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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SACRAMENTO

STEVEN THAMES

Plaintiff,

vs.

CENTRAL TRANSPORT LLC

Defendants.

Case No. 34-2020-00283179-CU-OE-GDS

**JOINT STIPULATION FOR CLASS
ACTION SETTLEMENT**

Action Filed: July 30, 2020
Trial Date: None Set

STIPULATION OF CLASS ACTION SETTLEMENT

Plaintiff Steven Thames and Defendant Central Transport LLC, agree to settle this class and representative action subject to the terms and conditions below.

DEFINITIONS

1. "Agreement" means this Joint Stipulation of Class Action Settlement.
2. "Action" means *Steven Thames v. Central Transport LLC*, filed on August 12, 2020, in the Sacramento County Superior Court, Case No. 34-2020-00283179-CU-OE-GDS.
3. "Class Counsel" means David Yeremian & Associates, Inc.
4. "Class Counsel Award" means attorneys' fees for Class Counsel's litigation and resolution of this Action and their expenses and costs incurred in connection with the Action, paid from the Gross Settlement Fund.

1 5. “Class Information” means information regarding Settlement Class Members that
2 Defendant will in good faith compile from its records and provide to the Settlement Administrator.
3 It will be formatted as a Microsoft Excel spreadsheet and will include: each Settlement Class
4 Member’s employee number; full name; last known address; last known home telephone number;
5 Social Security Number; start date of employment and end date of employment (if applicable).

6 6. “Class Period” means the period from January 1, 2017 through September 28, 2020.

7 7. “Class Representative Service Award” means the amount that the Court authorizes to
8 be paid to Plaintiff in recognition of his efforts and risks in assisting with the prosecution of the
9 Action.

10 8. “Compensable Workweeks” means the number of workweeks during which
11 Settlement Class Members worked for Defendant during the Class Period. The Settlement
12 Administrator will calculate the number of workweeks by calculating the number of days each
13 Settlement Class Member was employed during the Class Period, dividing by seven, and rounding
14 up to the nearest whole number.

15 9. “Court” means the Sacramento County Superior Court.

16 10. “Defendant” means Central Transport LLC.

17 11. “Effective Date” means the date upon which the Court grants final approval of the
18 Settlement if (a) no Settlement Class Members file objections to the Settlement, or (b) any Settlement
19 Class Member files an objection but it is subsequently withdrawn. However, if an objection is filed
20 and an appeal or other appellate proceeding is initiated, the Effective Date will be the date 30 days
21 after the date upon which the Court grants final approval of the Settlement if within this time no
22 notice of appeal is filed by an objector; or if a timely appeal is initiated by an objector, the Effective
23 Date will be the date of final resolution of that appeal (including any requests for rehearing and/or
24 petitions for *certiorari*), resulting in final judicial approval of the Settlement.

25 12. “Gross Settlement Fund” means a maximum payment amount of \$600,000, inclusive
26 of the Class Counsel Award, the Class Representative Service Award, the PAGA Payment, and the
27 Settlement Administration Costs. In no event will Defendant be liable for more or less than \$600,000
28 as a result of this Settlement, with the exception of Defendant’s corporate payroll tax contributions

1 and liabilities. If the total number of Class Members exceeds 485 by more than 10% as of September
2 28, 2020, then the Gross Settlement Amount will be increased proportionately based on the increase
3 in workweeks worked by those additional Class Members above the 10% threshold.

4 13. "Individual Settlement Payment" means the amount payable from the Net Settlement
5 Amount to each Settlement Class Member.

6 14. "Net Settlement Amount" means the Gross Settlement Fund, less the Class Counsel
7 Award, the Class Representative Service Award, the PAGA Payment, and the Settlement
8 Administration Costs.

9 15. "Notice of Class Action Settlement" means the Notice of Class Action Settlement
10 (substantially in the form attached as **Exhibit 1**).

11 16. "Notice Packet" means the Notice of Class Action Settlement, Request for Exclusion,
12 and postage-paid return envelope to the Settlement Administrator.

13 17. "PAGA Payment" means payment to the California Labor and Workforce
14 Development Agency under the Private Attorneys General Act of 2004.

15 18. "Parties" means Plaintiff and Defendant, collectively, and "Party" will mean either
16 Plaintiff or Defendant, individually.

17 19. "Payment Ratio" means the respective Compensable Workweeks for each Settlement
18 Class Member divided by the total Compensable Workweeks for all Settlement Class Members.

19 20. "Plaintiff" means Steven Thames.

20 21. "Preliminary Approval" means the date on which the court grants preliminary
21 approval of the Settlement.

22 22. "Released Claims" means all claims that have been alleged or could have been alleged
23 in the Complaint including and/or all of the following claims for relief: (a) failure to pay minimum,
24 regular, or hourly wages, and/or alleged off-the-clock work; (b) failure to pay overtime wages or
25 accurate overtime wages; (c) failure to pay timely wages during employment or upon separation; (d)
26 failure to provide accurate and/or complete wages statements; (e) failure to maintain records; (f)
27 failure to reimburse for business expenses; (g) unlawful withholding/deduction of wages; (h)
28 violation of California Business & Professions Code section 17200, *et seq.*; (i) an alleged violation

of Labor Code sections 98.6, 201, 202, 203, 204, 210, 218, 221, 223, 226, 226.3, 226.7, 432, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1197.1, 1194, 1194.3, 1197, 1198, 1198.5, 1199, 1670.5, 2698, 2699 *et. seq.*, 2802, 6300 *et seq.*, (j) any other claims or penalties under the wage and hour laws pleaded in the action or that could have been pleaded based on the facts alleged in the Complaint; (k) all claims for unpaid wages, overtime wages, damages of any kind, penalties, interest, attorneys' fees, costs, injunctive relief, restitution, and any other equitable relief in California statute, ordinance, regulation, common law, or other source of law, including the California Labor Code, California Business and Professions Code, California Civil Code, California Unfair Competition Law, California Private Attorneys General Act of 2004 ("PAGA"), and California Industrial Welfare Commission Wage Orders; and all claims under PAGA that could have been premised on the facts and legal theories raised in the Complaint or Plaintiff's letters to the California Labor and Workforce Development Agency ("LWDA"). The res judicata effect of the Judgment will be the same as that of the Released Claims obtained by this Agreement. The period of the Released Claims will be from January 1, 2017 to September 28, 2020.

23. "Released Parties" means Defendant and its past, present and/or future, direct and/or indirect, parent companies, subsidiaries, affiliates, divisions, officers, directors, managers, members, heirs, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, predecessors, successors, and/or assigns.

24. "Request for Exclusion" means the Request for Exclusion (substantially in the form attached as **Exhibit 2**).

25. "Response Deadline" means the date 45 days after the Settlement Administrator mails Notice Packets to Settlement Class Members and the last date on which Settlement Class Members may submit a Request for Exclusion, and/or objection to the Settlement.

26. "Settlement" means the disposition of the Action pursuant to this Agreement.

27. "Settlement Administration Costs" means the amount to be paid to the Settlement Administrator from the Gross Settlement Fund for administration of this Settlement.

28. "Settlement Administrator" means CPT Group.

29. “Settlement Class Members” means all current and former hourly-paid, non-exempt dock workers who worked for Defendant in the State of California during the Class Period. The “Settlement Class Members” will not include any person who submits a timely and valid Request for Exclusion as provided in this Agreement.

RECITALS

30. Class Certification. The Parties stipulate and agree to the certification of this Action for purposes of this Settlement only. Should the Settlement not become final and effective, class certification will immediately be set aside and the Settlement Class immediately decertified (subject to further proceedings on motion of any party to certify or deny certification thereafter). The Parties’ willingness to stipulate to class certification as part of the Settlement will have no bearing on, and will not be admissible in or considered in connection with, the issue of whether a class should be certified in a non-settlement context in this Action or in any context in any other lawsuit.

31. Procedural History. On July 1, 2020, Plaintiff sent notice to the LWDA outlining Plaintiff’s intent to bring a representative action pursuant to PAGA for alleged Labor Code violations, including failure to pay minimum wages; failure to pay overtime wages; meal and rest period liability; unlawfully collecting or receiving wages; failure to reimburse for necessary business expenses; failure to issue accurate itemized wage statements; failure to issue semimonthly payments; failure to keep accurate records; waiting time penalties; unfair competition; and claims for interest, attorneys’ fees and costs.

On July 30, 2020, the Parties participated in a private mediation with an experienced mediator and retired judge, the Hon. Michael Latin (Ret.), after they engaged in informal discovery, including Defendant providing to Plaintiff information regarding the putative class (*e.g.*, the number of putative class members, average number of shifts, average hourly rate, etc.), a 20% sampling of payroll and time records for the putative class members, and Defendant’s policies and procedures affecting putative class members. As a result, the Parties reached an agreement on all material terms to resolve this Action in its entirety.

On August 11, 2020, Plaintiff sent an amended notice to the LWDA.

1 32. Benefits of Settlement to Class Members. Plaintiff and Class Counsel recognize the
2 expense and length of continued proceedings necessary to litigate their disputes through trial and
3 through any possible appeals. Plaintiff has also taken into account the uncertainty and risk of the
4 outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiff and
5 Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims
6 asserted in the Action, both generally and in response to Defendant's defenses thereto, and the
7 difficulties in establishing damages for the Settlement Class Members. Plaintiff and Class Counsel
8 have also taken into account the extensive settlement negotiations conducted. Based on the
9 foregoing, Plaintiff and Class Counsel have determined that the Settlement set forth in this
10 Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Settlement
11 Class Members.

12 33. Defendant's Reasons for Settlement. Defendant has concluded that any further
13 defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of
14 time and resources of Defendant have been and, unless this Settlement is approved, will continue to
15 be devoted to the defense of the claims asserted by Plaintiff and Settlement Class Members.
16 Defendant has also taken into account the risks of further litigation in reaching its decision to enter
17 into this Settlement. Despite continuing to contend that it is not liable for any of the claims set forth
18 by Plaintiff, Defendant has, nonetheless, agreed to settle in the manner and upon the terms set forth
19 in this Agreement to put to rest the claims as set forth in the Action. Defendant has claimed and
20 continues to claim that the Released Claims have no merit and do not give rise to liability. This
21 Agreement is a compromise of disputed claims. Nothing contained in this Agreement and no
22 documents referred to herein and no action taken to carry out this Agreement may be construed or
23 used as an admission by or against Defendant as to the merits or lack thereof of the claims asserted.
24 The monies being paid as part of the settlement are genuinely disputed and the Parties agree that the
25 provisions of Labor Code section 206.5 are not applicable to this Settlement.

26 34. Settlement Class Members' Claims. Settlement Class Members have claimed and
27 continue to claim that the Released Claims have merit and give rise to liability on the part of
28 Defendant. This Agreement is a compromise of disputed claims. Nothing contained in this

Agreement and no documents referred to herein and no action taken to carry out this Agreement may be construed or used as an admission by or against the Settlement Class Members or Class Counsel as to the merits or lack thereof of the claims asserted.

TERMS OF AGREEMENT

35. Release As To All Class Members. As of the Effective Date, in exchange for the Gross Settlement Fund, Plaintiff and the Settlement Class Members release the Released Parties from the Released Claims for the Class Period. Plaintiff and the Settlement Class Members may hereafter discover facts or legal arguments in addition to or different from those they now know or currently believe to be true with respect to the claims and causes of action in this case which are the subject matter of the Released Claims. Regardless, the discovery of new facts or legal arguments will in no way limit the scope or definition of the Released Claims and by virtue of this Agreement, the Settlement Class Members will be deemed to have, and by operation of the final judgment approved by the Court, will have fully, finally, and forever settled and released all of the Released Claims as defined above.

36. Release as to Plaintiff. As of the Effective Date, in exchange for the Gross Settlement Fund, Plaintiff releases the Released Parties from all claims and causes of action, including but not limited to the Released Claims, and stipulates and agrees that, upon the Effective Date, the Plaintiff will be deemed to have, and by operation of the final judgment will have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which Section provides:

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

Plaintiff may hereafter discover facts in addition to or different from those he now knows or believes to be true, but upon the Effective Date, will be deemed to have, and by operation of the final judgment will have, fully, finally, and forever settled and released any and all claims and causes of

1 action against the Released Parties, whether known or unknown, suspected or unsuspected,
2 contingent or non-contingent, which now exist, or heretofore have existed, upon any theory of law
3 or equity, including but not limited to conduct that is negligent, intentional, with or without malice,
4 or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such
5 different or additional facts.

6 37. Tax Liability. The Parties make no representations as to the tax treatment or legal
7 effect of the payments called for hereunder, and Settlement Class Members are not relying on any
8 statement or representation by the Parties in this regard. Settlement Class Members understand and
9 agree that they will be responsible for the payment of any employee taxes and penalties assessed on
10 the payments described herein and will hold the Parties free and harmless from and against any
11 claims, liabilities, costs and expenses, including attorney's fees, resulting in any way from personal
12 tax treatment of the payments made pursuant to this Agreement, including the treatment of such
13 payments as not subject to withholding or deduction for payroll and employment taxes.

14 38. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
15 the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an
16 "other party") acknowledges and agrees that: (1) no provision of this Agreement, and no written
17 communication or disclosure between or among the Parties or their attorneys and other advisers, is
18 or was intended to be, nor will any such communication or disclosure constitute or be construed or
19 be relied upon as, tax advice within the meaning of United States Treasury Department circular 230
20 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her
21 or its own, independent legal and tax counsel for advice (including tax advice) in connection with
22 this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other
23 Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any
24 communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty
25 that may be imposed on the acknowledging party, and (3) no attorney or adviser to any other Party
26 has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax
27 strategies (regardless of whether such limitation is legally binding) upon disclosure by the
28

1 acknowledging party of the tax treatment or tax structure of any transaction, including any
2 transaction contemplated by this Agreement.

3 39. Settlement Administration. Within 30 calendar days after the Court grants preliminary
4 approval of this Agreement, Defendant will provide the Settlement Administrator with the Class
5 Information for purposes of mailing Notice Packets to Settlement Class Members.

6 a. Notice By First Class U.S. Mail. Upon receipt of the Class Information, the Settlement
7 Administrator will perform a search based on the National Change of Address Database to update
8 and correct any known or identifiable address changes. Within 14 calendar days after receiving the
9 Class Information from Defendant as provided herein, the Settlement Administrator will mail copies
10 of the Notice Packet to all Settlement Class Members via regular First Class U.S. Mail. The
11 Settlement Administrator will exercise its best judgment to determine the current mailing address for
12 each Settlement Class Member. The address identified by the Settlement Administrator as the current
13 mailing address will be presumed to be the best mailing address for each Settlement Class Member.

14 i. Undeliverable Notices. Any Notice Packets returned to the Settlement Administrator
15 as non-delivered on or before the Response Deadline will be re-mailed to the forwarding address
16 affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly
17 attempt to determine a correct address by use of skip-tracing, or other search using the name, address
18 and/or Social Security number of the Settlement Class Member involved, and will then perform a re-
19 mailing, if another mailing address is identified by the Settlement Administrator. Settlement Class
20 Members who received a re-mailed Notice Packet will have their Response Deadline extended 15
21 days from the original Response Deadline.

22 ii. Disputes Regarding Individual Settlement Payments. Settlement Class Members will
23 have the opportunity, should they disagree with Defendant's records regarding the dates of
24 employment stated on their Notice of Class Action Settlement form, to provide documentation and/or
25 an explanation to show contrary employment dates. If there is a dispute, the Settlement Administrator
26 will consult with the Parties to determine whether an adjustment is warranted. The Settlement
27 Administrator will determine the eligibility for, and the amounts of, any Individual Settlement
28 Payments under the terms of this Agreement. The Settlement Administrator's determination of the

1 eligibility for and amount of any Individual Settlement Payment will be binding upon the Settlement
2 Class Member and the Parties.

3 iii. Disputes Regarding Administration of Settlement. Any disputes not resolved by the
4 Settlement Administrator concerning the administration of the Settlement will be resolved by the
5 Court under the laws of the State of California. Prior to any such involvement of the Court, counsel
6 for the Parties will confer in good faith to resolve the disputes without the necessity of involving the
7 Court.

8 b. Exclusions. The Notice Packet will state that Settlement Class Members who wish
9 to exclude themselves from the Settlement must submit a Request for Exclusion by the Response
10 Deadline. The Request for Exclusion will not be valid if it is not timely submitted, if it is not signed
11 by the Settlement Class Member, or if it does not contain the name and address of the Settlement
12 Class Member. The date of the postmark on the return mailing envelope or fax stamp on the Request
13 for Exclusion will be the exclusive means used to determine whether the Request for Exclusion was
14 timely submitted. Any Settlement Class Member who requests to be excluded from the Settlement
15 Class will not be entitled to any recovery under the Settlement and will not be bound by the terms of
16 the Settlement or have any right to object, appeal or comment thereon. Settlement Class Members
17 who fail to submit a valid and timely Request for Exclusion on or before the Response Deadline will
18 be bound by all terms of the Settlement and any final judgment entered in this Action if the Settlement
19 is approved by the Court. No later than 25 calendar days after the Response Deadline, the Settlement
20 Administrator will provide counsel for the Parties with a final list of the Settlement Class Members
21 who have timely submitted written requests for exclusion. At no time will any of the Parties or their
22 counsel seek to solicit or otherwise encourage members of the Settlement Class to submit requests
23 for exclusion from the Settlement.

24 c. Objections. The Notice Packet will state that Settlement Class Members who wish to
25 object to the Settlement must file with the Court and serve on all Parties a written statement of
26 objection ("Notice of Objection") by the Response Deadline. The date of filing and the date on the
27 proof of service will be deemed the exclusive means for determining that a Notice of Objection was
28 filed and served timely. The Notice of Objection must be signed by the Settlement Class Member

1 and state: (1) the full name of the Settlement Class Member; (2) the dates of employment of the
2 Settlement Class Member; (3) the last four digits of the Settlement Class Member's Social Security
3 number; (4) the name and case number of the Action; and (5) the factual and legal basis for the
4 objection with any supporting documents and evidence. Settlement Class Members who fail to make
5 objections in the manner specified above will be deemed to have waived any objections and will be
6 foreclosed from making any objections (whether by appeal or otherwise) to the Settlement.
7 Settlement Class Members who submit a timely Notice of Objection will have a right to appear at
8 the Final Approval/Settlement Fairness Hearing in order to have their objections heard by the Court.
9 At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Settlement
10 Class Members to file or serve written objections to the Settlement or appeal from the Order and
11 Final Judgment. Class Counsel will not represent any Settlement Class Members with respect to any
12 such objections.

13 40. Funding and Allocation of Gross Settlement Fund. The Gross Settlement Fund means
14 a maximum payment amount of \$600,000, inclusive of the Class Counsel Award, the Class
15 Representative Service Award, the PAGA Payment, and the Settlement Administration Costs. The
16 balance after deducting the Class Counsel Award, the Class Representative Service Award, the
17 PAGA Payment, and the Settlement Administration Costs is the Net Settlement Amount. Within 14
18 calendar days after the Effective Date, Defendant will provide the Gross Settlement Fund to the
19 Settlement Administrator to fund the Settlement, as set forth in this Agreement.

20 a. Individual Settlement Payments. Individual Settlement Payments will be paid from
21 the Net Settlement Amount and will be paid pursuant to the settlement formula set forth herein.
22 Individual Settlement Payments will be mailed by regular First Class U.S. Mail to Settlement Class
23 Members' last known mailing address within 15 calendar days after Defendant provides funds to the
24 Settlement Administrator for disbursement under this Agreement. Individual Settlement Payments
25 will be allocated as follows: 25% as wages; 75% as penalties and interest. Any checks issued to
26 Settlement Class Members will remain valid and negotiable for 180 days from the date of their
27 issuance. After that time, any such uncashed checks will be distributed to California Rural Legal
28 Assistance, Inc., as the *cy pres* recipient under California Code of Civil Procedure section 384(b).

1 California Rural Legal Assistance, Inc. is a 501(c)(3) corporation that fights wage theft, wrongful
2 termination, and discriminatory employment practices and has child advocacy programs in
3 California. The Court retains jurisdiction over this Action pursuant to California Code of Civil
4 Procedure section 384(b) to address uncashed checks, if necessary.

5 i. Calculation of Individual Settlement Payments. The Settlement Administrator will
6 calculate the total Compensable Workweeks for all Settlement Class Members. The respective
7 Compensable Workweeks for each Settlement Class Member will be divided by the total
8 Compensable Workweeks for all Settlement Class Members, resulting in the Payment Ratio for each
9 Settlement Class Member. Each Settlement Class Member's Payment Ratio is then multiplied by the
10 Net Settlement Amount to determine the proportionate allocation. Each Individual Settlement
11 Payment will be reduced by any legally mandated employee tax withholdings (*e.g.*, employee payroll
12 taxes, etc.) for each Settlement Class Member.

13 ii. Settlement Class Members are not eligible to receive any compensation other than
14 Individual Settlement Payments from this Settlement.

15 b. Class Representative Service Award. Defendant agrees not to oppose or object to any
16 application or motion by Plaintiff for a Class Representative Service Award of up to \$7,500 in
17 exchange for the Released Claims and a General Release and for his time and effort in bringing and
18 prosecuting this matter. The Class Representative Service Award will be paid to Plaintiff from the
19 Gross Settlement Fund no later than 15 calendar days after Defendant provides funds to the
20 Settlement Administrator for disbursement under this Agreement. The Settlement Administrator will
21 issue an IRS Form 1099 – MISC to Plaintiff for his respective Class Representative Service Award.
22 Plaintiff will be solely and legally responsible to pay any and all applicable taxes on his respective
23 Class Representative Service Award and will hold harmless Defendant from any claim or liability
24 for taxes, penalties, or interest arising as a result of the Class Representative Service Award. The
25 Class Representative Service Award will be in addition to the Plaintiff's respective Individual
26 Settlement Payment as a Settlement Class Member. In the event that the Court reduces or does not
27 approve the requested Class Representative Service Award, Plaintiff will not have the right to revoke
28 the Settlement, and it will remain binding.

1 c. Class Counsel Award. Defendant agrees not to oppose or object to any application or
2 motion by Class Counsel for attorneys' fees not to exceed one-third of the Gross Settlement Fund
3 (\$200,000), plus costs and expenses up to \$15,000 supported by declaration, from the Gross
4 Settlement Fund. The Class Counsel Award will be paid to Class Counsel from the Gross Settlement
5 Fund no later than 15 calendar days after Defendant provides funds to the Settlement Administrator
6 for disbursement under this Agreement. Class Counsel will be solely and legally responsible to pay
7 all applicable taxes on the payment made pursuant to this paragraph. The Settlement Administrator
8 will issue an IRS Form 1099 – MISC to Class Counsel for the payments made pursuant to this
9 paragraph. In the event that the Court reduces or does not approve the requested Class Counsel
10 Award, Plaintiff and Class Counsel will not have the right to revoke the Settlement, and it will remain
11 binding.

12 d. PAGA Payment. Class Counsel will comply with the settlement provisions of the
13 Private Attorneys General Act of 2004 ("PAGA"), Cal. Labor Code section 2699 *et seq.*, including
14 taking the following steps to effectuate settlement: (1) provide a copy of this Agreement to the
15 LWDA at the same time this Agreement is submitted to the Court, and (2) provide to the LWDA a
16 copy of the Court's judgment and any other order that awards or denies PAGA penalties within 10
17 days after entry of judgment or order. Subject to Court approval, the Parties will allocate a PAGA
18 Payment in the amount of \$25,000 from the Gross Settlement Fund, to be distributed as follows: 75%
19 or \$18,750 to the LWDA; and 25% or \$6,250 will be part of the Net Settlement Amount and
20 distributed to Settlement Class Members as described in this Agreement.

21 e. Settlement Administration Costs. The Settlement Administrator will be paid for the
22 costs of administration of the Settlement from the Gross Settlement Fund. The estimate of such costs
23 of administration for the disbursement of the Gross Settlement Fund is \$10,000.00. No fewer than
24 21 days prior to the Final Approval Hearing, the Settlement Administrator will provide the Parties
25 with a statement detailing the costs of administration of this Settlement. The Settlement
26 Administrator will be paid the Settlement Administration Costs no later than 14 calendar days after
27 Defendant provides funds to the Settlement Administrator for disbursement under this Agreement.
28 The Settlement Administrator, on Defendant's behalf, will have the authority and obligation to make

1 payments, credits and disbursements, including payments and credits in the manner set forth herein,
2 to Settlement Class Members calculated in accordance with the methodology set out in this
3 Agreement and orders of the Court.

4 i. The Parties agree to cooperate in the Settlement administration process and to make
5 all reasonable efforts to control and minimize the cost and expenses incurred in administration of the
6 Settlement. The Parties each represent they do not have any financial interest in the Settlement
7 Administrator or otherwise have a relationship with the Settlement Administrator that could create a
8 conflict of interest.

9 ii. The Settlement Administrator will be responsible for: processing and mailing
10 payments to the Plaintiff, Class Counsel, and Settlement Class Members; printing, translating and
11 mailing the Notice Packets and postcards to the Settlement Class Members as directed by the Court;
12 receiving and reporting the Request for Exclusions submitted by Settlement Class Members;
13 deducting taxes from Individual Settlement Payments and distributing tax forms; processing and
14 mailing tax payments to the appropriate state and federal taxing authorities; providing declaration(s)
15 as necessary in support of preliminary and/or final approval of this Settlement; and other tasks as the
16 Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement
17 Administrator will keep the Parties timely apprised of the performance of all Settlement
18 Administrator responsibilities. No later than 25 calendar days after the Response Deadline, the
19 Settlement Administrator will provide counsel for the Parties with a final accounting of the Gross
20 Settlement Fund and report the amount of all payments to be made to each Settlement Class Member
21 by employee number.

22 f. No person will have any claim against Defendant, Plaintiff, Settlement Class
23 Members, Class Counsel or the Settlement Administrator based on distributions and payments made
24 in accordance with this Agreement.

25 41. Option to Terminate Settlement. If, after the Response Deadline and before the Final
26 Approval/Settlement Fairness Hearing, the number of Settlement Class Members who submitted
27 timely and valid written requests for exclusion from the Settlement is at least 5% of all Settlement
28 Class Members, Defendant will have, in its sole discretion, the option to terminate this Settlement.

If Defendant exercises its option to terminate this Settlement, Defendant will: (a) provide written notice to Class Counsel within seven calendar days after the Response Deadline and (b) pay all Settlement Administration Costs incurred up to the date or as a result of the termination; and the Parties will proceed in all respects as if this Agreement had not been executed.

42. Final Settlement Approval Hearing and Entry of Final Judgment. Upon expiration of the Response Deadline, with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine final approval of the Settlement along with the amount properly payable for (i) the Class Counsel Award, (ii) the Class Representative Service Award, (iii) Individual Settlement Payments, (iv) the PAGA Payment, and (v) the Settlement Administration Costs. Pursuant to California Rule of Court 3.769(h), after granting Final Approval, the Court will retain jurisdiction over the Parties to enforce the terms of the judgment.

43. Nullification of Settlement Agreement. In the event: (i) the Court does not grant preliminary approval; (ii) the Court does not grant final approval; (iii) the Court does not enter a final judgment as provided herein; or (iv) the Settlement does not become final for any other reason, this Settlement Agreement will be null and void and any order or judgment entered by the Court in furtherance of this Settlement will be treated as void from the beginning. In such a case, the Parties and any funds to be awarded under this Settlement will be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement, and the Parties will proceed in all respects as if this Agreement had not been executed, except that any costs already incurred by the Settlement Administrator will be paid by Defendant. In the event an appeal is filed from the Court's final judgment, or any other appellate review is sought, administration of the Settlement will be stayed pending final resolution of the appeal or other appellate review, but any fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from the Court's Final Judgment, or any other appellate review, will be paid to the Settlement Administrator within thirty (30) days of said notification.

44. No Effect on Employee Benefits. Amounts paid to Plaintiff or other Settlement Class Members pursuant to this Agreement will be deemed not to be pensionable earnings and will not

1 have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g., vacations,
2 holiday pay, retirement plans, etc.) of the Plaintiff or Settlement Class Members.

3 45. No Admission By the Parties. Defendant denies any and all claims alleged in this
4 Action and denies all wrongdoing whatsoever. This Agreement is not a concession or admission, and
5 will not be used against Defendant as an admission or indication with respect to any claim of any
6 fault, concession or omission by Defendant.

7 46. Exhibits and Headings. The terms of this Agreement include the terms set forth in any
8 attached Exhibits 1-2, which are incorporated by this reference as though fully set forth herein. Any
9 Exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any
10 paragraphs or sections of this Agreement are inserted for convenience of reference only and do not
11 constitute a part of this Agreement.

12 47. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
13 except such proceedings necessary to implement and complete the Settlement, in abeyance pending
14 the Final Approval/Settlement Fairness Hearing to be conducted by the Court.

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

17 49. Entire Agreement. This Agreement and any attached Exhibits constitute the entire
18 Agreement among these Parties, and no oral or written representations, warranties or inducements
19 have been made to any Party concerning this Agreement or its Exhibits other than the representations,
20 warranties and covenants contained and memorialized in the Agreement and its Exhibits.

21 50. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
22 represent they are expressly authorized by the Parties whom they represent to negotiate this
23 Agreement and to take all appropriate actions required or permitted to be taken by such Parties
24 pursuant to this Agreement to effectuate its terms, and to execute any other documents required to
25 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other
26 and use their best efforts to effect the implementation of the Settlement. The persons signing this
27 Agreement on behalf of Defendant represent and warrant that they are authorized to sign this
28 Agreement on behalf of Defendant. Plaintiff represents and warrants that she is authorized to sign

1 this Agreement and that she has not assigned any claim, or part of a claim, covered by this Settlement
2 to a third-party.

3 51. Binding on Successors and Assigns. This Agreement will be binding upon, and inure
4 to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

5 52. California Law Governs. All terms of this Agreement and the Exhibits hereto and any
6 disputes arising hereunder will be governed by and interpreted according to the laws of the State of
7 California.

8 53. Counterparts. This Agreement may be executed in one or more counterparts. All
9 executed counterparts and each of them will be deemed to be one and the same instrument provided
10 that counsel for the Parties to this Agreement will exchange among themselves copies or originals
11 of the signed counterparts.

12 54. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement
13 is a fair, adequate and reasonable settlement of this Action and have arrived at this Settlement after
14 extensive arms-length negotiations, taking into account all relevant factors, present and potential.

15 55. Jurisdiction of the Court. In accordance with California Rule of Court 3.769(h), the
16 Parties agree that the Court will retain jurisdiction with respect to the interpretation, implementation
17 and enforcement of the terms of this Agreement and all orders and judgments entered in connection
18 therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes
19 of interpreting, implementing and enforcing the settlement embodied in this Agreement and all orders
20 and judgments entered in connection therewith.

21 56. Invalidity of Any Provision. Before declaring any provision of this Agreement
22 invalid, the Court will first attempt to construe the provisions valid to the fullest extent possible
23 consistent with applicable precedents so as to define all provisions of this Agreement valid and
24 enforceable.

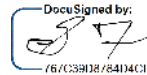
25 57. Press Release. Class Counsel agrees not to issue a press release or otherwise notify
26 the media about the terms of the Settlement or advertise or market any of the terms of the Settlement
27 through written, recorded or electronic communications. Plaintiff and Class Counsel agree that, if
28 contacted regarding this case, they will state only that the Action exists and has been resolved. This

provision is not intended to, and does not, limit Class Counsel from responding to questions from and providing advice to the Settlement Class Members regarding the settlement after Preliminary Approval.

58. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this settlement only provided.

PLAINTIFF

DATED: August 21, 2020

By:  Steven Thames

CLASS COUNSEL
DAVID YEREMIAN & ASSOCIATES, INC.

DATED: August 21, 2020

By: 
David Yeremian
Roman Shkodnik

DEFENDANT
CENTRAL TRANSPORT LLC

DATED: _____, 2020

By: _____

Its: _____

DEFENDANT'S COUNSEL
OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

DATED: _____, 2020

By: _____
Christian Keeney
Alis Moon

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6 **PLAINTIFF**

7
8 DATED: _____, 2020

By: _____
Steven Thames

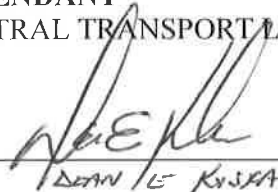
10 **CLASS COUNSEL**
11 DAVID YEREMIAN & ASSOCIATES, INC.

12
13
14 DATED: _____, 2020

By: _____
David Yeremian
Roman Shkodnik

16
17 **DEFENDANT**
18 CENTRAL TRANSPORT LLC

19 DATED: August 19th, 2020

By: 
Dean E. Kuska
Its: AUTHORIZED AGENT

22 **DEFENDANT'S COUNSEL**
23 OGLETREE, DEAKINS, NASH, SMOAK &
24 STEWART, P.C.

25
26 DATED: August 21, 2020

By: 
Christian Keeney
Alis Moon