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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

LARRY BONINE, individually, and on
behalf of all others similarly situated,

Plaintiffs,

v.

WACHTER, INC., a Kansas corporation;
and DOES 1 through 10, inclusive,

Defendants.

CASE NO.: 20STCV31653

[Complex - Unlimited Jurisdiction]

*Assigned for all purposes to the
Honorable Kenneth R. Freeman, Dept. 14*

JOINT STIPULATION AND SETTLEMENT AGREEMENT OF CLASS ACTION AND PAGA REPRESENTATIVE CLAIMS

Complaint Filed: August 18, 2020

Trial Date: Not Set

This Stipulation is made by the Class Representative on behalf of themselves and each of the other Class Members, on the one hand, and Defendant, on the other hand, in this Action, and is subject to the approval of the Superior Court.

1. DEFINED TERMS

1.1 “Action” means the civil action being resolved by this settlement entitled *Larry*

1 *Bonine v. Wachter, Inc., et al.* (Los Angeles County Superior Court Case No. 20STCV31653).

2 1.2 “Agreement,” “Settlement,” or “Stipulation” means this Stipulation and
3 Settlement Agreement of Class Action Claims.

4 1.3 “Claims” means any and all claims asserted in the First Amended Complaint filed
5 on December 15, 2020 or any other claims that could have been asserted in the Action based
6 on the facts alleged therein. This includes, but is not limited to, any and all claims concerning:
7 meal and rest breaks; unpaid regular wages, minimum wages, overtime and double time wages;
8 wage statement violations; record keeping violations; expense reimbursement; and separation
9 pay violations. Specifically, and without limitation, the Claims include claims for penalties
10 (including PAGA) for violation of the California Labor Code or any law or regulation related to
11 wage and hour law asserted or that could have been asserted in the Action based on the facts
12 alleged, including without limitation California Labor Code §§ 201, 202, 203, 204, 226(a), 226.7,
13 510, 512, 1174(d), 1194, 1197, 1198, 2802.

14 1.4 “Class” or “Class Members” means the following class: All current and former
15 nonexempt employees who worked for Defendant within the State of California from August 18,
16 2016 to the Preliminary Approval Date.

17 1.5 “Class Counsel” means Kane Moon and Allen Feghali of Moon & Yang, APC.

18 1.6 “Class Period” means the period from August 18, 2016 until the Preliminary
19 Approval Date. “PAGA Period” means the period from August 18, 2019 until the Preliminary
20 Approval Date.

21 1.7 “Class Notice” means the Court-approved Notice of Proposed Class Action
22 Settlement, substantially in the form attached hereto as **Exhibit A** and incorporated by reference
23 herein, which will notify Class Members of, among other things, the following: Preliminary
24 Approval of the Settlement, the basic terms of the Settlement, the calculation of the Settlement
25 Award, the procedures for disputing and objecting to the Settlement, and requesting exclusion
26 from the Settlement Class, and the scheduling of the Final Approval Hearing. Following the
27 Court’s Preliminary Approval of the Settlement, the Settlement Administrator shall mail the
28 Class Notice to all Class Members.

1 1.8 “Class Representative” means plaintiff Larry Bonine.

2 1.9 “Complaint” means the operative First Amended Complaint filed in the Action.

3 1.10 “Costs Award” means the amount of litigation expenses Class Counsel has
4 incurred in prosecuting the Action and awarded by the Court. Class Counsel’s request for costs
5 shall not exceed \$18,000.00.

6 1.11 “Court” means the Superior Court for the State of California, for the County of
7 Los Angeles, which is the Court that the Parties will be submitting this Settlement to for purposes
8 of obtaining court approval.

9 1.12 “Database Report” means a confidential list of Class Members that Defendant will
10 diligently and in good faith compile from their records and provide to the Settlement
11 Administrator only. Plaintiff’s counsel will not receive a copy of the confidential list. The
12 Database Report shall be in computer-readable format, and shall include each Class Member’s
13 full name; employee ID while employed with Defendant; dates of employment during which he
14 or she worked in a class position for Defendant in California; last known home address and last
15 known telephone number to the extent available in the Human Resources employee information
16 database; Social Security number to perform a skip trace in order to obtain the best possible
17 address for Class Members prior to mailing the Class Notice to Class Members.

18 1.13 “Defendant” means Wachter, Inc.

19 1.14 “Defendant’s Counsel” means Danielle Hultenius Moore, Esq., Phillip G.
20 Simpler, Esq., and Benjamin P. Carney, Esq. of Fisher & Phillips, LLP.

21 1.15 “Effective Date” means the later of: (a) if any Class Member validly submits a
22 Notice of Objection, the date on which the time for appeals from any Order ruling on the
23 objections or granting Final Approval of the Settlement has run; or (b) the resolution of any
24 appeal, filed by a Class Member who validly submitted a Notice of Objection, from any Orders
25 ruling on any objection or granting Final Approval of the Settlement; or (c) the Final Approval
26 Date if there are no objections to the settlement.

27 1.16 “Fees and Costs Award” means the aggregate total of the Fees Award and the
28 Costs Award to Class Counsel approved by the Court.

1.17 “Fees Award” means the fee amount authorized by the Court to be paid to Class Counsel for the services they have rendered in prosecuting the Action, in an amount not to exceed one third of the Total Settlement Amount, i.e., the Fees Award shall not exceed One Hundred Eighteen Thousand Dollars and Zero Cents (\$118,000.00).

1.18 “Final Approval” and/or “Final Approval Order” means the Court’s order granting final approval of the Settlement and “Final Approval Date” means the date that the Court signs the Final Approval Order.

1.19 “Final Approval Hearing” means the hearing at which the Court considers whether to issue an order granting final approval to the Settlement.

1.20 “Net Settlement Fund” means the funds available to pay the Settlement Awards to all Participating Settlement Class Members. The Net Settlement Fund shall constitute the Total Settlement Amount minus the sum of the (1) Fees and Cost Award, (2) the Service Award, (3) the Settlement Administration Costs, and (4) the PAGA Payment made to the Labor and Workforce Development Agency (“LWDA”).

1.21 “Non-Participating Class Member” means a Class Member who submits a timely and valid Request for Exclusion.

1.22 “Objection/Exclusion Deadline” means the date, no later than sixty (60) calendar days after the date the Notice is mailed (judged by the postmark date) by the Settlement Administrator, prior to which a Class Member may validly submit a Notice of Objection or a Class Member may submit a Request for Exclusion.

1.23 For purposes of this Settlement, “PAGA Employees” means all current and former nonexempt employees who worked for Defendant within the State of California during the PAGA Period. It is stipulated by the Parties that, for purposes of this Settlement, all PAGA Employees are “aggrieved employees” as defined pursuant to PAGA.

1.24 “PAGA Payment” shall constitute Forty Thousand Dollars and Zero Cents (\$40,000.00) which, pursuant to Labor Code Section 2699(i), will be distributed as follows: 25% to PAGA Employees and 75% to the California Labor and Workforce Development Agency. The 25% portion of the PAGA Payment that shall be paid to the PAGA Employees shall remain within the Net

Settlement Fund so that it is available to be included within the calculation of the PAGA Employees' Settlement Awards. If it should later be determined by the Court that an additional amount is needed to effectuate a full and complete release of all California Labor Code Private Attorneys General Act claims, Labor Code Section 2698 et seq., that amount shall be deducted from the Total Settlement Amount.

1.24.1 "Calculation of PAGA Payments" PAGA Payments will be paid out of the Net Settlement Fund. Each PAGA Employee will be paid a pro-rata share of the PAGA Employees' PAGA Payment, as calculated by the Settlement Administrator minus PAGA Payments to the LWDA. Class Members will not be permitted to exclude themselves from this portion of the Settlement. The pro-rata share will be determined by comparing the individual PAGA Employees' PAGA Pay Periods during the PAGA Period to the total PAGA Pay Periods of all the PAGA Employees during the PAGA Period as follows: $[\text{PAGA Pay Periods worked by a PAGA Employee}] \div [\text{Sum of all PAGA Pay Periods worked by all PAGA Employees}] \times [\text{PAGA Payment}] = \text{individual PAGA Employee's portion of the PAGA Payment}$. PAGA Payments to PAGA Employees in the appropriate amounts will be distributed by the Settlement Administrator by mail to the PAGA Employees at the same time Settlement Class Payments issue to the Settlement Class. Un-cashed, unclaimed or abandoned checks, shall be transmitted to the California Controller's Office, as set forth below. The LWDA's PAGA Penalty Payment will issue to the LWDA at the same time Settlement Payments issue to the Settlement Class.

1.26 "Participating Settlement Class Member" means any Class Members who did not submit a timely and valid Request for Exclusion.

1.27 "Parties" means Defendant and the Class Representative.

1.28 "Preliminary Approval Order" means the Order issued by the Court preliminarily approving the terms of the Settlement set forth in this Stipulation, in a form to be agreed upon by the Parties prior to the hearing on the Motion for Preliminary Approval and "Preliminary Approval Date" means the date that the Court signs the Preliminary Approval Order.

1.29 "Qualifying Workweek" means a workweek where a Participating Settlement Class Member worked at least one day during that work week and was not on a leave of absence

1 or vacation. The Qualifying Workweek will be calculated by using Defendant's payroll data
2 during the Class Period. Workweeks of Non-Participating Class Members will be excluded from
3 the total number of Workweeks that are reported to the Settlement Administrator.

4 1.30 "Qualified Settlement Fund" or "QSF" means the account set up by the Settlement
5 Administrator and from which the individual Settlement Awards to Participating Settlement
6 Class Members shall be made. The QSF shall be an interest-bearing account within the meaning
7 of Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section
8 1.468B-1, et seq., at a federally-insured bank that is mutually acceptable to the Parties and the
9 Settlement Administrator. The Settlement Administrator shall serve as a Trustee of the QSF and
10 shall act as a fiduciary with handling of all tax-related issues, reporting and payments. The
11 Settlement Administrator shall act in a manner necessary to qualify and maintain the QSF as a
12 Qualified Settlement Fund and the Parties shall cooperate to ensure such treatment and shall not
13 take a position in any filing or before any tax authority inconsistent with such treatment. The
14 Parties agree that the QSF shall be a non-reversionary fund and that under no circumstance will
15 there be any reversion to Defendant of any of the funds from the QSF or the Total Settlement
16 Amount.

17 1.31 "Released Claims" does not include "Released PAGA Claims and means all
18 claims asserted under any applicable laws and/or regulations relating to any and all facts and
19 claims asserted in the Complaint or any other claims that could have been asserted in the
20 Complaint based on the facts alleged, including without limitation claims related to meal and rest
21 breaks; unpaid regular wages, minimum wages, overtime and double time wages; wage statement
22 violations; record keeping violations; expense reimbursement; separation pay violations; any
23 related claims under the California Labor Code; and any other laws or regulations concerning
24 wage and hour laws arising during the Class Period. The Released Claims do not cover or include
25 (1) claims for Workers' Compensation, (2) claims for unemployment or disability payments, (3)
26 tort claims, or any other claims that cannot be released as a matter of law. The Released Claims
27 shall run during the entire Class Period. As of the Effective Date of Settlement, each Class
28 Member who has not filed a valid Request for Exclusion shall be deemed to have fully, finally,

1 and forever released, relinquished, and discharged all Released Claims. This waiver and release
2 of claims shall be binding on the Class Representative and all members of the Class who have
3 not timely submitted a valid Request for Exclusion, including each of their respective attorneys,
4 agents, spouses, executors, representatives, guardians ad litem, heirs, successors, and assigns,
5 and shall inure to the benefit of the Released Parties. Releases are effective upon funding pursuant
6 to Section 8.3 below.

7 1.31.1 “Released PAGA Claims” means all claims for penalties and any other available
8 relief pursuant to PAGA, to the extent asserted in Plaintiff’s administrative exhaustion letter
9 submitted to the LWDA in this Action, arising during the PAGA Period. Releases are effective
10 upon funding pursuant to Section 8.3 below.

11 1.32 “Request for Exclusion” means a letter or written request to be excluded from the
12 Settlement Class submitted by a Class Member to the Settlement Administrator and postmarked
13 by the Objection/Request for Exclusion Deadline. In order to be valid, the Request for Exclusion
14 must include the Class Member’s name, address, telephone number, last four digits of the Social
15 Security number, location and years of his or her employment, and signature, and contain a
16 statement to the effect of: “I wish to be excluded from the Settlement Class.” However, no
17 specific language is needed to opt-out. PAGA Employees will not be able to request exclusion
18 from the PAGA Release.

19 1.33 “Released Parties” means Defendant, and each of its former or present parents,
20 subsidiaries, affiliates, investors, partners, owners, related organizations, predecessors or
21 successors, and all agents, employees, officers, directors, members, managers, holding
22 companies, insurers, and attorneys thereof.

23 1.34 “Settlement Administrator” means ILYM Group, Inc.

24 1.35 “Settlement Administration Costs” means the amount that will be paid to the
25 Settlement Administrator for actual and direct fees and expenses reasonably incurred by the
26 Settlement Administrator in administering the Settlement. Settlement Administration Costs will
27 include, but are not limited to, fees and costs payable to the Settlement Administrator for printing,
28 distributing (including with appropriate postage), and tracking documents for this Settlement,

any searches to locate any Class Members, calculating estimated amounts per Class Member, tax reporting, distributing the individual Settlement Awards, the Class Representative's Service Awards, Class Counsel Fees and Costs, payment to the LWDA, and providing necessary certification of completion of notice, reports and declarations, establishing and administering a QSF account, required tax reporting and withholding on the individual Settlement Awards, the issuing of 1099 and W-2 IRS forms, as well as determining the validity of any disputes (and communicating the determination of those disputes to the disputing Class Member, Class Counsel and Defendant's Counsel) and opt-outs, calculating all amounts to be paid from the Total Settlement Amount, and such other responsibilities and duties as reasonably and customarily performed by third-party settlement administrators or as requested by the Parties. Settlement Administration Costs shall not exceed \$15,000.00.

1.36 "Service Award" means the amount that the Court authorizes to be paid to the Class Representative in the Action over and above his Settlement Award, in recognition of his efforts in assisting with the prosecution of the Action on behalf of the Class Members. This amount is not to exceed Seven Thousand Dollars (\$7,000.00).

1.37 "Settlement Award" means the total portion of the Net Settlement Award payable to each member of the Settlement Class after deduction of the employee's portion of all state and federal employment withholding taxes, FICA and FUTA contributions and any other applicable payroll deductions required by law.

1.38 "Settlement Class" means the Class Members who have not submitted a timely and valid Request for Exclusion and are therefore entitled to receive his or her individual portion of the Settlement Award.

1.39 "Total Settlement Amount" means the total amount that Defendant will be required by this Stipulation to pay to: Participating Settlement Class Members (which includes the employee payroll taxes withheld from the Wage Component of each Participating Settlement Class Member's Settlement Award); the Class Representative; Class Counsel; the Settlement Administrator; and the Labor and Workforce Development Agency (i.e., the PAGA Payment). The Total Settlement Amount is Three Hundred Fifty Four Thousand Dollars and Zero Cents

1 (\$354,000.00). The Total Settlement Amount is non-reversionary, meaning that, if the settlement
2 is approved and becomes effective, no part of this amount shall be returned to Defendant.

3
4 **2. BACKGROUND AND PRELIMINARY REPRESENTATIONS**

5 2.1 Certification. This Court has not yet Certified the Class. The Parties intend for
6 the Class to be certified through the preliminary approval process for settlement purposes only.
7 If the Court should for any reason fail to approve the Settlement, this Agreement shall be
8 considered null and void, the Class will not be certified, Plaintiff's class allegations shall remain
9 stricken, Plaintiff shall pursue his individual claims in individual arbitration, and Defendant shall
10 have the right to seek to compel individual arbitration of Plaintiff's PAGA claims. The Parties
11 agree that Defendant has not waived the right to compel arbitration of Plaintiff's or any other
12 Class Members' claims by entering into this Agreement or by their delay in seeking to enforce
13 any such rights with respect to the Action.

14 2.2 Investigation. The Parties have conducted significant investigation of the facts
15 and law. Such discovery and investigation included interviews with the Class Representative
16 and other percipient witnesses as well as the review of documents and data necessary to calculate
17 potential damages. Counsel for the Parties investigated the law as applied to the facts discovered
18 regarding the alleged claims of the Class Members and potential defenses thereto, and the
19 damages claimed by the Class Members.

20 2.3 Defendant's Reasons for Settlement. Defendant concluded that any further
21 defense of this litigation would be protracted and expensive for all Parties. Substantial amounts
22 of time, energy and resources of Defendant have been and, unless this Settlement is made, will
23 continue to be devoted to the defense of the claims asserted by the Class Representative.
24 Defendant has also taken into account the risks of further litigation in reaching their decision to
25 enter into this Settlement. Defendant has, therefore, agreed to settle in the manner and upon the
26 terms set forth in this Agreement to put to rest the Claims as set forth in the Action.

27 2.4 Defendant's Denials of Wrongdoing. Defendant has denied and continues to deny
28 each of the claims and contentions alleged by Class Members in the Action. Defendant has

1 repeatedly asserted, and continues to assert, defenses thereto, and has expressly denied and
2 continues to deny any wrongdoing or legal liability arising out of any of the facts or conduct
3 alleged in the Action. Defendant also has denied and continues to deny, inter alia, the allegations
4 that the Class Members have suffered damage; that Defendant violated any laws; that Defendant
5 engaged in any wrongful conduct as alleged in the Action; or that Class Members were harmed
6 by the conduct alleged in the Action. Neither this Agreement, nor any document referred to or
7 contemplated herein, nor any action taken to carry out this Agreement, is, may be construed as,
8 or may be used as an admission, concession or indication by or against Defendant of any fault,
9 wrongdoing or liability whatsoever.

10 2.5 Plaintiff's Claims. The Class Representative has claimed and continues to claim
11 that the Released Claims have merit and give rise to liability on the part of Defendant. This
12 Agreement is a compromise of disputed claims, and Plaintiff's Agreement takes into account
13 Defendant's defenses to liability. Nothing contained in this Agreement and no documents
14 referred to herein and no action taken to carry out this Agreement may be construed or used as
15 an admission by or against the Class Representative or Class Counsel as to the merits or lack
16 thereof of the claims asserted.

17 2.6 It is the desire of the Parties to fully, finally and forever settle, compromise and
18 discharge all disputes and claims against the Released Parties arising from or related to this
19 Action, and that this Settlement Agreement shall constitute a full and complete settlement and
20 release of all the Released Parties from all of the claims asserted in this Action.

21 **3. CLASS AND PAGA SETTLEMENT AGREEMENT**

22 3.1 Settlement Components. The Settlement shall have six components: (1) the
23 Participating Settlement Class Members' Settlement Awards; (2) the Class Representative's
24 Service Award; (3) Class Counsel's Fees and Cost Award; (4) the Settlement Administration
25 Costs; and (5) the PAGA Payment. All of these components are included in the Total Settlement
26 Amount.

27 3.2 Creation of the Settlement Fund. Within thirty (30) calendar days after the
28 Effective Date, Defendant shall deliver the Total Settlement Amount to the Settlement

1 Administrator to create the Settlement Fund, including the employer-side payroll taxes on the
2 wage portion of the Settlement Awards. All payments that Defendant is required to make
3 pursuant to the Settlement Agreement shall be made from the Fund by the Settlement
4 Administrator. Defendant will retain exclusive authority over, and responsibility for, those funds
5 until required to deliver them to the Settlement Administrator in accordance with this paragraph.

6 3.3 Calculation of Participating Settlement Class Members' Settlement Awards. The
7 Settlement Administrator shall have the authority and obligation to calculate the amounts of
8 individual Settlement Awards in accordance with the methodology set forth in this Stipulation of
9 Settlement and any Orders of the Court. The Parties agree that the formula for the individual
10 Settlement Awards to Participating Settlement Class Members provided herein is reasonable and
11 that the payments provided herein are designed to provide a fair settlement to such persons, in
12 light of the uncertainties of the damages and penalties alleged to be owed to the Class and the
13 calculation of such amounts.

14 3.3.1 The Parties agree that Class Members will not have to submit a claim form in
15 order to participate in the Settlement. Each Class Member who does not submit a Request for
16 Exclusion will be mailed a check representing their individual Settlement Award. Therefore, the
17 individual Settlement Awards will be paid from the Net Settlement Fund to all Class Members
18 unless the Class Member submits a valid and timely written Request for Exclusion from the
19 Settlement Class. Note, any Class Member who worked during the PAGA Period will receive a
20 check representing their portion of the PAGA Payment regardless of whether they request
21 exclusion from the Class.

22 3.3.2 After deducting (i) the Court-approved Class Representative's Service Award, (ii)
23 the Court-approved Fees and Costs Award, (iii) the Settlement Administration Costs, and (iv) the
24 PAGA Payment to the LWDA, then the remainder of the Total Settlement Amount, or the Net
25 Settlement Fund, will be distributed to the Participating Settlement Class Members. Relying on
26 the Database Report, the Settlement Administrator will calculate the number of Qualifying
27 Workweeks for each Participating Settlement Class Member of the Class. Each Participating
28 Settlement Class Member shall be entitled to receive a pro-rata portion based upon their

1 respective number of Qualifying Workweeks in the Class and PAGA Periods. Thus, each Class
2 Member that does not request exclusion from the Settlement shall be entitled to a pro-rata share
3 of the Net Settlement Fund based on the ratio of the number of Qualifying Workweeks that he or
4 she worked to the total number of Qualifying Workweeks that all Participating Settlement Class
5 Members worked during the Class Period.

6 3.3.3 Class Members will have the opportunity, should they disagree with Defendant's
7 records regarding the number of Qualifying Workweeks as presented on the Notice, to provide
8 documentation and/or an explanation to show contrary employment dates. Class Members must
9 notify the Settlement Administrator of the dispute and submit documentation to support their
10 dispute (such as, without limitation, offer letters, payroll or time keeping records, paycheck stubs)
11 prior to the Objection/Exclusion Deadline. Moreover, an individual can only dispute his/her
12 number of Qualifying Workweeks if he/she does not exclude himself/herself from the Settlement
13 Class. Absent evidence rebutting Defendant's records, Defendant's records will be presumed
14 determinative. However, if there are no corresponding records, or the Class Member produces
15 evidence contrary to Defendant's records, the Settlement Administrator will evaluate the
16 evidence and will make the final decision as to the number of eligible Qualifying Workweeks
17 that should be applied.

18 3.3.4 Each Participating Settlement Class Member will have one hundred eighty (180)
19 calendar days from the date of the mailing of the individual Settlement Award check to cash the
20 check sent to the Participating Settlement Class Member. Failure to cash the check within one
21 hundred eighty (180) calendar days will result in the Participating Settlement Class Member
22 forgoing all eligibility to receive any payment from the Settlement, but the Participating
23 Settlement Class Member shall remain bound by the Settlement and the Released Claims.

24 3.3.5 The checks will state they are void if not cashed within 180 calendar days of
25 mailing. The settlement checks to each Participating Settlement Class Member will also contain
26 the following short release and waiver on the back:

27 "By depositing this check, I acknowledge that I have released and discharged the
28 'Released Claims,' which will include a release of claims against the 'Released Parties,' as

1 described in detail in the Notice of Proposed Class Action Settlement that I received and
2 reviewed.”

3 3.3.6 The Parties recognize that the individual Settlement Awards to be paid to
4 Participating Settlement Class Members reflect in part a settlement of a dispute over claimed
5 wages, interest, and penalties. The individual Settlement Awards to Participating Settlement
6 Class Members shall be allocated as follows: Ten percent (10%) of each Participating Settlement
7 Class Member’s Settlement Award shall be considered wages (“Wage Component”) and ninety
8 percent (90%) shall be considered penalties and interest (the “Non-Wage Component”). The
9 Wage Component shall be reported on a W-2 Form and will be provided to each Participating
10 Settlement Class Member. From each Class Member’s Wage Component, the employee’s
11 portion of employment taxes shall be made, including payroll deductions for state and federal
12 withholding taxes, and any other applicable payroll deductions, owed by the Participating
13 Settlement Class Member as a result of the payment, resulting in a “Net Wage Component.” No
14 withholding shall be made on the Non-Wage Component of the settlement. The Non-Wage
15 Component shall be reported on a 1099 Form and will be provided to each Participating
16 Settlement Class Member. The Net Wage Component shall be added to the Non-Wage
17 Component resulting in each Participating Settlement Class Member’s Settlement Award.

18 3.3.7 The PAGA Payment shares to PAGA Employees will be entirely allocated to
19 penalties.

20 3.4 Class Representative’s Service Award. Subject to Court approval and the
21 execution of the general release by the Class Representative, the Parties agree to a payment from
22 the Total Settlement Amount to the Class Representative for the Class Representative’s Service
23 Award in an amount not to exceed seven thousand dollars (\$7,000.00). The Parties agree that a
24 decision by the Court to award the Class Representative an amount less than seven thousand
25 dollars (\$7,000.00) each shall not be a basis for the Class Representative or Class Counsel to void
26 this Stipulation. Defendant agrees not to oppose the Class Representative’s Service Award
27 request if consistent with this Agreement. Defendant, via the Administrator, shall issue the Class
28 Representative a Form 1099 for their Service Award. The Class Representative shall be solely

1 and legally responsible to pay his applicable taxes on this payment and shall hold harmless
2 Defendant from any claim or liability for taxes, penalties, or interest owed by the Class
3 Representative as a result of this payment. The Service Awards shall be in addition to the Class
4 Representative's individual Settlement Awards. If the Court approves Service Awards to the
5 Class Representative that is less than the amount sought, the remainder will be retained in the
6 Net Settlement Fund for distribution to Participating Settlement Class Members.

7 3.4.1 Class Representative's Service Award is for the Class Representative's services
8 and assistance to the Class and additionally, in recognition for his willingness to provide a full
9 and separate general release individually of any and all claims against Defendant regardless of
10 whether such claims have been alleged against Defendant, including without limitation known
11 or unknown claims, whether for economic damages, non-economic damages, punitive damages,
12 restitution, tort, contract, penalties, injunctive or declaratory relief, attorney's fees, costs, or other
13 monies or remedies. This release by the Class Representative includes all federal and state
14 statutory claims, and federal and state common law claims (including but not limited to those for
15 contract, tort, and equity), including, without limitation, the Americans with Disabilities Act,
16 Age Discrimination in Employment Act, Title VII of the Civil Rights Act of 1964 (as amended),
17 42 U.S.C. §1981, 42 U.S.C. § 1983, the Fair Labor Standards Act, the Employee Retirement
18 Security Income Act of 1974, the California Constitution, the California Fair Employment and
19 Housing Act, the California Unfair Competition Act (California Business and Professions Code
20 section 17200 et seq.), the California Labor Code, and claims for additional compensation
21 relating to stock options.

22 3.4.2 General Release by Class Representative Only. In addition to the releases made
23 by the Participating Settlement Class Members set forth in 4.1 below and in consideration for the
24 Service Awards, the Class Representative, as of the Effective Date, in his individual capacity for
25 himself, his heirs, executors, administrators, successors and assigns and with respect to his
26 individual claims only, agrees to release the Released Parties from all claims, demands, rights,
27 liabilities and causes of action of every nature and description whatsoever, known or unknown,
28 asserted or that might have been asserted, whether in tort, contract, or for violation of any state

1 or federal statute, rule or regulation arising out of, relating to, or in connection with their
2 employment by and termination from Released Parties and any act or omission by or on the part
3 of any of the Released Parties committed or omitted prior to the Effective Date of this Agreement
4 (the "General Release"). This total release includes, but is not limited to, all claims arising
5 directly or indirectly from Class Representative's employment with Released Parties and the
6 termination of that employment; claims or demands related to wages, bonuses, vacation pay,
7 benefits and expense reimbursements pursuant to any federal, state or local law or cause of action,
8 including, but not limited to, breach of contract, breach of the implied covenant of good faith and
9 fair dealing, infliction of emotional harm, wrongful discharge, violation of public policy,
10 defamation and impairment of economic opportunity; violation of the California Fair
11 Employment and Housing Act, the California Labor Code, the California Constitution; and any
12 claims for violation of the Civil Rights Act of 1866, Title VII of the Civil Rights Act of 1964,
13 the Americans With Disabilities Act of 1990 and any private attorney general action under the
14 California Business & Professions Code §17200.

15 3.4.3 The General Release includes any unknown claims that the Class Representative
16 does not know or suspect to exist in his favor at the time of the General Release, which, if known
17 by him, might have affected his settlement with, and release of, the Released Parties or might
18 have affected his decision not to object to this Settlement or the General Release. With respect
19 to the General Release, the Class Representative stipulates and agrees that, upon the Effective
20 Date, he shall be deemed to have, and by operation of the Court's Final Approval Order, shall
21 have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions,
22 rights and benefits of Section 1542 of the California Civil Code, or any other similar provision
23 under federal or state law, which provides:

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

28 3.4.4 The Class Representative may hereafter discover facts in addition to or different

1 from those they now know or believe to be true with respect to the subject matter of the General
2 Release, but upon the Effective Date, shall be deemed to have, and by operation of the Court's
3 Final Approval Order, shall have, fully, finally, and forever settled and released any and all of
4 the claims released pursuant to the General Release whether known or unknown, suspected or
5 unsuspected, contingent or non-contingent, which now exist, or heretofore have existed upon any
6 theory of law or equity now existing or coming into existence in the future, including, but not
7 limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty,
8 law or rule, without regard to the subsequent discovery or existence of such different or additional
9 facts.

10 3.4.5 Notwithstanding the above, the scope of the General Release provided to the
11 Released Parties by the Class Representative does not include any claims for state disability
12 benefits, workers compensation benefits, or unemployment benefits, or any claims that cannot
13 be released as a matter of law.

14 3.5 Class Counsel's Fees and Costs Award. Defendant agrees not to oppose or
15 impede any application or motion by Class Counsel for attorneys' fees not to exceed one third of
16 the Total Settlement Amount (i.e., \$118,000.00) and actual litigation costs not to exceed Eighteen
17 Thousand Dollars (\$18,000.00). The Parties agree that a decision by the Court to award Class
18 Counsel an amount less than \$118,000.00 shall not be a basis for the Class Representative or
19 Class Counsel to void this Agreement. The aggregate attorneys' fees and costs awarded by the
20 Court shall be the "Fees and Costs Award." Class Counsel shall be solely and legally responsible
21 to pay their applicable taxes on the payment made pursuant to this Paragraph. Class Counsel
22 further agrees that Class Counsel shall be solely responsible for any allocation of the Fees and
23 Costs Award as between or among attorneys who have claims for such fees. Forms 1099 shall
24 be provided to Class Counsel for the payments made pursuant to this Paragraph. If the amount
25 awarded to Class Counsel for attorneys' fees is less than the amount sought, the remainder will
26 be retained in the Net Settlement Fund for distribution to Participating Settlement Class
27 Members.

28 3.6 Settlement Administration Costs. The Settlement Administrator shall be paid for

1 the costs of administration of the settlement from the Settlement Fund. The costs of
2 administration for the disbursement of the Total Settlement Amount shall not exceed the amount
3 quoted (and ultimately billed), approximately \$15,000.00, by claims administrator ILYM Group,
4 Inc. The Settlement Administrator's curriculum vitae outlining qualifications and experience is
5 attached hereto as Exhibit B. The Settlement Administration Costs include all tasks required of
6 the Settlement Administrator by this Agreement including performing a skip trace as well as
7 basic searches on the National Change of Address Database in order to obtain the best possible
8 address for Class Members prior to mailing the Class Notice to Class Members, the issuance of
9 the Notice, the required tax reporting on the settlement amounts, the issuance of checks, including
10 the issuing of W2 and 1099 forms (if any), the handling of Class Member questions and disputes,
11 as well as calculation of employee withholding taxes and the employer payroll taxes for
12 Defendant to be remitted to the tax authorities. At least fourteen (14) calendar days prior to the
13 Final Approval Hearing, the Settlement Administrator shall provide the Court and all counsel for
14 the Parties with a statement detailing the due diligence the Settlement Administrator has
15 undertaken with regard to the mailing of the Class Notice, including any attempts to obtain valid
16 mailing addresses for and re-mailing of any returned Class Notices, the final costs of
17 administration, and reporting on the number of objections and exclusions submitted by Non-
18 Participating Class Members, as well as any disputes (and explain the status of the disputes).

19 3.7 Payment to the Labor and Workforce Development Agency. Subject to Court
20 approval, Forty Thousand Dollars (\$40,000.00) will be allocated to cover any and all claims for
21 civil penalties associated with the Released Claims that were, or could have been, brought in the
22 Action under PAGA; 75% of which is Thirty Thousand Dollars (\$30,000.00) that will be paid
23 directly to the LWDA, and the remaining 25% of which is Ten Thousand Dollars (\$10,000.00),
24 which will be retained in the Net Settlement Fund for distribution to Participating Settlement
25 Class Members as penalties.

26 3.8 Tax Liability. Defendant makes no representations as to the tax treatment or legal
27 effect of the payments called for hereunder, and the Class Representative is not relying on any
28 statement or representation by Defendant in this regard. The Class Representative understands

1 and agrees that Participating Settlement Class Members will be solely responsible for the
2 payment of employee taxes and penalties predicated on the payments described herein. The Class
3 Representative shall hold harmless Released Parties from and against any claims resulting from
4 treatment of such payments as non-taxable damages, including the treatment of such payment as
5 not subject to withholding or deduction for payroll and employment taxes.

6 3.9 Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
7 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY
8 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
9 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
10 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN
11 OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR
12 WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR
13 DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX
14 ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT
15 CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY
16 (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL
17 AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION
18 WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED
19 UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR
20 ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
21 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
22 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
23 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
24 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
25 OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF
26 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
27 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
28 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS

1 AGREEMENT.

2 **4. RELEASE BY THE CLASS MEMBERS**

3 4.1 Release as To All Participating Settlement Class Members. As of the Effective
4 Date and upon payment by Defendant of all funds due under this Settlement, all Participating
5 Settlement Class Members, including the Class Representative, release the Released Parties from
6 the Released Claims. The Participating Settlement Class Members agree not to make, participate,
7 encourage or support any action asserting or alleging any of the Released Claims against any of
8 the Released Parties.

9 **5. PRELIMINARY APPROVAL**

10 5.1 As part of this Settlement, the Parties agree to the following procedures for
11 obtaining preliminary Superior Court approval of the Settlement, notifying Class Members,
12 obtaining final Superior Court approval of the Settlement, and processing the Settlement Awards:

13 5.1.1 Preliminary Settlement Hearing. The Class Representative shall seek preliminary
14 approval of the Settlement before the Superior Court and to request the entry of the Preliminary
15 Approval Order. In conjunction with this hearing, the Class Representative will submit this
16 Agreement, which sets forth the terms of this Settlement, and will include the proposed Class
17 Notice.

18 5.1.2 Order Granting Preliminary Approval of Proposed Settlement. Simultaneous with
19 the filing of the Stipulation of Settlement and solely for purposes of this Settlement, the Class
20 Representative will request that the Court enter an order preliminarily approving the proposed
21 Settlement and setting a date for a Final Approval Hearing. The Order shall be in a form to be
22 agreed upon by the Parties prior to the hearing on the Motion for Preliminary Approval and
23 provide for Notice of the Settlement to be sent to Class Members as specified herein.

24 5.1.3 Statement of Non-Opposition: The Defendant may file a statement of non-
25 opposition to the motion for preliminary approval.

26 **6. NOTICE PROCESS**

27 6.1 Notice Process. Notice of the Settlement shall be provided to Class Members,
28 and Class Members shall submit objections to the Settlement and/or requests for exclusion from

1 the Settlement Class, using the following procedures:

2 6.1.1 The Defendant shall provide the Settlement Administrator and Class Counsel with
3 the Database Report within twenty-one (21) calendar days after the Preliminary Approval Order.

4 6.1.2 Within fourteen (14) calendar days of receiving the Database Report, the
5 Settlement Administrator shall mail a copy of the Notice to each Class Member via First Class
6 regular U.S. mail.

7 6.1.3 Prior to mailing, the Settlement Administrator shall check all addresses on the
8 Database Report against the National Change of Address (NCOA) database. Additionally, the
9 Settlement Administrator shall undertake reasonable address verification using Accurint, or a
10 substantially similar skip tracing to ascertain the accuracy of the last known addresses and to
11 obtain the best possible address for the Class Members before mailing the notices. To the extent
12 these processes yield an updated or better address, that updated address shall replace the last
13 known address and be treated as the new last known address for purposes of this Settlement
14 Agreement.

15 6.1.4 Procedure for Undeliverable Notices. Any Notices returned to the Settlement
16 Administrator as non-delivered shall be promptly re-sent to the forwarding address affixed
17 thereto. If no forwarding address is provided, then the Settlement Administrator shall promptly
18 attempt to determine a correct address using a single skip-trace, computer or other search using
19 the name, address and/or Social Security number of the individual involved and shall then
20 perform a single re-mailing. The deadline for Class Members who receive a re-mailed Notice to
21 object to the Class Action Settlement or request an Exclusion from the Settlement Class is ten
22 (10) calendar days from the date of re-mailing if that date is beyond the original deadline. When
23 re-mailing any Notices, the Settlement Administrator should include a brief letter stating that the
24 recipient of the Class Notice has until the original deadline set forth on the Notice or ten (10)
25 calendar days after the date of re-mailing of the Class Notice (whichever is later) to object or
26 submit a Request for Exclusion. In the event the procedures in this Paragraph are followed and
27 the intended recipient of a Notice still does not receive the Notice, the intended recipient shall be
28 a Participating Settlement Class Member and will be bound by all terms of the Settlement and

1 any Final Approval Order entered by the Superior Court if the Settlement is approved by the
2 Superior Court. If any Class Notice is returned from any mailing and/or re-mailed, the Settlement
3 Administrator will note for its own records and notify the Parties' Counsel of the date of such re-
4 mailings as part of a weekly status report provided to the Parties.

5 6.1.5 The Notice shall provide that Class Members who wish to exclude themselves
6 from the Settlement Class must submit a Request for Exclusion postmarked by the
7 Objection/Exclusion Deadline. The Objection/Exclusion Deadline is sixty (60) calendar days
8 following the initial mailing of the Notice. Any Class Member who properly requests exclusion
9 using this procedure will not receive any payment from the Settlement, except to the extent such
10 Class Members are also PAGA Employees entitled to receive payment in exchange for their
11 PAGA Release, and will not be bound by the Stipulation of Settlement or have any right to object,
12 appeal or comment thereon. Class Members who do not submit a valid and timely Request for
13 Exclusion shall be bound by all terms of the Stipulation of Settlement and any judgment entered
14 in the Action once the Settlement is approved by the Court.

15 6.1.6 Procedure for Objecting. The Notice shall provide that Class Members who wish
16 to object to the settlement must mail a written statement of objection ("Notice of Objection") to
17 the Settlement Administrator no later than the Objection/Exclusion Deadline Date. Only Class
18 Members (i.e., not Non-Participating Class Members) may submit objections and have the
19 objections heard. The postmark date of the mailing shall be deemed the exclusive means for
20 determining that a Notice of Objection is timely. The Notice of Objection must state the basis
21 for the objection. Class Members who fail to make objections in the manner specified above
22 shall be deemed to have waived any objections and shall be foreclosed from making any
23 objection (whether by appeal or otherwise) to the Settlement Agreement and/or from appealing
24 any order by the Court approving the Settlement. No later than fourteen (14) calendar days before
25 the Final Approval Hearing, the Settlement Administrator shall provide counsel for the Parties
26 with complete copies of all objections received, including the postmark dates for each objection.
27 Class Members who submit a timely Notice of Objection will have a right to appear at the Final
28 Approval Hearing in order to have their objections heard by the Court. At no time shall any of

1 the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit
2 written objections to the settlement or to appeal from any order of the Court approving the
3 settlement. Class Counsel shall not represent any Class Member with respect to any such
4 objection.

5 6.1.7 Procedure for Requesting Exclusion. The Notice shall provide that Class
6 Members who wish to exclude themselves from the Settlement Class and, in so doing, become a
7 Non-Participating Class Member, must submit a written request to be excluded from the
8 Settlement Class on or before the Objection/Exclusion Deadline Date. Such request for
9 exclusion: (1) must contain the name, address, telephone number, the last four digits of the Social
10 Security number of the person requesting exclusion, the location and years of his or her
11 employment by Defendant, signature, and contain a statement to the effect of: "I wish to be
12 excluded from the Settlement Class."; (2) must be returned by mail to the Settlement
13 Administrator at the specified address; (3) and must be postmarked on or before the
14 Objection/Exclusion Deadline Date. However, no specific language is needed to opt-out. The
15 date of the postmark shall be the exclusive means used to determine whether a request for
16 exclusion has been timely submitted. Any Class Member who requests an exclusion from the
17 Settlement Class will not be entitled to submit objections to the Settlement, will not be entitled
18 to any recovery under the Settlement, except to the extent such Class Members are also PAGA
19 Employees entitled to receive payment in exchange for their PAGA Release, and will not be
20 bound by the Settlement or have any right to object, appeal or comment thereon. Class Members
21 who fail to submit a valid and timely request for exclusion on or before the Objection/Exclusion
22 Deadline Date shall be Participating Settlement Class Members and shall be bound by all terms
23 of the Settlement, if the Settlement is approved by the Court. No later than fourteen (14) calendar
24 days before the Final Approval Hearing, the Settlement Administrator shall provide counsel for
25 the Parties with a complete list of all Non-Participating Class Members who have timely
26 requested exclusion from the Settlement. At no time shall any of the Parties or their counsel seek
27 to solicit or otherwise encourage Class Members to submit requests for exclusion from the
28 Settlement Class.

1 6.1.8 Claims Deemed Waived. Any Class Member who does not request exclusion as
2 set forth above is deemed to have released all Released Claims against Released Parties as set
3 forth herein.

4 **7. SETTLEMENT ADMINISTRATION**

5 7.1 The Parties agree to cooperate in the settlement administration process and to
6 make all reasonable efforts to control and minimize the costs and expenses incurred in
7 administration of the Settlement.

8 7.2 The Settlement Administrator shall be responsible for: printing and mailing the
9 Notices to the Class Members as directed by the Superior Court; receiving and reporting the
10 requests for exclusion submitted by Non-Participating Class Members; issuing and mailing
11 Settlement Awards to Class Members; remitting all amounts due to the appropriate federal, state,
12 and local tax authorities, and other tasks as the Parties mutually agree or the Superior Court orders
13 the Settlement Administrator to perform. The Settlement Administrator shall keep Defendant's
14 Counsel and Class Counsel timely apprised of the performance of all Settlement Administrator
15 responsibilities. The Settlement Administrator shall provide the Parties' Counsel with a weekly
16 report showing: (1) the number of Class Notices mailed to Class Members; (2) the number of
17 Class Notices returned as undeliverable; (3) the number of re-mailed Class Notices; (4) the
18 number of Non-Participating Class Members who have submitted Requests for Exclusion; (5)
19 the number of Class Members who have submitted objections; and (6) the number of Class
20 Members who have disputed the number of Qualifying Workweeks being credited to that Class
21 Member. Additionally, the Settlement Administrator shall provide to the Parties' Counsel any
22 updated reports regarding the administration of the Settlement as needed or requested.

23 7.3 The Settlement Administrator, on Defendant's and Class Counsel's collective
24 behalf, shall have the authority and obligation to calculate the amounts of the Settlement Awards,
25 make payments, credits and disbursements, including payments and credits in the manner set
26 forth herein, to Class Members calculated in accordance with the methodology set out in this
27 Agreement and orders of the Court.

28 7.4 No person shall have any claim against Defendant, Defendant's Counsel, the

1 Class Representative of the Class, Class Counsel, or the Settlement Administrator based on any
2 errors or omissions in the distributions and payments that are required to be made in accordance
3 with the terms of this Agreement.

4 7.5 Any tax return filing required by this Agreement shall be made by the Settlement
5 Administrator. Any expenses incurred in connection with such filing shall be a cost of
6 administration of the Settlement.

7 **8. PROCEDURE FOR FUNDING OF SETTLEMENT**

8 8.1 Defendant shall fund the Settlement via one lump sum payment equaling the Total
9 Settlement Amount (i.e., the payment shall be \$354,000.00) plus an amount to cover the
10 employer-side payroll taxes on the wage portion of the Settlement Awards as calculated by the
11 Settlement Administrator.

12 8.2 The TSA was calculated with, and is premised on, the understanding that there
13 are approximately 17,645 workweeks during the Class Period through the preliminary approval
14 date. If the final accounting of the number of weeks worked during the Class Period increases by
15 more than ten percent (10%) due to a reason other than the passage of time beyond December 6,
16 2021, Defendant will increase the TSA by a proportional amount or, if the Defendant chooses,
17 the Class Period shall be deemed to end on the date that the total number of workweeks in the
18 Class Period exceeds 17,645 weeks by ten percent (10%) due to a reason other than the passage
19 of time. For example, if the total number of workweeks in the Class Period increases by eleven
20 percent (11%) at the time of preliminary approval for a reason other than due to the passage of
21 time, then Defendant agrees to increase the TSA by eleven percent (11%), unless Defendant
22 exercises the right to end the Class Period on the date that the total workweeks increased by 11%
23 more than 17,645 other than due to passage of time.

24 8.3 Within thirty (30) calendar days of the Effective Date, Defendant shall provide
25 the Settlement Administrator with the Total Settlement Amount plus employer-side payroll taxes.

26 **9. PROCEDURE FOR PAYMENT OF SETTLEMENT AWARDS**

27 9.1 Distributions of funds and Settlement Payments to Participating Settlement Class
28 Members shall occur no later than fifteen (15) calendar days after the funding, as follows: 100%

1 of the Fees and Costs Award; 100% of the Service Awards; 100% of the Settlement
2 Administration Costs; 100% of the portion of the PAGA Payment to be paid to the LWDA; and
3 the remainder of the funds to be distributed pro rata in the amount of 100% to the Settlement
4 Payments to Participating Settlement Class Members. All disbursements above will occur on the
5 same day.

6 9.2 To ensure that they receive their Settlement Payment checks for each distribution,
7 Class Members must notify the Settlement Administrator if they change their mailing address.

8 9.3 Participating Settlement Class Members shall have one hundred and eighty (180)
9 calendar days from the date each Settlement Payment check is mailed by the Settlement
10 Administrator to cash the Settlement Payment check. Class Members who fail to cash a
11 Settlement Payment check within one hundred and eighty (180) calendar days will not receive
12 the amount of the uncashed check and the Settlement Payments that they would otherwise have
13 been entitled to receive in any subsequent distributions shall be reallocated, on a pro-rata basis,
14 to Participating Settlement Class Members who cashed their Settlement Payment check from the
15 prior distribution. Participating Settlement Class Members who do not cash any or all of their
16 Settlement Payment checks, and who have not excluded themselves from the Settlement Class,
17 will nevertheless be bound by the terms of the release by Class Members, as detailed herein. For
18 good cause, the Parties are permitted to allow the late negotiation of the uncashed Settlement
19 Payment check of any Participating Settlement Class Member, subject to approval by the Court
20 in case of any disagreement between the Parties.

21 9.4 Any amounts remaining from uncashed Settlement Payment checks shall be
22 transmitted to the California State Controller's Office for Unclaimed Property in the name of
23 each Class Member who failed to cash their Settlement Payment check prior to the void date.

24 9.5 Except for Non-Participating Class Members, all Class Members will become
25 eligible to receive Settlement Payments from Defendant, distributed through the Settlement
26 Administrator.

27 9.6 Should any question arise regarding the determination of eligibility for, or the
28 amounts of, any Settlement Payments under the terms of this Agreement, Class Counsel and

1 Defendant's Counsel shall meet and confer in an attempt to reach agreement. Absent evidence
2 rebutting Defendant's records, Defendant's records will be presumed determinative. However,
3 if there are no corresponding records, or the Class Member produces evidence contrary to
4 Defendant's records, the Settlement Administrator will evaluate the evidence and will make the
5 final decision as to the eligibility for, or the amounts of, any Settlement Payments under the terms
6 of this Agreement.

7 9.7 Certification by Settlement Administrator. Upon completion of administration of
8 the distributions, the Settlement Administrator shall provide written certification of such
9 completion to the Court and counsel for all Parties.

10 **10. FINAL SETTLEMENT APPROVAL HEARING**

11 10.1 Upon expiration of the Objection/Exclusion Deadline Date, with the Court's
12 permission, a Final Approval Hearing shall be conducted to determine final approval of the
13 Settlement along with the amount properly payable for (i) reasonable attorneys' fees and costs,
14 (ii) the Class Representative's Service Awards, (iii) the PAGA Payment to the State of California
15 Labor and Workforce Development Agency; and (iv) cost of administration. The Final Approval
16 Hearing shall not be held earlier than thirty (30) calendar days after the Objection/Exclusion
17 Deadline Date. After entry of an order finally approving the settlement, the Court shall have
18 continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement
19 of the terms of the settlement, (ii) settlement administration matters and (iii) such other matters
20 as may be appropriate under court rules or as set forth in this Agreement.

21 **11. VOIDING THE SETTLEMENT**

22 11.1 Defendant's Option to Terminate Settlement. If the number of Class Members
23 who have submitted timely requests for exclusion from the Settlement Class exceeds ten percent
24 of the Class Members or more of the Class under this Settlement, then Defendant shall have, in
25 their sole discretion, the option to terminate this Settlement within five (5) calendar days prior to
26 Final Approval, provided the Settlement Administrator has provided Defendant the number and
27 percentage of valid and timely Requests for Exclusion. In the event that Defendant terminates
28 the agreement pursuant to this provision, then Defendant shall be solely responsible for payment

1 of all costs incurred by the Settlement Administrator through the date that Defendant notifies the
2 Settlement Administrator in writing (with a copy to Class Counsel) that they are exercising this
3 Option.

4 11.2 Nullification of Settlement Agreement. In the event: (i) the Court does not enter
5 the Order specified herein; (ii) the Court does not issue an order finally approving the Settlement,
6 as provided herein, or said order does not become final as a result of the occurrence of the
7 Effective Date; (iii) Defendant or the Class Representative elect to terminate the Settlement as
8 set forth herein; or (iv) the Settlement does not become final for any other reason, this Settlement
9 Agreement shall be null and void and any order entered by the Court in furtherance of this
10 Settlement shall be treated as void from the beginning. In such a case, the Parties shall be
11 returned to their respective statuses as of the date and time immediately prior to the execution of
12 this Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had
13 not been executed, except that in the event Defendant elects to terminate the Settlement, any fees
14 already incurred by the Settlement Administrator shall be paid by Defendant and shall not be
15 repaid to Defendant. In the event appellate review is sought prior to the Effective Date,
16 administration of the Settlement shall be stayed pending final resolution of the appeal.

17 **12. NO EFFECT ON EMPLOYEE BENEFITS**

18 12.1 The Settlement Awards paid to the Class Representative or other Participating
19 Settlement Class Members shall not have any effect on the eligibility for, or calculation of, any
20 of the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of the Class
21 Representative or Participating Settlement Class Members. The Parties agree that any Settlement
22 Awards to Participating Settlement Class Members under the terms of this Agreement do not
23 represent any modification of Participating Settlement Class Members' previously credited hours
24 of service or other eligibility criteria under any employee pension benefit plan or employee
25 welfare benefit plan sponsored by Defendant. Further, any Settlement Awards or Service Award
26 hereunder shall not be considered "compensation" in any year for purposes of determining
27 eligibility for, or benefit accrual within, an employee pension benefit plan, employee welfare
28 benefit plan, or incentive compensation plan sponsored by Defendant.

1 **13. PUBLICITY**

2 13.1 The Class Representative and Class Counsel agree that they have not and will not
3 publish the resolution of this case except as necessary to effectuate Court approval of the
4 Settlement. and except as necessary to provide Class Members with information regarding.
5 Nothing in this clause shall serve to bar Class Counsel from communicating with Class Members
6 regarding this Settlement. In response to any inquiries, Class Representative and Class Counsel
7 will state that “the case was resolved and any court documents can be accessed through the
8 Court’s website.” Class Counsel shall not report the resolution of this case in any medium or in
9 any publication, shall not post or report anything regarding the claims of Class Representative or
10 the Class Members or the resolution of this case on their website, and shall not contact any
11 reporters or media regarding the resolution of this case. However, Class Counsel are authorized
12 to make a limited disclosure to the Court for the purposes of obtaining the approval of the
13 settlement and may discuss the settlement with the Class Members. This disclosure is limited to
14 court filings and neither Class Representative nor their counsel or representatives are permitted
15 to disseminate, publish, or distribute the information provided to the Court in those filings outside
16 the filings themselves and any hearing held on those filings, unless ordered otherwise by the
17 Court. In the event the Class Representative violates this confidentiality provision, Defendant
18 may, in its sole discretion, elect to request that the Court deny the Class Representative his
19 Service Award set forth herein.

20 **14. EXHIBIT(S) AND HEADINGS**

21 14.1 The terms of this Agreement include the terms set forth in any attached Exhibit(s),
22 which are incorporated by this reference as though fully set forth herein. Any Exhibit(s) to this
23 Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or
24 sections of this Agreement are inserted for convenience of reference only and do not constitute a
25 part of this Agreement.

26 **15. INTERIM STAY OF PROCEEDINGS**

27 15.1 The Parties agree to hold all proceedings and deadlines in the Action, except such
28 proceedings necessary to implement and complete the Settlement, in abeyance pending the

1 Preliminary and Final Approval Hearings to be conducted by the Superior Court. Said stay shall
2 terminate if and when (1) the Court permanently denies approval (preliminary or final) of the
3 Settlement or, (2) the Court issues an Order terminating the stay.

4 **16. AMENDMENT OR MODIFICATION**

5 16.1 This Agreement may be amended or modified only by a written instrument signed
6 by counsel for all Parties or their successors-in-interest. Court approval is required for any
7 amendments or modifications to the Settlement Agreement.

8 **17. ENTIRE AGREEMENT**

9 17.1 This Agreement and any attached Exhibit(s) constitute the entire agreement
10 among these Parties, and no oral or written representations, warranties or inducements have been
11 made to any Party concerning this Agreement or its Exhibit(s) other than the representations,
12 warranties and covenants contained and memorialized in such documents. Defendant shall not
13 be required as part of the Settlement to modify or eliminate any of their personnel, compensation
14 or payroll practices, or adopt any new personnel, compensation or payroll practices.

15 **18. AUTHORIZATION TO ENTER INTO SETTLEMENT AGREEMENT**

16 18.1 Counsel for all Parties warrant and represent they are expressly authorized by the
17 Parties whom they represent to negotiate this Agreement and to take all appropriate action
18 required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its
19 terms, and to execute any other documents required to effectuate the terms of this Agreement.
20 The Parties and their counsel will cooperate with each other and use their best efforts to effect
21 the implementation of the Settlement. In the event the Parties are unable to reach agreement on
22 the form or content of any document needed to implement the Settlement, or on any supplemental
23 provisions that may become necessary to effectuate the terms of this Settlement, the Parties may
24 seek the assistance of the Superior Court to resolve such disagreement. The persons signing this
25 Agreement on behalf of Defendant represent and warrant that they are authorized to sign this
26 Agreement on behalf of Defendant.

27 **19. BINDING ON SUCCESSORS AND ASSIGNS**

28 19.1 This Agreement shall be binding upon, and inure to the benefit of, the successors

1 or assigns of the Parties hereto, as previously defined.

2 **20. CALIFORNIA LAW GOVERNS**

3 20.1 All terms of this Agreement and the Exhibit(s) hereto shall be governed by and
4 interpreted according to the laws of the State of California.

5 **21. COUNTERPARTS**

6 21.1 This Agreement may be executed in one or more counterparts. All executed
7 counterparts and each of them shall be deemed to be one and the same instrument provided that
8 counsel for the Parties to this Agreement shall exchange among themselves original signed
9 counterparts.

10 **22. THIS SETTLEMENT IS FAIR, ADEQUATE, AND REASONABLE**

11 22.1 The Parties believe this Settlement is a fair, adequate and reasonable settlement
12 of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking
13 into account all relevant factors, present and potential.

14 **23. JURISDICTION OF THE COURT**

15 23.1 The Court shall retain jurisdiction with respect to the interpretation,
16 implementation and enforcement of the terms of this Agreement and all orders entered in
17 connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the
18 Court for purposes of interpreting, implementing and enforcing the settlement embodied in this
19 Agreement and all orders entered in connection therewith.

20 **24. COOPERATION AND DRAFTING**

21 24.1 Each of the Parties has cooperated in the drafting and preparation of this
22 Agreement. Hence, in any construction made to this Agreement, the same shall not be construed
23 against any of the Parties. The Parties agree to take all necessary measures to effectuate this
24 Agreement according to its terms and scope.

25 **25. INVALIDITY OF ANY PROVISION**

26 25.1 Before declaring any provision of this Agreement invalid, the Court shall first
27 attempt to construe the provisions valid to the fullest extent possibly consistent with applicable
28 precedents so as to define all provisions of this Agreement valid and enforceable.

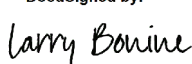
26. CLASS REPRESENTATIVE'S WAIVER OF RIGHT TO BE EXCLUDED AND OBJECT

26.1 The Class Representative agrees to sign this Agreement and by signing this Agreement is bound by the terms herein stated and further agrees not to request to be excluded from the Settlement Class and agrees not to object to any of the terms of this Agreement. Non-compliance by the Class Representative with this Paragraph shall be void and of no force or effect. Any such requests for exclusion or objections shall therefore be void and of no force or effect.

27. FAX/ELECTRONIC SIGNATURES

27.1 A fax or electronic signature, such as DocuSign, on this Agreement shall be as valid as an original signature.

DATE: 12/14/2022

DocuSigned by:

 FC768359374A4A1...
 Plaintiff
 Larry Bonine

DATE:

Defendant
 Wachter, Inc.

By: _____

Its: _____

APPROVED AS TO FORM:

DATE:

FISHER & PHILLIPS LLP

By: _____
 Danielle Hultenius Moore
 Phillip G. Simpler
 Benjamin P. Carney
 Attorneys for Wachter, Inc.

1 **26. CLASS REPRESENTATIVE'S WAIVER OF RIGHT TO BE EXCLUDED AND**
2 **OBJECT**

3 26.1 The Class Representative agrees to sign this Agreement and by signing this
4 Agreement is bound by the terms herein stated and further agrees not to request to be excluded
5 from the Settlement Class and agrees not to object to any of the terms of this Agreement. Non-
6 compliance by the Class Representative with this Paragraph shall be void and of no force or
7 effect. Any such requests for exclusion or objections shall therefore be void and of no force or
8 effect.

9 **27. FAX/ELECTRONIC SIGNATURES**

10 27.1 A fax or electronic signature, such as DocuSign, on this Agreement shall be as
11 valid as an original signature.

12
13 DATE:

Plaintiff
Larry Bonine

14
15
16 DATE:

Wachter, Inc.
Defendant
Wachter, Inc.

17
18 By: *George Weaver*
19 Its: *Dr. Dis - H.R.*
20

21 **APPROVED AS TO FORM:**

22
23 DATE: 12/15/2022

FISHER & PHILLIPS LLP

24
25 By: _____
26 Danielle Hultenius Moore
27 Phillip G. Simpler
28 Benjamin P. Carney
Attorneys for Wachter, Inc.

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DATE: 12/14/2022

MOON & YANG APC

By: 
Kane Moon
Allen Feghali
Attorneys for Plaintiff Larry Bonine

EXHIBIT A

Notice of Proposed Class Action and Private Attorneys General Act Settlement

Larry Bonine v. Wachter, Inc., et al.
Superior Court of the State of California, County of Los Angeles
Case No.: 20STCV31653

THIS IS A COURT-AUTHORIZED NOTICE.

PLEASE READ THIS NOTICE CAREFULLY.
YOU MAY BE ENTITLED TO RECEIVE MONEY FROM THIS PROPOSED
SETTLEMENT.
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR NOT.
*This is not a lawsuit against you and you are **not** being sued.*
This is not a solicitation from a lawyer.

BASIC INFORMATION

1. Why did I get this notice?

You received this notice because Defendant's records indicate you were employed by a Defendant in California at some point between August 18, 2016 through <<date of preliminary approval>> as a non-exempt employee and, therefore, are a Class Member in this class action lawsuit. As a Class Member, the Court has ordered that this notice be sent to you to: (1) inform you of the settlement of this class action lawsuit; (2) inform you of your legal rights under the Settlement; and (3) advise you of how you can participate, exclude yourself, or object to the Settlement.

2. What is this lawsuit about?

The lawsuit alleges the following claims against Defendant: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime Compensation; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Breaks; (5) Failure to Indemnify Necessary Business Expenses; (6) Failure to Timely Pay Final Wages at Termination; (7) Failure to Provide Accurate Itemized Wage Statements; (8) Unfair Business Practices (Business and Professions Code Section 17200 *et. seq.*); and (9) Civil Penalties Under PAGA (Labor Code § 2968 *et seq.*)

Defendant denies it did anything wrong and contends that they timely and properly paid all wages owed; provided all required meal and rest periods; properly issued accurate, itemized wage statements, as required by law; properly kept and stored required records; provided all reimbursements for business expenses, and did not engage in any unfair competition or violations of PAGA. Defendant contends that none of the claims alleged by Plaintiff will succeed in Court.

3. What is a class action?

In a class action lawsuit, a person called a Class Representative sues on behalf of people who have similar claims. The people with similar claims are called Class Members and together

they make up the Class. In a class action, the Court resolves the issues for all Class Members, except for those who exclude themselves from the Class. A Class Member is bound by the determination or judgment entered in the case, whether the Class wins or loses, and may not file their own lawsuit on the same claims that were decided in the class action, unless the class member excludes themselves from the Class. Here, the Court preliminarily approved the Settlement and appointed Plaintiff Larry Bonine as the Class Representative.

4. Why is there a settlement?

The Court did not hold a trial to decide in favor of Plaintiff or Defendant. Instead, both sides agreed to a settlement that they believe is fair, reasonable, and adequate under the circumstances. Plaintiff thinks his claims have merit and that he would have been successful at trial. On the other hand, Defendant denies all liability and believes that Plaintiff would not have won anything at trial. In agreeing to settle this lawsuit, both sides avoided the significant costs of a trial and Class Members will receive compensation without any determination of wrongdoing by Defendant.

WHO IS INCLUDED IN THE SETTLEMENT?

To receive a portion of the Settlement, you must be a Class Member.

5. How do I know if I am a Class Member?

You are a Class Member if you were employed by Defendant in California at some point between August 18, 2016 through <<date of preliminary approval>> as a non-exempt employee. Some Class Members are also PAGA Employees. PAGA Employees were employed by Defendant in California at some point between August 18, 2019 through <<date of preliminary approval>> as a non-exempt employee.

THE LAWYERS REPRESENTING YOU

6. Do I have a lawyer in this case?

The Court appointed Moon & Yang, APC to serve as Class Counsel and represent you and other Class Members. Class Counsel may be reached at:

Kane Moon, Esq.
E-Mail: kane.moon@moonyanglaw.com
Allen Feghali, Esq.
E-Mail: allen.feghali@moonyanglaw.com
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125

You will not be charged for their services. Instead, Class Counsel will request to be compensated directly from the Settlement, as discussed below. If you want to be represented by your own lawyer, you may hire one at your own expense.

7. How will Class Counsel be paid?

Class Counsel undertook this case on a contingency basis, that is, without receiving any payment up front. Now, having successfully resolved this action on behalf of the Class, Class Counsel will ask the Court to approve payment by Defendant of \$118,000.00 for attorneys' fees and up to \$18,000.00 in litigation costs. The fees will pay Class Counsel for litigating the case and negotiating the Settlement, but the Court may award less than these amounts. Defendant has agreed not to oppose Class Counsel's request for these fees and costs.

WHAT ARE THE TERMS OF THE SETTLEMENT?

8. What does the Settlement provide?

Defendant has agreed to pay the total amount of \$354,000 (the "Total Settlement Amount"), plus any employer-side payroll taxes due, to settle this lawsuit. Before any payments will be made to Class Members, however, the following deductions will be made from the Total Settlement Amount:

- Settlement Administration Costs: For its work administering the Settlement, ILYM Group, Inc. will charge an amount not to exceed \$15,000.00.
- Class Representative's Service Awards: For his effort prosecuting this action and for acting as the representatives on behalf of the Class, Larry Bonine will request a Class Representative Service Award in an amount not to exceed \$7,000.
- Attorneys' Fees and Costs: Class Counsel will request a payment from Defendant of \$118,000.00 in attorneys' fees and reimbursement of actual litigation costs, not to exceed \$18,000.00. Class Members are not personally responsible for paying Class Counsel's attorneys' fees or costs.
- PAGA Payment: \$30,000 will be paid to the Labor and Workforce Development Agency ("LWDA") for civil penalties under PAGA.

9. How will my payment be calculated?

After deducting the items listed in Section 8 from the Total Settlement Amount, the amount remaining is the "Net Settlement Fund," the full amount of which will be allocated to Class Members who do not request exclusion. Your share of the Net Settlement Fund will depend on the number of weeks that you worked for any Defendant in California as a Class Member from August 18, 2016 through the <<DATE PRELIMINARY APPROVAL IS GRANTED>> (the "Class Period"). Here's how it works:

Each member of the Class will receive a pro-rata portion based on the ratio of the number of workweeks that each Participating Settlement Class Member worked during the Class Period compared to the total number of workweeks that all Participating Settlement Class Members worked during the Class Period. Workweeks include any weeks during which employees were classified as non-exempt.

If you are a PAGA Employee, meaning were employed by Defendant in California at some point between August 18, 2019 through <<date of preliminary approval>> as a non-exempt employee, then you are entitled to receive a pro-rata portion of the PAGA Payment based on the ratio of the number of pay periods that each PAGA Employee worked during the PAGA Period compared to the total number of pay periods that all PAGA Employees worked during the PAGA Period. Pay periods include pay periods during which employees were classified as non-exempt.

10. How much will I receive?

Defendant's records show that you worked a total of [est. amount] workweeks as a Class Member in California during the Class Period, which means you will receive an amount currently estimated to be: \$[est. amount], less applicable taxes and payroll deductions. (You may have worked for Defendant prior to the Class Period, but that time is not included for purposes of this settlement.)

Defendant's records show that you worked a total of [est. amount] workweeks as a PAGA Employee in California during the Class Period, which means you will receive an amount currently estimated to be: \$[est. amount],

If you believe in good faith that the number of workweeks listed above is incorrect, you must contact the Settlement Administrator and provide documentation that you believe demonstrates that those calculations are incorrect and authorize the Settlement Administrator to review your records and related documents. The number of workweeks stated herein is presumed to be correct unless the documents you submit (such as wage statements and paystubs) substantiate that the calculations provided are incorrect. Any such dispute must be mailed to the Settlement Administrator, postmarked by [insert] at the designated address for the Settlement Administrator.

If you do not provide any documents or other evidence to support your challenge, the Settlement Administrator may reject your challenge.

11. How do I receive my payment?

To receive your payment, ***you do not have to do anything***. Once the Settlement receives final approval by the Court, the Settlement Administrator will automatically send you your Settlement Award checks to the mailing address in this letter as long as you do not request to be excluded from the Settlement. Please make sure that the Settlement Administrator has your correct mailing address.

12. When do I get my payment?

The Court will hold a hearing on <<DATE OF FINAL APPROVAL HEARING>> to decide whether to approve the Settlement. To check on the progress of the Settlement, you may call the Settlement Administrator at <<Settlement Administrator Number>>. If the Court approves the Settlement, you will receive your payment following the hearing.

Once the Settlement Administrator mails you your Settlement Award check, you must cash your check within 180 days from the date the check is mailed. If you do not cash your check within 180 days, you will forfeit the amount of that check.

13. Are there tax consequences if I receive my payment?

The payments you receive based on the number of workweeks you worked will be allocated: 10% to wages and 90% to interest and penalties. The portion of your payments representing wages will be subject to regular tax withholding and will be reported on an IRS Form W-2. The Settlement Administrator will send all related employment tax withholdings to the proper state and federal taxing authorities. The portion of your payment representing interest and penalties will be reported on a Form 1099, with the required copies of the Form 1099 provided to the proper taxing authorities. You are ***strongly encouraged*** to consult with your tax advisor concerning the tax consequences of the payments that you receive under the Settlement.

14. What am I giving Defendant to get a payment or stay in the Class?

Unless you exclude yourself from the Class, you will remain a Class Member, which means you will not be able to sue or be part of any other lawsuit against Defendant about the legal issues in *this* case. It also means that you will agree to the “Release” set forth below:

RELEASE

“Released Claims” does not include “Released PAGA Claims and means all claims asserted under any applicable laws and/or regulations relating to any and all facts and claims asserted in the Complaint or any other claims that could have been asserted in the Complaint based on the facts alleged, including without limitation claims related to meal and rest breaks; unpaid regular wages, minimum wages, overtime and double time wages; wage statement violations; record keeping violations; expense reimbursement; separation pay violations; any related claims under the California Labor Code; and any other laws or regulations concerning wage and hour laws arising during the Class Period. The Released Claims do not cover or include (1) claims for Workers’ Compensation, (2) claims for unemployment or disability payments, (3) tort claims, or any other claims that cannot be released as a matter of law. The Released Claims shall run during the entire Class Period. As of the Effective Date of Settlement, each Class Member who has not filed a valid Request for Exclusion shall be deemed to have fully, finally, and forever released, relinquished, and discharged all Released Claims. This waiver and release of claims shall be binding on the Class Representative and all members of the Class who have not timely submitted a valid Request for Exclusion, including each of their respective attorneys, agents, spouses, executors, representatives, guardians ad litem, heirs, successors, and assigns, and shall inure to the benefit of the Released Parties. Releases are effective upon funding pursuant to Section 8.3 below.

“Released PAGA Claims” means all claims for penalties and any other available relief pursuant to PAGA, to the extent asserted in Plaintiff’s administrative exhaustion letter submitted to the LWDA in this Action, arising during the PAGA Period. Releases are effective upon funding.

EXCLUDING YOURSELF FROM THE SETTLEMENT

15. How do I get out of the Settlement?

To exclude yourself from the Settlement, you must send a letter by mail to the Settlement Administrator with a sentence stating: “I wish to be excluded from the case entitled: *Larry Bonine v. Wachter, Inc., et al.*, Superior Court of the State of California, County of Los Angeles Case No.: 20STCV31653”, or words to that effect. However, no specific language is needed to opt-out. You must also include your full name (and former names, if any), location and years of service during employment with Defendant, your home address, telephone number, last four digits of your social security number, your signature. You must mail your exclusion request no later than <<60 days from mailing>> to the Settlement Administrator at the following address:

Larry Bonine v. Wachter, Inc. et. al. Settlement Administrator

c/o <<TPA>>
<<address>>

If you ask to be excluded, you will not receive any money from the Settlement and you cannot object to the Settlement, except to the extent that you are entitled to receive a portion of the penalties provided for under PAGA. Class Counsel will not represent your interests in this lawsuit if you request to be excluded.

16. If I exclude myself, can I get money from this Settlement?

No. If you exclude yourself, **you will not receive any money from this Settlement**, except to the extent that you are entitled to receive a portion of the penalties provided for under PAGA. If you exclude yourself from the Settlement, you keep the right to sue Defendant on your own and at your own expense.

OBJECTING TO THE SETTLEMENT

17. How do I tell the Court that I don’t like the Settlement?

If you are a Class Member and you wish to object to the Settlement, you may send a written objection to the Settlement with the Settlement Administrator no later than <<60 days from mailing>> and/or object at the time of the Final Approval Hearing. If the Court rejects your objection, you will still be bound by the terms of the Settlement. If you choose to object to the Settlement, you may enter an appearance at the Final Approval Hearing *in propria persona* (meaning you choose to represent yourself), or through an attorney that you hire and pay for yourself.

Make sure that your objection includes your full name (and former names, if any), address, telephone number, the last four digits of your social security number, the case name and number, your signature, the factual basis for the objection with any supporting legal arguments, documents or evidence to the extent intended to be submitted to the Court, and, if you are represented by counsel, the name, phone number, mailing address, and email address of such counsel. You must mail any written objection to the Settlement Administrator no later than <<60 days from mailing>>. The Settlement Administrator’s address is: [address]

Larry Bonine v. Wachter, Inc. et. al. Settlement Administrator

c/o <<TPA>>
<<address>>

THE COURT’S FAIRNESS HEARING

18. When will the court decide whether to approve the Settlement?

The Court will hold a Fairness Hearing at <<time>> a.m. on <<date>>, at Los Angeles County Superior Court, 312 N. Spring Street, Los Angeles, CA 90012, in Department 14. At this hearing, the Court will make a final decision as to whether the Settlement is fair, reasonable, and adequate. If you or other Class Members object to the Settlement, the Court will consider the objections. The Judge will listen to people who have asked to speak at the hearing. At or after the hearing, the Court will decide whether to grant final approval of the Settlement. Because of healthcare guidance and Orders of the Los Angeles Superior Court related to COVID-19, the court has provided a system which allows you to appear for the hearing remotely at your own expense. If you wish to attend the Final Approval Hearing telephonically, visit <https://www.lacourt.org/lacc/> for instructions on how to do so. The Final Approval Hearing may be continued without further notice to Class Members.

19. Do I have to come to the hearing?

No, you do not have to attend the hearing, but you are welcome to come at your own expense. If you file an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

IF YOU DO NOTHING

20. What happens if I do nothing at all?

If you are a member of the Class and you do nothing, you will receive payment for your portion of the settlement and you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant involving the legal issues in this case for the time period covered by this case, ever again.

GETTING MORE INFORMATION

21. How can I get more details about the Settlement?

For more information about the Settlement, you may contact the Settlement Administrator, Class Counsel listed in Section 6 (Page 2, above), or you may go to the Court Clerk's office, located at 312 N. Spring Street, Los Angeles, CA 90012, during regular business hours and view the Court file *Larry Bonine v. Wachter, Inc., et al.*, Superior Court of the State of California, County of Los Angeles Case No.: 20STCV31653, or access the case file on-line through the Court's website at: <https://www.lacourt.org/casesummary/ui/casesummary.aspx?casetype=civil> Because of the Los Angeles Superior Court's COVID-19 pandemic procedures, in order to view documents filed in the lawsuit, Class Members may be required to make an appointment with the Court to view documents. You may also request a copy of the Settlement Agreement from Class Counsel, at the address listed above.

PLEASE DO NOT TELEPHONE OR CONTACT THE COURT, THE JUDGE, OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

EXHIBIT B

DECLARATION OF SEAN HARTRANFT

I, Sean Hartranft, declare as follows:

1. I am a resident of the United States of America and am over the age of 21. I am the Senior Vice President of Sales for ILYM Group, Inc., (herein referred to as “ILYM Group”), a professional class action services provider. I am preparing this declaration at the request of Plaintiff’s Counsel. I have personal knowledge of the facts herein, and, if called upon to testify, I could and would testify competently to such facts.

2. ILYM Group has extensive experience in disseminating class action notices and administering class action settlements, including direct mail services, telephone, and web-based support, database management, opt-out processing, and settlement fund distribution services for class actions ranging in size from 26 to 4.5 million Class Members. Attached hereto, as **Exhibit A**, is a true and correct copy of ILYM Group’s current CV, reflecting our primary competencies as they relate to class action administration. ILYM Group maintains the highest level of confidentiality. The class data and all forms of communication received by ILYM Group, Inc. will be held in strict confidentiality and will not be disclosed. ILYM Group will set up a login for Defense Counsel to transmit the class data through our encrypted secure portal. Attached hereto, as **Exhibit B** is ILYM Group’s Security Summary and Protocol. ILYM Group is insured with E&O and Cyber Insurance policies.

3. The attorneys or parties have no ownership interest, or relationship with ILYM, other than as a customer/service provider relationship.

4. If appointed by the Court to disseminate the class notice in this case, ILYM Group’s duties will include but are not limited to: (a) conducting address traces to locate class member addresses as necessary; (b) mailing the class notice to all class members; (c) handing inquiries from class members concerning the class notice; (d) maintain a website which has information about the Settlement and links to the settlement documents, and (e) performing other such duties as the parties and/or the Court may direct.

5. Upon appointment, ILYM Group will provide a mailing address and toll-free telephone number to receive correspondence and inquiries from class members. After receiving the class data

1 file from Defendant, which should contain the class members' names, last known addresses, and
2 social security numbers, ILYM Group will upload the data into our database and check for
3 duplicates and other possible discrepancies.

4 6. As part of the preparation for mailing the class notice, ILYM Group will process class
5 members' names and addresses against the National Change of Address ("NCOA") database,
6 maintained by the United States Postal Service ("USPS"), to update and confirm the mailing
7 addresses of the class members before the mailing of the class notice. To the extent an updated
8 address is found in the NCOA database, ILYM Group will use the updated address for mailing the
9 class notice. If ILYM Group does not locate an updated address in the NCOA database, it will use
10 the original address provided by Defendant for mailing the class notice.

11 7. Should any class notices be returned to ILYM Group's office as undeliverable, ILYM
12 Group will attempt to locate an updated address using the NCOA database and/or other skip trace
13 efforts and will promptly remail the class notice.

14 8. Before sending out the notice, ILYM Group will fill in the specific date for the deadline
15 so that all class members will be apprised of exactly when all applicable forms will be due.
16 Depending on the deadlines set by the Court, i.e., a 45-day Notice period to opt-out, dispute, or file
17 an objection. At the expiration of the deadline, ILYM Group will inform all parties as to the
18 number and name of those individuals who filed a timely opt-out, dispute, or objection.

19 9. ILYM Group's Disbursement Process will include but is not limited to; (a) applying for
20 case EIN; (b) establishing a Qualified Settlement Fund ((QSF) Escrow Account), with
21 administering tasks including but limited to overview and reconciliation of account; (c) calculating
22 the individual settlement amounts; (d) preparing, administering and distributing settlement award
23 checks to the Participating Class Members, including necessary tax forms (W2 and/or 1099); (e)
24 calculating and withholding all applicable state and federal taxes; and (f) performing other such
25 duties as the Parties and/or the Courts direct. The above services are included in ILYM Group's
26 initial quote. Attached hereto, as **Exhibit C**, is a true and correct
27 copy of ILYM Group's estimated quote for this matter.

28 ///

1 10. ILYM Group's fees associated with the administration of this settlement are set at a flat fee of
2 \$8,990.00.

3 I declare, under penalty of perjury under the laws of the State of California that the
4 foregoing is true and correct. Executed this 28th day of November 2022, at Tustin, California.

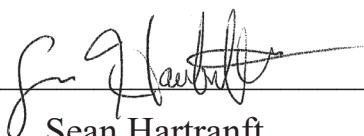
5
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7 
8 Sean Hartranft

EXHIBIT “A”

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Overview of Our Firm:

ILYM Group, Inc is a class action administration, legal notification and direct media outlets firm. With over 20 years of combined experience, our primary commitments are to client satisfaction, cutting edge technology and data management security, seamless case management and delivery of case expectations. Because, of our adherence to these commitments, ILYM Group, Inc is a one of the fastest growing, Woman Owned Business (NAPW), in the industry and has become the go-to firm for class action administration and legal notification. ILYM Group, Inc works with the top defense and plaintiff firms across the United States.

AREAS OF EXPERTISE:

- Wage and Hour
- FLSA
- Insurance and Health Care
- Consumer
- Finance
- Employment and Labor
- TCPA
- Antitrust
- Securities

Malta vs. Wells Fargo Home Mortgage Inc.

- TCPA Case with a class size of 5,200,000.

John Lofton, et al. v. Collecto, Inc.

- TCPA Case with a class size of 207,036.

Blaise Picchi et al., vs. World Financial Network Bank, et al.

- TCPA Case with a class size of 856,507. Performed a reverse look-up to obtain Class Member information. We were able to obtain contact information for 93.21% that did not have a valid address associated with the contact record.

Jacqueline Jones vs. I.Q. Data International, Inc.

- TCPA Case with a class size of 93,993. Performed a reverse look-up to obtain Class Member information. We were able to obtain contact information for 93.82% of the Class that did not have a name or address.

Reza Barani vs. Wells Fargo Bank, N.A.

- TCPA Case with a class size of 82,874. Performed a reverse look-up to obtain Class Member information. We were able to obtain contact information for 87.84% of the Class that did not have a name or address.

Kimberly Roberts, et al. v. T.J. Maxx of CA, LLC, et al.

- Wage & Hour Case with a class size of 82,549.

Robert Stone, et al. v. Universal Protection Services, LP, et al.

- Wage & Hour Case with a class size of 75,351.

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

ILYM Group, Inc. is operational 24/7 delivering true client and class member availability. Our call center is open 24/7/365 days a year, even holidays and is full digital, automated and multilingual. ILYM Group Inc.'s mail and media center is a state-of-the-art facility, fully digital and USPS integrated. We can accommodate cases of any size, from ten class members to multi-millions. ILYM Group, Inc. prides itself on its commitment to service, quality, value pricing and availability. We've committed ourselves to being the best Class Action Administration and Notification Company in our industry. Through our years of experience, ILYM Group, Inc. is dedicated to exceeding our client's expectations.

PRE-SETTLEMENT CONSULTATION

- **Administration Consultation:** Meeting to determine objectives and expectations by both parties. All reporting and responsibilities will be agreed upon as will the seamless process to access data. We will also discuss the opportunities to identify class members with the proposed print and web-based media for optimum reach. Additionally, all expectations and delivery of those results will be planned for and mapped accordingly.

MAILING AND NOTIFICATION

- **Fulfillment and Correspondence:** All provided settlement information will be published via United States Postal Service (USPS first class standards) to the proposed mailing class. Notifications will include a Claim ID and how to respond, or Opt-Out, based on the stipulations.
- **Reverse Lookup:** A confidential reverse phone or reverse cell lookup will provide; owner's name, location, address history, carrier, phone type (landline or cell phone) and more. Our reverse lookup is powered by an extensive database which includes hundreds of millions of cell phone, landline, residential and unlisted number. Our software collects data from multiple data sources and carriers across the US. Our average "hit ratio" ranges from 93% - 98%.
- **Creating Class Database:** All Data is verified and filtered to eliminate duplication against the United States Postal Service (USPS) National Change of Address (NCOA) database. ILYM Group, Inc. will also certify and validate with the Coding Accuracy Support System (CASS) and Track Your Class (TYC) for zone delivery.
- **Claim Forms:** ILYM Group, Inc. will email all claim forms, whenever possible, to have accurate reporting and tracking of all class requests. Emails will contain full text claim forms.
- **Translations:** When needed, ILYM Group, Inc. will translate notices to any language needed to reach Class members.
- **Remails:** Returned mail will be scanned, re-verified and re-mailed. All returned mail is data warehoused and reported to both parties' counsels in a weekly report.

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

MEDIA & INTERNET BANNER ADS

Notice Publication

- **Legal Notices:** ILYM Group, Inc. can provide a Media Proposal to maximize reach based on quantitative and qualitative methodologies.
- **Electronic Publication (Banner Ads):** ILYM Group, Inc. will utilize Internet Banner Noticing efforts and web technologies for maximum reach via the World Wide Web.
- **Electronic Mail Notices:** ILYM Group, Inc. can email an estimated number of class members a full text notice. We are compliant with all search engines and Internet Service Providers (ISP) so that our emails are always “White List” accepted with minimal returns.
- **Reach:** Every case has its own proposed reach and exposure percentage. We filter, verify and scrub the data to improve reach results.
- **Services Included:** Analysis, Documentation, Research and Methodologies, Execution and Reporting.

PROJECT MANAGEMENT

- **Case Notification, Maintenance and Management:** ILYM Group, Inc.’s Senior Project Managers will provide all Account Management, Pre-Consultation to Case Conclusion, Reporting and Claims Processing. Design, negotiation and implementation, upon approval, of all forms and notices, all distribution reporting and filings with the court.
- **Claims Processing:** All claims can be submitted by USPS, Internet, Fax, and Email or Online submission. Claims will be processed and recorded with matching ILYM database ID's. E-claims will have corresponding records of intake. All deficient claims will be notified via USPS and make provisions for class member to re-submit claims.
- **Call Center:** ILYM Group, Inc. will support class members with a toll-free number to get the most up-to-date case settlement information. Customer service representatives will be available 24/7/365 as will recorded messages. All class members are given the options to best serve their needs and to receive case information.
- **Internet Support:** Class members can log on to a provided website and view, print or submit information and claim forms regarding the settlement. Frequently Asked Questions (FAQ's) will be provided as well. Class members may download the claim form with mailing and fax instructions provided on the form.
- **Objection and Request for Exclusion:** All objections and request for exclusion, opt-out, will be data warehoused, dated and reported. Postmarks will serve for exclusion dating and will be forwarded to both counsels' no more than 5 days post submission. Objection will be reviewed by ILYM Group, Inc. to determine the timeliness and basis of the objection. All information will be forwarded to both parties counsel, along with any representation information from the class member, within 5 days.

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

DATA ADMINISTRATION AND NETWORK SECURITY

- **Network Security:** All provided data is encrypted, stored and hosted in a Tier 4, SAS70 certified environment.
- **Database Administration:** To be developed with all electronically provided data. Class members will be assigned ILYM Group, Inc. internal tracking ID's to ensure all collected member data coincides with all received claims.

DISTRIBUTION AND SETTLEMENT FUNDING

- **Distribution and Management:** Upon receipt of settlement funds, ILYM Group, Inc. will open a QSF Account for proceeds of the Gross Settlement Payment. The deposited funds will then be managed per the Settlement Agreement. All funds will be settled with class members and counsel along with all federal and state income tax reporting.
- **Check Printing and Mailing:** Claims processed, quantified and approved by clients, will be processed for distribution. All checks will be printed and mailed via USPS first class standards. ILYM Group, Inc. will reissue checks in accordance with the Settlement Agreement.
- **Preparation, Filing and Reporting of Taxes:** ILYM Group, Inc. will ensure taxes are filed in accordance to all federal, state and local employment tax returns. All taxes associated with the settlement will be paid on time to tax authorities. All filings and returns (e.g., 1099s, W-2s, etc.) will be done properly and timely with the appropriate authorities. All QSF steps and obligations with federal, state and/or local law will be followed.

CASE CONCLUSION

- **Data Manager Final Report:** All database and electronic documentation will be sent in reports weekly and at the conclusion of the Administration engagement. Call center activity, e-claims, mailed, and faxed claims will be included in all reporting.
- **Project Manager Final Report:** All case and class related information will be provided on a weekly basis and at the conclusion of the Administration engagement. Mailing and media final analysis, exclusions, objections, and all other claims processing outcomes, status reports and final court documentations will be included.
- **Affidavits:** ILYM Group, Inc. will provide all affidavits in support of analysis and media reach, final approvals and settlement. Expert Testimony and Media Methodologies will be determined.
- **Document Retention:** Unless otherwise directed, ILYM Group, Inc. will destroy all undeliverable notices on the effective date of the settlement or when the case is no longer subject to appeal. ILYM Group, Inc. will correspond for one year after the final distribution or until the case is no longer subject to appeal.

EXHIBIT “B”



ILYM GROUP Security Summary – White Paper

ILYM Group, in conjunction with our security and Information technology vendors, is committed to the continued security of all data handled on behalf of our client base. We at ILYM ensure that this data security is enforced in a number of ways including, but not limited to, clean desk policies, security training, and implementation of industry best practices that allow our data to be compliant with relevant industry standard security compliance levels. These enforced practices and policies allow us to ensure, to the best of our ability, that all ILYM and client data is protected as best as possible from unauthorized access, is kept secure and private, and is accessible only by authorized parties if/when needed or appropriate purposes. We at ILYM, our security vendors, and our Information Technology vendors all also undergo continued training to ensure that all best practices in compliance are kept as up to date as possible for continued data security.

ILYM also ensures client access data is only used when needed and that client data is only accessed/available to be accessed by those that need to and are trained to do so. Also, access to class member data is limited per role to what information is needed to perform said role so that class member info, and subsets of class member info, is not available unless it is explicitly needed, employee, vendors, and contractors alike. ILYM also ensures client data security by thoroughly vetting employees, vendors, and contractors before employment by way of checking references, industry experience, and, for those eligible for employment, doing background checks. Any employee, vendor, or contractor that does not meet proper requirements will not be eligible to work with ILYM Group.

ILYM follows the below best practices to ensure that all ILYM/Client data is properly secured:

- All data transmitted to/from clients encrypted with SSL or comparable encryption scheme
- All email communications protected via email encryption using SSL or comparable encryption scheme
- Data Loss Prevention, intrusion prevention, and user risk management facilities used to safeguard data leakage and/or unauthorized access to cloud or local data.
- Access to client/class member data, and subsets of client data, in cloud and locally is controlled by Role based access
- Strong passwords are in use for cloud, local, and VPN access
- 2fa is in use for all users for Cloud access and for cloud/local/VPN access for needed employees
- All devices used to store Client/Class member data are encrypted and/or have physical security in place to prevent data from being removed
- Office employs physical security to safeguard assets/data
- Identity and access management in place
- Discipline policy in place for violating of security/clean desk policies
- Terminated employees, vendors, or contractors access immediately severed on departure
- Antivirus, persistent threat monitoring, IPS/IDS, layer 7 firewalling, GeoBlocking, etc.. in use to protect all devices local and external
- All software and hardware (drivers, etc...) updated on proper schedule as per vendors requirements. OOB patches handled with automation
- Business continuity and Disaster recovery plans written

EXHIBIT “C”

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Case Name: Bonine v. Wachter, Inc.

Monday, April 18, 2022

Requesting Law Firm:	Moon & Yang, APC
Attorney Contact:	Edwin Kamarzarian
E-Mail Address:	edwin.kamarzarian@moonyanglaw.com
ILYM Group Contact:	Sean Hartranft
E-Mail Address:	Sean@ilymgrouppclassaction.com
Contact Number:	949.690.2564

ESTIMATE FOR ADMINISTRATION SOLUTIONS

ASSUMPTIONS	
Estimated Class Size	185
Estimated Percentage of Undeliverable Mail	10%
ILYM Group Static Website	No
Certified Spanish Translation	Yes

Activity	Rate Type	Unit Cost	Volume	Amount
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CASE STARTUP				
Initial Setup - <i>Import and Formatting of Data*</i>	Hourly	\$150.00	2	\$300.00
Programming of Class Database	Hourly	\$175.00	2	\$350.00

**ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.*

Subtotal \$650.00

PROJECT MANAGEMENT				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	6	\$720.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	1	\$70.00
Staff Hours for Processing Opt-Outs, Disputes & Objections	Hourly	\$70.00	2	\$140.00
Report Processing	Hourly	\$70.00	4	\$280.00
NCOA	Flat Fee	\$35.00	1	\$35.00
Toll-Free Call Center Support	Flat Fee	\$58.90	1	\$58.90
Certified Spanish Translation	Flat Fee	\$1,250.00	1	\$1,250.00
Weekly Reports	Flat Fee	\$750.00	1	Waived

Subtotal \$2,553.90

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Activity	Rate Type	Unit Cost	Volume	Amount
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NOTIFICATION/MAILING				
Fulfillment of Notice, English & Spanish	Per Piece	\$2.00	185	\$370.00
USPS First Class Postage	Per Piece	\$0.76	185	\$140.60
Re-Mails (Skip Trace/Undeliverable/Requests)	Per Piece	\$2.50	37	\$92.50
Storage, Photocopies, Deliveries	Flat Fee	\$300.00	1	\$300.00

Subtotal \$903.10

DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)				
Distribution Setup & Management	Hourly	\$150.00	2	\$300.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	2	\$250.00
Check Stub & Release - (including W-2 & 1099)	Per Check	\$2.00	185	\$370.00
Check Mailing Postage	Per Piece	\$0.55	185	\$101.75
Re-Mails (Skip Trace/Undeliverable/Requests)	Per Piece	\$2.50	19	\$46.25
Preparation of Taxes	Hourly	\$125.00	12	\$1,500.00
Annual Filing of Tax Return	Per Year	\$1,500.00	1	\$1,500.00

**Additional Bank fees may apply*

Subtotal \$4,068.00

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	2	\$200.00
Project Manager Final Reporting	Hourly	\$120.00	2	\$240.00
Declarations	Hourly	\$125.00	3	\$375.00

Subtotal \$815.00

Total Case Estimate: \$8,990.00

Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.