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14 Attorneys for Plaintiff,
15 REBECCA PINEDA, as an individual and on behalf of all others similarly situated

16
17 **SUPERIOR COURT OF CALIFORNIA**

18 **COUNTY OF MONTEREY**

19 REBECCA PINEDA, as an individual and
20 on behalf of all others similarly situated,

21 Plaintiffs,

22 vs.

23 IPPOLITO INTERNATIONAL L.P.; and
24 DOES 1 through 50, inclusive,

25 Defendants.

Case No. 20CV001851

**DECLARATION OF LARRY W. LEE IN
SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Date: November 16, 2021

Time: 9:00 A.M.

Dept.: 13

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1 and practices. The Parties commenced informal settlement negotiations, but the Parties did
2 not resolve the matter at that time.

3 7. The Parties subsequently agreed to attempt to resolve this matter through private
4 mediation.

5 8. On August 25, 2021, the Parties participated in an all-day mediation session with
6 the Honorable Richard M. Silver (Ret.), which ultimately resulted in the settlement of this
7 Action.

8 9. In resolution of Plaintiff's class and PAGA claims, the Parties entered into the
9 Joint Stipulation of Class Action Settlement ("Stipulation" or "Settlement Agreement"), a true
10 and correct copy of which is attached hereto as Exhibit A.

11 10. From the inception of the case, Class Counsel has zealously represented the
12 interests of the Class. The Settlement was obtained for the benefit of the Class, as opposed to
13 the individual Class Representative. Further, Class Counsel has been approved as class
14 counsel on a number of prior cases, have litigated numerous other class action cases, and are
15 competent to represent the Class.

16 11. Based on their own independent investigation and evaluation, the Parties and
17 their respective counsel are of the opinion that settlement for the consideration and terms set
18 forth in the Settlement Agreement is fair, reasonable, and adequate and is in the best interests
19 of the Class and Defendant in light of all known facts and circumstances and the expenses and
20 risks inherent in litigation.

21 12. Based on the class data provided by Defendant, Plaintiff estimated that
22 Defendant would face potential liability of up to approximately \$260,250 for Plaintiff's class
23 claims if Plaintiff succeeded at trial.

24 13. Plaintiff was able to estimate the potential damages and penalties based on data
25 provided by Defendant, including the number of employees in the putative class and the
26 number of wage statements at issue. Specifically, the amount of Labor Code § 226(e)
27 penalties is based on the number of deficient wage statements at issue and the specified
28 penalties as set forth in Labor Code § 226(e).

1 14. With respect to potential liability of Plaintiff's PAGA claim, Plaintiff estimated
2 that Defendant could face civil penalties of up to a maximum \$663,000 if Plaintiff were
3 successful at trial, based upon the penalty amounts set forth in Labor Code § 226.3.

4 15. Although Plaintiff believes in the merits of the alleged claims and maintains that
5 there is no reason for reducing PAGA penalties, Plaintiff is aware that Defendant may raise
6 defenses to the wage statement claims and further with respect to the reduction of PAGA
7 penalties and that it could be persuasive to the Court. The Gross Settlement Amount was
8 premised with this risk in mind, associated with the possibility of the Court significantly
9 reducing Plaintiff's PAGA penalties, along with other attendant risks, even if Plaintiff was to
10 prevail at trial.

11 16. Both Plaintiff's and Defendant's counsel have a great deal of experience in wage
12 and hour class action litigation. Plaintiff's counsel has been approved as class counsel in a
13 number of wage and hour class actions and have extensive litigation experience.

14 17. Based on my review of all the information, and based on my experience in class
15 action litigation, I believe this settlement to be fair, adequate, and reasonable.

16 18. I was retained based upon a contingency fee arrangement wherein Plaintiff's
17 counsel agreed to advance all costs and receive no fee unless a recovery was accomplished.
18 Specifically, had Plaintiff failed to prevail on this case, counsel for Plaintiff would have spent
19 a significant amount of time, money and other resources without any benefit or return. In
20 addition, had Plaintiff also failed to prevail in the present case, Defendant would have been
21 able to seek attorney's fees and costs in connection with their defense of the case.

22 19. I have spent significant time researching and pursuing the claims that have been
23 alleged in this action.

24 20. Any remaining monies from uncashed settlement checks will be distributed to
25 California Rural Legal Assistance Foundation. Plaintiff's counsel does not have any
26 relationship or connection with or to California Rural Legal Assistance Foundation.

27 21. I am one of the primary attorneys on this matter. My qualifications are as
28 follows: I received my J.D. from Arizona State University College of Law in 2003. During law

1 school, I was a summer associate at the law firm of Brobeck, Phleger & Harrison. I graduated
2 cum laude from Arizona State University College of Law in the top 10% of my class. While I
3 was in law school, I was the Associate Managing Editor of the Arizona State University
4 College of Law, Law Journal. Upon graduation, I practiced law as an associate at the Los
5 Angeles County offices of Ogletree Deakins Nash Smoak & Stewart, P.C., a national
6 employment defense law firm that represents a significant number of Fortune 500 companies.

7 22. My firm's primary focus is employment law. I have handled a number of wage
8 and hour matters including class actions and multiple-plaintiff actions. I have a practice that
9 encompasses cases in the Los Angeles Superior Courts, the Orange County Superior Courts,
10 the San Francisco County Superior Courts, the San Diego County Superior Courts, and the
11 United States District Courts for the Central, Eastern and Northern Districts of California.

12 23. I have been named as Class Counsel in a number of class actions that have been
13 granted final approval by the Superior Courts of Los Angeles County, Orange County, San
14 Francisco County, and the United States District Court for the Central District of California,
15 including the following Class Actions: *Chan Lanier v. Citigroup, Inc. et al.*, San Francisco
16 Superior Court Case No. CGC-05-445143; *Naqvi v. Acoustic Home Loans et al.*, Orange
17 County Superior Court Case No. 05CC00263; *Ortega v. AIG*, Central District of California
18 Case No. CV 06-0196-RSWL (PJWx); *Universal Protection Overtime Cases*, Orange County
19 Superior Court, Judicial Council Coordination Proceeding No. 4480; and *Hernandez v. CVS*
20 *Corp. et al.*, Judicial Council Coordination Proceeding No. 4539.

21 24. My co-counsel and I will adequately represent the Class Members in this action.
22 Plaintiff's Counsel have and will zealously represent Plaintiff and the Class and pursue this
23 lawsuit to its conclusion.

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

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Executed on this 22nd day of October, 2021, at Los Angeles, California.



Larry W. Lee

EXHIBIT A

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14 Attorneys for Plaintiff,
15 REBECCA PINEDA, as an individual and on behalf of all others similarly situated

16 Cheryl Lott (SBN: 232548)
17 Kalley R. Aman (SBN: 217337)
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20 1000 Wilshire Boulevard, Suite 1500
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24 Attorneys for Defendant,
25 IPPOLITO INTERNATIONAL L.P.

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SUPERIOR COURT OF CALIFORNIA

COUNTY OF MONTEREY

REBECCA PINEDA, as an individual and
on behalf of all others similarly situated,

Plaintiffs,

vs.

IPPOLITO INTERNATIONAL L.P.; and
DOES 1 through 50, inclusive,

Defendants.

Case No. 20CV001851

*Assigned to the Honorable Lydia M. Villarreal
for all purposes*

CLASS ACTION

**JOINT STIPULATION OF CLASS
ACTION SETTLEMENT**

1 **JOINT STIPULATION OF CLASS ACTION SETTLEMENT**

2 This Joint Stipulation of Class Action Settlement is made and entered into by and
3 between Plaintiff Rebecca Pineda (“Plaintiff” or “Pineda”), individually and on behalf of
4 others similarly situated, and Defendant Ippolito International L.P. (“Defendant”). Plaintiff
5 and Defendant will at times be referred to collectively as the “Parties” and may individually be
6 referred to as a “party.”

7 **RECITALS**

8 WHEREAS, Plaintiff was employed by Defendant during the alleged Class Period,
9 defined below as the period from April 2, 2019, through October 31, 2020.

10 WHEREAS, on July 10, 2020, Plaintiff filed a Class and Representative Complaint for
11 Damages in the Superior Court of California, County of Monterey, Case Number 20CV001851,
12 entitled *Rebecca Pineda v. Ippolito International L.P.*, asserting two causes of action against
13 Defendant: (1) Violation of Labor Code § 226(a); and (2) Violation of Cal. Labor Code § 2698
14 et seq. (the “Action”).

15 WHEREAS, the Parties want to resolve and settle the dispute that has arisen between
16 them, as well as any other claims, asserted or not asserted, that either party may have against the
17 other arising out of Labor Code §§ 226(a) and 2698, *et seq.*, and facts or events alleged in
18 connection with said claims, known or unknown, occurring up to and including the date of
19 execution of this Agreement.

20 Therefore, in consideration of the promises in this Agreement, the Parties agree as
21 follows:

22 **DEFINITIONS**

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

25 1. “Agreement,” “Settlement,” or “Settlement Agreement” means this Joint
26 Stipulation of Class Action Settlement.

27 2. “Claims Administrator” means Phoenix Settlement Administrators, or any other
28 third-party class action settlement claims administrator agreed to by the Parties and approved
by the Court for the purposes of administering this Settlement Agreement. The Parties each

1 represent that they do not have any financial interest in the Claims Administrator or otherwise
2 have a relationship with the Claims Administrator that could create a conflict of interest.

3 3. "Class" or "Class Member(s)" means Plaintiff and all current and former
4 employees of Defendant in the State of California who were paid wages at any time during the
5 Class Period. It has been determined that there are approximately 99 individuals that comprise
6 the Class.

7 4. "Class Counsel" means Larry W. Lee of Diversity Law Group, P.C. and B. James
8 Fitzpatrick and Laura L. Franklin of Fitzpatrick & Swanston.

9 5. "Class Counsel Fees and Costs" means attorneys' fees, costs and expenses
10 approved by the Court for Class Counsel's litigation and resolution of the Action, and all costs
11 incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs
12 associated with documenting the Settlement, providing any notices required as part of the
13 Settlement or Court order, securing the Court's approval of the Settlement, administering the
14 Settlement, and obtaining entry of the Judgment terminating the Action. Class Counsel will
15 request attorneys' fees not to exceed one-third (1/3) of the Gross Settlement Amount for One
16 Hundred Twenty Five Thousand Dollars (\$125,000.00), i.e. the sum of Forty One Thousand Six
17 Hundred Sixty Six Dollars and Sixty Six Cents (\$41,666.66), and litigation costs not to exceed
18 Fifteen Thousand Dollars (\$15,000.00), subject to the Court finally approving this Settlement.
19 Defendant has agreed not to oppose Class Counsel's request for Class Counsel Fees and Costs.
20 Any portion of the Class Counsel Award not awarded to Class Counsel shall be added to the Net
21 Settlement Amount.

22 6. "Class List" means information regarding all Class Members that Defendant will
23 diligently and in good faith compile from its records and provide to the Claims Administrator
24 after Preliminary Approval of this Settlement. The Class List will be formatted in Microsoft
25 Office Excel to the extent possible and Defendant will use its best efforts to include each Class
26 Member's: full name; employee number (if applicable); most recent mailing address; Social
27 Security number; and the number of wage statements each Class Member received during the
28 Class Period.

7. "Class Period" means the period from April 2, 2019, through October 31, 2020.

1 8. “Class Representative” or “Plaintiff” means Plaintiff Rebecca Pineda.

2 9. “Class Representative Enhancement Payment” means the amount that the Court
3 authorizes to be paid from the Gross Settlement Amount to the named Plaintiff in exchange for
4 executing a general release and in recognition of her efforts and risks in assisting with the
5 prosecution of the Action on behalf of Class Members. Plaintiff will request and Defendant will
6 not oppose Plaintiff’s application to the Court for a Class Representative Enhancement Payment
7 of Six Thousand Five Hundred Dollars (\$6,500.00) from the Gross Settlement Amount for
8 Plaintiff’s willingness to serve and efforts undertaken as Class Representative.

9 10. “Counsel for Defendant” means Cheryl Lott, Kalley R. Aman, and Ronald J.
10 Arias of Buchalter.

11 11. “Court” means the Superior Court for the State of California, County of Monterey,
12 or any other court taking jurisdiction of the Action.

13 12. “Effective Date” means if there are no timely objections by Class Members or
14 any such objections have been withdrawn prior to the Final Approval Hearing, the date the Court
15 signs an order granting final approval of the Settlement Agreement; if timely objections are
16 submitted by one or more Class Members which are not withdrawn prior to the Final Approval
17 Hearing, the Effective Date shall be the latter of the following: (1) when the period for filing
18 any appeal, writ or other appellate proceeding has lapsed; (2) when any appeal, writ, or other
19 appellate proceeding opposing the Settlement has been dismissed finally and conclusively with
20 no right to pursue further remedies or relief; or (3) when any appeal, writ, or other appellate
21 proceeding has upheld the Court’s final approval order and judgment with no right to pursue
22 further remedies or relief. It is the intention of the Parties that the Settlement shall not become
23 effective until the Court’s final approval order and entered judgment is completely final, and
24 there is no further recourse by any appellant or objector who seeks to contest the Settlement
Agreement.

25 13. “Final Approval” means the Court order granting final approval of the
26 Settlement Agreement.

27 14. “Gross Settlement Amount” means the maximum settlement amount of One
28 Hundred Twenty Five Thousand Dollars (\$125,000.00) to be paid by Defendant as a result of

1 this Settlement Agreement. The Gross Settlement Amount includes all Individual Settlement
2 Payments to Participating Class Members, the Class Representative Enhancement Payment to
3 Plaintiff, Settlement Administration Costs to the Claims Administrator, the PAGA Payment
4 (including payment to the LWDA), and Class Counsel Fees and Costs.

5 15. "Individual Settlement Payment" means the amount payable from the Net
6 Settlement Amount to each Participating Class Member.

7 16. "Net Settlement Amount" means the balance of the Gross Settlement Amount
8 remaining after deduction of the approved Class Representative Enhancement Payment,
9 Settlement Administration Costs, the LWDA portion of the PAGA Payment, and Class Counsel
10 Fees and Costs. The entire Net Settlement Amount is the maximum amount that will be available
11 for distribution to Participating Class Members.

12 17. "Notice of Objection" means a Class Member's valid and timely written objection
13 to the Settlement. A valid Notice of Objection must include: (a) the name and case number of
14 this lawsuit *Rebecca Pineda v. Ippolito International L.P.*, Case No. 20CV001851; (b) the
15 objector's full name, signature, current address and telephone number; (c) a written statement
16 of all grounds for the objection accompanied by any legal support for such objection; (d) copies
17 of any and all evidence and supporting papers (including, without limitation, all briefs, written
18 evidence, and declarations) upon which the objection is based. Further, an objector may appear
19 at the Final Approval hearing, either in person or through counsel, at the objector's expense.
20 The Parties will be permitted to respond in writing to such objections at least seven (7) calendar
21 days prior to the Final Approval hearing or within the time period set by the Court. Any member
22 of the Class who does not submit a valid and timely written objection to the Settlement will be
23 deemed to have waived any objections and will be foreclosed from making any objection to the
24 Settlement, including by appealing the order granting Final Approval.

25 18. "Notice Packet" means the Notice of Class Action Settlement, in a form
26 substantially similar to the attached "**Exhibit A**," subject to Court approval, and incorporated
27 by reference into this Settlement Agreement.

28 19. "PAGA Payment" means the portion of the Gross Settlement Amount that the
Parties have agreed will be allocated to resolve all claims, penalties, and remedies under the

1 Private Attorneys General Act of 2004 (Cal. Lab. Code § 2698, *et seq.*, “PAGA”). The amount
2 of the PAGA Payment is subject to Court approval pursuant to California Labor Code § 2699(l).
3 The Parties have agreed that Ten Thousand Dollars (\$10,000.00) of the Gross Settlement
4 Amount shall be allocated to the resolution of any Class Members’ claims arising under PAGA.
5 Pursuant to the PAGA, seventy-five percent (75%), *i.e.* the sum of Seven Thousand Five
6 Hundred Dollars (\$7,500.00), of the PAGA Payment shall be paid to the California Labor and
7 Workforce Development Agency (“LWDA”), and 25%, *i.e.* the sum of Two Thousand Five
8 Hundred Dollars (\$2,500.00), of the PAGA Payment shall be part of the Net Settlement Amount
9 to be distributed to Participating Class Members. This settlement will be forwarded to the
10 LWDA by Class Counsel or the Claims Administrator and any reallocation of settlement
11 proceeds to increase the PAGA payment will not constitute grounds by either party to void this
12 Agreement, so long as the Gross Settlement Amount remains the same.

13 20. “Parties” means Plaintiff, on behalf of herself and Participating Class Members,
14 and Defendant collectively.

15 21. “Participating Class Members” means all Class Members who do not opt out of
16 the settlement by submitting a valid and timely Request for Exclusion.

17 22. “Preliminary Approval” means the Court’s order granting preliminary approval of
18 the Settlement.

19 23. “Released Claims” means any and all claims, causes of actions, lawsuits,
20 demands, losses, damages, compensation, wages, penalties, attorney’s fees, costs, and any other
21 form of relief or remedy in law, equity, or whatever kind or nature, alleged in the Complaint or
22 that could have been alleged in the Complaint based on the factual allegations in the Complaint,
23 including but not limited to, for failure to provide accurate and/or compliant wage statements
24 pursuant to Labor Code § 226(a) and Labor Code § 2698 *et seq.*

25 24. “Released Parties” means Defendant, and its predecessors, successors, and all
26 former, current, and future shareholders, owners, related entities, companies, divisions,
27 subsidiaries, affiliates, insurers, parent companies and each and all of their respective former,
28 current and future directors, officers, employees, agents, representatives, attorneys, fiduciaries,
assigns, heirs, executors, administrators, beneficiaries, insurers, and trustees.

1 25. “Request for Exclusion” means a timely written letter submitted by a Class
2 Member indicating a request to be excluded from the Settlement. In order to be deemed valid,
3 the Request for Exclusion must: (a) clearly state that the Class Member does not wish to be
4 included in the Settlement; (b) set forth the name, address, telephone number and last four digits
5 of the Social Security Number of the Class Member requesting exclusion; (c) be signed by the
6 Class Member; (d) be returned by mail to the Claims Administrator at the specified address
7 indicated in the Notice Packet; and (e) be postmarked on or before the Response Deadline.

8 26. “Response Deadline” means forty-five (45) days after the Claims Administrator
9 initially mails the Notice Packet to Class Members, and the last date on which Class Members
10 may submit Requests for Exclusion or Notices of Objection to the Settlement.

11 27. “Settlement Administration Costs” means the fees and expenses reasonably
12 incurred by the Claims Administrator as a result of the procedures and processes expressly
13 required by this Agreement, including, but not limited to, printing the Class Notice, translating
14 the Class Notice into Spanish, conducting a National Change of Address (“NCOA”) search,
15 distributing (including with appropriate postage), tracking, and mailing the Class Notice, any
16 searches to locate any Class Members, tax reporting, distributing the Individual Settlement
17 Payments, Class Representative Enhancement Payment, Class Counsel Fees and Costs, and
18 providing necessary certification of completion of notice, reports and declarations, establishing
19 and administering a qualified settlement fund account and other responsibilities set forth in this
20 Settlement Agreement and as requested by the Parties. The Claims Administration Expenses are
21 currently estimated to be not more than Three Thousand Five Hundred Dollars (\$3,500.00). Any
22 portion of the Settlement Administration Costs not used or approved by the Court shall be added
23 to the Net Settlement Amount.

TERMS OF AGREEMENT

24 28. Settlement Consideration. Defendant shall pay the sum of the Gross Settlement
25 Amount of One Hundred Twenty Five Thousand Dollars (\$125,000.00) as specified in this
26 Agreement in full satisfaction of all claims arising from the Action, which shall be used to pay:
27 (1) Individual Settlement Payments; (2) Class Counsel Fees and Costs; (3) Class Representative
28 Enhancement Payment; (4) Settlement Administration Costs to the Claims Administrator; and

(5) the PAGA Payment (including LWDA payment). The Parties agree that this is a non-reversionary Settlement and that no portion of the Gross Settlement Amount shall revert to Defendant. In no event shall Defendant be required to pay more than the Gross Settlement Amount as specified in this Agreement.

29. Funding of the Gross Settlement Amount. Within fifteen (15) calendar days after the Effective Date, Defendant shall make a one-time deposit of the Gross Settlement Amount into a Qualified Settlement Fund ("QSF") to be established by the Claims Administrator, from which the Claims Administrator will have authority to distribute money in accordance with the terms of this Settlement Agreement.

30. Class Counsel Fees and Costs. Defendant agrees not to oppose or impede any application or motion by Class Counsel for attorneys' fees of up to one-third (1/3) of the Gross Settlement Amount, i.e., the sum of Forty One Thousand Six Hundred Sixty Six Dollars and Sixty Six Cents (\$41,666.66), and costs in the amount of up to Fifteen Thousand Dollars (\$15,000.00), which shall be paid from the Gross Settlement Amount. The Claims Administrator shall issue an IRS Form 1099 to Class Counsel reflecting the awarded attorneys' fees, costs and expenses. Any portion of the Class Counsel Fees and Costs not awarded to Class Counsel shall be added to the Net Settlement Amount and shall be distributed to Class Members as provided in this Agreement.

31. Class Representative Enhancement Payment. Defendant agrees not to oppose or impede any application or motion by Plaintiff for a Class Representative Enhancement Payment of up to Six Thousand Five Hundred Dollars (\$6,500.00) to Plaintiff. The Class Representative Enhancement Payment shall be paid from the Gross Settlement Amount, and shall be paid in addition to Plaintiff's Individual Settlement Payment as a Participating Class Member. The Claims Administrator shall issue an IRS Form 1099 to Plaintiff reflecting the Class Representative Enhancement Payment. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on her Class Representative Enhancement Payment and shall hold harmless Defendant and the Released Parties from any claim or liability for taxes, penalties, or interest arising as a result of the Class Representative Enhancement Payment. Any portion of the Class Representative Enhancement Payment not awarded to Plaintiff shall be added to the

1 Net Settlement Amount and shall be distributed to Class Members as provided in this
2 Agreement.

3 32. Settlement Administration Costs. The Claims Administrator shall be paid for the
4 reasonable costs of administration of the Settlement from the Gross Settlement Amount, not to
5 exceed Three Thousand Five Hundred Dollars (\$3,500.00). These costs, which shall be paid
6 from the Gross Settlement Amount, shall include, *inter alia*, for printing the Class Notice,
7 translating the Class Notice into Spanish, distributing (including with appropriate postage),
8 tracking, and mailing the Class Notice, any searches to locate any Class Members, calculating
9 estimated amounts per Class Member, tax reporting, distributing the Individual Settlement
10 Payments, the issuing of 1099 IRS Forms, establishing a Qualified Settlement Fund,
11 administering and distributing the Class Representative Enhancement Payment, Class Counsel
12 Fees and Costs and payment to the LWDA for PAGA penalties, and providing necessary
13 certification of completion of notice, reports and declarations, and other responsibilities as
14 requested by the Parties. Any portion of the Settlement Administration Costs not allowed shall
15 be added to the Net Settlement Amount and shall be distributed to Class Members as provided
16 in this Agreement.

17 33. PAGA Payment. Subject to Court approval, the Parties agree that the amount of
18 Ten Thousand Dollars (\$10,000.00) of the Gross Settlement Amount shall be designated for
19 satisfaction of claims for civil penalties under the PAGA. The Settlement Administration shall
20 pay seventy-five percent (75%) of the PAGA payment, i.e. the sum of Seven Thousand Five
21 Hundred Dollars (\$7,500.00), to the LWDA. The remaining twenty-five percent (25%), i.e., the
22 sum of Two Thousand Five Hundred Dollars (\$2,500.00), shall be part of the Net Settlement
23 Amount to be distributed to Participating Class Members as per this Agreement.

24 34. Calculation of Individual Settlement Payments. The Net Settlement Amount shall
25 be used to satisfy Individual Settlement Payments to Participating Class Members from the
26 Settlement Class in accordance with the terms of this Agreement. The Claims Administrator
27 will allocate the Individual Settlement Payments by first dividing the Net Settlement Amount
28 by the total number of wage statements issued to Class Members during the Class Period. That
value will then be multiplied by the number of wage statements each respective Participating

1 Class Member received during the Class Period to arrive at the Individual Settlement Amount
2 for each respective Participating Class Member. Participating Class Members are entitled to
3 100% of the Net Settlement Amount. Defendant maintains no reversionary right to any portion
4 of the Net Settlement Amount. If there are any timely submitted Requests for Exclusion, the
5 Settlement Administrator shall proportionately increase the Individual Settlement Payments
6 for each Participating Class Member so that the amount actually distributed to Participating
7 Class Members equals 100% of the Net Settlement Amount.

8 35. Treatment of Individual Settlement Payments. All Individual Settlement
9 Payments shall be allocated as follows: 100% as penalties. No part of the Individual Settlement
10 Payments shall constitute payment of any wages to any of the Participating Class Members. The
11 amount of payments shall be reported on an IRS Form 1099 by the Claims Administrator.

12 36. Administration of Taxes by the Claims Administrator. The Claims Administrator
13 shall be responsible for issuing to Plaintiff, Participating Class Members, and Class Counsel,
14 1099 forms or other tax forms as may be required by law for all amounts paid pursuant to this
15 Agreement. The Claims Administrator, in connection with the operation and implementation of
16 this Settlement Agreement (including, without limitation, expenses of tax attorneys and/or
17 accountants and mailing and distribution costs and expenses relating to filing or failing to file
18 the informational and other tax returns described in this Agreement), shall be treated as, and
19 considered to be, costs of administration of this Settlement and thus part of the Settlement
Administration Costs.

20 37. Tax Liability. Defendant makes no representation as to the tax treatment or legal
21 effect of the payments called for hereunder, and Plaintiff and Participating Class Members are
22 not relying on any statement, representation, or calculation by Defendant or by the Claims
23 Administrator in this regard. Plaintiff and Participating Class Members understand and agree
24 that they will be solely responsible for the payment of any employee's and/or employer's payroll
25 withholdings and taxes (i.e., Social Security, Medicare, federal and state income taxes, SDI,
26 etc.) assessed on their respective payments described herein and will defend, indemnify, and
27 hold Defendant and the Released Parties free and harmless from and against any claims, taxes,
28 penalties, and/or assessments resulting from treatment of such payments as wages or non-taxable

1 damages.

2 38. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
3 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY
4 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
5 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
6 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN
7 OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR
8 WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR
9 DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX
10 ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT
11 CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING
12 PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS OR ITS OWN, INDEPENDENT
13 LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN
14 CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS
15 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR
16 ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED
17 TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR
18 ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE
19 IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR
20 ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT
21 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S
22 TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY
23 BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX
24 TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY
TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

25 39. Calculation of Gross Settlement Amount. The Gross Settlement Amount was
26 calculated with, and is premised on, approximately 99 Class Members eligible to participate in
27 the Settlement, and the issuance of no more than 2,772 wage statements during the Class Period.
28 If the total number of wage statements issued to Class Members during the Class Period

1 exceeds 2,772, then the Gross Settlement Amount shall be proportionally increased by by
2 determining the number of wage statements calculated off of 2,772 wage statements and
3 multiplied by the additional number of wage statements. For example, if the total number of
4 wage statements is 2,800 and the wage statement value is \$45.09 per wage statement,
5 Defendant would have to increase the Gross Settlement Amount by \$1,262.52 (2,800– 2,772
6 = 28 x \$45.09= \$1,262.52).

7 40. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
8 Participating Class Members under this Agreement, the Enhancement Payment made to
9 Plaintiff, as well as any other payments made pursuant to this Agreement, shall not be utilized
10 to calculate any additional benefits under any benefit plans to which Plaintiff or any Class
11 Members may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k)
12 plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit
13 plans. Rather, it is the Parties' intention that this Settlement will not affect any rights,
14 contributions, or amounts to which any Class Members may be entitled under any benefit plans.

15 41. Settlement Administration Process. The Parties agree to cooperate in the
16 administration of the Settlement and to make all reasonable efforts to control and minimize the
17 costs and expenses incurred in the administration of the Settlement. The Claims Administrator
18 shall provide the following services:

- 19 a. Establish and maintain a Qualified Settlement Fund account;
- 20 b. Calculate the amount of Individual Settlement Payment that each Class
21 Member is eligible to receive;
- 22 c. Prior to mailing the Class Notice, the Claims Administrator will verify the
23 last known address for each Class Member through a generally utilized, national address update
24 database;
- 25 d. Translating the Class Notice into Spanish;
- 26 e. Printing and mailing the Class Notice;
- 27 f. Establishing and maintaining a toll free informational telephone support
28 line to assist Class Members who have questions regarding the Class Notice;
- g. Conducting additional address searches for mailed Class Notices that are

1 returned as undeliverable, and to the extent new and more current addresses are found, the
2 Claims Administrator will also reprint and re-mail Class Notices accordingly;

3 h. Calculating Participating Class Members' settlement share, fielding
4 inquiries from Class Members, and administration of any Requests for Exclusion. This service
5 will include settlement proceed calculations, printing and issuance of checks, and preparation of
6 1099 Forms. Basic accounting for and payment of employee tax withholdings will also be
7 included as part of this service; and

8 i. Providing declarations and/or other information to the Court as requested.

9 42. Delivery of the Class List. Within fifteen (15) calendar days of Preliminary
10 Approval, Defendant shall provide the Class List to the Claims Administrator.

11 43. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the
12 Class List from Defendant, the Claims Administrator shall mail a Notice Packet to all Class
13 Members via regular First-Class U.S. Mail, using the most current, known mailing addresses
14 identified in the Class List. The Notice Packet shall be provided in both English and Spanish.

15 44. Confirmation of Contact Information in the Class List. Prior to mailing, the Claims
16 Administrator shall perform a search based on the National Change of Address Database for
17 information to update and correct for any known or identifiable address changes.

18 45. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice
19 Packet will provide: (1) information regarding the nature of the Action; (2) a summary of the
20 Settlement's principal terms; (3) the Settlement Class definition; (4) each Class Member's
21 estimated Individual Settlement Payment and the formula for calculating Individual Settlement
22 Payments, if they do not request to be excluded; (5) the dates that comprise the Class Period;
23 (6) instructions on how to submit valid Requests for Exclusion, or objections; (7) the deadlines
24 by which the Class Member must submit a Request for Exclusion or Notice of Objection to the
25 Settlement; (8) the date for the final approval hearing; and (9) the claims to be released. The
26 Notice Packet will also inform Class Members that, in order to receive the Individual Settlement
27 Payment, they do not need to do anything except keep the Claims Administrator apprised of
28 their current mailing addresses.

46. Re-Mailing of Returned Notices. Any Notice Packets returned to the Claims

1 Administrator as non-deliverable on or before the Response Deadline shall be re-sent promptly
2 via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Claims
3 Administrator shall indicate the date of such re-mailing on the Notice Packet. If no forwarding
4 address is provided, the Claims Administrator shall promptly attempt to determine the correct
5 address using a skip-trace, or other search using the name, address and/or Social Security
6 Number of the Class Member involved, and shall then perform a re-mailing. Those Class
7 Members who receive a re-mailed Notice Packet shall have their Response Deadline extended
8 by up to fifteen (15) days from the original Response Deadline.

9 47. Request for Exclusion Procedures. Any Class Member may opt-out from the
10 Settlement by submitting a written Request for Exclusion to the Claims Administrator
11 postmarked by the Response Deadline. A Request for Exclusion must: (1) contain the name,
12 address, telephone number, and the last four digits of the Social Security Number of the Class
13 Member requesting exclusion; (2) clearly state that the Class Member does not wish to be
14 included in the Settlement; (3) be signed by the Class Member; (4) be returned by mail to the
15 Claims Administrator at the specified address on the Notice Packet; and (5) be postmarked on
16 or before the Response Deadline. The date of the postmark shall be the exclusive means to
17 determine whether a Request for Exclusion is timely. By submitting such a Request for
18 Exclusion, a Class Member shall be deemed to have exercised his or her option to opt out of the
19 Action and not be bound by this Agreement. Accordingly, a Class Member that timely submits
20 a valid Request for Exclusion will not be entitled to any payments under this Settlement and will
21 not be bound by the terms of the Settlement. Any Class Member who fails to submit a valid and
22 timely Request for Exclusion on or before the Response Deadline shall be deemed a
23 Participating Class Member, and will be bound by all terms of the Settlement to the fullest
24 possible extent, if the Settlement is granted final approval by the Court. Upon request, the
25 Claims Administrator shall provide counsel for Defendant with a complete list of all Class
Members who have timely submitted an Exclusion Form.

26 48. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
27 Member who does not affirmatively opt-out of the Settlement by submitting a valid and timely
28 Request for Exclusion shall be bound by all terms of the Settlement to the fullest possible extent,

1 including those pertaining to the Released Claims, as well as any Judgment that may be entered
2 by the Court.

3 49. Objection Procedures. Any Class Member who does not opt-out of this Settlement
4 shall be entitled to object to the Settlement. To object to the Settlement, a Class Member should
5 return by mail a Notice of Objection to the Claims Administrator at the specified address on the
6 Notice Packet by the Response Deadline. Class Members who submit a valid and timely Notice
7 of Objection will have the right to appear at the final approval hearing to have their objections
8 heard by the Court, at their own expense. Any Class Member who does not submit a Notice of
9 Objection in compliance with this section shall be deemed to have waived any objection(s), shall
10 be conclusively deemed a Participating Class Member, and shall be precluded from making any
11 objection(s) (including by appeal or otherwise) to the Settlement. At no time shall any of the
12 Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written
13 objections to the Settlement or appeal from the Order and Judgment. Class Counsel shall not
14 represent any Class Members with respect to any such objections to this Settlement. Any Class
15 Member who submits a valid Request for Exclusion shall not be allowed to object to this
16 Settlement.

17 50. Defendant's Right To Rescind. If more than ten percent (10%) of the Class
18 Members opt out of the settlement by submitting valid and timely Requests for Exclusion,
19 Defendant has the unilateral right in its sole discretion to rescind the Settlement Agreement. The
20 Parties agree that they will not encourage any Class Member to object to the Settlement or to
21 opt out. If Defendant exercises its option to rescind, Defendant shall: (a) provide written notice
22 to Class Counsel at least ten (10) business days prior to the final approval hearing, and (b) pay
23 all Settlement Administration Costs incurred by the Claims Administrator up to the date of
24 Defendant's notice to rescind. In the event the Settlement is terminated, the Parties shall proceed
25 in all respects as if this Agreement had not been executed.

26 51. Claims Administrator's Reports of Information. The Claims Administrator shall
27 provide Counsel for Defendant and Class Counsel a weekly report which certifies the number
28 of Class Members who have submitted valid Requests for Exclusion. Additionally, the Claims
Administrator will provide to counsel for both Parties any updated reports regarding the

1 administration of the Settlement as needed or requested. The Claims Administrator shall also
2 forward to Parties' counsel and file with the Court any Notices of Objection received
3 immediately upon receipt. Further, if requested by Parties' counsel, the Claims Administrator
4 shall forward any Request for Exclusion to the Parties' counsel so that they can determine
5 whether the Request for Exclusion is valid and timely.

6 52. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar
7 days of Defendant funding the Gross Settlement Amount, the Claims Administrator shall issue
8 payments to (1) Participating Class Members; (2) the Labor and Workforce Development
9 Agency; (3) Plaintiff; and (4) Class Counsel. The Claims Administrator shall also issue a
10 payment to itself for services performed in connection with the Settlement.

11 53. Uncashed Individual Settlement Payments. Any checks issued by the Claims
12 Administrator to Class Members shall be negotiable for not less than one hundred and eighty
13 (180) days from the date of their issuance. This is a non-reversionary settlement. All Individual
14 Settlement Payments to Class Members that remain un-cashed within one hundred eighty (180)
15 days of the mailing of Individual Settlement Payments by the Claims Administrator shall be
16 paid out to the following *cy pres* recipient: California Rural Legal Assistance Foundation.

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

20 55. Administration Costs if Settlement Fails or is Delayed. If an objection to the
21 Settlement is filed with the Court, regardless of the ultimate outcome of any appeals taken, or if
22 the Settlement is voided or rescinded, any costs incurred by the Claims Administrator shall be
23 borne equally by Defendant and Plaintiff, unless otherwise specified in this Agreement.

24 56. No Prior Assignments. The Parties and their counsel represent, covenant, and
25 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported
26 to assign, transfer, or encumber to any person or entity any portion of any liability, claim,
27 demand, action, cause of action or right herein released and discharged.

28 57. Release of Claims by Participating Class Members and Plaintiff. Upon the
Effective Date, for and in consideration of the mutual promises, terms and conditions by and

1 between the Participating Class Members and Defendant set forth herein, the sufficiency of
2 which consideration is expressly acknowledged, the Participating Class Members do hereby
3 fully, finally and forever release, settle, relinquish, and discharge the Released Parties from
4 any and all Released Claims. In addition, in consideration of the Class Representative
5 Enhancement Payment, Plaintiff does hereby – for herself only – release, acquit, and forever
6 discharge Defendant and the Released Parties from any and all claims, lawsuits, wages,
7 compensation, penalties, contracts, agreements, obligations, expenses, attorney’s fees,
8 demands, rights, liabilities, and causes of action of every nature and description whatsoever,
9 known or unknown, asserted or that might have been asserted, whether in tort, contract, or for
10 violation of any state or federal statute, rule or regulation arising out of, relating to, or in
11 connection with any act or omission by or on the part of any of the Released Parties committed
12 or omitted prior to the execution hereof, including but not limited to, any claims arising out of
13 or relating to Plaintiff’s employment and her compensation by any Released Parties. This
14 includes any unknown claims Plaintiff does not know or suspect to exist in her favor, which,
15 if known by her, may have affected her settlement with, and release of, the Released Parties.
16 With respect to the General Release, Plaintiff stipulates and agrees that, upon the Effective
17 Date, Plaintiff shall be deemed to have expressly waived and relinquished, to the fullest extent
18 permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil
19 Code, or any other similar provision under federal or state law, which provides:

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

25 58. Nullification of Settlement. In the event that the Settlement does not become final
26 for any reason, then this Agreement, and any documents generated to bring it into effect, shall
27 be null and void. Any order or judgment entered by the Court in furtherance of this Agreement
28 shall likewise be treated as void from the beginning.

59. Disputes Regarding Individual Settlement Payments. In the event that Class
Members have a dispute as to the data provided by the Defendant, Class Members will have the

1 opportunity to provide documentation and/or an explanation. If there is a dispute, the Claims
2 Administrator will consult with the Parties to determine whether an adjustment is warranted.
3 The Claims Administrator shall determine the eligibility for, and the amounts of, any Individual
4 Settlement Payments under the terms of this Agreement, and that determination shall be binding
5 unless either Plaintiff or Defendant objects, in which case, the dispute shall be presented to the
6 Court for a final determination.

7 60. Disputes Regarding Administration of Settlement. Any disputes not resolved by
8 the Claims Administrator concerning the administration of the Settlement will be resolved by
9 the Court under the laws of the State of California. Prior to any such involvement of the Court,
10 counsel for the Parties will confer in good faith to resolve the disputes without the necessity of
11 involving the Court.

12 61. Preliminary Approval Hearing. Plaintiff shall obtain a hearing before the Court to
13 request the Preliminary Approval of the Settlement, and the entry of a Preliminary Approval
14 Order: (i) approving of the proposed Settlement, and (ii) setting a date for a Final
15 Approval/Settlement Fairness Hearing. The Preliminary Approval Order shall provide for the
16 Notice Packet to be sent to all Class Members as specified herein. In conjunction with the
17 Preliminary Approval hearing, Plaintiff shall submit this Agreement, which sets forth the terms
18 of this Settlement, and will include the proposed Notice Packet, attached to this Agreement as
19 **Exhibit A.** If the Court declines to approve the Settlement, or approves it conditional on
20 modifications to the settlement terms, the Parties shall work in good faith to modify the
21 settlement terms to obtain approval, provided that the material terms of the Settlement are not
22 affected. Class Counsel will be responsible for drafting and filing the Motion for Preliminary
23 Approval.

24 62. Final Settlement Approval Hearing. Upon expiration of the deadlines to submit
25 Requests for Exclusion or Notices of Objections to the Settlement, and with the Court's
26 permission, a Final Approval/Settlement Fairness Hearing shall be conducted to determine the
27 Final Approval of the Settlement along with the amounts properly payable for: (i) Individual
28 Settlement Payments; (ii) the PAGA (including LWDA) Payment; (ii) the Class Counsel Fees
and Costs; (iii) the Class Representative Enhancement Payment; and (iv) Settlement

1 Administration Costs. Class Counsel will be responsible for drafting and filing all documents
2 necessary to obtain final approval. Class Counsel will also be responsible for drafting and filing
3 the attorneys' fees and costs application to be heard at the Final Approval Hearing.

4 63. Entry of Judgment and Continued Jurisdiction of the Court. Concurrent with the
5 Motion for Final Approval, the Parties shall also jointly seek the entry of Judgment consistent
6 with the terms of this Agreement. After entry of the Judgment, the Court shall have continuing
7 jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms
8 of the Settlement, (ii) Settlement administration matters, and (iii) such post-Judgment matters
9 as may be appropriate under court rules or as set forth in this Agreement.

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

13 65. Confidentiality Preceding Preliminary Approval. The Parties and their counsel
14 agree that they will not issue any press releases, initiate any contact with the press, respond to
15 any press inquiry, or have any communication with the press about the fact, amount or terms of
16 the Settlement, prior to the entry of the Final Approval Order and Judgment.

17 66. Entire Agreement. This Agreement and any attached Exhibits constitute the
18 entirety of the Parties' Settlement terms with respect to the settlement of the class and
19 representative PAGA claims for violation of Cal. Labor Code §§ 226(a) and 2698, *et seq.*, as
20 pled in the Action.

21 67. Amendment or Modification. This Agreement may be amended or modified only
22 by a written instrument signed by the Parties or their successors-in-interest.

23 68. Authorization to Enter Into Agreement. Counsel for all Parties warrant and
24 represent they are expressly authorized by the Parties whom they represent to negotiate this
25 Agreement and to take all appropriate actions required or permitted to be taken by the Parties
26 pursuant to this Agreement to effectuate its terms and to execute any other documents required
27 to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each
28 other and use their best and good-faith efforts to effect the implementation of the Settlement. If
the Parties are unable to reach agreement on the form or content of any document needed to

1 implement the Settlement, or on any supplemental provisions that may become necessary to
2 effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve
3 such disagreement.

4 69. Binding on Successors and Assigns. This Agreement shall be binding upon, and
5 inure to the benefit of, the successors, heirs, or assigns of the Parties hereto, as previously
6 defined.

7 70. California Law Governs. All terms of this Agreement and Exhibits hereto shall be
8 governed by and interpreted according to the laws of the State of California.

9 71. Execution and Counterparts. This Agreement is subject only to the execution of
10 all Parties. However, the Agreement may be executed in one or more counterparts. All executed
11 counterparts and each of them, including facsimile, electronic, pdf, DocuSign, and scanned
12 copies of the signature page, shall be deemed to be one and the same instrument provided that
13 counsel for the Parties shall exchange among themselves original signed counterparts.

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

21 73. Invalidity of Any Provision. Before declaring any provision of this Agreement
22 invalid, the Court shall first attempt to construe the provision as valid to the fullest extent
23 possible consistent with applicable precedents so as to define all provisions of this Agreement
24 valid and enforceable. Any invalid, illegal, or unenforceable provision determined by the Court
25 shall in no way affect any other provision if Defendant and Class Counsel, on behalf of the
26 Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal,
27 or unenforceable provision had never been included in this Agreement.

28 74. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however,
that Plaintiff or Class Counsel may appeal any reduction in the Class Counsel's Award below

1 the amount Class Counsel requests, and either Party may appeal any order that materially alters
2 the Agreement's terms.

3 75. Class Action Certification. The Parties are agreeing to class certification for
4 settlement purposes only. This Agreement shall not constitute, in this or any other proceeding,
5 an admission of any kind by Defendant, including without limitation, that certification of a class
6 for trial or any other purpose is appropriate or proper or that Plaintiff or any Class Member can
7 establish any of the requisite elements for class treatment of any of the claims in this Action. If,
8 for any reason, the Settlement is not finally approved, this Agreement will be void and the Parties
9 will be restored to their respective positions in the lawsuit as if they had not entered into this
10 Agreement. The Parties further agree that this Settlement Agreement, or any documents or
11 orders issued related to this Settlement, will not be admissible, other than according to the
12 Settlement's terms, in this or any other proceeding as evidence that either: (i) a class action
13 should be certified, or (ii) Defendant is liable to Plaintiff or any Class Member.

14 76. Non-Admission of Liability. The Parties enter into this Agreement to resolve the
15 dispute that has arisen between them and to avoid the burden, expense and risk of continued
16 litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, it
17 has violated any federal, state, or local law; violated any regulations or guidelines promulgated
18 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached
19 any contract; violated or breached any duty; engaged in any misrepresentation or deception; or
20 engaged in any other unlawful conduct with respect to its employees. Neither this Agreement,
21 nor any of its terms or provisions, nor any of the negotiations connected with it, shall be
22 construed as an admission or concession by Defendant of any such violations or failures to
23 comply with any applicable law, regulation, or legal requirement. Except as necessary in a
24 proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions
25 shall not be offered or received as evidence in any action or proceeding to establish any liability
26 or admission of any nature on the part of Defendant, or to establish the existence of any condition
27 constituting a violation of, or a non-compliance with, federal, state, local or other applicable
28 law.

77. Captions. The captions and section numbers in this Agreement are inserted for the

1 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
2 provisions of this Agreement.

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

7 79. Enforcement Actions. In the event that one or more of the Parties institutes any
8 legal action or other proceeding against any other Party or Parties to enforce the provisions of
9 this Settlement, or to declare rights and/or obligations under this Settlement, the prevailing Party
10 or Parties shall be entitled to recover from the non-prevailing Party or Parties reasonable
11 attorneys' fees and costs, including expert witness fees incurred in connection with any
12 enforcement actions.

13 80. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms
14 and conditions of this Agreement. Accordingly, this Agreement shall not be construed more
15 strictly against one Party than another merely by virtue of the fact that it may have been prepared
16 by counsel for one of the Parties, it being recognized that, because of the arm's-length
17 negotiations between the Parties, all Parties have contributed to the preparation of this
18 Agreement.

19 81. Representation By Counsel. The Parties acknowledge that they have been
20 represented by counsel throughout all negotiations that preceded the execution of this
21 Agreement, and that this Agreement has been executed with the consent and advice of counsel.
22 Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the
23 Agreement.

24 82. Cooperation and Execution of Necessary Documents. All Parties shall cooperate
25 in good faith and execute all documents to the extent reasonably necessary to effectuate the
26 terms of this Agreement.

27 83. Binding Agreement. The Parties warrant that they understand and have full
28 authority to enter into this Agreement, and further intend that this Agreement shall be fully
enforceable and binding on all Parties, and agree that it shall be admissible and subject to

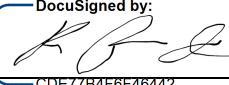
disclosure in any proceeding to enforce its terms.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action Settlement and Release between Plaintiff and Defendant as of the date(s) set forth below:

READ CAREFULLY BEFORE SIGNING

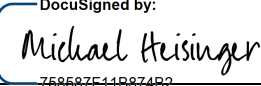
PLAINTIFF

Dated: 09/20/2021

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 Rebecca Pineda

DEFENDANT IPPOLITO INTERNATIONAL L.P.

Dated: 9/22/2021

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 Name of Authorized Signatory

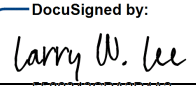
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APPROVED AS TO FORM

DIVERSITY LAW GROUP, P.C.

Dated: 9/16/21

DocuSigned by:

 8589343CDA2D4A2...
 Larry W. Lee
 Attorneys for Plaintiff Rebecca Pineda and the Class

FITZPATRICK & SWANSTON

Dated: 09/16/2021

DocuSigned by:

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 B. James Fitzpatrick
 Laura L. Franklin
 Attorneys for Plaintiff Rebecca Pineda and the Class

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Dated: 9/22/2021 _____

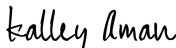
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Cheryl Lott
Kalley R. Aman
Ronald J. Arias
Attorneys for Defendant Ippolito International
L.P.

EXHIBIT A

Rebecca Pineda v. Ippolito International L.P.
SUPERIOR COURT OF CALIFORNIA, COUNTY OF MONTEREY
(CASE NO. 20CV001851)

NOTICE OF CLASS-ACTION SETTLEMENT (“NOTICE”)

IF YOU ARE A CURRENT OR FORMER CALIFORNIA EMPLOYEE OF IPPOLITO INTERNATIONAL L.P. (“IPPOLITO INTERNATIONAL L.P.” OR “DEFENDANT”) AND WERE PAID WAGES AT ANY TIME DURING THE PERIOD OF APRIL 2, 2019, THROUGH OCTOBER 31, 2020, YOU MAY BE ELIGIBLE TO RECEIVE MONEY AS PART OF A CLASS-ACTION SETTLEMENT.

The Monterey County Superior Court (“Court”) authorized this Notice to be sent by Phoenix Settlement Administrators (“Settlement Administrator”). This is not an advertisement. This is not a solicitation from a lawyer.

IPPOLITO INTERNATIONAL L.P. CANNOT AND WILL NOT RETALIATE AGAINST YOU IN ANY WAY FOR PARTICIPATING IN THIS SETTLEMENT.

«BarcodeString»
SIMID «SIMID»
ATTN: «FirstName» «LastName»
«Address1» «Address2»
«City» «Abbrev» «Zip»

**YOU ARE ESTIMATED TO RECEIVE
APPROXIMATELY
\$«MERGED_EstSettAmnt_CALC»
THROUGH THIS CLASS ACTION
SETTLEMENT**

- A former employee, Rebecca Pineda (“Named Plaintiff”), has sued Defendant on behalf of herself and all other similarly situated employees.
- The parties to the lawsuit have reached a settlement as to the class and Private Attorney General Act claims for violation of Labor Code section 226 (“Class and PAGA Claims”), and the Court has preliminarily approved it.
- Your legal rights are affected whether you act or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
You Can DO NOTHING	You will receive a payment from the settlement. If you do nothing, you will receive a settlement payment and be bound by the terms of the Settlement. The estimated amount of your settlement payment is shown on page 1 above. If you change addresses, you will need to inform the Settlement Administrator informed of your current mailing address. Once the Court grants final approval of the settlement, the Settlement Administrator will mail your check to the address on file for you.

You Can ASK TO BE EXCLUDED FROM THE SETTLEMENT (Deadline: _____, 2021)	If you ask to be excluded from the settlement, you will get no payment from the settlement, except for any amount allocated to you for the PAGA Claims. Important: You cannot ask to be excluded <u>and</u> still get a settlement payment.
You Can OBJECT TO THE SETTLEMENT (Deadline: _____, 2021)	If you do not like the settlement, you can send a written objection to the Settlement Administrator by the deadline to have your objection heard by the Court. If your objection is overruled by the Court, you will still be bound by the terms of the settlement and will receive a settlement payment. Important: If you object to the settlement, you cannot also ask to be excluded.

THESE RIGHTS AND OPTIONS—AND THE DEADLINES TO EXERCISE THEM—ARE EXPLAINED IN THIS NOTICE.

The Court is in charge of this lawsuit and still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after appeals, if any, are resolved.

1. Why Should You Read This Notice?

You should read this Notice because you may be entitled to money from a class-action settlement.

2. What is this Lawsuit About?

In the lawsuit, the Named Plaintiff alleges that Ippolito International L.P. failed to properly provide accurate wage statements in violation of California Labor Code section 226(a). Named Plaintiff alleges that Ippolito International L.P.'s wage statements were inaccurate because it did not identify the pay period start dates on the wage statements. Ippolito International L.P. denies the allegations in the lawsuit and denies it has engaged in any wrongdoing. Ippolito International L.P. asserts that it complied with all legal requirements, but is resolving this action in order to avoid the risk and costs of further legal proceedings.

3. What is a Class Action?

In a class action, one or more persons, referred to as a class representative (in this case, Rebecca Pineda), sue on behalf of class members who allegedly have similar claims. A class action settlement approved by the Court resolves the issues for all class members, except for those who exclude themselves from the class. The Monterey County Superior Court is in charge of the case. The lawsuit is known as *Rebecca Pineda v. Ippolito International L.P.*, Case No. 20CV001851.

4. Why is there a Settlement?

The Court did not decide in favor of Named Plaintiff or Ippolito International L.P. Instead, both parties agreed to a settlement to avoid the risks and cost of litigation and trial, and the individuals potentially affected will get compensation.

5. How Do I Know If I Am Part of the Settlement?

Any current or former employee of Ippolito International L.P. in the State of California who was paid wages at any time from April 2, 2019, to October 31, 2020, (the “Covered Period”), is a class member. If you received this Notice, you are a class member.

6. What Does the Settlement Provide?

The proposed settlement provides for a payment by Ippolito International L.P. in the amount of \$125,000.00 to fully and finally resolve the Class and PAGA Claims alleged in the lawsuit (referred to as the “Maximum Settlement Amount”). The total amount to be distributed to class members who can be located, and who do not exclude themselves from the settlement, will be the Maximum Settlement Amount minus the following (the “Net Settlement Amount”): (a) settlement-administration costs not to exceed \$3,500.00; (b) class representative service award to Named Plaintiff not to exceed \$6,500.00 for her work and efforts in prosecuting this cases, and for undertaking the risks of costs (in the event the outcome was not favorable); (c) Class Counsel’s attorneys’ fees not to exceed \$41,666.66; (d) Class Counsel’s actual litigation costs and expenses as supported by declaration not to exceed \$15,000.00; and (e) payment of \$7,500.00 to the Labor and Workforce Development Agency. **Class Counsel’s attorneys’ fees and costs, and Named Plaintiff’s class-representative service award remain subject to Court approval.**

No portion of the Net Settlement Amount will be returned to Ippolito International L.P. under any circumstances.

7. How Much Will My Payment Be?

Your estimated share of the settlement is shown above on the first page of this Notice and is based on the number of wage statements (also known as paystubs) that you received from Ippolito International L.P. during the Covered Period, as compared to the total wage statements received by all class members in that same period.

Based upon Ippolito International L.P.’s records, the number of wage statements you received from April 2, 2019, to October 31, 2020, is determined to be ***. If this information appears correct, you do not need to do anything further to receive your settlement payment. If you disagree with the number of wage statements, see below (Question 9).

8. How Do I Receive a Payment?

To qualify for payment, you need not do anything. The Settlement Administrator will mail you a check within approximately thirty (30) calendar days after the Court enters a judgment based on this settlement, but possibly later depending on whether there is any appeal of the judgment entered by the Court.

9. What If I Believe the Information About Me is Inaccurate?

If you believe the number of wage statements you received during the Covered Period is inaccurate, you may dispute it by sending a letter to [REDACTED] [ADMINISTRATOR’S ADDRESS] no later than _____, 2021. Be sure to include your name, address, telephone number, last four digits of your social security number, and a statement as to what and why you are disputing. Also attach a copy of any documentation you want to include to support your dispute.

10. What Am I Giving Up to Receive a Settlement Payment?

Unless you request to be excluded from the settlement, you remain a part of the settlement class, and that means you have released the following claims against Ippolito International L.P. and other Released Parties as fully defined within the Parties' Settlement Agreement:

- Any and all claims, causes of actions, lawsuits, demands, losses, damages, compensation, wages, penalties, attorney's fees, costs, and any other form of relief or remedy in law, equity, or whatever kind or nature, alleged in the Complaint or that could have been alleged in the Complaint based on the factual allegations in the Complaint, including but not limited to, for failure to provide accurate and/or compliant wage statements pursuant to Labor Code § 226(a) and Labor Code § 2698 *et seq.*

11. How Do I Exclude Myself from the Settlement?

To exclude yourself from the settlement (also referred to as "opt-out"), you must mail a letter to the Settlement Administrator saying that you want to be excluded from the *Rebecca Pineda v. Ippolito International L.P.* settlement.

In the letter, you must include your name, address, telephone number, last four digits of your social security number, state clearly that you want to be excluded from the settlement, and include your signature on the exclusion letter. You must mail your exclusion letter postmarked no later than [REDACTED], 2021, to the Settlement Administrator at [REDACTED].

If you submit a timely and valid "opt-out" request, you will no longer be a member of the class and you will not receive any money from the settlement, or be able to object to the settlement, but you will not be legally bound by anything that happens in this lawsuit. You will keep any rights to sue (or continue to sue) Ippolito International L.P. in the future for the same Class and PAGA Claims made in this lawsuit, at your own expense.

12. How Do I Object to the Settlement?

As a class member, you can object to the settlement if you believe that the settlement is unfair, or inadequate. If you object and follow the procedures set out in this section, your objection will be considered.

If you decide to object to the proposed settlement, you may do so in writing to the Settlement Administrator. Upon the submission of your objection, you may then also appear at the final approval hearing for the settlement, either in person or through an attorney at your own expense. (See Question 14.)

All written objections must be signed by you and include: (1) the name and case number of this lawsuit *Rebecca Pineda v. Ippolito International L.P.*, Case No. 20CV001851; (2) your full name, current address, and telephone number; (3) a written statement of all grounds for the objection accompanied by any legal support for such objection; and (4) any and all evidence and supporting papers (including, without limitation, all briefs, written evidence, and declarations) on which you base your objection. You must mail your objection postmarked no later than [REDACTED], 2021, to the Settlement Administrator at Settlement Administrator at [REDACTED].

13. Do I Have a Lawyer in this Case?

The Court decided that the law firms of Diversity Law Group and Fitzpatrick & Swanston, both of which represent the Named Plaintiff, are also qualified to represent you and all class members. You will not be charged for these lawyers. These law firms are referred to as "Class Counsel." If you want to be represented by your own lawyer, you may hire one at your own expense.

14. How Will the Attorneys for the Class And The Class Representative Be Paid?

The attorneys for the Named Plaintiff and the class will be paid from the Maximum Settlement Amount. Class Counsel will ask for up to \$ 41,666.66 in attorneys' fees and for actual litigation costs incurred up to a maximum of \$15,000.00, the actual amount of which will be determined by the Court at the final approval hearing (see section 17 below for details as to when this hearing will take place). Class members (like you) do not have to pay the fees and costs of Class Counsel. **If you want to be represented by your own lawyer, you may hire one at your own expense.**

If approved by the Court, a service payment for the Named Plaintiff of an amount up to \$6,500.00 will be paid from the Maximum Settlement Amount for her work and efforts in prosecuting this case, and for undertaking the risks of costs (in the event the outcome of this lawsuit was not favorable).

15. Notice of Hearing on Final Approval and Objections to Class-Action Settlement.

The Court has preliminarily approved the settlement and will hold a final approval hearing to decide whether to give final approval to the settlement. This hearing will be held on _____, 2021, at ____ a.m., in Department 13 of the **Superior Court of California for the County of Monterey, located at 1200 Aguajito Road, Monterey, California 93940**, to determine whether the proposed settlement is fair, reasonable, and adequate, and whether it should be finally approved by the Court. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take. The final approval hearing may be continued without further notice. The Court may adjourn or continue the hearing from time to time, without further notification, as the Court may direct.

Once final approval is granted by the Court, the Court will enter final judgment, and all class members who have not requested exclusion from the settlement will be deemed to have waived the Released Claims set forth above.

16. How Do I Receive More Information?

This Notice summarizes the proposed settlement. You may request a copy of the Settlement Agreement by contacting Class Counsel or the Class Administrator.

17. What is the Contact Information for Class Counsel and Defendant's Counsel?

The addresses for Class Counsel are as follows:

DIVERSITY LAW GROUP, P.C.

Larry W. Lee
Howard L. Magee
Mai Tulyathan
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
Telephone: (213) 488-6555
Facsimile: (213) 488-6554

FITZPATRICK & SWANSTON

B. James Fitzpatrick
Laura L. Franklin
555 S. Main Street

Salinas, CA 93901
Telephone: (831) 755-1311
Facsimile: (831) 755-1319

The contact information for Defendant's counsel is:

BUCHALTER, A PROFESSIONAL CORPORATION

Kalley R. Aman
Ron Arias
1000 Wilshire Blvd., Suite 1500
Los Angeles, CA 90017
Telephone: (213) 891-0700
Facsimile: (213) 896-0400

WHAT IF I HAVE QUESTIONS?

If you have any questions about the settlement, you may contact the Settlement Administrator:

Rebecca Pineda v. Ippolito International L.P.

c/o _____

Address

City, CA, Zip

Toll-Free Phone Number: [insert]

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE COURT CLERK FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS.