally, as a result CANON's policy and/or practice of understaffing while assigning heavy workloads and stringent deadlines, and resultant lack of meal period coverage, Ms. Horace and other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock.

Moreover, CANON maintained and implemented a company-wide policy of requiring all employees to travel to a medical facility on their own time and using their own personal means of transportation to undergo mandatory drug testing and/or physical examinations. However, CANON did not compensate other aggrieved employees for the time they spent traveling to and from the medical facilities or for the time they spent undergoing testing and/or physical examinations. At all times, CANON was in control of scheduling the time period for the testing and/or physical examinations, selecting the provider or facility where the testing and/or physical examinations were to take place, and determining the scope of the testing and/or physical examinations. However, CANON did not compensate other aggrieved employees for the time they spent traveling to and from the medical facilities and undergoing the mandatory drug testing and/or physical examinations.

Thus, CANON did not pay minimum wages for all hours worked by Ms. Horace and other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, CANON did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Accordingly, CANON regularly failed to pay at least minimum wages to Ms. Horace and other aggrieved

employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Ms. Horace and other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods

California Labor Code sections 226.7, 512(a), 516, and 1198 and the applicable IWC Wage Order require employers to provide meal and rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (Cal. 2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal break of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

First, during the relevant time period, CANON had, and continues to have, a company-wide policy and/or practice of understaffing its locations and assigning demanding workloads and stringent deadlines, resulting in a failure to provide Ms. Horace and other aggrieved employees with adequate meal period coverage. Further, CANON had a company-wide practice of failing to adhere to a schedule of meal periods, which further caused Ms. Horace and other aggrieved employees to not be relieved of their duties for compliant meal periods. As a result, Ms. Horace and other aggrieved employees were forced to work in excess of five (5) hours before taking a meal period, had their meal periods interrupted, and/or had to forgo their meal periods altogether in order to complete their assigned workloads. For example, Ms. Horace was forced to forego meal periods five (5) to six (6) days per week in order to complete the tasks and duties CANON assigned to her, including preparing legal documents to meet the stringent deadlines she was provided. Furthermore, if Ms. Horace could find the time to take a meal period at all, she was regularly interrupted and had her meal period cut short by management and/or supervisors requesting her assistance with work-related tasks, as well as phone calls and text messages from managers and vendors.

Second, on information and belief, because CANON frowned upon employees accruing meal period penalties, CANON's management would adjust Ms. Horace's and other aggrieved employees' time records and/or pressure Ms. Horace and aggrieved employees to clock out for meal periods and continue working, in order to strictly limit meal penalties that would need to be paid by CANON. For example, Ms. Horace was explicitly instructed by her supervisor to clock out and continue working during her meal periods, and on days that she failed to do so, would regularly have her time sheet adjusted by her supervisor to reflect a compliant meal period. Ms. Horace and other aggrieved

employees worked through meal periods or had their meal periods interrupted, because there were not enough employees on duty to handle the assigned workload.

Third, CANON did not provide Ms. Horace and other aggrieved employees with second 30-minute meal periods on days that they worked in excess of ten (10) hours in one day. For example, Ms. Horace was never given a second meal period even though she often worked shifts longer than ten (10) hours. Ms. Horace and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

At all times herein mentioned, CANON knew or should have known that, as a result of these policies or practices, Ms. Horace and other aggrieved employees were prevented from being relieved of all duties to take timely, uninterrupted meal periods. CANON further knew or should have known that it did not pay Ms. Horace and other aggrieved employees all meal period premium wages when meal periods were late, interrupted, shortened, or missed.

CANON also has engaged in a company-wide practice and/or policy of not paying meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Ms. Horace and other aggrieved employees have not received all premium pay for missed, late, and interrupted meal periods. Alternatively, to the extent that CANON did pay meal period premium wages to other aggrieved employees, it did so at the incorrect rates. Because CANON did not properly calculate other aggrieved employees' regular rates of pay by including all remunerations, such as incentive pay and/or nondiscretionary bonuses, any premiums paid for meal period violations were also paid at an incorrect rate and resulted in an underpayment of meal period premium wages.

Accordingly, CANON failed to provide all meal periods in violation of California Labor Code sections 226.7, 512, 516, and 1198. Ms. Horace and other aggrieved employees are therefore entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods

California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must "relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest." *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 269-270 (2016).

During the relevant time period, CANON regularly failed to authorize and permit Ms. Horace and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked

or major fraction thereof. As with meal periods, CANON's company-wide practices, including understaffing while assigning heavy workloads and strict deadlines prevented Ms. Horace and other aggrieved employees from being relieved of all duty to take compliant rest periods. Additionally, CANON failed to schedule rest periods, which, coupled with CANON's failure to provide adequate rest period coverage, further led to Ms. Horace and other aggrieved employees not being authorized and permitted to take compliant rest periods.

Furthermore, upon information and belief, during the relevant time period, CANON maintained implemented a company-wide on-premises rest period policy, which mandated that other aggrieved employees remain on the work premises during their rest periods. Upon information and belief, CANON's company-wide on-premises rest period policy prevented other aggrieved employees from being relieved of all duties for rest periods and caused them to perform work during rest periods.

As a result of CANON's practices and policies, Ms. Horace and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they were entitled. For example, throughout her employment, Ms. Horace had to forego rest periods entirely, due to CANON's policy of assigning heavy workloads and stringent deadlines which required her to respond to phone calls and text messages from managers and vendors, while failing to provide sufficient coverage.

CANON also has engaged in a company-wide practice and/or policy of not paying all rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Ms. Horace and other aggrieved employees have not received premium pay for all missed rest periods. Alternatively, to the extent that CANON did pay rest period premium wages to other aggrieved employees, it did so at the incorrect rates. Because CANON did not properly calculate other aggrieved employees' regular rates of pay by including all forms of compensation, such as incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, any premiums paid for rest period violations were also paid at an incorrect rate and resulted in an underpayment of rest period premium wages.

Accordingly, CANON failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Ms. Horace and other aggrieved employees are therefore entitled to civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. CANON has not provided Ms. Horace and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wages statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50.00 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, CANON has knowingly and intentionally provided Ms. Horace and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, CANON issued uniform wage statements to Ms. Horace and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable hourly rates in effect during the pay period, including overtime rates of pay, and the corresponding number of hours worked at each hourly rate. Specifically, CANON violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

First, because CANON did not record the time Ms. Horace and other aggrieved employees spent working off-the-clock and deducted time from their records for meal periods that were interrupted and/or missed (and therefore time for which they should have been paid), CANON did not list the correct amount of gross wages and net wages earned by Ms. Horace and other aggrieved employees, in compliance with section 226(a)(1) and 226(a)(5), respectively. For the same reason, CANON failed to accurately list the total number of the hours worked by Ms. Horace and other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

Second, because CANON did not calculate other aggrieved employees' regular rate of pay correctly for purposes of paying overtime wages, CANON did not list the correct amount of gross wages earned by other aggrieved employees in compliance with section 226(a)(1) and did not list the correct amount of net wages earned by other aggrieved employees in violation of section 226(a)(5). CANON also failed to correctly list all applicable hourly rates in effect during the pay period, namely, correct overtime rates of pay and correct rates of pay for premium wages, in violation of section 226(a)(9).

The wage statement deficiencies also include, without limitation, failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to list the name and address of the legal entity that is the employer; failing to list the inclusive dates of the period for which aggrieved employees were paid; and/or failing to state all hours worked as a result of not recording or stating hours worked off-the-clock.

California Labor Code section 1174(d) provides that "[e]very person employing labor in this state shall ... [k]eep a record showing the names and addresses of all employees employed and the ages of all minors" and "[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments..." Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), CANON willfully failed to maintain accurate payroll records for Ms. Horace and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable

IWC Wage Orders. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. At all relevant times, CANON failed, on a company-wide basis, to record actual hours worked, and thereby failed to keep records of work period and meal period start and stop times for Ms. Horace and other aggrieved employees in violation of section 1198. As stated, CANON engaged in a company-wide practice and/or policy of falsifying Ms. Horace’s and other aggrieved employees’ time records by recording that compliant meal periods were taken regardless of if or when meal periods were actually taken, and thereby failed to keep accurate records of meal start and end times for Ms. Horace and other aggrieved employees. Furthermore, in light of CANON’s failure to provide Ms. Horace and other aggrieved employees with second 30-minute meal periods to which they were entitled, CANON kept no records of meal start and end times for second meal periods.

Because CANON failed to provide the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on wage statements, Ms. Horace and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Ms. Horace and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Ms. Horace and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f)-(g).

Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, CANON failed to pay Ms. Horace and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premium wages, within any time period specified by California Labor Code section 204.

Ms. Horace and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 210 and/or 2699(a), (f)-(g).

Violation of California Labor Code §§ 201, 202, and 203 – Failure to Timely Pay Final Wages Upon Termination

California Labor Code sections 201, 202, and 203 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

CANON willfully failed to pay Ms. Horace and other aggrieved employees who are no longer employed by CANON all their earned wages, including, but not limited to, overtime wages, minimum wages, and/or meal and rest period premium wages, either at the time of discharge, or within seventy-two (72) hours of their leaving CANON's employ in violation of California Labor Code sections 201, 202, and 203.

Ms. Horace and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 256 and/or 2699(a), (f)-(g).

Violation of California Labor Code § 222.5 – Failure to Pay for Costs of Mandatory Physical Exams and/or Drug Testing

At all times herein set forth, California Labor Code section 222.5 requires employers to pay for the costs an employee incurs for obtaining any required medical or physical examination.

At all times relevant herein, CANON implemented, on a company-wide basis, an employer-imposed requirement that other aggrieved employees undergo a mandatory drug test and/or physical examination, but required them to do so at their own expense. As stated, CANON had a company-wide policy requiring that all employees travel to a designated medical facility on their own time and using their own personal means of transportation or obtain alternate transportation to undergo drug testing and/or physical examinations. At all times, CANON was in control of scheduling the time period for the testing and/or physical examinations, selecting the provider/facility where the testing and/or physical examinations were to take place, and determining the scope of the testing and/or physical examinations.

However, CANON did not compensate other aggrieved employees for the time they spent traveling to and from their drug tests and/or physical examinations, or for the time they spent undergoing the testing and/or examinations, or reimburse them for the travel expenses they incurred getting to and from the medical facilities. CANON's policy and/or practice of not paying for all costs other aggrieved employees incurred obtaining mandatory drug tests and/or physical examinations violates California Labor Code section 222.5.

Other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

Violation of California Labor Code § 2802 – Unreimbursed Business Expenses

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code

section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order provides that: “[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft.”

First, during the relevant time period, CANON had a company-wide policy of requiring Ms. Horace and other aggrieved employees to utilize their own personal cellular phones and cellular data to carry out their job duties, but CANON failed to reimburse them for the costs of their work-related cellular phone expenses. Ms. Horace and other aggrieved employees were required to use their personal cellular phones to complete their work-related tasks, such as discussing assignments with managers and communicating with mail carriers. For example, Ms. Horace was required to use her personal cellular phone four (4) or more hours per day to respond to her supervisor, check the status of mailed deliveries, and order office supplies. Although CANON required Ms. Horace and other aggrieved employees to utilize their personal cellular phones to carry out their work-related responsibilities, CANON failed to reimburse them for this cost.

Second, as stated, CANON had and continues to have, a company-wide policy of requiring other aggrieved employees to travel in their own personal vehicles or obtain alternate transportation to medical facilities to obtain mandatory drug testing and/or physical examinations. Although CANON required other aggrieved employees to use their own vehicles or obtain alternate transportation to undergo drug testing and/or physical examinations, CANON never reimbursed them for their travel expenses.

CANON could have provided Ms. Horace and other aggrieved employees with the actual tools for use on the job, such as company phones and company vehicles, or CANON could have reimbursed employees for the costs of their cellular phone, mileage, and travel expenses. Instead, CANON passed these operating costs off onto Ms. Horace and other aggrieved employees. At all relevant times, Ms. Horace did not earn at least two (2) times the minimum wage.

Thus, CANON had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Ms. Horace and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

California Labor Code § 558(a)

California Labor Code section 558(a) provides “[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid . . . (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid . . .” Labor Code section 558(c) provides that “[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law.” CANON, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Ms. Horace’s and other aggrieved employees’ rights by violating various sections of the

California Labor Code.

Accordingly, Ms. Horace seeks the remedies set forth in Labor Code section 558 for herself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a) and 2699.3(c), 2699.5, and 558, Ms. Horace, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for herself, all other aggrieved employees, and the State of California against CANON for violations of California Labor Code sections 201, 202, 203, 204, 222.5, 226(a), 226.7, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

Therefore, on behalf of all aggrieved employees, Ms. Horace seeks all applicable penalties related to these violations of the California Labor Code pursuant to PAGA.

Pre-Litigation Demand

This notice shall further serve as Ms. Horace's reasonable attempt to settle her dispute with CANON prior to litigation. Pursuant to *Graham v. DaimlerChrysler Corp.*, 34 Cal. 4th 553 (2004), this notice serves to inform CANON of Ms. Horace's aforementioned grievances and the proposed remedies as detailed below, while affording CANON a reasonable opportunity to satisfy Ms. Horace's demands.

Demand is hereby made that CANON shall, within 30 calendar days of this notice, agree, in writing to the following corrective actions:

1. CANON shall pay Ms. Horace and all other aggrieved employees employed by CANON at any time during the past three years from the date of this notice unpaid wages and compensation for the above-referenced violations.
2. CANON shall comply with all California labor laws and ensure that its non-exempt employees are paid overtime wages and minimum wages for all hours worked and provided lawful meal and rest periods.
3. CANON shall conduct a survey or interview all current and former aggrieved employees in California who worked for CANON in the past three years to obtain information from them regarding the above-referenced violations, including, but not limited to: the number of meal periods which were not provided; the number of rest periods which were not authorized and permitted; and the number of employees who were required to pay for mandatory medical examinations, travel, cellular phone expenses, or other expenditures in the discharge of their duties, with the investigation to be completed within 60 days.
4. CANON shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not provided one or more meal periods, as required by Labor Code sections 226.7, 512, 516, and 1198. CANON also shall pay each aggrieved employee one hour of pay at his or her regular rate of pay for each work day he or she was not authorized and permitted one or more rest periods, as required by Labor Code sections 226.7, 516, and 1198.
5. CANON shall reimburse those aggrieved employees who were required to pay for any business expenses incurred for CANON's benefit, including, but not limited to, costs of

mandatory medical examinations, travel, and cellular phone expenses, as required by Labor Code sections 222.5 and 2802.

6. CANON shall pay accrued legal interest to all aggrieved employees at the rate of 10% per annum for said unpaid wages.
7. CANON shall provide Ms. Horace and all aggrieved employees employed by CANON at any time during the past three years from the date of this notice corrected wage statements that include the requisite information set forth in Labor Code section 226(a).
8. CANON shall pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code sections 2698, *et seq.*, including, but not limited to, penalties under Labor Code sections 210, 226.3, 256, 558, 1174.5, 1197.1, and 2699, and Wage Order No. 1-2001, section 20.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Julian Quattlebaum
Capstone Law APC
1875 Century Park East, Suite 1000
Los Angeles, CA 90067
(310) 556-4811

Best Regards,



Julian Quattlebaum

Copy: CANON BUSINESS PROCESS SERVICES, INC. (via U.S. Certified Mail); CANON SOLUTIONS AMERICA, INC. (via U.S. Certified Mail); CANON U.S.A., INC. (via U.S. Certified Mail)

MOON & YANG, APC

ATTORNEYS AT LAW
WWW.MOONYANGLAW.COM

1055 W. SEVENTH ST., SUITE 1880
LOS ANGELES, CALIFORNIA 90017
TELEPHONE: (213) 232-3128
FACSIMILE: (213) 232-3125

Kane Moon, Esq.
Kane.moon@moonyanglaw.com

June 4, 2020

VIA ONLINE SUBMISSION

Labor & Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

VIA CERTIFIED MAIL

Canon Business Process Services, Inc.
261 Madison Avenue, 3rd Floor
New York, NY 10016

Notice of Labor Code Violations and PAGA Penalties

Re: ***Pamela Silva v. Canon Business Process Services, Inc.***

To Whom It May Concern:

Please be advised that my office has been retained by Pamela Silva (“Plaintiff”) to pursue a Labor Code Private Attorney General Act (PAGA) representative action (Cal. Lab. Code §§ 2699, *et seq.*) against his former employer, Canon Business Process Services, Inc. (“Defendant”). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to Plaintiff and all of Defendant’s aggrieved employees.

Plaintiff wishes to pursue a PAGA representative action on behalf of herself as an aggrieved employee, on behalf of the State of California, and on behalf of all other current and former aggrieved employees who worked for Defendant in California as an hourly paid, non-exempt employee at any time within the applicable statutory period (hereafter, the “Aggrieved Employees”).

Plaintiff and the Aggrieved Employees of Defendant suffered the Labor Code violations described below.

LWDA
Notice of Labor Code Violations and PAGA
June 4, 2020
Page 2 of 8

Factual Background Regarding Plaintiff's Employment with Defendant

Defendant owns and operates an industry, business, and establishment within the State of California, including San Jose County. As such, Defendant is subject to the California Labor Code and the Wage Orders issued by the Industrial Welfare Commission ("IWC").

Plaintiff worked for Defendant as a shipping and receiving employee from approximately September 2016 to November 2019, primarily in San Jose County. Defendant classified Plaintiff as non-exempt from overtime. During the time period that Plaintiff was employed by Defendant, Plaintiff typically worked 5 days per workweek, and in excess of 8 hours each workday.

Throughout Plaintiff's employment, Defendant committed numerous labor code violations under state law. As discussed below, Plaintiff's experience working for Defendant was typical and illustrative.

Failure to Pay for All Hours Worked, Including Overtime

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight (8) hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the Industrial Welfare Commission is unlawful.

Throughout the time period involved in this case, Defendant maintained a policy and practice of failing to pay Plaintiff and the Aggrieved Employees for all hours worked (including minimum wages, straight time wages and overtime wages). Defendant regularly used a system of time rounding in a manner that resulted, over a period of time, in failing to compensate Plaintiff and the Aggrieved Employees properly for all the time they have actually worked, even though the realities of Defendant's operations are such that it is possible, practical, and feasible to count and pay for work time to the minute. Accordingly, Defendant frequently paid Plaintiff and the Aggrieved Employees less than all their work time. Some of this unpaid work also should have been paid at the overtime rate. In doing so, Defendant also failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked.

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Notice of Labor Code Violations and PAGA
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Page 3 of 8

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including overtime.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Defendant wrongfully failed to provide Plaintiff and the Aggrieved Employees with legally compliant meal periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of five consecutive hours a day without providing a 30-minute, continuous and uninterrupted, duty-free meal period for every five hours of work, or without compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided by the end of the fifth hour of work or tenth hour of work. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a meal period by the end of the fifth hour of work, or, for shifts greater than 10 hours, by the end of the tenth hour of work. Moreover, Defendant did not have adequate written policies or practices providing meal periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of meal periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required meal periods. Accordingly, Defendant's policy and practice was to not provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of 10 uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours).

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Notice of Labor Code Violations and PAGA
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Thus, for example, if an employee's work time is 6 hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Defendant, however, wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take timely and duty-free rest periods. Defendant regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendant authorizing and permitting them to take a 10 minute, continuous and uninterrupted, rest period for every four hours of work (or major fraction of four hours), or without compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Defendant did not adequately inform Plaintiff and the Aggrieved Employees of their right to take a rest period. Moreover, Defendant did not have adequate policies or practices permitting or authorizing rest periods for Plaintiff and the Aggrieved Employees, nor did Defendant have adequate policies or practices regarding the timing of rest periods. Defendant also did not have adequate policies or practices to verify whether Plaintiff and the Aggrieved Employees were taking their required rest periods. Further, Defendant did not maintain accurate records of employee work periods, and therefore Defendant cannot demonstrate that Plaintiff and the Aggrieved Employees took rest periods during the middle of each work period. Accordingly, Defendant's policy and practice was for Plaintiff and the Aggrieved Employees to work through rest periods and to not authorize or permit them to take any rest periods.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendant, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendant are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 558, and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Plaintiff seeks penalties under Labor Code § 1174(d). Pursuant to Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

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June 4, 2020
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Defendant, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendant's failure to provide and maintain records required by the Labor Code IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendant's records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendant. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendant to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendant's knowing failure to comply with the Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

As a result, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 1174.5 for failing to maintain accurate records of hours worked and meal periods.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Plaintiff and many other Aggrieved Employees ended, i.e. was terminated by quitting or discharge, and the employment of others will be. However, during the relevant time period, Defendant failed, and continues to fail to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendant's employ. These unpaid wages include wages for unpaid work time (including minimum and straight time wages), missed meal periods, and missed rest periods.

Defendant's conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the

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Notice of Labor Code Violations and PAGA
June 4, 2020
Page 6 of 8

wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendant their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to 30 days maximum pursuant to Labor Code § 203.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: “An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney’s fees.” (Lab. Code § 226(e)(1).)

Defendant intentionally and willfully failed to provide employees with complete and accurate wage statements. The deficiencies include, among other things, the failure to correctly identify hourly rates, the failure to correctly list gross wages earned, and the failure to list the true net wages earned, including wages for meal periods that were not provided in accordance with California law, wages for rest periods that were not authorized and permitted to take in accordance with California law, and correct wages earned for all hours worked.

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As a result of Defendant violating Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights.

Accordingly, Plaintiff and similarly Aggrieved Employees are entitled to recover from Defendant the greater of their actual damages caused by Defendant's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding \$4,000 dollars per employee.

Moreover, Defendant is liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendant violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages and overtime wages;
2. Labor Code § 226.7, 512 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
5. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
6. Labor Code § 226 by failing to provide accurate itemized wage statements.

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 558, 1174.5, 1197.1, and 2699(f)(2).

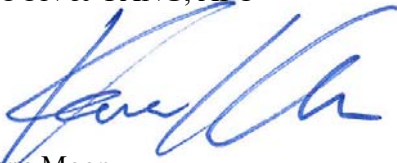
Plaintiff has placed Defendant on notice by mailing a certified copy of this correspondence to its corporate address, as indicated on the first page.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

LWDA
Notice of Labor Code Violations and PAGA
June 4, 2020
Page 8 of 8

Sincerely,

MOON & YANG, APC

A handwritten signature in blue ink, appearing to read 'Kane Moon', is written over the printed name.

Kane Moon
Attorney at Law

062S0010480272



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MOON & YANG, APC
ATTORNEYS AT LAW
1055 W. SEVENTH STREET, SUITE 1880, LOS ANGELES, CA 90017



Canon Business Process Services, Inc.
261 Madison Avenue Floor 3rd
New York NY 10016-3906

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261 Madison Avenue 3rd Floor
City, State, ZIP+4[®]
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261 Madison Avenue 3rd Floor
New York, NY 10016



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☐ Insured Mail	
☐ Insured Mail Restricted Delivery	

EXHIBIT F

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Facsimile: (310) 943-0396

Attorneys for Plaintiff
JAMICHA HORACE

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SANTA CLARA

PAMELA SILVA, individually, and on behalf of
all others similarly situated;

Plaintiff,

vs.

CANON BUSINESS PROCESS SERVICES,
INC., a California corporation; and DOES 1
through 10, inclusive,

Defendants.

CASE NO: 20CV367058

Assigned for all purposes to:
Hon. Patricia M. Lucas
Department: 3

**JOINT STIPULATION AND [PROPOSED]
ORDER TO TRANSFER VENUE AND
CONSOLIDATE CASES**

Action Filed: June 11, 2020
Trial Date: Not Set

///

///

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10 Attorneys for Defendant
11 CANON BUSINESS PROCESS SERVICES, INC.

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1 Plaintiff PAMELA SILVA (“Silva”) and Defendant CANON BUSINESS PROCESS
2 SERVICES, INC. (collectively, “Defendant”), together with Plaintiff JAMICHA HORACE
3 (“Horace”), by and through their respective counsel of record, hereby stipulate as follows:

4 1. WHEREAS, on or about June 11, 2020, Silva filed a putative Class Action
5 Complaint in the above-entitled Court, entitled *Pamela Silva v. Canon Business Process Services,*
6 *Inc.*, Santa Clara Superior Court Case No. 20CV367058, alleging claims for Failure to Pay
7 Minimum and Regular Rate Wages, Failure to Pay Overtime Compensation, Failure to Provide
8 Meal Periods, Failure to Authorize and Permit Rest Breaks, Failure to Timely Pay Final Wages at
9 Termination, Failure to Provide Accurate Itemized Wage Statements, and Unfair Business Practices
10 (the “First Filed Case”);

11 2. WHEREAS, on or about August 10, 2020, Silva filed a First Amended Complaint,
12 adding a claim for violation of the California Labor Code Private Attorneys General Act (“PAGA”);

13 3. WHEREAS, pursuant to California Rules of Court, Rule 3.350, the First Filed case
14 is the lead case;

15 4. WHEREAS, while the First Filed Case was pending, on or about July 31, 2020,
16 Plaintiff JAMICA HORACE (“Horace”) filed a Complaint in the Superior Court for the County of
17 Los Angeles, entitled *Jamicha Horace v. Canon Business Process Services, Inc.*, Los Angeles
18 County Superior Court Case No. 20STCV29057, asserting only a claim for violation of PAGA (the
19 “Second Filed Case”);

20 5. WHEREAS, the PAGA claim in the Second Filed Case is based on substantially
21 identical alleged underlying wage and hour violations at issue and alleged in the First Filed Case
22 and the allegedly aggrieved employees in the Second Filed Case overlap with and are subsumed
23 within the putative class and the allegedly aggrieved employees in the First Filed Case;

24 6. WHEREAS, the Parties in both the First Filed Case and the Second Filed Case
25 participated in a joint mediation with mediator Steve Pearl on February 23, 2021;

26 7. WHEREAS, the Defendant is represented by the same counsel in both the First Filed
27 Case and the Second Filed Case;

28 8. WHEREAS the Parties in both the First Filed Case and the Second Filed Case

1 reached a settlement on February 23, 2021 and are finalizing the terms of their settlement;

2 9. WHEREAS, the Parties in both the First Filed Case and the Second Filed Case agree
3 that administrative expenses for purposes of class settlement, including but not limited to
4 administrative costs for notice to the class, class administration and distribution of the settlement
5 checks, would be unnecessarily magnified if both cases proceed separately for purposes of
6 settlement and may lead to confusion of class members;

7 10. WHEREAS, the Parties in both the First Filed Case and the Second Filed Case
8 have met and conferred and agree that, pursuant to California Code of Civil Procedure Section
9 397, the convenience of witnesses and the ends of justice would be promoted by a transfer of
10 venue to consolidate both cases;

11 11. WHEREAS, the Parties in both the First Filed Case and the Second Filed Case have
12 met and conferred and agree to avoid duplication of procedure, and because the two cases involve
13 common questions of fact and law, that the interests of judicial economy and efficient resolution of
14 the two cases are best served, in accordance with California Rule of Court 3.350, by: (1) transferring
15 venue in the Second Filed Case to Department 3 of the Superior Court for the State of California
16 County of Santa Clara before the Honorable Patricia M. Lucas, who is presiding over the First Filed
17 Case; and (2) the consolidating the Second Filed Case with the First Filed Case.;

18 12. WHEREAS, counsel for Silva and Horace have conferred with counsel for
19 Defendant, and all parties agree to the abovementioned transfer of venue and consolidation;

20 13. WHEREAS, counsel for the Parties in both the First Filed Case and the Second Filed
21 Case agree to enter into a final settlement agreement of all the claims at issue within days
22 after entry of this order;

23 14. WHEREAS, this Joint Stipulation has been concurrently filed in [the First Filed
24 Case/ the Second Filed Case];

25 NOW THEREFORE, THE PARTIES HEREBY STIPULATE AND AGREE, through their
26 respective counsel, to the entry of an Order providing that:

27 1. Venue of the Second Filed Case (*Jamicha Horace v. Canon Business Process*
28 *Services, Inc.*, Los Angeles County Superior Court Case No. 20STCV29057) is transferred to the

Superior Court for the State of California County of Santa Clara;

2. The First Filed Case and the Second Filed Case are consolidated for all purposes, including but not limited to preliminary and final approval of the negotiated settlement, and shall be maintained in one file under Santa Clara Superior Court Case No. 20CV367058 (the “Consolidated Action”);

3. Moon & Yang, APC and Capstone Law APC will be Co-Lead counsel in the Consolidated Action.

IT IS SO STIPULATED.

DATED: 2021 MOON & YANG APC

By

Kane Moon
H. Scott Leviant
Lilit Tunyan
Attorneys for Plaintiff
Pamela Silva

DATED: 2021 CAPSTONE LAW APC

By

Mark A. Ozzello
Brandon K. Brouillette
Joseph Hakakian
Attorneys for Plaintiff
Jamicha Horace

DATED: 2021 DORSEY & WHITNEY LLP

By

Gabrielle M. Wirth
Pavlina K. Rafter
Attorneys for Defendant
Canon Business Process Services, Inc.

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IT IS SO ORDERED:

Dated : _____

The Honorable Patricia M. Lucas

PROOF OF SERVICE**STATE OF CALIFORNIA, COUNTY OF ORANGE**

I am employed in the City of Costa Mesa, County of Orange, State of California. I am over the age of 18 years and not a party to the within action. My business address is 600 Anton Boulevard, Suite 2000, Costa Mesa, CA 92626-7655. On _____, 2021 I served the documents named below on the parties in this action as follows:

DOCUMENT(S) SERVED: **JOINT STIPULATION AND [PROPOSED] ORDER TO TRANSFER VENUE AND CONSOLIDATE CASES**

SERVED UPON: See Service List

☐ (BY MAIL) I caused each such envelope, with postage thereon fully prepaid, to be placed in the United States mail at Costa Mesa, California. I am readily familiar with the practice of Dorsey & Whitney LLP for collection and processing of correspondence for mailing, said practice being that in the ordinary course of business, mail is deposited in the United States Postal Service the same day as it is placed for collection.

☐ (BY FEDERAL EXPRESS) I am readily familiar with the practice of Dorsey & Whitney LLP for collection and processing of correspondence for overnight delivery and know that the document(s) described herein will be deposited in a box or other facility regularly maintained by Federal Express for overnight delivery.

☐ (BY ELECTRONIC MAIL) The above-referenced document was transmitted in "pdf" format by electronic mail ("e-mail") to each of the e-mail addresses listed, and no errors were reported.

☐ (STATE) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on _____ 2021 at **Costa Mesa**, California.

Kim Massure-Rayson

SERVICE LIST

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H. Scott Leviant
Lilit Ter-Astvatsatryan
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Joseph.Hakakian@capstonelawyers.com

Attorneys for Plaintiff
Jamicha Horace

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Signer Events

Michael Scordino

mscordino@cbps.canon.com

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Sent: 7/9/2021 9:37:21 AM

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