

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

Jerome Divinity v. WB Studio Enterprises, Inc., a Delaware Corporation, et al.,
(Los Angeles Superior Court Case No. 20STCV37526) (“*Divinity*”)

G. Wilson v. WB Studio Enterprises, Inc., a Delaware Corporation, et al.,
(U.S. District Court for the Central District of California, Case No. 2:21-cv-09632) (“*Wilson*”)

This Class Action and PAGA Settlement Agreement (“Agreement”) is entered into in the above-entitled proceedings, by and between Plaintiffs Jerome Divinity and Gregory Wilson on behalf of themselves and the putative class, on the one hand; and Defendant WB Studio Enterprises Inc.¹, a Delaware corporation (“Defendant”) on the other hand (collectively, the “Parties”).

1. **DEFINITIONS.**

1.1 “Action” means the above-entitled *Divinity* lawsuit alleging wage and hour violations against Defendant initiated on September 30, 2020 and pending in Superior Court of the State of California, County of Los Angeles, combined with the claims in the *Wilson* matter filed in the U.S. District Court for the Central District of California, entitled *G. Wilson v. WB Studio Enterprises, Inc., a Delaware Corporation, et al.*, Case No. 2:21-cv-09632 (“*Wilson*”).²

1.2 “Administrator” means CPT Group Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4 “Aggrieved Employee” means all below-the-line non-union production employees Defendant payrolled through Cast & Crew or Entertainment Partners from April 5, 2019 through the date of Preliminary Approval and all below-the-line union production employees Defendant payrolled through Cast & Crew or Entertainment Partners who received a final check dated after the anticipated payday from April 5, 2019 through the date of Preliminary Approval.

1.5 “Class” means all below-the-line non-union production employees Defendant payrolled through Cast & Crew or Entertainment Partners from April 5, 2016 through the date of Preliminary Approval and all below-the-line union production employees Defendant payrolled

¹ Plaintiffs erroneously named WB Studio Enterprises, Inc., in their respective complaints. WB Studio Enterprises Inc. does not have a comma between “Enterprises” and “Inc.”

² Pursuant to Section 7.1, the parties will cause the Court presiding over *Divinity* to approve and administer settlement of the claims in both *Divinity* and *Wilson*.

through Cast & Crew or Entertainment Partners who received a final check dated after the anticipated payday from April 5, 2017 through the date of Preliminary Approval.

1.6 “Class Counsel” means Alan Harris and Min Ji Gal of Harris & Ruble.

1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.8 “Class Data” means Class Member identifying information in Defendant’s possession or control including the Class Member’s name, last-known mailing address, and Social Security number.

1.9 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.10 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12 “Class Period” means the period from April 5, 2016 through the date of Preliminary Approval for all below-the-line non-union production employees payrolled through Cast & Crew or Entertainment Partners and from April 5, 2017 through the date of Preliminary Approval for all below-the-line union production employees payrolled through Cast & Crew or Entertainment Partners who received a final check dated after the anticipated payday, excluding any such persons who opt out.

1.13 “Class Representatives” means the named Plaintiffs Jerome Divinity and Gregory Wilson in the Operative Complaint in the Action seeking Court approval to serve as Class Representatives.

1.14 “Class Representative Service Payment” means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.

1.15 “Compensable Final Payment Claim” means and refers to valid Final Payment Claims, which are entitled to Final Payment Settlement Amounts, as described further in Section 3.2 below.

1.16 “Court” means the Superior Court of California, County of Los Angeles.

1.17 “Defendant” means named Defendant WB Studio Enterprises Inc., a Delaware corporation.

1.18 “Defense Counsel” means Seth Pierce, Esq. and Stephen Rossi, Esq. of Mitchell Silberberg & Knupp, LLP.

1.19 “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.20 “Final Approval” means the Court’s order granting final approval of the Settlement.

1.21 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.22 “Final Judgment” means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.23 “Final Payment Claim” means and refers to a claim made by a Participating Class Member that such member was issued a final wage payment on a production after the Final Check Due Date, as described further in Section 3.2 below.

1.24 “Final Payment Settlement Amount” is the amount to be paid to a Participating Class Member with a Compensable Final Payment, as described further in Section 3.2 below.

1.25 “Gross Settlement Amount” means \$1,248,680, which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses Payment.

1.26 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount, not counting any Final Payment Settlement Amount.

1.27 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties.

1.28 “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.29 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.30 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.31 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments and Final Payment Settlement Amounts.

1.32 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.33 “PAGA Period” means the period from April 5, 2019 through the date of Preliminary Approval.

1.34 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.35 “PAGA Notices” means both Plaintiff Divinity’s letter to Defendant, dated September 22, 2020, and the LWDA and Plaintiff Wilson’s letter to Defendant, dated December 13, 2021, and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.36 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$9,365.10) and the 75% to LWDA (\$28,095.30) in settlement of PAGA claims.

1.37 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.38 “Plaintiffs” means Jerome Divinity and Gregory Wilson, the named plaintiffs in the Action.

1.39 “Preliminary Approval” means the Court’s order granting Preliminary Approval of the Settlement.

1.40 “Preliminary Approval Order” means the proposed order granting Preliminary Approval and Approval of PAGA Settlement.

1.41 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.42 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.43 “Released Parties” means: Defendant and Jerry Bruckheimer Television, Inc., and each and all of their present and former partners, parents, subsidiaries, affiliates, and related entities and all of their officers, directors, employees, agents, servants, registered representatives,

attorneys, insurers, payroll companies, successors and assigns, and any other persons acting by through, under or in concert with any of them (including any alleged joint employers).

1.44 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.45 “Response Deadline” means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his, her or their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.46 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

2.1 On September 30, 2020, Plaintiff Jerome Divinity filed a Complaint alleging causes of action against Defendant for wage and hour violations. On December 15, 2020, Divinity filed a First Amended Complaint alleging causes of action against Defendant for wage and hour violations as well as violations of PAGA. On December 13, 2021, Plaintiff Greg Wilson filed a Complaint against Defendant alleging similar claims. On May 12, 2022, Wilson filed a First Amended Complaint. On June 14, 2022, Plaintiff Wilson filed a Second Amended Complaint. Divinity’s First Amended Complaint and Wilson’s Second Amended Complaint are referred to as the operative complaint (the “Operative Complaint”). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendant and the LWDA by sending the PAGA Notices.

2.3 On August 20, 2021, the Parties participated in an all-day mediation presided over by Lisa Klerman, which was unsuccessful in resolving the matter, but which substantially narrowed the gap between the Parties. The Parties subsequently settled the matter after the mediation, which led to this Agreement to settle the Action.

2.4 Prior to negotiating the Settlement, Plaintiffs obtained substantial class data and conducted a substantial investigation into their claims. Plaintiffs propounded written discovery and received written responses as well as over 1,000 pages of documents. Plaintiffs’ counsel also deposed Defendant’s Person Most Knowledgeable. Plaintiffs’ investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”). The Parties stipulate to class certification for purposes of settlement only. If the Court does not grant Preliminary and Final Approval of this Agreement despite the Parties’ good faith efforts to address any concerns raised by the Court without increasing the Gross Settlement Amount, the Parties shall return to status quo ante.

2.5 The Court has not granted class certification. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$1,248,680 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.2 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant. As detailed in Section 3.2.4.2, Participating Class Members may receive an enhanced share of the Net Settlement Amount by submitting additional information.

3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1 To Plaintiffs: Class Representative Service Payment to the Class Representatives of not more than \$5,000 each (in addition to any Individual Class Payment, Final Payment Settlement Amount, and any Individual PAGA Payment the Class Representatives are entitled to receive as Participating Class Members). Plaintiff Divinity and Plaintiff Wilson will not opt out. Defendant will not oppose Plaintiffs' request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiffs assume full responsibility and liability for all taxes owed on the Class Representative Service Payment.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than 33 1/3% of the Gross Settlement Amount, which is currently estimated to be \$416,226.70 and a Class Counsel Litigation Expenses Payment of not more than \$20,000.00. Defendant will not oppose requests for these payments provided they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay and report the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class

Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administration Expenses Payment not to exceed \$53,250 except as necessary in the event the class size increases pursuant to Section 8, or for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves a lesser payment, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4 To Each Participating Class Member: Payment will be made to Participating Class Members from the Net Settlement Amount as follows:

3.2.4.1 Individual Class Payment. All Participating Class Members will receive a minimum payment equal to their pro rata share of 70% of the Net Settlement Amount. Additionally, all Participating Class Members will receive their pro rata share of any portion of the remaining 30% of the Net Settlement Amount not distributed as described below.

3.2.4.2 Compensable Final Payment Claim payments (Final Payment Settlement Amounts). The remaining 30% of the Net Settlement Amount shall be available to pay “Final Payment Settlement Amounts” for “Compensable Final Payment Claims” as described below. Any portion of the 30% of the Net Settlement Amount not distributed as described below will be divided pro rata among all Participating Class Members.

- (a) “Final Payment Claim” means and refers to a claim made by a Participating Class Member that such member was issued a final wage payment on a production after the Final Check Due Date.
- (b) “Final Check Due Date” means and refers to the Thursday following the Final Work Week.
- (c) “Final Work Week” refers to the last Sunday to Saturday workweek during which a Participating Class Member worked on a production.
- (d) “Compensable Final Payment Claims” means and refers to Final Payment Claims that are considered payable for purposes of receiving settlement proceeds. Final Payment Claims are payable if they are supported by documentation demonstrating that the Participating Class Member was not issued any payment for wages for work performed during their Final Work Week by the Final Check Due Date. For the avoidance of doubt, if a Participating Class Member was issued any wage payment for work performed during their Final Work Week by check (or direct deposit) by the Final Check

Due Date, then a Final Payment Claim would not be payable. By way of illustration, if a Participating Class Member was issued a check (or direct deposit) for their Final Work Week by the Final Check Due Date, but later received a rate adjustment or additional wages for the same work week, the Final Payment Claim would not be payable.

- (e) Each Participating Class Member is limited to no more than one Compensable Final Payment Claim.
- (f) The initial “Maximum Value” of each Compensable Final Payment Claim shall be based on the following graduated schedule dependent on the difference between the date the payment (or first payment, if more than one) was issued for the applicable Final Work Week and the Final Check Due Date:
 - (i) Under 1 week: \$100
 - (ii) 1 week to under 2 weeks: \$250
 - (iii) 2 weeks to under 3 weeks: \$500
 - (iv) 3 weeks to under 30 days: \$750
 - (v) 30 or more days: \$1,000
- (g) “Final Payment Settlement Amount” means and refers to the amount to be allocated to individual Participating Class Members who make a “Compensable Final Payment Claim.” If the sum total of all of the Maximum Values of the Compensable Final Payment Claims are equal to or less than 30% of the Net Settlement Amount, then the Final Payment Settlement Amount for each Compensable Final Payment Claim shall equal the Maximum Value of each Compensable Final Payment Claim. If the sum total of all Maximum Values of the Compensable Final Payment Claims exceeds 30% of the Net Settlement Amount, then the Claims Administrator shall divide that sum total of all of the Maximum Values of the Compensable Final Pay Claims by the value of 30% of the Net Settlement Amount to calculate a “Reduction Factor.” The Final Payment Settlement Amount for each Compensable Final Pay Claim shall then equal its Maximum Value divided by the Reduction Factor so that the sum total of all Final Payment Settlement Amounts does not exceed 30% of the Net Settlement Amount.

3.2.4.3 Individual PAGA Payment. All Class Members who are Aggrieved Employees will receive their pro rata share of 25% of the PAGA Penalties.

3.2.5 Tax Allocation of Payments. 25% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 75% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment. Any payment made for a Compensable Final Payment Claim will be considered 100% penalties. The Individual PAGA Payments will be considered 100% penalties. Defendant will pay the employer's share of payroll taxes as required by law, and such payments will not reduce the Gross Settlement Amount.

3.2.6 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments or payment for Compensable Final Payment Claims. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis. Non-Participating Class Members will still receive their Individual PAGA Payments.

3.2.7 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$37,460.40 to be paid from the Gross Settlement Amount, with 75% (\$28,095.30) allocated to the LWDA PAGA Payment and 25% (\$9,365.10) allocated to the Individual PAGA Payments.

3.2.8 The Administrator will calculate each Individual PAGA Payment as a pro rata share of the Aggrieved Employees' 25% share of PAGA Penalties (\$9,365.10). Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.9 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3.2.10 If the Court requires a PAGA allocation higher than the foregoing, such determination shall not increase the amount of the Gross Settlement Amount, and the amounts that constitute the Gross Settlement Amount shall be reallocated as necessary.

3.2.11 If the Court disapproves of the payment structure in this Agreement, such as by requiring payment to be allocated based on the number of work weeks, then the Parties will negotiate in good faith to adjust the structure, but in no event, absent agreement by Defendant, will Defendant or any Releasee be required to pay more than the Gross Settlement Amount on the basis of the payment structure.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Data. Not later than 21 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.2 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 21 days after the Effective Date.

4.3 Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Final Payment Settlement Amounts, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.3.1 The Administrator will issue checks for the Individual Class Payments, Final Payment Settlement Amounts, and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment, Final Payment Settlement Amount (if any), and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.3.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 15 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class

Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, if requested by the Class Member prior to the void date.

4.3.3 For any Class Member whose check is uncashed and cancelled after the void date, the Administrator shall redistribute the funds represented by such checks among the remaining Class Members. For any subsequent checks that are uncashed and cancelled, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.3.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 **Plaintiffs' Release.** Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney's fees, damages, actions or causes of action of whatever kind or nature, contingent or accrued, that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiffs' PAGA Notices, or ascertained during the Action and released under 5.2, below, including under any legal theory that was alleged or that could have been alleged for any failure to pay all wages due (including minimum wage and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to furnish accurate wage statements including claims derivative and/or related to these claims, failure to provide expense reimbursements, and failure to provide personnel and payroll records. ("Plaintiffs' Release.") This Release shall include, but is not limited to, all claims and theories arising under any applicable statutes and common law, the California Labor Code, the Fair Labor Standards Act, California wage orders, and applicable regulations, including Labor Code Sections 201, 201.5, 202, 203, 204, 210, 226, 226.7, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2802, as well as claims under Business and Professions Code section 17200 *et seq.*, and/or Labor Code Section 2698 *et seq.* based on alleged violations of the above Labor Code provisions, as alleged in the lawsuits. Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or

additional facts or Plaintiffs' discovery of them. The Release shall run through the date of Preliminary Approval, subject to Paragraph 8, below.

5.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

5.2 Release by Participating Class Members. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney's fees, damages, actions or causes of action of whatever kind or nature, contingent or accrued, that have been asserted or that could have been asserted in the Operative Complaint or LWDA PAGA letters based on the facts, claims and/or allegations therein, including under any legal theory that was alleged or that could have been alleged for any failure to pay all wages due (including minimum wage and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to furnish accurate wage statements including claims derivative and/or related to these claims, failure to provide expense reimbursements, and failure to provide personnel and payroll records. This Release shall include all claims and theories arising under the California Labor Code, the Fair Labor Standards Act, California wage orders, and applicable regulations, including Labor Code Sections 201, 201.5, 202, 203, 204, 210, 226, 226.7, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2802, as well as claims under Business and Professions Code section 17200 *et seq.*, and/or Labor Code Section 2698 *et seq.* based on alleged violations of the above Labor Code provisions, as alleged in the Operative Complaint and/or LWDA PAGA letters. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. The release shall run through the date of Preliminary Approval. Moreover, only those who cash their Individual Class Payment checks will be deemed to have released claims under the Fair Labor Standards Act. The following language will be printed on the reverse of each Individual Class Payment check, or words to this effect: "By endorsing or otherwise negotiating this check, I acknowledge that I read, understood, and agree to the terms set forth in the Notice of Class Action Settlement and I consent to join in the Fair Labor Standards Act ("FLSA") portion of the Action, elect to participate in the settlement of the FLSA claims, and agree to release all of my FLSA claims that are covered by the Settlement."

5.3 Release by Aggrieved Employees. All Aggrieved Employees (regardless of whether they are Participating Class Members) are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were

alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, LWDA PAGA letters, and ascertained in the course of the Action, including under any legal theory that was alleged or that could have been alleged for any failure to pay all wages due (including minimum wage and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to furnish accurate wage statements including claims derivative and/or related to these claims, failure to provide expense reimbursements, and failure to provide personnel and payroll records. This Release shall include all claims and theories arising under the California Labor Code, the Fair Labor Standards Act, California wage orders, and applicable regulations, including Labor Code Sections 201, 201.5, 202, 203, 204, 210, 226, 226.7, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2802, as well as claims under Business and Professions Code section 17200 *et seq.*, and/or Labor Code Section 2698 *et seq.* based on alleged violations of the above Labor Code provisions, as alleged in the Operative Complaint and/or LWDA PAGA letters. The release shall run through the date of Preliminary Approval, subject to Paragraph 8, below.

5.4 Apart from such award of fees and reimbursement of costs for which provision is made herein, Plaintiffs and Defendant waive any and all claims for fees, costs, indemnity or contribution against Plaintiffs, any Participating Class Member, Class Counsel, Defendant, Releasees or their counsel.

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

6.1 Defendant’s Declaration in Support of Preliminary Approval. Within 20 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Plaintiff’s Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely

transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the Parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. In their Declarations, Plaintiffs and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns; provided, however, that neither Party shall be under any obligation to proceed with the Settlement if the required material changes are unacceptable to either Party.

7. SETTLEMENT ADMINISTRATION.

7.1 Consolidation of *Divinity* and *Wilson*. The Parties agree to take all steps necessary to cause the Court presiding over *Divinity* to approve and administer settlement of the claims in both *Divinity* and *Wilson*. The parties agree to first request that the *Wilson* court stay that federal action so that all claims may be consolidated and settled before the *Divinity* court in state court pursuant to an amended complaint covering all claims in both cases. If either court does not approve that process, then the Parties agree to take all other steps necessary to achieve the same result, including but not limited to: remanding and/or dismissing *Wilson* from federal court, amending the complaint in *Divinity* in Los Angeles County Superior Court to combine all claims in the *Wilson* and *Divinity* matters, and/or stipulating to relate *Wilson* to *Divinity*. If the Court does not grant Preliminary and Final Approval of this Agreement despite the Parties' good faith efforts to address the Court's concerns pursuant to Paragraph 6.4, the Parties agree that the stay in *Wilson* will be lifted or, if applicable, it will be returned to federal court (including by refiling *Wilson* in federal court) with the same status as if it had never been stayed, remanded and/or dismissed.

7.2 Selection of Administrator. The Parties have jointly selected CPT Group Inc. to serve as the Administrator and verified that, as a condition of appointment, CPT Group Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this

Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.3 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings, if any, and providing reports to state and federal tax authorities.

7.4 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.

7.5 Notice to Class Members.

7.5.1 Not later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members and Aggrieved Employees. Any Class Member or Aggrieved Employee who has signed a general release of claims and has not worked for Defendant since signing that release will be excluded from this list.

7.5.2 Using best efforts to perform as soon as possible, and in no event later than 21 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.5.3 Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.5.4 The deadlines for Class Members’ written objections, Challenges to Final Payment Claim eligibility determinations and payment calculations, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.5.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as

other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.6 Requests for Exclusion (Opt-Outs).

7.6.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her/their representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.6.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.6.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.6.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.1 Challenges to Determination or Calculation of Final Payment Claims. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to submit documentation supporting any Final Payment Claim. The Administrator shall have 15 days after receipt of Class Members' supporting documentation to determine whether the Final Payment Claim is a Compensable Final Payment Claim in consultation with Defendant and Plaintiff's counsel in light of Defendant's pay records, and to calculate the Final Payment Settlement Amount due for any Compensable Final Payment Claim, which will be sent to Class Members via a notice ("Payment Notice"). Class Members who wish to challenge that determination and/or calculation shall have

15 days after receipt of the Payment Notice to do so. The Class Member may challenge the determination and/or calculation by communicating with the Administrator via email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. Any dispute will be resolved by the Administrator in consultation with Defense Counsel and Class Counsel. The Administrator's determination of each Class Member's Final Payment Claim shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to Defense Counsel and Class Counsel.

7.2 Objections to Settlement.

7.2.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.

7.2.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.2.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.3 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.3.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing, and copies of the Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval, and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes, and emails.

7.3.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing: (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.3.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, Final Payment Claims, challenges to Final Payment Settlement Amounts received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

7.3.4 Final Payment Settlement Amount Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Final Payment Settlement Amounts and whether a Final Payment Claim is a Compensable Final Payment Claim. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

7.3.5 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections, and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

7.3.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE. Based on its records, Defendant estimates that, based on data as of June 1, 2022, (1) there are approximately 8,056 potential Class Members as of June 1, 2022 (consisting of 4,535 below-the-line non-union employees and 3,521 below-the-line union employees). In the event that the total number of Participating Class Members exceeds 8,056 at the time of Preliminary Approval, Defendant will increase the Gross Settlement Amount by \$155 per additional Participating Class Member, up to a total Gross Settlement Amount of \$1,435,982. If the additional Participating Class Members would cause the Gross Settlement Amount to exceed \$1,435,982, then Defendant may limit the Class Period and the release period to a date between June 1, 2022 and the date of Preliminary Approval or further increase the Gross Settlement Amount as described above.

9. RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Plaintiffs or Defendant may elect, but are not obligated, to withdraw from the Settlement. The Parties agree that, if either party withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement. The Parties will split the Settlement Administration Expenses incurred to that point. The withdrawing party must notify the other party and the Court of its election to withdraw not later than 7 days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order, and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than 14 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval. However, Defendant shall be under no obligation to proceed with the Settlement if the required material changes are unacceptable, and except as set forth in Paragraph 8, under no circumstances will the Gross Settlement Amount be increased without Defendant’s express written consent. If a material change or increase in the Gross Settlement Amount is a condition of approval, then Defendant may unilaterally void this Agreement. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this Paragraph.

10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as

provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, and the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.

10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address, if possible, the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. However, under no circumstances will the Gross Settlement Amount be increased without Defendant's express written consent; if that is a condition of approval, then Defendant may unilaterally void this Agreement. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this Paragraph, as long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, as well as the representative treatment or manageability of any PAGA claim, and Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the

terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to Plaintiff's attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) as for Defendant, as needed for legal, accounting, tax, or other business reasons;; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. Plaintiffs and Plaintiffs' Counsel shall not publicize the settlement on their websites, in advertising/marketing materials or on social media, other than filing documents with the Court. The Parties and their counsel agree that they will not issue any press releases or initiate any contact with the media about the fact, amount, or terms of the settlement. If counsel for any party receives an inquiry about the settlement from the media, counsel may respond only after the motion for approval of the settlement has been filed and only by confirming the accurate terms of the settlement. Nothing in this provision shall prevent Defendant from making any required disclosure. This Paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this Paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying this Agreement, and submitting supplemental evidence and supplementing points and authorities as requested by the Court. Plaintiffs will not opt out of the Settlement. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

12.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to California Evidence Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and for no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.

12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs:

Alan Harris
Min Ji Gal
HARRIS & RUBLE
655 North Central Avenue, 17th Floor
Glendale, CA 91203

To Defendant:

Seth Pierce
Stephen Rossi
Mitchell Silberberg & Knupp LLP
2049 Century Park East, 18th Floor
Los Angeles, CA 90067

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument, as if counsel for the Parties exchanged between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.19 Stay of Litigation. The Parties agree that, upon the execution of this Agreement, the litigation in both the *Divinity* and *Wilson* cases will be stayed for all purposes upon signing, including with respect to California Code of Civil Procedure sections 583.310 and 583.330, except such proceedings necessary to implement and complete the settlement, pending the Final Approval Hearing to be conducted by the Court. The Parties will file a stipulation before the *Wilson* court advising it that the Parties have reached a settlement in principal and request to stay the matter until the settlement is effectuated.

[Signatures on next page]

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DocuSigned by:

Alan Harris

23EF921546364A5...

For Plaintiff Jerome Divinity

Zazi Pope

Zazi Pope (Oct 31, 2022 15:14 PDT)

For Defendant WB Studio Enterprises Inc.

DocuSigned by:

Alan Harris

23EF921546364A5...

For Plaintiff Gregory Wilson

APPROVED AS TO FORM:

DocuSigned by:

Alan Harris

23EF921546364A5...

Counsel For Plaintiffs Divinity and Wilson

Stan

10/31/2022

Counsel For Defendant WB Studio
Enterprises Inc.

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING
DATE FOR FINAL COURT APPROVAL**

*Jerome Divinity v. WB Studio Enterprises, Inc., a Delaware Corporation, et al.,
(Los Angeles Superior Court Case No. 20STCV37526) (“Divinity”)*

The Superior Court for the State of California authorized this Notice. Read it carefully! It’s not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit (“Action”) against WB Studio Enterprises Inc. (“WB”) for alleged wage and hour violations as well as claims for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). The Action was initially filed by a former WB employee Jerome Divinity, and includes claims brought by Divinity as well as another former WB employee, Greg Wilson (collectively, “Plaintiffs”).

The Action seeks payment for alleged wage and hour violations that occurred during the “Class Period,” which means 1) from April 5, 2016 through the date of Preliminary Approval for all below-the-line non-union production employees WB payrolled through Cast & Crew or Entertainment Partners and 2) from April 5, 2017 through the date of Preliminary Approval for all below-the-line union production employees WB payrolled through Cast & Crew or Entertainment Partners who received a final check dated after the anticipated payday, excluding any such persons who opt out.

“Class Member” means all below-the-line non-union production employees WB payrolled through Cast & Crew or Entertainment Partners from April 5, 2016 through the date of Preliminary Approval and all below-the-line union production employees WB payrolled through Cast & Crew or Entertainment Partners who received a final check dated after the anticipated payday from April 5, 2017 through the date of Preliminary Approval.

The Action also seeks penalties on behalf of Aggrieved Employees for alleged wage and hour violations that occurred during the “PAGA Period,” which means 1) from April 5, 2019 through the date of Preliminary Approval. “Aggrieved Employee” means all below-the-line non-union production employees WB payrolled through Cast & Crew or Entertainment Partners from April 5, 2019 through the date of Preliminary Approval and all below-the-line union production employees WB payrolled through Cast & Crew or Entertainment Partners who received a final check dated after the anticipated payday from April 5, 2019 through the date of Preliminary Approval.

Plaintiffs and WB have reached a proposed settlement under which you may be entitled to receive money. The proposed Settlement has two main parts: (1) a Class Settlement requiring WB to fund Individual Class Payments and Final Payment Settlement Amounts, and (2) a PAGA Settlement requiring WB to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on WB's records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be \$_____ (less withholding) and your Individual PAGA Payment is estimated to be \$_____.** The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to WB's records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.) You may also be eligible to receive a **Final Payment Settlement Amount** of up to \$1,000.00 if you received your final wages after their due date and follow the procedures set forth below in Section **3.3.B**.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires WB to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against WB.

If you are a Class Member or Aggrieved Employee as defined above, you have three basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against WB. If you believe you were paid final wages late, you have the opportunity to receive additional money by submitting information as described below under Final Payment Claim Submission Process.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against WB, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

WB will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against WB that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is _____	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. WB must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue the PAGA claims listed in Section 10 of this Notice.
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by _____	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the _____ Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.

You Can Submit Documentation for a Final Payment Settlement Amount and Challenge the Calculation of that Payment Written Challenges Must be Submitted by _____	You may be eligible to receive an additional payment if you received a late final paycheck from Defendant. If you believe that you received a final paycheck after it was due (<i>i.e.</i>, one business day after the Thursday of the week following your final day of work), and would like to receive this additional payment, then you must submit adequate documentation to support your Final Payment Claim no later than [60 days after mailing], 202X. See Section 3.3.B of this Notice for instructions for submitting a Final Payment Claim, or to challenge the Administrator’s determination of your eligibility or its Final Payment Settlement Amount calculation.
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1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former WB employees who worked as motorcycle officers on Defendant’s productions. The Action accuses WB of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination, and reimbursable expenses and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiffs are represented by attorneys in the Action: Alan Harris and Min Ji Gal of Harris & Ruble (“Class Counsel.”)

WB strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether WB or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and WB hired an experienced, neutral mediator Lisa Klernan, in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The Parties subsequently settled the matter after the mediation. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and WB have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, WB does not admit any violations or concede the merit of any claims. Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) WB has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. WB Will Pay \$1,248,680 as the Gross Settlement Amount (Gross Settlement). WB has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, payments for Compensable Final Payment Claims, Class Representative Service Payments, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, WB will fund the Gross Settlement not more than 21 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. Up to \$ 416,226.70 (33 1/3% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. Up to \$5,000 each to Divinity and Wilson as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Class Payment, any Final Settlement Payment Amount for which they establish eligibility, and any Individual PAGA Payment.
- C. Up to \$53,250 to the Administrator for services administering the Settlement, which may be increased as necessary in the event the class size increases pursuant to Section 8 of the Agreement, or for a showing of good cause and as approved by the Court.
- D. Up to \$37,460.40 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") as follows.

- A. Individual Class Payment - All Participating Class Members will receive an Individual Class Payment equal to at least their pro rata share of 70% of the Net Settlement. Additionally, all Participating Class Members will receive as part of their Individual Class Payment their pro rata share of any portion of the remaining 30% of

the Net Settlement not distributed as a Final Payment Settlement Amount paid for Compensable Final Payment Claims, as discussed below.

- B. Compensable Final Payment Claims - 30% of the Net Settlement will initially be set aside for Compensable Final Payment Claims. Participating Class Members may be eligible to receive an additional payment of up to \$1,000 if they were issued a final wage payment on a production after the Final Check Due Date. “Final Check Due Date” means and refers to the Thursday following the Final Work Week, which is the last Sunday to Saturday workweek during which the Participating Class Member worked on a production. The initial “Maximum Value” of such claims (which may be reduced if more than 30% of the Net Settlement would be needed to fully pay all such claims) are the following, based on the difference between the date the payment was issued and the Final Check Due Date:

- a. Under 1 week: \$100
- b. 1 week to under 2 weeks: \$250
- c. 2 weeks to under 3 weeks: \$500
- d. 3 weeks to under 30 days: \$750
- e. 30 or more days: \$1,000

Final Payment Claim Submission Process: If you believe that you received a final paycheck after the Final Check Due Date, then you must submit adequate documentation such as the paystub in order to receive a payment from the Compensable Final Payment Claim portion of the Settlement by no later than 60 days after mailing (this deadline may be extended by 14 days if your notice was re-mailed). The paystub should be submitted to the Settlement Administrator at CPT Group Inc., 50 Corporate Park, Irvine, CA 92606. Be sure and write “Divinity v. WB” on any documentation that you submit. Send copies rather than originals because the documents will not be returned to you.

The Administrator shall have 15 days after receipt of your supporting documentation to determine your eligibility for and, if eligible, calculate your Final Payment Settlement Amount, notice of which will be sent to you via U.S. mail (“Payment Notice”). If you wish to challenge either determination, you will have 15 days after receipt of the Payment Notice to do so. The Administrator’s determination (after challenge, if any) of each Class Member’s eligibility for and calculation of any Final Payment Settlement Amount shall be final and not appealable or otherwise susceptible to challenge.

4. Taxes Owed on Payments to Class Members. Plaintiffs and WB are asking the Court to approve an allocation of 25% of each Participating Class Member’s payment of his/her/their pro rata share of the Net Settlement Amount to settlement of wage claims (the “Wage Portion”), and 75% of each Participating Class Member’s payment of his/her/their pro rata share of the Net Settlement Amount to settlement of claims for interest and penalties (the “Non-Wage Portion”). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. WB will separately pay the employer payroll taxes owed on the Wage Portions. The Non-Wage Portions are not subject to tax withholdings. The Individual PAGA Payments and any payment made for a Compensable Final Payment Claim will be considered 100% penalties. The Administrator will report the Non-Wage Portions of the Individual Class

Payments, the Individual PAGA Payments, and the Final Payment Settlement Amounts on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

Although Plaintiffs and WB have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments, Final Payment Settlement Amounts, and/or Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed), that you wish to opt-out. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her/their representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against WB.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against WB based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and WB have agreed that, in either case, the Settlement will be void: WB will not pay any money and Class Members will not release any claims against WB.

8. Administrator. The Court has appointed a neutral company, CPT Group Inc. (the "Administrator") to send this Notice, make eligibility determinations on Final Payment Claims, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Final Payment Claim eligibility determinations and calculations, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

9. Participating Class Members' Release. After the Judgment is final and WB has fully funded the Gross Settlement, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, or be part of another lawsuit against WB or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney's fees, damages, actions or causes of action of whatever kind or nature, contingent or accrued, that have been asserted or that could have been asserted in the Operative Complaint or LWDA PAGA letters based on the facts, claims and/or allegations therein, including under any legal theory that was alleged or that could have been alleged for any failure to pay all wages due (including minimum wage and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to furnish accurate wage statements including claims derivative and/or related to these claims, failure to provide expense reimbursements, and failure to provide personnel and payroll records. This Release shall include all claims and theories arising under the California Labor Code, the Fair Labor Standards Act, California wage orders, and applicable regulations, including Labor Code Sections 201, 201.5, 202, 203, 204, 210, 226, 226.7, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2802, as well as claims under Business and Professions Code section 17200 *et seq.*, and/or Labor Code Section 2698 *et seq.* based on alleged violations of the above Labor Code provisions, as alleged in the Operative Complaint and/or LWDA PAGA letters. Except as set forth in Section 5.3 of the Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. The release shall run through the date of Preliminary Approval, unless there are more Class Members than anticipated and Defendant elects to shorten the Class Period and accordingly, the end date of the release. Moreover, only those who cash their Individual Class Payment checks will be deemed to have released claims under the Fair Labor Standards Act.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and WB has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against WB, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against WB or

its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint or LWDA PAGA letters and ascertained in the course of the Action, including under any legal theory that was alleged or that could have been alleged for any failure to pay all wages due (including minimum wage and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to furnish accurate wage statements including claims derivative and/or related to these claims, failure to provide expense reimbursements, and failure to provide personnel and payroll records. This Release shall include all claims and theories arising under the California Labor Code, the Fair Labor Standards Act, California wage orders, and applicable regulations, including Labor Code Sections 201, 201.5, 202, 203, 204, 210, 226, 226.7, 510, 512, 515, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2802, as well as claims under Business and Professions Code section 17200 *et seq.*, and/or Labor Code Section 2698 *et seq.* based on alleged violations of the above Labor Code provisions, as alleged in the Operative Complaint and/or LWDA PAGA letters. The release shall run through the date of Preliminary Approval, unless there are more Class Members than anticipated and Defendant elects to shorten the Class Period and accordingly, the end date of the release.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments as follows: All Participating Class Members will receive a minimum payment equal to their pro rata share of 70% of the Net Settlement Amount. Additionally, all Participating Class Members will receive their pro rata share of any portion of the remaining 30% of the Net Settlement Amount not distributed as Compensable Final Payment Claims, described below.
2. Compensable Final Payment Claims. The Administrator will calculate Compensable Final Payment Claims as follows: 30% of the Net Settlement Amount shall be available to pay "Final Payment Settlement Amounts" for "Compensable Final Payment Claims" as described below. Any portion of the 30% of the Net Settlement Amount not distributed as described below will be divided pro rata among all Participating Class Members.

- (a) “Final Payment Claim” means and refers to a claim made by a Participating Class Member that such member was issued a final wage payment on a production after the Final Check Due Date.
- (b) “Final Check Due Date” means and refers to the Thursday following the Final Work Week.
- (c) “Final Work Week” refers to the last Sunday to Saturday workweek during which a Participating Class Member worked on a production.
- (d) “Compensable Final Payment Claims” means and refers to Final Payment Claims that are considered payable for purposes of receiving settlement proceeds. Final Payment Claims are payable if they are supported by documentation demonstrating that the Participating Class Member was not issued any payment for wages for work performed during their Final Work Week by the Final Check Due Date. For the avoidance of doubt, if a Participating Class Member was issued any wage payment for work performed during their Final Work Week by check by the Final Check Due Date, then a Final Payment Claim would not be payable. By way of illustration, if a Participating Class Member was issued a check for their Final Work Week by the Final Check Due Date, but later received a rate adjustment or additional wages for the same work week, the Final Payment Claim would not be payable.
- (e) Each Participating Class Member is limited to no more than one Compensable Final Payment Claim.
- (f) The initial “Maximum Value” of each Compensable Final Pay Claim shall be based on the following graduated schedule dependent on the difference between the date the payment (or first payment, if more than one) was issued for the applicable Final Work Week and the Final Check Due Date:
 - (i) Under 1 week: \$100
 - (ii) 1 week to under 2 weeks: \$250
 - (iii) 2 weeks to under 3 weeks: \$500
 - (iv) 3 weeks to under 30 days: \$750
 - (v) 30 or more days: \$1,000

- (g) “Final Payment Settlement Amount” means and refers to the amount to be allocated to individual Participating Class Members who make a “Compensable Final Payment Claim.” If the sum total of all of the Maximum Values of the Compensable Final Payment Claims are equal to or less than 30% of the Net Settlement Amount, then the Final Payment Settlement Amount for each Compensable Final Payment Claim shall equal the Maximum Value of each Compensable Final Payment Claim. If the sum total of all Maximum Values of the Compensable Final Payment Claims exceeds 30% of the Net Settlement Amount, then the Claims Administrator shall divide that sum total of all of the Maximum Values of the Compensable Final Payment Claims by the value of 30% of the Net Settlement Amount to calculate a “Reduction Factor.” The Final Payment Settlement Amount for each Compensable Final Payment Claim shall then equal its Maximum Value divided by the Reduction Factor so that the sum total of all Final Payment Settlement Amounts does not exceed 30% of the Net Settlement Amount.

3. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments as follows: All Class Members who are Aggrieved Employees will receive their pro rata share of 25% of the PAGA Penalties.
4. Challenges to Calculation of Compensable Final Payment Claims. You have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to submit documentation supporting any Final Payment Claim. The Administrator shall have 15 days after receipt of your supporting documentation to confirm your eligibility for a Compensable Final Payment Claim including by reference to Defendant’s records, calculate the amount due, if any, and send you notice of same (“Payment Notice”). If you wish to challenge the Administrator’s eligibility determination or its calculation of your Final Payment Settlement Amount, you have 15 days after receipt of the Payment Notice to do so. You may challenge the determination and/or calculation by communicating with the Administrator via email or mail. The Administrator’s decision is final. You cannot appeal or otherwise challenge its final decision.

5. **HOW WILL I GET PAID?**

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn’t opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment, any Final Payment Settlement Amount, and the Individual PAGA Payment.

2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *Jerome Divinity v. WB Studio Enterprises, Inc., a Delaware Corporation, et al.*, Los Angeles Superior Court Case No. 20STCV37526, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and WB are asking the Court to approve. At least _____ days before the _____ Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs are requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website _____url_____ or the Court's website _____url_____.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Jerome Divinity v. WB Studio Enterprises, Inc., a Delaware Corporation, et al.*, Los Angeles Superior Court Case No. 20STCV37526 and include your name, current address, telephone number, and approximate dates of employment for WB and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at ____ (time) in Department 7 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything WB and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____ specify entity _____'s website at _____ url _____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 20STCV37526. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Name of Attorney: Alan Harris; Min Ji Gal

Email Address: harrisa@harrisandruble.com; mgal@HarrisandRuble.com

Name of Firm: HARRIS & RUBLE

Mailing Address: 655 North Central Avenue, 17th Floor, Glendale, CA 91203

Telephone:

Settlement Administrator:

Name of Company: CPT Group Inc.

Email Address:

Mailing Address: 50 Corporate Park, Irvine, CA 92606

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the California Controller's Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

Divinity Settlement Agreement - Final

Final Audit Report

2022-10-31

Created:	2022-10-31
By:	Maria Lopez (maria.l.lopez@warnerbros.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAJAEWx4sbG8T3KkTF0TqBjYn0o0mg_o2S

"Divinity Settlement Agreement - Final" History

-  Document created by Maria Lopez (maria.l.lopez@warnerbros.com)
2022-10-31 - 9:56:45 PM GMT- IP address: 168.161.212.233
-  Document emailed to Zazi Pope (zazi.pope@warnerbros.com) for signature
2022-10-31 - 9:58:11 PM GMT
-  Email viewed by Zazi Pope (zazi.pope@warnerbros.com)
2022-10-31 - 9:58:39 PM GMT- IP address: 168.161.212.233
-  Document e-signed by Zazi Pope (zazi.pope@warnerbros.com)
Signature Date: 2022-10-31 - 10:14:18 PM GMT - Time Source: server- IP address: 168.161.212.233
-  Agreement completed.
2022-10-31 - 10:14:18 PM GMT