

JOINT STIPULATION AND CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

Subject to Final Approval by the Court, this Settlement Agreement is between Plaintiffs Francesca Burke and Ashley Thompson (collectively, “Plaintiffs”), on behalf of the Class (as defined below), and Defendant Old Republic Home Protection Company, Inc. (“Defendant”). Plaintiffs and Defendant collectively are referred to in this Agreement as the “Parties.”

I. DEFINITIONS

In addition to the other terms defined in this Agreement, the terms below have the following meaning:

- A. **Action:** The putative class action and PAGA lawsuit filed by Plaintiffs Francesca Burke and Ashley Thompson on October 3, 2020, entitled *Burke, et al. v. Old Republic Protection Company, Inc. et al.*, Case No. MSC20-02203, in the State of California, Contra Costa County Superior Court.
- B. **Administration Costs:** The costs incurred by the Settlement Administrator to administer this Settlement, which shall not exceed \$12,000.00 (Twelve Thousand Dollars). This payment shall be paid from the Qualified Settlement Fund and will not be opposed by Defendant.
- C. **Agreement, Settlement Agreement, Joint Stipulation, or Settlement:** The settlement agreement reflected in this document, titled “Joint Stipulation and Class Action and PAGA Settlement Agreement.”
- D. **Attorney Fee Award:** The amount, not to exceed one-third (1/3) of the Gross Settlement Amount, or \$250,000.00 (Two Hundred, Fifty Thousand Dollars), finally approved by the Court and awarded to Class Counsel. The Attorney Fee Award shall be paid from the Qualified Settlement Fund and will not be opposed by Defendant.
- E. **Class:** All current and former non-exempt employees of Defendant Old Republic Home Protection Company, Inc. employed in California any time between April 27, 2016, to September 14, 2021.
- F. **Class Action Released Claims:** Any and all claims, causes of action, suits, liens, or demands asserted or that could be asserted based on the facts alleged in the operative Complaint, whether known or unknown and whether or not the releasing party suspected such claims, causes of action, suits, liens or demands existed in his or her favor, arising during the Class Period, including, but not limited to, wage and hour claims for any and all violations of California’s Labor Code, California’s Industrial Welfare Commission Wage Orders (“Wage Order”), and any other applicable state or local laws related to Defendant’s

alleged failure to pay for all hours worked (including minimum wages, straight time wages, and overtime wages), failure to provide meal periods, failure to authorize and permit rest periods, failure to timely pay all wages due at the time of termination, failure to furnish accurate, itemized wage statements, failure to timely pay wages during employment, failure to properly reimburse for all business-related expenses, violation of the California Business & Professions Code sections 17200, *et seq.*, civil penalties under California's Private Attorneys General Act of 2004 based on the alleged Labor Code violations, and all damages, interest, penalties, attorneys' fees, costs, and other amounts recoverable under said causes of action under California law, to the extent permissible. The release will occur only upon Defendant's fulfillment of its payment obligations under Section III (I)(8)(a) of this Agreement (i.e., Defendant's full funding of the Settlement). The period of the release shall coincide with and extend to the limits of the Class Period. As to individual Class Members, the release applies only to periods of time when the Class Member was a member of the Class (i.e., excluding periods of time in exempt positions).

- G. Class Counsel:** Douglas Han and Shunt Tatavos-Gharajeh of Justice Law Corporation.
- H. Class Data:** Information regarding Class Members that Defendant will compile from its available, existing, electronic records and provide to the Settlement Administrator. It shall be formatted as a Microsoft Excel spreadsheet and shall include: (i) each Class Member's full name; (ii) each Class Member's last-known address; (iii) each Class Member's Social Security and Employee ID number, if any; (iv) each Class Member's relevant dates of employment; (v) number of workweeks worked by each Class Member during the Class Period (excluding weeks where the Class Member performed no work for Defendant); and (vi) number of workweeks worked by the Eligible Aggrieved Employee during the PAGA Period (excluding weeks when the Eligible Aggrieved Employee performed no work for Defendant).
- I. Class Member:** Each person eligible to participate in this Settlement who is a member of the Class as defined above.
- J. Class Notice:** The Notice of Class and Representative Action Settlement, substantially similar to the form attached hereto as **Exhibit A**, subject to Court approval.
- K. Class Period:** The time period between April 27, 2016, to September 14, 2021.
- L. Class Representatives or Plaintiffs:** Francesca Burke and Ashley Thompson.
- M. Class Representative Enhancement Payments:** The amounts the Court awards to Plaintiffs Francesca Burke and Ashley Thompson for their services

as Class Representatives, which will not exceed \$7,500.00 (Seven Thousand, Five Hundred Dollars) to each Plaintiff. These payments shall be paid from the Qualified Settlement Fund and will not be opposed by Defendant. These enhancement payments are subject to approval of the Court.

- N. Complaint:** The Complaint filed on October 23, 2020, by Plaintiffs Francesca Burke and Ashley Thompson in Contra Costa County Superior Court Case No. MSC20-02203.
- O. Cost Award:** The amount that the Court awards Class Counsel for payment of actual litigation costs subject to proof, which shall not exceed \$25,000.00 (Twenty Five Thousand Dollars). The Cost Award will be paid from the Qualified Settlement Fund and will not be opposed by Defendant.
- P. Counsel for Defendant:** Attorneys Ronald F. Garrity, Esq., and Kendall M. Burton, Esq., of Simpson, Garrity, Innes, and Jacuzzi, P.C.
- Q. Court:** The Superior Court of the State of California, Contra Costa County.
- R. Defendant:** Old Republic Home Protection Company, Inc.
- S. Effective Final Settlement Date:** The effective date of this Settlement will be when Defendant fulfills its payment obligations under Section III (I)(8)(a) of this Agreement (i.e., Defendant's full funding of the Gross Settlement Amount and Employer Taxes).
- T. Eligible Aggrieved Employees:** The employees eligible to recover the PAGA payment shall consist of all hourly-paid or non-exempt employees of Defendant employed in California at any time during the PAGA Period. There are approximately five hundred and eight (508) Eligible Aggrieved Employees in the PAGA subclass.
- U. Employer Taxes:** The applicable employer taxes and employer withholding amounts (including but not limited to, employer FICA, FUTA, UI and ETT contributions) on the wage portions of the Net Settlement Amount. Defendant will be responsible for Employer Taxes.
- V. Exclusion Form:** The Election Not To Participate In (Opt Out From) Class Action Settlement Form provided to Class Members with the Class Notice, substantially similar to the form attached hereto as **Exhibit B**, subject to Court approval.
- W. Final Approval Order or Judgment:** "Final Approval Order" or "Judgment" shall mean the Court order granting final approval of the Settlement.

- X. Gross Settlement Amount:** The total value of the Settlement is a non-reversionary Seven Hundred Fifty Thousand Dollars (\$750,000.00). The Gross Settlement Amount includes: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Attorney Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payments paid to the Class Representatives, as approved by the Court; (4) Administration Costs paid to the Settlement Administrator, as approved by the Court; and (5) the PAGA Payment to the LWDA and to Eligible Aggrieved Employees, as approved by the Court. The Employer Taxes are not included in the Gross Settlement Amount and will be a separate obligation of Defendant. No portion of the Gross Settlement Amount will revert to Defendant for any reason.
- Y. Individual PAGA Payment(s):** The amount payable to each Eligible Aggrieved Employee from the portion of the PAGA Payment allocated to the Eligible Aggrieved Employees under the terms of this Settlement Agreement. Eligible Aggrieved Employees are not required to submit a claim form to receive their Individual PAGA Payment. Eligible Aggrieved Employees who opt-out of the Settlement will nonetheless receive their Individual PAGA Payment as described below.
- Z. Individual Settlement Share(s):** The amount payable to each Participating Class Member from the Net Settlement Amount under the terms of this Settlement Agreement. Class Members are not required to submit a claim form to receive their Individual Settlement Shares pursuant to this Agreement.
- AA. LWDA:** California Labor and Workforce Development Agency.
- BB. Net Settlement Amount:** The total amount of money available from the Gross Settlement Amount for distribution to Participating Class Members, which is the Gross Settlement Amount less the Attorney Fee Award, Cost Award, Class Representative Enhancement Payments, the PAGA Payment, and Administration Costs.
- CC. PAGA:** The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
- DD. PAGA Notices:** The PAGA Notices refer to the pre-filing notices of Labor Code violations served on the LWDA by Plaintiffs on July 22, 2020.
- EE. PAGA Payment:** The PAGA Payment consists of \$20,000.00 (Twenty Thousand Dollars) of the Gross Settlement Amount allocated to satisfy the PAGA penalties claim as alleged in the Class Action. Seventy-five percent (75%) of the PAGA Payment (\$15,000.00) shall be paid to the LWDA, and twenty-five percent (25%) of the PAGA Payment (\$5,000.00) shall be

distributed to Eligible Aggrieved Employees, on a pro rata basis, as set forth below.

- FF. PAGA Period:** The period between July 22, 2019, to September 14, 2021.
- GG. PAGA Released Claims:** PAGA Released Claims means any and all claims for civil penalties that were brought under PAGA, based on any and all facts or underlying claims asserted in the LWDA pre-filing notice dated July 22, 2020, or the Complaint, arising during the PAGA Period. Eligible Aggrieved Employees cannot opt out of this waiver of claims.
- HH. Participating Class Members:** All Class Members who do not submit a valid and timely request to exclude themselves from the class action Settlement.
- II. Parties:** Plaintiffs Francesca Burke and Ashley Thompson, as individuals and as a Class Representatives, and Defendant Old Republic Home Protection Company, Inc.
- JJ. Preliminary Approval or Preliminary Approval Order:** The Court's order preliminarily approving the proposed Settlement.
- KK. Qualified Settlement Fund or QSF:** A fund within the meaning of Treasury Regulation § 1.46B-1, 26 C.F.R. § 1.468B-1 *et seq.* that is established by the Settlement Administrator for the benefit of Participating Class Members, Plaintiffs and Class Counsel.
- LL. Released Parties:** Defendant and its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents, attorneys, and any entities that may be considered joint employers.
- MM. Response Deadline:** Forty-five (45) calendar days from the initial mailing of the Class Notice.
- NN. Settlement Administrator:** The third-party administrator agreed upon by the Parties to administer this Settlement is Simpluris, Inc.

II. RECITALS

- A.** Prior to the mediation and both before and after the Action was filed, the Parties conducted significant investigation and discovery of the facts and law. Prior to the mediation, Defendant produced hundreds of documents relating to its policies, practices, and procedures regarding reimbursement of business expenses, paying non-exempt employees for all hours worked, meal and rest periods, and its payroll and operational policies. Plaintiffs also reviewed time

records, pay records, and information relating to the size and scope of the Class produced by Defendant, as well as data permitting Plaintiffs to understand the number of workweeks in the Class Period. Plaintiffs also interviewed several Class Members who worked for Defendant throughout the Class Period. The Parties agree that the above-described investigation and evaluation, as well as the information exchanged during the settlement negotiations, are more than sufficient to assess the merits of the respective Parties' positions and to compromise the issues on a fair and equitable basis.

- B. Benefits of Settlement to Class Members.** Plaintiffs and Class Counsel recognize the expense and length of additional proceedings necessary to continue the litigation against Defendant through trial and through any possible appeals. Plaintiffs and Class Counsel have also taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiffs and Class Counsel have conducted extensive settlement negotiations, including a formal mediation on March 29, 2021. Based on the foregoing, Plaintiffs and Class Counsel believe the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement and is in the best interests of the Class Members.
- C. Defendant's Reasons for Settlement.** Defendant recognizes that the defense of this litigation will be protracted and expensive. Substantial amounts of Defendant's time, energy, and resources have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiffs. Defendant, therefore, has agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the Released Claims.
- D. Defendant's Denial of Wrongdoing.** Defendant generally and specifically denies any and all liability or wrongdoing of any sort with regard to any of the claims alleged, makes no concessions or admissions of liability of any sort, and contends that for any purpose other than settlement, the claims made in the Action are not appropriate for class or representative treatment. Furthermore, Defendant asserts a number of defenses to the claims, and has denied any wrongdoing or liability arising out of any of the alleged facts or conduct in the Action. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is or may be construed as, or may be used as an admission, concession, or indication by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. Nor should the Agreement be construed as an admission that Plaintiffs can serve as adequate Class Representatives. There has been no determination by any court as to the merits of the claims asserted by Plaintiffs against Defendant or as to whether a class or classes should be certified, other than for settlement purposes only.
- E. Plaintiffs' Claims.** Plaintiffs assert that Defendant's defenses are without merit. Neither this Agreement nor any documents referred to or contemplated

herein, nor any action taken to carry out this Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiffs, Class Members, or Class Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Action. However, in the event that this Settlement is finally approved by the Court, none of Plaintiffs, Class Members, or Class Counsel will oppose Defendant's efforts to use this Agreement to prove that Plaintiffs and Class Members have resolved and are forever barred from re-litigating the Class Action Released Claims and/or PAGA Released Claims.

- F. Dismissal of ORHPS:** After thorough consideration of the factual information provided by Defendant and their own investigation results, Plaintiffs and their counsel have decided to seek voluntary dismissal, without prejudice, of Defendant Old Republic Home Protection Services, Inc. ("ORHPS"). The dismissal of ORHPS is a condition for the enforcement of this Agreement and will only be effective if the Court approves this Settlement.

III. SETTLEMENT TERMS AND CONDITIONS

- A. Payment of Gross Settlement Amount:** In consideration and in exchange for the Class Action Released Claims, PAGA Released Claims, and Plaintiffs' general releases of claims, Defendant shall pay the Gross Settlement Amount (\$750,000.00) and an amount sufficient to cover Employer Taxes as determined by the Settlement Administrator. Funding of the Gross Settlement Amount and Employer Taxes shall occur on the later of the following two dates: (a) the 60th calendar day after a signed order granting final approval of this Agreement has been filed, provided no motion to vacate the judgment, appeal, writ or other appellate proceeding having been filed; or (b) the seventh (7th) calendar day after any motion to vacate the judgment, appeal, writ, or other appellate proceeding opposing the Agreement has been finally dismissed with no material change to the terms of this Agreement and there is no right to pursue further remedies.
- B. Class Certification.** Solely for the purposes of this Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of Class Members. As such, the Parties stipulate and agree that in order for this Settlement to occur, the Court must certify the Class as defined in this Agreement.
- C. Conditional Nature of Stipulation for Certification.** The Parties stipulate and agree to the certification of the claims asserted on behalf of Plaintiffs and Class Members for purposes of this Settlement only. If the Settlement does not become effective, the fact that the Parties were willing to stipulate to certification as part of the Settlement shall not be admissible or used in any way in connection with the question of whether the Court should certify any claims in a non-settlement context in this Action or in any other lawsuit or venue. If

the Settlement does not become effective, Defendant reserves the right to contest any issues relating to class certification, liability and damages.

- D. Appointment of Class Representatives.** Solely for the purposes of this Settlement, the Parties stipulate and agree that Plaintiffs shall be appointed as the representatives for the Class.
- E. Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Class Counsel to represent the Class.
- F. Settlement Disbursement.** Subject to the terms and conditions of this Agreement, and the approval of the Court, the Settlement Administrator will disburse the Gross Settlement Amount as follows:

 - 1. To the Plaintiffs Francesca Burke and Ashley Thompson.** In addition to their respective Individual Settlement Shares, and subject to the Court's approval, Plaintiffs Francesca Burke and Ashley Thompson will receive up to Seven Thousand Five Hundred Dollars (\$7,500.00) each as Class Representative Enhancement Payments. The Settlement Administrator will pay the Class Representative Enhancement Payments out of the Qualified Settlement Fund. Payroll tax withholdings and deductions will not be taken from the Class Representative Enhancement Payments. An IRS Form 1099 will be issued to Plaintiffs with respect to their Class Representative Enhancement Payments. Plaintiffs shall be solely and legally responsible to pay any and all applicable taxes on the Class Representative Enhancement Payments and shall hold harmless Defendant, Class Counsel and the Released Parties from any claim or liability for taxes, penalties, or interest arising as a result of the Class Representative Enhancement Payments. In the event the Court does not approve the entirety of the application for the Class Representative Enhancement Payments, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Plaintiffs, the difference shall become part of the Net Settlement Amount and will be distributed to Participating Class Members. In the event that the Court reduces or does not approve the requested Class Representative Enhancement Payments, Plaintiffs shall not have the right to revoke the Settlement, and it will remain binding, nor will Plaintiffs seek, request, or demand an increase in the Gross Settlement Amount on that basis or any basis.
 - 2. To Class Counsel.** Class Counsel will apply to the Court for, and Defendant agrees not to oppose, a total Attorney Fee Award not to exceed one-third (1/3) or \$250,000.00 (Two Hundred and Fifty Thousand Dollars)

of the Gross Settlement Amount and a Cost Award not to exceed \$25,000.00 (Twenty-Five Thousand Dollars). The Settlement Administrator will pay the Court-approved amounts for the Attorney Fee Award and Cost Award out of the Gross Settlement Amount. The Settlement Administrator may purchase an annuity to utilize US treasuries and bonds or other attorney fee deferral vehicles for Class Counsel. Payroll tax withholding and deductions will not be taken from the Attorney Fee Award or the Cost Award. IRS Forms 1099 will be issued to Class Counsel with respect to these payments. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the Attorney Fee and Cost Awards. In the event the Court does not approve the entirety of the application for the Attorney Fee Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Class Counsel for the Attorney Fee Award and/or Cost Award, the difference shall become part of the Net Settlement Amount and will be distributed to Participating Class Members. In the event that the Court reduces or does not approve the requested Attorney Fee Award, Plaintiffs shall not have the right to revoke the Settlement, and it will remain binding, nor will Plaintiffs seek, request, or demand an increase in the Gross Settlement Amount on that basis or any basis.

- 3. To the Responsible Tax Authorities.** The Settlement Administrator will withhold the amount of the Participating Class Members' portion of normal payroll withholding taxes out of the wage portion of each person's Individual Settlement Share. The Settlement Administrator will calculate the amounts of Employer Taxes for the wage portions of the Individual Settlement Shares. The Settlement Administrator will submit the amount of Employer Taxes it calculates to Defendant for additional funding and forward those amounts along with each person's Individual Settlement Share withholdings to the appropriate taxing authorities.
- 4. To the Settlement Administrator.** The Settlement Administrator will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court not to exceed \$12,000.00 (Twelve Thousand Dollars). This will be paid out of the Qualified Settlement Fund. If the actual amount of Administration Costs is less than the amount estimated and/or requested, the difference shall become part of the Net Settlement Amount and will be distributed to Participating Class Members.
- 5. To Participating Class Members.** The Settlement Administrator will pay each Participating Class Member an Individual Settlement Share from the Net Settlement Amount.

a. Individual Settlement Share Calculation. The Individual Settlement Share is calculated based on each Participating Class Member's pro rata share of the Net Settlement Amount based on workweeks during the Class Period as follows: (i) the number of weeks he or she worked as a hourly-paid or non-exempt employee during the Class Period, divided by (ii) the total number of weeks worked by all Participating Class Members collectively during the Class Period, which is then multiplied by the Net Settlement Amount. The Settlement Administrator will use the Class Data to calculate the Individual Settlement Share for each Class Member based on the number of workweeks worked by the Class Member during the Class Period (excluding weeks when the Class Member performed no work for Defendant).

b. Tax Treatment for Individual Settlement Shares. Each Participating Class Member's Individual Settlement Share will be apportioned as follows: one-third (1/3) wages and two-thirds (2/3) interests and penalties. The portion paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. Payment of all amounts will be made subject to backup withholding unless a duly executed W-4 form is received from the payee(s). The amounts paid as interest and penalties shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms. The employees' shares of payroll tax withholdings shall be withheld from the wage portion of each person's Individual Settlement Share. Defendant will be responsible for the Employer Taxes for the wage portions of each Individual Settlement Share. Participating Class Members will be responsible for the payment of any taxes and penalties assessed on the Individual Settlement Shares and will be solely responsible for any penalties or other obligations resulting from their personal tax reporting of Individual Settlement Shares.

6. To Eligible Aggrieved Employees. The Settlement Administrator shall pay each Eligible Aggrieved Employee according to his or her proportional share, which will be based upon the total number of workweeks he or she was employed during the PAGA Period.

a. Individual PAGA Payment Calculation. The Individual PAGA Payment is calculated based on each Eligible Aggrieved Employee's pro rata share of the PAGA Payment allocated to the Eligible Aggrieved Employees based on workweeks during the PAGA Period as follows: (i) the number of workweeks he or she

worked as a hourly-paid or non-exempt employee during the PAGA Period, divided by (ii) the total number of workweeks worked by all Eligible Aggrieved Employees collectively during the PAGA Period, which is then multiplied by the PAGA Payment allocated to the Eligible Aggrieved Employees. The Settlement Administrator will use the Class Data to calculate the Individual PAGA Payment for each Eligible Aggrieved Employee.

- b. Tax Treatment for Individual PAGA Payments.** Each Eligible Aggrieved Employee's Individual PAGA Payment will be apportioned as one hundred percent (100%) penalties and shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms. Eligible Aggrieved Employees will be responsible for the payment of any taxes and penalties assessed on the Individual PAGA Payments and will be solely responsible for any penalties or other obligations resulting from their personal tax reporting of Individual PAGA Payments.

- 7. Tax Treatment.** Defendant makes no representation as to the tax treatment or legal effect of the payments called for in this Agreement, and Plaintiffs and Class Members are not relying on any statement, representation, or calculation by Defendant. Plaintiffs and Class Members understand and agree that, except for Defendant's payment of the employer's portion of any payroll taxes, they will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein. Plaintiffs, Class Counsel, and Class Members shall be solely and legally responsible for correctly characterizing the payments they receive pursuant to this Agreement for tax purposes and for paying any taxes on the amounts received.

- G. Appointment of Settlement Administrator.** The Settlement Administrator shall be responsible for, but not limited to, the following: (a) preparing, printing, and mailing the Class Notice and Exclusion Form to the Class Members; (b) keeping track of any objections or requests for exclusion from Class Members; (c) performing skip traces and remailing Class Notices and Individual Settlement Shares to Class Members; (d) calculating any and all payroll tax deductions as required by law, including Employer Taxes; (e) calculating each Class Member's Individual Settlement Share; (f) calculating each Eligible Aggrieved Employee's Individual PAGA Payment; (g) providing weekly status reports to Defendant's Counsel and Class Counsel, which is to include updates on any objections or requests for exclusion that have been received; (h) providing a due diligence declaration for submission to the Court prior to the Final Approval Hearing; (i) mailing Individual Settlement Shares to Participating Class Members; (j) mailing Individual PAGA Payments to Eligible Aggrieved Employees; (k) mailing the portion of the PAGA Payment

due to the LWDA to the LWDA; (l) distributing the Attorney Fee Award and Cost Award to Class Counsel; (m) printing and providing Class Members, Eligible Aggrieved Employees and Plaintiffs with W-2s and 1099 forms as required under this Agreement and applicable law; (n) providing a due diligence declaration for submission to the Superior Court upon the completion of the Settlement; (o) providing any funds remaining in the QSF as a result of uncashed checks to Legal Aid at Work and (p) for such other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in Simpluris, Inc. or otherwise have a relationship with Simpluris, Inc. that could create a conflict of interest.

H. CIRCULAR 230 DISCLAIMER. Each Party to this Agreement (for purposes of this section, the “Acknowledging Party” and each Party to this Agreement other than the Acknowledging Party, an “Other Party”) acknowledges and agrees that:

- (1) No provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisors, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of U.S. Treasury Dept. Circular 230 (31 C.F.R. Part 10, as amended);
- (2) The Acknowledging Party (a) has relied exclusively upon her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any Other Party or any attorney or advisor to any Other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any Other Party to avoid any tax penalty that may be imposed on the Acknowledging Party; and
- (3) No attorney or advisor to any Other Party has imposed any limitation that protects the confidentiality of any such attorney’s or adviser’s tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the Acknowledging Party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

I. Procedure for Approving Settlement.

1. Motion for Preliminary Approval and Conditional Certification.

- a.** Plaintiffs will move for an order conditionally certifying the Class for settlement purposes only, giving Preliminary Approval of the Settlement, setting a date for the final approval hearing, and approving the Class Notice and Exclusion Form.

- b. At the Preliminary Approval Hearing, Plaintiffs will appear, support the granting of the motion, and submit a proposed order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representatives, Class Counsel, and Settlement Administrator; approving the Class Notice and Exclusion Form; and setting the final approval hearing.
- c. Should the Court decline to conditionally certify the Class or to preliminarily approve all material aspects of the Settlement with prejudice, the Settlement will be null and void, and the Parties will have no further obligations under it. Provided, however, that the amounts of the Attorney Fee Award, the Cost Award, the Administration Costs, and the Class Representative Enhancement Payments shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, and that the Court's approval or denial of any amount requested for these items are not conditions of this Settlement Agreement and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement. Any order or proceeding relating to an application for the Attorney Fee Award, the Cost Award, the Administration Costs, and the Class Representative Enhancement Payments shall not operate to terminate or cancel this Agreement.

2. Notice to Class Members. After the Court enters its Preliminary Approval Order, every Class Member will be provided with the Class Notice and Exclusion Form in accordance with the following procedure:

- a. Within fifteen (15) calendar days after entry of the Preliminary Approval Order, Defendant shall deliver the Class Data to the Settlement Administrator.
- b. Upon receipt of the Class Data, the Settlement Administrator will perform a search based on the National Change of Address Database ("NCOA") to update and correct any known or identifiable address changes. The Settlement Administrator shall maintain the Class Data as private and confidential and take reasonable and necessary precautions to maintain the confidentiality of the Class Data. The Settlement Administrator shall not distribute or use the Class Data or any information contained therein for any purpose other than to administer this Settlement. This provision is necessary to preserve the privacy rights of Class Members and will not impede Class Counsel's ability to discharge fiduciary duties, including effectuating the terms of this Settlement.

- c. Within fourteen (14) calendar days after Defendant's deadline to provide the Class Data to the Settlement Administrator, the Settlement Administrator will mail the Class Notice and Exclusion Form (collectively, the "Notice Packet") to all identified Class Members via first-class regular U.S. Mail.
- d. If a Notice Packet is returned because of an incorrect address, within ten (10) calendar days from receipt of the returned Notice Packet, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Notice Packet to the Class Member. The Settlement Administrator will use the NCOA and conduct skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Notice Packet is returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. If the Settlement Administrator is unable to locate a better address, the Notice Packet shall be re-mailed to the original address. If the Notice Packet is re-mailed, the Settlement Administrator will note for its own records the date and address of each re-mailing. Those Class Members who receive a re-mailed Notice Packet, whether by skip trace or forwarded mail, will have an additional ten (10) calendar days to postmark an Exclusion Form, or file and serve an objection to the Settlement or dispute the information provided in their Class Notice. The Settlement Administrator shall mark on the envelope whether the Notice Packet is a re-mailed packet.
- e. Class Members may dispute the information provided in their Class Notice, but must do so in writing, via first-class mail, and it must be postmarked by the Response Deadline (or 10 calendar days after the Response Deadline, if the Notice Packet was re-mailed). To the extent Class Members dispute the number of weeks to which they have been credited or the amount of their Individual Settlement Shares and/or Individual PAGA Payments, Class Members must produce evidence to the Settlement Administrator showing that such information is inaccurate. Absent evidence rebutting Defendant's records, Defendant's records will be presumed determinative. However, if a Class Member produces evidence to the contrary, the Settlement Administrator will evaluate the evidence submitted by the Class Member and will make the final decision as to the number of eligible weeks that should be applied and/or the Individual

Settlement Share and/or Individual PAGA Payment to which the Class Member may be entitled.

- f. If any Exclusion Form received is incomplete or deficient, the Settlement Administrator shall send a letter informing the Class Member of the deficiency and allow fourteen (14) calendar days to cure the deficiency. If, after the cure period, the Exclusion Form is not cured, it will be determined that the Class Member did not exclude himself or herself from the Settlement and will be bound by the Settlement.
- g. The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendant's Counsel of the number of Notice Packets mailed, the number of Notice Packets returned as undeliverable, the number of Notice Packets re-mailed, and the number of Exclusion Forms received.

No later than fourteen (14) calendar days after the Response Deadline, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under Section I(2) of this Agreement.

3. Objections to Settlement.

- a. **Class Notice.** The Class Notice will provide that the Class Members who wish to object to the Settlement may do so in a writing that is signed, dated, and mailed to the Settlement Administrator postmarked no later than the Response Deadline, or 10 days after the Response Deadline if the Notice Packet was re-mailed.
- b. **Format.** Any written objections shall state: (a) the objecting person's full name, address, and telephone number; (b) the words "Notice of Objection" or "Formal Objection;" (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) the objector may call to testify at the final approval hearing; and (e) provide true and correct copies of any exhibit(s) the objector intends to offer at the final approval hearing.
- c. **Objector Appearances.** Participating Class Members may (though are not required to) appear at the final approval hearing, either in person or through the objector's own counsel. The failure to file and serve a written objection does not waive a Participating

Class Member's right to appear at and make an oral objection at the final approval hearing.

- d. Plaintiffs.** Plaintiffs agree not to object to the Settlement and will not refuse to execute a general release of claims as described below.

4. Request for Exclusion from the Settlement ("Opt Out").

- a. Class Notice.** The Class Notice will provide that Class Members who wish to exclude themselves from the class action Settlement must mail to the Settlement Administrator an Exclusion Form or other document requesting to be excluded from or opt out of the Settlement. The written request for exclusion must: (a) include the Class Member's name and address, and the last four digits of his or her Social Security number; (b) be addressed to the Settlement Administrator; (c) be signed by the Class Member; (d) clearly state that the Class Member requests to exclude him/herself from or opt out of the Settlement; and (e) be postmarked no later than the Response Deadline, or 10 days after the Response Deadline if the Notice Packet was re-mailed.
- b. No Opt Out From PAGA.** Eligible Aggrieved Employees will not be able to exclude themselves from receiving their portion of the PAGA Payment. The Class Notice will inform Eligible Aggrieved Employees that they cannot opt out of the PAGA portion of the settlement and explain that they will not be permitted to pursue any action under PAGA against the Released Parties for any claim that arose during the PAGA Period, even if they elect to opt out of the class action Settlement.
- c. Validity and Effect.** Any Class Member who returns a timely, valid, and executed Exclusion Form or other executed document stating that the Class Member requests to exclude him/herself from or opt out of the Settlement and including all of the information set forth in paragraph I(4)(a) above will not participate in or be bound by the Settlement and Judgment and will not receive an Individual Settlement Share. A Class Member who does not complete and mail a timely Exclusion Form or other document stating his/her request to exclude his/herself from the Settlement will be included in the Settlement, will receive an Individual Settlement Share, and will be bound by all terms and conditions of the Settlement, if the Court grants final approval of the Settlement, regardless of whether he or she has objected to the Settlement.

- d. Report.** No later than seven (7) calendar days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Notice Packets mailed to Class Members, the number of Notice Packets returned as undeliverable, the number of Notice Packets re-mailed to Class Members, the number of re-mailed Notice Packets returned as undeliverable, the number of Class Members who objected to the Settlement and copies of their submitted objections, the number of Class Members who returned valid requests for exclusion, and the number of Class Members who returned invalid requests for exclusion.
- e. Defendant's Option to Terminate.** If seven and one-half percent (7.5%) or more of the Class Members opt out of the Settlement, prior to the final approval hearing, Defendant, at its sole discretion, may revoke the Settlement and its stipulation to class certification within ten (10) calendar days after the Response Deadline, and this Agreement will become null and void..
- f. Plaintiffs.** Plaintiffs agree not to opt-out of the Settlement and will not refuse to execute the general release of claims as described below.

5. No Solicitation of Objection or Requests for Exclusion. Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, request exclusion from the Settlement, or appeal from the Judgment.

6. Motion for Final Approval.

- a.** On a date approved by the Court and set forth in the Class Notice, the Court shall hold the final approval and fairness hearing where objections, if any, may be heard. Class Counsel will file a motion for final approval of the Agreement, and as part of the motion for final approval of the Agreement, file a declaration by the Settlement Administrator of due diligence and proof of mailing of the Notice Packet required to be mailed to Class Members by this Agreement, and of the delivery results of the Settlement Administrator's mailings including tracing and re-mailing efforts. Class Counsel will further submit a proposed order and judgment for final approval, which shall include findings and orders: (1) approving the Agreement, adjudging the terms thereof to be fair, reasonable and adequate, and directing that its terms and provisions be carried out; (2) approving the Attorney Fee Award; (3) approving the Cost Award; (4) approving the Administration Costs; (5) approving the Class Representative Enhancement

Payments; (6) approving the PAGA Payment; (7) dismissing ORHPS without prejudice; and (8) providing that the Court will retain jurisdiction to oversee administration and enforcement of the terms of the Agreement and the Court's orders.

- b. If the Court denies final approval of the Settlement with prejudice, or if the Court's final approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will become null and void. If that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount and Employer Taxes or any amounts that otherwise would have been owed under this Agreement. Further, should this occur, the Parties agree they shall be equally responsible for the Settlement Administrator's Administration Costs through that date. An award by the Court of a lesser amount than sought by Plaintiffs and Class Counsel for the Class Representative Enhancement Payments, the Attorney Fee Award, and/or the Cost Award, will not constitute a material modification to the Settlement within the meaning of this paragraph.
 - c. After entry of Judgment, the Court shall have continuing jurisdiction over the Class Action for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters, and (3) addressing such post-Judgment matters as may be appropriate under Court rules and applicable law.
 - d. The Settlement Administrator will create a website to notify Class Members of any change to the date or location of the final approval hearing and to give Class Members notice of the entry of the Final Approval Order.
7. **Vacating, Reversing, or Modifying Judgment on Appeal.** If, after a notice of appeal, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then this Settlement will become null and void and the Parties will have no further obligations under it. A material modification would include, but not necessarily be limited to, any alteration of the Gross Settlement Amount (with the exception of an increase in the Gross Settlement Amount pursuant to the Escalator Clause below).
8. **Disbursement of Settlement Shares and Payments.** Subject to the Court finally approving the Settlement, the Settlement Administrator shall

distribute funds pursuant to the terms of this Agreement and the Superior Court's Judgment. The maximum amount Defendant can be required to pay under this Settlement for any purpose is the Gross Settlement Amount and Employer Taxes, unless Defendant is required to pay more pursuant to the terms of the Escalator Clause below. The Settlement Administrator shall keep Defendant's Counsel and Class Counsel apprised of all distributions from the Gross Settlement Amount. The Settlement Administrator shall respond promptly to questions from Defendant's Counsel and Class Counsel. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiffs, Class Counsel, or the Settlement Administrator based on the distributions and payments made in accordance with this Agreement.

- a. Funding the Settlement:** Within seven (7) calendar days after the Final Approval Order, the Settlement Administrator shall calculate the final Net Settlement Amount, the final Individual Settlement Shares, and Individual PAGA Payments, the amount of Employer Taxes, the Attorney Fee Award, the Cost Award, the Class Representative Enhancement Payments, and the Administration Costs, and report the results of these calculations to Class Counsel and Defendant's Counsel. Defendant shall also at this time provide any tax information that the Settlement Administrator may need to calculate each Participating Class Member's Individual Settlement Share. Defendant shall wire the Gross Settlement Amount and Employer Taxes necessary to fund the Settlement to the Settlement Administrator on the later of the following two dates: (a) the 60th calendar day after a signed order granting final approval of this Agreement has been filed, provided no motion to vacate the judgment, appeal, writ or other appellate proceeding having been filed; or (b) the seventh (7th) calendar day after any motion to vacate the judgment, appeal, writ, or other appellate proceeding opposing the Agreement has been finally dismissed with no material change to the terms of this Agreement and there is no right to pursue further remedies.
- b. Disbursement:** Within fourteen (14) calendar days after the deadline to fund the Settlement, the Settlement Administrator shall disburse all payments due under the Settlement Agreement, including all Individual Settlement Shares, Individual PAGA Payments, the Attorney Fee Award, the Cost Award, the Class Representative Enhancement Payments, the PAGA Payment, and the Administration Costs. The Settlement Administrator will forward a check for seventy-five percent (75%) of the PAGA Payment to the LWDA for settlement of the PAGA claim. After such payment, Defendant shall have no liability for PAGA claims by or on behalf of Eligible Aggrieved Employees during the PAGA Period, which are released under this Agreement.

- c. Issuance of Tax Forms:** The Claims Administrator shall be responsible for issuing to Plaintiffs, Participating Class Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Agreement. The Claims Administrator shall also be responsible for forwarding all payroll taxes withheld from the payments issued in this Settlement to the appropriate government authorities.
 - d. QSF:** The Parties agree that the QSF is intended to be a “Qualified Settlement Fund” under Section 468B of the Code and Treasury Regulations § 1.4168B-1, 26 C.F.R. § 1.468B-1 *et seq.* and will be administered by the Settlement Administrator as such. The Parties and Settlement Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the earliest date permitted as set forth in 26 C.F.R. § 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law.
- 9. Treatment of Uncashed Checks and Cy Pres.** Participating Class Members and Eligible Aggrieved Employees must cash or deposit their Individual Settlement Share and Individual PAGA Payment checks within one hundred eighty (180) calendar days after the checks are mailed to them. For any portion of the Net Settlement Amount or PAGA Payment allocated to Participating Class Members and/or Eligible Aggrieved Employees that were not claimed by cashing their respective settlement checks before the deadline to do so, that remaining amount shall be donated to Legal Aid at Work. No portion of the Gross Settlement Amount will revert to Defendant for any reason.
- 10. Final Report by Settlement Administrator.** Within ten (10) calendar days after the disbursement of all funds, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds.
- 11. Defendant’s Legal Fees.** Defendant is responsible for paying for all of Defendant’s own legal fees, costs, and expenses incurred in this Class Action outside of the Gross Settlement Amount.
- 12. Plaintiffs’ Legal Fees.** Plaintiffs are responsible for paying for all of Plaintiffs’ own legal fees, costs, and expenses incurred in this Class Action or in the PAGA Action outside of the Gross Settlement Amount. Except as otherwise provided by this Agreement and the Judgment, Class Counsel and any counsel associated with Class Counsel waive any claim to costs and attorneys’ fees and expenses against Defendant arising from or related to the Class Action or PAGA Action.

- J. Participating Class Members' Release of Claims.** Upon Defendant's fulfillment of its payment obligations under Section III (I)(8)(a) of this Agreement, in exchange for the consideration set forth in this Agreement, Plaintiffs and the Participating Class Members release the Released Parties from the Class Action Released Claims arising during the Class Period.
- K. PAGA Release.** Upon Defendant's fulfillment of its payment obligations under Section III (I)(8)(a) of this Agreement, the LWDA and each Eligible Aggrieved Employee, including Plaintiffs, individually and on behalf of their spouses, heirs, registered domestic partners, executors, administrators, representatives, attorneys, successors and assigns hereby voluntarily and knowingly release the Released Parties from the PAGA Released Claims. In addition, on the Effective Date, all Eligible Aggrieved Employees and their successors in interest will be permanently enjoined and forever barred from prosecuting any of the Released PAGA Claims against any of the Released Parties. The release of the PAGA Released Claims is effective regardless of whether the Eligible Aggrieved Employee submits a timely and valid request for exclusion.
- L. Plaintiffs' Release of Claims and General Release.** Upon Defendant's fulfillment of its payment obligations under Section III (I)(8)(a) of this Agreement, and in exchange for the Class Representative Enhancement Payments to the Plaintiffs in amounts not to exceed Seven Thousand Five Hundred Dollars (\$7,500.00) each, in recognition of their work and efforts in obtaining the benefits for the Class, and undertaking the risk for the payment of costs in the event this matter had not successfully resolved, Plaintiffs hereby provide a general release of claims for themselves and their spouses, heirs, successors and assigns, and forever release, remise, and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties and expenses of any nature whatsoever, arising from the beginning of time through September 14, 2021, known or unknown, suspected or unsuspected, whether in tort, contract, equity, or otherwise, for violation of any federal, state or local statute, rule, ordinance or regulation, including but not limited to all claims arising out of, based upon, or relating to their employment with Defendant, the remuneration for, or termination of, such employment, all tort claims, contract claims, wage claims, wrongful termination claims, disability claims, benefit claims, public policy claims, retaliation claims, statutory claims, personal injury claims, emotional distress claims, invasion of privacy claims, defamation claims, fraud claims, quantum meruit claims, and any and all claims arising under any federal, state or other governmental statute, law, regulation or ordinance, including, but not limited to, claims for violation of the FLSA, the California Labor Code, the Wage Orders of California's Industrial Welfare Commission, other state wage and hour laws, the Americans with Disabilities Act, the Age Discrimination in

Employment Act (ADEA), the Older Workers' Benefit Protection Act, the Equal Pay Act, the Employee Retirement Income Security Act, Title VII of the Civil Rights Act of 1964 and 1991, as amended, the National Labor Relations Act, the Labor Management Relations Act, the California Fair Employment and Housing Act, the California Family Rights Act, the Family Medical Leave Act, California's Whistleblower Protection Act, any and all protections pursuant to any Industrial Welfare Commission Order, California Business & Professions Code Section 17200 *et seq.*, and any and all claims arising under any federal, state or other governmental statute, law, regulation or ordinance. Plaintiffs' Release of Claims also includes a waiver of California Civil Code section 1542, which provides as follows:

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

Plaintiffs therefore waive all unknown, unanticipated, unsuspected, and undisclosed claims, liens, demands, or liabilities, as well as those which are known, anticipated, suspected, or disclosed.

M. Preliminary Settlement Administration Schedule

1. The schedule may be modified depending on whether and when the Court grants necessary approvals, orders notice to Class Members, and sets further hearings. The schedule may also be modified to correct clerical errors and to reflect the provisions in the Agreement as described above. In the event of such modification, the Parties shall cooperate to complete the settlement procedures as expeditiously as reasonably practicable. The preliminary schedule for notice, approval, and payment procedures carrying out the Agreement is as follows:

Last day for Defendant to provide Settlement Administrator with Class Data	Within 15 calendar days after entry of the Preliminary Approval Order
Last day for Settlement Administrator to complete NCOA search, update Class Member mailing information, and mail Notice Packet	Within 14 calendar days after the Claims Administrators' receipt of Class Data
Last day for Class Members to mail Exclusion Form or request, file and serve an objection to the Settlement, or dispute the information provided in their Class Notice	45 calendar days after mailing of Notice Packet or within 10 days after Notice Packet is re-mailed, whichever is later

Last day for Settlement Administrator to provide Parties with signed declaration setting forth its compliance with its obligations under Section I(2) of this Agreement	14 calendar days after the Response Deadline (i.e., 45 days after mailing Notice Packet)
Last day for Settlement Administrator to calculate the final Net Settlement Amount, the final Individual Settlement Shares, Individual PAGA Payments, and Employer Taxes, and report the results of these calculations to Class Counsel and Defendant's Counsel	7 calendar days after the Final Approval Order
Last day for Defendant to fund settlement by wiring Gross Settlement Amount and Employer Taxes	The later of the following two dates: (a) the 60th calendar day after a signed order granting final approval of this Agreement has been filed, provided no motion to vacate the judgment, appeal, writ or other appellate proceeding having been filed; or (b) the seventh (7th) calendar day after any motion to vacate the judgment, appeal, writ, or other appellate proceeding opposing the Agreement has been finally dismissed with no material change to the terms of this Agreement and there is no right to pursue further remedies.
Last day for Settlement Administrator to deliver payment of Class Counsel's Attorney Fee Award, Cost Award, Class Representative Enhancement Payments, Individual Settlement Shares, Individual PAGA Payments, and Administration Costs	14 calendar days after Defendant wires the Gross Settlement Amount and Employer Taxes
Last day for Participating Class Members and Eligible Aggrieved Employees to cash settlement checks	180 days after issuance of checks to Participating Class Members and Eligible Aggrieved Employees
Last day for Settlement Administrator to deliver value of uncashed settlement checks to <i>cy pres</i> beneficiary	Within 14 days after settlement check cashing deadline
Last day for Settlement Administrator to provide Parties with compliance declaration	Within 10 days after settlement check cashing deadline

N. Miscellaneous Terms.

- 1. No Admission of Liability.** Defendant makes no admission of liability or wrongdoing by virtue of entering into this Agreement. Additionally, Defendant reserves the right to contest any issues relating to class certification and liability if the Settlement is not approved. Defendant denies that it has engaged in any unlawful activity, that it has failed to comply with the law in any respect, that it has any liability to anyone under the claims asserted in the Class Action, or that but for the Settlement, a Class should be certified in the Class Action or could proceed on a representative basis. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant of liability or wrongdoing. This Settlement and Plaintiffs' and Defendant's willingness to settle the Class Action will have no bearing on, and will not be admissible in connection with, any litigation, administrative proceeding or other special proceeding (other than solely in connection with this Settlement).
- 2. No Effect on Employee Benefits.** The Class Representative Enhancement Payments, the Individual Settlement Shares, and/or Individual PAGA Payments paid to Plaintiffs, Participating Class Members, and/or the Eligible Aggrieved Employees shall not be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.*, vacation, holiday pay, retirement plans, etc.) of Plaintiffs, Participating Class Members or Eligible Aggrieved Employees. The Parties agree that any Class Representative Enhancement Payments, Individual Settlement Shares, and/or Individual PAGA Payments paid to Plaintiffs, Participating Class Members, and/or the Eligible Aggrieved Employees under the terms of this Agreement do not represent any modification of Plaintiffs', Participating Class Members' or Eligible Aggrieved Employees' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendant.
- 3. Publicity.** Class Counsel and Plaintiffs agree to discuss the terms of this Settlement only in declarations submitted to a court to establish Class Counsel's adequacy to serve as class counsel, in declarations submitted to a court in support of motions for preliminary approval, final approval, attorneys' fees and costs, and any other pleading filed with the Court in conjunction with the Settlement, and in discussions with Class Members in the context of administering this Settlement until the Preliminary Approval Order is issued. Class Counsel and Plaintiffs agree to decline to respond to any media inquiries concerning the Settlement.
- 4. Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or

inducements have been made to any party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.

- 5. Authorization to Enter Into Settlement Agreement.** Class Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Agreement.
- 6. Exhibits and Headings.** The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.
- 7. Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Class Action and PAGA Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval Hearing to be conducted by the Court.
- 8. Amendment or Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors in interest.
- 9. Agreement Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.
- 10. No Prior Assignment.** Plaintiffs hereby 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 rights herein released and discharged.

- 11. Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
- 12. Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Class Action and have arrived at this Agreement through arm's-length negotiations, taking into account all relevant factors, current and potential.
- 13. No Tax or Legal Advice.** The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Agreement, and that Plaintiffs, Class Counsel, Eligible Aggrieved Employees and Participating Class Members will assume any such tax obligations or consequences that may arise from any disbursements made under this Agreement, and that Plaintiffs, Class Counsel, Eligible Aggrieved Employees and Participating Class Members shall not seek any indemnification from the Parties or any of the Released Parties in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any recipient of a disbursement under this agreement, such recipient assumes all responsibility for the payment of such taxes.
- 14. Jurisdiction of the Court.** The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments in connection therewith.
- 15. Invalidity of Any Provision; Severability.** Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.
- 16. Escalator Clause.** This settlement is based on data provided by Defendant, which showed that members of the Class (excluding any individual who signed a release of the claims made in the operative Complaint) worked approximately 83,930 workweeks through approximately March 29, 2021.

If it is determined that the workweeks through September 14, 2021 exceeds 92,323 (83,930, plus 10% of 83,930), the Gross Settlement Amount will be increased by the same number of percentage points above 10% by which the actual number of workweeks exceeds 83,930. For instance, if the actual number of workweeks is determined to be 12% higher than 83,930, the Gross Settlement Amount will be increased by 2%. In the alternative, at their option, Defendants may elect to end the class period on the date that the actual number of workweeks reaches 92,323 (10% more than 83,930).

17. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

18. Execution in Counterpart. This Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel execute this Agreement.

Dated: 09/20/2021, 2021

FRANCESCA BURKE



Dated: _____, 2021

ASHLEY THOMPSON

Dated: _____, 2021

**OLD REPUBLIC HOME PROTECTION
COMPANY, INC.**

By: _____

Its: _____

If it is determined that the workweeks through September 14, 2021 exceeds 92,323 (83,930, plus 10% of 83,930), the Gross Settlement Amount will be increased by the same number of percentage points above 10% by which the actual number of workweeks exceeds 83,930. For instance, if the actual number of workweeks is determined to be 12% higher than 83,930, the Gross Settlement Amount will be increased by 2%. In the alternative, at their option, Defendants may elect to end the class period on the date that the actual number of workweeks reaches 92,323 (10% more than 83,930).

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IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel execute this Agreement.

Dated: _____, 2021

FRANCESCA BURKE

Dated: 09/15/2021, 2021

ASHLEY THOMPSON

Ashley Thompson

Dated: _____, 2021

**OLD REPUBLIC HOME PROTECTION
COMPANY, INC.**

By:

Its:

If it is determined that the workweeks through September 14, 2021 exceeds 92,323 (83,930, plus 10% of 83,930), the Gross Settlement Amount will be increased by the same number of percentage points above 10% by which the actual number of workweeks exceeds 83,930. For instance, if the actual number of workweeks is determined to be 12% higher than 83,930, the Gross Settlement Amount will be increased by 2%. In the alternative, at their option, Defendants may elect to end the class period on the date that the actual number of workweeks reaches 92,323 (10% more than 83,930).

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IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel execute this Agreement.

Dated: _____, 2021

FRANCESCA BURKE

Dated: _____, 2021

ASHLEY THOMPSON

Dated: 9/14, 2021

**OLD REPUBLIC HOME PROTECTION
COMPANY, INC.**



By: Frank Caballero
Its: President/COO

Dated: 9/20, 2021

JUSTICE LAW CORPORATION

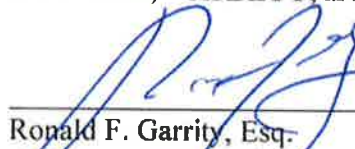


Douglas Han, Esq.

Attorneys for Plaintiffs Francesca Burke and Ashley Thompson, on behalf of themselves and all others similarly situated

Dated: 9/14, 2021

SIMPSON, GARRITY, INNES & JACUZZI



Ronald F. Garrity, Esq.

Attorneys for Defendant Old Republic Home Protection Company, Inc.

EXHIBIT A

CALIFORNIA SUPERIOR COURT, COUNTY OF CONTRA COSTA
Burke, et al., v. Old Republic Home Protection Company, Inc., et al.
Case No. MSC20-02203

NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT

*A court authorized this notice. This is not a solicitation.
This is not a lawsuit against you, and you are not being sued.
However, your legal rights are affected by whether you act or do not act.*

TO: All current and former non-exempt employees of Defendant Old Republic Home Protection Company, Inc. (“Defendant”) in California between April 27, 2016, to September 14, 2021.

The California Superior Court, County of Contra Costa, has granted Preliminary Approval of a proposed settlement (“Settlement”) of the above-captioned class and representative action (referred to in this Notice as the “Class Action”). Because your rights may be affected by this Settlement, it is important that you read this Notice of Class and Representative Action Settlement (“Notice”) carefully.

The Court has certified the following class for settlement purposes (“Class” or “Class Members”):

All current and former non-exempt employees of Defendant employed in California at any time between April 27, 2016, to September 14, 2021.

The purpose of this Notice is to provide a brief description of the claims alleged in the Class Action, the key terms of the Settlement, and your rights and options with respect to the Settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS AND REPRESENTATIVE ACTION SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

WHAT INFORMATION IS IN THIS NOTICE

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1. *Why Have I Received This Notice?*

The personnel records of Old Republic Home Protection Company, Inc. (“Defendant”) indicate that you are a Class Member. The Settlement will resolve all Class Members’ Released Claims, as described below, between April 27, 2016, to September 14, 2021 (the “Class Period”).

A preliminary approval hearing was held on [date of Preliminary Approval], in the Superior Court of the State of California, County of Contra Costa (“Court”). The Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

The Court has determined that there is sufficient evidence to suggest that the proposed settlement may be fair, adequate, and reasonable and that any final determination of those issues will be made at the final approval hearing.

The Court will hold a final approval hearing concerning the proposed settlement on [date of Final Approval Hearing], 2021 at [time a.m./p.m.], before the Honorable Edward G. Weil, at the Contra Costa County Superior Court (Wakefield Taylor Courthouse), located at 725 Court Street, Martinez, California 94553, Department 39.

2. *What Is This Case About?*

Plaintiffs Francesca Burke and Ashley Thompson commenced a class action in the Contra Costa County Superior Court (Case Number MSC20-02203).

Plaintiffs’ action against Defendant sought damages, restitution, statutory penalties, civil penalties, interest, costs, attorneys’ fees and other relief based on the following alleged causes of action: (1) failure to pay overtime; (2) failure to provide meal period premiums; (3) failure to provide rest break premiums; (4) failure to pay minimum wages; (5) failure to timely pay final wages to terminated employees; (6) failure to comply with employee wage statement provisions of the California Labor Code; (7) failure to reimburse business expenses; (8) violations of the Private Attorneys General Act of 2004 (“PAGA”); and (9) violation of California Business & Professions Code section 17200 et seq. (“Unfair Competition Law”).

The Court has not made any determination as to whether the claims advanced by Plaintiffs have any merit. Nor has it decided whether this case could proceed as a class or representative action. Instead, both sides agreed to resolve the Class Action with no decision or admission of who is right or wrong. By agreeing to resolve the Class Action, the parties avoid the risks and costs of a trial.

Defendant denies all allegations made by Plaintiffs, individually and on behalf of Class Members, in the Class Action and denies liability for any wrongdoing with respect to the alleged facts or causes of action asserted in the Class Action. The Settlement is not an admission by Defendant of any wrongdoing or an indication that any law was violated.

3. *Am I a Class Member?*

You are a Class Member if you are currently or were formerly employed by Defendant in California as a non-exempt employee during the period between April 27, 2016, to September 14, 2021 (the “Class Period”). If you qualify as a Class Member, you could receive money from the Class Action Settlement.

If you qualify as an Eligible Aggrieved Employee, meaning you were employed as an hourly-paid or non-exempt employee of Defendant in California at any time during the period between July 22, 2019, to September 14, 2021 (“PAGA Period”) as defined in Section 11 below, you will receive money from the settlement of the PAGA Claims.

4. *How Does This Class Action Settlement Work?*

In the Class Action, Plaintiffs sued on behalf of themselves and all other similarly situated employees who were employed by Defendant in California as non-exempt employees during the Class Period. Plaintiffs and other current and former employees comprise a “Class” and are “Class Members.” The settlement of this Class Action resolves the Released Claims of all Class Members, except for those who exclude themselves from the Class by requesting to be excluded in the manner set forth below.

Plaintiffs and Class Counsel believe the Settlement is fair and reasonable. The Court must also review the terms of the Settlement and determine if it is fair and reasonable to the Class. The Court file has the settlement documents, which explain the Settlement in greater detail. If you would like copies of the settlement documents, you can contact Class Counsel, whose contact information is below, and they will provide you with a copy free of charge.

5. *Who Are the Attorneys Representing the Parties?*

Attorneys for Plaintiffs and the Class	Attorneys for Defendant
JUSTICE LAW CORPORATION Douglas Han Shunt Tatavos-Gharajeh 751 N. Fair Oaks Avenue, Suite 101 Pasadena, California 91103 Telephone: (818) 230-7502 Facsimile: (818) 230-7259	SIMPSON, GARRITY, INNES & JACUZZI Ronald F. Garrity Kendall M. Burton 601 Gateway Boulevard, Suite 950 South San Francisco, California 94080 Telephone: (650) 615-4860 Facsimile: (650) 615-4861

The Court has decided that Justice Law Corporation is qualified to represent the Class Members simultaneously for the purposes of this Settlement.

Class Counsel is working on your behalf. If you want your own attorney, you may hire one at your own cost.

6. What Are My Options?

The purpose of this Notice is to inform you of the proposed Settlement and your options. Each option has its consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are summarized below, and explained in more detail in this Notice.

Important Note: Defendant will not retaliate against you in any way for either participating or not participating in this Settlement.

• **DO NOTHING:** **You do not have to do anything to receive payment under this Settlement.**

If you do nothing and the Court grants final approval of the Settlement, you will become part of the Class Action Settlement and will receive an Individual Settlement Share (explained below) based on the total number of workweeks you were employed by Defendant as a non-exempt employee in California during the Class Period. You will release all the Class Action Released Claims, as defined in Section No. 9 below, and you will give up your right to pursue the Class Action Released Claims, as defined in Section No. 9 below.

• **OPT OUT:** If you do not want to participate as a Class Member **and do not want to receive an Individual Settlement Share**, you may exclude yourself from or “opt out” of the Settlement, and you will not be part of this Class Action Settlement. If the Court grants final approval of the Settlement, you will not receive an Individual Settlement Share, and you will not give up the right to sue the Released Parties, including Defendant, for any of the Class Action Released Claims as defined in Section No. 9 below. Please note, if you are eligible to receive an Individual PAGA Payment (explained below) and you do “opt out” of the Class Action Settlement you will still receive an Individual PAGA Payment. Your right to pursue a claim pursuant to PAGA will be extinguished, regardless of whether or not you opt out.

• **OBJECT:** You can ask the Court to deny approval of this Settlement by filing an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the Settlement. You cannot both object to the Settlement and opt out of the case.

The procedures for opting out and objecting are set forth below in the sections entitled “How Do I Opt Out or Exclude Myself from This Settlement?” and “How Do I Object to the Settlement?”

Regardless of which option you choose, you must keep the Settlement Administrator advised of any change of address.

7. *How Do I Opt Out or Exclude Myself from This Class Action Settlement?*

If you do not wish to participate in the Class Action Settlement, **and do not want to receive an Individual Settlement Share**, you can exclude yourself from the Settlement (i.e., “opt out”) by sending an exclusion or opt out request by the date and to the address stated below. A form (“ELECTION NOT TO PARTICIPATE IN (‘OPT OUT’ FROM) CLASS ACTION SETTLEMENT”) (the “Exclusion Form”) has been provided to you along with this Notice, which can be used for this purpose; alternatively, you can submit your own written document that includes all the same information. If you opt out of the Settlement, you will not be bound by the Class Action Settlement, and, therefore, you will not release the claims set forth in Section No. 9. The Exclusion Form or other document requesting exclusion from the Settlement must be complete, signed, dated, and mailed by first-class U.S. Mail, **postmarked no later than _____, 2021 to: Burke, et al. v. Old Republic Home Protection Company, Inc., et al. C/O SIMPLURIS, INC., [INSERT ADDRESS]**.

If you received a re-mailed Notice and Exclusion Form (collectively, the “Notice Packet”), whether by skip trace or forwarded mail, you will have an additional ten (10) calendar days to postmark an Exclusion Form or other document requesting exclusion from the Settlement. The envelope should indicate whether the Notice Packet has been forwarded or re-mailed. We encourage you to keep copies of all documents, including the envelope, in the event your compliance with the deadline is challenged.

The Court will exclude from the Class Action Settlement any Class Member who submits a complete and timely Exclusion Form or other document requesting exclusion from the Settlement as described in the paragraph above. Exclusion Forms and documents that do not include all required information and/or that are not timely submitted will be deemed null, void, and ineffective. Any Class Member who fails to submit a valid and timely Exclusion Form or other document requesting exclusion from the Settlement on or before the above-specified deadline shall be bound by all terms of the Settlement, release, and any Judgment entered in the Class Action if the Settlement receives final approval from the Court. The failure to file and serve a written objection does not waive a Class Member’s right to appear at and make an oral objection at the final approval hearing.

8. *How Do I Object to the Settlement?*

If you are a Class Member who does not opt out of the Settlement, you may object to the Settlement, personally or through an attorney.

You may mail a written objection to the Settlement Administrator at [address] by [Response Deadline]. If you received a re-mailed Notice Packet, whether by skip trace or forwarded mail, you will have an additional ten (10) calendar days to postmark a written objection. If you choose to object in writing, your objection must: (a) state the objecting person’s full name, address, and telephone number; (b) include the words “Notice of Objection” or “Formal Objection;” (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) the objector may call to testify at the final approval hearing; and (e) provide true and correct copies of any exhibit(s) the objector intends to offer at the final approval hearing.

Class Members may appear at the final approval hearing, either in person or through the objector’s own counsel, even if they did not submit a written objection. Class Members’ timely and valid objections to the Settlement will be considered even if the objector or their own attorney does not appear at the final approval hearing.

If the Court approves the settlement over objections, objecting Class Members will receive Individual Settlement Shares and will be bound by the terms of the Settlement.

9. How Does This Class Action Settlement Affect My Rights? What are the Released Claims?

If the proposed Settlement is approved by the Court, a final Judgment will be entered by the Court. All Class Members who do not opt out of the Settlement will be bound by the Court's final Judgment and will fully release and discharge Defendant and its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents, attorneys, and any entities that may be considered joint employers ("Released Parties"). The Class Action Released Claims are as follows:

A. Class Action Released Claims.

The claims that Participating Class Members are releasing in exchange for the consideration provided for by the Settlement are any and all claims, causes of action, suits, liens, or demands asserted or that could be asserted based on the facts alleged in the operative Complaint, whether known or unknown and whether or not the releasing party suspected such claims, causes of action, suits, liens or demands existed in his or her favor, arising during the Class Period, including, but not limited to, wage and hour claims for any and all violations of California's Labor Code, California's Industrial Welfare Commission Wage Orders ("Wage Order"), and any other applicable state or local laws related to Defendant's alleged failure to pay for all hours worked (including minimum wages, straight time wages, and overtime wages), failure to provide meal periods, failure to authorize and permit rest periods, failure to timely pay all wages due at the time of termination, failure to furnish accurate, itemized wage statements, failure to timely pay wages during employment, failure to properly reimburse for all business-related expenses, violation of the California Business & Professions Code sections 17200, *et seq.*, civil penalties under California's Private Attorneys General Act of 2004 based on the alleged Labor Code violations, and all damages, interest, penalties, attorneys' fees, costs, and other amounts recoverable under said causes of action under California law, to the extent permissible. The release will occur only upon Defendant's fulfillment of its payment obligations under Section III (I)(8)(a) of this Agreement (i.e., Defendant's full funding of the Settlement). The period of the release shall coincide with and extend to the limits of the Class Period. As to individual Class Members, the release applies only to periods of time when the Class Member was a member of the Class (i.e., excluding periods of time in exempt positions)

B. PAGA Released Claims

Furthermore, all Eligible Aggrieved Employees, including Plaintiffs, individually and on behalf of their spouses, heirs, registered domestic partners, executors, administrators, representatives, attorneys, successors and assigns will voluntarily and knowingly release the Released Parties from any and all claims for civil penalties that were brought under PAGA, based on any and all facts or underlying claims asserted in the LWDA pre-filing notice dated July 22, 2020, or the Complaint, arising during the PAGA Period (July 22, 2019 through September 14, 2021) ("PAGA Released Claims"). All Eligible Aggrieved Employees and their successors in interest will be permanently enjoined and forever barred from prosecuting any of the Released PAGA Claims against any of the Released Parties. This release will occur only upon Defendant's fulfillment of its payment obligations under Section III (I)(8)(a) of the Agreement (i.e., Defendant's full funding of the Settlement). The release of the PAGA Released Claims is effective regardless of whether the Eligible Aggrieved Employee submits a timely and valid request for exclusion.

10. *How Much Can I Expect to Receive from This Settlement?*

Defendant will pay, subject to Court approval, a Gross Settlement Amount of \$750,000 to cover: (1) the Individual Settlement Shares to all Settlement Class Members; (2) the Class Representative Enhancement Payments to Plaintiffs in amounts up to \$7,500 to each Plaintiff; (3) the Administration Costs to the Settlement Administrator in an amount up to \$12,000; (4) the Attorney Fee Award to Class Counsel for attorneys' fees of \$250,000 and the Cost Award to Class Counsel for litigation costs of up to \$25,000 supported by declaration; and (5) a PAGA Payment for settlement of claims under PAGA for \$20,000, seventy-five percent (75%) of which (\$15,000) will be paid to the Labor Workforce and Development Agency ("LWDA") and twenty-five percent (25%) of which (\$5,000) will be distributed to Eligible Aggrieved Employees as Individual PAGA Payments.

After deducting the Class Representative Enhancement Payments to Plaintiffs, Settlement Administration Costs, Class Counsel's Attorney Fee Award and Costs Award, and the PAGA Payment, the remaining sum, estimated at \$428,000 is the "Net Settlement Amount", which shall be distributed to all Participating Class Members. The Settlement Administrator will calculate the Individual Settlement Shares for Participating Class Members. Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to (i) the number of weeks he or she worked in a non-exempt capacity based on the Class Data provided by Defendant divided by (ii) the total number of weeks worked by all Class Members based on the same Class Data, which is then multiplied by the Net Settlement Amount. One day worked in a given week will be credited as a week for purposes of this calculation. Thus, the value of each Class Member's Individual Settlement Share ties directly to the number of weeks that he or she worked.

Although your exact share of the Net Settlement Amount cannot be precisely calculated until after the time during which individuals may object or seek exclusion from the Settlement concludes, based upon the calculation above, your approximate share of the Net Settlement Amount, is as follows: \$ _____, less taxes. This is based on Defendant's records, which show you worked _____workweeks during the Class Period.

If you believe the number of eligible workweeks records are incorrect, you may provide documentation and/or an explanation to show contrary information to the Settlement Administrator at [address] on or before [Response Deadline]. Any evidence submitted will be carefully weighed, and the Settlement Administrator will make a final determination. If this was re-mailed to you, you have an additional ten (10) calendar days to submit a dispute.

One-third (1/3) of your Individual Settlement Share will be treated as unpaid wages. Applicable taxes will be withheld from the wages portion of your Individual Settlement Share only and reported on an IRS Form W-2. The remaining two-thirds (2/3) of your Individual Settlement Share will be treated as interests and penalties and will be paid pursuant to an IRS Form 1099.

Defendant is expected to fund the Gross Settlement Amount within 60 calendar days after the Court finally approves the Settlement, or the seventh (7th) calendar day after any motion to vacate the judgment, appeal, writ, or other appellate proceeding opposing the Agreement has been finally dismissed with no material change to the terms of this Agreement and there is no right to pursue further remedies, whichever date is later. Your Individual Settlement Share will be distributed within approximately fourteen (14) calendar days of the funding of the entire Gross Settlement Amount and Employer Taxes.

It is strongly recommended that upon receipt of your Individual Settlement Share check, you immediately cash it or cash it before the 180-day void date shown on each check. If any checks remain uncashed or not deposited by

the expiration of the 180-day period after mailing, the Settlement Administrator will, pay the amount of the Individual Settlement Share to Legal Aid at Work.

11. What is the PAGA Payment, and Am I Eligible for It?

Under the terms of the Settlement, \$20,000 has been set aside as a PAGA Payment. This portion is the total amount of civil penalties collected on behalf of the State of California. Fifteen Thousand Dollars (\$15,000) will be sent to the State of California. Eligible Aggrieved Employees will share Five Thousand Dollars (\$5,000) based on the number of workweeks they worked during the PAGA Period.

You are an “Eligible Aggrieved Employee” eligible to share the PAGA Payment under the settlement if you are a current or former hourly-paid or non-exempt employee of Defendant in California who worked for Defendant during the period between July 22, 2019, to September 14, 2021 (“PAGA Period”).

The Individual PAGA Payments will be calculated by determining the number of workweeks an Eligible Aggrieved Employee worked as an hourly-paid or non-exempt employee during the PAGA Period and dividing that number by the total number of workweeks worked by all Eligible Aggrieved Employees collectively during the PAGA Period, which is then multiplied by the \$5,000 amount allocated to Eligible Aggrieved Employees to determine the monetary value assigned to each pay period. Individual PAGA Payments shall be designated as one hundred percent (100%) penalties, for which an IRS Form 1099 will issue.

Based on your total number of workweeks during the PAGA Period, your Individual PAGA Payment is \$____. You are responsible for paying any federal, state, or local taxes owed because of this Individual PAGA Payment.

Because these penalties can only be sought by the State of California, you cannot exclude yourself from the PAGA portion of the settlement if the Court gives final approval. Even if you exclude yourself from the class action portion of the settlement, you will still be paid your portion of the civil penalties described above.

If you are not an Eligible Aggrieved Employee, this Section does not apply to you.

12. How Will the Attorneys for the Class and the Class Representative Be Paid?

Class Counsel will be paid from the Gross Settlement Amount. Subject to Court approval, Class Counsel shall be paid an amount not to exceed one-third (1/3) of the Gross Settlement Amount (\$250,000) for attorneys’ fees, and up to \$25,000 for litigation costs.

Defendant has paid all its own attorneys’ fees and costs.

As set forth in Section No. 10 above, the Plaintiffs will also be paid Class Representative Enhancement Payments, subject to Court approval.

13. Final Approval Hearing and Remote Appearance

The Court will hold a final approval hearing concerning the proposed settlement on [date of Final Approval Hearing], 2021 at [time a.m./p.m.], before the Honorable Edward G. Weil, at the Contra Costa County Superior Court (Wakefield Taylor Courthouse), located at 725 Court Street, Martinez, California 94553, Department 39.

You are not required to appear at this hearing. Any changes to the hearing date will be available on the Settlement Administrator's website [\[INSERT WEBSITE ADDRESS\]](#).

You do not need to appear at this hearing. However, you may appear at the hearing if you have submitted an objection to the Settlement or wish to object to the Settlement at the hearing even though you did not submit a written objection.

Due to the current pandemic, the Court may not hold a Final Approval Hearing in person. You may appear at the hearing remotely through the Contra Costa Superior Court's Zoom Hearings System. It may take time to set up the remote appearance, so provide yourself time to go through process. When you are ready to participate in the zoom meeting, go to <https://www.cc-courts.org/calendars/court-calendars.aspx> and scroll down to the "Calendars by Department" section. Then, click on the arrow next to Department 39 to expand the field. This will reveal the hearings that have been scheduled in Department 39, a Zoom meeting link for each hearing, the ID number of each hearing, and the password to access each hearing. Next, click on the "Zoom Link" for the Motion for final approval hearing and you will be placed in a waiting room. Once the judge is ready, you will be admitted into the virtual hearing. Please monitor the Contra Costa County Superior Court's website for any updates regarding the Court's procedures regarding the pandemic.

14. How Do I Get More Information?

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS OR WOULD LIKE ELECTRONIC COPIES OF DOCUMENTS RELATING TO THE CLASS ACTION OR THE SETTLEMENT, you may contact Class Counsel listed above, or the Settlement Administrator at the telephone number listed below, toll-free. Please refer to the "Old Republic Home Protection Company, Inc. Class Action Settlement."

This Notice does not contain all the terms of the proposed Settlement or all the details of these proceedings. For more detailed information, such as definitions of terms, you may refer to the underlying documents and papers on file at the Contra Costa Superior Court, the Wakefield Taylor Courthouse, located at 725 Court Street, Martinez, California 94553, between 8:30 a.m. and 4:00 p.m.

You may also contact Plaintiffs' counsel, whose contact information is above, and they will provide you with an electronic copy of the settlement documents or case documents free of charge.

PLEASE DO NOT TELEPHONE THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.

EXHIBIT B

ELECTION NOT TO PARTICIPATE IN (“OPT OUT” FROM) CLASS ACTION SETTLEMENT

Superior Court of the State of California, County of Contra Costa
Burke, et al., v. Old Republic Home Protection Company, et al.
Case No. MSC20-02203

ONLY SIGN AND MAIL THIS DOCUMENT IF YOU WISH TO EXCLUDE YOURSELF FROM THE CLASS ACTION SETTLEMENT. IF YOU EXCLUDE YOURSELF, YOU WILL NOT RECEIVE A PAYMENT FROM THE CLASS ACTION SETTLEMENT.

This document must be postmarked no later than _____, 2021 and sent via U.S. Mail to:

Burke, et al., Old Republic Home Protection Company, Inc., et al., C/O Simpluris, Inc.
[Insert Administrator Address]
[City, State ZIP]

By signing and mailing this form to exclude yourself from the class action settlement, you are agreeing to and confirming the following:

It is my decision not to participate in the class action settlement in *Burke, et al., v. Old Republic Home Protection Company, et al.* I understand that by excluding myself from the settlement class, I will not receive a settlement payment from the class action settlement. However, if I qualify for an “Individual PAGA Payment,” I will receive that payment regardless of whether or not I exclude myself from the class action settlement.

I confirm that I am and/or was employed by Old Republic Home Protection Company, Inc. as a non-exempt employee in California between April 27, 2016, to September 14, 2021. I confirm that I have received and reviewed the Notice of Class Action Settlement in this action. I have decided to be excluded from the Class, and I have decided **not** to participate in the proposed settlement.

Dated: _____

(Signature)

(Last Four Digits of Social Security Number)

(Type or Print Name and Any Former Name(s) if Applicable)

(Telephone Number)

(Address)

(Address Continued)

**PROOF OF SERVICE
1013A(3) CCP**

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Avenue, Suite 101, Pasadena, CA 91103 and my electronic service address is mking@justicelawcorp.com

On November 17, 2021, I served the foregoing document described as

JOINT STIPULATION AND CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

for the following case:	Burke, et al. v. Old Republic Home Protection Company, Inc., et al.
LWDA/Court Case No.:	LWDA Case No.: CM- 799494-20 Court Case No.: MSC20-02203 Contra Costa County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

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

Executed on November 17, 2021, at Pasadena, California.



Madeline King