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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

WALTER PARRISH, Individually, and on
Behalf of Other Members of the Public
Similarly Situated and the State of California,

Plaintiff,

v.

THE OKONITE COMPANY, INC., a
corporation; and DOES 1 through 25, inclusive,

Defendant.

Case No. 2:20-cv-09000-JFW-JC

HONORABLE JUDGE JOHN F.
WALTER

**JOINT STIPULATION OF CLASS
ACTION SETTLEMENT AND
RELEASE**

JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Walter Parrish, individually and on behalf of other members of the public similarly situated and the State of California, and Defendant The Okonite Company, Inc. (“Defendant”) (collectively with Plaintiffs sometimes referred to as the “Parties”).

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Action” means *Parrish, et al. v. The Okonite Company, Inc.*, USDC Case No. 2:20-cv-09000-JFW-JC.
2. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for Class Counsel’s litigation and resolution of the Action, and all Court approved costs incurred and to be incurred by Class Counsel in the Action, including but not limited to, costs associated with documenting the Settlement, providing any notices to governmental agencies required as part of the Settlement or Court Order, securing the Court’s approval of the Settlement, administering the Settlement, obtaining entry of a Judgment terminating the Action, and expenses for any experts. Class Counsel will request fees in the amount of Three Hundred Thousand Dollars and No Cents (\$300,000), to be deducted from the Gross Fund. Class Counsel will request reasonable costs (to include expert witness fees and other costs to the extent recoverable by law), to be deducted from the Gross Fund. Changes by the Court in the amount of attorney’s fees and costs is not a material term of this Agreement and will not form the basis for any party in the Action to revoke this Agreement.
3. “Class Counsel” means Mohammed Ghods and Jeremy A. Rhyne of LEX OPUS; and Ruben Escobedo of WORKWORLD LAW CORP. P.C.
4. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator within twenty (20) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in

1 Microsoft Office Excel and will include each Class Member's full name; most recent mailing
2 address and telephone number; Social Security number; dates of employment in class positions;
3 the respective number of Pay Periods that each Class Member worked during the Class Period in
4 class positions; and any other relevant information needed to calculate settlement payments.

5 5. "Class" means the class certified by the Court in the May 24, 2021 Order Granting Plaintiff's
6 Motion For Class Certification, defined as "Any and all persons who are or were employed as an
7 hourly-paid nonexempt employee by The Okonite Company, Inc. at its Santa Maria, California
8 plant from April 6, 2016, until resolution of this lawsuit, who were required to remain at the plant
9 during meal-and-rest breaks or required to obtain permission to leave the premises during meal-
10 and-rest breaks."

11 6. "Class Member(s)" or "Settlement Class" means a member of the Class who did not file an valid
12 and timely request to exclude himself or herself from the Class after the Class Member was
13 mailed notice of the Class certification. Each Class Member has already had notice and an
14 opportunity to opt out. The Parties agreed that individuals who (i) entered into individualized
15 settlement agreements with Defendant and signed a general release, and (ii) did not thereafter
16 continue to work for Defendant as an hourly-paid nonexempt employees are excluded from the
17 Settlement Class. In addition, by virtue of the Court's order granting summary judgment
18 regarding the Business and Professions Code section 17200 claim, the Parties agree that
19 individuals who were removed from employment as an hourly-paid nonexempt employee
20 between April 6, 2016, and April 6, 2017, are excluded from the Settlement Class. Individuals
21 who timely opted out of the Class are also excluded from the Settlement Class. The Parties agree
22 there are 186 Class Members in this action.

23 7. "Class Period" means the period from April 6, 2017 through Preliminary Approval of this
24 settlement, inclusive.

25 8. "Class/PAGA Representative Enhancement Payment" means the amount to be paid to Plaintiff in
26 the Action in recognition of his effort and work in prosecuting the Action on behalf of Class
27 Members, and for his general release of claims. Subject to the Court granting final approval of
28 this Settlement Agreement and subject to the exhaustion of any and all appeals, Plaintiff will

request Court approval of a Class/PAGA Representative Enhancement Payment of Ten Thousand Dollars (\$10,000).

9. Changes by the Court in the amount of the Class/PAGA Representative Enhancement Payment is not a material term of this Agreement and will not form the basis for any party in the Action to revoke this Agreement.

10. “Court” means the United States District Court, Central District of California.

11. “Defendant” means The Okonite Company, Inc.

12. “Effective Date” means the date this Agreement is approved as provided herein and the Court’s order granting Final Approval and entry of Judgment or Dismissal becomes final and is no longer appealable. For purposes of this Agreement, “becomes final and is no longer appealable” shall mean the later of: (a) the day after the last date by which a notice of appeal to the applicable Court of Appeal of the order and judgment finally approving this Agreement may be timely filed and none is filed (*i.e.*, 31 days from notice of entry of judgment); (b) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or in a any other manner that confirms the validity of the order and judgment, the day after the last date for filing a request for further review of the order and judgment approving this Agreement passes, and no further review is requested; or (c) if an appeal is filed and the order approving this Agreement is affirmed and further review of the order is requested, the day after the review is finally resolved and the order and judgment approving this Agreement is affirmed.

13. “Individual Class Pay Periods” means the number of pay periods of employment in California for each Class Member as a non-exempt employee in California of Defendant, at any time in the Class Period. Defendant will calculate the number of pay periods by calculating the number of Pay Periods in which each Class Member was employed and performed any work during the Class Period using each Class Member’s hire date and termination date and/or timekeeping and payroll data. Class Members who executed settlements agreements prior to class certification will be credited for all workweeks worked during the class period.

14. “Individual PAGA Pay Periods” means the number of pay periods of employment in California for each PAGA Employee as a non-exempt employee in California of Defendant, at any time in

the PAGA Period. Defendant will calculate the number of pay periods by calculating the number of weeks in which each PAGA Employee was employed and performed any work during the PAGA Period using each PAGA Employee's hire date and termination date and/or timekeeping and payroll data.

15. "Individual Settlement Payment" means each Class Member's respective share of the Net Settlement Amount.

16. "Individual PAGA Settlement Payment" means each PAGA Employee's respective share of the Employee PAGA Fund.

17. "Gross Fund" means the agreed amount of nine Hundred Thousand Thousand Dollars (\$900,000), to be paid by Defendant in full satisfaction of all Released Claims and PAGA Released Claims arising from the Action, which includes all Individual Settlement Payments to Class Members, Attorneys' Fees and Costs to Class Counsel and counsel in the related actions, the Class/PAGA Representative Enhancement Payment to Plaintiffs, the Labor and Workforce Development Agency Payment, and Settlement Administration Costs to the Settlement Administrator. This Gross Fund has been agreed to by Plaintiffs and Defendant based on the aggregation of the agreed-upon settlement value of individual claims in the Action. In no event will Defendant be liable for more than the Gross Fund. There will be no reversion of the Gross Fund to Defendant. Notwithstanding the foregoing, Defendant will be separately responsible for any employer payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions, which shall not be paid from the Gross Fund.

18. "Labor and Workforce Development Agency Payment" means the amount that the Parties have agreed to pay to the Labor and Workforce Development Agency ("LWDA") in connection with the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, "PAGA"). The Parties have agreed that Forty-five Thousand Dollars (\$45,000) of the Gross Fund will be allocated to the resolution of Class Members' claims arising under PAGA ("PAGA Fund"). Pursuant to PAGA, Seventy-Five Percent (75%), or Thirty-three Thousand Seven Hundred Fifty dollars (\$33,750), of the PAGA Settlement Amount will be paid to the California Labor and Workforce Development Agency. Twenty-Five Percent (25%) or Eleven Thousand

- 1 Two Hundred Fifty (\$11,250) dollars of the PAGA Settlement Amount will be paid to PAGA
2 Employees (this 25% is referred to herein as “Employee PAGA Fund”).
- 3 19. “Net Settlement Amount” means the portion of the Gross Fund remaining after deducting the
4 Attorneys’ Fees and Costs, the Class Representative Enhancement Payments, the Pre-Certification
5 Non-Settling Class Members Payment, the PAGA Fund, and Settlement Administration Costs.
6 The Net Settlement Amount will be distributed to Class Members. There will be no reversion of
7 the Net Settlement Amount to Defendant if any funds cannot be distributed.
- 8 20. “Notice of Objection” means a Class Member’s valid and timely written objection to the
9 Settlement Agreement. For the Notice of Objection to be valid, it must include all elements
10 required by the Court. The Parties propose the following: (i) the objector’s full name, signature,
11 address, and telephone number, (ii) a written statement of all grounds for the objection
12 accompanied by any legal support for such objection; and (iii) copies of any papers, briefs, or
13 other documents upon which the objection is based, if any documents are a basis of the objection.
- 14 21. “Notice Packet” means the Notice of Class Action Settlement, substantially in the form attached
15 as **Exhibit A**.
- 16 22. “PAGA Employee” means all persons who are or were employed as an hourly-paid non-exempt
17 employee by The Okonite Company, Inc. at its Santa Maria, California plant during the PAGA
18 Settlement Period. PAGA Employees cannot opt out of the PAGA portion of this settlement and
19 will receive their Individual PAGA Settlement Payment, and be deemed to release their PAGA
20 Released Claims, even if they opted out of the Class.
- 21 23. “PAGA Released Claims” means all claims, rights, demands, liabilities, and causes of action,
22 arising from, or related to, the claims alleged or which could have been alleged in the First
23 Amended Complaint based on or related to the operative pleaded facts in the Action based on
24 California Labor Code §§ 2698, *et seq.* (“PAGA Claims”). The PAGA Employees will be issued
25 a check for their share of the Employee PAGA Fund and will not have the opportunity to opt out
26 of, or object to, the PAGA payment and release of the PAGA Claims set forth in this Paragraph.
27 The PAGA Employees are bound by the release of the PAGA Claims regardless of whether they
28 cash their Individual PAGA Settlement Payment.

- 1 24. “PAGA Settlement Period” is April 6, 2019 through the date of Preliminary Approval.
- 2 25. “Parties” means Plaintiffs and Defendant collectively.
- 3 26. “Pre-Certification Non-Settling Class Members” are Class Members who did not execute an
4 agreement purporting to settle the Class Claims, and each Pre-Certification Non-Settling Class
5 Member who participates in this settlement shall receive \$500 from the Gross Fund prior to
6 distribution of the remaining Gross Fund to all Class Members. The \$500 payments received by
7 Pre-Certification Non-Settling Class Members will be referred to as Pre-Certification Non-Settling
8 Class Members Payments.
- 9 27. “Plaintiff” means Walter Parrish.
- 10 28. “Preliminary Approval” means the Court order granting preliminary approval of the Settlement
11 Agreement.
- 12 29. “Released Claims” means all claims, rights, demands, liabilities, and causes of action, arising
13 from, or related to, the claims alleged or which could have been alleged in the proposed First
14 Amended Complaint based on or related to the operative pleaded facts in the Action and Related
15 Actions, including: (i) all claims for failing to provide off-duty meal and rest breaks; (ii) all claims
16 for failing to pay off-duty meal or rest break premiums or properly calculate the rate for off-duty
17 meal and rest break premium pay; (iii) all claims for the failing to timely pay wages upon
18 termination; (iv) all claims for wage statement violations; and (v) all claims asserted through
19 California Business & Professions Code §§ 17200, et seq. and California Labor Code §§ 2698, et
20 seq.
- 21 30. “Released Parties” means Defendant and its respective successors and predecessors in interest,
22 subsidiaries, affiliates, and parents; and its and their past or present officers, directors,
23 shareholders, employees, agents, principals, heirs, representatives, accountants, auditors,
24 consultants, attorneys, insurers and reinsurers.
- 25 31. “Release Period” means April 6, 2017 through the date of Preliminary Approval.
- 26 32. “Response Deadline” means the deadline by which Class Members must postmark or fax to the
27 Settlement Administrator Notices of Objection or Pay Period disputes. The Response Deadline
28 will be thirty (30) calendar days from the initial mailing of the Notice Packet by the Settlement

1 Administrator, unless the thirtieth (30th) calendar day falls on a Sunday or State holiday, in which
2 case the Response Deadline will be extended to the next day on which the U.S. Postal Service is
3 open.

4 33. "Settlement Administration Costs" means the costs payable from the Gross Fund to the Settlement
5 Administrator for administering this Settlement, including, but not limited to, printing, distributing,
6 and tracking documents for this Settlement, tax reporting, distributing the Gross Fund, and
7 providing necessary reports and declarations, as requested by the Parties. The Settlement
8 Administration Costs will be paid from the Gross Fund, including, if necessary, any such costs in
9 excess of the amount represented by the Settlement Administrator as being the maximum costs
10 necessary to administer the Settlement. Based on an estimated Settlement Class of approximately
11 One Hundred Eight Six (186) Class Members, the Settlement Administration Costs are currently
12 estimated to be Ten Thousand Dollars (\$10,000).

13 34. "Settlement Administrator" means ILYM or any other third-party class action settlement
14 administrator agreed to by the Parties and approved by the Court for the purposes of administering
15 this Settlement. The Parties each represent that they do not have any financial interest in the
16 Settlement Administrator or otherwise have a relationship with the Settlement Administrator that
17 could create a conflict of interest.

18 35. "Unknown Claims" means any and all actions, suits, claims, demands, rights, liabilities, and
19 causes of action which specifically relate to the Released Claims or PAGA Released Claims that
20 Plaintiff does not know of or suspect to exist in their favor, which, if known by any of them, might
21 have affected his agreement to the Settlement. With respect to Unknown Claims, as of Final
22 Approval, Plaintiff and Class Members hereby expressly waive and relinquish, to the fullest extent
23 permitted by law, **insofar as the claims arise from, or are related to, the Released Claims or**
24 **Released PAGA Claims**, the benefits of section 1542 of the California Civil Code (as well as any
25 and all provisions, rights, and benefits of any similar state or federal law), which states:

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

Thus, if the facts relating to this Settlement are found hereafter to be different from the facts now believed to be true, the Release set forth in this Agreement will remain fully effective. The provisions of this paragraph also apply to the PAGA claims that are released by PAGA Employees who opted-out of the Class.

TERMS OF AGREEMENT

Plaintiff, on behalf of himself and the Settlement Class, and Defendant agree as follows:

36. Funding of the Gross Fund. Defendant will send a one-time transfer of the Gross Fund to the Settlement Administrator, which will be deposited into a Qualified Settlement Account to be established by the Settlement Administrator. Defendant will additionally transmit the employer's share of payroll taxes separately when that amount is calculated by the Settlement Administrator. After the Effective Date, the Gross Fund will be used for: (i) Individual Class and PAGA Settlement Payments; (ii) the Labor and Workforce Development Agency Payment; (iii) the Class/PAGA Representative Enhancement Payment; (iv) Attorneys' Fees and Costs; and (v) Settlement Administration Costs. Defendant will send a check in the amount of the Gross Fund and the employer's share of payroll taxes within fifteen (15) business days of the Effective Date.
37. Attorneys' Fees and Costs. Class Counsel will file a motion for Attorneys' Fees and Costs seeking reasonable attorneys' fees to be awarded by the Court, plus reasonable reimbursement of costs and expenses associated with Class Counsel's litigation and settlement of the Action, both of which will be paid from the Gross Fund. A reduction in these amounts by the Court is not grounds to void the Agreement.
38. Class Representative Enhancement Payments. In exchange for a general release, and in recognition of his efforts and work in prosecuting the Action on behalf of Class Members, Defendant agrees not to oppose or impede any application or motion for a Class Representative Enhancement Payment of: Ten Thousand Dollars (\$10,000) for Plaintiff. A reduction in this amount by the Court is not grounds to void the Agreement. The Class Representative Enhancement Payments will be paid from the Gross Fund and will be in addition to Plaintiffs' Individual Settlement Payment paid pursuant to the Settlement. Plaintiffs will be solely and legally responsible to pay any and all applicable taxes on the Class Representative Enhancement

1 Payments.

2 39. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable
3 costs of administration of the Settlement and distribution of payments from the Gross Fund, which
4 is currently estimated to be Ten Thousand Dollars (\$10,000). These costs, which will be paid
5 from the Gross Fund, will include, *inter alia*, the required tax reporting on the Individual
6 Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing Notice Packets,
7 calculating and distributing the Gross Fund, and providing necessary reports and declarations.

8 40. Labor and Workforce Development Agency Payment. Subject to Court approval, the Parties
9 agree that the portion of the PAGA Fund payable to the LWDA and the PAGA Employees is part
10 of the Net Settlement Amount and shall be paid to PAGA Employees (regardless of whether they
11 object to or are excluded from the Class), based upon Pay Periods worked during the PAGA
12 period.

13 41. Net Settlement Amount. The entire Net Settlement Amount will be distributed to Class
14 Members. No portion of the Net Settlement Amount will revert or be retained by Defendant.

15 42. Individual Class Settlement Payment Calculations. After deducting for the amounts for
16 Settlement Administration Costs, Plaintiff's awarded Class/PAGA Representative Enhancement
17 Payment, the PAGA Fund, and Class Counsel's awarded attorneys' fees and costs, the balance of
18 the Total Settlement Payment (the "Net Settlement Amount") will be distributed as follows:

19 (a) Each Pre-Certification Non-Settling Class Member shall receive \$500 from
20 the Net Settlement Amount prior to distribution of the remaining Net Settlement Amount
21 to all Class Members.

22 (b) After the distribution of \$500 each to each Pre-Certification Non-Settling
23 Class Member, each Class Member's "Individual Class Settlement Payment" will be
24 based on a ratio of the Class Member's Individual Class Pay Periods. The Individual Class
25 Settlement Payment for this period will be calculated by dividing the Class Member's
26 Individual Class Pay Periods by the total number of Individual Class Pay Periods worked
27 by all Class Members. A portion of this resulting amount will be subject to tax
28 withholdings, as described below.

43. Individual PAGA Settlement Payment Calculations. The Employee PAGA Fund will be distributed as follows:

(a) Each PAGA Employee's "Individual PAGA Settlement Payment" will be based on the ratio of the PAGA Employee's Individual PAGA Pay Periods. Individual PAGA Employee Settlement Payment for this period will be calculated by dividing the PAGA Employee's Individual PAGA Pay Periods by the total number of Individual PAGA Pay Periods worked by all PAGA Employees.

(b) PAGA Employees will receive an Individual PAGA Settlement Payment, and are subject to the release of PAGA Released Claims, even if they opt out of the Class or otherwise settled their Class Claims.

44. No Credit Toward Benefit Plans. The Individual Class and PAGA Settlement Payments made to Class Members under this Settlement, as well as any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits or enhancements under any benefit plans or collective bargaining agreements to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, employee stock ownership plans, vacation plans, sick leave plans, PTO plans, pay premium benefits including but not limited to shift bonus, holiday pay, longevity pay, vacation pay, and any other benefit plan and/or collective bargaining agreement term. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans and or benefits or enhancements provided pursuant to a collective bargaining agreement.

45. Administration Process. The Parties agree to cooperate in the administration of the settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement.

46. Delivery of the Class List. Within twenty (20) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator.

47. Notice by First-Class U.S. Mail. Within fifteen (15) calendar days after receiving the Class List from Defendant, the Settlement Administrator will mail a Notice Packet to all Class Members via

regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List as updated by the process described below.

48. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice Packet. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved, and will then perform a single re-mailing. Those Class Members who receive a re-mailed Notice Packet, whether by skip-trace or by request, will have between the later of (i) an additional fifteen (15) calendar days or (ii) the Response Deadline to submit an objection to the Settlement.

49. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet will provide: (i) information regarding the nature of the Action; (ii) a summary of the Settlement's principal terms; (iii) the Settlement Class definition; (iv) the total number of Individual Class Pay Periods each respective Class Member worked for Defendant during the Class Period, and the total number of Individual PAGA Pay Periods each respective PAGA Employee worked for Defendant during the PAGA Period; (v) each Class Member's estimated Individual Settlement Payment and the formula for calculating Individual Class Settlement Payments, and each PAGA Employee's estimated Individual PAGA Settlement Payment and the formula for calculating Individual PAGA Settlement Payments; (vi) the dates which comprise the Class Period and PAGA Period; (vii) instructions on how to submit Notices of Objection or Pay Period disputes; (viii) the deadlines by which the Class Member must postmark or fax Notices of Objection or Pay Period disputes; and (ix) the claims to be released.

50. Disputed Information on Notice Packets. Class Members will have an opportunity to dispute the Pay Period information provided in their Notice Packets. To the extent Class Members dispute

1 their employment dates or the number of Pay Periods on record, Class Members may produce
2 evidence to the Settlement Administrator showing that such information is inaccurate. The
3 Settlement Administrator will decide the dispute. Defendant's records will be presumed correct,
4 but the Settlement Administrator will evaluate the evidence submitted by the Class Member and
5 will make the final decision as to the merits of the dispute. All disputes will be decided within ten
6 (10) business days of the Response Deadline.

7 51. Settlement Terms Bind All Class Members. All Class Members will be bound by all of its terms,
8 including those pertaining to the Released Claims during the Release Period, as well as any
9 Judgment that may be entered by the Court if it grants final approval to the Settlement. PAGA
10 Employees are bound by the release of the PAGA Released Claims regardless of whether they
11 opted-out of the Class.

12 52. Objection Procedures. To object to the non-PAGA portions of the Settlement Agreement, a Class
13 Member must fax or postmark a valid Notice of Objection to the Settlement Administrator on or
14 before the Response Deadline. The Notice of Objection must be signed by the Class Member and
15 contain all information required by this Settlement Agreement. At no time will any of the Parties
16 or their counsel seek to solicit or otherwise encourage Class Members to submit written objections
17 to the Settlement Agreement or appeal from the Order and Judgment. The Parties agree that Class
18 Counsel cannot and will not represent any Class Members with respect to any such objections to
19 this Settlement. A change in the method for objecting to the non-PAGA portion of the Settlement
20 by the Court may not form the basis for any party to void the agreement.

21 53. Certification Reports Regarding Individual Settlement Payment Calculations. The Settlement
22 Administrator will provide Defendant's counsel and Class Counsel a weekly report that certifies
23 the number of Class Members who have submitted objections to the Settlement, and whether any
24 Class Member has submitted a challenge to any information contained in their Notice Packet.
25 Additionally, the Settlement Administrator will provide to counsel for both Parties any updated
26 reports regarding the administration of the Settlement Agreement as needed or requested.

27 54. Distribution Timing of Settlement Payments. Within fifteen (15) calendar days of the receipt of
28 funds from Defendant as described in Paragraph 36, the Settlement Administrator will issue

1 payments to: (i) Class Members and PAGA Employees; (ii) the Labor and Workforce
2 Development Agency; (iii) Plaintiffs; and (iv) Class Counsel. The Settlement Administrator will
3 also issue a payment to itself for Court-approved services performed in connection with the
4 Settlement.

5 55. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment checks
6 returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for
7 more than one hundred and eighty (180) calendar days after issuance will be tendered to the Labor
8 Workforce Development Agency.

9 56. Certification of Completion. Upon completion of administration of the Settlement, the Settlement
10 Administrator will provide a written declaration under oath to certify such completion to the Court
11 and counsel for all Parties. The Settlement Administrator will be solely responsible for that filing,
12 and the Settlement Administrator's failure to comply with this requirement will not affect the
13 settlement's validity.

14 57. Treatment of Individual Settlement Payments. All Individual Class Settlement Payments will be
15 allocated as 70% wages for which IRS Forms W-2 will be issued, and 30% non-wages (for
16 alleged interest and penalties) for which IRS Forms 1099-MISC will be issued. Each PAGA
17 Employee's Individual PAGA Settlement Payment will be allocated as non-wages (for alleged
18 interest and penalties) for which IRS Forms 1099-MISC will be issued.

19 58. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be
20 responsible for issuing to Plaintiffs, Class Members, PAGA Employees, and Class Counsel any
21 W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this
22 Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes
23 and penalties to the appropriate government authorities as well as posting the Class Notice and all
24 settlement documents and posting the Final Approval Order and Judgment on their website.

25 59. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect of the
26 payments called for hereunder, and Plaintiffs, Class Members, and PAGA Employees are not
27 relying on any statement, representation, or calculation by Defendant or by the Settlement
28 Administrator in this regard.

1 60. Circular 230 Disclaimer. Each party to this agreement (for purposes of this section, the
2 “acknowledging party” and each party to this agreement other than the acknowledging party, an
3 “other party”) acknowledges and agrees that (1) no provision of this agreement, and no written
4 communication or disclosure between or among the parties or their attorneys and other advisers, is
5 or was intended to be, nor will any such communication or disclosure constitute or be construed or
6 be relied upon as, tax advice within the meaning of United States Treasury Department
7 circular 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively
8 upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in
9 connection with this agreement, (b) has not entered into this agreement based upon the
10 recommendation of any other party or any attorney or advisor to any other party, and (c) is not
11 entitled to rely upon any communication or disclosure by any attorney or adviser to any other
12 party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no
13 attorney or adviser to any other party has imposed any limitation that protects the confidentiality of
14 any such attorney’s or adviser’s tax strategies (regardless of whether such limitation is legally
15 binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any
16 transaction, including any transaction contemplated by this agreement.

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

21 62. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally approve the
22 Settlement as provided herein; or (ii) the Settlement does not become final for any other reason,
23 then this Settlement Agreement, and any documents generated to bring it into effect, will be null
24 and void. Any order or judgment entered by the Court in furtherance of this Settlement
25 Agreement will likewise be treated as void from the beginning. The amount of the Gross Fund
26 described herein in Paragraph 16 is deemed material terms and Defendant may revoke the
27 agreement if the Court insists on a change that increases the obligation of Defendant to pay an
28 amount in excess of the Gross Fund. The allocation of the Net Settlement Fund to the Settlement

Class described in Paragraph 41 is deemed to be a material term of the Agreement and if the Court refuses to approve it or orders any change in the allocation, Defendant may revoke the Agreement. The definitions of Released Claims (Paragraph 28) and PAGA Released Claims (Paragraph 22), and approval of this Settlement on both a Class and PAGA basis, are material terms to this settlement, and Defendant may revoke the agreement if the Court insists on a change to the definition of Released Claims or PAGA Released Claims or declines to approve this Settlement on either a Class or PAGA basis. In the event that the court does not approve this settlement agreement, the parties agree that they shall jointly request a trial date from the court.

63. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (i) preliminary approval of the proposed Settlement Agreement, and (ii) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs will submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed Notice Packet, which will include both the proposed Notice of Class Action Settlement document, attached as **Exhibit A**. Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval, but Defendant's counsel will have the right to review the drafts.

64. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the deadlines to postmark objections to the Settlement Agreement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (i) Attorneys' Fees and Costs; (ii) the Class Representative Enhancement Payments; (iii) Individual Settlement Payments; (iv) the Labor and Workforce Development Agency Payment; and (v) all Settlement Administration Costs. The Final Approval/Settlement Fairness Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class Counsel will be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also be responsible for drafting the attorneys' fees and costs application to be heard at the final approval hearing, but

Defendant's counsel will have the right to review the drafts.

65. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

66. Release by Plaintiff. Upon the Effective Date, in addition to the claims being released by all Class Members, Plaintiff will release and forever discharge the Released Parties, to the fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not asserted, which Plaintiff have or may have against the Released Parties as of the date of execution of this Settlement Agreement. To the extent the foregoing release is a release to which Section 1542 of the California Civil Code or similar provisions of other applicable law may apply, Plaintiffs expressly waive any and all rights and benefits conferred by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law which are as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT, IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

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

68. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties, and no Party is relying on any representation not contained in this agreement.

- 1 69. Amendment or Modification. No amendment, change, or modification to this Settlement
2 Agreement will be valid unless in writing and signed, either by the Parties or their counsel.
- 3 70. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent
4 they are expressly authorized by the Parties whom they represent to negotiate this Settlement
5 Agreement and to take all appropriate action required or permitted to be taken by such Parties
6 pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents
7 required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will
8 cooperate with each other and use their best efforts to effect the implementation of the Settlement.
9 If the Parties are unable to reach agreement on the form or content of any document needed to
10 implement the Settlement, or on any supplemental provisions that may become necessary to
11 effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve
12 such disagreement.
- 13 71. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure
14 to the benefit of, the successors or assigns of the Parties hereto, as previously defined.
- 15 72. California Law Governs. All substantive terms of this Settlement Agreement and Exhibits hereto
16 will be governed by and interpreted according to the laws of the State of California, except to the
17 extent Federal Law applies.
- 18 73. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all
19 Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
20 executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and
21 scanned copies of the signature page, will be deemed to be one and the same instrument.
- 22 74. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement
23 Agreement is a fair, adequate and reasonable settlement of the Action and Related Actions and
24 have arrived at this Settlement after arm's-length negotiations with the assistance of an
25 experienced wage/hour mediator and in the context of adversarial litigation, taking into account all
26 relevant factors, present and potential. The Parties further acknowledge that they are each
27 represented by competent counsel and that they have had an opportunity to consult with their
28 counsel regarding the fairness and reasonableness of this Settlement.

1 75. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid,
2 the Court will first attempt to construe the provision as valid to the fullest extent possible
3 consistent with applicable precedents so as to define all provisions of this Settlement Agreement
4 as valid and enforceable.

5 76. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
6 certification for purposes of this Settlement only; except, however, that Plaintiffs or Class Counsel
7 may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from
8 the Court, and either party may appeal any court order that materially alters the Settlement
9 Agreement's terms.

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

24 78. Injunction Against Duplicative Claims: Upon Preliminary Approval of the Settlement Agreement,
25 all Class Members shall be enjoined from filing, joining, or becoming a party, member or
26 representative in any actions, claims, complaints, or proceedings in any state or federal court on an
27 individual, representative, collective or class action basis, or with the California Department of
28 Industrial Relations' Division of Labor Standards Enforcement ("DLSE") or the United States

1 Department of Labor (“DOL”), or from initiating any other proceedings, regarding any of the
2 Released Claims or PAGA Released Claims defined hereinabove. Any related pending actions,
3 claims, complaints, or proceedings in any state or federal court or with the DLSE or DOL, shall be
4 stayed until the Class Members have had an opportunity to decide to participate or object to this
5 Settlement. In addition, Upon Preliminary Approval of the Settlement Agreement, all Class
6 Members shall be enjoined from filing, joining, or becoming a party, member or representative in
7 any actions, claims, complaints, or proceedings in any state or federal court on an individual,
8 representative, collective or class action basis, or with the California Department of Industrial
9 Relations’ Division of Labor Standards Enforcement (“DLSE”) or the United States Department
10 of Labor (“DOL”), or from initiating any other proceedings, regarding any of the Released Claims
11 or PAGA Released Claims defined hereinabove to the extent the such actions, claims, complaints,
12 or proceedings are based on the PAGA claims released via this Settlement.

13 This Agreement and Settlement is conditioned upon the full release by all Class Members, as
14 described hereinabove; and a full release of all PAGA Claims covered by this Settlement
15 regardless of whether a PAGA Employee opted out of the Class. If the Court declines to enforce
16 this injunction against duplicative claims, it will not be grounds to void this Settlement Agreement.

17 79. No Public Comment: Neither the Parties nor their counsel shall make or issue any public
18 statements to the press concerning this Action in any way except as provided herein. In response
19 to any inquiries from the press or any other third parties about this Action or its resolution,
20 Defendant may respond as follows, “Okonite’s policy is (and has been) to comply with all federal
21 and state wage and hour laws. Okonite is settling this case to avoid further litigation and to let us
22 stay focused on our business” and Plaintiffs shall respond to the effect that “the matter has been
23 resolved,” or, if appropriate, “the matter has been resolved pending approval of the court.”

24 80. Encouragement of Class Members: The Parties to this Agreement and the counsel representing such
25 Parties shall not, directly or indirectly, through any person, encourage or solicit any Class Member
26 to object to it. However, Class Counsel and Defendant may respond to inquiries from Class
27 Members. Class Counsel represents, through its signature below, that it has not taken any action
28 prior to signing this Agreement that would encourage any Class Member to object to this

Settlement. Class Counsel represents and warrants that at the time of signing this Agreement, it has no clients or prospective clients who are potential plaintiffs with potential or actual causes of action against Defendant.

81. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

82. Enforcement Actions. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

83. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

84. Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel. Further, Plaintiffs and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

85. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement will be subject to final Court approval.

86. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

1 87. Binding Agreement. The Parties warrant that they understand and have full authority to enter into
2 this Settlement Agreement, and further intend that this Settlement Agreement will be fully
3 enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure
4 in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions
5 that otherwise might apply under federal or state law.

6 **READ CAREFULLY BEFORE SIGNING**

7
8 Dated: 12 / 10 / 2021



Walter Parrish
Plaintiff/Class Representative

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12 Dated: _____

By:
Defendant The Okonite Company, Inc.

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17 4877-6343-3734.6 / 109525-1001

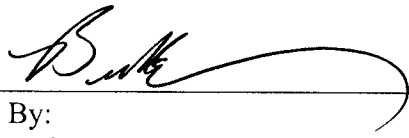
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4 in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions
5 that otherwise might apply under federal or state law.

6 **READ CAREFULLY BEFORE SIGNING**

7
8 Dated: _____

9 _____
10 Walter Parrish
11 Plaintiff/Class Representative

12 Dated: 12/10/21

13 
14 By: _____
15 Defendant The Okonite Company, Inc.

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