

JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to final approval by the Court, this Settlement Agreement is between Plaintiffs Jade Findley, Yvonne Savoji aka Yvonne Cakebread, and Gabriel Uhuru (“Plaintiffs”), and Defendants Avenue5 Residential LLC and Walt Smith (“Defendants”). Plaintiffs and Defendants collectively are referred to in this Agreement as the “Parties.”

I. DEFINITIONS

In addition to the other terms defined in this Agreement, the terms below have the following meaning:

- A. **Aggrieved Employees:** All persons employed by Avenue5 Residential LLC in California at any time during the Settlement Period.
- B. **Agreement, Settlement Agreement, Joint Stipulation, or Settlement:** The settlement agreement reflected in this document, titled “Joint Stipulation and Settlement Agreement.”
- C. **Cost Award:** The costs of litigation approved by the Court for Plaintiffs’ Counsel’s costs incurred in investigation, litigation, and resolution of the Lawsuits, and administration of the Settlement, including anticipated costs incurred through Final Approval and disbursement of payments under this Settlement Agreement and obtaining entry of the judgment terminating the Lawsuits, which shall be an amount up to \$35,000.
- D. **Counsel for Defendants:** Jennifer Redmond and Gal Gressel of Sheppard, Mullin, Richter & Hampton LLP.
- E. **Court:** Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012.
- F. **Defendants:** Avenue5 Residential LLC and Walt Smith.
- G. **Effective Date:** The date by which the final judgment becomes final. For purposes of this Settlement Agreement, the final judgment “becomes final” only after the Court grants the motion for approval of the Settlement and upon the latter of (i) the period for filing any appeal, writ, or other appellate proceeding challenging or opposing the Settlement (i.e., 60 days following entry of judgment) has elapsed without any appeal, writ, or other appellate proceeding having been filed; (ii) any appeal, writ or other appellate proceeding challenging or opposing the Settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief; or (iii) any appeal, writ or other appellate proceeding has upheld the Court’s final order with no right to pursue further remedies or relief. In this regard, it is the intention of the Parties that the Settlement shall not become effective, and

Defendants will not be obligated to fund this Settlement, until the Court's order approving the Settlement is completely final, final judgment is entered, and there is no further recourse by an appellant, objector, or intervenor who seeks to contest the Settlement.

- H. **Employee List**: The list of all persons included in the Settlement that Defendants will diligently and in good faith compile from their records to accurately reflect those persons' names, last known mailing address, telephone number, Social Security number, status as an exempt or non-exempt employee, and pay periods (or data from which such information can be calculated) the Settlement Period. The Employee List shall be based on Avenue5 Residential LLC's payroll, personnel, and other business records.
- I. **Fee Award**: The attorneys' fees approved by the Court for Plaintiffs' Counsel's fees incurred in investigation, litigation, and resolution of the Lawsuits, and administration of the Settlement, including anticipated fees incurred through Final Approval and disbursement of payments under this Settlement Agreement and obtaining entry of the judgment terminating the Lawsuits, and which shall not exceed one third (1/3) of the Gross Settlement Amount, i.e. up to \$153,333.33.
- J. **Final Approval**: The Court's order granting final approval of the Settlement Agreement.
- K. **Findley Action**: the action entitled *Jade Findley and Yvonne Cakebread v. Avenue5 Residential, LLC, et al.*, Los Angeles County Superior Court Case No. 20STCV34633.
- L. **Gross Settlement Amount**: The total value of the Settlement is a non-reversionary Four Hundred Sixty Thousand Dollars and Zero Cents (\$460,000.00). This is the maximum amount Defendants can be required to pay under this Settlement Agreement. The Gross Settlement Amount includes: (1) the PAGA Settlement Fund to the LWDA and the Aggrieved Employees; (2) Plaintiffs' Counsel's Fee Award and Cost Award, as approved by the Court; (3) the PAGA Enhancement Awards paid to the PAGA Representatives, as approved by the Court; and (4) the Settlement Administration Costs, as approved by the Court. No portion of the Gross Settlement Amount will revert to Defendants for any reason.
- M. **Individual Pay Periods**: The number of pay periods during which each Aggrieved Employee worked for Defendants during the Settlement Period.
- N. **Individual PAGA Payment(s)**: The amount payable to each Aggrieved Employee under the terms of this Agreement.

- O. **Lawsuits**: The Findley Action and the Uhuru Action, which the Parties have agreed to consolidate through the filing of an amended Complaint as part of this Settlement.
- P. **LWDA**: California Labor and Workforce Development Agency.
- Q. **PAGA**: The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
- R. **PAGA Enhancement Awards**: The amount the Court awards to Plaintiffs for conferring a benefit upon the State and Aggrieved Employees, which will not exceed \$5,000 each. These payments shall be paid from the Gross Settlement Amount and will not be opposed by Defendants and are being offered in consideration for Plaintiffs' efforts in litigating the Lawsuits. If the Court awards less than the amounts requested, any amount not awarded will become part of the PAGA Settlement Fund for distribution to Aggrieved Employees and LWDA on a pro-rata basis.
- S. **PAGA Notice or Notice**: The Notice of PAGA Settlement, substantially similar to the form attached hereto as **Exhibit B**, subject to Court approval, which will accompany each Individual PAGA Payment.
- T. **PAGA Representatives or Plaintiffs**: Jade Findley, Yvonne Savoji aka Yvonne Cakebread, and Gabriel Uhuru.
- U. **PAGA Settlement Fund**: The portion of the Gross Settlement Amount remaining after deduction of Plaintiffs' Counsel's attorneys' fees and costs, the PAGA Enhancement Award, and Settlement Administration Costs that is allocated to pay the LWDA and Aggrieved Employees, as part of the resolution of the claims in the Lawsuits Seventy-five percent (75%) of the PAGA Settlement Fund will be distributed to the LWDA and twenty-five percent (25%) will be distributed to Aggrieved Employees.
- V. **Parties**: Plaintiffs Jade Findley, Yvonne Savoji aka Yvonne Cakebread, Gabriel Uhuru and Defendants Avenue5 Residential LLC and Walt Smith.
- W. **Plaintiffs' Counsel or PAGA Counsel**: Michael Crosner, Zachary Crosner, Blake Jones, and Nikki Trenner of Crosner Legal, PC; Tamim Jami of The Jami Law Firm, PC; and Matthew J. Matern, Launa Adolph, and Ellie D. Goralnick of Matern Law Group, PC.
- X. **Released Claims**: The Aggrieved Employees and Plaintiffs, as representatives of the State of California and on behalf of the LWDA to the fullest extent allowed by law, fully and finally release the Released Parties from all claims that arose during the Settlement Period for civil penalties recoverable under the California Labor Code §§ 2698 *et seq.*, as alleged in Plaintiffs' respective

PAGA Notices, the operative Complaints, or any amended Complaints, including claims that reasonably arise out of or arise in connection with the claims and facts alleged in the Lawsuits, and any claims which could have reasonably been asserted in the Lawsuits arising from the alleged facts and/or primary rights alleged to have been invaded, and any claims that are premised upon or that allege violations of §§ 3(A), 4(A) – (B), 5, 7, 11, and 12 of IWC Wage Order No. 5-2001 and the California Labor Code §§ 201, 202, 203, 204, 210, 216, 218.5, 221, 222, 223, 224, 225.5, 226, 226.3, 226.7, 227.3, 233, 234, 245, 245.5, 246, 246.5, 247, 247.5, 248, 248.1, 248.2, 248.3, 248.5, 256, 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1199, 2698 *et seq.*, 2802, and 2810.5. Released Claims specifically include: claims for unpaid wages, including, but not limited to failure to pay minimum wages; failure to pay straight time compensation, overtime or double-time compensation (including failure to include all compensation in the regular rate of compensation, including without limitation commissions, bonuses, or housing benefits, and to correctly calculate and pay based on the regular rate of compensation), reporting time pay, correct payment for vacation pay, and/or interest; that meal or rest periods were not provided, were missed, late, short, interrupted, or that employees were not permitted to leave the premises during meal or rest periods, and any claim for any alleged failure to pay premiums for such meal or rest periods, or to pay such premiums at the regular rate of compensation; reimbursement for business expenses or any other claim that Defendants allowed or required employees to bear any of the costs associated with the operation of Defendants' business, including without limitation the use of personal cell phones; inaccurate or otherwise improper wage statements and/or failure to keep or maintain accurate records; unlawful deductions; secret underpayment of wages; paid sick leave, including that sick leave was calculated at an incorrect rate of pay, failure to provide required notices and accruals for paid sick leave; failure to timely pay wages upon demand, failure to timely pay all wages due twice per month, failure to pay all wages due at the time of separation, for requiring Aggrieved Employees to agree in writing to unlawful terms or conditions (including based on unlawful background checks credit checks not in conformance with California state law or federal law, and non-compete agreements), failure to provide all information as required by Labor Code section 2810.5, all claims that Avenue5 Residential LLC employed Aggrieved Employees under conditions of labor prohibited by the California Industrial Welfare Commission's Wage Orders, failure to maintain accurate business records, and any claim for attorneys' fees and costs arising out of or related to any or all of the aforementioned claims.

- Y. **Released Parties:** Defendants, Avenue5 California Inc., and each of their past, present and future agents, insurers, employees, servants, officers, directors, partners, trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and/or partnerships (defined as a company/corporation and/or partnership that is, directly or indirectly, under common control with Defendants or any of its

parents and/or affiliates), property owner clients, divisions, assigns, predecessors, successors, insurers, consultants, joint ventures, any actual or alleged joint employers, affiliates, and alter-egos, and all of their respective past, present and future employees, directors, officers, agents, insurers, attorneys, stockholders, investors, owners, fiduciaries, parents, subsidiaries, and assigns.

- Z. Settlement Administration Costs:** The costs incurred by the Settlement Administrator to administer this Settlement, which shall be allocated, subject to the Court's approval, to the Settlement Administrator for services rendered in administering the Agreement, and which the Parties agree will not exceed \$6,500. All Settlement Administration Costs shall be paid from the Gross Settlement Amount. Any amount not awarded by the Court or needed by the Settlement Administrator will be distributed to the Aggrieved Employees and LWDA on a pro-rata basis.
- AA. Settlement Administrator:** The third party administrator agreed upon by Parties to administer this Settlement is Simpluris Class Action Administration.
- BB. Settlement Period:** The time period from July 10, 2019 to November 8, 2021.
- CC. Uhuru Action:** the action entitled *Gabriel Uhuru v. Avenue5 Residential, LLC*, Riverside County Superior Court Case No. CVRI2000405, which the Parties intend to dismiss and incorporate in the Findley Action.

II. RECITALS

A. Procedural History.

1. On July 10, 2020, Plaintiff Jade Findley filed notice with the LWDA of her intent to assert claims against Defendants under the PAGA. On November 17, 2020, Plaintiff Yvonne Savoji filed notice with the LWDA of her intent to assert claims against Defendants under the PAGA.
2. The Findley Action was filed by Plaintiff Jade Findley in the Los Angeles County Superior Court on September 10, 2020. The Complaint alleged a cause of action on behalf of Plaintiff and those similarly aggrieved employees for penalties under the PAGA.
3. The Complaint was thereafter amended and filed on May 28, 2021, adding Plaintiff Yvonne Sovji aka Yvonne Cakebread and her claims to the Findley Action.
4. Defendants answered the First Amended Complaint on June 25, 2021. In their answer Defendants denied generally and specifically all claims raised in the First Amended Complaint.

5. On September 25, 2020, Plaintiff Gabriel Uhuru filed a notice with the LWDA asserting an intent to bring a PAGA claim against Avenue5. On November 30, 2020, Plaintiff Uhuru filed a Complaint against Avenue5 in Riverside County Superior Court on November 30, 2020.
6. On November 8, 2021, the Parties attended a full-day private mediation covering both the Findley Action and the Uhuru Action, with an experienced neutral mediator, and ultimately reached a settlement. Throughout the pendency of the Findley Action and Uhuru Action, the Parties engaged in extensive informal discovery of documents and information for settlement purposes, including in connection with mediation.

- B. Benefits of Settlement to the State of California and the Aggrieved Employees.** Plaintiffs and Plaintiffs' Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendants through trial and through any possible appeals. Plaintiffs and Plaintiffs' Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiffs and Plaintiffs' Counsel have conducted extensive settlement negotiations. Based on the foregoing, Plaintiffs and Plaintiffs' Counsel believe the settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the State of California and Aggrieved Employees.
- C. Defendants' Reasons for Settlement.** Defendants have concluded that any further defense of this litigation would be protracted and expensive for all Parties. Defendants have devoted substantial amounts of time, energy and resources to the defense of the claims asserted in the Lawsuits and, unless this Settlement is made, will continue to do so for the foreseeable future. In addition to the foregoing, Defendants also recognize the uncertainty and risk of the outcome of further litigation. For these reasons, Defendants have agreed to settle the matter upon the terms set forth in this Settlement Agreement, to put to rest the claims as set forth in the Lawsuits.
- D. Defendants' Denial of Wrongdoing.** Defendants have denied and continue to deny each of the claims and contentions alleged in the Lawsuits. Defendants have repeatedly asserted and continued to assert defenses thereto, and have expressly denied and continues to deny any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Lawsuits. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is or may be construed as, or may be used as an admission, concession, or indication by or against Defendants or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. There

has been no final determination by any court as to the merits of the claims asserted by Plaintiffs against Defendants.

- E. **Plaintiffs' Claims.** Plaintiffs assert that Defendants' defenses are without merit. Neither this Agreement nor any documents referred to or contemplated herein, nor any action taken to carry out this Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiffs, Plaintiffs' Counsel, the State of California, or the Aggrieved Employees as to the merits of any claims or defenses asserted, or lack thereof, in the Action.

III. **SETTLEMENT TERMS AND CONDITIONS**

- A. **Gross Settlement Amount.** The Gross Settlement Amount includes: (1) the PAGA Settlement Fund to the LWDA and the Aggrieved Employees; (2) Plaintiffs' Counsel's Fee Award and Cost Award, as approved by the Court; (3) the PAGA Enhancement Awards paid to the PAGA Representatives, as approved by the Court; and (4) the Administration Costs, as approved by the Court. The Gross Settlement Amount is inclusive of attorneys' fees, costs, and expenses directly related to the Lawsuits.

1. **Deductions.**

- a. **To the Plaintiffs:** In addition to Plaintiffs' Individual PAGA Payments, and subject to the Court's approval, Plaintiffs will seek PAGA Enhancement Awards of \$5,000.00 each to Plaintiffs Findley, Savoji, and Uhuru, which will be consideration for Plaintiffs' efforts in the Lawsuits. The Settlement Administrator will pay the PAGA Enhancement Awards out of the Gross Settlement Amount. Payroll tax withholdings and deductions will not be taken from the PAGA Enhancement Awards. IRS Form 1099 will be issued to Plaintiffs with respect to the PAGA Enhancement Awards.
- b. **To Plaintiffs' Counsel:** Plaintiffs' Counsel will apply to the Court for, and Defendants agree not to oppose, a total Fee Award not to exceed one-third (1/3) of the Gross Settlement Amount, or \$153,333.33 and a Cost Award not to exceed \$35,000. The Settlement Administrator will pay the court-approved amounts for the Fee Award and Cost Award out of the Gross Settlement Amount. Payroll tax withholding and deductions will not be taken from the Fee Award or the Cost Award. IRS Forms 1099 will be issued to Plaintiff's Counsel with respect to the Fee Award. Defendants reserve the right to challenge Plaintiffs' Counsel's requests for fees and costs if the request exceeds the parameters established in this Agreement. Any unused portion of the attorneys' fees and/or costs shall be distributed to the Aggrieved Employees and LWDA on a pro-rata basis. The Fees Award shall be

divided as follows: 42.5% to Crosner Legal, PC; 20% to the Jami Law Firm, PC, and 37.5% to the Matern Law Group, PC. The Costs Award shall be divided as follows: 42.5% to Crosner Legal, PC; 20% to the Jami Law Firm, PC, and 37.5% to the Matern Law Group, PC.

Neither Plaintiffs' Counsel nor any other current or past counsel for Named Plaintiffs shall be permitted to petition the Court for, or accept, any additional payments for fees, costs, or interest, and the Fee Award and Cost Award shall be for all claims for attorneys' fees and costs whenever incurred, including past and present fees and costs incurred in the Lawsuits to date and through and including the Effective Date, as well as final distribution of all payments under this Settlement Agreement and through and after final judgment. Upon the date Defendant funds the Settlement, payment of the Fee Award and Cost Award to Plaintiffs' Counsel as set forth herein shall constitute full satisfaction of the obligation to pay any amounts to any person, attorney or law firm for attorneys' fees, expenses or costs in the Lawsuits incurred by any attorney on behalf of Named Plaintiffs and any Aggrieved Employees, and shall relieve the Aggrieved Employees, Defendants, the Settlement Administrator, and Defendants' Counsel of any other claims or liability to any other attorney or law firm for any attorneys' fees, expenses and/or costs to which any of them may claim to be entitled on behalf of Named Plaintiffs or the Aggrieved Employees in connection with the claims released in this Settlement.

- c. **To the Settlement Administrator.** Settlement Administration Costs incurred by the Settlement Administrator, not to exceed \$6,500, in administering this Settlement shall be deducted from the Gross Settlement Amount, subject to the Court's approval. Any amount not awarded by the Court or needed by the Settlement Administrator will be distributed to the Aggrieved Employees and LWDA on a pro-rata basis.
 - d. The remainder of the Gross Settlement Amount after deducting the items (a), (b), and (c) herein shall be designated as the PAGA Settlement Fund to be allocated between the LWDA and the Aggrieved Employees pursuant to Labor Code section 2699(i) with 75% paid to the LWDA and 25% paid to the Aggrieved Employees on a pro-rata basis.
2. **PAGA Settlement Fund.** The PAGA Settlement Fund shall consist of the Gross Settlement Amount minus the Settlement Administration Costs, PAGA Representative Enhancements, and Attorneys' Fees and Costs as described herein. Pursuant to the PAGA, seventy-five percent (75%) of the PAGA Settlement Fund will be paid to the LWDA and the remaining twenty-five (25%) of the PAGA Settlement Fund will be paid to the Aggrieved Employees pursuant to the calculation method set forth below.

- a. **Individual PAGA Payments.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual PAGA Payment from the PAGA Settlement Fund to each Aggrieved Employee.
- i. **Individual PAGA Payment Calculation.** All Aggrieved Employees, including Plaintiffs, will receive an Individual PAGA Payment. The amount of each Aggrieved Employee's Individual PAGA Payment will be calculated based upon the total number of pay periods each Aggrieved Employee worked for Avenue5 Residential LLC during the Settlement Period, as set forth below. Individual Pay Periods worked by exempt employees will equal one-seventh (1/7) of a pay period. Individual Pay Periods worked by non-exempt employees will equal 100% of a pay period. To determine each Aggrieved Employee's portion of the PAGA Settlement Fund, the Settlement Administrator shall use the following definitions: (a) "Aggrieved Employee Portion of PAGA Settlement Fund" is the PAGA Settlement Fund multiplied by .25; (b) "Aggrieved Employee's Individual PAGA Payment" is the Aggrieved Employee Portion of PAGA Settlement Fund multiplied by (Aggrieved Employees' Individual Pay Periods divided by Total Pay Periods (defined below)); and (c) "Total Pay Periods" is the total number of pay periods worked by non-exempt employees plus (total number of pay periods worked by exempt employees multiplied by 1/7).
- ii. **Tax Withholdings.** One hundred percent (100%) of each Individual PAGA Payment shall be allocated as miscellaneous income for which an IRS Form 1099 will be issued by the Settlement Administrator, if and to the extent required by law.
- b. **Defendants' Representations.** Defendants represent that from July 10, 2019 to November 8, 2021, non-exempt Aggrieved Employees worked a total of approximately 12,592 Pay Periods and exempt Aggrieved Employees worked a total of approximately 2,643 Pay Periods. If the stated Pay Periods as of November 8, 2021 exceed 10% of the total estimated Pay Periods (exempt and nonexempt), the Gross Settlement Amount shall be increased automatically in proportion to the pay period value.

B. **Appointment of Settlement Administrator.** Solely for the purposes of this Settlement, the Parties stipulate and agree to the appointment of the Settlement Administrator. The Settlement Administrator shall be responsible for performing

skip traces and NCOA searches on Aggrieved Employees' addresses; preparing and mailing Notices and Individual PAGA Payment checks to Aggrieved Employees; calculating each Aggrieved Employee's Individual PAGA Payment; providing a declaration for submission to the Court prior to the Settlement Approval hearing; calculating and mailing the LWDA's portion of the PAGA Settlement Fund to the LWDA; distributing the Fee Award and Cost Award to Plaintiffs' Counsel; calculating and paying amounts owed, if any, to the appropriate tax authorities; printing and providing Aggrieved Employees and Plaintiffs with 1099 forms as required under this Agreement and applicable law; providing a due diligence/post-disbursement declaration for submission to the Court upon the completion of the Settlement; providing any funds remaining as a result of uncashed checks to the State Controller's Unclaimed Property Fund in the Aggrieved Employee's name, and for such other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

C. Procedure for Approving Settlement.

1. Amending the Complaint.

- a. Prior to filing Plaintiffs' Motion for Approval of PAGA Settlement, the Parties agree to stipulate to permit Plaintiffs leave to file their Second Amended Complaint in the Action, adding Plaintiff Gabriel Uhuru and his claims and clarifying language regarding reporting time pay and employee housing. This stipulation will also request that the Court deem the Second Amended Complaint responded to via Defendants' Answer on file.
- b. Plaintiffs agree to submit a copy of the Second Amended Complaint to the LWDA prior to filing it. Within 15 days of the court's approval of permitting Plaintiffs to file the above-referenced Second Amended Complaint in the Findley Action, Plaintiffs will seek dismissal of the Uhuru Action. The Parties will work cooperatively and do all things necessary to give effect to the terms of this provision, which could include additional submissions to the LWDA if necessary to exhaust PAGA claims.

2. Motion for Settlement Approval.

- a. Plaintiffs will move for an order granting approval of the Settlement.
- b. The Settlement shall be submitted by Plaintiffs to the LWDA within the time limits prescribed by law.

- c. At the Settlement Approval hearing, the Plaintiffs will appear, support the granting of the motion, and submit a proposed order granting approval of the Settlement.
 - d. **Effect of Denial of Settlement Approval.** Should the Court decline to approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it. Provided, however, that the amounts of the Fee Award, Cost Award, Settlement Administration Costs, and PAGA Enhancement Awards shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, and that the Court's approval or denial of any amount requested for these items are not conditions of this Settlement Agreement, and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement. Any order or proceeding relating to an application for the Fee Award, Cost Award, Settlement Administration Costs, and PAGA Enhancement Awards shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiffs' or Plaintiffs' Counsel's ability to appeal any decision by the Court to award less than the requested PAGA Enhancement Awards, Fee Award, or Cost Award. In the event that the Court reduces or does not approve the requested Fee Award, Cost Award, or PAGA Enhancement Awards, Plaintiffs and Plaintiffs' Counsel shall not have the right to modify or revoke the Settlement, nor will Plaintiffs or Plaintiffs' Counsel seek, request, or demand an increase to the Gross Settlement Amount on that basis.
 - e. **Proposed Order and Judgment.** Simultaneous with the filing of this Settlement Agreement, and solely for the purposes of this Settlement, Named Plaintiffs will request the Court to enter the Approval Order (attached as **Exhibit A**), requesting that the Court enter judgment and retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith as may be appropriate under Court rules and applicable law.
3. **Notice and Disbursement to Aggrieved Employees.** After the Court enters its Approval Order, every Aggrieved Employee will be provided with a Notice (attached as **Exhibit B**) accompanying the Aggrieved Employee's Individual PAGA Payment check in accordance with the following procedure:

- a. **Employee List.** Within thirty (30) days of the Effective Date, Defendants shall deliver to the Settlement Administrator the Employee List. If any or all of this information is unavailable to Defendants, Defendants will so inform Plaintiffs' Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon how to deal with the unavailable information. The Settlement Administrator will conduct a skip trace for the address of all Aggrieved Employees who are former employees and an NCOA search on all addresses. The Settlement Administrator shall maintain the Employee List and all data contained within the Employee List as private and confidential.
- b. **Funding the Settlement:** Defendants shall wire to the Settlement Administrator the Gross Settlement Amount within 30 days of the Effective Date.
- c. **Settlement Administrator's Disbursement Duties.** Subject to the Court's approval of the Settlement, the Settlement Administrator shall distribute funds pursuant to the terms of this Agreement and the Court's approval order and judgment. The Settlement Administrator shall keep Defendants' Counsel and Plaintiffs' Counsel apprised of all distributions from the Gross Settlement Amount. The Settlement Administrator shall respond to questions from Defendants' Counsel and Plaintiffs' Counsel.
- d. **Disbursement.** Fourteen (14) days after Defendants wire the Gross Settlement Amount, the Settlement Administrator shall disburse: (1) the PAGA Enhancement Awards paid to the PAGA Representatives, as approved by the Court; (2) the Fee Award and Cost Award to Plaintiffs' Counsel for attorneys' fees and costs, as approved by the Court; (3) the Settlement Administration Costs, as approved by the Court; and (4) the PAGA Settlement Fund, as approved by the Court. No person shall have any claim against Defendants, Defendants' Counsel, Plaintiffs, Plaintiffs' Counsel, or the Settlement Administrator based on the distributions and payments made in accordance with this Agreement.
- e. **Returned Notices and Checks.** If a Notice and Individual PAGA Payment are returned because of an incorrect address, within five (5) business days from receipt of the returned Notice, the Settlement Administrator will conduct a search for a more current address for the Aggrieved Employee using skip traces, re-mail the Notice and Individual PAGA Payment check to the Aggrieved Employee if such address is found, will track all undelivered mail, and will note for its own records the date and address of each re-mailing.

4. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms and conditions of this Agreement, then the Parties and their respective counsel waive any and all rights to appeal from the Judgment, including, but not limited to, all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the Judgment will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceeding, or post-judgment proceeding.
5. **Vacating, Reversing, or Modifying Judgment on Appeal.** If, after a notice of appeal, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then this Settlement will become null and void and the Parties will have no further obligations under it. A material modification would include, but not necessarily be limited to, any alteration of the Gross Settlement Amount or an alteration in the calculation of the PAGA Settlement Fund.
6. **Final Report by Settlement Administrator.** Within ten (14) days after the disbursement of all funds, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds.
7. **Uncashed Checks.** Aggrieved Employees must cash or deposit their Individual PAGA Payment checks within one hundred and eighty (180) calendar days after the checks are issued.
 - a. **Reminder Postcard.** If any checks are not cashed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced.
 - b. If any checks remain uncashed or not deposited by the expiration of the 90-day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, cancel the checks. All funds associated with the Individual PAGA Payment checks returned as undeliverable and funds associated with those Individual PAGA Payment checks remaining un-cashed, shall be distributed to the State Controller's Unclaimed Property Fund in the Aggrieved Employee's name.

8. **Defendants' Legal Fees.** Defendants are responsible for paying for all of Defendants' own legal fees, costs, and expenses incurred in this Action outside of the Gross Settlement Amount.

D. **Release of Claims.** As of the date Defendants fund the Gross Settlement Amount, Plaintiffs and the Aggrieved Employees release the Released Parties from the Released Claims. Plaintiffs and the Aggrieved Employees agree not to sue or otherwise make a claim against any of the Released Parties for any of the Released Claims. The express purpose of this settlement is to forever bar Plaintiffs and any Aggrieved Employee from acting on behalf of or purporting to act on behalf of the LWDA from asserting any of the Released Claims in any future litigation. It is the intent of the Parties that, to the greatest extent provided by law, including under the holding of *Arias v. Superior Court*, 46 Cal.4th 969, 986 (2009), the ability of Plaintiffs or any Aggrieved Employee to bring a PAGA claim on behalf of the LWDA arising from the Released Claims occurring during the Settlement Period is completely and forever foreclosed. Any Party to this Settlement Agreement may use the Settlement Agreement to assert that this Settlement and the judgment entered by the Court following approval bars any later-filed action asserting the Released Claims against any of the Released Parties during the Settlement Period.

E. **Miscellaneous Terms.**

1. **No Effect on Employee Benefits.** The PAGA Enhancement Awards and/or Individual PAGA Payments paid to Plaintiffs and the Aggrieved Employees shall not be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g., vacation, holiday pay, retirement plans, etc.) of Plaintiffs or the Aggrieved Employees. The Parties agree that any PAGA Enhancement Awards and/or Individual PAGA Payments paid to Plaintiffs or the Aggrieved Employees under the terms of this Agreement do not represent any modification of Plaintiffs' or the Aggrieved Employees' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendants. Further, any PAGA Enhancement Award shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendants.
2. **No Press.** The Parties and their counsel agree that they will not issue any press releases or announcements related to this Settlement, initiate any contact with the press, respond to any press inquiry or have any communications with the press about the facts, amount or terms of the Settlement prior to approval. Plaintiffs and Plaintiffs' Counsel agree that, prior to final court-approval of the Settlement, they will keep the terms of the Settlement confidential except for purposes of communicating with each

other only. From and after approval of the Settlement, Plaintiffs and Plaintiffs' Counsel may: (1) as required by law; (2) as required under the terms of the Settlement; or (3) as required under counsel's duties and responsibilities as Plaintiffs' Counsel, comment regarding the specific terms of the Settlement. In all other cases, Plaintiffs and Plaintiffs' Counsel agree to limit their statements regarding the terms of the Settlement, whether oral, written or electronic (including the world wide web), to say the Action have been resolved and that Plaintiffs and Plaintiffs' Counsel are satisfied with the settlement terms. Nothing in this Paragraph is intended to interfere with Plaintiffs' Counsel's duties and obligations to faithfully discharge their duties as Plaintiffs' Counsel, including but not limited to, communicating with Aggrieved Employees regarding the Settlement to the extent required by law.

3. **Privacy of Documents and Information.** Plaintiff's and Plaintiff's Counsel agree that none of the documents and information provided to them by Defendants shall be used for any purpose (including in any other litigation) other than settlement of the Action.
4. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
5. **Authorization to Enter Into Settlement Agreement.** Plaintiffs' Counsel and Defendants' Counsel warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Agreement.
6. **Exhibits and Headings.** The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written. The

descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

7. **Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Settlement Approval hearing to be conducted by the Court.
8. **Amendment or Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.
9. **Agreement Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.
10. **No Prior Assignment.** Plaintiffs hereby 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.
11. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
12. **Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
13. **No Tax or Legal Advice.** The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Agreement, and that Aggrieved Employees will assume any such tax obligations or consequences that may arise from this Agreement, and that Aggrieved Employees shall not seek any indemnification from the Parties or any of the Released Parties in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Aggrieved Employee, such Aggrieved Employee assumes all responsibility for the payment of such taxes. Neither Named Plaintiffs' nor Plaintiffs' Counsel, Defendants, Defendants' Counsel or the Settlement Administrator shall

have any responsibility for any employee tax obligations resulting from treatment of such payments as non-taxable damages. The Parties further acknowledge and agree that each Party is relying solely on its own tax advice, and has not received or obtained tax advice from any other Party.

14. Invalidity of Any Provision; Severability. Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

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

16. 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 or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

17. Jurisdiction. The Court shall retain jurisdiction with respect to the interpretation, implementation and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith.

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel execute this Agreement.

Dated: 05 / 03 / 2022

JADE FINDLEY

Jade Findley

Plaintiff Jade Findley

Dated: _____

YVONNE SAVOJI

Plaintiff Yvonne Savoji

Dated: _____

GABRIEL UHURU

Plaintiff Gabriel Uhuru

Dated: _____

AVENUE5 RESIDENTIAL LLC

Defendant Avenue5 Residential LLC
Name: Pal Ottesen
Title: CFO

Dated: _____

WALT SMITH

Defendant Walt Smith

Dated: 05/03/2022

CROSNER LEGAL, PC


Michael Crosner, Esq.
Zachary Crosner, Esq.
Blake Jones, Esq.
Nikki Trenner, Esq.
Attorneys for Plaintiff Jade Findley

Plaintiff Jade Findley

Dated: Apr 14, 2022

YVONNE SAVOJI



Yvonne Calabread Savoji (Apr 14, 2022 13:29 PDT)

Plaintiff Yvonne Savoji

Dated: _____

GABRIEL UHURU

Plaintiff Gabriel Uhuru

Dated: _____

AVENUE5 RESIDENTIAL LLC

Defendant Avenue5 Residential LLC
Name: Pal Ottesen
Title: CFO

Dated: _____

WALT SMITH

Defendant Walt Smith

Dated: _____

CROSNER LEGAL, PC

Michael Crosner, Esq.
Zachary Crosner, Esq.
Blake Jones, Esq.
Nikki Trenner, Esq.
Attorneys for Plaintiff Jade Findley

Plaintiff Jade Findley

Dated: _____

YVONNE SAVOJI

Plaintiff Yvonne Savoji

Dated: 04/25/2022

GABRIEL UHURU



Gabriel Uhuru (Apr 25, 2022 14:41 PDT)

Plaintiff Gabriel Uhuru

Dated: _____

AVENUE5 RESIDENTIAL LLC

Defendant Avenue5 Residential LLC
Name: Pal Ottesen
Title: CFO

Dated: _____

WALT SMITH

Defendant Walt Smith

Dated: _____

CROSNER LEGAL, PC

Michael Crosner, Esq.
Zachary Crosner, Esq.
Blake Jones, Esq.
Nikki Trenner, Esq.
Attorneys for Plaintiff Jade Findley

Plaintiff Jade Findley

Dated: _____

YVONNE SAVOJI

Plaintiff Yvonne Savoji

Dated: _____

GABRIEL UHURU

Plaintiff Gabriel Uhuru

Dated: 5/3/2022

AVENUE5 RESIDENTIAL LLC

DocuSigned by:
 _____
7969217002A8405... nue5 Residential LLC
Name: Pal Ottesen
Title: CFO

Dated: _____

WALT SMITH

Defendant Walt Smith

Dated: _____

CROSNER LEGAL, PC

Michael Crosner, Esq.
Zachary Crosner, Esq.
Blake Jones, Esq.
Nikki Trenner, Esq.
Attorneys for Plaintiff Jade Findley

Plaintiff Jade Findley

Dated: _____

YVONNE SAVOJI

Plaintiff Yvonne Savoji

Dated: _____

GABRIEL UHURU

Plaintiff Gabriel Uhuru

Dated: _____

AVENUE5 RESIDENTIAL LLC

Defendant Avenue5 Residential LLC

Name: Pal Ottesen

Title: CFO

Dated: 5/12/2022 _____

WALT SMITH

DocuSigned by:



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Defendant Walt Smith

Dated: _____

CROSNER LEGAL, PC

Michael Crosner, Esq.

Zachary Crosner, Esq.

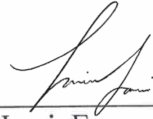
Blake Jones, Esq.

Nikki Trenner, Esq.

Attorneys for Plaintiff Jade Findley

Dated: April 24, 2022

THE JAMI LAW FIRM P.C.



Tamim Jami, Esq.
Attorneys for Plaintiff Yvonne Savoji

Dated: _____

MATERN LAW GROUP, PC

Launa Adolph, Esq.
Attorneys for Plaintiff Gabriel Uhuru

Dated: _____

**SHEPPARD, MULLIN, RICHTER &
HAMPTON LLP**

Jennifer Redmond
Gal Gressel
Attorneys for Defendants Avenue5 Residential LLC
and Walt Smith

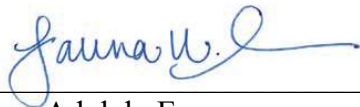
Dated: _____

THE JAMI LAW FIRM P.C.

Tamim Jami, Esq.
Attorneys for Plaintiff Yvonne Savoji

Dated: April 25, 2022

MATERN LAW GROUP, PC



Launa Adolph, Esq.
Attorneys for Plaintiff Gabriel Uhuru

Dated: _____

**SHEPPARD, MULLIN, RICHTER &
HAMPTON LLP**

Jennifer Redmond
Gal Gressel
Attorneys for Defendants Avenue5 Residential LLC
and Walt Smith

Dated: _____

THE JAMI LAW FIRM P.C.

Tamim Jami, Esq.
Attorneys for Plaintiff Yvonne Savoji

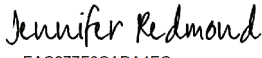
Dated: _____

MATERN LAW GROUP, PC

Launa Adolph, Esq.
Attorneys for Plaintiff Gabriel Uhuru

Dated: 5/5/2022

**SHEPPARD, MULLIN, RICHTER &
HAMPTON LLP**

DocuSigned by:

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JENNIFER REDMOND

Gal Gressel
Attorneys for Defendants Avenue5 Residential LLC
and Walt Smith