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Attorneys for Plaintiff Melinda James,
individually and on behalf of all similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ORANGE

Melinda James individually and on behalf
of all similarly situated,

Plaintiff,

vs.

Coolsys Commercial & Industrial Solutions,
Inc.; Source Refrigeration & HVAC, Inc.;
and Does 1-10, Inclusive,

Defendants.

Case No.: 30-2020-01163014-CU-OE-CXC

Hon. Peter Wilson - Dept. CX-102

**DECLARATION OF JONATHAN M. LEBE
IN SUPPORT OF PLAINTIFF'S
UNOPPOSED MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

[Motion, Report re: Compliance with Court
Guidelines, Declaration of Melinda James, and
[Proposed] Order Filed Herewith]

Hearing Information:

Date: August 5, 2021

Time: 2:00 p.m.

Location: Dept. CX-102

1
2 **DECLARATION OF JONATHAN M. LEBE**

3 I, Jonathan M. Lebe, declare as follows:

4 1. I am an attorney duly licensed to practice law before all courts in the State of
5 California. I am the Managing Attorney of Lebe Law, A Professional Law Corporation and I
6 represent Melinda James (“Plaintiff”) in this action. I have personal knowledge of the facts set
7 forth herein and, if called and sworn in as a witness, could and would testify competently thereto.

8 2. I submit this declaration in support of Plaintiff’s Unopposed Motion for
9 Preliminary Approval of the Class Action Settlement.

10 **Experience of Proposed Class Counsel**

11 3. I received Bachelor of Arts degrees in Political Science and International Studies
12 from Northwestern University in 2008. I received my Juris Doctorate from Santa Clara University
13 School of Law in 2012. During law school, I was a legal extern to the Honorable Nandor J. Vadas
14 of the U.S. District Court, Northern District of California. I also had legal internships during law
15 school with the Civil Division of the U.S. Attorney’s Office and the Complex Litigation Division
16 of the San Francisco City Attorney’s Office.

17 4. I was admitted to the California State Bar in the fall of 2012. I am admitted to
18 practice in all state courts in California and in all United States District Courts in California.

19 5. Upon admission to the bar, I became a Deputy County Counsel in the Litigation
20 Section of the Santa Clara County Counsel’s office. The Santa Clara County Counsel’s office is
21 one of the largest and most sophisticated offices of government lawyers in the county. The County
22 Counsel’s office engages in significant impact litigation and, of course, is responsible for the legal
23 representation of the County. In my capacity as Deputy County Counsel, I litigated cases ranging
24 from employment disputes to constitutional challenges to County jail policies.

25 6. Before starting my own firm, I also worked as an associate attorney with Lawyers
26 for Justice, P.C., a class action law firm in California. In that capacity, I was responsible for the
27 day-to-day management of numerous wage and hour class actions at a given time. In this position,
28

1 I engaged in all possible types of motion practice including preparing motions for class
2 certification.

3 7. I started my own law firm in early 2016. In 2018, 2019, 2020 and 2021, I was
4 selected as a Super Lawyer Rising Star based on nominations from my peers, a distinction only
5 received by 2.5% of attorneys. The vast majority of my practice consists of litigating wage and
6 hour class actions filed in California. I have been appointed class counsel in numerous wage and
7 hour class actions.

8 8. I consider myself experienced and qualified to evaluate the class claims and
9 viability of the defenses. Based on the history of the above-captioned case, and given my
10 experience, analysis, it is my view that the settlement is fair, reasonable, and adequate, and in the
11 best interest of the class members. Had the litigation not reached the proposed settlement set forth
12 in the Settlement Agreement, I would have continued to prosecute the class' claims through
13 certification, trial and beyond.

14 **Litigation History**

15 9. On October 1, 2020, Plaintiff filed a representative action in Orange County
16 Superior Court.

17 10. In this case, Plaintiff asserts claims for: (1) Violations of Labor Code §§ 1194,
18 1197.1 and the Applicable Wage Order for Failure to Pay All Minimum Wages; (2) Violations of
19 Labor Code §§ 510, 1194, 1198 and the Applicable Wage Order for Failure to Pay All Overtime
20 Wages; (3) Violations of Labor Code §§ 204, 210 and the Applicable Wage Order for Failure to
21 Pay All Wages; (4) Violations of the Applicable Wage Order for Failure to Pay Reporting Time
22 Pay; (5) Violations of Labor Code §§ 226.7, 512 and the Applicable Wage Order for Failure to
23 Provide Timely and Compliant Meal Periods; (6) Violations of Labor Code §§ 226.7 and the
24 Applicable Wage Order for Failure to Provide Timely and Compliant Rest Periods; (7) Violations
25 of Labor Code §§ 226(a), 226.3 and the Applicable Wage Order for Failure to Provide Accurate
26 and Itemized Wage Statements; (8) Violations of Labor Code §§ 201-203 for Failure to Timely
27 Pay All Wages Due to Terminated/Separated Employees; (9) violation of Business and Professions
28 Code §§ 17200, *et seq.*; and (10) Violation Of Private Attorney General Act (Cal. Lab. Code §

2698, *Et. Seq.*). Plaintiff originally brought this action as a PAGA representative due to a purported arbitration agreement but agreed to amend her complaint to assert class action claims for settlement purposes. Plaintiff brings this putative class action seeking to represent a class of all non-exempt current and former employees of Defendant in the State of California within the applicable statute of limitations regarding the above causes of action.

11. On November 5, 2020, Defendant filed an answer, asserting various affirmative defenses.

12. On January 26, 2021, the Parties mediated with Gig Kyriacou, a very experienced mediator of wage and hour class actions. In advance of the mediation, the parties engaged in informal discovery, whereby Defendant provided the following information related to Defendant's aggrieved employees: (1) the number of aggrieved employees; (2) the number of former employees (3) workweeks worked; (4) the number of pay periods; (5) company handbook and policies pertaining to wage and hour issues; and (6) a sample of time and payroll records. During the mediation, the Parties discussed a broader resolution to settle on a class wide basis instead of PAGA only. Defendant provided the number of class members and number of workweeks during the class period to allow Plaintiff and her expert to evaluate damages on class wide basis. Counsel for Plaintiff did an extensive analysis of the wage and hour claims presented by this class action, including a detailed exposure analysis brought to the mediation, upon which settlement negotiations were based at the mediation.

13. In advance of the hearing date for this motion, Plaintiff will be filing a joint stipulation for the filing of an amended complaint to assert wage and hour violations on behalf of the proposed class (expanding the case from a PAGA-only case to a hybrid class and PAGA action).

14. Plaintiff estimated that Defendant's maximum potential exposure on class claims excluding PAGA penalties and interest could have reached **\$6,516,908** if Plaintiff had successfully certified each claim, overcame Defendant's arguments that the classes should not be certified due to individualized issues, and prevailed at trial. While the amount of the class members' maximum

1 potential damages – if proven – is substantial, the legitimate and serious risks above compelled a
2 considerable discount for settlement. Below is a detailed breakdown of Plaintiff’s *Kullar* analysis:

3 a. Failure to Pay Minimum Wage and Overtime Due to Rounding: Plaintiff’s
4 claims for failure to pay minimum wages and overtime due to rounding are
5 premised on the theory that Defendant failed to pay class members all minimum
6 wages and overtime owed due to Defendant’s alleged practice of unlawful
7 rounding and time manipulation. Plaintiff and her expert calculated
8 Defendant’s exposure as to this causes of action based on the applicable labor
9 code statute, Labor Code Section 1194(a) which provides that:
10 “Notwithstanding any agreement to work for a lesser wage, any employee
11 receiving less than the legal minimum wage or the legal overtime compensation
12 applicable to the employee is entitled to recover in a civil action the unpaid
13 balance of the full amount of this minimum wage or overtime compensation. .
14 ..” By using the information provided by Defendant in advance of and during
15 the mediation and the records of class members, Plaintiff and her expert were
16 able to calculate the exposure of Defendant for this causes of action.
17 Specifically, by multiplying the total number of workweeks, the number of full-
18 time equivalent employees and the weighted minimum wage applicable during
19 the class period by an estimated 5 minutes of shaved time, Plaintiff and her
20 expert estimated that Defendant’s maximum exposure for this claim was
21 **\$195,059** and with interest could have reached approximately **\$214,780**.

22 b. Failure to Pay Overtime Wage Due to Regular Rate of Pay Issues: Plaintiff also
23 has overtime claim for failure to pay overtime wages premised on the theory
24 that Defendant failed to pay class members all overtime wages at the regular
25 rate of pay. Specifically, Plaintiff argued at mediation that Defendant failed to
26 include the following types of pay into the regular rate of pay: “Annual Bonus,”
27 “Bonus,” “Sign On Bonus,” “Emp Referral,” and “Qtr Incentive.” Plaintiff and
28 her expert calculated Defendant’s exposure as to this cause of action based on

1 the applicable labor code statute, Labor Code Section 510 which provides that:
2 “Eight hours of labor constitutes a day’s work. Any work in excess of eight
3 hours in one workday and any work in excess of 40 hours in any one workweek
4 and the first eight hours worked on the seventh day of work in any one
5 workweek shall be compensated at the rate of no less than one and one-half
6 times the regular rate of pay for an employee. Any work in excess of 12 hours
7 in one day shall be compensated at the rate of no less than twice the regular rate
8 of pay for an employee.” By using the information provided by Defendant in
9 advance of and during the mediation and the records of class members, Plaintiff
10 and her expert were able to calculate the exposure of Defendant for this cause
11 of action. Specifically, by including all “Annual Bonus,” “Bonus,” “Sign On
12 Bonus,” “Emp Referral,” and “Qtr Incentive” compensation into the numerator
13 for regular rate of pay calculations on a weighted average basis, Plaintiff and
14 her expert estimated that Defendant’s maximum exposure for this claim was
15 **\$46,409** and with interest could have reached approximately **\$49,031**.

- 16 c. Failure to Pay Reporting Time Pay: Plaintiff’s claim for failure to pay reporting
17 time pay is premised on the theory that Defendant failed to pay class members
18 for half of their shift when they were required to report to work but were sent
19 home early. Plaintiff and her expert calculated Defendant’s exposure as to this
20 cause of action based on the applicable wage order, which provides that: “Each
21 workday an employee is required to report for work and does report, but is not
22 put to work or is furnished less than half said employee’s usual or scheduled
23 day’s work, the employee shall be paid for half the usual or scheduled day’s
24 work, but in no event for less than two (2) hours nor more than four (4) hours,
25 at the employee’s regular rate of pay, which shall not be less than minimum
26 wage. By using the information provided by Defendant in advance of and
27 during the mediation and the records of class members, Plaintiff and her expert
28 were able to calculate the exposure of Defendant for this cause of action.

Specifically, isolating all shifts in which class members worked less than 4 hours and increasing the pay for those shifts to 4 hours, Plaintiff and her expert estimated that Defendant's maximum exposure for this claim was **\$743,635** and with interest could have reached approximately **\$815,642**.

d. Failure to Provide Timely and Compliant Meal Periods: Plaintiff's claim for failure to provide timely and compliant meal periods is premised on the theory that Defendant failed to provide meal periods for each five hours worked, Plaintiff and class members often worked through meal periods, and purported meal periods were often short, late or interrupted. Plaintiff and her expert calculated Defendant's exposure as to this cause of action based on the applicable labor code statute, Labor Code Section 226.7(c), which provide that: "If an Employers fails to provide an employee a meal or rest or recovery period in accordance with a state law, including but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and Health Standards Board, or the Division of Occupational Safety and Health, the Employers shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided." By using the information provided by Defendant in advance of and during the mediation and the records of class members, Plaintiff and her expert able to calculate the exposure of Defendant for this cause of action. Specifically, by multiplying the number of unique meal break violations from the time records produced by the average hourly rate paid and subtracting all premiums already paid by Defendant, Plaintiff and her expert estimated that Defendant's maximum exposure for this claim was **\$2,448,492** and with interest could have reached approximately **\$2,617,917**.

e. Failure to Provide Timely and Compliant Rest Breaks: Plaintiff's claim for failure to provide timely and compliant rest breaks is premised on the theory

1 that Defendant failed to authorize or permit ten-minute rest breaks for every
2 four hours or major fraction thereof worked. Plaintiff and her expert calculated
3 Defendant's exposure as to this cause of action based on the applicable labor
4 code statute, Labor Code Section 226.7(c), which provide that: "If an
5 Employers fails to provide an employee a meal or rest or recovery period in
6 accordance with a state law, including but not limited to, an applicable statute
7 or applicable regulation, standard, or order of the Industrial Welfare
8 Commission, the Occupational Safety and Health Standards Board, or the
9 Division of Occupational Safety and Health, the Employers shall pay the
10 employee one additional hour of pay at the employee's regular rate of
11 compensation for each workday that the meal or rest or recovery period is not
12 provided." By using the information provided by Defendant in advance of and
13 during the mediation and the records of class members, Plaintiff and her expert
14 were able to calculate the exposure of Defendant for this cause of action.
15 Specifically, by multiplying the total number of workweeks, the number of full-
16 time equivalent employees and the average hourly rate applicable during the
17 class period, and assuming a 50 percent violation rate, Plaintiff and her expert
18 estimated that Defendant's maximum exposure was **\$862,237** and with interest
19 could have reached approximately **\$923,365**.

20 f. Failure to Provide Accurate and Itemized Wage Statements: Plaintiff's claim
21 for failure to provide accurate and itemized wage statements is premised on the
22 theory that Defendant failed to include all required information pursuant to
23 Labor Code Section 226, including but not limited to, failing to include the
24 correct number of hours worked and wages earned. Plaintiff and her expert
25 calculated Defendant's exposure as to this cause of action based on the
26 applicable labor code statute, Labor Code Section 226.3, which provide that:
27 "Any employer who violates subdivision (a) of Section 226 shall be subject to
28 a civil penalty in the amount of two hundred fifty dollars (\$250) per employee

per violation in an initial citation and one thousand dollars (\$1,000) per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage deduction statement or fails to keep the records required in subdivision (a) of Section 226. The civil penalties provided for in this section are in addition to any other penalty provided by law..." By using the information provided by Defendant in advance of and during the mediation and the records of class members, Plaintiff and her expert were able to calculate the exposure of Defendant for this cause of action. Specifically, by multiplying the total number of workweeks, the 240 class members in the wage statement subclass number of full-time equivalent employees and the civil penalty pursuant to Labor Code Section 226.3, Plaintiff and her expert estimated that Defendant's maximum exposure for this claim was **\$960,000**.

g. Failure to Timely Pay All Wages due to Terminated/Separated Employees:

Plaintiff's claim for failure to timely pay all wages due to terminated/separated employees is premised on Plaintiff being paid her final wages two days after she was terminated. Plaintiff and her expert calculated Defendant's exposure as to this cause of action based on the applicable labor code statute, Labor Code Section 203, which provide that: "If an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days. An employee who secretes or absents themselves or themselves to avoid payment to him or her, or who refuses to receive the payment when fully tendered to him or her, including any penalty then accrued under this section, is not entitled to any benefit under this section for the time during which he or she so avoids payment." By using the information provided by Defendant in advance of and during the mediation and

1 the records of class members, Plaintiff and her expert were able to calculate the
2 exposure of Defendant for this cause of action. Specifically, by multiplying the
3 total number of separated employees by their average monthly wages, Plaintiff
4 and her expert estimated that Defendant's maximum exposure for this claim
5 was **\$1,261,076**.

6 h. Summary of Exposure Analysis: Plaintiff estimated that Defendant's maximum
7 potential exposure on class claims excluding PAGA penalties and interest could
8 have reached **\$6,516,908** if Plaintiff had successfully certified each claim,
9 overcame Defendant's arguments that the classes should not be certified due to
10 individualized issues, and prevailed at trial. While the amount of the class
11 members' maximum potential damages – if proven – is substantial, the
12 legitimate and serious risks above compelled a considerable discount for
13 settlement. The risks associated with proceeding to trial are meaningful.
14 Indeed, the issue of class certification had not yet been presented to the Court.
15 Defendant argues that there was no unlawful time rounding, and if there was,
16 individual issues predominate as to what extent rounding affecting class
17 members' hours worked. Defendants also argues that none of their wage and
18 hour policies are facially invalid, and that Defendant appropriately paid its
19 employees at all times and was compliant with all applicable wage-and-hour
20 laws. If successful at defeating a class certification motion, the class would
21 recover nothing as a result of this litigation. Class certification is a major hurdle
22 for Plaintiff and the Class. (See Munoz, 186 Cal. App. 4th at 411 [uncertainty
23 of class treatment was significant question which supported the decision to
24 settle].) Class certification briefing would be lengthy and expensive and both
25 sides risked an unfavorable ruling. Moreover, Courts have the discretion to
26 reduce PAGA penalties. Based on the significant benefits to the class and
27 equally significant potential risks to proceeding to trial, Plaintiff believe the
28 settlement is in the best interest of the class.

1 15. The Parties engaged in settlement negotiations at the mediation after months of
2 analysis and informal discovery. At the mediation, on January 26, 2021, the Parties engaged in
3 settlement negotiations, including the exchange of legal analysis and data pertaining to the claims.
4 Counsel aggressively pursued their respective positions before eventually reaching an agreement.
5 Each side provided the other with several detailed settlement proposals before the agreement was
6 reached. Negotiations were rigorous and conducted at arms' length. The Parties did not settle at
7 mediation but continued their settlement negotiations with the assistance of the mediator.
8 Thereafter, on February 5, 2021, the Parties agreed to settle the case. The Parties agreed to settle
9 on a class wide and PAGA basis. In June of 2021, after months of negotiations regarding the
10 details of the written settlement agreement, the Parties agreed to a long-form settlement agreement
11 to settle all alleged class claims and Plaintiff's individual claims. Defendants adamantly denies
12 any wrongdoing and believe that they have meritorious defenses to the class issue and on the merits
13 but have concluded that the further defense of this action would be lengthy and expensive for all
14 parties. Plaintiff and her counsel have considered the uncertainty and risk involved in further
15 litigation, including the difficulties and potential delays in seeking class certification and the
16 financial health of Defendant. The settlement cannot be described as fraudulent or collusive.
17 Rather, the settlement is the product of informed and rigorous negotiations by experienced counsel.
18 Based upon these considerations, Plaintiff and proposed class counsel have determined that the
19 settlement is fair, adequate, and reasonable, and is in the best interests of the class.

20 16. The settlement class includes Plaintiff and non-exempt employees of Defendant in
21 California who, based on Defendant's records, were employed during the class period between
22 October 1, 2016, through April 1, 2021. Defendant has agreed to pay an amount of \$527,500 to
23 settle the class and PAGA claims, of which \$25,000 is reserved to settle the PAGA claims. The
24 settlement includes the following: (1) Plaintiff's attorneys' fees up to \$175,833.33; (2) Plaintiff's
25 counsels' reasonable litigation costs necessary to prosecute and settle this litigation and administer
26 the Agreement, estimated at no more than \$15,000; (3) a \$5,000 enhancement award to Plaintiff;
27 (4) settlement administration costs not to exceed \$15,000; (5) and a payment of \$18,750 to the
28 LWDA, which represents 75% of the PAGA settlement amount. After deduction of these amounts,

1 the remaining net settlement fund of \$297,916.67, which includes \$6,250 reserved for the PAGA
2 aggrieved employees, and will be distributed to class members and PAGA aggrieved employees
3 based on the number of workweeks employed with Defendant. Class members will not be required
4 to return any claims form. Defendant has also agreed to pay an amount of \$20,000, to settle
5 Plaintiff's separate individual claims regarding retaliation, wrongful termination, and other related
6 claims that she had planned to bring in a separate individual lawsuit. In exchange for this
7 settlement, Plaintiff has agreed to a general release of all claims, which is broader than the release
8 given by the class. Plaintiff's counsel is waiving attorney's fees/costs for this individual
9 settlement.

10 17. The Parties have chosen CPT Group, Inc. to administer the settlement. Following
11 preliminary approval of the settlement, and in accordance with California Rule of Court 3.769(f),
12 the Notice of Class Action Settlement together with a change of address form, and pre-printed
13 return envelope ("Notice Packet"), will be mailed by first-class mail to each settlement class
14 member at the last known address according to Defendant's records. The class notice includes
15 information on the claims asserted, the material settlement terms, the right to object, or to opt out
16 and the timing and manner to do either. Class members will have 45 days to object or request
17 exclusion from the settlement. The class notice will also inform the class of the date, place and
18 time of the final approval hearing. Before mailing the notice packets, the settlement administrator
19 will conduct a search of all class members' addresses using the National Change of Address
20 database to update addresses. Furthermore, the settlement administrator will undertake an
21 Experian Skip Tracing in an effort to locate settlement class members whose Notice Packets are
22 returned as undeliverable. The proposed Notice of Class Action Settlement ("class notice") is
23 attached hereto as **Exhibit A** to the proposed settlement agreement attached as **Exhibit 1** to this
24 declaration.

25 18. CPT Group, Inc. is an experienced settlement administrator. Attached as **Exhibit**
26 **2** is from CPT Group, Inc.'s website explaining their experience in being settlement administrator.

19. I am unaware of any opposition to the settlement. To the extent there are objectors following the mailing of the Notice Packet, Class Members will have the opportunity to file objections to or opt-out of the settlement.

20. After a reasonable and diligent inquiry, Plaintiff is aware of not concurrent pending cases. Specifically, Plaintiff's counsel did a search on the submission page for the Labor Workforce Development agency and did not see any PAGA notices submitted in the relevant time frame. Plaintiff's counsel also searched for filed lawsuits using Lexis' CourtLink services. No concurrent pending cases were found.

21. On July 13, 2021, my office sent the Labor Workforce Development Agency a copy of the proposed settlement.

I declare under penalty of perjury under the laws of the State of California and the United States of America that the foregoing is true and correct. Executed on July 14, 2021 in the City of Los Angeles in the State of California.


JONATHAN M. LEBE

JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to final approval by the Court, this Settlement Agreement is between Plaintiff Melinda James (“Plaintiff”) on behalf of herself and others similarly situated and other aggrieved employees and Defendant Coolsys Commercial & Industrial Solutions, Inc., formerly known as Source Refrigeration & HVAC, Inc. (“Defendant”). Plaintiff 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. **Administration Costs**: All administrative costs incurred by the Settlement Administrator to administer this Settlement including the cost of notice to the Class members, claims administration, and any fees and costs incurred or charged by the Settlement Administrator in connection with the execution of its duties under this Joint Stipulation and Settlement Agreement, which is currently estimated at \$_____ and shall not exceed \$15,000. All Administration Costs shall be paid from the Qualified Settlement Fund. Funds allocated but not paid to the Settlement Administrator will be distributed to the class pro rata.
- B. **Agreement, Settlement Agreement, Joint Stipulation, or Settlement**: The settlement agreement reflected in this document, entitled “Joint Stipulation and Settlement Agreement.”
- C. **Attorney Fee Award**: The amount, not to exceed 33 1/3% of the Gross Settlement Amount or \$175,833.33, 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.
- D. **Case or Class Action**: The lawsuit filed by Plaintiff on October 1, 2020, entitled *Melinda James, et al. v. Coolsys Commercial & Industrial Solutions, Inc., et al.*, Case No. 30-2020-01163014-CU-OE-CXC in the State of California, Orange County Superior Court.
- E. **Class**: All individuals employed as non-exempt hourly workers by Defendant within the State of California during the Class Period.
- F. **Class Counsel**: Jonathan Lebe and Annaliz Loera of Lebe Law, APLC.
- G. **Class Member**: Each person eligible to participate in this Settlement who is a member of the Class as defined above.

- H. **Class Notice or Notice:** The “Notice of Class Action Settlement” or “Notice” shall mean the notice to be provided to all Class Members regarding the terms of this Settlement, substantially similar to the form attached hereto as **Exhibit A**, subject to Court approval. The Notice shall be provided to all Class Members in both English and Spanish. The Notice shall constitute class notice pursuant to California Rule of Court 3.769 (f) and, once approved by the Court shall be deemed compliant with California Rule of Court 3.766.
- I. **Class Period:** The time period from October 1, 2016, through April 1, 2021.
- J. **Class Representative or Plaintiff:** Melinda James (“James”).
- K. **Class Representative Enhancement Payments:** The amount the Court awards to Plaintiff for her services as Class Representatives, which will not exceed \$5,000. This payment shall be paid from the Qualified Settlement Fund and will not be opposed by Defendant. This enhancement payment is subject to approval of the Court. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
- L. **Complaint:** The complaint filed by Plaintiff October 1, 2020, in the case entitled *Melinda James, et al. v. Coolsys Commercial & Industrial Solutions, Inc., et al.*, Case No. 30-2020-01163014-CU-OE-CXC in the State of California, Orange County Superior Court. In conjunction with the Preliminary Approval Motion, Plaintiff will file a First Amended Complaint, attached hereto as **Exhibit B**. Plaintiff’s First Amended Complaint will add causes of action brought on behalf of the Class. The First Amended Complaint will be filed for settlement purposes only. Should the Settlement not become Final for whatever reason, the First Amended Complaint will be deemed stricken and Parties will revert back to their positions prior to settlement.
- M. **Cost Award:** The amount that the Court orders Defendant to pay Class Counsel for payment of actual litigation costs, which shall not exceed \$15,000. The Cost Award will be paid from the Qualified Settlement Fund and will not be opposed by Defendant. The Cost Award is subject to Court approval. If the Court awards less than the amount request, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
- N. **Counsel for Defendant:** Attorneys Christine D. Baran and Ashton M. Riley of Fisher & Phillips LLP.
- O. **Court:** The State of California, Orange County Superior Court.
- P. **Defendant:** Coolsys Commercial & Industrial Solutions, Inc., formerly known as Source Refrigeration & HVAC, Inc.

- Q. Effective Final Settlement Date:** The effective date of this Settlement or Final Settlement Date shall be the earlier of the following dates: (1) the date of final affirmation of the Final Approval from any appeal, the expiration of the time for, or the denial of, a petition to review the Final Approval, or if review is granted, the date of final affirmation of the Final Approval following review pursuant to that grant; or (2) the date of final dismissal of any appeal from the Final Approval or the final dismissal of any proceeding to review the Final Approval, provided that the Final Approval is affirmed and/or not reversed in any part; or (3) if no class members intervene but objections are filed, the expiration date of the time for the filing or noticing of any appeal from the Court's Final Approval of the Settlement, as determined under Rule 8.104(a)(3) of the California Rules of Court or (4) if no class members intervene and there are no objections, the date the Court enters the Final Approval Order and Final Judgment.
- R. Eligible Aggrieved Employees:** The aggrieved employees eligible to recover the PAGA payment shall consist of all individuals employed as non-exempt hourly workers by Defendant within the State of California from April 6, 2019 through April 1, 2021 ("PAGA Period").
- S. Exclusion Form:** The Election Not To Participate or Opt-out Form, substantially similar to the form attached hereto as **Exhibit C**, subject to Court approval.
- T. Judgment or Final Approval:** The "Final Approval Order" means the final order entered by the Court following the Final Fairness and Approval Hearing. The "Final Judgment" means the final judgment entered by the Court following the Final Fairness and Approval Hearing.
- U. Gross Settlement Amount or GSA:** The total value of the Settlement is a non-reversionary Five Hundred, Twenty-Seven Thousand, Five Hundred Dollars and Zero Cents (\$527,500.00). This is the gross amount Defendant can be required to pay under this Settlement Agreement, which includes without limitation: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) Attorney Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payment paid to the Class Representative, as approved by the Court; (4) Administration Costs, as approved by the Court; and (5) the PAGA Payment to the LWDA and to Participating Class Members, as approved by the Court. Defendant's portion of payroll taxes as the Class Members' current or former employer is excluded from the GSA and will be paid by Defendant separately. No portion of the Gross Settlement Amount will revert to Defendant for any reason. This amount is all-inclusive of all payments contemplated in this resolution, excluding the Individual Settlement Payment to Plaintiff as provided for in this Agreement, and excluding any employer-side payroll taxes on the portion of the Settlement Shares, if any are allocated to wages

- V. **Individual Settlement Payment**: The payment by Defendant to Plaintiff in accordance with the separate individual settlement agreement entered into between the Parties totaling \$20,000 regarding her claims of retaliation, wrongful termination, and other related claims.
- W. **Individual Settlement Share(s)**: The amount payable to each Participating Class Member 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. Rather, Participating Class Members will receive an Individual Settlement Share automatically, without the return of a claim form.
- X. **LWDA**: California Labor and Workforce Development Agency.
- Y. **Net Settlement Amount or NSA**: The total amount of money available for payout to Participating Class Members, which is the GSA less the Attorney Fee Award, Cost Award, Class Representative Enhancements, the portion of the PAGA Payment paid to the LWDA and aggrieved employees, and Administration Costs. In other words, the NSA is the portion of the GSA that will be distributed to Class Members who do not request exclusion from the Settlement.
- Z. **PAGA**: The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
- AA. **PAGA Payment**: The PAGA Payment consists of \$25,000 of the Gross Settlement Amount allocated to satisfy the PAGA penalties claim as alleged in the Class Action. Seventy-five percent (75%) (\$18,750) of the PAGA Payment shall be paid to the LWDA, and twenty-five percent (25%) (\$6,250) of the PAGA Payment shall be part of the Net Settlement Amount distributed to Eligible Aggrieved Employees, on a pro rata basis, as set forth below.
- BB. **Participating Class Members**: All Class Members who do not submit a valid and timely request to exclude themselves from this Settlement.
- CC. **Parties**: Plaintiff Melinda James as an individual and as Class Representative, and Defendant Coolsys Commercial & Industrial Solutions, Inc., formerly known as Source Refrigeration & HVAC, Inc.
- DD. **Preliminary Approval or Preliminary Approval Order**: The order entered by the Court following the Preliminary Approval Hearing approving the proposed Settlement.
- EE. **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, Plaintiff and Class Counsel.

- FF. Released Claims:** Upon Defendant's fulfillment of its payment obligations under Section III (K)(9)(a) below, the claims that Plaintiff and the other Participating Class Members are releasing in exchange for the consideration provided for by this Agreement are all claims asserted in the operative complaint, that arise out of the facts asserted in the operative complaint, or that could have been asserted in the operative complaint, including for unpaid wages, including minimum wages, regular wages, overtime and double time, improper calculation of overtime and double time wages, meal and rest breaks, reporting time pay, on-call pay, failure to timely pay wages during employment, separation pay violations, non-compliant wage statements, failure to properly record hours worked and/or paid, unfair business practices, and PAGA.
- GG. Comprehensive Release:** Upon Defendant's fulfillment of its payment obligations under Section II (k)(9) below and the individual settlement agreement, Plaintiff is releasing in exchange for the consideration provided for by this Agreement a comprehensive release of all known and unknown claims by Plaintiff, including a California Civil Code section 1542 waiver arising out of the operative allegations in the Case.
- HH. Released Parties:** Defendant, its subsidiaries, affiliates, predecessors or successors in interest, and its respective past or present officers, directors, shareholders, employees, attorneys, agents, assigns, members, investors, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys.
- II. Response Deadline:** Forty-five (45) calendar days from the initial mailing of the Notice.
- JJ. Settlement Administration:** The Settlement Administrator will conduct a skip trace for the address of all former employee Class Members. The Settlement Administrator will translate into Spanish and mail the Notice in English and Spanish version by first class U.S. mail to all Class Members at the address Defendant has on file for those Class Members and to all former employee Class Members at the address resulting from the skip trace. The Notice will inform Class Members that they have until the Response Deadline to either object to the Settlement or to opt-out (exclude themselves) from the Settlement. Any Class Member who does not receive Notice after the steps outlined above have been taken will still be bound by the Settlement and/or Judgment.
- KK. Settlement Administrator:** The third party administrator agreed upon by Parties to administer this Settlement is CPT Group, Inc.

LL. Superior Court: The State of California, Orange County Superior Court.

II. RECITALS

- A.** Per the Complaint, the Plaintiff alleges, *inter alia*, on behalf of herself, all others similarly situated, and other aggrieved employees, that Defendant violated California state wage and hour laws and the California *Business and Professions Code* section 17200 *et seq.* and PAGA as a result of Defendant's wage and hour policies and practices. Specifically, Plaintiff alleges that Defendant failed to pay all wages, including minimum wages, regular wages, overtime and double time; failed to properly calculate overtime and double time wages; failed to provide meal breaks (including without limitation first and second meal breaks) each day based on the hours worked by each employee, including meal breaks that were short, late, interrupted, and/or missed altogether; failed to authorize and permit legally compliant rest breaks each day based on the hours worked by each employee, including rest breaks that were short, late, interrupted, and/or missed altogether; failed to both pay for reporting time pay and to pay for reporting time at the legally required rate; failed to both pay for on-call time and to pay on-call time at the legally required rate; and failed to timely pay all wages during employment each pay period for every employee. Plaintiff further alleged that the aforementioned resulted in the Class receiving inaccurate wage statements; the underpayment of wages to employees upon termination and/or resignation; unfair business practices; and a violation of PAGA.
- B.** After the filing of the Complaint, the Parties agreed to attend mediation. Prior to the mediation, the Parties conducted significant investigation and discovery of the facts and law both before and after the Class Action was filed. Prior to mediation, Defendant produced hundreds of documents relating to its policies, practices, and procedures regarding paying non-exempt employees for all hours worked, meal and rest period policies, and payroll and operational policies. As part of Defendant's production, Plaintiff also reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data permitting Plaintiff to understand the number of workweeks in 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.
- C.** Plaintiff and Class Counsel have engaged in good faith, arms-length negotiations with Defendant concerning possible settlement of the claims asserted in the Class Action. On January 26, 2021, the Parties participated in a mediation before mediator Gig Kyriacou of Kyriacou Mediation. No settlement resulted at that mediation session, but rather a mediator's proposal was issued and left open through 2:30 p.m. on February 5, 2021. The Parties accepted the proposal subject to the approval of the Court and finalization of a

formal Settlement Agreement and amended complaint alleging class action allegations.

- D. Benefits of Settlement to Class Members.** Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendant through trial and through any possible appeals. Plaintiff and Class Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, the existing arbitration agreements and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel conducted extensive settlement negotiations, including formal mediation on January 26, 2021. Based on the foregoing, Plaintiff 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.
- E. Defendant's Reasons for Settlement.** Defendant recognizes that the defense of this litigation will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendant have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiff. 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.
- F. 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 Class Action is not appropriate for PAGA or class treatment. 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 Class Action. Neither this Agreement, nor any document referred to or contemplated herein, nor any statements, discussions or communications, 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 Plaintiff can serve as adequate Class Representatives. There has been no final determination by any court as to the merits of the claims asserted by Plaintiff against Defendant or as to whether a class or classes should be certified, other than for settlement purposes only.
- G. Plaintiff's Claims.** Plaintiff asserts 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 Plaintiff, Class Members, or Class Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Class Action. However, in the event that this Settlement is finally approved by the Court, none of Plaintiff, Class Members,

or Class Counsel will oppose Defendant's efforts to use this Agreement to prove that Plaintiff and Class Members have resolved and are forever barred from re-litigating the Released Claims.

III. SETTLEMENT TERMS AND CONDITIONS

- A. Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the maximum Gross Settlement Amount that Defendant is obligated to pay under this Settlement Agreement is Five Hundred, Twenty-Seven Thousand, Five Hundred Dollars and Zero Cents (\$527,500.00).
- B. Notice to the Labor and Workforce Development Agency ("LWDA").** On July 10, 2020, Plaintiff filed and served her Notice of Labor Code Violations Pursuant to Labor Code Section 2699.3 and filed and served an amended Notice of Labor Code Violations on September 15, 2020. Thus, Plaintiff has satisfied her notice obligations under the PAGA.
- C. 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.
- D. Conditional Nature of Stipulation for Certification.** The Parties stipulate and agree to the certification of the claims asserted on behalf of Plaintiff and Class Members for purposes of this Settlement only. This Stipulation is contingent upon the Preliminary and Final approval and certification of the Settlement Class only for purposes of settlement. If the Settlement does not become final, for whatever reason, the fact that the Parties were willing to stipulate provisionally to certification as part of the Settlement shall have no bearing on and 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 Class Action or in any other lawsuit. Defendant expressly reserves the right to oppose class certification and/or to proactively move to deny class certification should this Settlement be modified or reversed on appeal or otherwise not become final.
- E. Appointment of Class Representatives.** Solely for the purposes of this Settlement, the Parties stipulate and agree Plaintiff shall be appointed as the representatives for the Class.
- F. 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.

- G. Individual Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual Settlement Share from the Net Settlement Amount to each Participating Class Member.

1. Calculation.

- a. Individual Settlement Share Calculation.** 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 during the Class Period based on the Class data provided by Defendant, divided by (ii) the total number of weeks worked by any and all Participating Class Members collectively, during the Class Period 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. Therefore, the value of each Participating Class Member's Individual Settlement Share ties directly to the amount of weeks that he or she worked.
- 2. Tax Withholdings.** Each Participating Class Member's Individual Settlement Share will be apportioned as follows: 1/3 wages, 1/3 penalties and 1/3 interest. The amounts 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. The amounts paid as penalties and interest 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' share of payroll tax withholdings shall be withheld from each persons' Individual Settlement Share.

- H. Settlement Disbursement.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will make the following payments out of the Gross Settlement Amount:

- 1. To the Plaintiff.** In addition to her respective Individual Settlement Shares, and subject to the Court's approval, Plaintiff will receive up to Five Thousand Dollars and Zero Cents (\$5,000) as a Class Representative Enhancement Payment. 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 Plaintiff with respect to her 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 Plaintiff, the difference shall become part of the NSA and be available for distribution to Participating Class Members.

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 thirty-three and one-third percent (33 1/3%) or \$175,833.33 of the GSA and a Cost Award not to exceed \$15,000. The Settlement Administrator will pay the court-approved amounts for the Attorney Fee Award and Cost Award out of the Gross Settlement Fund. 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. 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 NSA and be available for distribution to Participating Class Members.
3. **To the Responsible Tax Authorities.** The Settlement Administrator will pay the amount of the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Settlement Share. The Settlement Administrator will calculate the amount of the Participating Class Members' and Defendant's portion of payroll withholding taxes. The Settlement Administrator will submit Defendant's portion of payroll withholding tax calculation 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 – CPT Group, Inc. - will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court not to exceed \$15,000. This will be paid out of the Qualified Settlement Fund. If the actual amount of Administration Costs is less than the amount estimated, the difference shall become part of the NSA and be available for distribution to Participating Class Members. In the event the Court does not approve the entirety of the application for the Administration Costs, the Settlement Administrator shall pay to itself whatever amount the Court awards, and neither Defendant nor the Plaintiff shall be responsible for paying the difference between the amount requested and the amount awarded.

5. **To Class Members.** The Settlement Administrator will pay Participating Class Members according to the Individual Settlement Share calculations set forth above. All payments to Participating Class Members shall be made from the Qualified Settlement Fund.
6. **To Eligible Aggrieved Employees.** The Settlement Administrator shall pay each Eligible Aggrieved Employee according to their proportional share, which will be based upon the total number of pay periods he or she was employed during the PAGA Period. The individual share will be calculated by determining the total number of pay periods the Eligible Aggrieved Employees were employed during the PAGA Period (i.e., the sum of all pay periods of employment for each eligible aggrieved employee), and dividing that number into the \$6,250 amount allocated to Eligible Aggrieved Employees to determine the monetary value assigned to each pay period. That number will then be multiplied by the individual eligible aggrieved employee's total number of pay periods employed during the PAGA Period to determine that individual's proportional share. Settlement checks issued to the Eligible Aggrieved Employees pursuant to this Joint Stipulation and Settlement Agreement shall expire 180 days from the date they are issued by Defendant. Any unclaimed funds after the 180 days shall be turned over by the Settlement Administrator, with information for each Eligible Aggrieved Employee who failed to timely cash his/her settlement check, to the state Department of Industrial Relations Unpaid Wages Fund in the name of the Eligible Aggrieved Employee.

- I. **Appointment of Settlement Administrator.** Solely for the purposes of this Settlement, the Parties stipulate and agree that CPT Group, Inc. shall be retained to serve as Settlement Administrator. The Settlement Administrator shall be responsible for preparing, printing, translating into Spanish, and mailing the Notice to the Putative Class Members; keeping track of any objections or requests for exclusion from Class Members; performing skip traces and re-mailing Notices and Individual Settlement Shares to Class Members; calculating any and all payroll tax deductions as required by law; calculating each Class Member's Individual Settlement Share; 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; providing a due diligence declaration for submission to the Court prior to the Final Approval hearing; mailing Individual Settlement Shares to Participating Class Members; calculating and mailing the aggrieved employees Payment to the LWDA; distributing the Attorney Fee Award and Cost Award to Class Counsel; printing and providing Class Members and Plaintiff with W-2s and 1099 forms as required under this Agreement and applicable law; providing a due diligence declaration for submission to the Superior Court upon the completion of the Settlement; providing any funds remaining in the QSF as a result of uncashed checks to the state Department of Industrial Relations Unpaid Wages Fund in the name of the Settlement Class member, including the

administration of related tax reimbursements; and for such other tasks as the Parties mutually agree.

J. 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 his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any Other Party or any attorney or advisor to any Other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any Other Party to avoid any tax penalty that may be imposed on the Acknowledging Party; and
- (3) No attorney or advisor to any Other Party has imposed any limitation that protects the confidentiality of any such attorney’s or advisor’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.

K. Procedure for Approving Settlement.

1. Motion for Preliminary Approval and Conditional Certification.

- a. Plaintiff 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. Class counsel will submit to Defendant’s counsel drafts of the motions for Preliminary Approval of settlement, Class Notice and Exclusion Form (“notice packets”) to class members. Defendant’s counsel will not unreasonably withhold approval. Plaintiff’s counsel will not submit motions to the Court for Preliminary Approval, or notice packets, without Defendant’s counsel’s approval.
- b. At the Preliminary Approval hearing, the Plaintiff 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 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, the Parties will cooperate and provide their best efforts to resolve any questions or issues raised by the Court. Should the Agreement not become Final for any reason after the Parties cooperate and provide best efforts to resolve questions or issues raised by the Court including by entering into an amended settlement agreement resolving such issues, 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, Cost Award, Administration Costs, and Class Representative Enhancement 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, Cost Award, Administration Costs, and Class Representative Enhancement shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiff's or Class Counsel's ability to appeal any decision by the Court to award less than the requested Attorney Fee Award, Cost Award, Administration Costs, and Class Representative Enhancements.

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

- a. Within twenty-one (21) calendar days after entry of the Preliminary Approval Order, Defendant shall deliver to the Settlement Administrator the following information about each Class Member: (1) first and last name; (2) last known mailing address; (3) social security number; (4) hire and termination dates; and (5) the total number of weeks during which the Class Member performed any actual work during the Class Period as a member of the Class ("collectively "Class List"). If any or all of this information is unavailable to Defendant, Defendant will so inform Class Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon how to deal with the unavailable information. The Settlement Administrator will conduct a skip trace for the address of all former Defendant employee Class Members and all return mail. The Settlement Administrator shall maintain the Class List and all data contained within the Class List as private and confidential.

- b. The Settlement Administrator shall run all the addresses on the Class List through the United States Postal Service NCOA database (which provides updated addresses for any individual who has moved in the previous four years who has notified the U.S. Postal Service of a forwarding address) to obtain current address information. The Settlement Administrator shall translate the Class Notice and Exclusion Form to Spanish, and shall mail both English and Spanish translations of the Class Notice and Exclusion Form to the Class Members via first-class regular U.S. Mail using the most current mailing address information available within fourteen (14) calendar days after the receipt of the Class List from Defendant.
- c. If a Class Notice is returned because of an incorrect address, within ten (10) days from receipt of the returned Notice, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the National Change of Address Database and 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 Class Notice 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 Class Notice shall be re-mailed to the original address. If the Class Notice 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 Class Notice, whether by skip-trace or forwarded mail, will have their Response Deadline to postmark an Exclusion Form, or file and serve an objection to the Settlement extended by ten (10) calendar days from the original Response Deadline. The Settlement Administrator shall mark on the envelope whether the Class Notice is a re-mailed notice.
- d. 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. To the extent Class Members dispute the number of weeks to which they have been credited or the amount of their Individual Settlement Share, 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 Parties 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 to which the Class Member may be entitled.

- e. 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) days to cure the deficiency. If after the earlier of the cure deadline or the Response Deadline, 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.
 - f. 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.
 - g. 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 this Agreement. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel no later than ten (10) calendar days before the Final Approval hearing. Before the Final Approval hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.
- 3. Objections to Settlement.** The Class Notice will provide that the Class Members who wish to object to the Settlement must do so in writing, signed, dated, and mailed to the Settlement Administrator postmarked no later than the Response Deadline. In order for any Class Member to object to this Settlement, or any term of it, the person making the objection must not submit a request for exclusion (i.e., must not opt out). The timeframe to submit an objection will not be increased for returned mailings.
- a. **Format.** Any Objections shall state: (a) the objecting person's full name, address, and telephone number and the name and address of counsel, if any; (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; (f) signed by the objecting Class Member or his or her attorney; and (g) state whether the objecting Class Member (or someone on his or her behalf) intends to appear at the Final Approval Hearing.

- b. Appearance at Final Approval and Oral Objection.** Class Members may (though are not required to) appear at the Final Approval Hearing, either in person or through the objector's own counsel, at his or her own expense and orally object to the Settlement. Any attorney who will represent an individual objecting to this Settlement must file a notice of appearance with the Court and serve Class Counsel and Defense Counsel no later than fifteen (15) calendar days before the Final Approval hearing.
- c.** If a Class Member objects to the Settlement, the objecting Class Member will remain a member of the Settlement and if the Court approves the Settlement, the objecting Class Member will be bound by the terms of the Settlement in the same way and to the same extent as a Participating Class Member who does not object.
- d.** Named Plaintiff and Defendant will be permitted to respond in writing to such objections no later than seven (7) days before the Final Approval hearing. Named Plaintiff waives any right to object to the Settlement, and hereby endorses the Settlement as fair, reasonable and adequate and in the best interests of the Settlement Class.

- 4. Request for Exclusion from the Settlement ("Opt-Out").** The Class Notice will provide that Class Members who wish to exclude themselves from the Settlement must mail to the Settlement Administrator an Exclusion Form. The written request for exclusion must: (a) include the Class Member's name, address, and last four digits of the social security number; (b) be addressed to the Settlement Administrator; (c) be signed by the Class Member or his or her lawful representative; and (d) be postmarked no later than the Response Deadline.

- a. Confirmation of Authenticity.** The date of the initial mailing of the Class Notice, and the date the signed request to be excluded is postmarked, shall be conclusively determined according to the records of the Settlement Administrator. If there is a question about the authenticity of a signed request for exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity. Any Class Member who returns a timely, valid, and executed Exclusion Form will not participate in or be

bound by the Settlement and Judgment, will not receive an Individual Settlement Share and will not have any right to object, appeal, or comment thereon. A Class Member who does not complete and mail a timely Exclusion Form will automatically be included in the Settlement, will receive an Individual Settlement Share, and be bound by all terms and conditions of the Settlement, if the Settlement is approved by the Court, and by the Judgment, regardless of whether he or she has objected to the Settlement.

- b. 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 Notices mailed to Class Members, the number of Notices returned as undeliverable, the number of Notices re-mailed to Class Members, the number of re-mailed Notices 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.
- c. Defendant's Option to Terminate.** If more than five percent (5%) of the Class Members submit Exclusion Forms, Defendant, at its sole option, may withdraw from the Settlement and this Agreement is null and void. To exercise this option Defendant must do so within thirty (30) days after expiration of the opt-out period.

- 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.** Upon expiration of the Objection/Exclusion Deadlines, Class Counsel will file unopposed motions and memorandums in support thereof for Final Approval of the Settlement and the following payments in accord with the terms of the Settlement: (1) the Attorney Fee Award; (2) the Cost Award; (3) Administrative Costs; (4) the Class Representative Enhancement; and (5) PAGA Payment. Class Counsel will also move the Court for an order of Final Approval (and associated entry of Judgment) releasing and barring any Released Claims of the Class Members who do not opt out of the Settlement. Class counsel will submit to Defendant's counsel drafts of the motion for Final Approval of

settlement to class members. Defendant's counsel will not unreasonably withhold approval. Plaintiff's counsel will not submit motions to the Court without Defendant's counsel's approval.

- b. If the Court does not grant Final Approval of the Settlement, 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 or any amounts that otherwise would have been owed under this Agreement. Further, should this occur, the Parties agree Plaintiff shall be responsible for the Settlement Administrator's Administration Costs through that date. An award by the Court of a lesser amount than sought by Plaintiff and Class Counsel for the Class Representative Enhancement, 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. Upon Final Approval of the Settlement, the Parties shall present to the Court a proposed Final Approval Order, approving the Settlement and entering Judgment in accordance therewith. 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.
7. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms and conditions of this Agreement, if Class Members do not timely object to the Settlement, then the Parties and their respective counsel waive any and all rights to appeal from the Judgment, including, but not limited to, all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the Judgment will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceeding, or post-judgment proceeding.
8. **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, an alteration in the calculation of the Net Settlement Amount, and any change to the calculation of the Individual Settlement Share.

9. 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 Final Approval Order and Judgment. The maximum amount Defendant can be required to pay under this Settlement for any purpose is the Gross Settlement Amount. 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 to questions from Defendant's Counsel and Class Counsel..

- a. **Funding the Settlement:** Provided there is an Effective Settlement Agreement, no later thirty (30) days after the Court grants final approval of the settlement, Defendant or its designee shall deposit the Gross Settlement Amount and any apportioned employer's share of payroll taxes by wiring funds into a QSF set up and controlled by the Settlement Administrator. In the event there are objectors to the Joint Stipulation and Settlement Agreement, payment shall be made within seven (7) calendar days after the time to appeal has run or all appeals have been exhausted, whichever occurs later.
- b. **Disbursement:** Within fourteen (14) calendar days after the funding of the Settlement, the Settlement Administrator shall calculate and pay all payments due under the Settlement Agreement, including all Individual Settlement Shares, the Attorney Fee Award, the Cost Award, the Class Representative Enhancements, the PAGA Payment, and the Administration Costs. The Settlement Administrator will forward a check for 75% of the PAGA Payment to the LWDA for settlement of the PAGA claim.
- c. **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.

10. Uncashed Checks. Participating Class Members must cash or deposit their Individual Settlement Share checks within one hundred eighty (180)

calendar days after the checks are mailed to them. If any checks are not redeemed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will conduct a skip trace and send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) calendar days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced. If any checks remain uncashed or not deposited by the expiration of the 90-day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks, and pay the amount of the Individual Settlement Share to the state Department of Industrial Relations Unpaid Wages Fund in the name of the Class Member/Eligible Aggrieved Employee.

11. 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.

12. 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 Fund.

L. Release of Claims.

- 1. Participating Class Members.** Upon Defendant's fulfillment of their payment obligations under Section III (K)(9)(a), Class Members, who do not submit a timely and valid request for exclusion, hereby waive, release, promise never to assert in any forum, remise and forever discharge the Released Parties from the Released Claims for the time frame from October 1, 2016, through April 1, 2021.
- 2. Plaintiff.** Plaintiff will enter into an individual settlement agreement, which shall provide for an Individual Settlement Payment, as provided for in this Agreement, and which shall provide for a broad release. This release, waiver and discharge of all claims shall include, but will not be limited to, any and all claims arising out of the Action, as well as additional claims described in the Individual Settlement Agreement
- 3. Class Counsel.** As of the date the Judgment becomes Final, and 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 Defendants arising from or related to the Class Action.
- 4. Signatures of All Class Members Unnecessary to Be Binding.** The Parties agree for settlement purposes only that, because the Class Members are so numerous, it is impossible or impracticable to have each Class Member execute this Agreement. Accordingly, the Notices will advise all Class Members of the binding nature of their releases and, if the Court

grants final approval of this Settlement Agreement, this Agreement shall have the same force and effect as if it were executed by each Class Member.

M. Effect of PAGA Settlement. As of the Effective Final Settlement Date, this settlement forever bars Plaintiff, the LWDA, and any other representative, proxy, or agent thereof, including, but not limited to, any and all Eligible Aggrieved Employees during the PAGA Period, from pursuing any action under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”), Labor Code §§ 2698, *et seq.*, against, the Released Parties based on or arising out of alleged violations of Labor Code sections alleged in the Case.

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, has failed to comply with the law in any respect, has any liability to anyone under the claims asserted in the Case, or that but for the Settlement, a Class should be certified in the Case. 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 Plaintiff’s and Defendant’s willingness to settle the Case will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with this Settlement).
- 2. No Effect on Employee Benefits.** The amounts paid under this Agreement do not represent a modification of any previously credited hours of service under any employee benefit plan, policy or bonus program sponsored by Defendant. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under, benefit plans (self-insured or not) sponsored by Defendant’s, policies or bonus programs. Any payments made under the terms of this Settlement shall not be applied retroactively, currently or on a going forward basis as salary, earnings, wages, or any other form of compensation for the purposes of Defendant’s benefit plan, policy or bonus program. Defendant retains the right to modify the language of their benefit plans, policies and bonus programs to effect this intent and to make clear that any amounts paid pursuant to this Settlement are not for “hours worked,” “hours paid,” “hours of service,” or any similar measuring term as defined by applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit accrual or any other purpose, and that additional contributions or benefits are not required by this Settlement..

- 3. Publicity.** Class Counsel and Plaintiff 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, for attorneys' fees/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 Plaintiff agree that they shall not publish any press releases or press statements regarding the Settlement, identify Defendant or Defendant's counsel by name in any media including Class Counsel's website, or have any communications with the press or media about the Action or the Settlement. Plaintiff, in response to inquiries, will state that that "the Case was resolved."
- 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. Except as expressly provided herein, this Agreement has not been executed in reliance upon any other written or oral representations or terms, and no such extrinsic oral or written representations or terms shall modify, vary or contradict its terms. In entering into this Agreement, the parties agree that this Agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence. Nothing in this Agreement in any way limits or negates the enforceability and effect of the underlying arbitration agreements signed by employees of Defendant, obligating them to arbitrate any and all claims on an individual (and not on a class, collective, or representative) basis.
- 5. Authorization to Enter Into Settlement Agreement.** Class Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiff 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 the 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. Deadlines Falling on Weekends or Holidays.** To the extent that any deadline set forth in this Settlement Agreement falls on a Saturday, Sunday or legal holiday, that deadline shall be continued until the following business day.
- 8. Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Class Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the Court.
- 9. 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.
- 10. 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.
- 11. No Prior Assignment.** Plaintiff hereby represents, covenants, and warrants that she has 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.
- 12. 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.
- 13. 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 arms-length negotiations, taking into account all relevant factors, current and potential.
- 14. 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 Class Members will assume any such tax obligations or consequences that may arise from this Agreement, and that 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 Class Member, such Class Member assumes all responsibility for the payment of such taxes.

- 15. Force Majeure.** The failure of any party to perform any of its obligations hereunder shall not subject such party to any liability or remedy for damages, or otherwise, where such failure is occasioned in whole or in part by acts of God, fires, accidents, earthquakes, other natural disasters, explosions, floods, wars, interruptions or delays in transportation, power outages, labor disputes or shortages, shortages of material or supplies, governmental laws, restrictions, rules or regulations, sabotage, terrorist acts, acts or failures to act of any third parties, or any other similar or different circumstances or causes beyond the reasonable control of such party.
- 16. Jurisdiction of the Superior Court.** Pursuant to Code of Civil Procedure Section 664.6, 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 Superior Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments in connection therewith.
- 17. 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.
- 18. 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.
- 19. 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: 6/4/2021, 2021

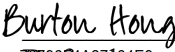
MELINDA JAMES

DocuSigned by:


Plaintiff

Dated: 6/7/2021, 2021

COOLSYS COMMERCIAL & INDUSTRIAL SOLUTIONS, INC.

DocuSigned by:


Defendant
Burton Hong
EVP and General Counsel

Dated: 6/3/2021, 2021

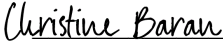
LEBE LAW, APLC

DocuSigned by:


Jonathan Lebe, Esq.
Annaliz Loera, Esq.
Attorneys for Plaintiff Melinda James, on behalf of herself and all others similarly situated

Dated: 6/9/2021, 2021

FISHER & PHILLIPS LLP

DocuSigned by:


Christine D. Baran, Esq.
Ashton M. Riley, Esq.
Attorneys for Defendant Coolsys Commercial & Industrial Solutions, Inc., formerly known as Source Refrigeration & HVAC, Inc.

NOTICE OF PENDENCY OF CLASS AND PAGA ACTION SETTLEMENT

If you are or were employed by Coolsys Commercial & Industrial Solutions, Inc., formerly known as Source Refrigeration & HVAC, Inc. ("Coolsys"), as a non-exempt hourly employee within the State of California at any time during the period from October 1, 2016 through April 1, 2021, a class action settlement may affect your rights.

A court authorized this Notice in the matter of James v. Coolsys Commercial & Industrial Solutions, Inc., et al., Orange County Superior Court Case No. 30-2020-01163014-CU-OE-CXC

Your legal rights may be affected by this Settlement. Please read this Notice carefully.

Plaintiff sued Coolsys, on behalf of herself, all others similarly situated, and other aggrieved employees, for the following claims: (1) failure to pay all minimum wages; (2) failure to pay all overtime wages; (3) failure to pay all wages; (4) failure to pay all reporting time pay; (5) failure to provide timely and complaint meal periods (including without limitation first and second meal breaks); (6) failure to provide timely and complaint rest breaks; (7) failure to provide accurate and itemized wage statements; (8) failure to timely pay all wages due upon termination/separation of employment; (9) violation of Business and Professions Code §§ 17200, *et seq.*; and (10) violation of the Private Attorney General Act ("PAGA") (the "Action"). Plaintiff seeks to recover on behalf of all similarly situated current and former non-exempt hourly employees of Defendant all damages and penalties under California law. Coolsys strongly denies any and all allegations and claims alleged in the Action, and denies any and all wrongdoing and liability. The proposed Settlement is not a concession or admission by Coolsys that the Action has any merit whatsoever. The Court has not ruled on the merits of Plaintiff's claims. The Court has preliminarily approved the Settlement in this Action and determined that there is sufficient evidence to suggest that the proposed Settlement is fair, adequate, and reasonable. You have a right to know about the proposed Settlement and about your options before the Court decides whether to finally approve the Settlement. If you qualify as a Settlement Class Member, you may receive money from the Settlement. A final determination will be made by the Court at a Final Approval/Settlement Fairness Hearing.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
You can DO NOTHING	You will receive a payment from the Settlement, or your Individual Settlement Payment. If you do nothing, you will continue your participation in this lawsuit, and you will receive your individual share of the Settlement. In exchange for this payment, you will release or give up any rights to sue Coolsys separately for the same legal claims that are part of this lawsuit (see Section 11 for an explanation of the Released Claims).
You can EXCLUDE YOURSELF FROM THE SETTLEMENT	If you ask to be excluded from the Settlement, you will get no payment from the Settlement (unless you are a PAGA Representative Action Member), but you will keep any rights to sue Coolsys for any claims other than the PAGA Released Claims. If you ask to be excluded from the Settlement, you cannot object to the Settlement. Note that PAGA Representative Action Members (see definition in Section 1 below) cannot ask to be excluded from participating in the settlement of the PAGA claims in the Action or from the PAGA Released Claims (see Section 11).
You can OBJECT TO THE SETTLEMENT	If you do not agree with the Settlement, you can object to the Settlement according to the procedures described fully below in Section 13. The Court may or may not agree with your objection. However, if the Court does not agree with your objection, you will still be bound by the terms of the Settlement and will receive a settlement payment. Objecting to the Settlement will not exclude you from receiving a portion of the Settlement.

1. Why Did I Get This Notice?

You are not being sued. You received this Notice because Coolsys' records show that you (a) are a current or former non-exempt hourly employee of Coolsys in California during the period of October 1, 2016 through April 1, 2021 (the "Class Period") (defined as a "Settlement Class Member"), and/or (b) are a current or former non-exempt hourly employee of Coolsys in California during the period of April 6, 2019 through April 1, 2021 (the "PAGA Period") (defined as "PAGA Representative Action Member"). If you received this Notice, you are either a "Settlement Class Member" and/or a "PAGA Representative Action Member" for the Settlement described in this Notice.

You received this Notice because you have a right to know about a proposed Settlement of a class and PAGA action lawsuit and about your options before the Court decides whether to finally approve the Settlement. If the Court approves the Settlement, and after any objections and/or appeals are resolved, the Settlement Administrator appointed by the Court will make all payments that the Settlement allows and as approved by the Court.

This Notice explains the Action, the Settlement, your legal rights, what benefits are available, who is eligible to receive them, and how to receive payment.

2. What is This Action About?

In this lawsuit, the Named Plaintiff filed a putative class and representative action against Coolsys for various wage and hour violations. The Operative Complaint alleges that Coolsys violated Labor Code §§ 201-203, 510, 558, 1194, 1197.1, and 1198 by failing to properly and timely pay all wages, including minimum wages, regular wages, overtime and double time. Additionally, Named Plaintiff claims that Coolsys violated Labor Code §§ 226.7 and 512 by failing to provide meal breaks (including without limitation first and second meal breaks) and failing to authorize and permit legally compliant rest breaks. The Operative Complaint also alleges that Coolsys did not provide accurate wage statements in compliance with Labor Code § 226(a). Moreover, Named Plaintiff also claims that Coolsys failed to pay reporting time pay. Named Plaintiff also claims that Coolsys failed to timely pay all wages owed to its employees during and upon separation of employment. Further, Named Plaintiff also claims that Coolsys violated the Business and Professions Code §§ 17200, *et seq.* In addition to the class claims, Named Plaintiff also brought these same claims on a representative basis under the Private Attorneys General Act (PAGA).

Coolsys strongly denies any and all allegations and claims alleged in the Action, and denies any and all wrongdoing and liability.

The parties have reached an agreement to resolve the class and PAGA claims in the lawsuit. The Court has preliminarily approved Plaintiff to represent the Settlement Class. However, the Court has not made any findings with respect to the merits of Plaintiff's claims.

3. Do I Need to Hire an Attorney?

You do not need to hire your own attorney. The Court has already preliminarily appointed the law firms of Lebe Law as Class Counsel (see Section 15 for Class Counsel's information). However, if you want to be represented by your own lawyer, you may hire one at your own expense.

4. What is Coolsys' Position?

Coolsys denies any wrongdoing or liability whatsoever and denies that wages, damages, or penalties are owed, or that it acted contrary to California law. Coolsys believes that it has valid defenses to Plaintiff's claims. By agreeing

to settle, Coolsys is not admitting liability on any of the factual or legal allegations in the Action, or that the Action can proceed as a class or representative action. Coolsys has agreed to settle the Action as a compromise with Plaintiff and Class Counsel.

5. Why is There a Settlement?

The Court did not decide in favor of Plaintiff or Coolsys. After a thorough investigation into the fact and claims of this Action, the parties agreed to the Settlement following a mediation session with a neutral third-party mediator. The Action settled because Class Counsel and Plaintiff believe that the amount of the Settlement is fair, adequate, and reasonable in light of the strengths and weaknesses of the claims and other potential factors affecting this Action.

6. What Does the Settlement Provide?

The proposed Settlement provides for a payment by Coolsys in the gross settlement amount of \$527,500.00 to fully and finally resolve all claims in the lawsuit. The total amount to be distributed to Settlement Class Members who do not exclude themselves from the Settlement, will be the gross settlement amount minus the following (the Net Settlement Amount’): (a) settlement administration costs not to exceed \$15,000.00; (b) class representative service award to Named Plaintiff not to exceed \$5,000.00, to compensate her for the risks, time, and expense of her involvement and efforts to prosecute the Action; (c) Class Counsel’s attorneys’ fees not to exceed \$175,833.33; (d) Class Counsel’s actual litigation costs and expenses as supported by declaration not to exceed \$15,000.00; (e) payment of \$18,750.00 to the California Labor and Workforce Development Agency (LWDA) as part of the settlement of the PAGA claims; and (f) payment of \$6,250.00 to be distributed among PAGA Representative Action Members as part of the settlement of the PAGA claims. No portion of the Net Settlement Amount will be returned to Coolsys under any circumstances.

Based on the foregoing, the total Net Settlement Amount available to be distributed to the Settlement Class Members, should the foregoing amounts be awarded in full, is estimated at \$291,666.67.

7. What Can I Get from the Settlement?

Settlement Class Members (who do not request to be excluded) will be paid their individual settlement payment from the Net Settlement Amount. 33.3% of each individual settlement payment will be designated for alleged unpaid wages, for which an IRS Form W-2 shall be issued. 33.3% will be designated for alleged interest, for which an IRS Form 1099 shall be issued. The remaining 33.3% will be designated for alleged penalties, for which an IRS Form 1099 shall be issued. Individual settlement payments from the Net Settlement Amount are subject to any applicable tax withholdings. To the extent that any portion of the Settlement Class Members’ settlement proceeds constitute wages, Coolsys will be separately responsible for the employer-paid portion of employer taxes, which will not be paid from the gross settlement amount.

PAGA Representative Action Members will be paid a pro rata portion of the \$6,250.00 payment allocated to resolve the PAGA claims (see Section 8). The entirety of each individual PAGA settlement payment to PAGA Representative Action Member will be designated as penalties, for which an IRS Form 1099 shall be issued.

Each Settlement Class Member and PAGA Representative Action Member will be solely responsible for his/her share of taxes owed as a result of any payments received under this Settlement. The amount of tax withholdings from your individual settlement payment may or may not be sufficient to cover your applicable tax obligations to the Internal Revenue Service and/or California Franchise Tax Board. Please consult your tax adviser, as needed. Neither

the named parties nor any counsel in this Action make any representations as to the tax treatment of individual settlement payments provided by the Settlement.

8. How Was My Individual Payment Amount Calculated?

Calculation of Settlement Class Members' Individual Settlement Payments:

Your estimated share of the settlement payment is based on the number of Eligible Workweeks, which is defined as the number of workweeks that you worked as a non-exempt hourly employee for Coolsys in California during the period of October 1, 2016 through April 1, 2021 (the "Class Period"). Based on Coolsys' records, the Settlement Administrator calculated each Settlement Class Member's individual settlement payment by: (1) dividing the Net Settlement Amount by the total number of Eligible Workweeks worked by all Settlement Class Members during the Class Period to determine the Workweek Amount, and then (2) multiplying the Workweek Amount by the number of Eligible Workweeks worked by the individual Settlement Class Member during the Class Period as listed above. Each individual settlement payment will be reduced by any legally mandated deductions (e.g., payroll taxes, etc.), for each Settlement Class Member.

Based on Coolsys' records, the number of Eligible Workweeks during the Class Period is [REDACTED]. Your estimated Individual Settlement Payment, subject to mandatory deductions and withholdings, is \$[REDACTED].

Settlement Class Members who submit valid and timely requests for exclusion will not be entitled to receive the above-referenced individual settlement payments. The estimated individual settlement payments allocated to those individuals will become part of the Net Settlement Amount and redistributed to the remaining Settlement Class Members, as calculated by the Settlement Administrator to proportionally increase the payments to Settlement Class Members who do not request exclusion, such that the aggregate of settlement payout to Settlement Class Members equals 100% of the NSA.

Calculation of PAGA Representative Action Members' Individual PAGA Settlement Payments:

The amount of individual PAGA settlement payments to be paid to each PAGA Representative Action Member will be based on the number of workweeks worked by the individual PAGA Representative Action Member as a non-exempt hourly employee in California during the PAGA Period. Your estimated Individual PAGA Settlement Payment is \$[REDACTED].

Because the PAGA 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 to the Settlement. Even if you exclude yourself from the class action portion of the settlement, you will still receive your portion of the PAGA payment, will release the PAGA Released Claims, and will be barred from asserting any claim against Defendant pursuant to the PAGA based on the PAGA Released Claims.

9. How Can I Get Payment?

You do not need to take any action to qualify for payment. For Settlement Class Members, if you do not opt out or exclude yourself from the Settlement, you will automatically receive your individual settlement payment. For PAGA Representative Action Members, your payment will be automatically mailed to you.

However, if you dispute the number of Eligible Workweeks worked listed above, you may contact the Settlement Administrator with a written statement setting forth the following: (1) the number of Eligible Workweeks that you believe in good faith is correct, (2) that you authorize the Settlement Administrator to review your personnel file to determine the accuracy of the information, and (3) attaching any relevant documentation to support your dispute, if any. You must mail or fax the written statement to the Settlement Administrator at 50 Corporate Park, Irvine, CA

92606 or 1-949-419-3446 no later than [45 DAYS AFTER MAILING DATE]. If you receive a re-mailed Notice, your deadline to submit any disputes is extended by 15 calendar days from [REDACTED].

The Settlement Administrator will consult with Class Counsel and Counsel for Coolsys and will review any pertinent payroll records to resolve any Eligible Workweek disputes. The Settlement Administrator will then make a decision as to your number of Eligible Workweeks. If you do nothing, you will receive your individual settlement payment calculated based on the number of Eligible Workweeks as identified in this Notice and be bound by the terms of the Settlement (including the Released Claims described in Section 11). All disputes regarding Eligible Workweeks will be submitted to the Court, who will have the right to review and reverse any decision made by the Settlement Administrator regarding the dispute.

10. When Would I Get My Payment?

The Court will hold the Final Approval/Settlement Fairness Hearing on [TENTATIVE: Thursday, December 2, 2021], at 2:00 pm, in Department CX-102 of the California Superior Court for the County of Orange, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701, to decide whether to grant final approval of the Settlement and enter final judgment. This hearing date is subject to continuance without further notice. If the Court grants final approval of the Settlement, your individual settlement payment will be mailed after entry of Final judgment, unless there are objections, appeals, or other challenges to the Settlement, the Final Judgment or otherwise.

11. What Rights Do I Give Up If I Participate or Do Nothing?

For Settlement Class Members:

Unless you submit a timely and valid request for exclusion from the Settlement, you will remain a Settlement Class Member, and you will be bound by the terms of the Settlement, including releasing the “Released Claims” against Coolsys and Released Parties below. It also means that all of the Court’s orders in this Action will apply to you and legally bind you.

Release of Claims: If you do not exclude yourself from this Settlement, you will give up any rights against Coolsys regarding any claims related to unpaid wages, including minimum wages, regular wages, overtime and double time, improper calculation of overtime and double time wages, meal and rest breaks, reporting time pay, on-call pay, failure to timely pay wages during employment, separation pay violations, non-compliant wage statements, failure to properly record hours worked and/or paid, unfair business practices, and PAGA that arose during the Class Period. Specifically, upon the Final Approval Order and Final Judgment becoming Final, you hereby waive, release, discharge, and promise never to assert in any forum the following claims against Defendant, its subsidiaries, affiliates, predecessors or successors in interest, and its respective past or present officers, directors, shareholders, employees, attorneys, agents, assigns, members, investors, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys from all claims, demands, rights, liabilities and causes of action that were pled or which could have been pled in the Operative Complaint, and/or Plaintiff’s notices submitted to the LWDA in the Litigation, based on the factual allegations therein, that arose during the Class Period with respect to the following claims: (a) failure to pay all minimum wages; (b) failure to pay all overtime wages; (c) failure to pay all wages; (d) failure to pay all reporting time pay; (e) failure to pay all on-call pay; (f) failure to provide timely and compliant meal periods; (g) failure to provide timely and compliant rest breaks; (h) failure to provide accurate and itemized wage statements; (i) failure to timely pay all wages due to terminated/separated employees; and (j) all damages, penalties, interest and other amounts recoverable under said causes of action under California and federal law, to the extent permissible, including but not limited to the California Labor Code, the applicable Wage Orders, Business & Professions Code §§ 17200, et seq., and the Private Attorneys General Act of 2004, Labor Code §§ 2698, et seq., based

on the facts and causes of action as alleged in the Operative Complaint, and/or Plaintiff's notice submitted to the LWDA.

For PAGA Representative Action Members:

Upon Final Approval of the Settlement, each PAGA Representative Action Member will give up the following "PAGA Released Claims" against Coolsys and Released Parties below. You will be bound by the release below and the judgment entered in this Action when the Court grants final approval of this Settlement.

Release of Claims as to PAGA Representative Action Members: Upon the Final Approval Order and Final Judgment becoming Final, you hereby waive, release, discharge the following claims against Coolsys and its subsidiaries, affiliates, predecessors or successors in interest, and its respective past or present officers, directors, shareholders, employees, attorneys, agents, assigns, members, investors, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys from any and all claims, known and unknown, for civil penalties under the California Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.*, that were asserted or could have been asserted in the Operative Complaint or Plaintiff's notices to the LWDA based on the facts and/or allegations alleged therein. The PAGA Released Claims includes claims for PAGA civil penalties premised on California Labor Code §§ 201-204, 210, 226, 226.3, 226.7, 510, 512, 558, 1194, 1197.1, 1998 including failure to pay unpaid wages, including minimum wages, regular wages, overtime and double time, improper calculation of overtime and double time wages, meal and rest breaks, reporting time pay, on-call pay, failure to timely pay wages during employment, separation pay violations, and non-compliant wage statements, that arose during the PAGA Period.

12. How Do I Exclude Myself from the Settlement as a Settlement Class Member?

If you are a Settlement Class Member and do not wish to participate in the Settlement, you may exclude yourself by writing to the Settlement Administrator stating that you want to be excluded from the *Melinda James, et al. v. Coolsys Commercial & Industrial Solutions, Inc., et al.* settlement.

Be sure to include: (1) your name, address, telephone number; (2) your signature; and (3) a statement that you wish to be excluded from the *Melinda James, et al. v. Coolsys Commercial & Industrial Solutions, Inc., et al.* settlement. Your letter must be faxed and/or postmarked no later than [45 DAYS AFTER MAILING] and returned to the Settlement Administrator at: 50 Corporate Park, Irvine, CA 92606 or 1-949-419-3446. If the Notice was re-mailed to you, your deadline is [REDACTED].

Notwithstanding the foregoing, no PAGA Representative Action Member may opt out of or be excluded from participating in the settlement of the PAGA claims alleged in the Action or from the PAGA Released Claims. Even if you exclude yourself from the class action portion of the settlement, you **cannot** exclude yourself from the PAGA portion of the settlement. Thus, you will still receive your portion of the PAGA payment, will release the PAGA Released Claims, and will be barred from asserting any claim against Defendant pursuant to the PAGA based on the PAGA Released Claims. If the Court grants final approval of the Settlement, upon the date the Final Judgment becomes Final, PAGA Representative Action Members are barred from pursuing any action under the PAGA regarding the PAGA Released Claims against Coolsys as explained in Section 11.

13. How Do I Object to the Settlement and Appear at the Final Approval and Fairness Hearing?

You can object to the Settlement if you believe that the Settlement is unfair or inadequate. To object, you may **either** (1) submit a timely written objection to the Settlement Administrator according to the procedures below, or

A written objection must contain: (1) the full name, address, and telephone number of the Settlement Class Member; (2) your signature; and (3) a written statement of the grounds for your objection. You may include copies of any papers, briefs, or other documents upon which the objection is based, if any. Your written objection must be faxed and/or postmarked no later than [45 DAYS AFTER MAILING] and returned to the Settlement Administrator at: 50 Corporate Park, Irvine, CA 92606 or 1-949-419-3446. If the Notice was re-mailed to you, your deadline is [15 DAYS EXTENSION FROM INITIAL MAILING].

14. When Is the Final Approval and Fairness Hearing?

The Final Approval/Settlement Fairness Hearing may be continued without further notice to you. It is not necessary for you to appear at this hearing, but you may do so at your own expense. Once final approval is granted by the Court, the Court will enter final judgment, and all Settlement Class Members who have not excluded themselves will be deemed to have waived the Released Claims set forth above. Notice of the final judgment will be on file with the Clerk of the Court.

15. How Do I Get Additional Information?

In addition, this Notice, the Joint Stipulation of Class Action and PAGA Settlement, approval papers, and other documents in this case will also be available through the Settlement Administrator at [http://www. \[REDACTED\] .com](http://www. [REDACTED] .com).

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If you have any questions, you may contact any of the attorneys listed below, or the Settlement Administrator, CPT Group, Inc., at 800-542-0900. When you call, please refer to the *Melinda James, et al. v. Coolsys Commercial & Industrial Solutions, Inc., et al.*, class action settlement.

CLASS COUNSEL
Jonathan M. Lebe Annaliz Loera LEBE LAW, APLC 777 S. Alameda Street, 2 nd Floor Los Angeles, CA 90021 Tel: (213) 444-1973 Fax: (213) 457-3092 jon@lebelaw.com annaliz@lebelaw.com

IF YOU HAVE ANY QUESTIONS ABOUT THE SETTLEMENT, YOU MAY CONTACT THE SETTLEMENT ADMINISTRATOR:

James v. Coolsys Commercial & Industrial Solutions, Inc., et al.,

c/o CPT Group, Inc.

50 Corporate Park

Irvine, CA 92606

Toll-Free Phone Number: 800-542-0900

Fax Number: 1-949-419-3446

**PLEASE DO NOT CONTACT THE COURT OR OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS
SETTLEMENT OR THE SETTLEMENT PROCESS.**

BY ORDER OF THE COURT.

[REQUEST A PROPOSAL](#)

ABOUT US

COMPANY PROFILE

CPT Group, Inc. ("CPT"), founded in 1984, is a leading provider of notice and settlement class action administration services and has been appointed as the third-party administrator by all major courts. Throughout our history, CPT has disbursed billions of dollars in settlement funds and serviced tens of millions of class members while administrated approximately 5,000 cases. CPT offers a wide range of class action administrative services for developing, managing, and executing all stages of integrated notice plans and settlements. This includes pre-

certification and discovery mailings, class-certification mailings, claims processing and administration, data management, data reporting, settlement fund administration, legal noticing campaigns, website design and web hosting. The project management, call center, data entry, IT and production facilities are all located at the corporate headquarters in Irvine, CA.



QUALITY ASSURANCE & SECURITY

The integrity of CPT's work and the stringent quality assurance protocols are strengthened by the staff's ability to work in close-proximity and keep the work handled in-house. CPT has an obligation to our clients to maintain a rigorous commitment to data and cyber security by implementing proactive measures, conducting extensive audits, implementing security controls and procedures throughout our business that comply with NIST 800-171.



EXPERIENCE

CPT has extensive experience providing court-approved notice and administration

services in complex, large fund, and top tier class action settlements across a broad spectrum of unique subject matters. Below are highlights from a few relevant cases we handled:

- ***Helmick v. Air Methods Corp.*** (Top Settlements, 2020): Administration of this \$78,000,000 employment settlement included direct mailed notice to class members, production and maintenance of a settlement website and distribution of over \$48,000,000 to eligible claimants.
- ***Wackenhut Wage and Hour Cases*** (Top Settlements, 2019): To notify potential class members in this \$130,000,000 wage and hour settlement, CPT' provided email and text notice in both English and Spanish, maintained a dedicated settlement website with an online claims portal and a toll-free support hotline. CPT's outreach efforts resulted in a 57.14% filing rate.
- ***Sanchez v McDonald's Restaurants of California*** (Top Settlements, 2019): Notice methods in this \$26,000,000 wage and hour settlement included both mailed notice in both English and Spanish and email notification, as well as settlement website and toll-free case support hotline.

- ***Thompson v. 1-800 Contacts, Inc., et al.***: This \$40 million-dollar anti-trust settlement comprised of four settlement classes required design and implementation of a robust, multi-faceted two-part notice program with a multi-layered media campaign combining the use of various digital advertisement platforms, a press release, a dedicated settlement website with an online claims portal, and a toll-free support hotline. The notice program also included an e-mail notice campaign to approximately 10,000,000 potential class members. Combined notice efforts resulted in over 140,000 claimants.
- ***Broomfield v. Craft Brew Alliance, Inc.***: CPT's outreach efforts in this \$20 million consumer settlement included a multi-media channel approach to notice which employed direct mailed notice and a digital, social, and mobile media campaign which reached an impressive 91.43% of the targeted 8,000,000 class members. CPT processed both electronic and hard copy claim forms and valid claimants were paid via paper checks, e-Check, and ACH.
- ***Abdullah v U.S. Security Associates, Inc.*** (Top Settlements, 2018): Administration of this \$21,000,000 wage and hour settlement included direct

mailed notice to class members, class member support hotline and distribution of over \$13,000,000 to eligible claimants.

- ***Augustus et al. v. American Commercial Security Services, Inc.*** (Top Settlements, 2018): Administration duties in this \$110,000,000 employment settlement included direct mailed notice to class members in both English and Spanish and distributing over \$72,000,000 in settlement funds to valid claimants.
- ***Jacobo, et al. v. Ross Stores, Inc.***: In this \$4.85 million consumer settlement, CPT notified approximately 9,000,000 potential class members via direct email notice and a media campaign that combined the use of various digital advertisement platforms, a nationwide press release, print publication in People Magazine, a dedicated settlement website, and a toll-free support hotline. Ultimately, CPT processed 285,000 claims and disbursed \$3,000,000 in merchandise certificates.

The logo features a vertical red bar to the left of the text "DIVERSITY & INCLUSION" in a bold, blue, sans-serif font.

**DIVERSITY &
INCLUSION**

CPT believes that promoting diversity starts with a commitment to building understanding and awareness. Diversity is

not just cultural or ethnic, it includes people of all ages and backgrounds. We are guided by a commitment to removing barriers to the recruitment, retention, and advancement of talented individuals from historically excluded populations. CPT recruits and rewards team members based on capability and performance, regardless of race, gender, sexual orientation, gender identity or expression, lifestyle, age, educational background, national origin, religion, or physical ability.

CPT GROUP, INC.

50 Corporate Park, Irvine,
CA 92606

Email: info@cptgroup.com



CONTACT INFORMATION

Toll-Free Class Member Support:

1 (877) 705-5021

Toll-Free Attorney Support:

1 (888) 636-2106

Fax: 1 (949) 419-3446

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