

1 DANIEL F. GAINES, ESQ. SBN 251488
daniel@gaineslawfirm.com
2 ALEX P. KATOFISKY, ESQ. SBN 202754
alex@gaineslawfirm.com
3 **GAINES & GAINES, APLC**
4 4550 East Thousand Oaks Boulevard, Suite 100
Westlake Village, CA 91362
5 Telephone: (818) 703-8985
6 Facsimile: (818) 703-8984

7 Attorneys for Plaintiffs Robert Lawson and
Marty Linebarger and Proposed Class Counsel
8 (Additional Counsel on next page)

9
10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF BUTTE**

12 ROBERT LAWSON, on behalf of himself
13 and all "aggrieved employees" pursuant to
Labor Code § 2698 *et seq.*,

14 Plaintiff,

15 v.

16
17 GRAPHIC PACKAGING
INTERNATIONAL, LLC, a Delaware limited
18 liability company, and DOES 1 through 10,
19 inclusive,

20 Defendants.

CASE NO: 20CV01921

*Assigned to the Honorable Stephen E.
Benson, Dept. 6*

CLASS ACTION

**DECLARATION OF DANIEL F. GAINES
IN SUPPORT OF UNOPPOSED MOTION
FOR FINAL APPROVAL OF CLASS
ACTION SETTLEMENT AND
UNOPPOSED APPLICATION FOR
APPROVAL OF ATTORNEYS' FEES
AND COSTS, CLAIMS
ADMINISTRATION FEES, AND CLASS
REPRESENTATIVES' SERVICE
PAYMENTS**

DATE: October 5, 2022

TIME: 9:00 a.m.

DEPT.: 6

Action Filed: September 29, 2020

1 Larry W. Lee (State Bar No. 228175)
2 Mai Tulyathan (State Bar No. 316704)

3 **DIVERSITY LAW GROUP, P.C.**

4 515 S. Figueroa Street, Suite 1250

5 Los Angeles, CA 90071

6 (213) 488-6555

7 (213) 488-6554 facsimile

8 William L. Marder (State Bar No. 170131)

9 **Polaris Law Group**

10 501 San Benito Street, Suite 200

11 Hollister, CA 95023

12 (831) 531-4214

13 (831) 634-0333 facsimile

14 Attorneys for Plaintiff Marcos Castro and the Class

1 I, DANIEL F. GAINES, declare as follows:

2 1. I am an attorney duly admitted to the practice of law in the State of
3 California. I am a shareholder of Gaines & Gaines, APLC, counsel for Plaintiffs Robert
4 Lawson ("Lawson") and Marty Linebarger ("Linebarger") (together, "Plaintiffs") and
5 Class Counsel in this action. I have personal knowledge of the facts set forth herein and
6 if called as a witness to testify to them, could and would do so competently.

7 **Class Counsel's Experience and Recommendation:**

8 2. I obtained my BS degree from the University California at Berkeley in
9 2003. I majored in Business Administration at the Haas School of Business.

10 3. Thereafter, I attended the University of Virginia School of Law. At
11 Virginia, I was a member of the editorial board of the Virginia Tax Review. I was also
12 the recipient of the Lacy Armour Scholarship, awarded to recognize academic
13 excellence. At Virginia, I focused my studies on tax and real estate. I earned my JD and
14 became a member of the California Bar in 2007.

15 4. Since becoming a member of the Bar, and until his recent retirement, I
16 practiced law with my father, Kenneth, at Gaines & Gaines, APLC. Our practice
17 specializes in litigation, with an emphasis in employment disputes like this one. Over
18 95% of my practice is devoted to complex employment litigation similar to the instant
19 action.

20 5. As this Court knows based on our extensive litigation before it, my firm
21 has represented employees in sophisticated employment matters such as this one, with
22 an emphasis on wage and hour issues. I have participated in and have been certified as
23 class counsel in dozens of class action matters since my admission to the Bar. A list of
24 the cases in which I have been appointed as class counsel is attached hereto as **Exhibit**
25 **A.**

26 6. Based on my years of experience and my own independent investigation
27 and evaluation, I am of the opinion that the recovery for each settlement Class Member
28

1 is on very fair, reasonable, and adequate terms. I am familiar with class action
2 settlements involving employment wage and hour claims similar to those at issue in this
3 lawsuit, including claims for the alleged failure to pay all wages; failure to provide meal
4 and reset periods; failure to reimburse expenses; failure to timely pay wages; and failure
5 to issue accurate itemized wage statements. Based on my extensive experience, and
6 factoring in the unique nuances of this case, I am of the opinion that the settlement
7 reached here is on very fair and favorable terms.

8 7. Based on my experience, I believe that I have a strong understanding of
9 the trends in the value of settlements in these types of cases. My opinion takes into
10 consideration the amounts received in other similar employment class actions, the risks
11 inherent in litigation of this genre, and the reasonable tailoring of each settlement Class
12 Member's claim to the amounts received. Based on that knowledge, I am of the opinion
13 the settlement is fair, reasonable and adequate and is in the best interests of the settlement
14 Class.

15 **Background and Procedural History**

16 8. This settlement encompasses a resolution of three actions against
17 Defendant by Robert Lawson, Marty Linebarger, and Marcos Castro. The Linebarger
18 and Castro actions have been dismissed, as Plaintiffs advised the Court in connection
19 with its preliminary approval of their Settlement with Defendant.

20 9. On October 17, 2019, proposed Plaintiff Linebarger sent a letter to the
21 LWDA, alleging Defendant violated the California Labor Code and seeking penalties
22 under PAGA. Specifically, Plaintiff Linebarger alleged Defendant failed to pay wages to
23 Defendant's non-exempt California employees, denied employees meal periods and rest
24 periods, failed to reimburse business expenses, failed to provide accurate itemized wage
25 statements, and failed to timely pay wages at the separation of employment.

26 10. On July 22, 2020, Plaintiff Lawson sent a letter to the LWDA, alleging
27 Defendant violated the California Labor Code and seeking penalties under PAGA.
28

1 Specifically, Plaintiff Lawson alleged Defendant failed to pay wages to Defendant's non-
2 union, non-exempt California employees, denied employees meal periods and rest
3 periods, failed to reimburse business expenses, failed to provide accurate itemized wage
4 statements, and failed to timely pay wages at the separation of employment.

5 11. On January 6, 2020, Plaintiff Linebarger initiated his Action in the Orange
6 County Superior Court by filing a Representative Action Complaint, on behalf of himself
7 and all other aggrieved employees (the "Linebarger Action"). Defendant removed the
8 Linebarger Action to the United States District Court for Central District of California.
9 Plaintiff Linebarger has now dismissed the Linebarger Action in the District Court,
10 subject to a tolling agreement between the parties.

11 12. On September 29, 2020, Plaintiff Lawson initiated this Action by filing a
12 Representative Action Complaint for Penalties, pursuant to PAGA, on behalf of himself
13 and all other aggrieved employees (the "Lawson Action").

14 13. As a condition of the settlement, the parties agreed that Plaintiff Lawson
15 would seek to file a First Amended Complaint. The First Amended Complaint, which
16 was filed pursuant to stipulation by the parties, asserts the direct individual, class, and
17 PAGA representative action claims on behalf of Plaintiffs Lawson, Linebarger, and
18 Castro against Defendant which were alleged among all three actions, including for (1)
19 failure to pay all minimum, overtime, and double-time wages (Labor Code §§ 510, 1194,
20 and 1194.2); (2) failure to provide compliant rest periods or compensation in lieu thereof
21 (Labor Code §§ 226.7; IWC Wage Order 4-2001); (3) failure to provide compliant meal
22 periods or compensation in lieu thereof (Labor Code §§ 226.7, 510, 512, and 1194; IWC
23 Wage Order 4-2001); (4) knowing and intentional failure to comply with itemized
24 employee wage statement provisions (Labor Code §§ 226(a), (e), (h)); (5) failure to
25 reimburse business expenses (Labor Code § 2802); (6) failure to timely pay wages due at
26 separation of employment (Labor Code §§ 201-203); (7) violation of Business and
27 Professions Code §§ 17200; and (8) penalties pursuant to Labor Code §§ 2699(a) and (f)

1 based on the foregoing alleged claims including for violations of Labor Code §§ 201, 202,
2 203, 226(a), 226.3, 226.7, 510, 512, 558, 1194, and 2802 (the "First Amended
3 Complaint").

4 **Class Counsel's Diligence In Advance of, and In Connection With, Settlement**
5 **Negotiations:**

6 14. The settlement resolves the Linebarger Action, the Lawson Action and the
7 Castro Action. In the Linebarger Action, the Lawson Action and the Castro Action, the
8 Named Plaintiffs allege, *inter alia*, on behalf of themselves and all others similarly
9 situated, that Defendant violated California state wage and hour laws and the PAGA as a
10 result of Defendant's California wage and hour policies and practices. Specifically, the
11 Named Plaintiffs allege that Defendant failed to pay all regular, minimum, and overtime
12 wages, failed to provide rest periods, failed to provide meal periods, failed to reimburse
13 employees for business related expenses, failed to provide compliant wage statements,
14 and failed to timely pay all wages due at separation of employment.

15 15. My colleagues and I conducted informal discovery that yielded
16 information and documentation concerning the claims set forth in the Linebarger Action,
17 the Lawson Action and the Castro Action, such as Defendants' policies and procedures
18 regarding the payment of wages, the provision of meal and rest breaks, time keeping
19 policies, including recording hours, issuance of wage statements, and providing all wages
20 at separation, as well as information regarding the number of putative class members and
21 the mix of current versus former employees, the average number of hours worked, the
22 wage rates in effect, and length of employment for the average putative class member.

23 16. Named Plaintiffs and my colleagues and I have engaged in good faith,
24 arms-length negotiations with Defendant concerning possible resolution of the claims
25 asserted in the Litigation. On June 7, 2021, the Parties participated in a mediation before
26 mediator Tripper Ortman which did not yield a settlement. However, following months
27 of subsequent litigation and negotiations, the mediator continued working with the Parties
28

1 to agree upon terms to resolve the Linebarger Action, the Lawson Action and the Castro
2 Action, subject to finalization of a formal Stipulation for Resolution and approval of the
3 Court. The Parties have now entered into a more detailed, formalized Settlement
4 Agreement which the Court has conditionally approved, subject to its final approval.

5 17. My colleagues and I has conducted an investigation of the law and facts
6 relating to the claims asserted in the Linebarger Action, the Lawson Action and the
7 Castro Action and have concluded, taking into account the sharply contested issues
8 involved, the expense and time necessary to pursue the Litigation through trial and any
9 appeals, the risks and costs of further prosecution of the Linebarger Action, the Lawson
10 Action and the Castro Action, the risk of an adverse outcome, the uncertainties of
11 complex litigation, and the substantial benefits to be received by the Named Plaintiffs and
12 the members of the Settlement Class pursuant to this Agreement, that a settlement with
13 Defendants on the terms and conditions set forth herein is fair, reasonable, adequate, and
14 in the best interests of the Settlement Class. Named Plaintiffs, on their own behalf and on
15 behalf of the Settlement Class, have agreed to settle the Linebarger Action, the Lawson
16 Action and the Castro Action with Defendants on the terms set forth herein.

17 18. Defendant has concluded that, because of the substantial expense of
18 defending against the Linebarger Action, the Lawson Action and the Castro Action, the
19 length of time necessary to resolve the issues presented herein, the inconvenience
20 involved, and the concomitant disruption to its business operations, it is in their best
21 interests to accept the terms of this Agreement. Defendant denies each of the allegations
22 and claims asserted against it in the Litigation. However, Defendant nevertheless desires
23 to settle the Linebarger Action, the Lawson Action and the Castro Action for the purpose
24 of avoiding the burden, expense and uncertainty of continuing litigation and for the
25 purpose of putting to rest the controversies engendered by the Linebarger Action, the
26 Lawson Action and the Castro Action.

1 19. Based on our independent investigation and evaluation, my colleagues and
2 I are of the opinion that settlement for the consideration and on the terms set forth in this
3 Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the
4 Settlement Class in light of all known facts and circumstances, including the risk of
5 significant delay, the risk the Settlement Class will not be certified by the Court, and the
6 defenses asserted by Defendant. Defendant and its counsel also agree that this settlement
7 is fair and in the best interest of the Settlement Class.

8 20. The Parties agree that the Settlement Class described herein may be
9 certified for settlement purposes only and that any motion for approval seeking, *inter alia*,
10 certification of the Settlement Class is for purposes of the settlement only. If for any
11 reason the settlement is not approved, the certification will have no force or effect and
12 will immediately be revoked. The Parties further agree that certification for purposes of
13 the settlement is in no way an admission that class certification is proper under the more
14 stringent standard applied for litigation and that evidence of this limited stipulation for
15 settlement purposes only will not be admissible for any purpose in this or any other
16 proceeding.

17 **Settlement Terms:**

18 21. The Settlement provides that (a) the Court may certify the Settlement
19 Class as described in the Stipulation on a provisional, non-mandatory basis for the
20 purposes of this settlement only, conditioned upon the Court granting final approval of
21 the Settlement; and (b) Defendant shall pay the total, non-reversionary sum of \$1,250,000
22 (the "Settlement Amount"), which will be used to cover all payments of Class Members'
23 claims, the PAGA Payment to the LWDA and Class Members, administration costs,
24 attorneys' fees and costs, and the service payment to the named Plaintiffs. A true and
25 correct copy of the Settlement Agreement and Release of Claims is attached hereto as
26 **Exhibit B.**

1 22. The Parties have agreed to a Settlement Class composed of all persons
2 who are or were employed by Graphic Packaging International, LLC in the State of
3 California as non-exempt employees who were paid wages at any time during the
4 Settlement Period [April 27, 2017 to October 25, 2021].

5 23. The Settlement Agreement further provides that Plaintiffs' counsel may
6 request an award of attorneys' fees not to exceed \$437,000 (i.e., 35% of the Settlement
7 Amount) and seek reimbursement of litigation costs necessarily incurred in pursuing this
8 Action. It also provides that Plaintiffs will seek, and Defendant will not oppose, a service
9 payment to the named Plaintiffs in the amount of \$10,000 each, which also compensates
10 them for a full general release of all claims.

11 24. The Parties have agreed that ILYM Group, Inc., an experienced and
12 competent settlement administration company, will administer the settlement. Up to
13 \$20,000 has been allocated to compensate ILYM for its work related to the
14 administration.

15 **Preliminary Approval, Notice, and the Claims Process:**

16 25. By Order dated June 8, 2022, this Court granted Plaintiffs' unopposed
17 motion for preliminary approval of the Settlement and provisionally certified the
18 Settlement Class, finding that the Settlement appeared to be within the range of
19 reasonableness of settlements that could ultimately be given final approval. A true and
20 correct copy of the Order Granting Preliminary Approval of Class Action Settlement is
21 attached hereto as **Exhibit C**. The Court approved the distribution of the Notice of
22 Proposed Class Action Settlement and set the Final Fairness and Approval Hearing.

23 26. Pursuant to the Court's Order, on July 18, 2022, ILYM mailed Notice
24 packets containing the notice of the terms of the Settlement — including the terms
25 relating to attorneys' fees and costs — to 1,105 Class Members.

26 27. Class Members were given 45 days after the Notice was mailed to opt out
27 or object to the Settlement.

1 28. As of the date of this motion, all 1,105 Class Members will be issued their
2 share of the Settlement and they will be paid, on average, approximately \$594.25 each;
3 the highest-paid Class Members will be paid approximately \$970.15.

4 29. No Class Members have objected to the Settlement, and no Class
5 Members have opted out.

6 30. Through today, my office has not received any objections or disputes to
7 the Settlement.

8 31. ILYM Group, Inc. used commercially reasonable means to ensure notice
9 of the settlement was received by as many Class Members as possible. Notice was
10 mailed to each individual Class Member at that Class Member's last known address, and
11 in the end, over 99% of the Notices were successfully mailed to Class Members.

12 32. I have participated in the administration of many class action settlements;
13 based on my experience, I believe the notice program here resulted in the best practicable
14 notice to class members.

15 **The Settlement is Fair, Reasonable and Adequate:**

16 33. The Settlement is the result of extensive, arms-length negotiations. The
17 Settlement for each Class Member is fair, reasonable, and adequate given the inherent
18 risks of litigation, including the critical class certification process and trial.

19 34. Fairness of the Settlement is demonstrated by the uncertainty and risks to
20 the named Plaintiffs and the Settlement Class in not successfully certifying the class or
21 prevailing on one or more causes of action or theories alleged in the complaint. The
22 Settlement takes these risks into account.

23 35. The Settlement is a good compromise for the damages of absent Class
24 Members. It also provides the named Plaintiffs and Class Representatives with
25 reasonable service payments to compensate them for the risks they have taken and the
26 time and effort they have expended in coming forward to provide valuable information in
27
28

1 support of the claims alleged in the Action and their participation in the discovery and
2 settlement process.

3 36. Prosecution of this case resulted in tangible benefits for the Settlement
4 Class Members in the following respects: (1) By this Settlement, Settlement Class
5 Members will receive their recoveries in a prompt manner as opposed to waiting
6 additional time for the same, or possibly a worse, result; (2) Settlement Class Members
7 will receive a substantial (and guaranteed) result; and (3) Settlement at this juncture will
8 translate into significant savings in attorneys' fees and costs which inevitably would have
9 increased had the case progressed through trial, appeals, etc.

10 37. In addition, the Settlement provides significant benefits for the State and
11 the LWDA. The LWDA will receive \$90,000, a payment that, according to Labor Code
12 § 2698, must be used for the enforcement of labor laws and education of employers and
13 employees about their rights and responsibilities under the California Labor Code.

14 38. My office created a comprehensive damage analysis using sampling
15 information obtained through informal discovery. This damage analysis reveals that the
16 negotiated settlement falls within a realistic range of recovery on Class Members' claims.

17 39. Plaintiffs allege that Defendant failed to pay all minimum and overtime
18 wages earned during employment, in violation of Labor Code §§ 510, 558 and 1194,
19 when it rounded down or shaved off the hours reflected on Plaintiffs' and Class
20 Members' time records to pay fewer hours than were actually worked. Plaintiffs also
21 contend they were not paid for time spent cleaning their tools, attending meetings, and
22 conducting some other tasks. Plaintiffs contend that this practice deprived Plaintiffs and
23 Class Members of significant hours worked and wages due. Plaintiffs claim that they and
24 Class Members were adversely affected as a result of the rounding policy, evidenced by
25 the statistics: 66% of all shifts suffered a time loss due to rounding, and over 10% had a
26 result in favor of the employee. Based on expert analysis, Plaintiffs and Class Members
27 were underpaid 3.8 minutes per shift due to rounding, yielding total damages of
28

1 \$1,220,044. Defendant contends this damage analysis is overstated and that it owes no
2 money because it never required employees to work without pay and its rounding
3 practice was neutral on its face. A compromise was therefore required to resolve this
4 claim at this juncture of the litigation.

5 40. Plaintiffs and Class Members contend that they were not provided with all
6 meal periods to which they were entitled because of Defendant's meal period policy and
7 practices. When they were provided meal periods, they were oftentimes late or cut short
8 due to machine issues that required immediate attention. Plaintiffs and Class Members
9 were also required to carry a two-way radio to which they must be alert and responsive
10 during their meal periods, resulting in on-duty meal periods rather than uninterrupted
11 ones. For its Visalia facility, Defendant's meal period policy requires that employees take
12 their meal period in the Break Area. Thus, Plaintiffs allege that Defendant's Visalia meal
13 period policy is not legal, and employees are therefore owed premium wages for each
14 meal period required to be taken while at Defendant's facility. Based on Plaintiffs'
15 expert's review and analysis of a 25% sampling of time records for Defendant's
16 employees at each of its three locations, out of 172,363 shifts analyzed, 27.6% evidenced
17 late meal periods (taken after the end of the fifth hour of work), 0.03% showed short meal
18 periods (less than 30 minutes in length), .9% of first meal periods were not provided, and
19 41% of second meal periods were not provided, yielding total damages of \$6,593,633.
20 Defendant, in contrast, strongly argues that this claim is without merit; that employees
21 were always free to leave the work premises during meal breaks; and that employees
22 never were affirmatively precluded by the employer from taking meal periods, and
23 instead voluntarily waived them. A compromise was therefore required to resolve this
24 claim at this juncture of the litigation.

25 41. Plaintiffs further allege that Defendant failed to offer or authorize
26 uninterrupted ten-minute on-the-clock rest periods to Plaintiffs and Class Members for
27 every four hours worked or major fraction thereof, and did not pay the premium wages in
28

1 the amount of one hour's pay for these denied rest periods, in violation of Labor Code §§
2 226.7 and 558 and IWC Wage Order 4-2001. Plaintiffs contend that Defendant's Visalia
3 rest period policy violates California law, for reasons provided herein. For one, it does
4 not provide the timing requirement for rest periods (one ten-minute rest period for every
5 four hours of work, or major fraction thereof). This language refers to shifts of between
6 3:30 and 3:59 hours, 7:00 and 7:59 hours, and 10 and 11:59 hours, and requires all
7 employees working those shifts lengths be authorized and permitted to take a first, second,
8 or third ten-minute rest period (as applicable for the shift length). Additionally,
9 according to Plaintiffs, Defendant had a practice of requiring Plaintiffs and Class
10 Members to remain on Defendant's premises during rest periods, resulting in
11 impermissible on-duty rest periods subject to employer control. Plaintiffs allege that by
12 preventing employees from leaving the work premises during a rest period, Defendant
13 was unlawfully maintaining control over its employees during rest periods.
14 Notwithstanding the policies which Plaintiffs contend contravene the requirements of
15 California law, Defendant argues that employees were not under its control during their
16 rest breaks and were free to engage in their own pursuits during such time. This was a
17 challenging claim because rest breaks are not recorded on the time records. If Plaintiffs
18 could prove a 15% violation rate for rest breaks – far from a certainty – the value of this
19 claim could be worth as much as \$2,500,000.

20 42. Plaintiffs and Class Members also contend that Defendant failed to
21 reimburse Plaintiffs' and Class Members' business expenses incurred in the discharge of
22 their duties, in violation of Labor Code § 2802. The contention here is that Plaintiffs and
23 Class Members were not reimbursed by Defendant for the use of their personal cellular
24 phones to order machine parts as part of their work tasks for Defendant, in violation of
25 Labor Code § 2802. Defendant argued that no employees were ever required to use their
26 cellular phones for work purposes, and even if they were, Defendant did or would have
27
28

1 reimbursed them for the expense. Because of the small value of this claim and due to the
2 difficulty of proving it at trial, its value was nominal.

3 43. Class Members also sought wage statement penalties pursuant to Labor
4 Code § 226(e), waiting time penalties pursuant to Labor Code § 203, and PAGA penalties
5 derivative of the underlying violations alleged. The value of these penalties – which are
6 derivative, discretionary, and subject to defenses of their own – is approximately
7 \$16,355,367 (without stacking duplicative and oppressive PAGA penalties). This is a
8 substantial amount that required a compromise to resolve based on risk of litigation.
9 Plaintiffs believed it was unlikely that many of these penalties could be recovered
10 because the value of the penalties could eclipse the value of alleged underpaid wages (if
11 wages were recovered at all), because Plaintiffs' claims are novel, and because of
12 Defendant's potential independent defenses to these penalties.

13 44. The discount negotiated for settlement here is a reasonable compromise,
14 particularly considering that the risk of obtaining class certification on all or any of
15 Plaintiffs' claims involves a 50% or higher hurdle, especially with respect to the meal,
16 rest period, and off-the-clock claims, to which Defendant maintains strong arguments to
17 defeat class certification (in addition to multiple defenses on the merits of the claims).
18 Further, it is important to note the fact that Plaintiffs and all Class Members entered into
19 arbitration agreements with Defendant, which may render the class action claims
20 valueless because they cannot be pursued in a group action and few, if any, employees
21 are likely to pursue their claims on an individual basis. Class certification is a substantial
22 risk in any class action case. Here, while Plaintiffs maintain that the requirements of
23 class certification are met, Defendant proffers various arguments why class treatment is
24 not appropriate, including but not limited to that individualized inquiries among class
25 members predominate over common ones. If Defendant was to defeat Plaintiffs' class
26 certification motion, there would be no class wide relief whatsoever, and most class
27 members would likely not file individual claims.

1 45. Plaintiffs also faced the risk of a loss on the merits on their claims. It is
2 very possible that the Court would agree with Defendant's position that its meal and rest
3 period policies and practices complied with the requirements of California law or could
4 not be certified. In such a case, the value of the majority of Plaintiffs' claims would be
5 zero.

6 46. Finally, Plaintiffs faced the risk that they would not obtain a maximum
7 damage/penalty award on all (or any of) their claims. For example, Plaintiffs seek
8 discretionary penalties pursuant to the PAGA worth approximately \$3,746,400 (without
9 stacking). Even if Plaintiffs did prevail on these claims, it is possible that the Court
10 would not impose all penalties pursuant to its discretionary power to reduce them.

11 47. Defendant strongly contends that its policies and practices do not violate
12 any laws. It contends that it properly provided for all meal and rest periods and fully
13 compensated its employees for all time worked. It further contends that the wage
14 statements it provides to its employees are fully compliant with California law.

15 48. When the costs and risks of non-certification and loss on the merits are
16 considered, my colleagues and I are of the opinion that the settlement reached is clearly a
17 favorable one.

18 49. The settlement for each Class Member is fair, reasonable and adequate,
19 given the inherent risk of litigation, the risk relative to class certification and the costs of
20 pursuing such litigation. The settlement shall finally resolve all claims of the Class
21 Members as alleged in the Action.

22 **The Risk, Expense, Complexity, and Likely Duration of Further Litigation:**

23 50. Based on my experience and that of my co-counsel in dozens of wage and
24 hour class actions, heavily litigated and strongly disputed class action cases can endure
25 for years. It is our experience that if this case was not resolved by settlement, litigation
26 might extend for up to 3 more years.

1 51. The areas of law at issue in this case (e.g., California's wage and hour
2 laws) are dynamic and change frequently. Extended litigation equates to substantial risk
3 for class members, some of whose individual claims do not have substantial value from
4 the onset. It is our opinion that the prompt and fair resolution of the claims alleged in
5 Plaintiffs' complaint, as is achieved through the proposed settlement, is in the best
6 interest of class members in light of the likeliness of extended litigation and potential
7 changes in case law.

8 52. It is my experience that costs in these types of cases increase exponentially
9 as the case proceeds to trial. Through the conclusion of this litigation, and as detailed
10 herein, Class Counsel will have advanced over \$16,000 in costs. If this litigation
11 continued for 2 more years and experts were retained, costs would likely exceed \$25,000.

12 **The Risk of Maintaining Class Action Status Through Trial:**

13 53. An adverse appellate court decision or change in law by the legislature
14 may defeat certification of some or all of the claims alleged in Plaintiffs' complaint. In
15 fact, I am familiar with many class action cases where certification and/or liability were
16 immediately defeated as a result of an adverse appellate court ruling, or a change in law
17 by the legislature. Settlement at this juncture has avoided this risk.

18 **Suitability of the Action for Class Certification:**

19 54. The Stipulation reached between the Parties provides that the Court may
20 certify the Settlement Class for settlement purposes only.

21 55. With respect to suitability for class treatment, Plaintiffs strongly believe
22 class certification can be obtained on all claims, and class treatment is appropriate here.
23 Defendant, however, contends Plaintiffs' claims are not likely to be certified. Plaintiffs
24 contend that common issues – including Defendant's wage payment and expense
25 reimbursement practices – predominate.

26 56. The proposed Settlement Class is clearly ascertainable as it is defined by
27 concrete factors – whether the class members were non-exempt employees of Defendant
28

1 employed in California during a specified time frame. In this case, the Class Members
2 are identifiable from Defendant's employment and payroll records. Further, the
3 Settlement Class is sufficiently numerous to warrant certification. According to
4 Defendant's records, the final Class is comprised of 1,105 members.

5 57. Common questions of fact and law predominate in this case. The Class
6 Members' claims all stem from a common source: members of the Settlement Class
7 allege that Defendant violated the same Labor Code provisions in connection with their
8 employment. All members of the Class seek the same relief under the same California
9 laws (related to unpaid wages, unpaid meal and rest period premiums, unreimbursed
10 business expenses, inaccurate or incomplete wage statements, failure to timely pay wages
11 due upon separation, and derivative claims). Under these circumstances, the
12 commonality requirement is satisfied for purposes of certifying the Settlement Class for
13 settlement purposes.

14 58. In this case, named Plaintiffs and proposed Class Representatives are
15 former non-exempt employees who worked for Defendant in the State of California
16 during the Settlement Period. They contend that Defendant failed to pay all wages, failed
17 to provide meal and rest periods, failed to comply with itemized employee wage
18 statement provisions, failed to reimburse expenses, and failed to timely pay wages at the
19 separation of employment, in violation of Labor Code §§ 201-203, 226(a), 226.7, 256,
20 510, 512, 558, 1194, 1194.2, 2698, 2699, and 2802, among other Labor Code provisions.
21 They have the same claims as those that the members of the Settlement Class would
22 reasonably be expected to bring based on the course of conduct alleged herein.

23 59. Although my colleagues and I believe the Class Members' claims are
24 meritorious, that the Class would have been certified, and that substantial damages could
25 have been proven at trial, we are experienced counsel who understand that liability, class
26 certification, and damage issues — and the outcome of any appeals that would likely
27 follow if the Class were successful at trial — present substantial risks for Class Members.

1 Those risks must be considered in assessing the fairness of this Settlement, which
2 guarantees a substantial recovery for Class Members and eliminates the risk that Class
3 Members would be left without any recovery. Because the Settlement provides
4 immediate and substantial relief without requiring the Class Members either to undergo
5 the risks of losing at trial or to pay additional attorneys' fees and costs to continue to
6 prosecute this action, it warrants this Court's approval.

7 **Presence of a Governmental Participant:**

8 60. Plaintiffs complied with the administrative exhaustion requirements of
9 PAGA, and the State of California's LWDA declined to investigate the Labor Code
10 violations alleged against Defendant by Plaintiffs. This Court's review of the amount
11 agreed to be paid to the LWDA will protect the interests of the governmental participant
12 here.

13 61. On February 2, 2022 and on May 5, 2022, in compliance with Labor Code
14 § 2699(1)(2), Plaintiffs' counsel submitted copies of the Settlement Agreement and
15 preliminary approval papers to the LWDA through its online submission interface. These
16 final approval papers are also being submitted to the LWDA concurrently with their
17 submission to the Court, as evidenced on the attached proof of service. The LWDA has
18 not objected or otherwise responded to any of the submissions thus far. A true and
19 correct copy of the email confirmations received from the LWDA are attached hereto as
20 **Exhibit D.**

21 **Class Representatives' Service Payments:**

22 62. It is appropriate to recognize the contributions of the Class
23 Representatives in prosecuting this litigation. The service payment serves as recognition
24 for the amount of time and effort Plaintiffs have spent assisting in the prosecution of this
25 case and the personal hardships and pressures they faced as a result of filing this lawsuit
26 against their former employer. The named Plaintiffs' declarations are submitted with the
27 Motion for Final Approval. It is fair and reasonable that the named Plaintiffs be awarded
28

1 \$10,000 each as a service payment. Based on my experience, the proposed service
2 payments here are within an accepted range.

3 63. Plaintiffs have also demonstrated that they will aggressively and
4 competently assert the interests of the proposed Settlement Class; they have taken active
5 roles in this litigation and have no apparent conflicts with other class members. Plaintiffs
6 participated actively in the litigation and in the settlement thereof. They have taken
7 significant risks in bringing this lawsuit – they face the very real risk that because of the
8 stigma associated with this lawsuit, they may be unable to obtain employment in the
9 future. The stigma and risk associated with filing a class action lawsuit against any
10 employer is significant.

11 64. Plaintiffs have retained competent counsel by hiring Gaines & Gaines,
12 APLC to represent the Class. My colleagues and I are experienced and established
13 attorneys with over six decades worth of litigation experience. *See also* the Declaration
14 of Alex P. Katofsky and the Declaration of Larry Lee submitted with the Motion for Final
15 Approval.

16 **Attorneys' Fees:**

17 65. This Court can undoubtedly appreciate that litigating a large class action
18 case in dynamic, ever-changing areas of law is not appealing to most lawyers,
19 particularly when the plaintiff's lawyer undertakes the obligation to finance the litigation
20 and effectively bears the risk in the event of an unsuccessful outcome, at trial or
21 otherwise. This case was taken on a contingency basis with the real risk that my office
22 would receive no compensation whatsoever for our efforts. The potential costs which we
23 can be required to advance in wage and hour class actions like this one are substantial.

24 66. Even with my firm's combined extensive experience litigating
25 employment cases, prosecuting these cases still carries a considerable amount of risk.
26 There is the significant risk that Plaintiffs would fail in maintaining class certification or
27 would not succeed in proving Defendant's liability at trial.

1 67. One difficulty in determining hourly rates of attorneys of similar skill and
2 experience in the relevant community is the scarcity of hourly fee-paying clients in class
3 action litigation. As a practical matter, few if any individual employees or consumers
4 pay attorneys' fees on an hourly basis for such extensive litigation, and thus retainer
5 agreements in such cases are based on a contingency fee relationship. Therefore, there is
6 no customary billing rate, but the nature of class action work should be strongly
7 considered by the Court.

8 68. Class action work also requires specialized learning and the willingness to
9 take large risks. My firm has extensive experience in class action litigation, particularly
10 in the employment context, as detailed herein. *See also* the Declaration of Alex P.
11 Katofsky and the Declaration of Larry Lee.

12 69. Furthermore, as described above, the Settlement Class and the State of
13 California reaped significant benefits. The success achieved by the Settlement supports
14 my firm's fee request.

15 70. Further, no Class Member objected to the proposed attorneys' fee request
16 contained in the Settlement. The overwhelming rate of acceptance of the Settlement by
17 Class Members supports my firm's fee request.

18 71. A small firm like ours can only properly litigate a limited number of cases
19 at one time. The requirements of this case were significant. Had we not reached a
20 settlement with Defendant, the demands of this case would have required a significant
21 portion of our resources. We were precluded from taking other employment cases due to
22 the demands of litigating this case.

23 72. Class Counsel is submitting an attorney fee request equaling \$437,000, or
24 35% of the Maximum Settlement Amount. My experience in class actions, as well as my
25 review of fee awards in similar actions, support my conclusion that the fee request is very
26 reasonable and in line with the common practice in this type of case.

27 \\\

1 **Class Counsel's Costs:**

2 73. My firm's total costs to date exceed \$16,000 and include court fees,
3 mediation fees, research fees, postage, service of process, expenses associated with
4 mediation, and photocopy charges. A true and correct copy of an itemized list of costs
5 incurred by my firm in this action is attached hereto as **Exhibit E**. These costs were
6 reasonably incurred in litigating this matter.

7 I declare, under penalty of perjury under the laws of the State of California, that
8 the foregoing is true and correct. Executed on this 22nd day of September, 2022 at
9 Westlake Village, California.

10
11 *Daniel F. Gaines*
12 DANIEL F. GAINES
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT A

Adams v. Newell Rubbermaid, USDC – Central District of California (Los Angeles), Case No. EDCV 08-1499 JTM (CTx)

Adams v. Sam's West, Inc., San Bernardino County Superior Court, Case No. CIVDS1403987

Agredano v. GS Brothers, Inc., Los Angeles County Superior Court, Case No. BC445561

Allen v. Toms Sierra Company, Nevada County Superior Court, Case No. CU18-082823

Allen v. Valley Inventory Service, Inc., Solano County Superior Court, Case No. FCS034682

Alvarez v. Pilot Travel Centers, LLC, San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-4605

Alonzo v. Camblin Steel Service, Inc., Placer County Superior Court, Case No. SCV0034165

Amenhotep v. Google, Inc., Santa Clara County Superior Court, Case No. 17CV311528

Anaya v. Progressive Logistics Services, LLC, Riverside County Superior Court, Case No. RIC1308270

Andre v. Newell Rubbermaid, Inc., San Bernardino County Superior Court, Case No. CIVVS1200282

Anduha v. ABC Phones of North Carolina, Inc., Stanislaus County Superior Court, Case No. 2022729

Anslow v. Wellington Energy, Inc., USDC – Northern District of California (San Francisco), Case No. CV11-1596-JCS

Aranda, et al. v. Universal Lumpers of California, Inc., San Joaquin County Superior Court, Case No. STK-UOE-2017-7826

Armendariz v. Integrated Pain Management Medical Group, Inc., Kern County Superior Court, Case No. BCV-19-100267-SDS

Barrow, et al. v. Desmond Foods, L.P., Sacramento County Superior Court, Case No. 34-2015-00187227

Batmanghelich v. Sirius XM Radio Inc., USDC – Central District of California (Los Angeles), Case No. CV 09-9190 VBF (JCx)

Bosser v. Hooked on Solar, Yolo County Superior Court, Case No. CVCV-2016-876

Bourland v. Horizon Personnel Services, Inc., Sacramento County Superior Court, Case No. 34-2014-00161365-CU-OE-GDS

Bowen v. IMI Material Handling Logistics, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2016-0000192

Branson v. Mladen Buntich Construction, San Bernardino County Superior Court, Case No. CIVDS1609129

Brandt v. Sacramento Auto Insurance Center, Inc., San Joaquin County Superior Court, Case No. 39-2009-00202938-CU-OE-STK

Brown v. 22nd District Agricultural Association, United States District Court, Southern District of California, Case No. 15-cv-2578-DHB

Brown v. Sierra Central Credit Union, Sutter County Superior Court, Case No. CVCS18-0002161

Burgess v. Blue Cross and Blue Shield of South Carolina, San Joaquin County Superior Court, Case No. 39-2012-00277449-CU-BT-STK

Burgess v. Strategic Retail Solutions, LLC, Los Angeles County Superior Court, Case No. BC413791

Calhoun v. Celadon Trucking Services, Inc., USDC – Central District of California (Los Angeles), Case No. 5:16-cv-01351-PSG-FFM

Caporicci v. Owens & Minor Distribution, Inc., San Joaquin County Superior Court, Case No. 39-2013-00295662-CU-OE-STK

Carl v. Advanced Call Center Technologies, LLC, Sacramento County Superior Court, Case No. 34-2013-00148310

Carlisle, et al. v. Professional Technical Security Services, Inc., Case No. CGC18569791

Carrete v. Gamestop, Inc., Imperial County Superior Court, Case No. ECU08501

Carrillo v. Bimbo Bakeries, Inc., San Bernardino County Superior Court, Case No. CIVDS1606813

Caudillo v. Aegis Treatment Centers, LLC, Merced County Superior Court, Case No. 18CV-0744

Cerami v. Metlife, Inc., USDC – Central District of California (Orange County), Case No. 11-CV-00681-CJC (MLGx)

Charles v. Aaron's Inc., Los Angeles County Superior Court, Case No. BC431468

Charles v. Nursefinders, LLC, Imperial County Superior Court, Case No. ECU07422

Cheifer v. JetBlue Airways Corporation, Los Angeles County Superior Court, Case No. BC451887

Cheifer, et al. v. WHGM, Inc., Los Angeles County Superior Court, Case No. LC104900

Chong, et al. v. Crescent Northwoods Inn, Inc., Del Norte County Superior Court, Case No. CVUJ-2018-1133

Church v. GameStop, Inc., et. al., USDC – Central District of California (Los Angeles), Case No. 11-CV-00132-VAP-RZ

Clothier v. Spar Marketing Services, Inc., Alameda County Superior Court, Case No: RG12-639317

Coleman v. Wireless Lifestyle, Inc., USDC – Western District of Missouri, Case No. 4:12-cv-00855-ODS

Colombo-Beyeler, et al. v. Viking River Cruises, Inc., San Bernardino County Superior Court, Case No. CIVDS1611608

Conlee v. Clark Pacific Corporation, Yolo County Superior Court, Case No. CV14-1409

Contreras v. Osmose Utilities Services, Inc., San Bernardino County Superior Court, Case No. CIVDS1513998

Contreras v. West American Service Corporation, Kings County Superior Court, Case No. 14C0280

Corona v. Yosemite Meat & Locker Service, Inc., Stanislaus County Superior Court, Case No. 2006828

Cortellessa v. Dotnext, Inc., Alameda County Superior Court, Case No. RG09429971

County v. Ingram Mirco, Inc., San Bernardino Superior Court, Case No. CIVRS 1304445

Covarrubias, et al. v. Petersendean Builder Group, Inc., Kern County Superior Court, Case No. BCV-16-101122

Cowen, et al. v. Evergreen Alliance Golf Limited, L.P., d/b/a Arcis Golf, San Bernardino County Superior Court, Case No. CIVDS1719283

Cruz-Garcia v. Lemonade Restaurant Group, LLC, Los Angeles County Superior Court, Case No. BC478205

Cunningham v. Performance Contracting, Inc., Contra Costa County Superior Court, Case No. C16-02157

Dabney v. Coneybeare, LLC, et al., Orange County Superior Court, Case No. 30-2018-00999989-CU-OE-CXC

Dabney, et al. v. Panera, LLC., San Bernardino County Superior Court, Case No. CIVDS1516030

Diaz, et al. v. Seaworld Entertainment, Inc., Imperial County Superior Court, Case No. ECU10046

Diggs v. Western Waterproofing Company, Inc., San Francisco County Superior Court, Case No. CGC-14-539281

Dismuke v. Rhodes Retail Services, Inc., Sacramento County Superior Court, Case No. 34-2011-00105001

Dorsette v. TA Operating, LLC, USDC – Central District of California (Los Angeles), Case No. EDCV 09-1350 PA (RZx)

Duran v. The Image of California, Inc., Kern County Superior Court, Case No. S-1500-CV-284056 DRL

Edwards v. Trans World Entertainment Corp., San Diego County Superior Court, Case No. 37-2010-00095123-CU-OE CTL

Esakhani v. Central Valley Gaming, Stanislaus County Superior Court, Case No. 2020667

Escobar v. SMSSI of California, Inc., San Francisco Superior Court, JCCP No. 4776

Espinosa v. Taltech Construction, et al., Los Angeles County Superior Court, Case No. BC590176

Espinosa v. Bodycote Thermal Processing, Inc., Los Angeles County Superior Court, Case No. BC501617

Espinoza v. Pabco Building Products, LLC, Los Angeles County Superior Court, Case No. VC065660

Estrada v. Net Source Communications, Inc., Los Angeles County Superior Court, Case No. BC431169

Estrada v. OS Restaurant Services, LLC, Santa Clara County Superior Court, Case No. 16CV293249

Estupinan v. Global Development Strategies, Inc., Santa Clara County Superior Court, Case No. 110CV178898

Fadhl. v. Siemens Healthcare Diagnostics Inc., Sacramento County Superior Court, Case No. 34-2017-00209518

Fernandez v. The Regents of the University of California, Los Angeles County Superior Court, Case No. BC656256

Ferrer v. Dish Network Corporation, Los Angeles County Superior Court, Case No. BC441354

Findora v. Barry Callebaut USA LLC, Napa County Superior Court, Case No. 19CV000219

Flores v. Cintas Corporation, Los Angeles County Superior Court, Case No. BC400422

Friel v. Midwest Construction Services, Inc., San Joaquin County Superior Court, Case No. 39-2015-00329204-CU-OE-STK

Gagnon v. Banc of California, Contra Costa County Superior Court, Case No. C 15-00196

Galarza v. Bayou Well Services, LLC, Kern County Superior Court, Case No. S-1500-CV-279372 DRL

Galarza v. C & H Testing Service LLC, Kern County Superior Court, Case No. BCV-15-100008 SPC

Garcia v. Old Dominion Freight Line, Inc., San Bernardino County Superior Court, Case No. CIVDS1404636

Geer v. Applied Aerospace Structures Corp., San Joaquin County Superior Court, Case No. 39-2014-00313702-CU-OE-STK

Getz v. California Cinema Investments, Inc., Ventura County Superior Court, Case No. 56-2013-00437706-CU-MC-VTA

Gibbs v. M. Lehmann Enterprises, Orange County Superior Court, Case No. 30-2013-00678538-CU-OE-CXC

Gilles v. Schaefer Ambulance Service Inc., Imperial County Superior Court, Case No. ECU07970

Goldman, et al. v. Defender's, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-0009973

Gomez v. Low Desert Empire Pizza, Inc., San Bernardino County Superior Court, Case No. CIVVS900392

Gomez v. Pizza Hut of Southeast Kansas, Inc., San Bernardino County Superior Court, Case No. CIVVS900679

Gonzalez v. Harris Farms, Inc., USDC – Eastern District of California (Fresno), Case No. 1:14-cv-00038-LJO-SAB

Guerrero v. Main Electric Supply Company LLC, Ventura County Superior Court, Case No. 56-2019-00525427-CU-OE-VTA

Gutierrez v. Asset Management Specialists, Inc., Fresno County Superior Court, Case No. 12CECG03577

Gutierrez v. Linkus Enterprises, Inc., Madera County Superior Court, Case No. MCV065774

Gutierrez v. Shiekh, LLC, San Bernardino County Superior Court, Case Nos. CIVRS1206525, CIVRS1303408

Hairston v. Stanislaus Surgical Hospital, Stanislaus County Superior Court, Case No. CV-19-000651

Hindman v. Service Quick, Inc., San Bernardino County Superior Court, Case No. CIVDS1724229

Hogan v. iMobile of CA LLC, San Bernardino County Superior Court, Case No. CIVDS1409263

Hogan v. Wireless Evolution Inc., Riverside County Superior Court, Case No. MCC1300669

Hogan v. Wireless That's It! LLC, Riverside County Superior Court, Case No. RIC1201997

Holmes v. Bottling Group, LLC, Stanislaus County Superior Court, Case No. 2022584

Hooper, et al. v. URS Midwest, Inc., et al., San Bernardino Superior Court, Case No. CIVDS1607489

Humphrey v. Freedomroads, LLC, Shasta County Superior Court, Case No. 178228

Hurtado v. Rush Truck Centers of California, Inc., Los Angeles County Superior Court, Case No. BC427672

Hyde v. Dent Wizard International Corporation, Sacramento County Superior Court, Case No. 34-2015-00173882

Ibrihim v. Imperfect Foods, Inc., San Joaquin County Superior Court, Case No. STK-VI-UOE-2019-0000846

Id-deen v. Educational Services of America, Solano County Superior Court, Case No. FCS040803

Isherwood v. Mason Dixon Intermodal, Inc., San Joaquin County Superior Court, Case No. 39-2012-00279891-CU-OC-STK

Jahanbin v. Pacific Mercantile Bank, Orange County Superior Court, Case No. 30-2011-00480705CU-OE-CXC

Jenkins v. Sedgwick Claims Management Services, Inc., Los Angeles Superior Court, Case No. LC101648

Job v. California Security Services, Yuba County Superior Court, Case No. 14-0000820

Johnson v. The Goodyear Tire & Rubber Company, USDC – Northern District of California (San Francisco), Case No. 3:13-cv-01069-MMC

Jolin v. Bay Cities Recovery, Inc., El Dorado County Superior Court, Case No. PC20100458

Jordan v. Sutter Memorial Hospital, Stanislaus County Superior Court, Case No. 2023344

Keebaugh v. Mike Thompson Recreational Vehicles, San Bernardino County Superior Court, Case No. CIV-DS-1500718

Kelly v. Robin's Enviro Vac, Inc., Kern County Superior Court, Case No. S-1500-CV-282277
DRL

King v. Levy Premium Foodservice Limited Partnership, Alameda County Superior Court, Case No. HG15786353

Kunsman v. Punch Bowl Sacramento, LLC, et al., Sacramento County Superior Court, Case No. 34-2018-00243175

LaFear v. Encore Education Corporation, San Bernardino County Superior Court, Case No. CIVDS1802251

Lanzarin v. AWI Management Corporation, Solano County Superior Court, Case No. FCS041809

Lee, et al. v. Foster Dairy Farms, Stanislaus County Superior Court, Case Nos. 2006542, 2015679

Lemus, et al. v. Eastridge Workforce Technology, Inc., San Bernardino County Superior Court, Case No. CIV-DS-1611470

Lewis v. American Casino & Entertainment Properties LLC, San Bernardino County Superior Court, Case No. CIVDS1719094

Lemus v. On Assignment Staffing Services, San Bernardino County Superior Court, Case No. CIV-DS-1600497

Leon v. Piercey West Inc., Los Angeles County Superior Court, Case No. BC656874

Lopez v. Creative Communication Technologies, Inc., Imperial County Superior Court, Case No. ECU07851

Lopez v. Go Green Auto Spa Franchise, Inc., et al., Los Angeles County Superior Court, Case No. BC 562212

Lopez v. Truck Accessories Group, LLC, Yolo County Superior Court, Case No. CV13798

Ludlow v. Prince Telecom, LLC, Stanislaus County Superior Court, Case No. 684239

Luna v. Express Locations, LLC, Imperial County Superior Court, Case No. ECU09779

Macias v. American Tire Distributors, Inc., Kern County Superior Court, Case No. BCV-18-101586

Maldonado v. Hardwood Flooring Liquidators, Inc., Los Angeles County Superior Court, Case No. BC642170

Mansfield v. Cambridge Real Estate Services, Inc., Butte County Superior Court, Case No. 160175

Martinez v. DPI Specialty Foods West, San Joaquin County Superior Court, Case No. 39-2015-00327311-CU-OE-STK

Martinez v. Styles For Less, Inc., San Bernardino County Superior Court, Case No. CIVVS1203057

Mayne v. John Muir Behavioral Health, Contra Costa County Superior Court, Case No. C17-00998

Maze v. Bulldog Freightway, Inc., Imperial County Superior Court, Case No. ECU08716

McCormick v. G & O Body Shop, Inc., El Dorado Superior Court, Case No. PC20130291

McCrary v. Campbell Soup Supply Company, San Joaquin County Superior Court, Case No. 39-2013-00297698-CU-OE-STK

McDaniel v. Vancary, Inc., Tulare County Superior Court, Case No. 268036

Melgar-Farela v. Guardian Compliance, Inc., Los Angeles County Superior Court, Case No. BC481865

Mendiola v. Tyco Electronics Corporation, Riverside County Superior Court, Case No. RIC1400721

Mettler v. Les Schwab Tire Centers of California, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-476

Miller v. California Subshine, Inc., Los Angeles County Superior Court, Case No. BC637754

Miller v. Southwest Airlines Co., USDC – Northern District of California (San Francisco), Case No. 3:12-cv-05978-CRB

Mitchell v. Crossmark, Inc., USDC – Central District of California (Los Angeles), Case No. CV 11-2818-JAK (FMOx)

Moghrabi v. Vitaligent, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2018-1650

Molina v. Berkshire Hathaway Energy Company, et al., Imperial County Superior Court, Case No. ECU000522

Moore v. Horizon Solar Power, Inc., San Bernardino County Superior Court, Case No. CIVDS1410001

Murray v. Select Media Services, LLC, Los Angeles County Superior Court, Case No. BC424506

Myles v. Central Transport LLC, San Bernardino County Superior Court, Case No. CIVDS1401434

Navarro v. Mariana Packing Co., Inc., Solano County Superior Court, Case No. FCS045935

Nehrlich, et al. v. RPM Mortgage, Inc., Orange County Superior Court, Case No. 30-2013-00666783-CU-OE-CXC

Overton v. Hat World, Inc., USDC – Eastern District of California (Sacramento), Case No. 2:11-CV-01645-LKK-KJN

Perez v. Alcatel-Lucent USA Inc., Imperial County Superior Court, Case No. ECU07977

Perez v. Major Gloves and Safety, Inc., San Bernardino County Superior Court, Case No. CIVDS1710445

Perry v. Cardinal Health 200, LLC, Solano County Superior Court, Case No. FCS035303

Phraxayavong-Briones v. RSM, Inc., Sacramento County Superior Court, Case No. 34-2012-00117524

Pugh v. Wi Spa, LLC, Imperial County Superior Court, Case No. ECU07932

Quist v. Knight Transportation, Inc., San Bernardino Superior Court, Case No. CIVDS 1615414

Quitco v. Aviation Fuel Systems Repair, Inc., San Bernardino Superior Court, Case No. CIVRS1302311

Rambeau v. C.C.M. Corporation, et al., Sacramento County Court, Case No. 34-2018-00244842

Rankins v. Roman Empire Living Skills, Inc., Los Angeles County Superior Court, Case No. BC713399

Rees v. Advantel, Incorporated, Santa Clara County Superior Court, Case No. 16-CV-292219

Renfrow v. Janra Enterprises, Inc., Sacramento County Superior Court, Case No. 3402010-00080471

Reynolds v. Diamond Pet Food Processors of Ripon, San Joaquin County Superior Court, Case No. 39-2014-00310818

Richard v. A-Para Transit Corp., Alameda County Superior Court, Case No. HG17870373

Richardson v. TEC Equipment, Inc., et al., Los Angeles County Superior Court, Case No. VC065536

Robles v. North County Health Project Incorporated, San Diego Superior Court, Case No. 37-2014-00001751-CU-OE-NC

Rodas v. Monetary Management of California, Inc., USDC – Eastern District of California (Sacramento), Case No. 2:14 cv 01389 TLN AC

Rodriguez v. 20/20 Plumbing & Heating, Inc., San Bernardino County Superior Court, Case No. CIVDS1705362

Rodriguez v. Commerce Distribution Company, Los Angeles County Superior Court, Case No. BC656259

Rodriguez v. Valley Oak, San Joaquin County Superior Court, Case No. STK-CV-UOE-2016-7980

Roden v. Service Champions, San Bernardino County Superior Court, Case No. CIVDS1613183

Russell v. Bradshaw International, Imperial County Superior Court, Case No. ECU00853

Rutledge, et al. v. Healthport Technologies, LLC, Alameda County Superior Court, Case No. RG16835813

Sabala v. Econtactlive, Inc., Stanislaus County Superior Court, Case No. 684981

Sabatier v. Picture Perfect Installation, Inc., Riverside County Superior Court, Case No. RIC10004953

Salameh v. Sonomaidence OPCO, LLC, Sonoma County Superior Court, Case No. SVC264228

Salazar v. Tag-3 Medical Investment Group, LLC, Los Angeles County Superior Court, Case No. BC527698

Salbeck v. Ingredion Incorporated, San Joaquin County Superior Court, Case No. STK-UOE-2017-0012622

Sampson v. Healthnet of California Inc., Sacramento County Superior Court, Case No. 34-2015-00183785-CU-OE-GDS

Sanchez v. Don Roberto Jewelers, Inc., Imperial County Superior Court, Case No. ECU06819

Sanders v. Lionakis, Sacramento County Superior Court, Case No. 34-2017-00223601

Santana v. United Staffing Associates, LLC, Tulare County Superior Court, Case No. 249338

Schrader v. Adidas Promotional Retail Operations, Inc., Los Angeles County Superior Court, Case No. BC414168

Sebrell v. Pomeroy IT Solutions, San Bernardino County Superior Court, Case No. CIVDS1721560

Seymour v. Quest Service Group, LLC, Sacramento County Superior Court, Case No. 34-2017-00206917

Silva v. Trical, San Benito County Superior Court, Case No. CU-16-00218

Simler v. Polly's Inc., Riverside County Superior Court, Case No. RIC 1117862

Sipin, Scott v. Salesforce.com, Inc., San Joaquin County Superior Court, Case No. STK-CV-UOE-2019-0004629

Skuro v. BMW of North America, LLC, USDC – Central District of California (Los Angeles), Case No.: CV 10-8672-GW (FFMx)

Smith v. Steelcase, Inc., San Bernardino County Superior Court, Case No. CIVDS1725850

Sohal v. Foster Poultry Farms, Stanislaus County Superior Court, Case No. 2026605

Solomon v. City of Los Angeles, Los Angeles County Superior Court, Case No. BC570345

Solano v. Vozzcom, Inc., Imperial County Superior Court, Case No. ECU09519

Smith, et al. v. Sente Development, Inc., Sacramento County Superior Court, Case No. 34-2016-00196614

Solorzano v. FDS Manufacturing Corporation, Los Angeles County Superior Court, Case No. BC542532

Solowitz v. BakeMark USA LLC, Los Angeles County Superior Court, Case No. BC467838

Spampinato v. Wind & Sea Restaurants, Inc., San Bernardino County Superior Court, Case No. CIVVS1205154

Spitzer, et al. v. FRHI Hotels & Resorts (Canada) Inc., San Bernardino County Superior Court, Case No. C IVDS1712220

Stephens v. C.S., Inc., Riverside County Superior Court, Case No. PSC1301224

Stevenson v. Harvest Management Sub LLC, Ventura County Superior Court, Case No. 56-2011-00397420-CU-OE-SIM

Thompson v. Continental Labor Resources, Inc. d/b/a Continental Labor & Staffing Resources, Kern County Superior Court, Case No. S-1500-CV-278751-DRL

Thompson v. Sidhu Truck Line, Inc., Kern County Superior Court, Case No. BCV-15-101308-DRL

Tigas v. Ajilon Communications, Los Angeles County Superior Court, Case No. BC409737

Torres v. Coastal Employment Inc., Los Angeles County Superior Court, Case No. BC529207

Tran v. CSP Fiber Services, San Bernardino County Superior Court, Case No. CIVDS172758

Tripp v. California Guest Services, Inc., Plumas County Superior Court, Case No. CV16-00036

Valdez v. Diamond Landscaping, Inc., Los Angeles County Superior Court, Case No. BC497097

Valencia v. American Team Managers, Inc., Orange County Superior Court, Case No. 30-2016-00857365-CU-CR-CXC

Van Son v. Rush Truck Centers of California, Inc., Los Angeles County Superior Court, Case No. BC494747

Vasquez v. Schurman Fine Papers, San Joaquin County Superior Court, Case No. STK-CV-LMC-2015-10035

Velasquez v. Modesto Ventures, LLC, Sacramento County Superior Court, Case No. 32-2012-00126159

Victoria v. Bali Limousines Inc., San Mateo County Superior Court, Case No. CIV507774

Victorian v. Vision X, Inc., Los Angeles County Superior Court, Case No. BC400333

Wade v. Frito Lay, Kern County Superior Court, Case No. BCV-17-102014

Walls v. E. & J. Gallo, Stanislaus County Superior Court, Case No. 2015874

Warner v. Waterdrops Express Car Wash, LLC, Tulare County Superior Court, Case No. 265708

Waybright v. EAH, Inc., Stanislaus County Superior Court, Case No. 2011677

Weiss v. C.A.R. Enterprises, Inc., Riverside County Superior Court, Case No. RIC1113165

White v. Sally Beauty Supply, LLC, Imperial County Superior Court, Case No. ECU08177

Williams v. Dennis Dillon RV, LLC, San Bernardino County Superior Court, Case No. CIVDS 16006879

Williams v. Closet World, Inc., Los Angeles County Superior Court, Case No. BC400178

Williams v. Progress Rail Services Corporation, Kern County Superior Court, Case No. S-1500-CV-280236 DRL

Wing v. Three Group, Inc., Los Angeles County Superior Court, Case No. BC643883

Wilson v. ALSCO, Inc., Imperial County Superior Court, Case No. ECU07406

Wilson v. Michael C. Stead, Inc., Contra Costa Superior Court, Case No. C1400135

Winningham v. Storer Transportation Service, San Joaquin County Superior Court, Case No. 39-2015-00324708-CU-STK

Woody v. WBN Home Design, San Bernardino County Superior Court, Case No. CIVDS1613367

Woods, et al. v. F&B Innovations, LLC, San Bernardino County Superior Court, Case No. CIVDS1717765

Woodyard v. Bellus ALC Acquisition, LLC, USDC – Central District of California (Los Angeles), Case No. 2:13-cv-05285 SJO AGRx

Wright v. Social Vocational Services, Inc., Kern County Superior Court, Case No. BCV-15-101264

Ybarra v. New Legend, Inc., Sutter County Superior Court, Case No. CVCS-16-2097

Zaragoza v. Center Automotive, Inc., Los Angeles Superior Court, Case No. BC505194

EXHIBIT B

1 Daniel F. Gaines (SBN 251488)
daniel@gaineslawfirm.com
2 Miriam L. Schimmel (SBN 185089)
evan@gaineslawfirm.com
3 GAINES & GAINES, APLC
27200 Agoura Road, Suite 101
4 Calabasas, CA 91301
Telephone: (818) 703-8985
5 Facsimile: (818) 703-8984

6 Attorneys for Robert Lawson and Marty
Linebarger, on behalf of themselves and
7 all others similarly situated, and on behalf of
the general public

8 Danielle Hultenius Moore (SBN 232480)
E-Mail: dmoore@fisherphillips.com
9 Phillip G. Simpler (SBN 292486)
E-Mail: psimpler@fisherphillips.com
10 Benjamin P. Carney (SBN 317206)
E-Mail: bcarney@fisherphillips.com
11 FISHER & PHILLIPS LLP
4747 Executive Drive, Suite 1000
12 San Diego, California 92121
Telephone: (858) 597-9600
13 Facsimile: (858) 597-9601

14 Attorneys for Defendant Graphic Packaging International, LLC
15 [additional counsel on following page]
16

17 SUPERIOR COURT OF THE STATE OF CALIFORNIA
18 FOR THE COUNTY OF BUTTE
19

20 ROBERT LAWSON, on behalf of himself
and all "aggrieved employees" pursuant to
21 Labor Code 2698 et seq.,

22 Plaintiff,

23 v.

24 GRAPHIC PACKAGING
INTERNATIONAL, LLC, a Delaware
25 limited liability company, and DOES 1
through 10, inclusive,

26 Defendants.
27
28

CASE NO.: 20CV01921
[Unlimited Jurisdiction]

*Assigned for all purposes to the
Honorable Robert A. Glusman, Dept. 10*

STIPULATION OF RESOLUTION

Complaint Filed: September 29, 2020
Trial Date: NONE SET

1 Larry W. Lee (SBN 228175)
2 Mai Tulyathan (SBN 316704)
3 DIVERSITY LAW GROUP, P.C.
4 515 S. Figueroa Streret, Suite 1250
5 Los Angeles, CA 90071
6 (213) 488-6555
7 (213) 488-6554 facsimile

8 William L. Marder (SBN 170131)
9 Polaris Law Group LLP
10 501 San Benito Street, Suite 200
11 Hollister, CA 95023
12 (831) 531-4214
13 (831) 634-0333 facsimile

14 Attorneys for Marcos Castro, on behalf of themselves and all others similarly
15 situated, and on behalf of the general public
16
17
18
19
20
21
22
23
24
25
26
27
28

1 This Stipulation of Resolution resolves three lawsuits that have been brought in separate
2 judicial forums by Named Plaintiffs, Robert Lawson, Marty Linebarger, and Marcos Castro
3 ("Named Plaintiffs") against Graphic Packaging International, LLC, a Delaware limited liability
4 company ("Defendant"). The lawsuit currently pending before this Court is entitled *Robert*
5 *Lawson v. Graphic Packaging International, LLC*, filed in Butte County Superior Court, Case
6 No. 20CV01921 (the "Litigation"). This Stipulation of Resolution also resolves the lawsuits
7 entitled *Marty Linebarger, etc. v. Graphic Packaging International, LLC*, et al. filed in Orange
8 County Superior Court, Case No. 30-2020-01122257-CU-OE-CJC and removed to the Southern
9 District of California, Case No. 8:20-cv-00309JWH(JDEx) and *Marcos Castro, etc. v. Graphic*
10 *Packaging International, LLC*, et al. filed in Orange County Superior Court, Case No. 30-2020-
11 01172807-CU-OE-CXC and removed to the Southern District of California, Case No. 8:21-cv-
12 00448JLS(DFMx) (these two pending cases are referred to as the "Related Cases"). The Named
13 Plaintiffs are former employees of Defendant who have alleged similar causes of action against
14 Defendant. The Litigation and Related Cases were mediated concurrently and resolved as part of
15 this global settlement agreement. This Stipulation of Resolution is made by and between the
16 Named Plaintiffs on their own behalf and on behalf of all members of the Settlement Class, as
17 defined below, on the one hand, and Defendant on the other hand (collectively the "Parties").
18 This Stipulation of Resolution resolves all claims that were asserted or could have been asserted
19 against Defendant pertaining to the claims in the Litigation and Related Cases.

20 **I. DEFINITIONS**

21 **A. Administrative Costs.** "Administrative Costs" means the amount that will be
22 paid to the Settlement Administrator for actual and direct fees and expenses reasonably incurred
23 by the Settlement Administrator in administering the Settlement. Settlement Administration
24 Costs will include, but are not limited to, fees and costs payable to the Settlement Administrator
25 for printing, distributing (including with appropriate postage), and tracking documents for this
26 Settlement, any searches to locate any Class Members, calculating estimated amounts per Class
27 Member, tax reporting, distributing the individual Net Settlement Payments, enhancements to
28 the Named Plaintiffs, Class Counsel Fees and Costs, payment to the LWDA, and providing

1 necessary certification of completion of notice, reports and declarations, establishing and
2 administering a QSF account, required tax reporting and withholding on the individual
3 Settlement Awards, the issuing of 1099 and W-2 IRS forms, as well as determining the validity
4 of any disputes (and communicating the determination of those disputes to the disputing Class
5 Member, Class Counsel and Defendant's Counsel) and opt-outs, calculating all amounts to be
6 paid from the Settlement Amount, and such other responsibilities and duties as reasonably and
7 customarily performed by third-party settlement administrators or as requested by the Parties.

8 **B. Agreement.** The terms "Agreement," "Resolution," and "Settlement Agreement"
9 are used synonymously herein to mean this Stipulation of Resolution.

10 **C. Class or Class Members.** "Class" or "Class Members" means all persons who
11 are or were employed by Graphic Packaging International, LLC in the State of California as non-
12 exempt employees who were paid wages at any time during the Settlement Period.

13 **D. Class Counsel.** The term "Class Counsel" as used herein means: the law firm of
14 Gaines & Gaines, APLC and all the lawyers of that firm, specifically including but not limited
15 to Daniel F. Gaines, Alex P. Katofsky and Miriam L. Schimmel; the law firm of Diversity Law
16 Group, P.C. and all the lawyers of that firm, specifically including but not limited to Larry W.
17 Lee, Esq. and Mai Tulyathan; and the law firm of Polaris Law Group, LLP and all the lawyers
18 of that firm, specifically including but not limited to William L. Marder who are (or were at some
19 time) counsel for and acting on behalf of the Named Plaintiffs and the Settlement Class. The
20 term Class Counsel shall be used synonymously with the term Plaintiffs' Counsel.

21 **E. Court.** The term "Court" as used herein means the Superior Court of the State of
22 California for the County of Butte.

23 **F. Date of Final Approval.** The terms "Date of Final Approval" or "Final
24 Approval" mean the date the final judgment is entered by the Court at the Final Fairness and
25 Approval Hearing in accordance with the terms herein, approving this Agreement.

26 **G. Defendant.** The term "Defendant" as used herein means Graphic Packaging
27 International, LLC.

28 **H. Effective Date.** The term "Effective Date" means: (1) the date of final affirmation

1 of the Final Approval from any appeal, the expiration of the time for, or the denial of, a petition
2 to review the Final Approval, or if review is granted, the date of final affirmation of the Final
3 Approval following review pursuant to that grant; or (2) the date of final dismissal of any appeal
4 from the Final Approval or the final dismissal of any proceeding to review the Final Approval,
5 provided that the Final Approval is affirmed and/or not reversed in any part; or (3) if no appeal
6 is filed, the expiration date of the time for the filing or noticing of any appeal from the Court's
7 Final Approval of the Resolution, as determined under Rule 8.104(a) of the California Rules of
8 Court; or (4) if no objections to this Agreement are timely filed, or if any objections to this
9 Agreement which are timely filed are subsequently withdrawn, the Date of Final Approval.

10 **I. Eligible Workweeks.** The term "Eligible Workweeks" means number of weeks
11 each Class Member was employed by Defendant in California in a non-exempt position during
12 the Settlement Period or the PAGA Period, as applicable.

13 **J. Employer Taxes.** Employer-funded taxes and contributions imposed on the wage
14 portions of the Settlement Payment under the Federal Insurance Contributions Act, the Federal
15 Unemployment Tax Act, and any similar state taxes and contributions required of employers,
16 such as for unemployment insurance. All such taxes shall be paid by Defendant separate and
17 apart from, and in addition to, the Settlement Amount.

18 **K. Litigation.** The term "Litigation" as used herein means the action entitled *Robert*
19 *Lawson v. Graphic Packaging International, LLC*, filed in Butte County Superior Court, Case
20 No. 20CV01921.

21 **L. Named Plaintiffs.** The term "Named Plaintiffs" as used herein means Robert
22 Lawson, Marty Linebarger, and Marcos Castro.

23 **M. Net Settlement Amount.** The term "Net Settlement Amount" as used herein
24 means the Settlement Amount minus any award of attorneys' fees and Litigation costs to Class
25 Counsel, Administrative Costs, enhancements to the Named Plaintiffs, and penalties paid
26 pursuant to California's Private Attorneys General Act ("PAGA") ("PAGA Settlement") as
27 provided in Sections XIII, VIII, XIV, XV, and XVI, respectively.

28 ///

1 **N. Net Settlement Payments.** The term "Net Settlement Payment(s)" shall include
2 payments made to the Settlement Class as part of the Resolution, including wages, penalties and
3 interest, and shall be supplemented by any portion of the requested attorneys' fees and Litigation
4 costs, Administrative Costs, and the enhancement to the Named Plaintiffs which are not approved
5 by the Court.

6 **O. PAGA Period.** The term "PAGA Period" means the period from October 17,
7 2018 to October 25, 2021.

8 **P. PAGA Released Claims.** The term "PAGA Released Claims" means the claim
9 for penalties pursuant to PAGA asserted against Defendant and the Released Parties as alleged
10 in the Litigation.

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

24 **R. Related Cases.** The term "Related Cases" as used herein means the actions
25 entitled *Marty Linebarger, etc. v. Graphic Packaging International, LLC*, et al. filed in Orange
26 County Superior Court, Case No. 30-2020-01122257-CU-OE-CJC and removed to the Southern
27 District of California, Case No. 8:20-cv-00309JWH(JDEx) and *Marcos Castro, etc. v. Graphic*
28 *Packaging International, LLC*, et al. filed in Orange County Superior Court, Case No. 30-2020-

01172807-CU-OE-CXC and removed to the Southern District of California, Case No. 8:21-cv-00448JLS(DFMx). The Related Cases were submitted to mediation concurrently with the Litigation. This settlement agreement resolves the Related Cases as well as the Litigation.

S. Released Parties. The term "Released Parties" shall mean Defendant and its respective subsidiaries, affiliates, predecessors or successors in interest, or the officers, directors, shareholders, employees, attorneys, agents, assigns, insurers, re-insurers, of any of them

T. Request for Exclusion. The term "Request for Exclusion" means a letter or written request to be excluded from the Settlement Class submitted by a Class Member to the Settlement Administrator and postmarked by the Objection/Request for Exclusion Deadline, as defined herein. In order to be valid, the Request for Exclusion must include the Class Member's name, address, telephone number, last four digits of the Social Security number, location and years of his or her employment, and signature, and contain a statement to the effect of: "I wish to be excluded from the Settlement Class."

U. Settlement Administrator. The term "Settlement Administrator" as used herein means ILYM Group Inc., which will be responsible for the administration of the Settlement Payment, as defined below, and all related matters.

V. Settlement Amount. The term "Settlement Amount" as used herein mean a fund in the sum of One Million Two Hundred Fifty Thousand Dollars and zero cents (\$1,250,000.00), which shall be fully paid by Defendant, and from which the: Net Settlement Payments; Court approved attorneys' fees and Litigation costs pursuant to Section XIII; Administrative Costs pursuant to Section VIII; enhancements to Named Plaintiffs pursuant to Section XIV; statutory penalties, interest, and Taxes pursuant to Section XV; and the PAGA Settlement pursuant to Section XVI shall be paid, except as provided herein.

W. Settlement Class. "Settlement Class" means the Class Members who have not submitted a timely and valid Request for Exclusion.

X. Settlement Class Released Claims. The term "Settlement Class Released Claims" shall mean all claims alleged in the litigation, or which could have been alleged based on the facts set forth therein. This includes: Failure to Pay Wages, Double Time and Overtime

1 Compensation under Labor Code §§ 510, 558 and 1194; Failure to Pay Minimum Wages under
2 Labor Code §§ 510, 558 and 1194; Failure to Timely Pay Wages Due At Termination under Labor
3 Code § 201-203; Failure to Provide Accurate Itemized Employee Wage Statements under Labor
4 Code § 226(a); Rest Break Liability under Labor Code §§ 226.7 and 558; Meal Period Liability
5 under Labor Code §§ 226.7, 512 and 558; Indemnification for Business Expenses under Labor
6 Code § 2802; Penalties Pursuant to PAGA (Labor Code § 2698 *et seq.*) based on the foregoing
7 facts and claims; and any other applicable provisions of state or federal law, including the
8 applicable IWC wage orders.

9 Y. **Settlement Period.** The term "Settlement Period" means the period from April
10 27, 2017 to October 25, 2021.

11 **II. BACKGROUND**

12 A. This settlement resolves the Litigation and the Related Cases. In the Litigation
13 and Related Cases, the Named Plaintiffs allege, *inter alia*, on behalf of themselves and all others
14 similarly situated, that Defendant violated California state wage and hour laws and the Private
15 Attorneys General Act, Labor Code § 2698, *et seq.* (the "PAGA") as a result of Defendant's
16 California wage and hour policies and practices. Specifically, the Named Plaintiffs allege that
17 Defendant failed to pay all regular and overtime wages, failed to provide rest periods, failed to
18 provide meal periods, failed to reimburse employees for business related expenses, failed to
19 provide compliant wage statements, and failed to pay all wages due at separation.

20 Class Counsel conducted informal discovery that yielded information and documentation
21 concerning the claims set forth in the Litigation and Related Cases, such as Defendants' policies
22 and procedures regarding the payment of wages, the provision of meal and rest breaks, time
23 keeping policies, including recording hours, issuance of wage statements, and providing all
24 wages at separation, as well as information regarding the number of putative class members and
25 the mix of current versus former employees, the average number of hours worked, the wage rates
26 in effect, and length of employment for the average putative class member.

27 ///

28 ///

1 B. Named Plaintiffs and Class Counsel have engaged in good faith, arms-length
2 negotiations with Defendants concerning possible resolution of the claims asserted in the
3 Litigation. On June 7, 2021, the Parties participated in a mediation before mediator Tripper
4 Ortman that resulted in a tentative settlement of the Litigation and Related Cases, subject to
5 finalization of a formal Stipulation for Resolution and approval of the Court. The Parties have
6 now entered into a more detailed, formalized Settlement Agreement for submission to the Court
7 for preliminary and final approval.

8 C. Class Counsel has conducted an investigation of the law and facts relating to the
9 claims asserted in the Litigation and Related Cases and has concluded, taking into account the
10 sharply contested issues involved, the expense and time necessary to pursue the Litigation
11 through trial and any appeals, the risks and costs of further prosecution of the Litigation and
12 Related Cases, the risk of an adverse outcome, the uncertainties of complex litigation, and the
13 substantial benefits to be received by the Named Plaintiffs and the members of the Settlement
14 Class pursuant to this Agreement, that a settlement with Defendant on the terms and conditions
15 set forth herein is fair, reasonable, adequate, and in the best interests of the Settlement Class.
16 Named Plaintiffs, on their own behalf and on behalf of the Settlement Class, have agreed to settle
17 the Litigation and Related Cases with Defendant on the terms set forth herein.

18 D. Defendant has concluded that, because of the substantial expense of defending
19 against the Litigation and Related Cases, the length of time necessary to resolve the issues
20 presented herein, the inconvenience involved, and the concomitant disruption to their business
21 operations, it is in their best interests to accept the terms of this Agreement. Defendant denies
22 each of the allegations and claims asserted against it in the Litigation. However, Defendant
23 nevertheless desires to settle the Litigation and Related Cases for the purpose of avoiding the
24 burden, expense and uncertainty of continuing litigation and for the purpose of putting to rest the
25 controversies engendered by the Litigation and Related Cases.

26 E. This Agreement is intended to and does effectuate the full, final and complete
27 resolution of all allegations and claims that were asserted, or could have been asserted, in the
28 Litigation and Related Cases by Named Plaintiffs and members of the Settlement Class as set

1 forth in Section II.A.

2 **III. JURISDICTION**

3 The Court has jurisdiction over the Parties and the subject matter of the Litigation. Class
4 Counsel shall file an Amended Complaint with the Court that incorporates all Named Plaintiffs,
5 Class Counsel, and the allegations from the Related Cases prior to filing a motion for preliminary
6 approval. The Litigation and Related Cases include claims that, while Defendant denies them in
7 their entirety, would, if proven, authorize the Court to grant relief pursuant to the applicable
8 statutes. After the Court has granted Final Approval of the Resolution and after the Court has
9 ordered the entry of Judgment, pursuant to California Code of Civil Procedure Section 664.6 and
10 California Rules of Court, Rule 3.769(h), the Court shall retain jurisdiction of this action solely
11 for the purpose of interpreting, implementing, and enforcing this Resolution consistent with the
12 terms set forth herein.

13 **IV. STIPULATION OF CLASS CERTIFICATION**

14 The Parties stipulate to the certification of this Settlement Class for purposes of
15 Resolution only. This Stipulation is contingent upon the Preliminary and Final Approval and
16 certification of the Settlement Class only for purposes of Resolution. Should the Resolution not
17 become final, for whatever reason, the fact that the Parties were willing to stipulate provisionally
18 to class certification as part of the Resolution shall have no bearing on, and shall not be admissible
19 in connection with, the issue of whether a class should be certified in a non-settlement context in
20 the Litigation. Defendant expressly reserves the right to oppose class certification should this
21 Resolution be modified or reversed on appeal or otherwise not become final.

22 **V. MOTION FOR PRELIMINARY APPROVAL**

23 The Named Plaintiffs will bring a motion before the Court for an order preliminarily
24 approving the Resolution, including the Notice of Proposed Class Action Resolution, and
25 including certification of the Settlement Class for settlement purposes only. Prior to the Date of
26 Final Approval, Class Counsel shall file an Amended Complaint which incorporates all Named
27 Plaintiffs, Class Counsel, and the allegations from the Related Cases, thereby subjecting all
28 Named Plaintiffs to the Court's jurisdiction. Defendant's counsel shall have the opportunity to

1 review and comment on the draft Amended Complaint before it is filed.

2 The date that the Court grants Preliminary Approval of this Agreement will be the
3 "Preliminary Approval Date." Class Counsel will prepare the Motion for Preliminary Approval;
4 on the same date on which it is filed with the Court, Class Counsel shall concurrently submit it
5 to the Labor and Workforce Development Agency in compliance with PAGA.

6 **VI. STATEMENT OF NO ADMISSION**

7 A. Defendant denies liability to Named Plaintiffs and to the Settlement Class upon
8 any claim or cause of action. This Agreement does not constitute, and is not intended to
9 constitute, an admission by Defendant as to the merits, validity, or accuracy of any of the
10 allegations or claims made against it in the Litigation.

11 B. Nothing in this Agreement, nor any action taken in implementation thereof, nor
12 any statements, discussions or communications, nor any materials prepared, exchanged, issued
13 or used during the course of the negotiations leading to this Agreement or the Resolution, is
14 intended by the Parties to constitute, nor will any of the foregoing constitute, be introduced, be
15 used or be admissible in any way in this case or any other judicial, arbitral, administrative,
16 investigative or other forum or proceeding as evidence of any violation of any federal, state, or
17 local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law
18 or in equity. The Parties themselves agree not to introduce, use, or admit this Agreement, directly
19 or indirectly, in this case or any other judicial, arbitral, administrative, investigative or other
20 forum or proceeding, as purported evidence of any violation of any federal, state, or local law,
21 statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in
22 equity, or for any other purpose. Notwithstanding the foregoing, this Agreement may be used in
23 any proceeding before the Court that has as its purpose the interpretation, implementation, or
24 enforcement of this Agreement or any orders or judgments of the Court entered in connection
25 with the Resolution.

26 C. The Parties agree that class certification pursuant to California Code of Civil
27 Procedure Section 382 under the terms of this Agreement is for settlement purposes only.
28 Nothing in this Agreement will be construed as an admission or acknowledgement of any kind

that any class should be certified or given collective treatment in the Litigation or in any other action or proceeding. Further, neither this Agreement nor the Court's actions with regard to this Agreement will be admissible in any court or other tribunal regarding the propriety of class certification or collective treatment. In the event that this Agreement is not approved by the Court or any appellate court, is terminated, or otherwise fails to be enforceable, Named Plaintiffs will not be deemed to have waived, limited or affected in any way any claims, rights or remedies in the Litigation, and Defendant will not be deemed to have waived, limited, or affected in any way any of its objections or defenses in the Litigation or Related Cases.

VII. WAIVER, RELEASE, DISMISSAL, AND CONFIDENTIALITY

A. Release as to All Settlement Class Members.

Upon the Date of Final Approval, and subject to the occurrence of both the Effective Date and Defendant's full payment of the Settlement Amount as required herein, Named Plaintiffs and all members of the Settlement Class, waive, release, discharge, and promise never to assert in any forum any and all of the Settlement Class Released Claims against Defendant and the Released Parties which arose during the Settlement Period during their employment by Defendant in a non-exempt position in California.

B. Release as to All Class Members Employed During the PAGA Period.

Upon the Date of Final Approval, and subject to the occurrence of both the Effective Date and Defendant's full payment of the Settlement Amount as required herein, Named Plaintiffs and all Class Members employed during the PAGA Period, waive, release, discharge, and promise never to assert in any forum any and all of the PAGA Released Claims against Defendant and the Released Parties which arose during the PAGA Period during their employment by Defendant in a non-exempt position in California.

C. General Release by Named Plaintiffs Only.

In addition to the release made in Section VII(A), Named Plaintiffs make the additional following general release of all claims, known or unknown. Subject to the occurrence of the Effective Date and Defendant's full payment of all sums as set forth and required by this Agreement, Named Plaintiffs release Defendant and the Released Parties from all claims,

1 demands, rights, liabilities and causes of action of every nature and description whatsoever,
2 known or unknown, asserted or that might have been asserted, whether in tort, contract, or for
3 violation of any state or federal statute, rule or regulation arising out of, relating to, or in
4 connection with any act or omission by or on the part of any Defendant. (The release set forth
5 in this Paragraph C shall be referred to hereinafter as the "General Release.")

6 With respect to the General Release, Named Plaintiffs stipulate and agree that, upon the
7 Date of Final Approval, and subject to the occurrence of the Effective Date and Defendant's
8 payment of all consideration required herein, Named Plaintiffs shall be deemed to have expressly
9 waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits
10 of Section 1542 of the California Civil Code, or any other similar provision under federal or state
11 law, which provides:

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

17 Accordingly, if the facts relating in any manner to this Resolution are found hereafter to
18 be other than or different from the facts now believed to be true, the release of claims contained
19 herein shall be effective as to all unknown claims.

20 **C. Publicity.**

21 Named Plaintiffs and their counsel agree that they have not and will not publicize the
22 Resolution. In response to any inquiries Named Plaintiffs will state that "the case was resolved
23 and it was resolved confidentially." Named Plaintiffs' counsel shall not report the Resolution in
24 any medium or in any publication, shall not post or report anything regarding the claims of
25 Named Plaintiffs or the Class or the Resolution on their websites which identify Defendant by
26 name, and shall not contact any reporters or media regarding the Resolution. However, Named
27 Plaintiffs' attorneys are authorized to make a limited disclosure to the Court and the LWDA,
28 including the submission of this Agreement, for the purposes of obtaining the approval of the

1 Settlement and may discuss the settlement with the Class Members. This disclosure is limited to
2 the Court, court filings, submission to, and communications with, the LWDA, and responding to
3 inquiries by Class Members. Neither the Named Plaintiffs nor their counsel or representatives
4 are permitted to disseminate or publish, distribute or discuss the information provided to the
5 Court in those filings outside the filings themselves and any hearing held on those filings, unless
6 ordered otherwise by the Court.

7 **VIII. SETTLEMENT ADMINISTRATOR**

8 Named Plaintiffs and Defendant, through their respective counsel, have selected ILYM
9 Group, Inc. as the Settlement Administrator to administer the Resolution, which includes but is
10 not limited to distributing and responding to inquiries about the Notice of Proposed Class Action
11 Resolution, determining the validity of any opt-outs, calculating all amounts to be paid from the
12 Settlement Amount, and establishing and administering the QSF. Charges and expenses of the
13 Settlement Administrator, estimated to be \$20,000, will be paid from the Settlement Amount.
14 Any charges and expenses of the Settlement Administrator greater than the allocated \$20,000
15 will come from the Settlement Amount. If the actual Settlement Administrator fees are less than
16 the Parties' estimation, the difference between the actual and estimated Settlement Administrator
17 fees will be added to the Net Settlement Amount.

18 **IX. NOTICE, OBJECTIONS AND EXCLUSION RIGHTS**

19 **A. Notice.**

20 Named Plaintiffs and Defendant, through their respective attorneys, have jointly prepared
21 a Notice of Class Action and Proposed Resolution (the "Notice") which is attached as **Exhibit**
22 **A** and incorporated by reference herein, which will notify Class Members of, among other things,
23 the following: Preliminary Approval of the Settlement, the basic terms of the Settlement, the
24 calculation of the Net Settlement Payments, the procedures for disputing and objecting to the
25 Settlement, and requesting exclusion from the Settlement Class, and the scheduling of the Final
26 Approval Hearing. Following the Court's Preliminary Approval of the Settlement, the
27 Settlement Administrator shall mail the Class Notice to all Class Members, which will be
28 transmitted to the members of the Settlement Class based on the following timeframe:

1 As soon as practicable following Preliminary Approval of the Resolution, but no later
2 than thirty (30) calendar days after the Court's Preliminary Approval order, Defendant will
3 provide to the Settlement Administrator the following information about each Class Member
4 ("Class List"): (1) name; (2) last known home address; (3) number of Eligible Workweeks as a
5 class member during the Settlement Period; and (4) social security number. Defendant further
6 agrees to consult with the Settlement Administrator prior to the production date to ensure that the
7 format will be acceptable to the Settlement Administrator.

8 The Settlement Administrator shall run all the addresses provided through the United
9 States Postal Service NCOA database (which provides updated addresses for any individual who
10 has moved in the previous four years who has notified the U.S. Postal Service of a forwarding
11 address) to obtain current address information, and shall mail the Notice to the members of the
12 Class via first-class regular U.S. Mail using the most current mailing address information
13 available within ten (10) calendar days of the receipt of the Class List from Defendant.

14 The Notice shall provide that Class Members who wish to exclude themselves from the
15 Settlement Class must submit a Request for Exclusion postmarked by the Objection/Exclusion
16 Deadline. The Objection/Exclusion Deadline is forty-five (45) calendar days following the initial
17 mailing of the Notice. Any Class Member who properly requests exclusion using this procedure
18 will not receive any payment from the Settlement and will not be bound by the Stipulation of
19 Settlement or have any right to object, appeal or comment thereon. Class Members who do not
20 submit a valid and timely Request for Exclusion shall be bound by all terms of the Stipulation of
21 Settlement and any judgment entered in the Action once the Settlement is approved by the Court.

22 The Notice will also include information regarding the nature of the Litigation; a
23 summary of the terms of the Resolution; the definition of the Settlement Class; a statement that
24 the Court has preliminarily approved the Resolution; the nature and scope of the claims being
25 released; the procedure and time period for objecting to the Resolution, the date and location of
26 the Final Approval hearing; information regarding the opt-out procedure; Defendant's
27 calculation of the number of Eligible Workweeks that each Settlement Class member has worked
28 for Defendant as a non-exempt employee in California at any time during the Settlement Period

1 and PAGA Period, as applicable, ("Eligible Workweeks"), and the average potential recovery
2 for each proposed Settlement Class member.

3 The Notice will identify the number of Eligible Workweeks that each Class Member was
4 employed and inform the employee of their right to dispute this number by writing to, and
5 submitting relevant evidence to, the Settlement Administrator within forty-five (45) days of the
6 postmark date of the Notice. Absent any challenge, the number of Eligible Workweeks identified
7 on the Notice shall be deemed accurate. The resolution of any disputes concerning the number
8 of Eligible Workweeks is discussed in Section X, below.

9 Any Notices returned to the Settlement Administrator as non-delivered shall be promptly
10 re-sent to the forwarding address affixed thereto. If no forwarding address is provided, then the
11 Settlement Administrator shall promptly attempt to determine a correct address using a single
12 skip-trace, computer or other search using the name, address and/or Social Security number of
13 the individual involved and shall then perform a single re-mailing. The deadline for Class
14 Members who receive a re-mailed Notice to object to the Class Action Settlement or request an
15 Exclusion from the Settlement Class is twenty (20) calendar days from the date of re-mailing if
16 that date is beyond the original deadline. When re-mailing any Notices, the Settlement
17 Administrator should include a brief letter stating that the recipient of the Class Notice has until
18 the original deadline set forth on the Notice or twenty (20) calendar days after the date of re-
19 mailing of the Class Notice (whichever is later) to object or submit a Request for Exclusion. In
20 the event the procedures in this Paragraph are followed and the intended recipient of a Notice
21 still does not receive the Notice, the intended recipient shall be a Settlement Class Member and
22 will be bound by all terms of the Settlement and any Final Approval Order entered by the Superior
23 Court. If any Class Notice is returned from any mailing and/or re-mailed, the Settlement
24 Administrator will note for its own records and notify the Parties' Counsel of the date of such re-
25 mailings as part of a weekly status report provided to the Parties.

26 No later than fifteen (15) days before the Final Approval Hearing, the Settlement
27 Administrator shall provide counsel for Defendant and Class Counsel with a declaration attesting
28 to the completion of the Notice process, including the number of attempts to obtain valid mailing

addresses for re-sending of any returned Notices, as well as the number of workweek disputes, opt-outs and deficiencies that the Settlement Administrator received.

B. Objections.

In order for any Settlement Class member to object to this Resolution, or any term of it, the person making the objection must not submit a request for exclusion (i.e., must not opt out). A Settlement Class member making an objection, personally or through an attorney, must submit his or her objection to the Settlement Administrator by mail postmarked no later than the Objection/Exclusion Deadline. Any Settlement Class Member may appear personally or through an attorney, at his or her own expense, at the Final Approval hearing to present his or her objection directly to the Court. However, any attorney who will represent an individual objecting to this Resolution must file a notice of appearance with the Court and serve Class Counsel and Defense Counsel no later than the Objection/Exclusion Deadline. If a Settlement Class member objects to the Resolution, the Settlement Class member will remain a member of the Settlement Class and if the Court approves this Agreement, the Settlement Class member will be bound by the terms of the Resolution and Final Approval in the same way and to the same extent as a Settlement Class member who does not object. The date of mailing of the Notice to the objecting Settlement Class member shall be conclusively determined according to the records of the Settlement Administrator. The Court retains final authority with respect to the consideration and admissibility of any Settlement Class member objections.

Named Plaintiffs waive any right to object to the Resolution, and hereby endorse the Resolution as fair, reasonable and adequate and in the best interests of the Settlement Class.

C. Opportunity to be Excluded.

In order for any Settlement Class member to validly exclude himself or herself from the Settlement Class and the Resolution (i.e., to validly opt out), a written request for exclusion ("Request to be Excluded") must be signed by the Class Member or his or her authorized representative and must be sent to the Settlement Administrator, postmarked by no later than the Objection/Exclusion Deadline. The Notice contains instructions on how to opt out.

All Class Members employed during the PAGA Period shall be bound by the PAGA

1 Release and receive a Net Settlement Payment from the PAGA apportionment of the Net
2 Settlement Amount.

3 The date of the initial mailing of the Notice, and the date the signed Request to be
4 Excluded was postmarked, shall be conclusively determined according to the records of the
5 Settlement Administrator. Any Settlement Class member who timely and validly submits a
6 Request to be Excluded from the Settlement Class and the Resolution will not be entitled to any
7 portion of the non-PAGA allocation of the Net Settlement Amount, will not be bound by the
8 terms and conditions of the Resolution, other than the PAGA Release, and will not have any right
9 to object, appeal, or comment thereon.

10 Any member of the Settlement Class who does not timely file and mail a Request to be
11 Excluded from the Settlement Class will be deemed included in the Settlement Class in
12 accordance with this Resolution and be mailed a Net Settlement Payment. Named Plaintiffs
13 waive any right to be excluded from the Settlement Class.

14 **D. Cooperation.**

15 The Parties and their respective counsel agree not to encourage members of the
16 Settlement Class to opt out of from or to object to the Resolution, directly or indirectly, through
17 any means. However, if a Settlement Class member contacts Class Counsel, Class Counsel may
18 discuss the terms of the Resolution and the Settlement Class member's options.

19 **XI. COMPUTATION AND DISTRIBUTION OF PAYMENTS**

20 **A. No Claim Required.**

21 The Parties agree that Class Members will not have to submit a claim form in order to
22 participate in the Settlement. Each Class Member who does not submit a Request for Exclusion
23 will be mailed a check representing their individual Net Settlement Payment. Therefore, the
24 individual Net Settlement Payments will be paid from the Net Settlement Amount to all Class
25 Members unless the Class Member submits a valid and timely written Request for Exclusion
26 from the Settlement Class. Any Class Member who worked during the PAGA Period will receive
27 a check representing their portion of the PAGA Payment, regardless of whether they request
28 exclusion from the Class, and will be bound by the PAGA Release.

B. Distribution Formula.

After deducting (i) enhancements to the Named Plaintiffs, (ii) the Court-approved Fees and Costs Award, (iii) the Settlement Administration Costs, , and (iv) the PAGA Payment to the LWDA, then the remainder of the Settlement Amount, or the Net Settlement Amount, will be distributed to the Settlement Class Members. Relying on the Class List as defined in Section IX.A., the Settlement Administrator will calculate the number of Eligible Workweeks for each Settlement Class Member for the Class Period and the PAGA Period. Each Settlement Class Member shall be entitled to receive a pro-rata portion of the Net Settlement Amount based upon their respective number of Eligible Workweeks in the Class Period. Thus, each Class Member that does not request exclusion from the Settlement shall be entitled to a pro-rata share of the Net Settlement Amount based on the ratio of the number of Eligible Workweeks that he or she worked to the total number of Eligible Workweeks that all Settlement Class Members worked during the Class Period.

C. Funding of Resolution.

Within fifteen (15) calendar days following the Effective Date, Defendant will deposit the full Settlement Amount, in addition to all Employer Taxes, into the QSF through the Settlement Administrator. At no time prior to the Effective Date shall Defendant be required to escrow any portion of the Settlement Amount.

D. Time for Distribution.

The Settlement Administrator shall cause the Net Settlement Payments, Court approved enhancements to the Named Plaintiffs, Court approved attorney's fees and Litigation costs, Administrative Costs, and PAGA payment to the LWDA to be mailed no later than eighteen (18) calendar days following the date on which the settlement is funded in accordance with section XI(C).

If a check is returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace search and, if another address is identified, shall mail the check to the newly identified address. Any settlement checks remaining uncashed after one hundred eighty (180) days shall be paid to

the Office of the California State Controller – Unclaimed Property Fund, to be held in the name of the respective Aggrieved Employees. Pursuant to Code of Civil Procedure section 384(b)(1), the Parties believe, and will recommend to the Court, that this distribution of uncashed checks best serves the interest of the Class by avoiding a forfeiture of their settlement proceeds.

XII. NO CONTRIBUTIONS TO EMPLOYEE BENEFIT PLAN

The amounts paid under this Agreement do not represent a modification of any previously credited hours of service under any employee benefit plan, policy or bonus program sponsored by Defendant. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under, benefit plans (self-insured or not) sponsored by Defendant, policies or bonus programs. Any payments made under the terms of this Resolution shall not be applied retroactively, currently or on a going forward basis as salary, earnings, wages, or any other form of compensation for the purposes of Defendant's benefit plan, policy or bonus program. Defendant retains the right to modify the language of their benefit plans, policies and bonus programs to effect this intent and to make clear that any amounts paid pursuant to this Resolution are not for "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit accrual or any other purpose, and that additional contributions or benefits are not required by this Resolution.

XIII. CLASS COUNSEL ATTORNEYS' FEES AND LITIGATION COSTS

Defendant shall not oppose an application by Class Counsel for, and Class Counsel shall not seek or receive an amount in excess of, thirty five percent (35%) of the Settlement Amount (estimated at \$437,000), for all past and future attorneys' fees necessary to prosecute, settle and administer the Litigation, the Related Cases, and this Resolution. Additionally, Defendant shall not oppose an application by Class Counsel for, and Class Counsel shall not seek or receive an amount in excess of \$20,000.00 from the Settlement Amount, which represents all past and future Litigation costs and expenses necessary to prosecute, settle and administer the Litigation, the Related Cases, and this Resolution. Any attorneys' fees or Litigation costs awarded to Class Counsel by the Court shall be deducted from the Settlement Amount for the purpose of

determining the Net Settlement Amount. The "future" aspect of these amounts include, without limitation, all time and expenses expended by Class Counsel in defending the Resolution and securing Final Approval (including any appeals therein). There will be no additional charge of any kind to either the members of the Settlement Class or request for additional consideration from Defendant for such work. This amount shall include all attorneys' fees, Litigation costs and expenses for which Named Plaintiffs and Class Counsel could claim under any legal theory whatsoever. No later than eighteen (18) calendar days following the date on which the settlement is funded in accordance with section XI (C), the Settlement Administrator shall disburse payment from the Settlement Amount for the amount of attorneys' fees and Litigation costs approved by the Court to Class Counsel. Should the Court approve a lesser percentage or amount of fees and/or Litigation costs than the amount that Class Counsel ultimately seeks, then the unapproved portion or portions shall revert into the Net Settlement Amount. Class Counsel have entered into a fee sharing agreement, consented to by the Named Plaintiffs, in accordance with the requirements of California law.

XIV. ENHANCEMENTS TO THE NAMED PLAINTIFFS

Defendant shall not oppose an application by the Named Plaintiffs, and each Named Plaintiff shall not seek or receive an amount in excess of, \$10,000.00 for their participation in and assistance with the Litigation and Related Cases, and in exchange for their General Release. Any enhancements awarded to the Named Plaintiffs by the Court shall be deducted from the Settlement Amount for the purpose of determining the Net Settlement Amount and shall be reported on an IRS Form 1099. If the Court approves an enhancement of less than \$10,000.00 to each Named Plaintiff, then the unapproved portion shall revert into the Net Settlement Amount.

XV. TAXATION AND ALLOCATION

The Parties agree that all employee-side employment taxes and other legally required withholdings will be withheld from payments to the members of the Settlement Class and the Named Plaintiffs based on the Parties stipulated allocation of the Net Settlement Amount as provided for in this Section.

1 For withholding tax characterization purposes and payment of taxes, the Net Settlement
2 Payments shall be deemed and are allocated by the Parties as follows ("Net Settlement
3 Allocation"):

- 4 (i) As to all payments for PAGA penalties, 100% as penalties (the "Penalty
5 Component");
- 6 (ii) As to all other payments, 80% divided equally as penalties and interest
7 (the "Non-Wage Component"); and
- 8 (ii) 20% as wages (the "Wage Component").

9 The Wage Component shall be reported on a W-2 Form and will be provided to each
10 Settlement Class Member. From each Settlement Class Member's Wage Component, the
11 employee's portion of employment taxes shall be made, including payroll deductions for state
12 and federal withholding taxes, and any other applicable payroll deductions, owed by the
13 Settlement Class Member as a result of the payment, resulting in a "Net Wage Component." No
14 withholdings shall be made from the Penalty Component or the Non-Wage Component of the
15 settlement. The Penalty Component and the Non-Wage Component shall be reported on a 1099
16 Form and will be provided to each Settlement Class Member. The Net Wage Component shall
17 be added to the Penalty Component and Non-Wage Component resulting in each Settlement
18 Class Member's total payment.

19 Defendant makes no representations as to the tax treatment or legal effect of the payments
20 called for hereunder, and the Named Plaintiffs are not relying on any statement or representation
21 by Defendant in this regard.

22 Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
23 OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS
24 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY")
25 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT,
26 AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE
27 PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO
28 BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR

1 BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF
2 UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
3 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
4 UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR
5 ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B)
6 HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
7 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
8 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
9 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
10 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
11 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
12 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
13 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
14 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
15 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
16 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
17 AGREEMENT.

18 **XVI. PRIVATE ATTORNEYS GENERAL ACT ALLOCATION**

19 Subject to Court approval, One Hundred Twenty Thousand Dollars and Zero Cents
20 (\$120,000.00) of the Settlement Amount will be allocated to cover any and all claims for civil
21 penalties associated with the PAGA Released Claims; 75% of which, Ninety Thousand Dollars
22 and zero cents (\$90,000.00), will be paid directly to the LWDA ("LWDA Payment"), and the
23 remaining 25% of which, Thirty Thousand (\$30,000.00), will be retained in the Net Settlement
24 Fund for distribution to Class Members employed during the PAGA period as penalties and
25 apportioned based on their Eligible Workweeks during the PAGA Period. Within eighteen (18)
26 calendar days following the date on which the settlement is funded in accordance with section
27 XI(C), the Settlement Administrator shall disburse the LWDA Payment to the LWDA.

28 **XVII. COURT APPROVAL**

1 This Agreement and the Resolution are contingent upon Final Approval by the Court and
2 the entry of judgment. Named Plaintiffs and Defendant agree to take all steps as may be
3 reasonably necessary to secure both Preliminary Approval and Final Approval of the Resolution,
4 to the extent not inconsistent with the terms of this Agreement and will not take any action
5 adverse to each other in obtaining Court approval, and, if necessary, appellate approval, of the
6 Resolution in all respects. Named Plaintiffs and Defendant expressly agree that they will not file
7 any objection to the terms of this Stipulation of Resolution or assist or encourage any person or
8 entity to file any such objection or to submit a Request for Exclusion.

9 **XVIII. MISCELLANEOUS PROVISIONS**

10 **A. Stay of Litigation.**

11 Named Plaintiffs and Defendant agree to the stay of all discovery in the Litigation and
12 Related Cases, pending Final Approval of the Resolution by the Court.

13 **B. Interpretation of the Agreement.**

14 This Agreement constitutes the entire agreement between Named Plaintiffs and
15 Defendant. Except as expressly provided herein, this Agreement has not been executed in
16 reliance upon any other written or oral representations or terms, and no such extrinsic oral or
17 written representations or terms shall modify, vary or contradict its terms. In entering into this
18 Agreement, the Parties agree that this Agreement is to be construed according to its terms and
19 may not be varied or contradicted by extrinsic evidence. The Agreement will be interpreted and
20 enforced under the laws of the State of California, both in its procedural and substantive aspects,
21 without regard to its conflict of laws provisions. Any claim arising out of or relating to the
22 Agreement, or the subject matter hereof, will be resolved solely and exclusively in the Superior
23 Court of the State of California for the County of Butte, and Named Plaintiffs and Defendant
24 hereby consent to the personal jurisdiction of the Court over them solely in connection therewith.
25 The foregoing is only limited to disputes concerning this Agreement and in no way limits or
26 negates the enforceability and effect of any enforceable underlying arbitration agreements signed
27 by employees of Defendant, specifically including but not limited to Named Plaintiffs, if any,
28 obligating them to arbitrate any and all claims on an individual (and not on a class, collective, or

1 representative) basis. Named Plaintiffs, on their own behalf and on behalf of the Settlement
2 Class, and Defendant participated in the negotiation and drafting of this Agreement and had
3 available to them the advice and assistance of independent counsel. As such, neither Named
4 Plaintiffs nor Defendant may claim that any ambiguity in this Agreement should be construed
5 against the other.

6 The terms and conditions of this Agreement constitute the exclusive and final
7 understanding and expression of all agreements between Named Plaintiffs and Defendant with
8 respect to the Resolution of the Litigation. The Agreement may be modified only by a writing
9 signed by the Parties and approved by the Court.

10 **D. Further Cooperation.**

11 Named Plaintiffs and Defendant and their respective attorneys shall proceed diligently to
12 prepare and execute all documents, to seek the necessary approvals from the Court, and to do all
13 things reasonably necessary or convenient to consummate the Agreement as expeditiously as
14 possible.

15 **E. Confidentiality of Documents.**

16 After the expiration of any appeals period, Named Plaintiffs, the Settlement
17 Administrator, and Class Counsel shall maintain the confidentiality of all documents, deposition
18 transcripts, declarations and other information obtained in the lawsuits, unless necessary for
19 appeal or such documents are ordered to be disclosed by the Court or by a subpoena.

20 **F. Counterparts.**

21 The Agreement may be executed in one or more actual or non-original counterparts, all
22 of which will be considered one and the same instrument and all of which will be considered
23 duplicate originals.

24 **G. Authority.**

25 Each individual signing below warrants that he or she has the authority to execute this
26 Agreement on behalf of the party for whom or which that individual signs.

27 ///

28 **H. No Third-Party Beneficiaries.**

1 Named Plaintiffs, members of the Settlement Class, and Defendant are direct
2 beneficiaries of this Agreement, but there are no third-party beneficiaries.

3 **I. Force Majeure.**

4 The failure of any party to perform any of its obligations hereunder shall not subject such
5 party to any liability or remedy for damages, or otherwise, where such failure is occasioned in
6 whole or in part by acts of God, fires, accidents, earthquakes, other natural disasters, explosions,
7 floods, wars, interruptions or delays in transportation, power outages, labor disputes or shortages,
8 shortages of material or supplies, governmental laws, restrictions, rules or regulations, sabotage,
9 terrorist acts, acts or failures to act of any third parties, or any other similar or different
10 circumstances or causes beyond the reasonable control of such party.

11 **J. Deadlines Falling on Weekends or Holidays.**

12 To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday,
13 or legal holiday, that deadline shall be continued until the following business day.

14 **K. Severability.**

15 In the event that any one or more of the provisions contained in this Agreement shall for
16 any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or
17 unenforceability shall in no way effect any other provision if Defense Counsel and Class Counsel,
18 on behalf of the Parties and the Class, mutually elect in writing to proceed as if such invalid,
19 illegal, or unenforceable provision had never been included in this Agreement.

20 **L. Opt-Out Threshold.**

21 If 10% or more of the members of the Settlement Class exercise their rights to exclude
22 themselves and opt out of the Resolution, Defendant may, in its sole discretion, unilaterally
23 withdraw from and terminate the Resolution by providing notice in writing of Defendant's
24 decision to withdraw and terminate to Plaintiffs' Counsel no later than five (5) calendar days
25 prior to the date of the Final Approval Hearing. In the event of Defendant's withdrawal, no party
26 may use the fact that the Parties agreed to the Resolution for any reason, and Defendant shall pay
27 all administration expenses incurred through the date of its termination of the Resolution.

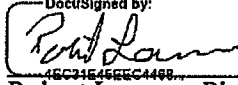
28 **M. Change in Settlement Amount in the Event of a Change in Class**

Demographics:

This Resolution is conditioned on representations made concerning the number of employees who were employed within the Settlement Period and the number of Eligible Workweeks worked by the Class during the Settlement Period. Defendant represented that as of the date of mediation, there were approximately 1,151 Class Members and 152,418 Eligible Workweeks at issue during the Class Period. If the actual number of Class Members or Eligible Workweeks as of the date of the Court's order granting preliminary approval of the Settlement exceeds fifteen percent (15%) or more than the 1,151 Class Members or 152,418 workweeks, Defendant shall increase the Maximum Settlement Amount on a pro-rata basis equal to the increase in the number of Class Members or workweeks over the 15% threshold, with the greater increase controlling (e.g., if the number of Class Members increases by 16%, Defendant will increase the Maximum Settlement Amount by $16 - 15 = 1\%$), or at Defendant's option, the Class Period will be deemed to end on the date that the total number of Class Members exceeds 1,151 by 15%, or the total number of workweeks exceeds 152,418 by 15%, whichever occurs last.

February 15, 2022
Date: December __, 2021

By:

DocuSigned by:

Robert Lawson, Plaintiff

Date: December __, 2021

By:

Marty Linebarger, Plaintiff

Date: December __, 2021

By:

Marcos Castro, Plaintiff

Date: December __, 2021

By:

Name: Lauren S. Tashma, EVP, General Counsel
and Secretary
For: Defendant Graphic Packaging International,
LLC

Demographics:

This Resolution is conditioned on representations made concerning the number of employees who were employed within the Settlement Period and the number of Eligible Workweeks worked by the Class during the Settlement Period. Defendant represented that as of the date of mediation, there were approximately 1,151 Class Members and 152,418 Eligible Workweeks at issue during the Class Period. If the actual number of Class Members or Eligible Workweeks as of the date of the Court's order granting preliminary approval of the Settlement exceeds fifteen percent (15%) or more than the 1,151 Class Members or 152,418 workweeks, Defendant shall increase the Maximum Settlement Amount on a pro-rata basis equal to the increase in the number of Class Members or workweeks over the 15% threshold, with the greater increase controlling (e.g., if the number of Class Members increases by 16%, Defendant will increase the Maximum Settlement Amount by $16 - 15 = 1\%$), or at Defendant's option, the Class Period will be deemed to end on the date that the total number of Class Members exceeds 1,151 by 15%, or the total number of workweeks exceeds 152,418 by 15%, whichever occurs last.

Date: December __, 2021

By: _____

Robert Lawson, Plaintiff

February 15, 2022

Date: December __, 2021

By: _____

DocuSigned by:

Martin Linebarger

0B530B99E3AF4C4...

Marty Linebarger, Plaintiff

Date: December __, 2021

By: _____

Marcos Castro, Plaintiff

Date: December __, 2021

By: _____

Name: Lauren S. Tashma, EVP, General Counsel
and Secretary
For: Defendant Graphic Packaging International,
LLC

Demographics:

This Resolution is conditioned on representations made concerning the number of employees who were employed within the Settlement Period and the number of Eligible Workweeks worked by the Class during the Settlement Period. Defendant represented that as of the date of mediation, there were approximately 1,151 Class Members and 152,418 Eligible Workweeks at issue during the Class Period. If the actual number of Class Members or Eligible Workweeks as of the date of the Court's order granting preliminary approval of the Settlement exceeds fifteen percent (15%) or more than the 1,151 Class Members or 152,418 workweeks, Defendant shall increase the Maximum Settlement Amount on a pro-rata basis equal to the increase in the number of Class Members or workweeks over the 15% threshold, with the greater increase controlling (e.g., if the number of Class Members increases by 16%, Defendant will increase the Maximum Settlement Amount by $16 - 15 = 1\%$), or at Defendant's option, the Class Period will be deemed to end on the date that the total number of Class Members exceeds 1,151 by 15%, or the total number of workweeks exceeds 152,418 by 15%, whichever occurs last.

Date: December , 2021

By: Robert Lawson, Plaintiff

Date: December , 2021

By: Marty Linebarger, Plaintiff

2/15/2022

Date: December , 2021

DocuSigned by:
By: Marcos Castro
Marcos Castro, Plaintiff

Date: December , 2021

By: _____

Name: Lauren S. Tashma, EVP, General Counsel
and Secretary
For: Defendant Graphic Packaging International,
LLC

1 M. Change in Settlement Amount in the Event of a Change in Class
2 Demographics:

3 This Resolution is conditioned on representations made concerning the number of
4 employees who were employed within the Settlement Period and the number of Eligible
5 Workweeks worked by the Class during the Settlement Period. Defendant represented that as of
6 the date of mediation, there were approximately 1,151 Class Members and 152,418 Eligible
7 Workweeks at issue during the Class Period. If the actual number of Class Members or Eligible
8 Workweeks as of the date of the Court's order granting preliminary approval of the Settlement
9 exceeds fifteen percent (15%) or more than the 1,151 Class Members or 152,418 workweeks,
10 Defendant shall increase the Maximum Settlement Amount on a pro-rata basis equal to the increase
11 in the number of Class Members or workweeks over the 15% threshold, with the greater increase
12 controlling (e.g., if the number of Class Members increases by 16%, Defendant will increase the
13 Maximum Settlement Amount by $16 - 15 = 1\%$), or at Defendant's option, the Class Period will be
14 deemed to end on the date that the total number of Class Members exceeds 1,151 by 15%, or the
15 total number of workweeks exceeds 152,418 by 15%, whichever occurs last.

16 Date: December __, 2021

17 By: _____
18 Robert Lawson, Plaintiff

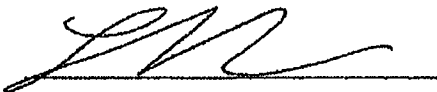
19 Date: December __, 2021

20 By: _____
21 Marty Linebarger, Plaintiff

22 Date: December __, 2021

23 By: _____
24 Marcos Castro, Plaintiff

25 Date: December 22, 2021

26 By: 
27 Name: Lauren S. Tashma, EVP, General Counsel
28 and Secretary
For: Defendant Graphic Packaging International,
LLC

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

DATE: December __, 2021

FISHER & PHILLIPS LLP

By: 
DANIELLE HULTENIUS MOORE
PHILLIP G. SIMPLER
BENJAMIN P. CARNEY
Attorneys for Defendant GRAPHIC
PACKAGING INTERNATIONAL, LLC.

DATE: December __, 2021

GAINES & GAINES, APLC

By: _____
Daniel F. Gaines
Miriam L. Schimmel
Attorneys for Plaintiffs Marty Linebarger and
Robert Lawson

DATE: December __, 2021

DIVERSITY LAW GROUP, P.C

By: _____
Larry W. Lee
Mai Tulyathan
Attorneys for Plaintiff Marcos Castro

DATE: December __, 2021

POLARIS LAW GROUP, LLP

By: _____
William L. Marder
Attorneys for Plaintiff Marcos Castro

1 DATE: December __, 2021

FISHER & PHILLIPS LLP

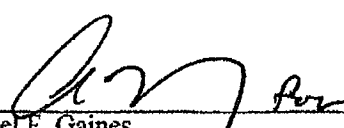
2
3 By:

4 DANIELLE HULTENIUS MOORE
5 PHILLIP G. SIMPLER
6 BENJAMIN P. CARNEY
Attorneys for Defendant GRAPHIC
PACKAGING INTERNATIONAL, LLC.

7 ^{2/22/22}
DATE: ~~December __, 2021~~

GAINES & GAINES, APLC

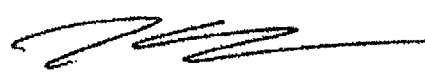
8
9 By:


10 Daniel F. Gaines
11 Miriam L. Schimmel
Attorneys for Plaintiffs Marty Linebarger and
Robert Lawson

12
13 DATE: ^{February 16, 2022}
~~December __, 2021~~

DIVERSITY LAW GROUP, P.C

14
15 By:


16 Larry W. Lee
Mai Tulyathan
Attorneys for Plaintiff Marcos Castro

17 ^{February 16, 2022}
18 DATE: ~~December __, 2021~~

POLARIS LAW GROUP, LLP

19
20 By:

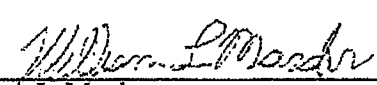

21 William L. Marder
Attorneys for Plaintiff Marcos Castro

EXHIBIT A

**Notice of Proposed Class Action and
Private Attorneys General Act Settlement**

Robert Lawson, Marty Linebarger & Marcos Castro v. Graphic Packaging International, LLC
Superior Court of the State of California, County of Butte
Case No.: 20CV01921

THIS IS A COURT-AUTHORIZED NOTICE.

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

BASIC INFORMATION

1. Why did I get this notice?

You received this notice because Graphic Packaging International, LLC's ("Defendant") records indicate you were employed by Defendant as a non-exempt employee in California at some point between April 27, 2017 through October 25, 2021 and, therefore, are a Class Member in this class action lawsuit. As a Class Member, the Court has ordered that this notice be sent to you to: (1) inform you of the settlement of this class action lawsuit; (2) inform you of your legal rights under the Settlement; and (3) advise you of how you can participate, exclude yourself, or object to the Settlement.

2. What is this lawsuit about?

The lawsuit alleges the following claims against Defendant: (1) Failure to Pay All Compensation Owed at Separation; (2) Failure to Pay All Wages Earned; (3) Failure to Provide Accurate Itemized Wage Statements; (4) Failure to Provide or Compensate for Missed, Late or On Duty Meal Periods; (5) Failure to Provide or Compensate for Missed, Late or On Duty Rest Periods; (6) Failure to Pay Overtime Compensation; (7) Failure to Reimburse Business Expenses; (8) Violation of Business and Professions Code Section 17200 *et. seq.*; and (9) Enforcement of Labor Code § 2968 *et seq.*, the Private Attorneys General Act ("PAGA").

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

3. What is a class action?

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

they make up the Class. In a class action, the Court resolves the issues for all Class Members, except for those who exclude themselves from the Class. A Class Member is bound by the determination or judgment entered in the case, whether the Class wins or loses, and the Class Member may not file his or her own lawsuit on the same claims that were decided in the class action, unless the class member excludes himself/herself from the Class. Here, the Court preliminarily approved the Settlement and appointed Plaintiffs Robert Lawson, Marty Linebarger and Marcos Castro as the Class Representatives.

4. Why is there a settlement?

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

WHO IS INCLUDED IN THE SETTLEMENT?

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

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

You are a Class Member if you were employed by Defendant in California at some point between April 27, 2017 through October 25, 2021 as a non-exempt employee.

THE LAWYERS REPRESENTING YOU

6. Do I have a lawyer in this case?

The Court appointed Gaines & Gaines, APLC, Diversity Law Group, P.C. and Polaris Law Group, LLP to serve as Class Counsel and represent you and other Class Members. Class Counsel may be reached at:

Daniel F. Gaines
daniel@gaineslawfirm.com
Miriam L. Schimmel
miriam@gaineslawfirm.com
Alex P. Katofsky
alex@gaineslawfirm.com
GAINES & GAINES, APLC
27200 Agoura Road, Suite 101
Calabasas, CA 91301
Telephone: (818) 703-8985
Facsimile: (818) 703-8984

Larry W. Lee
Mai Tulyathan

DIVERSITY LAW GROUP, P.C.
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
(213) 488-6555
(213) 488-6554 facsimile

William L. Marder
Polaris Law Group LLP
501 San Benito Street, Suite 200
Hollister, CA 95023
(831) 531-4214
(831) 634-0333 facsimile

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

7. How will Class Counsel be paid?

Class Counsel undertook this case on a contingency basis, that is, without receiving any payment up front. Now, having successfully resolved this action on behalf of the Class, Class Counsel will ask the Court to approve payment by Defendant of 35% of the Total Settlement Amount (estimated at \$437,000) for attorneys' fees and up to \$20,000 in litigation costs. The fees will pay Class Counsel for litigating the case and negotiating the Settlement, but the Court may award less than these amounts. Defendant has agreed not to oppose Class Counsel's request for these fees and costs.

WHAT ARE THE TERMS OF THE SETTLEMENT?

8. What does the Settlement provide?

Defendant has agreed to pay the total amount of \$1,250,000, in addition to any employer-side payroll taxes due, (the "Total Settlement Amount") to settle this lawsuit. Before any payments will be made to Class Members, however, the following deductions will be made from the Total Settlement Amount:

- Settlement Administration Costs: For its work administering the Settlement, ILYM Group, Inc. will charge an amount not to exceed \$20,000.
- Class Representative's Service Awards: For their effort prosecuting this action and for acting as the representatives on behalf of the Class, Robert Lawson, Marty Linebarger and Marcos Castro will each request a Class Representative Service Award in an amount not to exceed \$10,000 each.
- Attorneys' Fees and Expenses: Class Counsel will request a payment from Defendants of 35% of the Total Settlement Amount (estimated at \$437,000) for attorneys' fees and up to \$20,000 in litigation costs. Class Members are not personally responsible for paying Class Counsel's attorneys' fees or costs.

- PAGA Payment: \$90,000 will be paid to the Labor and Workforce Development Agency (“LWDA”) for civil penalties under PAGA.

9. How will my payment be calculated?

After deducting the items listed in Section 8 from the Total Settlement Amount, the amount remaining is the “Net Settlement Fund,” the full amount of which will be allocated to Class Members who do not request exclusion. Your share of the Net Settlement Fund will depend on the number of weeks that you worked for any Defendant in California as a Class Member between April 27, 2017 through October 25, 2021 (the “Class Period”). Here’s how it works:

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

10. How much will I receive?

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

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

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

11. How do I receive my payment?

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

12. When do I get my payment?

The Court will hold a hearing on <<DATE OF FINAL APPROVAL HEARING>> to

decide whether to approve the Settlement. To check on the progress of the Settlement, you may call the Settlement Administrator at <<Settlement Administrator Number>>. If the Court approves the Settlement, you will receive your payment following the hearing.

Once the Settlement Administrator mails you your Settlement Award check, you must cash your check within 180 days from the date the check is mailed. If you do not cash your check within 180 days, the amount of your settlement check will be paid to the Office of the California State Controller's Unclaimed Property Fund to be held in your name.

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

The payment you receive, based on the number of workweeks you worked during the Class Period, will be allocated 20% to wages and 80% to interest and penalties, unless you request exclusion from the class and you are a PAGA member, in which case your payment will be allocated 100% to PAGA penalties. The portion of your payment representing wages will be subject to regular tax withholding and will be reported on an IRS Form W-2. The Settlement Administrator will send all related employment tax withholdings to the proper state and federal taxing authorities. The portion of your payment representing interest and penalties will be reported on a Form 1099, with the required copies of the Form 1099 provided to the proper taxing authorities. You are *strongly encouraged* to consult with your tax advisor concerning the tax consequences of the payments that you receive under the Settlement.

14. What claims am I releasing if I remain a Class Member and receive my payment?

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

RELEASE

Upon the date Defendant funds the Settlement, you will fully and finally release and discharge Defendant Graphic Packaging, LLC and its respective subsidiaries, affiliates, predecessors or successors in interest, or the officers, directors, shareholders, employees, attorneys, agents, assigns, insurers, re-insurers, of any of them (collectively, the "Released Parties"), from any and all claims, rights, demands, liabilities and causes of action of any nature or description, including any such claims, whether known or unknown, that were litigated in the Action against Defendants or could have been litigated based on the facts and circumstances alleged in the entire Action against Defendant, arising under the Complaint and First Amended Complaint filed in the Butte County Superior Court including, but not limited to, claims for Failure to Pay Wages, Double Time and Overtime Compensation under Labor Code §§ 510, 558 and 1194; Failure to Pay Minimum Wages under Labor Code §§ 510, 558 and 1194; Failure to Timely Pay Wages Due At Termination under Labor Code § 201-203; Failure to Provide Accurate Itemized Employee Wage Statements under Labor Code § 226(a); Rest Break Liability under Labor Code §§ 226.7 and 558; Meal Period Liability under Labor Code §§ 226.7, 512 and 558; Indemnification for Business Expenses under Labor Code § 2802; Penalties Pursuant to PAGA (Labor Code § 2698 *et seq.*) based on the foregoing facts and claims; and any other applicable provisions of state or federal law, including the applicable IWC wage orders^[A1], as well as any damages, restitution, disgorgement, civil penalties, statutory penalties, taxes,

interest or attorneys' fees or costs resulting therefrom.

By remaining a Class Member, you are not releasing any claims that are not specified in this section.

EXCLUDING YOURSELF FROM THE SETTLEMENT

15. How do I exclude myself from the Settlement?

To exclude yourself from the Settlement, you must send a letter by mail to the Settlement Administrator with a sentence stating: "I wish to be excluded from the case entitled: *Robert Lawson, Marty Linebarger & Marcos Castro v. Graphic Packaging International, LLC*, Superior Court of the State of California, County of Butte Case No.: 20CV01921." You must also include your full name (and former names, if any), address, telephone number, last four digits of your social security number, your signature. You must mail your exclusion request no later than <<45 days from mailing>> to the Settlement Administrator at the following address:

Robert Lawson, Marty Linebarger & Marcos Castro v. Graphic Packaging International, LLC
Settlement Administrator
c/o <<TPA>>
<<address>>

If you ask to be excluded, you will not receive any money from the Settlement and you cannot object to the Settlement. Class Counsel will not represent your interests in this lawsuit if you request to be excluded.

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

No. If you exclude yourself, **you will not receive any money from this Settlement.** If you exclude yourself from the Settlement, you keep the right to sue Defendant on your own and at your own expense.

OBJECTING TO THE SETTLEMENT

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

If you are a Class Member and you wish to object to the Settlement, you may send a written objection to the Settlement Administrator no later than <<45 days from mailing>> and/or object at the time of the Final Approval Hearing. Your objection cannot ask the Court to order a larger Settlement; the Court can only approve or deny the Settlement. If the Court rejects your objection, you will still be bound by the terms of the Settlement. If you choose to object to the Settlement, you may enter an appearance at the Final Approval Hearing *in propria persona* (meaning you choose to represent yourself), or through an attorney that you hire and pay for yourself.

If you choose to submit a written objection, it must include your full name (and former names, if any), address, telephone number, the last four digits of your social security number, the case name and number, your signature, the factual basis for the objection with any supporting legal arguments, documents or evidence to the extent intended to be submitted to the Court, and, if you are represented by counsel, the name, phone number, mailing address, and email address

of such counsel. Your written objection must be mailed to the Settlement Administrator no later than <<45 days from mailing>>. The Settlement Administrator's address is: [address]

Robert Lawson, Marty Linebarger & Marcos Castro v. Graphic Packaging International, LLC
Settlement Administrator
c/o <<TPA>>
<<address>>

THE COURT'S FAIRNESS HEARING

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

The Court will hold a Fairness Hearing at <<time>> a.m. on <<date>>, at Butte County Superior Court, 1775 Concord Avenue, Chico, CA 95928, in Department 10. At this hearing, the Court will make a final decision as to whether the Settlement is fair, reasonable, and adequate. The Court will consider any objections made at the hearing. The Judge will listen to people who have asked to speak at the hearing. At or after the hearing, the Court will decide whether to grant final approval of the Settlement.

19. Do I have to come to the hearing?

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

IF YOU DO NOTHING

20. What happens if I do nothing at all?

If you are a member of the Class and you do nothing, you will receive payment for your portion of the settlement and you will release the claims set forth in Section 14 above and will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant for the claims in Section 14.

GETTING MORE INFORMATION

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

For more information about the Settlement, you may contact the Settlement Administrator, Class Counsel listed in Section 6 (Page 2, above), or you may go to the Court Clerk's office, located at 1775 Concord Avenue, Chico, CA 95928, during regular business hours and view the Court file *Robert Lawson, Marty Linebarger & Marcos Castro v. Graphic Packaging International, LLC*, Superior Court of the State of California, County of Butte Case No.: 20CV01921, or access the case file on-line through the Court's website at: <https://cabutteodyprod.tylerhost.net/Portal>

You may also contact Class Counsel:

Daniel F. Gaines (daniel@gaineslawfirm.com)

Miriam L. Schimmel (miriam@gaineslawfirm.com)
GAINES & GAINES, APLC
27200 Agoura Road, Suite 101
Calabasas, CA 91301
Telephone: (818) 703-8985

Larry W. Lee (lwlee@diversitylaw.com)
Mai Tulyathan (ktulyathan@diversitylaw.com)
DIVERSITY LAW GROUP, P.C.
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
(213) 488-6555

William L. Marder (bill@polarislawgroup.com)
Polaris Law Group LLP
501 San Benito Street, Suite 200
Hollister, CA 95023
(831) 531-4214

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

EXHIBIT C

1 DANIEL F. GAINES, ESQ. SBN 251488
daniel@gaineslawfirm.com
2 ALEX P. KATOFISKY, ESQ. SBN 202754
alex@gaineslawfirm.com
3 MIRIAM L. SCHIMMEL ESQ. SBN 185089
miriam@gaineslawfirm.com
4 GAINES & GAINES, APLC
4550 East Thousand Oaks Boulevard, Suite 100
5 Westlake Village, CA 91362
Telephone: (818) 703-8985
6 Facsimile: (818) 703-8984

F I L E D
Superior Court of California
County of Butte
JUN 08 2022
Shadi Elmehrik, Clerk
By Deputy

7 Attorneys for Plaintiff Robert Lawson
and Proposed Class Counsel
8

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA
10 FOR THE COUNTY OF BUTTE
11

12 ROBERT LAWSON, on behalf of himself
and all "aggrieved employees" pursuant to
13 Labor Code § 2698 *et seq.*,

14 Plaintiff,

15 v.

16 GRAPHIC PACKAGING
INTERNATIONAL, LLC, a Delaware
17 limited liability company, and DOES 1
through 10, inclusive,

18 Defendants.
19

CASE NO: 20CV01921

Assigned to the Honorable Stephen E. Benson,
Dept. 6

CLASS ACTION

~~PROPOSED~~ ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT

DATE: June 8, 2022

TIME: 9:00 a.m.

DEPT.: 6

Action Filed: September 29, 2020

1 Plaintiff Robert Lawson's ("Plaintiff") Unopposed Motion for Preliminary Approval of
2 Class Action Settlement came on for hearing before this Court in Department 6, Judge Stephen E.
3 Benson, Dept. 6 presiding, on June 8, 2022. The Court, having considered the papers submitted in
4 support of the motion and having heard oral argument of the parties, **HEREBY ORDERS THE**
5 **FOLLOWING:**

6 1. The Court grants preliminary approval of the settlement based upon the terms set
7 forth in the Stipulation of Resolution ("Stipulation") filed with the Court. The settlement appears
8 to be fair, adequate, and reasonable to the Class;

9 2. The Court finds that the settlement falls within the range of reasonableness and
10 appears to be presumptively valid, subject only to any objections that may be raised at the final
11 hearing;

12 3. The Court approves, as to form and content, the Notice of Proposed Class Action
13 and Private Attorneys General Act Settlement ("Notice") and also approves the procedure for
14 members of the Class to opt out of or object to the settlement as set forth in the Stipulation and the
15 Notice;

16 4. The Court directs the mailing of the Notice by first class mail to the Settlement Class
17 Members in accordance with the schedule set forth below. The Court finds that the dates selected
18 for the mailing and distribution of the Notice, as set forth herein, meet the requirements of due
19 process and provide the best notice practicable under the circumstances and shall constitute due
20 and sufficient notice to all persons entitled thereto;

21 5. It is ordered that the Settlement Class is preliminarily certified for settlement
22 purposes only. The Settlement Class is defined as follows: all persons who are or were employed
23 by Graphic Packaging International, LLC in the State of California as nonexempt employees who
24 were paid wages at any time during the Settlement Period [April 27, 2017 to October 25, 2021];

25 6. The Court approves and appoints Daniel F. Gaines, Esq., Alex P. Katofsky, Esq.,
26 and Miriam Schimmel, Esq. of Gaines & Gaines, APLC, Larry W. Lee, Esq. and Mai Tulyathan of
27 Diversity Law Group, P.C. and William L. Marder, Esq. of Polaris Law Group, LLP as Class
28 Counsel, and grants preliminary approval of an award of attorneys' fees of up to 35% of the

1 Settlement Amount (or \$437,000) and documented litigation costs of up to \$20,000 to Class
2 Counsel, subject to final approval by the Court following a further motion by Class Counsel;

3 7. The Court approves and appoints Plaintiffs Robert Lawson, Marty Linebarger, and
4 Marcos Castro as the Class Representatives and grants preliminary approval to proposed
5 enhancements in an amount not to exceed \$10,000 each;

6 8. The Court grants preliminary approval of the allocation of \$120,000 to penalties
7 under the Private Attorneys General Act (Labor Code §§ 2698 et seq.), of which 75% (\$90,000)
8 shall be paid to the LWDA and 25% (\$30,000) will be retained in the Net Settlement Fund for
9 distribution to Class Members employed during the PAGA period as penalties and apportioned
10 based on their Eligible Workweeks during the PAGA Period;

11 9. The Court hereby approves and appoints ILYM Group, Inc. as the Settlement
12 Administrator and grants preliminary approval of the payment of fees and other charges of the
13 Settlement Administrator in an amount not to exceed \$20,000; and

14 10. The Court orders the following schedule of dates for the specified actions/further
15 proceedings:

<u>EVENT</u>	<u>TIMING</u>
Last day for Defendant to provide to the Settlement Administrator a list of all Class Members, including their (1) name; (2) last known home address; (3) number of Eligible Workweeks as a class member during the Settlement Period; and (4) social security number ("Class List")	30 calendar days after entry of Court's Order granting preliminary approval of Settlement
Last day for Settlement Administrator to mail Class Notice to Class Members	10 calendar days after Settlement Administrator's receipt of Class List
Last day for Class Members to submit a written request for exclusion to the Settlement Administrator	45 calendar days after the initial mailing of the Class Notice to Class Members
Last day for Class Members to submit an Objection to the Settlement Administrator	45 calendar days after the initial mailing of the Class Notice to Class Members
Last day for Class Counsel to file and serve moving papers in support of final settlement approval and request for attorneys' fees and costs	10 calendar days before the final settlement approval hearing date

EVENT	TIMING
Last day for Class Counsel to file with the Court and serve declaration by Settlement Administrator specifying the due diligence undertaken with regard to the mailing of the Notice	10 calendar days before the final settlement approval hearing date
Final settlement approval hearing	Oct. 5, 2022, at 9:00 Am. (approximately 110 days after entry of this Order)

IT IS SO ORDERED.

Dated: 6/8/22


JUDGE OF THE SUPERIOR COURT
STEPHEN E. BENSON



**Superior Court of California
County of Butte**

1775 Concord Ave
Chico CA 95928
Civil
530-532-7009

Alex Paul Katofsky
Gaines & Gaines APLC
4550 E Thousand Oaks Blvd Ste 100
Westlake Village CA 91362

F Superior Court of California **F**
County of Butte
I
L JUN 08 2022 **L**
E Sharif Elmallah, Clerk **E**
D By E. Piper Deputy **D**

Re: Lawson, Robert vs Graphic Packaging International, LLC

Case Number: 20CV01921

Proof of Mailing

I, Sharif Elmallah, Clerk of the Superior Court of the State of California, in and for the County of Butte, do hereby certify that on June 08, 2022, I served copies of Order Granting Preliminary Approval, in the above entitled action by placing the document(s) for collection and mailing on the date shown, following standard court practices in a sealed envelope with postage fully prepaid, to the parties shown below. The mailing occurred in Chico, California.

Mailed to:

Alex Paul Katofsky Gaines & Gaines, APLC 4550 E Thousand Oaks Blvd, Ste 100 Westlake Village, CA 91362

June 08, 2022

Sharif Elmallah,
Clerk of the Superior Court
By: E. Piper, Deputy Clerk

EXHIBIT D

Alex Katofsky

From: DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
Sent: Tuesday, February 22, 2022 10:33 AM
To: Alex Katofsky
Subject: Thank you for your Proposed Settlement Submission

02/22/2022 10:32:09 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

Alex Katofsky

From: DIR PAGA Unit <lwdadonotreply@dir.ca.gov>
Sent: Thursday, May 5, 2022 11:54 AM
To: Alex Katofsky
Subject: Thank you for your Proposed Settlement Submission

05/05/2022 11:53:16 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT E

**Robert Lawson vs. Graphic Packaging International, LLC
Linebarger, Marty vs. Graphic Packaging International, LLC
Counsel's Costs (Gaines & Gaines, APLC)**

<u>EXPENSE CATEGORY</u>	<u>EXPENSE</u>
Postage/FedEx charges	\$ 65.74
Filing fees (including related attorney service expenses)	\$ 1,886.60
Court Call fees	\$ 376.00
Expert analysis fee	\$ 2,625.00
Mediation fee	\$ 9,000.00
Future estimated expenses - • Filing fees and One Legal Service fees for Motion for Final Approval (will be filed via One Legal) - \$121.00 • Courtcall expense for Final Approval hearing remote appearance - \$94.00 • Courtesy copy delivery fees to department of Motion for Final Approval via One Legal - \$130.00 • Postage for mailing Motion for Final Approval - \$10.00 • Filing fees and One Legal Service fees for Notice of Entry of Order once Final Order signed (will be filed via One Legal) - \$35.00 • Postage for mailing Notice of Entry of Order - \$5.00	\$ 395.00
TOTAL EXPENSES	\$ 14,348.34