

1 **AGREEMENT RE: GLOBAL CLASS ACTION AND PAGA SETTLEMENT**

2 *Wilson, et al. v. Ikea North America Services, LLC, et al.* (LASC Case No. 20STCV32154)

3 *Wilson, et al. v. Ikea North America Services, LLC, et al.,* (LASC Case No. 20BBC00789)

4 *Kingsley, et al. v. Ikea US Retail, LLC, et al.* (USDC – N.D. Cal. Case No. 3:20-cv-09327-WHO)

5
6 This Agreement Re: Global Class Action and PAGA Settlement (together with all exhibits,
7 “Agreement”) is made and entered into by and between Plaintiffs Kyree Wilson, Rhonda Guerrero,
8 and Jason Kingsley (“Plaintiffs”) and Defendants IKEA US Retail, LLC, IKEA US WEST, IKEA
9 North America Services, LLC, and IKEA Distribution Services, Inc. (“Defendants”), hereinafter
10 collectively referred to as the “Parties.”

11
12
13 **THE PARTIES STIPULATE AND AGREE** as follows:

14 1. That Defendants agree to toll the relevant time period for each of the above-entitled
15 Actions (defined below) and for all their causes of actions alleged therein back to the dates alleged
16 in their initial complaints if dismissed and re-filed;

17 2. That Defendants agree to toll the statute of limitations for each of the above-entitled
18 Actions (defined below) and shall not assert or make arguments against any of the Plaintiffs’ causes
19 of actions having had their statute of limitations run if dismissed and re-filed;

20 3. If the Agreement is not fully and finally approved for any reason, the Parties agree to
21 revert back to the previous posture as before entering into this Agreement, including re-filing
22 *Kingsley* in the United States District Court for the Northern District of California.

23 4. To effectuate the global settlement of the above-entitled Actions (defined below)
24 contemplated herein, Plaintiff Jason Kingsley shall dismiss his action pending in the United States
25 District Court, Northern District of California, North Division, entitled *Jason Kingsley, et al. v. IKEA*
26
27

1 *US Retail, LLC, et al.*, Case No. 3:20-cv-09327-WHO, and re-file the complaint in the California
2 Superior Court, County of Alameda (see Alameda Action, defined below);

3 5. Plaintiffs Kyree Wilson and Rhonda Guerrero shall file the Joint Stipulation to Stay
4 Action in the Los Angeles Superior Court, in *Wilson, et al. v. IKEA North America Services, LLC,*
5 *et al.* (LASC Case No. 20STCV32154), and *Wilson, et al. v. IKEA North America Services, LLC, et*
6 *al.*, (LASC Case No. 20BBC00789) to preserve the Parties' time, effort, money, and other resources
7 towards effectuating the global settlement of the above-entitled Actions (defined below) as
8 contemplated herein;
9

10 6. Thereafter, through the Alameda Action (defined below) Class Counsel (defined
11 below) pursue global settlement of the Actions (defined below) consistent with the terms set forth
12 herein:

13 Subject to the approval of the Court in the to-be filed Alameda Action (defined below), the
14 Actions (defined below) are hereby being compromised and settled on a global basis pursuant to the
15 terms and conditions set forth in this Agreement. This Agreement shall be binding on Plaintiffs,
16 Participating Class Members (defined below), PAGA Group Members (defined below), Defendants,
17 and on the Parties' respective counsel, subject to the terms and conditions hereof and the approval
18 of the Court.
19

20
21 **I. DEFINITIONS**

22 1. The following terms, as used throughout this Agreement are defined as follows:

23 (a) Actions. The term "Actions" shall mean and refer to the legal actions pending
24 as of the time of execution of this Agreement in: (1) the Superior Court of California for the County
25 of Los Angeles, entitled *Kyree Wilson, et al., vs. IKEA North America Services, LLC, et al.*, Case
26 No. 20STCV32154; (2) the Superior Court of California for the County of Los Angeles, entitled
27

1 Kyree Wilson, et al., vs. IKEA North America Services, LLC, et al., Case No. 20BBC00789; and (3)
2 the United States District Court, Northern District of California, North Division, entitled *Jason*
3 *Kingsley, et al. v. IKEA US Retail, LLC, et al.*, Case No. 3:20-cv-09327-WHO.

4 (b) Alameda Action. The term “Alameda Action” shall mean the action filed after
5 the execution of this Agreement which will be brought by Plaintiff Kingsley in the California
6 Superior Court, County of Alameda, where the Parties will seek approval of the global settlement.
7 The Alameda Action’s initial complaint shall be the Complaint attached hereto as **Exhibit A**, which
8 shall encompass all of the causes of action brought by all of the Plaintiffs in the Actions.
9

10 (c) Check Cashing Deadline. The term “Check Cashing Deadline” shall mean one
11 hundred eighty (180) calendar days after an Individual Settlement Amount is issued to a Participating
12 Class Member by check.

13 (d) Class. The term “Class” shall mean and refer, collectively, to all Class
14 Members.

15 (e) Class Counsel. The term “Class Counsel” shall mean Schneider Wallace
16 Cottrell Konecky LLP, Lawyers for Justice, PC, and James Hawkins APLC.

17 (f) Class Members. The term “Class Members” shall mean: all current and former
18 hourly-paid or non-exempt employees who worked for any of the Defendants within the State of
19 California at any time during the Class Period.
20

21 (g) Class Period. The term “Class Period” shall mean the time period from August
22 24, 2016 through January 31, 2023.

23 (h) Class Representatives. The term “Class Representatives” shall mean and refer
24 to plaintiffs Kyree Wilson, Rhonda Wilson, and Jason Kingsley. The term “Class Representatives”
25 shall be synonymous with the term “Plaintiffs.”
26
27

1 (i) Court. The term “Court” shall refer to the Superior Court of California for the
2 County of Alameda, where the Alameda Action will be pending.

3 (j) Defendants. The term “Defendants” shall mean and refer to IKEA North
4 America Services, LLC, IKEA US Retail, LLC, IKEA US West, and IKEA Distribution Services,
5 Inc.

6 (k) Defendants’ Counsel. The term “Defendants’ Counsel” shall refer to Ogletree,
7 Deakins, Nash, Smoak & Stewart, P.C.

8 (l) Document Receipt Deadline. The term “Document Receipt Deadline” shall
9 mean thirty (30) calendar days after the Notices are mailed to Class Members by the Settlement
10 Administrator.

11 (m) Effective Date. The term “Effective Date” shall mean the date on which the
12 Court’s Judgment becomes final, as further detailed in Paragraph 7, herein.

13 (n) Final Approval Hearing. The term “Final Approval Hearing” shall mean and
14 refer to a hearing before the Court to finally approve the Settlement as fair, reasonable, and adequate,
15 as further detailed in Paragraph 30, herein.

16 (o) Final Settlement Papers. The term “Final Settlement Papers” shall refer to and
17 include a Motion for Final Approval of Settlement, Motion for Attorneys’ Fees and Costs and
18 Plaintiffs’ Enhancement Award, and [Proposed] Final Approval Order and Judgment.

19 (p) Individual Settlement Amount. The term “Individual Settlement Amount”
20 shall mean a Class Member’s share of the Net Settlement Amount, as further detailed in Paragraph
21 20, subparagraph (f), herein.

22 (q) Judgment. The term “Judgment” shall mean the Judgment entered by the
23 Court upon granting final approval of the Settlement.
24

1 (r) Net Settlement Amount. The term “Net Settlement Amount” shall mean and
2 refer to the balance of the Total Class Action Settlement Amount, after all Court-approved
3 deductions for attorneys’ fees and actual costs to Class Counsel, the Settlement Administrator’s cost
4 and fees, the Class Representatives’ enhancement awards, and the PAGA Allocation. The Net
5 Settlement Amount is the maximum amount that will be available for distribution to Class Members.

6 (s) Notice. The term “Notice” shall mean the Notice of Class Action Settlement,
7 attached hereto as **Exhibit B**.

8 (t) PAGA Group Members. The term “PAGA Group Members” shall mean: all
9 current and former non-exempt employees employed in California at any time during the PAGA
10 Period.
11

12 (u) PAGA Period. The term “PAGA Period” shall mean the time period between
13 September 1, 2019 through January 31, 2023.

14 (v) Participating Class Member. The term “Participating Class Member” means a
15 Class Member who does not submit a valid and timely Request for Exclusion from the Settlement,
16 as further detailed in Paragraph 10, herein.

17 (w) Parties. The term “Parties” shall mean and refer collectively to Plaintiffs and
18 Defendants.
19

20 (x) Plaintiffs. The term “Plaintiffs” shall mean and refer to plaintiffs Kyree
21 Wilson, Rhonda Guerrero, and Jason Kingsley. The term “Plaintiffs” shall be synonymous with the
22 term “Class Representatives.”

23 (y) Preliminary Approval Date. The term “Preliminary Approval Date” shall
24 mean the date that the Court enters the Preliminary Approval Order.
25

1 (z) Qualified Settlement Fund. The term “Qualified Settlement Fund” shall mean
2 a qualified settlement fund under Section 468B of the Internal Revenue Code established by the
3 Settlement Administrator for the purpose of administering this Settlement.

4 (aa) Released Parties. The term “Released Parties” shall mean and refer to
5 Defendants and all of Defendants’ current or former parent companies, subsidiary companies, and/or
6 related companies, partnerships, joint ventures, affiliates, divisions, and, with respect to each of them,
7 all of their and/or such related entities’ predecessors and successors, and, with respect to each such
8 entity, all of its past, present, and/or future, officers, partners, principals, directors, stockholders,
9 managers, owners, representatives, assigns, attorneys, agents, insurers, employee benefit programs
10 (and the trustees, administrators, fiduciaries, and insurers of such programs), and any other persons
11 acting by, through, under, or in concert with any of the persons or entities listed in this subsection,
12 and their successors.

14 (bb) Settlement. The term “Settlement” shall refer to the disposition of the Actions
15 and Alameda Action effected by this Agreement and the Judgment.

17 (cc) Settlement Administrator. The term “Settlement Administrator” shall refer to
18 Phoenix Settlement Administrators (“Phoenix”), or any other third-party class action settlement
19 administrator agreed to by the Parties and approved by the Court for the purposes of administering
20 this Settlement. If a Settlement Administrator is not agreed upon by the Parties, Class Counsel shall
21 select a Settlement Administrator on the bases of cost and competence, with the best interest of the
22 Class in mind, subject to approval by the Court for purposes of administering this Settlement.

24 (dd) Total Class Action Settlement Amount. The term “Total Class Action
25 Settlement Amount” shall mean Two Million Seven Hundred Fifty Thousand Dollars and Zero Cents
26 (\$2,750,000.00). This is the maximum possible amount that may be paid by Defendants to resolve
27 the Actions and Alameda Action with the limited exceptions of: (1) Defendants’ responsibility for

1 the employer's share of taxes associated with the Class Members' Individual Settlement Amounts;
2 and (2) the additional amount to be paid, if any, due to a possible increase of the Total Class Action
3 Settlement amount as described in Paragraph 13. The Total Class Action Settlement Amount is a
4 common fund, non-reversionary amount.

5 2. Date Of This Agreement: This Agreement is made as of the date set forth below by
6 and between Plaintiffs, on behalf of themselves, the Class, and the state of California, on the one
7 hand, and Defendants, on the other hand, subject to approval of the Court.
8

9
10 **II. BACKGROUND OF THE ACTIONS**

11 3. Brief Procedural History. The Parties briefly summarize the procedural history of the
12 Actions.

13 (a) On August 24, 2020, plaintiffs Wilson and Guerrero filed the putative class
14 action entitled *Kyree Wilson, et al. vs. IKEA North America Services, LLC, et al.*, Case No.
15 20STCV32154 ("*Wilson I*"), in the Superior Court for the County of Los Angeles. *Wilson I* alleges
16 the following causes of action against Defendants: (1) failure to pay overtime wages; (2) failure to
17 provide legally required meal periods; (3) failure to provide legally required rest periods; (4) failure
18 to pay minimum wages; (5) failure to pay wages upon termination or separation of employment; (6)
19 failure to pay wages twice monthly; (7) failure to provide accurate, itemized wage statements; (8)
20 failure to maintain complete and accurate payroll records; (9) failure to reimburse necessary business
21 expenses; and (10) unfair, and deceptive business practices.
22

23 (b) On September 1, 2020, pursuant to California's Labor Code section 2699.3,
24 subd.(a), plaintiffs Wilson and Guerrero gave timely written notice to Defendants and the California
25 Labor and Workforce Development Agency ("LWDA") of plaintiffs' intent to file the California's
26 Private Attorneys General Act ("PAGA") Action by sending the PAGA Notice.
27

1 (c) On October 2, 2020, Defendants removed *Wilson I* to the United States
2 District Court for the Central District of California.

3 (d) On November 5, 2020, plaintiffs Wilson and Guerrero filed the PAGA action
4 entitled *Kyree Wilson, et al. vs. IKEA North America Services, LLC, et al.*, Case No. 20BBCV00789
5 (“*Wilson II*”) in the Los Angeles Superior Court. *Wilson II* alleges a single cause of action for civil
6 penalties under the PAGA for alleged violations of California’s Labor Code for: (1) failure to pay
7 overtime wages; (2) failure to provide legally required meal periods; (3) failure to provide legally
8 required rest periods; (4) failure to pay minimum wages; (5) failure to pay wages upon termination
9 or separation of employment; (6) failure to provide accurate, itemized wage statements; (8) failure
10 to maintain complete and accurate payroll records; and (9) failure to reimburse necessary business
11 expenses.
12

13 (e) On December 14, 2020, *Wilson I* was remanded back to the Los Angeles
14 Superior Court.

15 (f) On December 23, 2020, plaintiff Kingsley filed a putative class action entitled
16 *Jason Kingsley, et al. vs. IKEA US RETAIL, LLC, et al.*, Case No. 3:20-cv-09327 (“*Kingsley*”), in
17 the United States District Court, Northern District of California, Northern Division. *Kingsley* alleges
18 the following causes of action against Defendants IKEA US Retail, LLC and IKEA US West: (1)
19 failure to pay minimum wages; (2) failure to pay overtime; (3) failure to provide meal periods; (4)
20 failure to provide rest periods; (5) failure to timely pay wages; (6) failure to pay accurate wage
21 statements; and (7) unfair, and deceptive business practices.
22

23 (g) On February 9, 2021, Defendants filed a Motion for Judgment on the
24 Pleadings in *Wilson I* arguing that the plaintiffs could not bring claims for rest periods, waiting time
25 penalties, nor wage statements as they previously released those claims in an action titled *Allyza*
26
27

1 *Cahilig v. IKEA US Retail, LLC*, United States District Court for the Central District of California,
2 Case No. 2:19-cv-00182-CJC.

3 (h) On April 7, 2021, Defendants filed a Motion to Strike portions of *Wilson II*
4 complaint seeking PAGA penalties for alleged failure to provide rest periods, failure to provide
5 accurate, itemized wage statements, and failure to pay wages upon termination or separation of
6 employment.

7
8 (i) On April 22, 2021, the *Wilson I* court granted Defendants' Motion for
9 Judgement on the Pleading as to third, fifth, and seventh causes of action of *Wilson I* Action.

10 (j) On December 28, 2021, the *Kingsley* action amended its complaint to add its
11 eighth cause of action for a representative action under PAGA due to underlying violations of the
12 California Labor Code.

13 (k) Mediation. and Settlement Agreement Reached by Wilson Parties. On June
14 28, 2022, the Parties in the *Wilson I* and *Wilson II* actions, by and through their counsel, participated
15 in a private mediation before Jeffrey Krivis, Esq. Those mediation efforts were ultimately successful
16 with the *Wilson* parties agreeing to resolve *Wilson I* and *Wilson II* in principle and on a class-wide
17 basis on July 15, 2022, through mutual agreement of the mediator's proposal.

18
19 (l) On February 14, 2023, the *Wilson I* plaintiffs filed a Motion for Preliminary
20 Approval in *Wilson I* to resolve *Wilson I* and *Wilson II*.

21 (m) On April 17, 2023, Jason Kingsley filed a Motion to Intervene in the *Wilson I*
22 settlement.

23
24 (n) On September 13, 2023, the *Wilson I* court denied the Motion to Intervene.

25 (o) On October 18, 2023, the *Wilson I* court noted that the "parties are not in
26 agreement with the revisions to the settlement agreement" and took the Motion for Preliminary
27 Approval off calendar.

(p) Thereafter, the Parties in the Actions negotiated in good faith and now have agreed to a global settlement of the Actions via the Alameda Action.

4. Investigation. The Parties in the Actions conducted a detailed and comprehensive investigation of the claims asserted against Defendants and of the applicable law. The Parties exchanged informal discovery, which included: (a) analysis by the Parties of certain records, data, and policies pertaining to Plaintiffs, Class Members, and the claims asserted in the Actions; (b) research of the law applicable to Plaintiffs' claims and Defendants' affirmative defenses, as well as the damages alleged by Plaintiffs; (c) examination and analysis of information and documents; and (d) consideration of information disclosed at and in connection with mediation.

5. Benefits of Settlement. The Class Representatives and Class Counsel recognize the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. The Class Representatives and Class Counsel also are aware of the burdens of proof necessary to establish liability for the claims asserted in the Actions, the defenses thereto, and the difficulties inherent in the Actions. Based on the foregoing, the Class Representatives and Class Counsel have determined that the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and that it is in the best interest of the Class Members. Based on their discovery and investigation, Class Counsel has determined that the settlement is well within the range of reasonableness. The settlement embodied and documented in this Agreement is the product of extensive, arms-length negotiations, and is not the product of collusion. Likewise, Defendants have concluded that any further defense of the Actions would be protracted and expensive. Substantial amounts of time, energy, and resources have been, and will continue to be, devoted to the defense of the Actions unless this settlement is made. Therefore, Defendants have agreed to settle, in the manner and upon the terms set forth in this Agreement, in order to fully and finally resolve the claims asserted in the Actions.

6. Denial of Wrongdoing. Defendants have denied and continue to deny each of the claims asserted by Plaintiffs in the Actions and the Alameda Action. Defendants contend, among other things, that they complied at all times with the California Labor Code and applicable California Wage Orders, that it paid all wages owed to Plaintiffs and Class Members, and that any claim for wage payments or penalties owed is not actionable and/or does not give rise to any liability under the California Labor Code. Defendants further contend that they complied at all times with the provisions of the California Business & Professions Code § 17200 *et seq.* Neither this Agreement nor any action taken to carry out the Agreement may be construed as an admission by Defendants of any fault, wrongdoing, or liability whatsoever.

III. DATE OF SETTLEMENT

7. Effective Date. The Court's Judgment shall become final when all of the following events have occurred:

(a) The Agreement has been executed by all Parties, Class Counsel, and Defendants' Counsel;

(b) The Court has granted preliminary approval to the Settlement;

(c) The Court has held a Final Approval Hearing and has granted final approval to the Settlement; and

(d) In the event that objections are presented at the Final Approval Hearing either in writing or through personal attendance, upon the later of:

(i) The date of final affirmance on an appeal of the Judgment; the expiration of the time for a petition to review the Judgment; and, if review is granted, the date of final affirmance of the Judgment following review; or

(ii) The date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding to review the Judgment; or

(iii) If no appeal is filed, the expiration date for filing any appeal from the Judgment.

(e) In the event that no objections are presented at or before to the Final Approval Hearing, or that any filed written objections are withdrawn prior to the Final Approval Hearing, the Court's Judgment shall become final when the conditions set forth in subparagraphs (a) through (c) of this Paragraph 7, hereinabove, have been fulfilled.

IV. CLASS MEMBERS INCLUDED IN THE SETTLEMENT

8. Scope Of The Class. The Class is defined in Paragraph 1(f), above.

9. Class Members' Objection To This Settlement. Any Class Member may object to the Settlement by mailing a written objection to the Settlement Administrator at the address detailed in the Notice by no later than the Document Receipt Deadline which is thirty (30) calendar days after the date that the Settlement Administrator first mails Notices to Class Members. Even if a Class Member fails to timely submit a written objection to the Settlement Administrator, he or she may appear at the Final Fairness Hearing to object to the Settlement. Any Class Member who does not object to the Settlement through a written objection and/or by appearing at the Final Fairness Hearing, however, may not appeal the final Judgment. In the event that the Court approves this Settlement notwithstanding the objections of any Class Members, Class Members who object to the Settlement will nonetheless be bound by the Settlement. Class Members who have opted out of the Settlement as detailed in Paragraph 22, subparagraph (d), herein do not have standing to object to the Settlement or to file an appeal for purposes of Paragraph 7.

10. Class Members' Exclusion ("Opt-Out") From This Settlement. Any Class Member may request to be excluded ("opt-out") from this Settlement by mailing a written Request for Exclusion to the Settlement Administrator as prescribed in Paragraph 22, subparagraph (d), herein. Each Class Member who submits a valid Request for Exclusion shall not be a Class Member and

1 shall not be bound by the Settlement, except that if he or she is a PAGA Group Member he or she
2 will still be bound by the PAGA Release (see Paragraph 16, herein) and will receive his or her
3 proportionate share of the portion of the PAGA Allocation (see Paragraph 20, subparagraph (e),
4 herein) that is allocated to PAGA Group Members. Each Class Member who has not validly and
5 timely opted-out as prescribed in Paragraph 22, subparagraph (d), herein, will be subject to the
6 Release.

7
8 11. Class Members and PAGA Group Members' Disputes Regarding The Number Of
9 Qualifying Workweeks or Qualifying Pay Periods attributable to Them. If a Class Member and/or
10 PAGA Group Member wishes to dispute the number of Qualifying Workweeks (see Paragraph 20,
11 subparagraph (f), herein) or Qualifying Pay Periods see Paragraph 20, subparagraph (h), herein)
12 attributed to them and listed on the Class Notice, the Class or PAGA Group Member must notify the
13 Settlement Administrator and should produce any available supporting evidence to the Settlement
14 Administrator of the dates the Class Member or PAGA Group Member contends he or she worked
15 during the Class Period or PAGA Period by no later than the Document Receipt Deadline.
16 Defendants will review their records and provide information to the Settlement Administrator in
17 response to any such disputed claim. Defendants' records will be presumed to be determinative, but
18 the Settlement Administrator will evaluate the evidence submitted by the Class Member or PAGA
19 Group Member and make the decision as to which dates should be applied. The determination by the
20 Settlement Administrator will be final and binding, subject to oversight by the Court.

21
22 If a person believes that he or she was wrongly excluded from being a member of the Class
23 or PAGA Group, that person must notify the Settlement Administrator by the Document Receipt
24 Deadline or he or she will be excluded from the Class or PAGA Group. The Parties will endeavor to
25 resolve the issue informally. If they are unable to do so, the Parties will refer the matter to the Court
26 for a final determination on whether relief should be provided to that individual.
27

12. Termination Provision. Defendants reserve the right to revoke this Agreement and the Settlement provided for herein prior to the Final Approval Hearing in the event that five percent (5%) or more Class Members opt out of the Settlement by submitting timely and valid Requests for Exclusion in the manner set forth in Paragraph 22, subparagraph (d), below, in which case this Agreement will not have any force and/or effect. Defendants must notify Class Counsel and the Court of its election to withdraw not later than seven (7) calendar days after the Settlement Administrator sends the total percentage of opt-outs; late elections will have no effect. If the Settlement is voided pursuant to this paragraph, no payment will be made by Defendants to Plaintiffs, any Class Member, or Class Counsel; and all Parties and third parties referenced in this Agreement will bear their own costs, fees, and expenses associated with the Litigation. However, Defendants will be responsible for the costs incurred by the Settlement Administrator.

13. Pro Rata Increase. In the event that the total number of weeks worked by the Class Members through the date of the Parties' mediation exceeds the total number of workweeks as represented at mediation by more than ten percent (10%), Defendants will increase the Total Class Action Settlement Amount by the percentage over ten percent (10%). For example, if the actual number is increased by twelve percent (12%), then the Total Class Action Settlement Amount will be increased by two percent (2%).

14. Finality Of Settlement. As of the Effective Date, the settlement contained herein, including the Release outlined below, shall be final and binding upon all Participating Class Members.

V. RELEASES

15. Release By Plaintiffs And Participating Class Members. As of the Effective Date, Plaintiffs and Participating Class Members (including the Class Representatives) release the Released Parties from the following, collectively referred to as the "Released Class Claims":

1 All causes of action and factual or legal theories/allegations that were alleged in the operative
2 complaints in the Actions and Alameda Action, including but not limited to all of the
3 following claims for relief: (a) failure to pay minimum wages or overtime wages; (b) failure
4 to provide all legally required meal periods or pay premiums in lieu thereof; (c) failure to
5 provide all legally required rest periods or pay premiums in lieu thereof; (d) failure to pay
6 final wages due at time of separation; (e) failure to pay all wages timely during employment;
7 (f) failure to provide accurate itemized wage statements; (g) failure to maintain complete and
8 accurate payroll records; (h) failure to indemnify for necessary business expenditures; (i)
9 unfair, and unlawful business practices in violation of California's Business & Professions
10 Code section 17200, et seq.; (j) any other claims or penalties under the wage and hour laws
11 pleaded in the Action or primary rights associated with such laws; and (k) all damages,
12 penalties, interest and other amounts recoverable under said causes of action under California
13 and federal law, to the extent permissible, including but not limited to the California Labor
14 Code, the applicable Wage Orders, the California Unfair Competition Law, and the Fair
15 Labor Standards Act as to the facts alleged in the Action (collectively, the "Released
16 Claims"). Plaintiffs and Participating Class Members do not release claims or actions to
17 enforce this Agreement, claims for vested benefits, wrongful termination, violation of the
18 Fair Employment and Housing Act, unemployment insurance, disability, social security,
19 workers' compensation, or claims based on facts occurring outside the Class Period. The
20 period of the Release shall extend to January 31, 2023. The res judicata effect of the
21 Judgment will be the same as that of the Release.
22
23
24

25 By virtue of this Agreement, Plaintiffs and Participating Class Members shall be deemed to
26 have, and by operation of the final Judgment approved by the Court, shall have, fully, finally, and
27 forever settled and released all of the Released Class Claims as defined in this Agreement.
28

16. PAGA Release. As of the Effective Date, Plaintiffs, the PAGA Group Members, and the State of California will release the Released Parties from the following claims for civil penalties, collectively referred to as the “Released PAGA Claims” during the PAGA Period:

All causes of action, claims, and/or legal theories for civil penalties, both potential and actual, that were alleged or reasonably could have been alleged based on the facts and theories of the operative complaints in the Actions and Alameda Action, including but not limited to claims for: (a) failure to pay minimum wages or overtime wages; (b) failure to provide legally required meal periods or pay premiums in lieu thereof; (c) failure to provide legally required rest periods or pay premiums in lieu thereof; (d) failure to pay final wages due at time of separation; (e) failure to pay all wages timely during employment; (f) failure to provide accurate itemized wage statements; (g) failure to maintain complete and accurate payroll records; (h) failure to indemnify for necessary business expenditures; (i) failure to provide a day of rest pursuant to Labor Code sections 551 and 552; (j) failure to pay split shift premiums; (k) any other claims for civil penalties under the wage and hour laws pleaded in the Action or that are based on the same predicate facts or primary rights associated with such laws; and (l) all statutory penalties and other amounts recoverable under said causes of action under California law, to the extent permissible, including but not limited to the California Labor Code and the applicable Wage Orders (collectively, the “PAGA Released Claims”). The Released PAGA Claims do not include any claims or actions to enforce this Agreement, 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 PAGA Period. The period of the Release shall extend to January 31, 2023. The res judicata effect of the Judgment will be the same as that of the Release. These PAGA Released Claims will be released for PAGA

Group Members regardless of whether they request exclusion from the Settlement as a Class member pursuant to Paragraph 10.

17. General Release By The Class Representatives. In addition to the Release set forth in the above Paragraph 15, the Class Representatives makes the additional general release of all of their individual claims as follows: The Class Representatives release the Released Parties from any and all claims, actions, demands, causes of action, suits, debts, obligations, damages, rights, or liabilities of any nature and description whatsoever, known or unknown, that the Class Representatives individually may possess against the Released Parties arising from the Class Representatives' employment with Defendants. The Class Representatives hereby acknowledges that, upon receiving the sums provided pursuant to this Agreement, they will have received all potential wages, damages, and penalties allegedly owing to them by the Released Parties, and, further, that they are not owed any additional wages, penalties, or damages from the Released Parties.

The Class Representatives also agree to expressly waive the provisions of California Civil Code section 1542, which provides as follows:

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

The Class Representatives' general releases shall cover the time period from August 24, 2016 up to the Preliminary Approval Date.

18. Representation Regarding Claims. Plaintiffs and Class Counsel make a binding representation that Plaintiffs and Class Counsel are not currently aware of any: (a) unalleged claims in addition to, or different from, those which are finally and forever settled and released against the Released Parties by this Agreement; and (b) unalleged facts or legal theories upon which any claims

1 or causes of action could be brought against Defendants, except such facts and theories specifically
2 alleged in the operative complaint in the Actions and Alameda Action. Plaintiffs and Class Counsel
3 further represent that, other than the actions being resolved by this Agreement, they have no current
4 intention of asserting any other claims against Defendants in any judicial or administrative forum.
5 Plaintiffs and Class Counsel represent that they do not currently know of or represent any persons
6 who have expressed any interest in pursuing litigation or seeking any recovery against Defendants.
7 The Parties acknowledge, understand and agree that the representations described in this paragraph
8 are essential to the Agreement and that this Agreement would not have been entered into were it not
9 for this representation. Any misrepresentation regarding the above are deemed material breaches of
10 this Agreement and cause for nullification of the Agreement pursuant to Paragraph 34.

12 Plaintiffs and the Class Members may hereafter discover facts or legal arguments in addition
13 to or different from those they now know or currently believe to be true with respect to the claims,
14 causes of action and legal theories of recovery in this Action, which are the subject matter of the
15 Released Class Claims. Regardless, the discovery of new facts or legal arguments shall in no way
16 limit the scope or definition of the Released Class Claims, and by virtue of this Agreement, Plaintiffs
17 and Class Members shall be deemed to have, and by operation of the final Judgment approved by
18 the Court, shall have, fully, finally, and forever settled and released all of the Released Class Claims
19 as defined in this Agreement.

21 **VI. AMOUNT AND DISTRIBUTION OF SETTLEMENT**

22 19. Settlement Amount. The Total Class Action Settlement Amount shall be Two Million
23 Seven Hundred Fifty Thousand Dollars and Zero cents (\$2,750,000.00). Defendants will pay the
24 Total Class Action Settlement Amount within thirty (30) calendar days following the Effective Date
25 by wiring that amount into the Qualified Settlement Fund. Under no circumstances will Defendants
26 be obligated to pay more than the amount of \$2,750,000.00 as a result of this Settlement except as
27

provided by Paragraph 13 or as is required by Defendants paying the employer's share of taxes associated with the Settlement.

20. Deduction From Settlement Amount. Deductions from the Total Class Action Settlement Amount, all subject to Court approval, shall be made for:

(a) Attorneys' Fees. Class Counsel may apply for an award of attorneys' fees, not to exceed 33.33% of the Total Class Action Settlement Amount, that is, Nine Hundred Sixteen Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven cents (\$916,666.67). The attorneys' fees award shall be paid from the Total Class Action Settlement Amount. Defendants agree not to oppose any such applications that are consistent with this paragraph. Even in the event that the Court reduces or does not approve the award of attorneys' fees discussed in this paragraph, Class Representatives and Class Counsel shall not have the right to revoke this Agreement.

(b) Attorneys' Costs. In addition to attorneys' fees, Class Counsel may apply for an award of costs, not to exceed the sum of \$30,000.00. The costs award shall be paid from the Total Class Action Settlement Amount. Defendants agree not to oppose any such applications that are consistent with this paragraph. Even in the event that the Court reduces or does not approve the award of costs discussed in this paragraph, Class Representatives and Class Counsel shall not have the right to revoke this Agreement.

(c) Class Representatives' Enhancement Award. Class Counsel may apply for an enhancement award to the Class Representatives in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) each, for each of the Class Representatives. The enhancement award shall be paid from the Total Class Action Settlement Amount. Defendants agree not to oppose any such application that is consistent with this paragraph. Even in the event that the Court reduces or does not approve the enhancement awards discussed in this paragraph, Class Representatives and Class Counsel shall not have the right to revoke this Agreement.

1 (d) Claims Administration Costs and Fees. All actual costs for claims
2 administration, including related accounting costs, in an amount not to exceed \$75,000.00, shall be
3 paid from the Total Class Action Settlement Amount. The Parties contemplate that the Settlement
4 Administrator shall be Phoenix, or any other third-party class action settlement administrator agreed
5 to by the Parties and approved by the Court for the purposes of administering this Agreement. If a
6 Settlement Administrator is not agreed upon by the Parties, Class Counsel shall select a Settlement
7 Administrator on the bases of cost and competence, with the best interest of the Class in mind, subject
8 to approval by the Court for purposes of administering this Agreement. To the extent actual costs for
9 claims administration are less than \$75,000.00, those amounts will be credited to the Total Class
10 Action Settlement Amount prior to distribution of the Net Settlement Amount to Class Members.
11 Defendants agree not to oppose any such applications that are consistent with this paragraph.
12

13 (e) PAGA Allocation. The Parties agree to allocate One Hundred Fifty Thousand
14 Dollars and Zero Cents (\$150,000.00) of the Total Class Action Settlement Amount to resolve the
15 Class Members' claims arising under PAGA (the "PAGA Allocation"). Pursuant to PAGA, seventy-
16 five percent (75%) of the PAGA Allocation, or One Hundred Twelve Thousand Five Hundred
17 Dollars and Zero Cents (\$112,500.00), shall be paid to the State of California Labor and Workforce
18 Development Agency (the "LWDA"), with the remaining twenty-five percent (25%), or Thirty
19 Seven Thousand Five Hundred Dollars and Zero Cents (\$37,500), paid pro rata to the PAGA Group
20 Members as set forth below.
21

22 (f) Payment of Individual Settlement Amounts To Participating Class Members.
23 After the amounts described in Paragraph 20, subparagraphs (a) through (e), above, have been
24 deducted from the Total Class Action Settlement Amount, the remainder – the Net Settlement
25 Amount – shall be distributed to each Participating Class Member, in the following manner:
26
27

1 The Net Settlement Amount shall be divided by the number of aggregate Qualified
2 Workweeks worked by Class Members during the Class Period to produce a “Weekly
3 Settlement Value.” A “Qualified Workweek” shall be a week where a Class Member was
4 employed by Defendants in California as a non-exempt employee, at any time from August
5 24, 2016 through January 31, 2023. If possible, Defendants may exclude from these
6 calculation any weeks where the Participating Class Member did not perform any work for
7 Defendants. Each Participating Class Member shall be eligible to receive a settlement
8 payment in the amount of the total number of Qualified Workweeks attributable to the
9 Participating Class Member during the Class Period multiplied by the Weekly Settlement
10 Value, less applicable withholdings, provided that the Participating Class Member has not
11 submitted a Request for Exclusion.
12

13 (g) Effect of Non-Participating Class Members on Calculation of Individual
14 Settlement Amounts. Non-Participating Class Members will not receive any Individual Settlement
15 Amounts. The Administrator will retain amounts equal to their Individual Settlement Amounts in the
16 Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.
17

18 (h) Payment of Portion of PAGA Allocation to PAGA Group Members. Twenty-
19 five percent (25%), or Sixteen Thousand Seven Hundred Fifty Dollars and Zero Cents (\$16,750.00),
20 of the PAGA Allocation to be paid to the PAGA Group Members shall be divided by the number of
21 aggregate Qualified Pay Periods worked by all PAGA Group Members during the PAGA Period to
22 produce a “Pay Period Settlement Value.” A “Qualified Pay Period” shall be a pay period where a
23 PAGA Group Member was employed by Defendants in California as a non-exempt employee, at any
24 time from September 1, 2019 through January 31, 2023. Each PAGA Group Member shall be eligible
25 to receive a settlement payment in the amount of the total number of Qualified Pay Periods
26
27
28

1 attributable to the PAGA Group Member during the PAGA Period multiplied by the Pay Period
2 Settlement Value.

3 21. Non-Reversionary Settlement. There will be no reversion to Defendants following the
4 claims process. In the event that an Individual Settlement Amount is paid to a Participating Class
5 Member by check and the check is not cashed on or before the Check Cashing Deadline, the amount
6 of the Individual Settlement Amount shall be considered unclaimed. These monies shall be
7 distributed as follows, subject to the Court's approval:

8 (a) If the total residual amount is less than \$75,000, then the amount will revert
9 to *cy pres*. The *cy pres* recipient shall be proposed by the Parties and approved by the Court. The
10 Parties propose Legal Aid at Work which provides legal services assisting low-income, working
11 families and promotes better understanding of the conditions, policies, and institutions that affect the
12 well-being of workers and their families and communities. The Settlement Administrator shall
13 distribute any *cy pres* payment.

14 (b) If the total residual amount is \$75,000 or greater, a second distribution will
15 occur to those Participating Class Members who cashed their checks for their Individual Settlement
16 Amounts. The second distribution will occur on a pro rata basis as provided for in Paragraph 20,
17 subparagraph (f). In the event of a redistribution of uncashed check funds to Participating Class
18 Members who cashed their Individual Settlement Amounts checks, the additional settlement
19 administration costs related to the redistribution will be deducted from the total amount of uncashed
20 checks prior to the redistribution. If a check to a Class Member is returned to the Settlement
21 Administrator as undeliverable during the second distribution, the Settlement Administrator shall
22 promptly attempt to obtain a valid mailing address by performing a skip trace search and, if another
23 address is identified, shall mail the check to the newly identified address. If none is found, then said
24
25
26
27

check shall revert to the *cy pres* recipient. If there are uncashed check funds remaining from redistribution as described in this Paragraph, then the amount will revert to *cy pres*.

VII. SETTLEMENT ADMINISTRATION

22. Settlement Administrator's Duties. The Settlement Administrator shall be responsible for (a) processing the data provided by Defendants to be used in calculating Individual Settlement Amounts and payments of the PAGA Allocation; (b) preparing, printing, and mailing to Class Members the Notice (attached hereto as **Exhibit B**), as well as following up with reasonable skip tracing; (c) notifying the Parties of the identity of Class Members who submit timely Requests for Exclusion and Objections; (d) calculating and mailing Individual Settlement Amounts to Participating Class Members and payments of the PAGA Allocation; (e) filing any required federal and state tax forms and related agency reporting; (f) filing any required reports with the Court; and (g) any and all such other tasks described in this Agreement, as to which the Parties mutually agree, or which the Court orders the Settlement Administrator to perform. The claims process shall be anonymous to the extent possible.

Specifically, the Settlement Administrator shall perform the following duties:

(a) Processing Of Data Provided By Defendants Regarding Class/PAGA Group Members. Upon receipt of the data provided by Defendants pursuant to Paragraph 27 herein, the Settlement Administrator shall determine, for each Class Member and/or PAGA Group Member: (i) the Class Member and/or PAGA Group Member's name, (ii) the Class Member and/or PAGA Group Member's last known address, (iii) the last four digits of the Class Member and/or PAGA Group Member's social security number, (iv) the Class Member's number of Qualified Workweeks; (v) the Weekly Settlement Value and the Individual Settlement Amount to be paid to the Class Member pursuant to Paragraph 20, subparagraph (f), above; (vi) the PAGA Group Member's number of

1 Qualified Pay Periods; (vii) the payment to be paid to the PAGA Group Member pursuant to
2 Paragraph 20, subparagraph (h), above; and (viii) whether the escalator is triggered pursuant to
3 Paragraph 13, and if so by how much.

4 (b) Mailing Of Documents. Within ten (10) calendar days of receipt of the
5 database containing the information to be provided by Defendants pursuant to Paragraph 27 herein,
6 the Settlement Administrator shall mail a copy of the Notice to all Class Members by first class
7 regular U.S. Mail, using the most current mailing address information provided by Defendants and/or
8 obtained by the Settlement Administrator. Prior to mailing the Notice to Class Members, the
9 Settlement Administrator shall run the addresses in the data provided by Defendants through the
10 National Change of Address Database for any address updates and update the data as necessary. The
11 Settlement Administrator will engage in address searches consistent with its normal practices in
12 administering settlements of wage claims, including skip tracing. Such search efforts shall include,
13 where necessary, using social security numbers to obtain better address information and attempting
14 to call such Class Members. Any returned envelopes from this mailing with forwarding addresses
15 will be utilized by the Settlement Administrator to forward the Notices to the Class Members.

16 (c) Re-Mailing Of Returned Notices. Notices returned to the Settlement
17 Administrator as non-delivered shall be re-sent to the forwarding address, if any, on the returned
18 envelope. A returned Notice will be forwarded only once per Class Member by the Settlement
19 Administrator. Upon completion of these steps by the Settlement Administrator, the Parties shall be
20 deemed to have satisfied their obligation to provide the Notice to the affected Class Member. The
21 affected Class Member shall be a Participating Class Member and shall be bound by all the terms of
22 this Agreement and the Court's Final Order and Judgment.

23 (d) Processing Requests For Exclusion ("Opt-Outs") From Settlement. In the
24 event that a Class Member wishes to be excluded ("opts out") from the settlement provided herein,
25

1 he or she must mail a written Request for Exclusion to the Settlement Administrator by first class
2 U.S. Mail, or equivalent, postage paid and postmarked, by no later than the Document Receipt
3 Deadline, which is thirty (30) calendar days after the date that the Settlement Administrator first
4 mails Notices to Class Members. To be valid, the written Request for Exclusion must include (i) the
5 Class Member's name, (ii) the Class Member's address, (iii) a request that the Class Member wishes
6 to be excluded from the settlement, and (iv) the Class Member's signature. The Settlement
7 Administrator shall notify Class Counsel and Defendants' Counsel of its receipt of all valid Requests
8 for Exclusion within five (5) business days after having received each such Request for Exclusion.
9

10 (e) Payment of Individual Settlement Amounts. The Settlement Administrator
11 shall be solely responsible for the disbursement of the Individual Settlement Amount payments.

12 (f) Declaration Of Due Diligence. No later than thirty (30) calendar days prior to
13 the Final Approval Hearing, the Settlement Administrator shall provide all Parties with a declaration
14 of due diligence to be filed with the Court.

15 (g) Allocating Portions Of the Individual Settlement As Wages. The Settlement
16 Administrator shall be responsible for calculating the portion of each Individual Settlement Amount
17 to be allocated as wages. One-third (33.334%) of each Individual Settlement Amount shall be
18 allocated as wages, and two-thirds (66.666%) of each Individual Settlement Amount shall be
19 allocated as interest and penalties.
20

21 (h) Taxation Of Individual Settlement Amounts. The portion of each Individual
22 Settlement Amount allocated as wages shall be subject to payroll withholding. The Settlement
23 Administrator shall be responsible for paying the employees' share of federal, state, and local payroll
24 and income taxes. Appropriate withholding of the employee's share of income taxes shall be
25 deducted from each Individual Settlement Amounts. The employer's share of payroll taxes shall be
26 paid outside of the Total Class Action Settlement Amount.
27

1) Federal Tax Reporting. The Settlement Administrator shall issue an IRS Form W-2 to each Class Member for the portion of the Individual Settlement Amount that is designated as wages. The Settlement Administrator shall issue an IRS Form 1099 to each Class Member for the portion of the Individual Settlement Amounts that is not designated as wages. The Settlement Administrator shall issue an IRS Form 1099 to the Class Representatives for any enhancement award paid pursuant to Paragraph 20, subparagraph (c), above, in connection with their role as the Class Representatives.

2) State Tax Reporting. The Settlement Administrator shall file, with the California Employment Development Department (“EDD”), the required reports of Personal Income Tax (“PIT”) wages withheld from the Individual Settlement Amounts, as well as the amounts to be paid as Unemployment Insurance (“UI”), Employment Training Tax (“ETT”), and State Disability Insurance (“SDI”). For purposes of this reporting, prior to disbursement of the Individual Settlement Amounts, the Settlement Administrator shall provide Defendants with a list of all Class Members, and Defendants shall provide to the Settlement Administrator with its Form DE 2088, Notice of Contribution Rates and Statement of UI Account, for the current calendar year (if unavailable, Defendants may provide instead their California State Employer’s Identification Number and applicable UI and ETT Rates).

3) Responsibility For Tax Obligations. All Class Members and the Class Representatives will be responsible for correctly characterizing the compensation they receive for tax purposes and for paying any taxes on the amounts received, except for the employer contributions, which will be handled as provided by this Agreement. Defendants are not liable for any amounts assessed by a tax authority on account of the Class Members' or the Class Representatives' failures to pay all taxes due on amounts they receive hereunder, except if the failure

1 results from Defendants' failure to pay their own portion of taxes due. The liability of each Class
2 Member and Class Representative is limited to the liability caused by that individual's own failure.

3 4) Class Counsel and Defendant's Counsel do not intend this
4 Agreement to constitute legal advice relating to the tax liability of any Class Member. To the extent
5 that this Agreement is interpreted to contain or constitute advice regarding any federal, state or local
6 tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the
7 purpose of avoiding any tax liability or penalties.
8

9 (i) Taxation of Payment of Portion of PAGA Allocation. One Hundred Percent
10 (100%) of the payment to PAGA Group Members as part of the PAGA Allocation will be treated as
11 penalties and the Settlement Administrator shall issue to PAGA Group Members an IRS Form 1099
12 for that portion of the payment. The Settlement Administrator will be responsible for calculating and
13 withholding any required state and federal taxes.

14 (j) Mailing Of Individual Settlement Amounts and Portion of PAGA Allocation
15 to PAGA Group Members. Within ten (10) calendar days after Defendants' transfer of funds to the
16 Settlement Administrator, the Settlement Administrator shall mail all Participating Class Members
17 and PAGA Group Members their Individual Settlement Amounts and/or portion of the PAGA
18 Allocation. Each check issued to a Class Member shall remain valid and negotiable for one hundred
19 eighty (180) days from the date of issuance. Those Individual Settlement Amounts and/or portion of
20 the PAGA Allocation payment not cashed by the Check Cashing Deadline shall be treated in
21 accordance with Paragraph 21 herein.
22

23 (k) Certifying The Class Members Bound By The Settlement. Within fifty (50)
24 calendar days from the Effective Date, the Settlement Administrator shall file written certification
25 with the Court with copies to counsel for all Parties that all Class Members have been mailed their
26 Individual Settlement Amounts.
27

(l) Payments To Class Counsel. Within ten (10) calendar days after Defendants' transfer of funds to the Qualified Settlement Fund, the Settlement Administrator shall pay the attorneys' fees and costs, as detailed in Paragraph 20, subparagraphs (a) and (b), above.

(m) Payment Of PAGA Allocation. Within ten (10) calendar days after Defendants' transfer of funds to the Settlement Administrator, the Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Allocation to the LWDA as civil penalties, as detailed in Paragraph 20, subparagraph (e), above.

23. Disputes Regarding The Settlement Administrator's Performance of Duties. All disputes relating to the Settlement Administrator's performance of its duties shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Agreement until all payments and obligations contemplated by this Agreement have been fully carried out.

VIII. DUTIES OF THE PARTIES PRIOR TO PRELIMINARY COURT APPROVAL

24. Submission Of The Agreement To Court. The Parties shall promptly submit this Agreement to the Court in support of Plaintiffs' motion for preliminary approval and determination by the Court as to the fairness, adequacy, and reasonableness of this Agreement, and shall apply to the Court for the entry of an order substantially in the following form:

(a) Scheduling a fairness hearing on the question of whether the proposed Settlement – including payment of attorneys’ fees, attorneys’ costs, appointment of the Class Representatives and the amount of their enhancement awards, and the method of determining Individual Settlement Amounts to be paid to Class Members – should be finally approved as fair, reasonable, and adequate as to the Class;

(b) Approving as to form and content the proposed Notice (attached as **Exhibit** **B**);

1 (c) Directing the mailing to Class Members of the Notice, by first class U.S. Mail,
2 pursuant to the terms specified herein;

3 (d) Preliminarily approving the Settlement, subject only to the objections of Class
4 Members and final review by the Court; and

5 (e) Enjoining the Class Representatives and all Participating Class Members from
6 filing or prosecuting any claims, suits, or administrative proceedings (including filing claims with
7 the California Division of Labor Standards Enforcement) regarding claims released by the Settlement
8 unless such individuals have submitted valid Requests for Exclusion to the Settlement Administrator.
9

10 25. Amendment Of This Agreement To Conform To The Court's Order. To the extent
11 the Court does not approve the Agreement, or any term contained herein, and instead allows the
12 Parties to amend the Agreement, the Parties agree to cooperate in good faith to amend the Agreement
13 in accordance with the Court's direction, and to retain all other terms of the Agreement that the Court
14 approves.
15

16 **IX. DUTIES OF THE PARTIES FOLLOWING PRELIMINARY COURT APPROVAL**

17 26. Timely Approval Of Documents To Be Mailed By The Settlement Administrator.
18 Counsel for the Parties shall respond to requests by the Settlement Administrator to approve all
19 claims administration documents, including the Notice to be mailed to the Class, within four (4)
20 business days of the Settlement Administrator's request for approval.

21 27. Defendants' Provision Of Class Member Data To Settlement Administrator. No later
22 than fourteen (14) calendar days following preliminary approval of this Settlement by the Court,
23 Defendants shall provide the Settlement Administrator with data that is within Defendants'
24 possession containing, for each Class Member and/or PAGA Group Member: (a) the Class
25 Member/PAGA Group Member's name; (b) the Class Member/PAGA Group Member's last known
26 address; (c) the Class Member/PAGA Group Member's social security number; (d) the Class
27

1 Member/PAGA Group Member's first date of employment in California as a non-exempt employee;
2 and (e) the Class Member/PAGA Group Members' last date of employment (if any) in California as
3 a non-exempt employee. This Class Member/PAGA Group Member information is confidential and
4 not to be disclosed to anyone other than the Settlement Administrator. In the event that a dispute
5 arises about the number of Qualifying Workweeks or Qualifying Pay Periods for a Class Member
6 and/or PAGA Group Member, Class Counsel may be provided with information identifying each
7 Class Member and/or PAGA Group Member by number (with all other identifying information
8 removed), and reflecting the number of Qualifying Workweeks or Qualifying Pay Periods during the
9 Class Period and PAGA Period. This information shall be based on Defendants' payroll and other
10 business records, and shall be in a format readily accessible to Defendants. In the event that approval
11 of the documents pursuant to Paragraph 26 takes more than four (4) business days, the Settlement
12 Administrator shall mail the Notice to the Class Members within three (3) business days of receiving
13 approval of the documents pursuant to Paragraph 26.
14

15
16 28. Disputes Arising From Claims Administration. Any disputes arising during the claims
17 administration process must be resolved informally by counsel for the Parties and, if the Parties
18 cannot agree, by the Settlement Administrator, within ten (10) calendar days of the Document
19 Receipt Deadline.

20 29. Motions By Class Counsel.

21 (a) Motions Required For Final Approval Of The Settlement. Class Counsel shall
22 timely prepare, subject to Defendants' review and right to comment, Final Settlement Papers in
23 conformance with the terms of this Settlement, including (1) a motion for final approval of the
24 Settlement; (2) a motion for award of attorneys' fees and costs; (3) a motion for the Class
25 Representatives' enhancement awards; (4) the [Proposed] Final Approval Order and Judgment; and
26 (5) any other documents, petitions, or motions required to effectuate this Agreement– including, but
27

not limited to, any additional proposed orders requested by the Court. Class Counsel will endeavor to submit the Final Settlement Papers to Defendants' Counsel no later than three (3) court days prior to the deadline for filing the motion for final approval of the Agreement. In the event that Class Counsel and Defendants' Counsel cannot resolve any dispute regarding the Final Settlement Papers arising from Defendants' right to review and comment, Defendants' Counsel shall submit its objections to the Final Settlement Papers to the Court before or during the Final Approval Hearing.

(b) [Proposed] Final Approval Order and Judgment. The [Proposed] Final Approval Order and Judgment shall include a proposed Final Order and Judgment ordering:

(i) Approval of the Agreement, adjudging the terms thereof to be fair, reasonable, adequate, and directing consummation of its terms and provisions;

(ii) Approval of Class Counsel's application for an award of attorneys' fees and costs (Class Counsel will separately submit a motion for award of attorneys' fees and costs);

(iii) Approval of the enhancement award to the Class Representatives;

(iv) Dismissal of the Action with prejudice and permanently barring and enjoining the Class Representatives and all Class Members from prosecuting against the Released Parties any claims released herein pursuant to Paragraphs 15 and 16, above, including any Released Class Claims and, with respect to the Class Representatives, any claims covered by the general release, upon satisfaction of all payments and obligations hereunder; and

(v) Reserving jurisdiction over the construction, interpretation, implementation, and enforcement of the Parties' Agreement, and over the administration and distribution of the settlement amounts.

30. Fairness Hearing. Upon expiration of the Document Receipt Deadline, the Parties shall attend a Final Approval Hearing with the Court to finally approve the Agreement as fair, reasonable, and adequate as to (a) Class Members; (b) attorneys' fees and costs to Class Counsel; (c)

the enhancement awards to the Class Representatives; (d) the costs and fees for claims administration; (e) the PAGA Allocation; and (f) the Individual Settlement Amounts to be paid to the Class Members, including the methodology used to calculate such awards.

X. DUTIES OF THE PARTIES FOLLOWING COURT APPROVAL

31. Final Approval, And Entry Of Judgment. At or before the Final Approval Hearing, Class Counsel shall submit the [Proposed] Final Approval Order and Judgment to the Court for the Court's approval and entry. After entry of the Final Approval Order and Judgment, the Court shall have continuing jurisdiction over the administration of the Agreement.

32. Payment Of Settlement Amount. Not later than thirty (30) calendar days following the Effective Date, Defendants shall deposit the Total Class Action Settlement Amount and an amount sufficient to pay Defendants' share of payroll taxes into the Qualified Settlement Fund. The Settlement Administrator will retain authority over the deposited funds, which are to be used in accordance with this Agreement and any orders of the Court. The Settlement Administrator shall make all payments and other disbursements required by this Agreement from the Total Class Action Settlement Amount. Defendants shall have no further obligations over the distribution of the Total Class Action Settlement Amount.

33. Provision Of Final Approval Order And Judgment To Settlement Administrator. Within three (3) business days of final approval by the Court of the Settlement provided for in this Agreement, Class Counsel shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment.

XI. ADDITIONAL TERMS

34. Nullification Of Settlement. This Agreement shall be null and void, and any order of judgment entered by the Court in furtherance of the Settlement shall be vitiated *nunc pro tunc*, if any of the following occurs:

1 (a) The Court does not enter the Final Approval Order and Judgment as provided
2 for in this Agreement herein or contemplated by the Agreement;

3 (b) The Court does not finally approve the Settlement as provided for herein;

4 (c) The Court does not enter a Final Approval Order and Judgment as provided
5 for herein that becomes final as a result of the occurrence of the Effective Date;

6 (d) The Settlement does not become final for any other reason; or

7 (e) Plaintiffs or Class Counsel misrepresented their awareness of any unalleged
8 claims against the Released Parties or unalleged facts or legal theories upon which claims or causes
9 of actions could be brought against Defendants, pursuant to Paragraph 18.

11 In such a case, the Parties shall be returned to their respective statuses prior to this Agreement,
12 and the Parties shall proceed in all respects as if this Agreement and had not been executed with the
13 exception of the tolling agreement set forth above in this Agreement. If an appeal is filed from the
14 Court's Final Approval Order and Judgment prior to the Effective Date, administration of the
15 Agreement shall be immediately stayed pending final resolution of the appeal process.

17 35. No Admissions. Nothing contained herein is to be construed or deemed to be an
18 admission of liability or wrongdoing by Defendants. This Agreement and the attached exhibits
19 thereto are settlement documents, and, pursuant to California Evidence Code section 1152, these
20 documents shall be inadmissible in any proceeding except in an action or proceeding to approve,
21 interpret, or enforce this Agreement.

22 36. Amendment Or Modification. This Agreement may be amended or modified only by
23 a written instrument signed by counsel for all Parties.

25 37. Entire Agreement. This Agreement and the accompanying exhibits constitute and
26 comprise the entire agreement between the Parties. No oral or written representations, warranties, or
27

1 inducements have been made to any of the Parties concerning this Agreement other than the
2 representations, warranties, and covenants contained and memorialized herein.

3 38. Construction. The Parties agree that the terms of this Agreement and the
4 accompanying exhibits are the result of lengthy, arms-length negotiations, and that this Agreement
5 shall not be construed in favor of or against any of the Parties by reason of the extent to which any
6 of the Parties or their respective counsel participated in the drafting of this Agreement.

7
8 39. Parties' Authority. The signatories to this Agreement represent that they are fully
9 authorized to enter into this Agreement and to bind the Parties hereto to the terms and conditions
10 hereof.

11 40. Successors And Assigns. This Agreement is binding upon, and inures to the benefit
12 of, the Parties' successors and assigns. The Parties represent and warrant that they have not, directly
13 or indirectly, assigned, transferred, or encumbered to any person or entity any portion of any claim,
14 demand, action, cause of action, or rights herein released and discharged except as set forth herein.

15
16 41. Enforcement Of Actions. In the event that any of the Parties to this Agreement
17 institutes any legal action, arbitration, or other proceeding against any of the other Parties to enforce
18 the provisions of this Agreement or to declare rights or obligations under this Agreement, the
19 successful Party shall be entitled to recover from the unsuccessful Party or Parties, reasonable
20 attorneys' fees and costs, including expert witness fees, incurred in connection with any such
21 enforcement proceedings.

22
23 42. Governing Law. All terms of this Agreement shall be governed by and interpreted
24 according to the laws of the State of California.

25 43. Jurisdiction Of The Court. The Court shall retain jurisdiction with respect to the
26 interpretation, implementation, and enforcement of the terms of this Agreement and all orders and
27 judgments entered in connection therewith.

44. Counterparts. This Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, shall be deemed to be one and the same instrument. Signatures may be affixed either by original signatures, PDF, or facsimile.

45. Notices. Unless otherwise specifically provided in this Agreement, all notices, demands, and/or other communications will be in writing and will be deemed to have been duly given as of the third (3rd) business day after mailing by U.S. Mail, addressed as follows:

To The Class:

SCHNEIDER WALLACE COTTRELL KONECKY LLP
Carolyn Hunt Cottrell
Esther L. Bylsma
Stuart H. Kluft
2000 Powell Street, Suite 1400
Emeryville, CA 94608

LAWYERS for JUSTICE, PC

Edwin Aiwarzian
Joanna Ghosh
410 West Arden Avenue, Suite 203
Glendale, CA 91203

JAMES HAWKINS APLC

James R. Hawkins
Sean S. Vahdat
9880 Research Drive, Suite 200
Irvine, CA 92618

To Defendants:

Ogletree, Deakins, Nash, Smoak & Stewart, P.C.
Alexander M. Chemers
Omar M. Aniff
400 South Hope Street, Suite 1200
Los Angeles, CA 90071

46. Enforceability. The Parties intend for this Agreement to be enforceable in the Superior Court of California for the County of Los Angeles, by and subject to the Court's pending jurisdiction.

47. Interpretation. This Agreement shall be construed as a whole according to its fair meaning. It shall not be construed strictly for or against any Party. Unless the context indicates

otherwise, the term “or” shall be deemed to include the term “and,” and the singular or plural number shall be deemed to include the other. Captions and headings are intended solely for convenience of reference and shall not be used in the interpretation of this Agreement.

48. Confidentiality.

(a) General. Plaintiffs and Class Counsel shall agree not to disclose or publicize this Agreement, its terms or contents, and the negotiations underlying the Agreement, in any manner or form, directly or indirectly, to any person or entity, except potential Class Members and as shall be contractually required to effectuate the terms of the Agreement. For avoidance of doubt, this section means Plaintiffs and Class Counsel agree not to issue press releases, communicate with or respond to any media or publication entities, publish information in manner or form, whether printed or electronic, on any medium or otherwise communicate, whether by print, video, recording or another medium, with any person or entity concerning the Agreement, including the face of the Agreement, its terms or contents and the negotiations underlying the Agreement, except as shall be contractually required to effectuate the terms of the Agreement.

(b) Media Comment. The Parties and their respective counsel agree that the terms of this Agreement (including, but not limited to, any settlement amounts), the negotiations leading to this Agreement, and all documents related to the Agreement, shall not be discussed with, publicized, or promoted to the media, except as necessary in order to enforce its terms. Class Counsel and/or Plaintiffs will not list or refer to the Action in any website, mailing, publicity or similar materials – including, but not limited to, any radio or television stations, newspapers, or magazines. In response to any inquiries, including those from media outlets, concerning the settlement, the Parties and their respective counsel agree that they shall simply respond by stating, “the matter has resolved.”

1 (c) Class Counsel Marketing And Adequacy Declarations. Class Counsel agrees
2 not to use Defendants' name in marketing materials. Class Counsel and the Class Representatives
3 will not make any posting on any website, instant message site, blog, or social networking site that
4 uses Defendants' name, and will not list or refer to the Action in any website, mailings, publicity, or
5 other similar fora or materials. However, for the limited purpose of allowing Class Counsel to
6 demonstrate adequacy as class counsel in other actions, Class Counsel may disclose to the Judge in
7 the other action, the name of the Parties in this Action, the venue/case number of this action, and
8 relevant pleadings in this Action.
9

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

13 50. Interim Stay Of Proceedings. The Parties agree to refrain from further litigation in the
14 Actions, except such proceedings necessary to implement and obtain an Order granting Final
15 Approval of the terms of the Agreement. The Parties further agree that the mutual, voluntary
16 cessation of litigation shall terminate either as of the Effective Date or the date upon which this
17 Agreement has been denied by the Court and all subsequent attempts to cure deficiencies pursuant
18 to Paragraph 25 have ended.
19

20 51. Invalidity Of Any Provision. To the extent the Court indicates that it may declare any
21 provision of this Agreement invalid, the Parties shall first attempt to construe or amend the provisions
22 valid to the fullest extent possible so as to define all provisions of this Agreement valid and
23 enforceable.
24

25 52. Class Certification For Settlement Purposes Only. The Parties agree to stipulate to
26 class certification only for purposes of this Agreement. If, for any reason, the Agreement is not
27 approved, the stipulation to certification will be void. The Parties further agree that certification for
28

1 purposes of the settlement is not an admission that class certification is proper under the standard
2 applied to contested certification motions and that this Agreement will not be admissible in this or
3 any other proceeding as evidence that (i) a class should or should not be certified or (ii) Defendants
4 are or are not liable to the Class Representatives or the putative Class Members.

5 53. All Terms Subject To Final Court Approval. All amounts and procedures described
6 in this Agreement shall be subject to final Court approval.

7 54. Execution Of Necessary Documents. All Parties shall execute all documents
8 reasonably necessary to effectuate the terms of this settlement.
9

10 55. Binding Agreement. The Parties intend that this settlement shall be fully enforceable
11 and binding on all Parties, and that it shall be admissible and subject to disclosure in any proceeding
12 to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might
13 apply under federal or state law.
14

15
16 [Signature page follows]
17
18
19
20
21
22
23
24
25
26
27

1 DATED: 08/19/
2 _____, 2024

CLASS REPRESENTATIVE

3 By: 
4 Kyree Wilson
5 Plaintiff and Class Representative

6 DATED: August 15
7 _____, 2024

CLASS REPRESENTATIVE

8 By: 
9 Rhonda Guerrero
10 Plaintiff and Class Representative

11 DATED: _____, 2024

CLASS REPRESENTATIVE

12
13 By: _____
14 Jason Kingsley
15 Plaintiff and Class Representative

16 DATED: _____, 2024

DEFENDANTS

17
18 By: _____
19 Stephani Lewis
20 Amanda Wickstrom
21 For Defendants IKEA US Retail, LLC, IKEA
22 US West, IKEA North America Services,
23 LLC, and IKEA Distribution Services, Inc.

24 DATED: August 15 , 2024

**SCHNEIDER WALLACE
COTTRELL KONECKY LLP**

25 By: 
26 Carolyn H. Cottrell
27 Esther L. Bylsma
28 Stuart H. Kluff
Attorneys for Plaintiffs

1 DATED: _____, 2024

CLASS REPRESENTATIVE

2
3 By: _____

4 Kyree Wilson
Plaintiff and Class Representative

5
6 DATED: _____, 2024

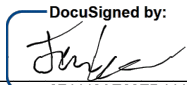
CLASS REPRESENTATIVE

7
8 By: _____

9 Rhonda Guerrero
Plaintiff and Class Representative

10
11 DATED: 8/2/2024, 2024

CLASS REPRESENTATIVE

12
13 By:  _____

14 Jason Kingsley
Plaintiff and Class Representative

15
16 DATED: _____, 2024

DEFENDANTS

17
18 By: _____

19 Stephani Lewis
Amanda Wickstrom
20 For Defendants IKEA US Retail, LLC, IKEA
21 US West, IKEA North America Services,
LLC, and IKEA Distribution Services, Inc.

22 DATED: _____, 2024

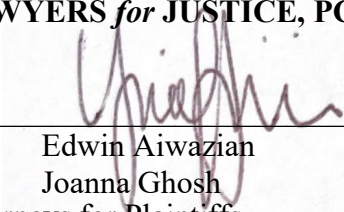
**SCHNEIDER WALLACE
COTTRELL KONECKY LLP**

23
24 By: _____

25 Carolyn H. Cottrell
26 Esther L. Bylsma
27 Stuart H. Kluft
Attorneys for Plaintiffs

1 DATED: November 6, 2024

LAWYERS for JUSTICE, PC

2 By:  ***Yasmin Hosseini for***

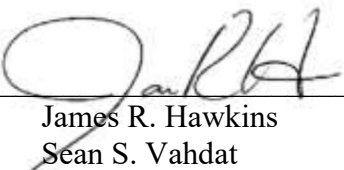
3 Edwin Aiwarzian

4 Joanna Ghosh

Attorneys for Plaintiffs

5 DATED: August 02, 2024

JAMES HAWKINS APLC

6 By: 

7 James R. Hawkins

8 Sean S. Vahdat

Attorneys for Plaintiffs

9 DATED: _____, 2024

**OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.**

10 By: _____

11 Alexander M. Chemers

12 Omar M. Aniff

Attorneys for Defendants

13 IKEA US Retail, LLC, IKEA US West, IKEA

14 North America Services, LLC, and IKEA

15 Distribution Services, Inc.

1 DATED: _____, 2024

CLASS REPRESENTATIVE

2
3 By: _____
4 Kyree Wilson
5 Plaintiff and Class Representative

6 DATED: _____, 2024

CLASS REPRESENTATIVE

7
8 By: _____
9 Rhonda Guerrero
10 Plaintiff and Class Representative

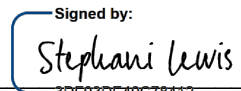
11 DATED: _____, 2024

CLASS REPRESENTATIVE

12
13 By: _____
14 Jason Kingsley
15 Plaintiff and Class Representative

16 DATED: 8/21/_____, 2024

DEFENDANTS

17
18 By:  _____
19 Stephani Lewis
20 Amanda Wickstrom
21 For Defendants IKEA US Retail, LLC, IKEA
22 US West, IKEA North America Services,
23 LLC, and IKEA Distribution Services, Inc.

24 DATED: _____, 2024

**SCHNEIDER WALLACE
COTTRELL KONECKY LLP**

25 By: _____
26 Carolyn H. Cottrell
27 Esther L. Bylsma
28 Stuart H. Kluff
Attorneys for Plaintiffs

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DATED: _____, 2024

LAWYERS *for* JUSTICE, PC

By: _____
Edwin Aiwazian
Joanna Ghosh
Attorneys for Plaintiffs

DATED: _____, 2024

JAMES HAWKINS APLC

By: _____
James R. Hawkins
Sean S. Vahdat
Attorneys for Plaintiffs

DATED: August 26, 2024

**OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.**

By:  _____
Alexander M. Chemers
Omar M. Aniff
Attorneys for Defendants
IKEA US Retail, LLC, IKEA US West, IKEA
North America Services, LLC, and IKEA
Distribution Services, Inc.