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CEVA LOGISTICS U.S., INC. CEVA FREIGHT, LLC, and
CEVA FREIGHT MANAGEMENT INTERNATIONAL GROUP, INC

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN MATEO

LEONARDO ALDAPE, on behalf of himself
and all others similarly situated,

Plaintiff,

vs.

CEVA LOGISTICS U.S., INC., a Delaware
corporation; CEVA FREIGHT, LLC, a
Delaware corporation; CEVA FREIGHT
MANAGEMENT INTERNATIONAL
GROUP, INC., a Delaware corporation; and
DOES 1 through 50, inclusive,

Defendants.

Case No. 20-CIV-04865

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

Complaint Filed: November 6, 2020

1 This Joint Stipulation of Class Action and PAGA Settlement and Release of Claims
2 (“Settlement Agreement” or “Agreement”) is made and entered into by and between Plaintiff
3 LEONARDO ALDAPE (“Plaintiff” or “Class Representative”), individually and on behalf of all
4 putative class members and as a proxy/agent for the State of California on behalf of all “aggrieved
5 employees”, and Defendants CEVA LOGISTICS U.S., INC. CEVA FREIGHT, LLC, and CEVA
6 FREIGHT MANAGEMENT INTERNATIONAL GROUP, INC (collectively “Defendants”) (both
7 collectively referred to herein as the “Parties.”)

8 RECITALS

9 On November 6, 2020, Plaintiff filed a class action complaint in the San Mateo
10 County Superior Court, alleging violation of Labor Code Sections 201, 202, 203, 204, 223, 226,
11 226.7, 227.3, 510, 512, 1194, 1194.2, 1197, 1197.1, 1198, and 2802, Business & Professions Code
12 section 17200, *et seq.*, and the IWC Wage Orders. On October 14, 2020, plaintiff gave notice to
13 LWDA in advance of seeking penalties under the California Private Attorney General Act, Labor
14 Code § 2699, *et seq.*, (“PAGA”). Plaintiff alleges that Defendants failed to pay its non-exempt
15 employees’ and/or individuals employed by third party staffing companies who performed work for
16 Defendants in the state of California, specifically Randstad Inhouse Services, LLC and/or its related
17 corporate entities and Staffmark Holdings, Inc. and/or its related corporate entities including
18 Staffmark Investments, LLC, owed wages, minimum wages, overtime wages, wages for all hours
19 worked, and vacation wages; non-exempt employees of Defendants and/or individuals employed by
20 the listed third party staffing companies were deprived of meal and rest periods and were not paid
21 one additional hour of pay at their regular rate of pay when a meal or rest period was missed;
22 employees were not reimbursed for business expenses incurred during the discharge of their duties
23 to Defendants; non-exempt employees of Defendants and/or individuals employed by the listed
24 third party staffing companies did not receive all wages due them at termination of employment;
25 non-exempt employees of Defendants and/or individuals employed by the listed third party staffing
26 companies did not receive complete and accurate wage statements; Defendants did not keep
27 complete and accurate payroll records; and Plaintiff seeks restitution under the Unfair Competition
28 Law (“UCL”) and penalties under PAGA for the alleged Labor Code violations.

1 Defendants deny all of Plaintiff's material allegations. Specifically, Defendants
2 deny that Plaintiff and putative class members are entitled to additional wages, including any
3 minimum wages, overtime wages or vacation wages. Defendants deny that Plaintiff and putative
4 class members and aggrieved employees were deprived of meal and rest periods, aver that they had
5 meal and rest break policies and procedures in place to ensure compliance with California law, and
6 aver that that Plaintiff and putative class members and aggrieved employees were not impeded from
7 taking their lawful rest and meal periods. Defendants also contend that that Plaintiff and putative
8 class members and aggrieved employees were at all times lawfully provided with required meal
9 periods and authorized and permitted to take lawful rest breaks and/or were otherwise lawfully paid
10 any applicable premiums owed. Defendants further aver that Plaintiff's claims are not amenable to
11 class treatment because common issues do not predominate. Defendants additionally contend that
12 they did not willfully fail to pay any wages due at the time of termination and that waiting time
13 penalties are not available for alleged meal and rest period violations. Defendants also believe that
14 the wage statement claims will fail because there was no knowing and intentional violation and that
15 the derivative wage statement claim will fail for the reasons stated above. Defendants believe that
16 the claim for failure to maintain complete and accurate payroll records will fail, because it keeps
17 complete payroll and timekeeping records as required by law. Defendants believe that the claims
18 related to the calculation of the regular rate of pay and all claims related to the alleged failure to pay
19 minimum wages and overtime will fail. Defendants assert there are no legitimate Labor Code
20 violations to support PAGA penalties or a claim under the UCL.

21 The Parties engaged in formal discovery and informal, voluntary exchange of
22 information in the context of privileged settlement discussions to facilitate mediation. Defendants
23 produced pertinent time records, pay records, and data, as well as various policy documents,
24 pertaining to both Plaintiff and the putative class, in response to formal discovery requests and
25 pursuant to the mediation privilege and/or settlement communication.

26 On September 10, 2021, the Parties participated in a full-day mediation before
27 experienced mediator Tripper Ortman. During the mediation, the Parties had a full day of
28 productive negotiations and were able to reach an agreement on a class-wide and representative

settlement. During the mediation, each party, represented by its respective counsel, recognized the risk of an adverse result in the Action and agreed to settle the Action and all other matters covered by this Agreement pursuant to the terms and conditions of this Agreement.

Based on their own thorough, independent investigation and evaluation of this case, Class Counsel (as defined in paragraph 10 below) are of the opinion that the settlement with Defendants for the consideration and on the terms set forth in this Agreement is fair, reasonable, adequate, and in the best interest of the Settlement Class (as defined in paragraph 5 below) in light of all known facts and circumstances, including the risk of significant costs and delay, the risk of non-certification of the Class, the defenses asserted by Defendants, the risks of adverse determinations on the merits, and numerous potential appellate issues. Although Defendants contend they have no liability in this case, Defendants' counsel shares Class Counsel's belief that the Agreement represents a fair, reasonable and adequate settlement given the respective risks associated with the Action.

This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants that Plaintiff's claims in the Action have merit or that it has any liability to Plaintiff or the Class on those claims or the State, or as an admission by Plaintiff that Defendants' defenses raised in the Action have merit. This Agreement is intended to fully, finally, and forever compromise, release, resolve, discharge, and settle the released claims subject to the terms and conditions set forth in this Agreement. The Parties further represent and agree that the certification of the Class as defined in this Agreement is made solely for the purposes of Settlement and shall have no bearing, validity, enforceability or admissibility in the Action or for any other purpose in the event Settlement in this Action is denied by the Court.

AGREEMENT

Subject to the approval of the Court, the Parties agree as follows:

1. **“Action”** shall mean the civil action commenced on November 6, 2020, by Plaintiff against Defendants in the Superior Court of California, County of San Mateo, Case No.: 20-CV-04865, entitled: “*Leonardo Aldape v. CEVA Logistics U.S., Inc., et al.*”

1 2. **“Court”** shall mean the Superior Court for the County of San Mateo.

2 3. **“Settlement”** shall mean the disposition of the Action and all related claims effectuated
3 by this Agreement.

4 4. **“Class Period”** shall mean the period of time from November 6, 2016, through
5 September 24, 2021.

6 5. **“Class,” “Class Members,” or “Settlement Class”** shall mean: (1) all non-exempt
7 employees of Defendants CEVA Logistics, U.S., Inc. CEVA Freight, LLC, and CEVA Freight
8 Management International Group, Inc. (collectively "Defendants") employed in the state of
9 California between the period of February 1, 2020 to September 24, 2021; (2) all non-exempt
10 employees of third party staffing agency Staffmark Holdings, Inc. and/or its related corporate
11 entities including Staffmark Investments, LLC ("Staffmark"), who performed work for Defendants
12 in California between the period of November 28, 2017 to September 24, 2021; and (3) all
13 additional non-exempt employees of third party staffing agencies, including but not limited to
14 Randstad Inhouse Services, LLC and/or its related corporate entities ("Randstad"), who performed
15 work for Defendants in California between the period of November 6, 2016 to September 24, 2021.

16 6. **“Participating Class Member”** shall mean a Class Member who does not timely Opt-Out
17 pursuant to Paragraph 34 and who is therefore entitled to a share of the Net Class Settlement as set
18 forth in Paragraph 20.

19 7. **“PAGA Period”** shall mean the period of time from November 6, 2019 through
20 September 24, 2021.

21 8. **“PAGA Employee(s)”** shall mean those Class Members who were employed during the
22 PAGA Period and who received at least one or more paychecks on one or more payroll periods
23 during the PAGA Period as an alleged “aggrieved employee.”

24 9. **“PAGA Settlement Amount”** shall mean the total amount approved by the Court to
25 settle the PAGA claims, including the payment to the LWDA, which will be paid on a *pro rata*
26 basis to the PAGA Employees after the payment to the LWDA, even if the Employee opts-out of
27 being a Class Member.

28 10. **“Class Counsel”** as appointed by the Court shall mean the attorneys representing

1 Plaintiff and the Class in the Action: Shaun Setareh and David Keledjian of the Setareh Law Group.

2 11. **“Defense Counsel”** shall mean the attorneys representing Defendants in the Action:
3 Shannon Nakabayashi, Conor J. Dale and Lynsey D. Johnson of Jackson Lewis P.C.

4 12. **“Claims Administrator”** shall mean Simpluris or other third-party settlement
5 administrator proposed by the Parties and appointed by the Court to administer the Settlement.

6 13. **“Preliminary Approval of the Settlement”** shall mean the Court’s preliminary
7 approval of the Settlement without material change.

8 14. **“Final Approval Hearing”** shall mean the hearing to be conducted by the Court
9 pursuant to California Rules of Court, Rule 3.769(a), to determine whether to approve finally, and
10 implement the terms of, this Agreement pursuant to a Judgment (the “Judgment”).

11 15. **“Judgment”** shall mean the Order of Final Approval of Settlement and Judgment
12 entered by the Court pursuant to California Rules of Court, Rule 3.769(h), that the Parties anticipate
13 will be entered following a Final Approval Hearing on the Settlement in this Action. The Court
14 shall retain jurisdiction to enforce the terms of the Settlement following entry of the Judgment.

15 16. **“Effective Date”** shall mean the date by which this Agreement is approved by the Court
16 by entry of the Judgment and the Judgment becomes Final. The Judgment becomes “Final” when
17 the later of the following events occurs: (a) the first court day after the period for filing any appeal,
18 writ, or other appellate proceeding relating to the Settlement has elapsed without any appeal, writ,
19 or other appellate proceeding having been filed; (b) any appeal, writ, or other appellate proceeding
20 opposing the Settlement has been dismissed finally and conclusively with no right by any appellant
21 or objector to pursue further remedies or relief; or (c) any appeal, writ, or other appellate proceeding
22 has upheld the Judgment with no right by any appellant or objector to pursue further remedies or
23 relief. In this regard, it is the intention of the Parties that the Settlement shall not become effective
24 until the Court’s Judgment granting final approval of the Settlement is completely final, and no
25 further recourse exists by any Class Member, appellant or objector who seeks to contest the
26 Settlement. The occurrence of the Effective Date is a prerequisite to any obligation of Defendant to
27 pay any funds into the Settlement Account, as set forth herein.

28 17. **Certification for Settlement Purposes.** Solely for the purposes of effectuating this

1 Settlement, and subject to Court approval, the Parties hereby stipulate to the conditional
2 certification of the following Settlement Class:

3 **All non-exempt employees of Defendants CEVA Logistics, U.S., Inc. CEVA**
4 **Freight, LLC, and CEVA Freight Management International Group, Inc.**
5 **employed in the state of California between the period of February 1, 2020 to**
6 **September 24, 2021; all non-exempt employees of third party staffing agency**
7 **Staffmark Holdings, Inc. and/or its related corporate entities including**
8 **Staffmark Investments, LLC who performed work for CEVA Logistics, U.S.,**
9 **Inc. CEVA Freight, LLC, and CEVA Freight Management International**
10 **Group, Inc. in California between the period of November 28, 2017 to**
11 **September 24, 2021; and all non-exempt employees of any additional third**
12 **party staffing agencies, including but not limited to Randstad Inhouse**
13 **Services, LLC and/or its related corporate entities who performed work for**
14 **CEVA Logistics, U.S., Inc. CEVA Freight, LLC, and CEVA Freight**
15 **Management International Group, Inc. in California between the period of**
16 **November 6, 2016 to September 24, 2021.**

17 The Parties agree that if for any reason the Settlement is not preliminarily and finally approved, the
18 conditional certification of the Settlement Class will be of no force or effect, does not constitute an
19 admission by Defendants that class certification is proper, and will not be deemed admissible in this
20 or any other proceeding, and that the Parties will litigate the issue of class certification.

21 18. **“Gross Settlement Amount”** In consideration for the Settlement and the release of
22 claims set forth below, Defendants agree to pay on a non-reversionary basis after the Effective Date
23 (*i.e.*, no portion will revert to Defendants under any circumstance) a maximum of Three-Million
24 Eight-Hundred Fifty-Thousand Dollars and No Cents (\$3,850,000.00), excluding the employer’s
25 share of payroll taxes (“the Gross Settlement Amount” or “GSA”), pursuant to the terms of this
26 Agreement. It is understood by the Parties that the employer's share of payroll taxes shall not be
27 paid from the Gross Settlement Amount and shall remain the sole responsibility of Defendants. The
28 GSA is the maximum total amount that Defendants shall be required to pay for all claims of the
Plaintiff and Class Members that are alleged, or that could have been brought, in the Action arising
from the allegations made therein, and also including the enhancement payment to the Class
Representative, all amounts payable to the Labor and Workforce Development Agency (“LWDA”)
and the PAGA Employees as PAGA penalties, all Court-approved attorneys’ fees of Class Counsel,
all Court-approved costs and expenses incurred or advanced by Class Counsel related to the Action,

1 the fees and costs of the Claims Administrator, but excluding employer's share of payroll taxes on
2 the wage portion of the individual settlement payments distributed to the Class Members.

3 19. **"Net Settlement Amount"** The Net Settlement Amount ("NSA") shall mean the GSA
4 payable by Defendant pursuant to this Settlement, less the following sums set forth in subsections
5 "a" through "e" of this paragraph 19:

6 A. **Class Counsel Fees Payment.** Class Counsel will apply to the Court for an
7 award of not more than One-Million Two-Hundred Eighty-Three Thousand, Three-Hundred Thirty-
8 Three Dollars and 33/100 Cents (\$1,283,333.33) (which is one-third of the GSA) as their Class
9 Counsel Fees Payment. Defendants will not oppose a Class Counsel Fees Payment request to be
10 paid from the GSA. The Claims Administrator will pay the amount approved by the Court from the
11 GSA. Withholding and deductions will not be taken from the Class Counsel Fees Payment and one
12 or more Forms 1099 will be issued to Class Counsel with respect to that payment.

13 B. **Class Counsel Litigation Expenses Payment.** Class Counsel will apply to
14 the Court for an award of not more than Twenty-Thousand Dollars and No Cents (\$20,000.00) to
15 compensate them for, out of pocket costs and expenses actually incurred in connection with the
16 Action. Defendant will not oppose a Class Counsel Litigation Expenses Payment request of not
17 more than \$20,000.00 to be paid from the GSA. The Claims Administrator will pay the amount
18 approved by the Court from the GSA (but not more than \$20,000.00 in Class Counsel Litigation
19 Expenses.) Withholding and deductions will not be taken from the Class Counsel Litigation
20 Expenses Payment and one or more Forms 1099 will be issued to Class Counsel with respect to that
21 payment.

22 C. **Class Representative Payment.** Plaintiff will apply to the Court for an
23 award of not more than Five-Thousand Dollars and No Cents (\$5,000.00) as his Class
24 Representative Payment, made in his capacity as Class Representative to compensate him for
25 initiating the Action, performing work in support of the Action, and undertaking the risk of liability
26 for attorneys' fees and expenses in the event he was unsuccessful in the prosecution of the Action,
27 and as further consideration for the release of all claims. Defendant will not oppose a Class
28 Representative Payment of not more than \$5,000.00. The Claims Administrator will pay the Class

1 Representative Payment approved by the Court from the GSA. Payroll taxes, withholdings, and
2 deductions will not be taken from the Class Representative Payment, and instead a Form 1099 will
3 be issued to Plaintiff with respect to that payment. Plaintiff agrees to assume all responsibility and
4 liability for the payment of taxes due on the Class Representative Payment.

5 **D. Payment to Claims Administrator.** The Claims Administrator will be paid
6 from the GSA its reasonable fees and expenses as approved by the Court in an amount currently
7 estimated to not exceed Ten-Thousand Dollars and Zero Cents(\$10,000.00).

8 **E. Payment of the PAGA Settlement Amount.** Plaintiff will apply to the
9 Court for approval of a settlement of claims under PAGA in the amount of One-Hundred Thousand
10 Dollars and No Cents (\$100,000.00) the “PAGA Settlement Amount”), of which a payment from
11 the GSA to the LWDA will be made in the amount of Seventy-Five Thousand Dollars and No Cents
12 (\$75,000.00), which is 75% of the PAGA Settlement Amount. Twenty-Five Thousand Dollars and
13 No Cents (\$25,000.00), which is 25% of the PAGA Settlement Amount, will be paid to the PAGA
14 Employees who worked for Defendant in California during the PAGA Period pursuant to the
15 formula set forth in paragraph 20 below, even if the Employee opts-out of the Class Settlement.
16 Defendant will not oppose a PAGA settlement in this amount.

17 **20. Allocation of NSA and Calculation of Settlement and PAGA Shares.** Subject to the
18 terms and conditions of this Agreement, the Claims Administrator will calculate a Settlement Share
19 (as defined below) from the NSA for each Participating Class Member plus, if applicable, a PAGA
20 Share (as defined below) for each PAGA Employee. The Settlement Share for each Participating
21 Class Member and the PAGA Share for each PAGA Employee will be calculated as follows,
22 understanding that the formulas below do not constitute an admission by Defendants, and are
23 intended only to provide a practical means to simplify and administer the claims process:

24 **A. Allocation.** Each Settlement Share is allocated thirty percent (30%) to wages
25 (for which employment taxes will be deducted and W-2s issued), and a combined thirty-five percent
26 (35%) to interest and thirty-five percent (35%) to penalties (70% total, for which no taxes will be
27 deducted and 1099s will be issued). Each PAGA Share will be allocated one-hundred percent
28 (100%) to penalties (for which no taxes will be deducted and 1099s will be issued).

1 **B. Settlement Share Calculation.** The Claims Administrator shall assign to
2 each Participating Class Member a "Settlement Ratio," which shall be a fractional number
3 comprised of (i) that Participating Class Member's Individual Work Weeks during the Class Period
4 as the numerator, and (ii) the aggregate total of all Participating Class Members' Individual Work
5 Weeks during the Class Period as the denominator. The Claims Administrator shall assign to each
6 Participating Class Member the "**Settlement Share**" which shall be calculated by multiplying that
7 Participating Class Member's Settlement Ratio by the amount allocated to the Class Members from
8 the NSA.

9 **C. PAGA Share Calculation.** The Claims Administrator shall assign to each
10 PAGA Employee a "PAGA Settlement Ratio," which shall be a fractional number comprised of (i)
11 that PAGA Employee's Individual Payroll Periods worked during the PAGA Period as the
12 numerator, and (ii) the aggregate total of all PAGA Employees' Individual Payroll Periods worked
13 during the PAGA Period as the denominator. The Claims Administrator shall assign to each PAGA
14 Employee the "**PAGA Share**" which shall be calculated by multiplying that PAGA Employee's
15 PAGA Settlement Ratio by the amount allocated to the PAGA Employees from the PAGA
16 Settlement Amount after payment to the LWDA.

17 **21. Settlement and PAGA Share Worksheet.** Upon calculation of the Participating Class
18 Members' Settlement Share and PAGA Share, the Claims Administrator shall furnish to Class
19 Counsel and Defense Counsel a worksheet containing a list of the Participating Class Members
20 identified by ID Number with their corresponding Individual Work Weeks and Settlement Shares
21 and Individual Payroll Periods and PAGA Shares.

22 **22. Taxes and Withholdings.** Each Settlement Share is intended, in part, to settle the Class
23 Members' claims for unpaid wages. Each Participating Class Member shall be individually
24 responsible for the employee's share of applicable payroll tax withholdings and deductions.
25 Accordingly, each Settlement Share allocated to wages will be reduced by applicable payroll tax
26 withholdings and deductions, and the Claims Administrator will issue a Form W-2 to each
27 Participating Class Member for this wage portion amount.

28 **23. Number of Class Members and Work Weeks.** As of the approximate date of this

1 Agreement, Defendant certifies that the number of identified Work Weeks worked by Class
2 Members during the Class Period is 104,000 and the total number of Class Members is 4,678. If
3 either the total number of Class Members, or the total number of Work Weeks, as stated herein,
4 increases by more than ten percent (10%), then the Gross Settlement Amount shall be augmented by
5 Defendants in proportion to the amount by which the total number of Class Members increased
6 above 10%, or the total number Work Weeks increased above 10%, whichever greater.

7 **24. Release of Class Claims by Class Members Including Plaintiff.** Upon the entry of an
8 order by the Court granting final approval of this Settlement, and except as to such rights or claims
9 as may be created by this Agreement, the Settlement Class (including Plaintiff) and each
10 Participating Class Member who has not properly submitted a timely and valid request to “opt-out”
11 or be excluded from the Action, and without the need to manually sign a release document, in
12 exchange for the consideration recited in this Agreement (whether later received or not), on behalf
13 of himself or herself and on behalf of his/her current, former, and future heirs, executors,
14 administrators, attorneys, agents, successors and assigns, shall hereby fully, finally and forever
15 waive, release, relinquish and discharge Defendants and each of their past and current parents,
16 subsidiaries, affiliates, trusts, trust funds, investors and related entities or companies, and each of its
17 and their respective owners, partners, members, shareholders, officers, directors, employees, agents,
18 managing agents, attorneys, representatives, fiduciaries, trustees, insurers and other service
19 providers, and their respective predecessors, successors, and assigns (collectively hereinafter the
20 “Releasees”), from all class claims alleged or which could have been alleged based on the facts in
21 the operative complaint which occurred during the Class Period, including but not limited to claims
22 for: (1) failure to provide meal periods pursuant to Labor Code §§ 204, 223, 226.7, 512, and 1198;
23 (2) failure to provide rest periods pursuant to Labor Code §§ 204, 223, 226.7, and 1198; (3) failure
24 to pay hourly and overtime wages pursuant to Labor Code §§ 204, 218.6, 223, 510, 1194, 1194.2,
25 1197, and 1198; (4) failure to pay vacation wages pursuant to Labor Code § 227.3; (5) failure to
26 indemnify expenses pursuant to Labor Code §§ 452, 2802; (6) failure to provide accurate wages
27 statements pursuant to Labor Code §§ 226; (7) failure to timely pay final wages pursuant to Labor
28 Code §§ 201-203; and (7) claims for recovery under Business and Professions Code §§ 17200 *et*

1 *seq.* The release of claims includes any claims by Participating Class Member against Staffmark
2 Holdings, Inc. and/or its related corporate entities including Staffmark Investments, LLC and/or
3 Randstad Inhouse Services, LLC and/or its related corporate entities to the extent that any of the
4 released claims as to Defendants would apply to Staffmark Holdings, Inc. and/or its related
5 corporate entities including Staffmark Investments, LLC and/or Randstad Inhouse Services, LLC
6 and/or its related corporate entities. The release expressly excludes all other claims, including
7 claims for vested benefits, wrongful termination, unemployment insurance, disability, social
8 security, workers' compensation, and class claims outside of the Class Period and PAGA claims
9 outside of the PAGA period. Plaintiff will send a letter to the LWDA to provide notice of this
10 Settlement.

11 **25. Release of PAGA Claims by Plaintiff and the PAGA Employees.** Plaintiff, in his
12 capacity as proxy for the State of California and/or the LWDA, and as a private attorney general
13 acting on behalf of himself and the PAGA Employees, and each of the PAGA Employees, shall be
14 deemed to have, and by operation of the Order of Final Approval of Settlement and Judgment
15 entered by the Court shall have, fully, finally and forever released, relinquished and discharged the
16 Releasees from all claims arising during the PAGA Period seeking civil penalties under the Private
17 Attorneys General Act, California Labor Code section 2698, *et seq.*, that Plaintiff in his capacity as
18 proxy for the State of California and/or the LWDA, to the maximum extent permitted by law, and as
19 a private attorney general acting on behalf of himself and the PAGA Employees, asserted or could
20 reasonably have asserted based on the facts alleged in the Action and/or the LWDA letter, including
21 but not limited to all such claims arising under the California Labor Code (including, but not limited
22 to, sections 200, 201, 202, 203, 204, 210, 212, 215, 216, 218.6, 223, 225, 226, 226.6, 226.7, 227.3,
23 354, 408, 510, 512, 553, 558, 1175, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 2698 and 2699,
24 *et seq.*, as alleged in the Complaint) and the wage orders of the California Industrial Welfare
25 Commission and any other Labor Code section or Wage Order based the facts alleged in the Action.
26 Collectively, these claims shall be referred to as the “**PAGA Released Claims.**” This release shall
27 release all PAGA Released Claims by or on behalf of Plaintiff and all PAGA Employees through
28 the end of the PAGA Period and for the entire PAGA Period regardless of whether Plaintiff and/or a

1 PAGA Employee negotiates their/his/her settlement checks sent pursuant to this Settlement and
2 regardless of whether any such PAGA Employee opts out and excludes himself or herself from the
3 Settlement. The PAGA Release Claims includes any PAGA claims against Staffmark Holdings,
4 Inc. and/or its related corporate entities including Staffmark Investments, LLC and/or Randstad
5 Inhouse Services, LLC and/or its related corporate entities to the extent that any of the released
6 PAGA claims as to Defendants would apply to Staffmark Holdings, Inc. and/or its related corporate
7 entities including Staffmark Investments, LLC and/or Randstad Inhouse Services, LLC and/or its
8 related corporate entities.

9 **26. Plaintiff's General Release of All Claims.** Solely with respect to the named Plaintiff,
10 and in consideration of this Agreement, Plaintiff, on his own behalf and on behalf of his respective
11 heirs, successors, assigns, does hereby fully, finally and forever waive, release, acquit and forever
12 discharge Defendants and the Releasees from any and all known and unknown claims Plaintiff has
13 or may have against Defendants and the Releasees of every nature or description whatsoever as of
14 the date of this Agreement. This General Release of claims includes, but is not limited to, the
15 Released Claims and the PAGA Released Claims as well as any and all known or unknown claims
16 based on contract, tort, public policy, wrongful termination, intentional infliction of emotional
17 distress, fraud, defamation, invasion of privacy or any other common law claims, and any and all
18 claims based on any federal, state or local law, statute, regulation or ordinance, including, but not
19 limited to, claims arising under, as amended, the Americans With Disabilities Act, the Equal Pay
20 Act, the Employee Retirement Income Security Act, the Worker Adjustment and Retraining
21 Notification Act, Title VII of the Civil Rights Act of 1964, the Civil Rights Acts of 1866, 1871 and
22 1991, including Section 1981 of the Civil Rights Act, the Family and Medical Leave Act, the
23 California Family Rights Act, the California Fair Employment and Housing Act, and any similar
24 federal, state or local law, statute, regulation or ordinance relating to employment, discrimination,
25 harassment, retaliation, whistleblowing, protected leaves of absence, reasonable accommodation
26 and/or any other rights afforded to employees on any other basis protected by law.

27 **A. Preservation and Exclusion of Claims Under the FCRA:** Nothing in this
28 agreement is intended to, or shall be construed to, release any claims by either Plaintiff or Class

Members under the Fair Credit Reporting Act, 15 U.S.C. 1681, et seq. (the “FCRA”), which are expressly preserved by, and excluded from the release of, this Agreement.

27. Plaintiff’s Waiver of Unknown Claims. With the exception of the FCRA claims described in Paragraph 26(a) above, Plaintiff waives all rights and benefits afforded by Section 1542 of the Civil Code of the State of California, and does so understanding the significance of that waiver, which states:

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

28. Waiver and Release by Class Counsel. As of the date the Judgment becomes Final, and except as otherwise provided by this Agreement, Class Counsel and any counsel associated with Class Counsel hereby waive any claim to costs and attorneys’ fees and expenses against Defendants or the Releasees arising from or related to the Action, including but not limited to claims based on the California Labor Code, the California Civil Code, the California Code of Civil Procedure, or any other statute or law (the “Class Counsel Released Claims”). Class Counsel further understands and agrees that the fees, costs and expenses provided in this Agreement are intended to cover all fees, costs and expenses incurred by Class Counsel relating to the Action, including any fees and costs incurred post-judgment relating to the administration of the Settlement and/or relating to any appeal, writ or other proceeding. However, nothing in this Agreement is intended, or shall be construed, to limit Class Counsel’s recovery for attorneys’ fee and costs in connection with any claims arising out of the FCRA, which are expressly preserved by, and excluded from the release of, this Agreement.

29. California Labor Code Sections 206 and 206.5 Do Not Apply. The Parties agree that this Settlement involves the settlement of highly contested and disputed claims, such that the provisions of California Labor Code sections 206 and 206.5 are not applicable to this Settlement or the Releases required by this Agreement.

30. Motion for Preliminary Approval of Settlement by the Court. Class Counsel will

1 move the Court for an order granting Preliminary Approval of the Settlement (the “Motion for
2 Preliminary Approval”) and conditionally certifying the Class for settlement purposes only,
3 appointing the Claims Administrator, appointing Class Counsel, setting a date for the Final
4 Approval Hearing, and approving the Class Notice. Defense Counsel shall have the right to review
5 and approve the Motion for Preliminary Approval prior to filing. Prior to the hearing on the Motion
6 for Preliminary Approval, Class Counsel will submit an Order approved by Defense Counsel to,
7 among other things, Grant Preliminary Approval of Settlement, Approval of Notice to Class and
8 Setting Hearing for Final Approval of Settlement. Counsel for the Parties, with approval from the
9 Court, may change the date of the Final Approval Hearing without any further notice to the Class
10 Members. Should the Court decline to preliminarily approve all material aspects of the Settlement,
11 or order material changes to the Settlement to which the Parties do not agree, either Party shall have
12 the right to terminate the Agreement by providing written notice of termination to the other Party
13 and upon such termination the Settlement will be null and void and the Parties will have no further
14 obligations under it; provided, however, that prior to terminating the Agreement the Parties agree to
15 first meet and confer in good faith to address and attempt to resolve the Court’s concerns.

16 **31. Notice of Settlement to the LWDA.** Pursuant to PAGA, at the same time that Plaintiff
17 files the Motion for Preliminary Approval with the Superior Court, Plaintiff will also submit the
18 required notice of PAGA settlement to the LWDA along with a copy of this Agreement, and Class
19 Counsel will take all reasonable steps necessary to timely notify the LWDA of the settlement of the
20 PAGA claims, per the requirements set forth in Labor Code section 2699(1)(2), including the
21 submission of the [Proposed] Final Order Approving Settlement to the LWDA at the time of filing
22 the Motion for Final Approval of the Settlement. The Parties will cooperate fully in requesting the
23 settlement of the PAGA claims and entry of a final judgment by the Court, and Class Counsel will
24 timely notify the LWDA of the final judgment pursuant to Labor Code section 2699(1)(3). It is the
25 intent of the Parties that upon entry of the Final Judgment, all claims for PAGA penalties as alleged
26 in the Action during the PAGA Period shall be deemed settled and resolved, including with respect
27 to any members of the Class who elected to opt-out of the Action.

28 **32. Duties of the Claims Administrator.** The Parties have agreed to the appointment of

1 Simpluris (the "Claims Administrator"), or such other independent administrator as the Court might
2 approve, to provide all reasonable and necessary services to effectuate the Settlement, including to
3 mail the Notice, to independently review and verify documentation associated with any submitted
4 objections, disputes or opt-out requests, to provide weekly reports of such to counsel for the Parties,
5 to compute and pay the appropriate sums from the GSA, and to perform such other duties as are
6 reasonable and customary for a third-party claims administrator. The Claims Administrator's
7 estimate of its costs/fees for the administration of the settlement is \$10,000.00. The actual fees and
8 costs of the Claims Administrator, which will be paid out of the GSA, will not be known until all
9 claims are administered, and will be subject to final Court approval.

10 **33. List of Class Members.** Within forty five (45) days after the Court grants Preliminary
11 Approval of the Settlement, Defendants shall provide to the Claims Administrator:

12 A. A confidential and password protected electronic database with the full
13 names of all Class Members, last known mailing address, Social Security number and Defendants'
14 employee identification number ("Class Members' Data").

15 B. Corresponding to each Class Member's name, Defendants shall provide a
16 figure indicating the total number of Work Weeks during the Class Period in which that Class
17 Member performed any work for Defendants as an hourly, non-exempt employee and the total
18 number of payroll periods during the PAGA Period that each PAGA Employee received a
19 paycheck. That number of Work Weeks shall be referred to as that Class Member's "Individual
20 Work Weeks" and that number of payroll periods shall be referred to as that PAGA Employee's
21 "Individual Payroll Periods." If any of the Class Members' Data are unavailable to Defendants,
22 Defendant will so inform Class Counsel and the Parties will make their best efforts to reconstruct or
23 otherwise agree upon the Class Members' Data prior to when it must be submitted to the Claims
24 Administrator. Class Members' Data will otherwise remain strictly confidential and will not be
25 disclosed to anyone, except as necessary to applicable taxing authorities, or pursuant to Defendants'
26 express written authorization or by order of the Court.

27 **34. Notice to Class Members.** Upon receipt of the Names and addresses, the Administrator
28 will run the same through the NCOA database to obtain current address information. The Claims

1 Administrator will prepare for each Class Member to be sent by first-class mail a notice packet
2 containing a Notice of Pendency of Class Action Settlement, Proposed Settlement Amount for each
3 Class Member, and Hearing Date for Final Court Approval, along with other relevant information
4 (the “Notice”) in the form attached hereto as **Exhibit “1”** and approved by the Court. The Notice
5 will be prepared in English and Spanish.

6 A. **Mailing of Class Notice.** Within fifteen (15) business days after receiving
7 the Class Members’ Data, or as soon thereafter as it can do so after approval of the Notice by
8 counsel for the Parties, the Claims Administrator will mail the Class Notice to all identified Class
9 Members via first-class U.S. mail using the mailing address information provided by Defendants,
10 unless modified by any updated address information that the Claims Administrator obtains in the
11 course of administration of the Settlement.

12 B. **Returned Class Notice.** If a Class Notice is returned because of an incorrect
13 address, the Claims Administrator will promptly, and not later than ten (10) days from receipt of the
14 returned Notice, search for a more current address for the Class Member and re-mail the Class
15 Notice to the Class Member. The Claims Administrator will use the Class Members’ Data and
16 otherwise work with Defendants’ Counsel and Class Counsel to find a more current address. The
17 Claims Administrator will be responsible for taking reasonable steps, consistent with its agreed-
18 upon job parameters, court orders, and fee, to trace the mailing address of any Class Member for
19 whom a Class Notice is returned by the U.S. Postal Service as undeliverable. These reasonable
20 steps shall include the tracking of all undelivered mail; performing address searches for all mail
21 returned without a forwarding address; and promptly re-mailing to Class Members for whom new
22 addresses are found. If the Class Notice is re-mailed, the Claims Administrator will note for its own
23 records and notify Class Counsel and Defendants’ Counsel of the date and address of each such re-
24 mailing as part of a weekly status report provided to the Parties.

25 **35. Request for Exclusion from Settlement.** Other than with respect to the PAGA related
26 claims, a Class Member may request to be excluded from the effect of this Agreement, including
27 the Released Claims and the payment of the individual Settlement Share under this Agreement, by
28 timely mailing a letter to the Claims Administrator via U.S. Mail, stating that the Class Member

1 wants to be excluded from this Action. This opt-out letter must include the Class Member's name,
2 address, telephone number, and signature. To be valid and timely, the request to be excluded must
3 be postmarked by no later than the date specified in the Class Notice, which shall be sixty (60) days
4 from the initial mailing of the Class Notice by the Claims Administrator. Emailing forms will not
5 be deemed sufficient. A Class Member who properly submits a valid and timely request to be
6 excluded from the Action shall not receive any payment of his or her individual Settlement Share in
7 connection with this Agreement or this Action except for his or her individual PAGA Share from
8 the PAGA Settlement Amount, if applicable, and shall not be bound by or receive any benefit of
9 this Agreement, other than the effect of the PAGA Released Claims. Such excluded Class Member
10 also shall have no standing to object to the Settlement. Once Preliminary Approval is granted an
11 Opt-Out may be approved only by the Court or by stipulation of the Parties pursuant to the terms of
12 this paragraph. The Claims Administrator has *no authority* to accept or reject an invalid or untimely
13 opt-out or to make any representations to any person regarding whether an opt-out will be accepted
14 or rejected. Reliance on such unauthorized representations will not be deemed sufficient to
15 overcome failure to timely and properly opt-out.

16 A request for exclusion must be mailed to the Claims Administrator as follows (who shall transmit
17 the request for exclusion to counsel for the Parties) as follows:

18 To Claims Administrator

To Class Counsel:

To Defense Counsel:

19 Simpluris.
20 Claims Administrator
3194-C Airport Loop Drive
Costa Mesa, CA 92626

Shaun Setareh, Esq.
David Keledjian, Esq.
Setareh Law Group
9665 Wilshire Blvd.,
Ste. 430
Beverly Hills, CA 90212

Shannon Nakabayashi, Esq.
Conor J. Dale, Esq.
Lynsey D. Johnson, Esq.
Jackson Lewis P.C.
50 California Street, 9th Floor
San Francisco, California
94111-4615

23 **36. Objections to Settlement.** The Class Notice will provide that any Participating Class
24 Member who does not request exclusion from the Action and who wishes to object to the
25 Settlement may submit an objection to the Settlement in writing to the Claims Administrator (a
26 **“Written Objection”**) which sets forth the grounds for the objection and the other information
27 required by this paragraph and paragraph 37. The Written Objection must be faxed or mailed
28 (postmarked) to the Claims Administrator on or before the end of the 60-day Notice Period. The

1 Claims Administrator shall promptly transmit all Written Objections to counsel for the Parties.
2 However, any Class Member who opts-out of the Settlement shall not be permitted to object and
3 any such objections shall not be considered by the Court.

4 37. The Written Objection must state the objecting Participating Class Member's full name,
5 address and telephone number, the written basis for each specific objection in clear and concise
6 terms and any legal support for the objection and must be signed by the Participating Class Member
7 or by a legal representative of the Participating Class Member. If Written Objections have been
8 submitted by the deadline, it is not necessary for the Participating Class Member or counsel to
9 appear at the Final Approval hearing in order for the Court to consider the Written Objection.
10 However, even if a Participating Class Member does not timely submit a Written Objection, he/she
11 or his/her counsel may still appear at the Final Approval Hearing at his/her own expense to orally
12 present any objections. Any Participating Class Member who does not submit a Written Objection
13 in the manner and by the deadline specified above, and who fails to appear at the Final Approval
14 Hearing to orally present an objection for the first time, will be deemed to have waived any
15 objections and will be foreclosed from making any objections after the Final Approval Hearing,
16 whether by appeal, writ or other proceeding. If the objecting Participating Class Member does not
17 formally intervene in the action and/or the Court rejects the Participating Class Member's objection,
18 the Participating Class Member will still be bound by the terms of this Agreement.

19 38. **Disputed Class Member Settlement Shares.** If a Participating Class Member disputes
20 the number of Work Weeks or Payroll Periods used to determine his/her Settlement Share, the
21 Participating Class Member may produce evidence to the Claims Administrator for the Class Period
22 stating the basis of his or her disagreement and submitting supporting documentation. In order for
23 the dispute to be considered, he/she must follow the directions on the Class Notice. To be valid and
24 timely, all disputes and supporting documents must be postmarked by no later than the date
25 specified in the Class Notice, which shall be sixty (60) days from the initial mailing of the Class
26 Notice by the Claims Administrator. Defendants' employment records will be presumed to be
27 correct unless proven otherwise by the Participating Class Member. The Claims Administrator will
28 notify the Parties of any disputes, and if the Parties cannot mutually agree, the Claims Administrator

1 will make a determination of the number of Work Weeks and/or Payroll Periods to be attributed to
2 the Participating Class Member and shall notify the Class Member and the Parties of its decision.
3 The decision of the Claims Administrator shall be final, binding and non-appealable.

4 **39. Report.** On a weekly basis during the 60-day Notice Period, the Claims Administrator
5 will provide the Parties with a complete and accurate list of all Class Members who sent timely
6 requests to be excluded from the Action and all Participating Class Members who objected to the
7 settlement or disputed their settlement allocation. No later than seven (7) days after the deadline for
8 submission of the requests for exclusion, objections and disputes, the Claims Administrator will
9 provide the Parties with a final report of all such information.

10 **40. Declaration of Claims Administrator.** Not later than sixteen (16) court days prior to
11 the Final Approval Hearing, the Claims Administrator will provide the Parties for filing with the
12 Court a declaration of due diligence setting forth its compliance with its obligations under this
13 Agreement. Prior to the Final Approval Hearing, the Claims Administrator will supplement its
14 declaration of due diligence if any material changes occur from the date of the filing of its prior
15 declaration.

16 **41. No Solicitation of Objection; Right to Void.** Neither the Parties, nor their respective
17 counsel, will directly or indirectly solicit or otherwise encourage any Class Member to seek
18 exclusion from the Settlement, object to the Settlement, or to appeal from the Judgment. If five
19 percent (5%) or more of the Class Members submit a valid request to be excluded from the
20 Settlement, then Defendants shall have the unilateral right to void this Settlement. Defendants may
21 do so by giving notice to Class Counsel and the Court of its election to void the Settlement not later
22 than seven (7) days before the Final Approval Hearing. No sums shall be payable by Defendants if
23 this Agreement is voided as provided for herein with one exception: Defendants agree to pay any
24 fees owing to the Claims Administrator for services rendered in the event Defendants exercise their
25 right to void the Settlement.

26 **42. Additional Briefing and Final Approval.** Plaintiff will timely file with the Court a
27 motion for final approval of the Settlement, including the PAGA settlement, and payment of the
28 Claims Administrator's reasonable fees and expenses, with a memorandum in support of their

1 motion; and Plaintiff and Class Counsel will serve on Defendants and file with the Court a motion
2 for awards of the Class Representative Payment, the Class Counsel Fees Payment, and the Class
3 Counsel Litigation Expenses Payment pursuant to this Settlement, and memoranda in support of
4 their motions. Defense Counsel shall have the right to review and reasonably approve all such
5 motions and supporting documents prior to filing.

6 **43. Right to Respond to Objections.** Before the Final Approval Hearing, the Parties shall
7 be entitled to file and serve a response to any Class Member's objection to the Settlement and/or
8 reply in support of their motion for final approval of the Settlement, and payment of the Claims
9 Administrator's reasonable fees and expenses to the extent that any opposition to the motion is
10 filed; and Plaintiff and Class Counsel may file replies in support of their motions for the Class
11 Representative Payment, the Class Counsel Fees Payment, and the Class Counsel Litigation
12 Expenses Payment.

13 **44. Right to Void Settlement Agreement.** If the Court ultimately does not grant final
14 approval of the Settlement or grants final approval conditioned on any material change to the
15 Settlement that is not agreed to by the Parties, then either Party will have the unilateral right to void
16 the Settlement in its entirety by providing written notice of such termination to the other Party and
17 to the Court within ten (10) days of the Court's ruling on the Settlement; provided, however, that
18 prior to terminating the Agreement the Parties agree to first meet and confer in good faith to address
19 and attempt to resolve the Court's concerns. Upon written notice of any such termination by either
20 Party, the Settlement will be null and void and the Parties will have no further obligations under the
21 Settlement, including any obligation by Defendants to pay the GSA, NSA or any amounts that
22 otherwise would have been payable under this Agreement, except that the Party voiding the
23 Settlement will be responsible to pay the Claims Administrator's reasonable fees and expenses
24 incurred as of the date that the Party exercises the right to void the Settlement under this paragraph.
25 However, an award by the Court of a lesser amount than that sought by Plaintiff and Class Counsel
26 for the Class Representative Payment, the Class Counsel Fees Payment, or the Class Counsel
27 Litigation Expenses Payment, will not constitute a material modification to the Settlement within
28 the meaning of this paragraph and shall not render the Settlement voidable.

1 **45. Final Judgment.** Upon final approval of the Settlement by the Court at or after the
2 Final Approval Hearing, the Parties will present for the Court’s approval a [Proposed] Final Order
3 and Judgment approving the Settlement pursuant to California Rules of Court, Rule 3.769(a) and a
4 Judgment pursuant to California Rules of Court, Rule 3.769(h) for entry by the Court, consistent
5 with the terms of the Settlement as approved by the Court. The Final Order and Judgment shall also
6 permanently enjoin and forever bar all Class Members (other than those who have submitted timely
7 and valid requests to be excluded from the Action as provided in this Agreement) from prosecuting
8 against Defendants and the Releasees any claims within the scope of the Releases contained in this
9 Agreement.

10 **46. Continuing Jurisdiction.** After entry of the Judgment, the Court will have continuing
11 jurisdiction over the Action and the Settlement solely for purposes of (a) enforcing this Agreement,
12 (b) addressing settlement administration matters, and (c) addressing such post-Judgment matters as
13 may be appropriate under court rules or applicable law. It is the intent of the Parties that the
14 Judgment entered by the Court upon final approval of the Settlement shall have *res judicata* effect
15 and shall be final and binding upon Plaintiff and all Class Members regarding all of the Class
16 Members’ Released Claims and PAGA Released Claims.

17 **47. Waiver of Right to Appeal.** Plaintiff, Class Counsel, Class Members who did not
18 timely submit an objection to the Settlement, Defendants, and Defense Counsel, hereby waive,
19 except as provided for in this Agreement or prohibited by law, any and all rights to appeal from the
20 Judgment, including with respect to the amount of the Class Representative Payment or the Class
21 Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment, and including all rights
22 to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment,
23 any extraordinary writ, and any appeal. The waiver of appeal does not include any waiver of the
24 right to oppose any appeal, appellate proceedings or post-judgment proceedings. If an appeal is
25 taken from the Judgment, the time for consummation of the Settlement (including making any
26 payments under the Settlement) will be suspended until the appeal is fully and finally resolved and
27 the Judgment, consistent with the terms of this Agreement, becomes Final.

28 **48. Vacating, Reversal, or Material Modification of Judgment on Appeal or Review.** If,

1 after a notice of appeal, a petition for review, or a petition for *certiorari*, or any other motion,
2 petition, writ, application, or appeal, the reviewing court vacates, reverses, or modifies the
3 Judgment such that there is a material modification to the Settlement, and that court's decision is
4 not completely reversed and the Judgment is not fully affirmed on review by a higher court, then
5 either Plaintiff or Defendants will have the unilateral right to void the Settlement, which the Party
6 must do by giving written notice to the other Parties, the reviewing court, and the Court, not later
7 than fourteen (14) days after the reviewing court's decision vacating, reversing, or materially
8 modifying the Judgment becomes final; provided, however, that prior to terminating the Agreement
9 the Parties agree to first meet and confer in good faith to address and attempt to resolve the Court's
10 concerns. The Party exercising its right to unilaterally void the Settlement pursuant to this
11 provision agrees to pay any fees owing to the Claims Administrator for services rendered. An order
12 vacating, reversing or modifying the Court's award of the Class Representative Payment or the
13 Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment will not constitute
14 a vacation, reversal, or material modification of the Judgment within the meaning of this paragraph,
15 and shall not render the Settlement voidable.

16 **49. Establishment of Settlement Account.** The Claims Administrator will establish an
17 account (the "Settlement Account") for the purpose of administering the funds described in this
18 Stipulation of Settlement. Within thirty (30) calendar days of the "Effective Date" of the Settlement
19 as defined in Paragraph 16 above, Defendant shall pay into the Settlement Account (via wire
20 transfer) the Gross Settlement Amount as defined in Paragraph 18 above.

21 **50. Qualified Settlement Fund.** The Settlement Account established by the Claims
22 Administrator shall be a "Qualified Settlement Fund" within the meaning of Section 468B of the
23 Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, et seq., and shall be
24 administered by the Claims Administrator pursuant to the final terms of the Settlement as approved
25 by the Court. The Claims Administrator shall request and obtain from the IRS an appropriate Tax
26 ID for the Settlement Account. The Claims Administrator shall serve as a Trustee of the Settlement
27 Account and shall act as a fiduciary with respect to the handling, management and distribution of
28 the Settlement Account, including the handling of all tax-related issues, reporting and payments.

1 The Claims Administrator shall act in a manner necessary to qualify and maintain the Settlement
2 Account as a “Qualified Settlement Fund” and the Parties shall cooperate to ensure such treatment
3 and shall not take a position in any filing or before any tax authority inconsistent with such
4 treatment.

5 **51. Minimum Settlement Payment Amounts.** In the event that an individual Class
6 Member’s Settlement Share as calculated based on the total number of Work Weeks is less than
7 Five Dollars (\$5.00), the Class Member shall receive a Settlement Share equal to Five Dollars
8 (\$5.00) and the other Settlement Shares shall be adjusted accordingly on a *pro rata* basis. In the
9 event that an individual PAGA Employee’s PAGA Share as calculated based on the total number of
10 Payroll Periods is less than Five Dollars (\$5.00), the PAGA Employee shall receive a PAGA Share
11 equal to Five Dollars (\$5.00) and the other PAGA Shares shall be adjusted accordingly on a *pro*
12 *rata* basis.

13 **52. Payment of Settlement Shares.** Within five (5) business days after receipt of the Gross
14 Settlement Amount from Defendants, the Settlement Administrator will pay each of the following:
15 (a) to Plaintiff, the Class Representative Payment; (b) to Class Counsel, the Class Counsel Fees
16 Payment and Expenses Payment; (c) to the LWDA, the LWDA Payment; and (d) to the Claims
17 Administrator, its reasonable fees and expenses as approved by the Court. The Claims
18 Administrator shall then calculate and pay the Settlement Shares, from the Settlement Account, to
19 all Class Members as defined in Paragraph 5 and shall pay the PAGA Shares, from the Settlement
20 Account, to all PAGA Employees as defined in Paragraph 8. The Claims Administrator shall
21 provide such calculations in writing to Class Counsel (names and personal information redacted)
22 and Defense Counsel not later than ten (10) business days after receipt of the GSA for final
23 approval by counsel. The Claims Administrator shall pay each Settlement Share and PAGA Share
24 by sending a check in the appropriate amount to the Class Member at the address indicated in the
25 list of Class Member names and addresses provided by Defendants, or as subsequently determined
26 by the Claims Administrator to be the correct address. Such payment shall be sent by the Claims
27 Administrator via U.S. Mail within fifteen (15) business days of its receipt from Defendants of the
28 Gross Settlement Amount.

1 **53. Uncashed Settlement Share Checks.** Any checks issued by the Claims Administrator
2 to Class Members (including those who timely and validly opted-out and are only receiving a
3 PAGA Share) shall be negotiable for one hundred and eighty (180) calendar days. If a check is
4 returned to the Claims Administrator, the Claims Administrator will make all reasonable efforts to
5 re-mail it to the Class Member at his or her correct address. If any Class Member's settlement
6 check is not cashed within 120 days after its mailing, the Settlement Administrator will send the
7 Class Member a letter or postcard informing him or her that unless the check is cashed in the next
8 60 days, it will expire and become non-negotiable, and offering to replace the check if it was lost or
9 misplaced but not cashed. Those funds represented by checks returned as undeliverable and those
10 checks remaining un-cashed for more than 180 days after issuance will be voided (collectively, the
11 "Voided Settlement Checks") and the equivalent amount will be sent to the Controller of the State
12 of California, in the name of that Class Member, to be held pursuant to the Unclaimed Property Law
13 for the benefit of the Class Member until such time as they claim their property, as allowed by law.
14 The Parties agree this disposition results in no "unpaid residue" under California Civil Procedure
15 Code § 384 (b), as the entire Net Settlement Amount will be paid to Settlement Class members,
16 whether or not all checks are cashed. Because no unpaid residue will exist, Defendant will not be
17 required to pay any interest on the uncashed checks.

18 **54. Final Report by Claims Administrator to Court.** Within ten (10) days after final
19 disbursement of all funds from the Settlement Account, the Claims Administrator will serve on the
20 Parties for filing with the Court a declaration providing a final summary report on the disbursements
21 of all funds from the Settlement Account.

22 **55. Non-Publicity Provision.** The Parties and their counsel agree that they will not issue
23 any press releases, initiate any contact with the press, hold any press conference, respond to any
24 press inquiry, or have any communication with the press about the fact, amount or terms of the
25 Settlement. If the Parties are contacted by the press or other third party regarding the Settlement, the
26 Parties shall be limited in their response to informing the initiating contactor that the Parties have
27 mutually agreed to a settlement and the initiating contactor should refer to the public records filed
28 with the Court for more information. In addition, the Parties and their counsel agree that they will

1 not engage in any advertising or distribute any marketing materials relating to the Settlement of this
2 case in any manner that identifies the Defendants, including but not limited to any postings on any
3 websites maintained by Class Counsel or any other websites, internet blogs, chatrooms or social
4 media sites. Neither Plaintiff nor Class Counsel will discuss the terms or the fact of the Settlement
5 with third parties other than (1) their immediate family members, (2) their respective accountants or
6 lawyers as necessary for tax purposes; or (3) other Class Members, but such communications to
7 Class Members must be consistent with the Court-approved Class Notice being mailed by the
8 Claims Administrator. Plaintiff and Class Counsel agree not to publish any of the terms or
9 conditions of this Settlement in any manner that identifies Defendants. However, Class Counsel
10 may identify this Settlement in other matters to demonstrate their adequacy as counsel in such other
11 matters, and Defendants may inform their employees that Defendants encourages all Class
12 Members to participate in the Settlement and that opting-out will not save the Defendants any
13 money. However, nothing herein shall prohibit Defendants or their counsel from making any
14 necessary disclosures to any government regulators, or its auditors, insurers, accountants or
15 financial institutions for legitimate business reasons, or to any putative class member asserting any
16 similar claim and/or to such counsel to notify them of this Settlement. This provision also does not
17 limit or restrict the ability of Class Counsel to file this Agreement with the Court or the LWDA in
18 connection with the settlement approval process.

19 **56. No Effect on Other Benefits.** The Settlement Shares will not result in any additional
20 employee benefit payments (such as pension, ERISA, 401(k), vacation or bonus) and shall not have
21 any effect on the eligibility for, or calculation of, any past or future employee benefits, vesting,
22 credits, or hours of service, including but not limited to with respect to any employee pension,
23 401(k), health and welfare, profit-sharing, stock option, vacation, PTO, paid sick, bonus or other
24 benefit plan or program of any kind. Plaintiff and Class Members are deemed to have waived all
25 such claims, whether known or unknown by them, as part of their release of claims under this
26 Agreement.

27 **57. No Admission of Liability.** Defendants deny that they engaged in any unlawful
28 activity, failed to comply with the law in any respect, or have any liability to anyone under the

1 claims asserted in the Action. This Agreement is entered into solely for the purpose of
2 compromising highly disputed claims. Nothing in this Agreement is intended or will be construed
3 as an admission of liability or wrongdoing by Defendants, or an admission by Plaintiff that any of
4 his claims was non-meritorious or any defense asserted by Defendants was meritorious. This
5 Settlement and the fact that Plaintiff and Defendants were willing to settle the Action will have no
6 bearing on, and will not be admissible in connection with, any litigation (other than solely in
7 connection with the Settlement).

8 **58. No Admission of Class Certification.** Defendants have agreed not to contest the
9 certification of the Class for the sole purpose of effectuating this Settlement. Should the Settlement
10 be voided by any Party pursuant to this Agreement, or not approved by the Court, or should the
11 Judgment not become Final, the certification of the Class for settlement purposes will be deemed
12 null and void; and the fact that Defendants were willing not to contest class certification as part of
13 the Settlement will have no bearing on, and will not be admissible in connection with, the issue of
14 whether the Class should be certified in a non-settlement context in the Action or any other action.

15 **59. Improper Use of Settlement.** Whether or not the Settlement becomes final, this
16 Stipulation of Settlement, and all documents filed with the Court pursuant to this Agreement, are
17 settlement documents and shall, pursuant to California Evidence Code section 1152 and Federal
18 Rule of Evidence 408(a), be inadmissible in evidence for any purpose in this Action or in any other
19 civil, criminal or administrative action or proceeding of any kind. The preceding sentence shall not
20 apply to an action or proceeding to approve, interpret, or enforce this Stipulation of Settlement.

21 **60. Integrated Agreement.** After this Agreement is signed and delivered by all Parties and
22 their counsel, this Agreement and its exhibits will constitute the entire agreement between the
23 Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties,
24 covenants, or inducements have been made to any Party concerning this Agreement or its exhibits
25 other than the representations, warranties, covenants, and inducements expressly stated in this
26 Agreement and its exhibits.

27 **61. Modification.** This Stipulation of Settlement may not be changed, altered, or modified,
28 except in a writing signed by the Parties hereto and approved by the Court. This Stipulation of

1 Settlement may not be discharged except by performance in accordance with its terms or by a
2 writing signed by all of the Parties hereto.

3 **62. Attorney Authorization.** Class Counsel and Defense Counsel warrant and represent
4 that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action
5 required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms,
6 and to execute any other documents required to effectuate the terms of this Agreement. The Parties
7 and their counsel will cooperate with each other and use their best efforts to effect the
8 implementation of the Settlement. In the event the Parties are unable to reach agreement on the
9 form or content of any document needed to implement the Agreement, or on any supplemental
10 provisions that may become necessary to effectuate the terms of this Agreement, the Parties will
11 seek the assistance of the Court, and in all cases, all such documents, supplemental provisions and
12 assistance of the court will be consistent with this Agreement.

13 **63. No Tax Advice.** The Parties and their counsel make no representations as to the tax
14 treatment or legal effect of the payments specified herein, and Class Members are not relying on
15 any statement or representation by the Parties, Class Counsel, or Defense Counsel in this regard.
16 Plaintiff, Class Members and Class Counsel understand and agree that they shall be solely
17 responsible for the payment of all applicable taxes and any penalties and interest assessed on the
18 payments specified herein, other than those amounts to be withheld and paid by the Claims
19 Administrator, and shall hold, as applicable, the Parties, Class Counsel, and/or Defense Counsel
20 free and harmless from and against any claims resulting from the tax treatment of such payments in
21 this Agreement, including the treatment of such payments as not being subject to withholding or
22 deduction for payroll and employment taxes.

23 **64. Agreement Binding on Successors.** This Agreement will be binding upon, and inure to
24 the benefit of, the successors and assigns of each of the Parties.

25 **65. Applicable Law.** All terms and conditions of this Agreement and its exhibits will be
26 governed by and interpreted according to the laws of the State of California, without giving effect to
27 any conflict of law principles or choice of law principles.

28 **66. Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation

1 of this Agreement. This Agreement will not be construed against any Party on the basis that the
2 Party was the drafter or participated in the drafting.

3 **67. Fair Settlement.** The Parties and their respective counsel believe and warrant that this
4 Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this
5 Agreement through arms-length negotiations, with the assistance of an experienced mediator, after
6 considering all relevant factors, current and potential.

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

9 **69. Notice.** All notices, demands or other communications given under this Agreement will
10 be in writing and deemed to have been duly given as of the third business day after mailing by
11 United States mail, addressed as follows:

12 To Class Counsel:

13 Shaun Setareh, Esq.
14 David Keledjian, Esq.
15 Setareh Law Group
16 9665 Wilshire Blvd., Ste. 430
17 Beverly Hills, CA 90212

12 To Defense Counsel:

13 Conor J. Dale, Esq.
14 Lynsey D. Johnson, Esq.
15 Jackson Lewis P.C.
16 50 California Street, 9th Floor
17 San Francisco, California 94111-4615

18 **70. Execution in Counterpart.** This Agreement may be executed in one or more
19 counterparts. All executed counterparts and each of them will be deemed to be one and the same
20 instrument provided that counsel for the Parties will exchange between themselves original signed
21 counterparts. Facsimile, PDF and electronic signatures will be presumptive evidence of execution
22 of the original, which shall be produced on reasonable request. Any executed counterpart will be
23 admissible to prove the existence and contents of this Agreement.

24 **71. No Assignments.** The Parties hereto represent, covenant, and warrant that they have not
25 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
26 encumber to any person or entity any portion of any liability, claim, demand, action, cause of
27 action, or rights herein released and discharged.

28 **72. Class Counsel Signatories.** It is agreed that, because the members of the
Settlement Class are so numerous, it is impossible or impractical to have each such Class Member

1 execute this Stipulation of Settlement. The Notice will advise all Class Members of the binding
2 nature of the release, and such shall have the same force and effect as if this Stipulation of
3 Settlement were executed by each Member of the Settlement Class.

4
5
6 DATED: 01/20/2022

Leonardo Aldape

Plaintiff, LEONARDO ALDAPE

8
9 DATED: _____

Defendant, CEVA LOGISTICS, U.S., INC.

By: _____

12
13 DATED: _____

Defendant, CEVA FREIGHT, LLC,

By: _____

16
17 DATED: _____

Defendant, CEVA FREIGHT
MANAGEMENT INTERNATIONAL
GROUP, INC.

By: _____

21
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23
24 **APPROVED AS TO FORM AND CONTENT**

THE SETAREH LAW GROUP

25
26
27 DATED: 01/20/2022

Shaun Setareh

Shaun Setareh
David Keledjian

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Counsel for Plaintiff

JACKSON LEWIS P.C.

DATED: _____

Shannon Nakabayashi, Esq.
Conor J. Dale, Esq
Lynsey D. Johnson, Esq.

Counsel for Defendants

4873-9846-5795, v. 19

United States mail, addressed as follows:

To Class Counsel:

Shaun Setareh, Esq.
David Keledjian, Esq.
Setareh Law Group
9665 Wilshire Blvd., Ste. 430
Beverly Hills, CA 90212

To Defense Counsel:

Conor J. Dale, Esq.
Lynsey D. Johnson, Esq.
Jackson Lewis P.C.
50 California Street, 9th Floor
San Francisco, California 94111-4615

70. **Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile, PDF and electronic signatures will be presumptive evidence of execution of the original, which shall be produced on reasonable request. Any executed counterpart will be admissible to prove the existence and contents of this Agreement.

71. **No Assignments.** The Parties hereto represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged.

72. **Class Counsel Signatories.** It is agreed that, because the members of the Settlement Class are so numerous, it is impossible or impractical to have each such Class Member execute this Stipulation of Settlement. The Notice will advise all Class Members of the binding nature of the release, and such shall have the same force and effect as if this Stipulation of Settlement were executed by each Member of the Settlement Class.

DATED: _____

Plaintiff, LEONARDO ALDAPE

DATED: 20 January 2022 | 10:42 AM PST

DocuSigned by:
Charissa Sebasta
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Defendant, CEVA LOGISTICS, U.S., INC.

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By: Charissa Sebesta Legal Counsel

DATED: 20 January 2022 | 10:42 AM PST

DocuSigned by:
Charissa Sebesta
E2A020B0B6FD4D7...

Defendant, CEVA FREIGHT, LLC,

By: Charissa Sebesta Legal Counsel

DATED: 20 January 2022 | 10:42 AM PST

DocuSigned by:
Charissa Sebesta
E2A020B0B6FD4D7...

Defendant, CEVA FREIGHT
MANAGEMENT INTERNATIONAL
GROUP, INC.

By: Charissa Sebesta Legal Counsel

APPROVED AS TO FORM AND CONTENT

THE SETAREH LAW GROUP

DATED: _____

Shaun Setareh
David Keledjian
Counsel for Plaintiff

JACKSON LEWIS P.C.

DATED: 1.24.22



Shannon Nakabayashi, Esq.
Conor J. Dale, Esq.
Lynsey D. Johnson, Esq.
Counsel for Defendants

4873-9846-5795, v. 19



Verification Complete

The document has been officially verified.

Job Status	✓ Signed & Verified
Job Name	CEVA -- 2022 01-19 PLD Joint Stip. of Class Action & PAGA Settlement
Sender Name	Wendy Sarabia
Job Key	FA7294B8-C819-4E0B-9C0C-ABA811BEBE9C

Recipient 1 Leonardo Aldape leonardoaldape0@gmail.com (323) 702-5137	IP Address 172.58.25.36	Signature 
Recipient 2 Shaun Setareh shaun@setarehlaw.com (310) 746-7978	IP Address 172.58.25.187	Signature 

Job History

Activity	Date & Time	Recipient	Activity Details
 Job Completed Matching Hash	01/20/2022 20:50 UTC	Shaun Setareh	Signed by Shaun Setareh (shaun@setarehlaw.com) Blockchain Block VWmj03YxpQnYiwUdqS5PyDH+hjy2JVz3RX/Rif3y39M= Document Hash FED3866DA2BF6010ECBFEC6B6DEBDD5B621891949D650FD65CB7552AD2BAE54 Timestamp 01/20/2022 20:50 UTC
 Document Viewed	01/20/2022 20:49 UTC	Shaun Setareh	Viewed by Shaun Setareh (shaun@setarehlaw.com)
 Document Viewed	01/20/2022 20:49 UTC	Shaun Setareh	Viewed by Shaun Setareh (shaun@setarehlaw.com)
 Document Sent	01/20/2022 19:25 UTC	Shaun Setareh	Sent out via email to Shaun Setareh (shaun@setarehlaw.com)
 Document Sent	01/20/2022 19:25 UTC	Shaun Setareh	Sent out via text to Shaun Setareh ((310) 746-7978)
 Document Signed	01/20/2022 19:25 UTC	Leonardo Aldape	Signed by Leonardo Aldape (leonardoaldape0@gmail.com) Blockchain Block WcdC+GVtPAIvpeiFOLrfSTn0l8tcKUx7WNB7zp2AX8= Document Hash EF3AE55D9F6CFF0530660F507D3A88531D48152C44AD0487D8052A86B7DC2D24 Timestamp 01/20/2022 19:25 UTC
 Document Viewed	01/20/2022 19:25 UTC	Leonardo Aldape	Viewed by Leonardo Aldape (leonardoaldape0@gmail.com)
 Document Viewed	01/20/2022 19:25 UTC	Leonardo Aldape	Viewed by Leonardo Aldape (leonardoaldape0@gmail.com)
 Document Viewed	01/19/2022 23:06 UTC	Leonardo Aldape	Viewed by Leonardo Aldape ((323) 702-5137)

EXHIBIT 1

NOTICE OF CLASS ACTION SETTLEMENT TO PERSONS WHO WORKED AS A NON-EXEMPT EMPLOYEES FOR: CEVA LOGISTICS U.S., INC.; CEVA FREIGHT, LLC.; CEVA FREIGHT MANAGEMENT INTERNATIONAL GROUP, INC., STAFFMARK HOLDINGS, INC.; AND RANDSTAD INHOUSE SERVICES, LLC (COLLECTIVELY “DEFENDANT”) DURING THE PERIOD(S) SPECIFIED BELOW.

Re: Leonardo Aldape v. CEVA Logistics U.S., Inc., et al.
San Mateo County Superior Court Case No. 20-CIV-04865

PLEASE READ THIS ENTIRE NOTICE CAREFULLY. IT MAY AFFECT YOUR LEGAL RIGHT TO A MONETARY SETTLEMENT RELATED TO YOUR EMPLOYMENT WITH DEFENDANT DURING THE TIME FRAME SPECIFIED BELOW. THIS IS A COURT-ORDERED NOTICE. THIS NOTICE IS NOT FROM A LAWYER AND YOU ARE NOT BEING SUED.

IF YOU PERFORMED WORK FOR CEVA LOGISTICS U.S., INC., CEVA FREIGHT, LLC, OR CEVA FREIGHT MANAGEMENT INTERNATIONAL GROUP, INC. IN CALIFORNIA AND ARE RECEIVING THIS NOTICE, DEFENDANTS’ RECORDS SHOW THAT YOU PERFORMED WORK FOR A TOTAL OF [INSERT INDIVIDUAL # OF WORKWEEKS] WEEKS DURING THE RELEVANT TIME PERIOD(S), AND THAT YOU ARE ELIGIBLE FOR A SEPARATE PAYMENT FROM A CLASS ACTION SETTLEMENT.

BASED UPON THE NUMBER OF WORKWEEKS THAT YOU PERFORMED WORK FOR DEFENDANTS IN CALIFORNIA BETWEEN DURING THE TIME FRAME SPECIFIED BELOW, IT IS ESTIMATED THAT YOUR PAYMENT UNDER THIS SETTLEMENT WILL BE \$[INSERT INDIVIDUAL CLASS DOLLAR AMOUNT] AS A SETTLEMENT SHARE, AND \$[INSERT INDIVIDUAL PAGA DOLLAR AMOUNT] AS A PAGA SHARE, PRIOR TO ANY APPLICABLE TAXES AND DEDUCTIONS

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
INCLUDE THE FOLLOWING:	
DO NOTHING	You will be considered a Settlement Class Member and will be part of the Settlement as explained more fully below. After final approval by the Court, the payment of your Settlement Share (and – if you are also a PAGA Employee – your PAGA Share) will be mailed to you at the same address as this Notice, and you will release the Released Claims and PAGA Claims against the Releasees covered by the Settlement.
EXCLUDE YOURSELF	Receive no payment of a Settlement Share and retain any and all rights you may have against Defendants and Releasees as to the Released Claims.

	<u>Note:</u> If you are also a PAGA Employee, regardless of whether you choose to exclude yourself from the Settlement Class, you will receive a PAGA Share of the Settlement and will release the PAGA Released Claims after final approval of the Settlement by the Court.
OBJECT	Write to the Settlement Administrator about why you don't agree with the Settlement. The Court may or may not agree with your objection. Objecting to the Settlement will not exclude you from the Settlement.
APPEAR AT THE FINAL APPROVAL HEARING	Appear at the Final Approval Hearing to speak to the Court about the fairness of the Settlement.

SETTLEMENT CLASS: The Settlement resolves Plaintiff Leonardo Aldape's ("Plaintiff") alleged wage and hour claims against Defendants with respect to individuals who performed work for Defendants in the following periods (collectively to be referred to as the "Class Period"):

- (1) Non-exempt employees of CEVA Logistics, U.S., Inc. CEVA Freight, LLC, and CEVA Freight Management International Group, Inc. ("CEVA") employed in the state of California between the period of February 1, 2020 to September 24, 2021;
- (2) Non-exempt employees of Staffmark Holdings, Inc. and/or its related corporate entities including Staffmark Investments, LLC ("Staffmark"), who performed work for CEVA in California between the period of November 28, 2017 to September 24, 2021; or
- (3) Non-exempt employees of Randstad Inhouse Services, LLC and/or its related corporate entities ("Randstad") who performed work for CEVA in California between the period of November 6, 2016 to September 24, 2021.

PAGA EMPLOYEES: This Settlement also resolves Plaintiff's alleged claims for civil penalties against Defendants under the Private Attorneys General Act of 2004 (Cal. Labor Code § 2698, *et seq.*) (the "PAGA"), for the alleged violations of the California Labor Code with respect to any individuals in the Settlement Class listed above who worked for Defendants in the State of California as non-exempt employees between November 6, 2016 and September 24, 2021 (the "PAGA Period"). Defendant denies all of Plaintiff's allegations and claims.

Defendant denies all of Plaintiff's allegations and claims.

NO MONEY WILL GO BACK TO DEFENDANT UNDER THE TERMS OF THIS SETTLEMENT.

BASIC INFORMATION

1. What is this lawsuit about?

Plaintiff alleges that, during the Class Period, Defendants failed to provide Class Members with meal periods, failed to provide them with rest breaks, failed to pay them all hourly and overtime wages, failed to pay them vacation wages, failed to provided them with written accurate wage statements, failed to timely pay them all wages upon separation, and failed to pay them expense

reimbursements, interest, and penalties under California labor laws; Plaintiff seeks restitution under the Unfair Competition Law (“UCL”) and civil penalties under PAGA for the alleged Labor Code violations. Defendants deny all liability and contends that it has complied with California labor law and that Class Members were properly compensated for all hours worked. This Settlement constitutes a compromise of highly disputed claims and should not be construed as an admission of liability on Defendants’ part.

2. Why is this a Class Action?

In a class action lawsuit, one person (or multiple persons) designated as the “Class Representative” (in this case, Plaintiff) sue on behalf of people that the Class Representative alleges have similar claims. The people together are a “Class” or “Class Members.” The San Mateo County Superior Court (the “Court”) has granted preliminary approval of the proposed settlement (the Settlement”) of this class action lawsuit. If the Settlement does not receive final approval from the Court, then the Class Members will not receive – or be entitled to – the benefits of this Settlement, and Plaintiff will need to go back to court to prove his case through trial.

3. Why is there a Settlement?

In the interest of efficiency and economy, the Parties to the litigation decided to resolve the litigation through the Settlement. In this way, the Parties avoid the risks and costs of trial. In deciding whether to grant final approval of the Settlement, the Court will not decide who is right or wrong. Instead, it will determine whether the Settlement is fair, reasonable, and adequate.

4. Why did I receive this Notice?

You received this Notice because Defendants’ records show that you are a Class Member (and, if applicable, a PAGA Employee) in this case, as described below.

WHO IS IN THE SETTLEMENT?

5. How do I know if I am part of the Settlement?

You are in the Settlement if you are a Class Member. You are a Class Member if you performed work for Defendants as: (1) a California based non-exempt employee of CEVA between the period of February 1, 2020 to September 24, 2021; (2) a non-exempt employee of Staffmark who performed work for CEVA between the period of November 28, 2017 to September 24, 2021; or (3) a non-exempt of Randstad who performed work for CEVA in California during the period of November 6, 2016 to September 24, 2021. Defendant’s records indicate that you are a Class Member.

You are also a PAGA Employee (in addition to being a Class Member) if you are a Class Member as listed above and worked for Defendants in California at any time during the PAGA Period, in any capacity.

6. What are my options:

As a Class Member, you have several options available to you. You may:

- (i) **Participate in the Settlement and receive a settlement check.** To participate in the Settlement, you do not need to do anything. You will receive a settlement check that will be mailed to you later this year or early next year after the Court grants final approval of the Settlement. (The Court proceedings have been delayed because of Covid-19 court closures.) The estimated amount of your settlement check is listed on Page 1 of this Notice.
- (ii) **Object to the Settlement;** or
- (iii) **Request to be excluded from the Settlement.** Note: A request for exclusion only excludes you from being a member of the Settlement Class. If you are also a PAGA Employee, regardless of whether you choose to exclude yourself from the Settlement Class, you will receive a PAGA Share of the Settlement and will release the PAGA Released Claims after final approval of the Settlement by the Court. Your rights to pursue any of the Released Claims (other than the PAGA Released Claims) will remain unaffected.

SETTLEMENT BENEFITS – WHAT YOU COULD RECEIVE?

7. *What are the Settlement terms?*

The Class in this case consists of: (1) all non-exempt employees of Defendants CEVA Logistics, U.S., Inc. CEVA Freight, LLC, and CEVA Freight Management International Group, Inc. employed in the state of California between the period of February 1, 2020 to September 24, 2021; (2) all non-exempt employees of third party staffing agency Staffmark Holdings, Inc. and/or its related corporate entities including Staffmark Investments, LLC who performed work for CEVA Logistics, U.S., Inc. CEVA Freight, LLC, and CEVA Freight Management International Group, Inc. in California between the period of November 28, 2017 to September 24, 2021; and (3) all non-exempt employees of any additional third party staffing agencies, including but not limited to Randstad Inhouse Services, LLC and/or its related corporate entities who performed work for CEVA Logistics, U.S., Inc. CEVA Freight, LLC, and CEVA Freight Management International Group, Inc. in California between the period of November 6, 2016 to September 24, 2021. All Class Members who fit this description during the PAGA Period are PAGA Employees, as well. Class Members who do not opt out of (i.e., request exclusion from) the Class, as well as all PAGA Employees, will be bound by the Settlement and will release their claims against Defendant and the Releasees as specified in the Settlement.

Defendants have agreed to pay a maximum, non-reversionary, settlement amount of Three-Million Eight-Hundred Fifty-Thousand Dollars and No Cents (\$3,850,000.00), (the “Gross Settlement Amount” or “GSA”) to fully resolve all claims in the lawsuit, including payments to participating Class Members and all PAGA Employees, attorneys’ fees and costs, and the class representative service award. The specific settlement terms are as follows:

The Gross Settlement Amount under the Settlement is Three-Million Eight-Hundred Fifty-Thousand Dollars and No Cents (\$3,850,000.00), from which payments will be made for: (1)

attorneys' fees in an amount up to one-third of the GSA (\$1,283,333.33) to Class Counsel, subject to Court approval; (2) actual litigation costs incurred by Class Counsel not to exceed \$20,000.00, subject to Court approval; (3) a Class Representative service award to Plaintiff of up to \$5,000.00, subject to Court approval; (4) settlement administration costs not to exceed \$10,000.00 payable to Simpluris, subject to Court approval; and (5) payment to the California Labor and Workforce Development Agency ("LWDA") of \$75,000.00 for payment of penalties under the Labor Code Private Attorney General Act ("PAGA"). The GSA is non-reversionary, meaning no amount of the GSA will be retained by, or revert back, to Defendants. Any monies in the GSA that are attributable to Class Members who opt out of the Settlement will be sent to the Controller of the State of California, in the name of that Class Member, to be held pursuant to the Unclaimed Property Law for the benefit of the Class Member until such time as they claim their property, as allowed by law.

After the deductions from the Gross Settlement Amount for attorneys' fees, litigation costs, settlement administration costs, the service award to Plaintiff, and the payment under PAGA, described above, the remaining balance (the "Net Settlement Amount" or "NSA") shall be available to pay settlement checks to the Class Members based upon the formulae set forth in Paragraph 8 below.

8. How will my Settlement payment be calculated?

After deduction of the Court-approved fees and expenses set forth above, the remainder of the GSA, the NSA, shall be available for payment to Class Members and PAGA Employees based on the following:

Settlement Shares. In total, this is the amount of the NSA, less \$25,000, that will be allocated to the Settlement Class, and equal to the NSA. Each Class Member who participates in the Settlement will receive a *pro rata* Settlement Share based upon the number of weeks that he or she performed work for Defendants in California during the respective periods above.

Specifically, the Claims Administrator shall assign to each Class Member a "Settlement Ratio," which shall be a fractional number comprised of (i) that Class Member's Individual Work Weeks during the Class Period as the numerator, and (ii) the aggregate total of all Class Members' Individual Work Weeks during the Class Period as the denominator. The Claims Administrator shall assign to each Class Member the "Settlement Share" which shall be calculated by multiplying that Class Member's Settlement Ratio by the amount allocated to the Class Members from the NSA.

Each Settlement Share is allocated thirty percent (30%) to wages (for which employment taxes will be deducted and W-2s issued), and a combined thirty-five percent (35%) to interest and thirty-five percent (35%) to penalties (70% total, for which no taxes will be deducted and 1099s will be issued).

PAGA Shares. In total, this is the amount of the NSA that will be allocated to the PAGA Employees, equal to \$25,000.00. Each PAGA Employee will receive a *pro rata* PAGA Share based upon the number of weeks that he or she performed work for Defendants in California during the PAGA Period.

The Claims Administrator shall assign to each PAGA Employee a "PAGA Settlement Ratio," which

shall be a fractional number comprised of (i) that PAGA Employee's Individual Payroll Periods worked during the PAGA Period as the numerator, and (ii) the aggregate total of all PAGA Employees' Individual Payroll Periods worked during the PAGA Period as the denominator. The Claims Administrator shall assign to each PAGA Employee the "**PAGA Share**" which shall be calculated by multiplying that PAGA Employee's PAGA Settlement Ratio by the amount allocated to the PAGA Employees from the PAGA Settlement Amount after payment to the LWDA.

Each PAGA Share will be allocated one-hundred percent (100%) to penalties (for which no taxes will be deducted and 1099s will be issued).

Individuals who are both Class Members and PAGA Employees may recover a Settlement Share **and** a PAGA Share. However, regardless of whether such persons request exclusion from the Settlement, they will still be paid their PAGA Shares.

9. Disputing the data on your Individual Notice

You have the opportunity to dispute the data set forth on the first page of this Notice, including the number of workweeks used to calculate your Settlement payment, if you believe the data is incorrect. To dispute the data on this Notice, you must send a letter, signed under penalty of perjury, to the Settlement Administrator at Simpluris, Inc., [INSERT ADDRESS] by [INSERT DISPUTE DATE] disputing the data on this Notice and providing any supporting documentation you have. The Settlement Administrator will use Defendant's records and the information you provide to resolve any disputes about the data appearing on this Notice. The Settlement Administrator's determination will be final and binding.

10. What are the possible settlement benefits from this Settlement?

You have the right to receive money from the Settlement if you received this Notice. The estimated amount of your share of the Settlement money is listed on the first page of this Notice.

State law and Defendants' policy strictly prohibit any retaliation against you for participating in the Settlement. Defendants will not take any adverse action against you because of your decision to participate in this Settlement. Defendants want you to participate in the Settlement. Whether you participate in the Settlement or not, no amount Defendants have agreed to pay under the terms of the Settlement will go back to Defendants.

11. How do I participate in the Settlement and get a settlement check?

You do not need to do anything to participate in the Settlement and receive a settlement payment. You will receive a settlement check that will be mailed to you later this year after the Court grants final approval of the Settlement.

12. When will I get my settlement check?

Checks for the amount of each Class Member's individual settlement payment will be distributed if and when the Settlement receives final approval from the Court. Settlement checks will be sent

to the address listed on this Notice. If you move after receiving this Notice, fill out the change of address section on this Notice or prepare a letter with your new address and mail the Notice or letter to Simpluris, Inc., [INSERT ADDRESS], You can also call the Settlement Administrator at [NUMBER] and advise them of your new address.

13. Will I have to pay taxes on my settlement payment?

Class Members will be responsible for paying any taxes owing for their settlement payments. The Settlement Administrator will issue Form W-2s and 1099s with respect to such payments as required by law. Without any party hereto admitting any liability of any type or kind, the Parties agree and intend that the payments made under this Settlement are compensatory payments to the Class Members intended to compensate Class Members for alleged damages. Each Settlement Share is allocated thirty percent (30%) to wages (for which employment taxes will be deducted and W-2s issued), and a combined thirty-five percent (35%) to interest and thirty-five percent (35%) to penalties (70% total, for which no taxes will be deducted and 1099s will be issued). Each PAGA Share will be allocated one-hundred percent (100%) to penalties (for which no taxes will be deducted and 1099s will be issued). The Settlement Administrator will withhold employee taxes from the wage portion of the settlement payments and issue W-2s to the Class Members for the wage portion of the settlement payments and Form 1099s for the penalty and interest portion of the settlement payments.

14. Am I giving anything up by remaining in the Class?

Unless you remove yourself from the Settlement (which is called “excluding yourself” or “opting out”), you are part of the Class. By staying part of the Class, court orders will apply to you, and you will be bound by the Release of Claims set forth in the Settlement Agreement. A release means you can’t sue or be part of any other lawsuit against Defendants about the claims or issues being released in this lawsuit for the applicable Class Period ever again.

If the Court approves the proposed Settlement, the Settlement Agreement will bind all Class Members who have not opted out of the Settlement (“Class Participants”), and will bar them from bringing the claims described in the release below against Defendants. Specifically, after Court approval, the Settlement provides for the following release for the time period with respect to the Class Participants between November 6, 2016 and September 24, 2021, and with respect to the PAGA Employees between November 6, 2019 and September 24, 2021.

In exchange for the consideration, undertakings, and covenants undertaken by Defendants in this Agreement, Named Plaintiff and Class Participants release the Releasees, to the fullest extent permitted by law, from all claims/causes of action contained in the Complaint filed in this Action or which could have been alleged based on the facts/legal claims/legal theories alleged in the Action.

Upon approval of the terms of the Settlement Agreement at the Final Approval Hearing, by automatic effect of the Settlement Agreement, Plaintiff and each Class Participant shall release and discharge Defendant and the other Releasees from Released Claims.

Upon approval of the terms of the Settlement Agreement at the Final Approval Hearing, all PAGA Employees, including Plaintiff, shall release and discharge Defendants and the other Releasees from the PAGA Released Claims, irrespective of whether that PAGA Employee validly requests exclusion from the settlement of Released Class Claims. An opt-out does not affect the release of PAGA Release Claims under the Settlement Agreement.

“Released Claims” all class claims alleged or which could have been alleged based on the facts in the operative complaint which occurred during the Class Period, including but not limited to claims for: (1) failure to provide meal periods pursuant to Labor Code §§ 204, 223, 226.7, 512, and 1198; (2) failure to provide rest periods pursuant to Labor Code §§ 204, 223, 226.7, and 1198; (3) failure to pay hourly and overtime wages pursuant to Labor Code §§ 204, 218.6, 223, 510, 1194, 1194.2, 1197, and 1198; (4) failure to pay vacation wages pursuant to Labor Code § 227.3; (5) failure to indemnify expenses pursuant to Labor Code §§ 452, 2802; (6) failure to provide accurate wages statements pursuant to Labor Code §§ 226; (7) failure to timely pay final wages pursuant to Labor Code §§ 201-203; and (7) claims for recovery under Business and Professions Code §§ 17200 *et seq.* The release of claims includes any claims by Class Participants against Staffmark Holdings, Inc. and/or its related corporate entities including Staffmark Investments, LLC and/or Randstad Inhouse Services, LLC and/or its related corporate entities to the extent that any of the released claims as to Defendants would apply to Staffmark Holdings, Inc. and/or its related corporate entities including Staffmark Investments, LLC and/or Randstad Inhouse Services, LLC and/or its related corporate entities. The release of the Released Claims shall be effective during the Class Period.

“PAGA Released Claims” means all PAGA Claims that were actually alleged or which could have been alleged based on the facts of the operative complaint in this Action by Plaintiff, on behalf of the State of California, himself, and PAGA Employees. The PAGA Release Claims includes any PAGA claims against Staffmark Holdings, Inc. and/or its related corporate entities including Staffmark Investments, LLC and/or Randstad Inhouse Services, LLC and/or its related corporate entities to the extent that any of the released PAGA claims as to Defendants would apply to Staffmark Holdings, Inc. and/or its related corporate entities including Staffmark Investments, LLC and/or Randstad Inhouse Services, LLC and/or its related corporate entities. The release of the PAGA Released Claims shall be effective during the PAGA Period.

“Releasees” shall mean Defendants and each of their past and current parents, subsidiaries, affiliates, trusts, trust funds, investors and related entities or companies, and each of its and their respective owners, partners, members, shareholders, officers, directors, employees, agents, managing agents, attorneys, representatives, fiduciaries, trustees, insurers and other service providers, and their respective predecessors, successors, and assigns

YOUR RIGHTS – OBJECTING TO THE SETTLEMENT AND APPEARING AT THE HEARING

15. How do I object to the Settlement?

If you believe the proposed Settlement is not fair, reasonable or adequate in any way, you may object to the Settlement. To object, you may appear in person at the Final Approval Hearing, have

an attorney object for you, or submit a written brief or statement of objection (“Objection”) to the Settlement Administrator at the following address:

Leonardo Aldape v. CEVA Logistics U.S., Inc., et al., Settlement

Simpluris, Inc.

[Address]

[City, State Zip]

If you submit a written objection, the Objection must: (1) state your full name, address, and phone number (for identification purposes only); (2) state the grounds for the objection in clear and concise terms; (3) be signed by you or your lawful representative; and (4) be postmarked on or before **[Response Deadline]** and returned to the Settlement Administrator at the address listed above. You can also hire an attorney at your own expense to represent you in your objection.

Any Class Member may object to the Settlement either by mailing a written objection using the process described above or by personally appearing at the Final Approval Hearing and making an oral objection before the Court, regardless of whether or not the Class Member timely mailed a written Objection to the Settlement Administrator. The Court, in its sole discretion, may permit any member of the Class to address the Court at the Settlement Approval Hearing and may consider any statements made by a Class Member.

If the Court rejects your objection, however, you will be bound by the terms of the Settlement. Persons who exclude themselves from the Settlement may not submit objections to the Settlement or appear at the Final Approval Hearing.

16. Who are the attorneys representing the parties?

Plaintiff and Class Members’ Attorney
(“Class Counsel”):

Shaun Setareh (SBN 204514)
David Keledjian (SBN 309135)
SETAREH LAW GROUP
9665 Wilshire Boulevard, Suite 430
Beverly Hills, California 90212
Telephone (310) 888-7771
Facsimile (310) 888-0109

17. Can I appear at the Final Settlement hearing?

You are not required to attend the Final Approval Hearing, but any Class Member may do so.

Due to the COVID-19 pandemic, hearings may be conducted remotely with the assistance of a third-party service provider. Class members who wish to appear at the final fairness hearing should contact class counsel to arrange a telephonic appearance at least three days before the hearing if possible. Any fees for an appearance by an objecting class member will be paid by class counsel.

YOUR RIGHTS – GETTING OUT OF THE SETTLEMENT

18. Can I remove myself from the Settlement?

Any Class Member who wishes to be excluded from the Class and Settlement must return a written request to be excluded from the Settlement to the Settlement Administrator by first class U.S. mail, or equivalent, postage paid and postmarked, on or before [INSERT EXCLUSION DEADLINE], sixty (60) days from the date that the Notice is first mailed to Class Members. The written notice must clearly identify the name, address, and telephone number of the Class Member requesting exclusion and contain a statement expressly stating that he/she seeks to be excluded from the Settlement, such as “I wish to opt out of the Lawsuit and the Settlement of the case: *Leonardo Aldape v. CEVA Logistics U.S., Inc., et al.*, San Mateo County Superior Court Case No. 20-CIV-04865. I understand that by requesting to be excluded from the Settlement, I will receive no money from the Settlement described in the Notice I have received and read,” and contain the full legal signature of the requesting Class Member. By submitting such a Request for Exclusion, a Class Member shall be deemed to have exercised his or her option to opt out of the class action lawsuit and Settlement.

The date of the postmark on the return envelope shall be the exclusive means used to determine whether a Class Member has timely returned his or her request for exclusion before the deadline. Any Class Member that timely submits a proper request for exclusion will not be entitled to any money under this Settlement (except for the PAGA Share if he or she is a PAGA Employee) and will not be bound by the Settlement (except for the release of PAGA Released Claims by PAGA Employees) or have any right to object, appeal or comment thereon. Class Members who do not timely submit a proper request for exclusion shall be bound by all terms of this Settlement, including the Release of Claims, and the Judgment entered in this Action by the Court.

Send the Request for Exclusion directly to the Settlement Administrator (Simpluris, Inc., [INSERT ADDRESS]). **Do not send the Request for Exclusion to the Court.** The judgment following approval of the Settlement by the Court will bind all Class Members who do not request exclusion from the Settlement.

19. What is the difference between excluding and objecting?

Excluding yourself or opting out means removing yourself from the Class and the Settlement altogether – you will not receive any money or be bound by the terms of the Settlement, except for the parts pertaining to PAGA Employees. Objecting means that you are remaining in the Class and will receive money and be bound by the terms of the Settlement but that you are complaining about some part of the Settlement that you do not like.

WHAT IF I DO NOTHING?

20. What if I do nothing?

If you do nothing, you will be bound by the terms of the Settlement, which means you will receive a settlement payment and cannot bring a lawsuit against Defendant regarding the Released Claims covered by the Settlement.

DO I NEED TO HIRE MY OWN LAWYER?

21. Do I need to hire my own lawyer?

You do not need to hire your own lawyer, but you can if you want to. Plaintiff, you, and the entire Class are already represented by the Plaintiff's attorneys listed above, who are known as Class Counsel. Class Counsel's services are paid for under the Settlement. If you decide to hire your own attorney you will have to pay for your own attorney's services.

You may contact Class Counsel if you have any questions about this Notice or the Settlement, but please *do not contact the Court or Defendant*.

FINAL APPROVAL OF SETTLEMENT

22. When will the Settlement be final?

The Final Approval Hearing on the fairness, reasonableness, and adequacy of the Settlement will be held at **[INSERT TIME]** on **[INSERT DATE]** at the San Mateo County Superior Court, located at 400 County Center, Redwood City, CA 94063. The hearing may be continued without further notice. **You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend.**

MORE INFORMATION

23. Where can I get more information?

This Notice is only a summary of the Settlement. For more information you may inspect the Court files, including the Settlement Agreement (also called the "Joint Stipulation of Class Action Settlement and Release of Claims"), at the Court Clerk's Office located at the San Mateo County Superior Court, located at 400 County Center, Redwood City, CA 94063, during regular business hours. You may also contact Class Counsel listed above for more information.

PLEASE DO NOT CALL THE COURT, DEFENDANT, OR ITS ATTORNEYS ABOUT THIS NOTICE

| [4894-5760-1288, v. 94894-5760-1288, v.-3](#)